



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

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Subject: Managed Forest Law Certified Group

Dear MFL Landowner:

In 2005, the Managed Forest Law (MFL) program received certification under the American Tree Farm System (Tree Farm) Group Forest Certification program. In response to marketplace demands and as an added benefit to MFL participants, the Department of Natural Resources (DNR) is now planning to expand the MFL Certified Group to include certification under Forest Stewardship Council (FSC) standards. DNR would like to inform you about FSC certification and provide you with the opportunity not to be identified with the MFL Certified Group if you disagree with any aspect of the voluntary program.

Both Tree Farm and FSC identify well-managed forests that provide environmental, social and economic benefits. Independent SmartWood®-FSC auditors completed a field review of the MFL-Tree Farm Group program in early March and provided DNR with a final report in July. They were pleased with the quality of forest management practiced by Wisconsin MFL landowners and found the MFL program to be in basic conformance with the FSC standards. The auditors are recommending pending certification to be offered upon completion of a few preconditions, including notice to you about the certification program.

As a landowner in the MFL program, your tax law entry will be included automatically as part of the dual Tree Farm-FSC registered MFL Certified Group (unless you previously opted out). No additional action is needed from you. DNR will apply for Tree Farm and FSC certification on your behalf. By belonging to the dual Tree Farm-FSC MFL Certified Group, you agree to abide by Tree Farm and FSC standards and DNR policies described in the MFL handbook as long as the MFL program has valid certifications. These standards are summarized below. Remember, there are no membership costs to you. DNR pays all certification audit and license fees. *Participation in the dual Tree Farm-FSC MFL Certified Group is voluntary.*

If you prefer that DNR not apply for Tree Farm and FSC certification of your MFL land, you can file a MFL Certified Group Departure Form. Departing from the MFL Certified Group would not jeopardize your ability to keep your land under the statutory MFL program. The MFL Certified Group Departure Form (2450-191) is available on the DNR Internet or from your local DNR forester.

If you previously opted out of certification, no additional action is needed if you would like your land to remain out of the MFL Certified Group. You are, however, welcome to reactivate MFL Certified Group membership with Form 2450-192, which is located on the DNR Internet. Since the MFL Certified Group was started in 2005, only about 600 out of nearly 40,000 MFL parcels have chosen not to be identified under forest certification. Over 98% of MFL parcel owners chose to accept Tree Farm certification. Hopefully, you will agree that adding FSC certification is also valuable.

Tree Farm and FSC certification is something you can be proud of and may become an important distinction for forest products that you harvest under your MFL forest stewardship plan. There is growing demand for certified timber from Wisconsin forest industries responding to changing global markets.

State leaders want to keep responsible wood-using industries in Wisconsin, save jobs and protect landowners' ability to sell timber. For those and other reasons, the DNR took steps to secure Tree Farm and FSC certification for MFL tracts with 10 to 2,470 total acres and site-specific forest management plans.

What are benefits of membership in the MFL Certified Group? Among the highlights:

- The ability to sell timber in the certified marketplace. Many wood-using industries here and around the world buy certified wood as evidence to consumers that forested lands are well-managed and that their raw materials come from legal sources. Market trends indicate that it may become difficult to sell your wood if it is not certified. Although only time will tell, certification could result in some price premiums.
- Future ability to participate in carbon markets. You might have heard that some landowners receive payments through carbon sequestration markets for growing and maintaining forests. Carbon credit payments are relatively new but are predicted to become more common as U.S. efforts to control air pollution and climate change evolve. Current and future carbon markets will likely require forest certification as a prerequisite to receiving carbon payments.
- Potentially, a better logging job in your woodlands. Loggers who wish to take certified wood products to market get additional training and implement harvests in a sustainable way. Less damage to remaining trees and roads and more attention to protecting clean water may result if loggers know that your forestland is monitored in a certified group.
- An opportunity to educate your neighbors and the public about the importance of well-managed private forests. Tree Farm and FSC are widely recognized symbols of responsible forestry. Your participation in the MFL Certified Group will strengthen the message that private lands play a critical role in protecting our environment and serving the needs of society. *With over 40,000 potential members, the MFL Certified Group would be the largest, Tree Farm-FSC certified "family forest" initiative in the world.*

