

NATURAL RESOURCES BOARD AGENDA ITEM

SUBJECT: Request authorization for public hearing for Board Order FR-09-09, revisions to NR46, related to stumpage rates and administration of the MFL program.

FOR: MARCH 2009 **BOARD MEETING**

TO BE PRESENTED BY: Kathryn J. Nelson, Forest Tax Section Chief

SUMMARY:

A hearing is being requested to present the proposed stumpage rate changes in NR46, Wis. Admin. Code, including:

1) Annual Stumpage Rate Adjustments. Section 77.06 (2) and 77.91 (1), Wis. Stats., require that the department establish stumpage rates used in calculating severance and yield taxes on timber harvested from land enrolled in the Forest Crop Law (FCL) and Managed Forest Law (MFL). Thirteen separate zones reflect varying stumpage rates for different species and products across the state. The average change from current rate is a 3% increase for saw timber, a 1% increase for pulpwood. There is no change in piece products. Two new stumpage tables are created to collect stumpage and yield taxes if timber is sold by weight (tons). The new tables also include stumpage values for biomass.

2) Changes to NR 46.16(5) would change the process regarding when to allow for MFL entries to include multiple municipalities.

3) Changes to NR 46.18(5)(a)1., NR 46.18(5)(a)2. and NR 46.18(5)(a)3. would change when management plans received by the July 1 application deadline would need to be returned to the department for approval.

RECOMMENDATION: Approve hearing request for Board Order FR-09-09.

LIST OF ATTACHED MATERIALS:

- | | | | | | |
|----|-------------------------------------|---|-----|-------------------------------------|----------|
| No | <input type="checkbox"/> | Fiscal Estimate Required | Yes | <input checked="" type="checkbox"/> | Attached |
| No | <input checked="" type="checkbox"/> | Environmental Assessment or Impact Statement Required | Yes | <input type="checkbox"/> | Attached |
| No | <input type="checkbox"/> | Background Memo | Yes | <input checked="" type="checkbox"/> | Attached |

APPROVED:

/s/
Bureau Director, Rober J. Mather

2/16/09
Date

/s/
Administrator, Paul J. DeLong

2/23/09
Date

/s/
Secretary, Matt Frank

3/09/09
Date

cc: Laurie J. Ross - AD/8
Kathy Nelson - FR/4

Paul DeLong - AD/5

Robert Mather - FR/4

DATE: February 14, 2009

TO: Christine L. Thomas, Chair
Jonathan P. Ela, Vice-Chair
John W. Welter, Chair (Land Management, Recreation and Fisheries/Wildlife Committee)

FROM: Matt Frank

SUBJECT: Background Memo Relating to Changes in NR 46

Subject/Objective of the Proposed Rule

Amendments to NR 46 to address the annual adjustments of timber stumpage values and other administrative changes relating to the Managed Forest Law (MFL).

1. Why is the rule being proposed?

Changes to NR 46 are done annually to update the stumpage values used to collect yield taxes for lands entered under the Forest Crop Law (FCL) and Managed Forest Law (MFL) programs. Additional changes to streamline the MFL program are being done to clarify how the department will administer the entry of lands that span municipal lines, create a draft deadline date for plans submitted for the current July 1 deadline and change the deadline for when completed and approved management plans are returned back to the department.

2. Summary of the Rule

Annual Stumpage Rates

Amendments to NR 46 occur on an annual basis to update timber stumpage values. Section 77.06(2) and 77.91(1), Wis. Stats. require that the department establish stumpage rates used in calculating severance and yield taxes on timber harvested from land enrolled in the Forest Crop Law (FCL) and Managed Forest Law (MFL). The rule would repeal NR 46.30(2)(a) to (d) and recreate NR 46.30(2)(a) to (f). to revise the stumpage rates used in calculating severance taxes and yield taxes for timber harvested during the period of November 1, 2009 and October 31, 2010. Thirteen separate zones reflect varying stumpage rates for different species and products across the state. The average change from the current rate is a 3% increase for saw timber, and a 1% increase pulpwood. There is no change in piece products prices. Private timber sales were used in calculating the proposed stumpage rates. Two new stumpage tables are created to collect stumpage and yield taxes if the timber is sold by weight (tons). The new tables also include stumpage values for biomass.