FSC and Tree Farm certification involves responsibilities including conformance to Tree Farm and FSC standards, some of which might go beyond those stipulated in MFL statutes or administrative rules or other state, federal or local laws. See the MFL Certified Group Handbook available at the DNR Internet link below for full program requirements. Unique responsibilities in the Tree Farm or FSC standards that surfaced in the audit reports include:

1. **Allowing access for MFL Group forest certification field audits.** DNR, Tree Farm and FSC reviewers select a small sample (30-50 per year) of MFL parcels to visit. The sites they select will usually have had a recent harvest. The audit teams always provide advance notice if they intend to visit your land.
2. **Using pesticides (when needed) that are not prohibited by FSC.** The FSC standard considers a few chemicals too poisonous to use in forests, mainly because of persistence problems. If MFL Certified Group members need to use a pesticide, they agree to find alternative products that are not on the FSC highly-hazardous list. DNR and Cooperating foresters also cannot prescribe prohibited pesticides. Information about FSC-prohibited chemicals is available on the DNR Internet.
3. **Not planting Genetically Modified Organisms (GMO) in the forest.** GMOs are created through gene splicing, not traditional breeding, and are prohibited by FSC since their effect on the environment is unknown. Currently, no GMO forest plants or trees have been

- approved by the United States Department of Agriculture, although GMO agricultural crops (like Roundup® Ready corn) are fairly common. The GMO restriction only applies to forests, not to fields outside of your MFL lands.
4. **Keeping forest products harvested from MFL Certified Group land separate from products harvested from non-MFL Certified Group land during commercial harvest operations.** Forest certification programs prohibit attempts to sell non-certified wood under a certification claim.
 5. **Adhering to Wisconsin Forestry Best Management Practices (BMPs).** BMPs are voluntary (not legal regulations), but MFL Certified Group members are expected to abide by them. BMPs are specific recommended practices to protect water quality and minimize the spread of invasive species impacting the forest.
 6. **Including liability insurance and safety requirements in timber sale contracts.** MFL statutes don't mandate loggers to have liability insurance or safety training, but it's a good idea for your protection and is expected under FSC and Tree Farm certification.
 7. **Keeping records if landowners conduct commercial harvests of Non-Timber Forest Products (NTFP).** If you sell maple syrup, medicinal plants or other NTFPs, state and federal income tax laws already require that you keep records. FSC reviewers might ask you if you do.
 8. **Using the Tree Farm and FSC logos in conformance with their trademark policies.** Tree Farm and FSC have policies about using their logos, which you should follow.

The DNR Forestry Internet page at <http://dnr.wi.gov/forestry/certification/MFL.html> contains additional information about forest certification. The Internet page includes links to the full MFL audit report, the FSC Lake States Standard and the Tree Farm standard.

Again, your land will be included as part of the MFL Certified Group (unless you depart or have already departed from group certification). If you elect to depart from the group, we'd appreciate your response by October 10, although you can disassociate from certification at any time if you wish. **If you choose to remain in the MFL Certified Group, you need not reply!**

Third party forest certification is becoming a standard in the wood-using industry, and it is my hope that you will be a MFL Certified Group member. Tree Farm and FSC certification for MFL is also an opportunity for you to take credit for applying sustainable practices that are ecologically responsible, socially beneficial, and economically valuable.

Sincerely,



Paul DeLong
Wisconsin Chief State Forester

Cc: DNR Service Foresters
Forestry Leadership Team
Bob Simpson, ATFS
Kara Wires SmartWood-FSC

Forest Tax & Stewardship News

The Forest Tax & Stewardship Newsletter is going electronic! This publication was normally mailed out to forest tax law program landowners twice a year. Due to a lack of funding, the newsletter will no longer be available in hard copy.

The fall 2008 edition of the newsletter is now posted online. Go online to read the current newsletter and to sign up to receive future forest tax news through e-mail! Visit our newsletter site at:
<http://www.dnr.wi.gov/forestry/ftax/newsletters/index.htm>

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