The new tables based on weight (tons) are being included in NR 46 to reflect the business processes of Wisconsin's mills. Many pulp mills purchase pulpwood products based on weight instead of the measured cordwood volume. Landowners who are paid by weight from the mill will no longer need to convert their weight to cords for reporting their harvested volumes when under the FCL or MFL program.

Multiple Municipalities

Changes to NR 46.16(5) would redefine when MFL entries will include multiple municipalities. 2005 Wisconsin Act 299 had removed the eligibility requirement that lands must consist of at least 10 contiguous acres in a single municipality. With the municipal line requirement removed, lands that span municipal lines, including township, village, city and county lines, may be entered into the MFL program as long as they meet eligibility requirements.

DNR removed the NR 46 statements to eliminate municipal lines in 2007 to comply with 2005 Wisconsin Act 299. Removing of this language in administrative code caused all lands that are applied for entry in one year by the same owner to be entered under the same order number. Landowners who have lands in separate counties are required to have one application and one management plan. Difficulties rise when lands in different counties (for example Ashland, Price, Taylor and Marathon Counties) are entered into the MFL program as one entry. Certified plan writers are not certain how to charge for management plan writing services and DNR Foresters are uncertain how the lands will be administered.

Since it appears that the legislative intent was to allow a landowner's adjacent lands that do not meet the eligibility requirements per municipality to be entered under MFL, an argument can be made that a landowner's land that does meet the eligibility requirement per municipality can and should be entered under its own MFL order.

To simplify entry and administration of MFL land, the rule change would require entries of land per municipality except in cases where adjacent lands must cross municipality lines to meet eligibility requirements.

Management Plan Deadline Dates

Finally, changes to NR 46.18(5)(a)1., NR 46.18(5)(a)2. and NR 46.18(a)3. would change the dates when management plans received by the July 1 application deadline would need to be returned to the department for approval. Currently certified plan writers must submit a completed and approved management plan to the department by the second July 1 after the landowner's initial application is received by the department. A high percentage of the plans prepared by certified plan writers need minor adjustments or corrections before they can be approved. Creation of a draft deadline plan deadline date would allow for any corrections to be made prior to the final deadline. This change to NR 46 suggests a June 1 draft deadline date, with completed and approved plans to be returned on or before August 15. These deadline dates increase the time available for certified plan writers to finalize their work.

Landowners with management plans prepared by DNR foresters must currently return their signed management plans by August 1. A change in this deadline to August 15 is proposed to make the certified plan writer and DNR deadliness the same.

3. How does this proposal affect existing policy?

The change to stumpage rates will allow for current prices to be used when collecting severance and yield taxes from FCL and MFL lands. With fluctuating markets, obtaining the most current data is important when charging forest tax law landowners severance and yield taxes on timber harvested from their properties.

Changes to how the department administers MFL entries that span municipal lines will be made easier in many ways. Landowners will be able to work with their local DNR foresters and certified plan writers for the lands in the counties in which they lie.

Changes to the deadline dates will allow for the July 1 and May 15 deadline dates to be treated similarly. The June 1 draft deadline date creates more structure for submittal of plans, dates when reviews must be completed, and dates when completed and approved plans must be returned. These dates would allow for an easier flow of work to proceed from the certified plan writer to the DNR forester in order to enter private lands under the MFL program.

4. Has the Board dealt with these issues before?

Stumpage rates are reviewed annually by the board. The board dealt with the multiple municipality issues in 2007 when 2005 Wisconsin Act 299 allowed for eligible lands to cross municipal lines. Deadline dates

for certified plan writers was dealt with by the board in 2005 when the certified plan writer program was developed.

5. Who will be impacted by this rule?

Private woodlands owners will be affected by all of the changes in this proposal. Stumpage values for payment of severance and yield tax will affect those who harvest timber while enrolled in the FCL or MFL programs. The severance or yield tax that will be paid by an individual will depend on the species and product within one of the 13 market zones.

Landowners who have lands in multiple municipalities will be required to have separate MFL orders per municipality except in cases where lands are not eligible for entry on their own merits. This change may increase the cost of management plans if landowners are applying for multiple lands in any given year. Certified plan writers will be able to charge appropriately for management plan writing services where multiple management plans are required that do not lie adjacent to each other.

Certified plan writers will benefit from having a draft deadline date for submitting management plans for first review on June 1. DNR foresters will benefit from having a 45 day review period. Certified plan writers will have an additional benefit with having another 30 days to make any plan amendments, obtain landowner signatures and return completed and approved management plans back to the department by August 15. DNR foresters will benefit by having additional time to complete management plans and obtain landowner signatures for any plans the department is required to write.

6. Information on environmental analysis, if needed.

An environmental analysis is not needed with this proposed rule package.

7. Small business analysis.

This proposed rule affects private woodland owners. A small business analysis is not required.

8. Statutory Authority

Sections 77.06 (2), 77.91(1), and 227.11(2)(a), Wis. Stats.

9. Estimate of Time Needed to Develop the Rule

5 months.

10. Summary and Comparison With Existing or Proposed Federal Regulations

There are no existing or proposed federal regulations to compare with Wisconsin's Managed Forest Law or Forest Crop Law programs.

Fiscal Estimate — 2009 Session

<input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected <input type="checkbox"/> Supplemental	LRB Number Bill Number	Amendment Number if Applicable Administrative Rule Number FR-09-09
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Subject

Proposed revisions to Subch. III Ch. NR46, including revision to stumpage rates in NR 46.30 (2), and procedure changes in NR 46.15(5) and NR 46.18(5).

Fiscal Effect

State: No State Fiscal Effect
 Indeterminate

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- | | |
|--|---|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues |
| <input type="checkbox"/> Decrease Existing Appropriation | <input type="checkbox"/> Decrease Existing Revenues |
| <input type="checkbox"/> Create New Appropriation | |

Increase Costs — May be possible to absorb within agency's budget.

Yes No

Decrease Costs

Local: No Local Government Costs
 Indeterminate

1. Increase Costs
 Permissive Mandatory
2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 Counties Others
- School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Chapter 20 Appropriations

20.370(1)(cr)

Assumptions Used in Arriving at Fiscal Estimate

This proposed rule change addresses the annual stumpage rate changes used in the calculation of severance and yield tax collections under Forest Cop Law (FCL) and Managed Forest Law (MFL) when timber is harvested from the private lands enrolled in the programs.

There is an undetermined impact in revenues to local municipalities. Timber prices have been variable from 2007 through 2008. The average statewide prices for sawlogs have increased 3%, with a range of a 21% increase to a 15% decrease. The average statewide prices for cords have increased 1%, with a range of a 10% increase to a 7% decrease. Prices for mixed products (mixture of sawlogs and cords for red pine, white pine and spruce) have dropped 12%, with a range of a 14% increase and a 31% decrease. Piece products (posts and poles) had a 12% increase in prices, with some market zones having an increase in prices of 96%. The increase in piece prices appears to be due to the additional reporting of piece products more than fluctuations in the markets. Only 12 of the available 143 piece product values were reported in the past year. This reporting is more than past years' reporting, so it is possible that piece products may be undervalued in some market zones.

While the statewide averages increased slightly, there are fluctuations between market zones and individual prices. Of all total 624 prices calculated, 173 (28%) increased, 188 (30%) decreased and 263 (42%) stayed the same.

The severance and yield tax collected in CY 2008 was \$1,734,479. This value is 17% lower than it was in CY 2006. Timber harvest volumes are down since CY 2007 by the following amounts:

Cordwood	Down 11%
Fuelwood	Down 5%
Sawlogs	Down 11%
Mixed Product	Up 510%
Piece Products	Down 43%
Christmas Trees	Down 16%

Long-Range Fiscal Implications

None.

Prepared By:	Telephone No.	Agency
Joe Polasek	266-2794	Department of Natural Resources
Authorized Signature	Telephone No.	Date (mm/dd/ccyy)
	266-2794	2/16/2009

Fiscal Estimate — 2009 Session

Page 2 Assumptions Narrative Continued

LRB Number	Amendment Number if Applicable
Bill Number	Administrative Rule Number FR-09-09

Assumptions Used in Arriving at Fiscal Estimate – Continued:

Reporting of mixed products increased most likely due to the awareness that private landowners may sell red pine, white pine and white spruce in this fashion. Based on the very small statewide increase in timber prices an estimated \$3,090.00 will be collected for municipalities.

Estimates are based on the average change in rates for private land timber sales across species and zone for each product type (cordwood, sawtimber and mixed), the volumes reported and paid for in CY 2008, and the assumption that the volume and the ratio of the cordwood and sawtimber will remain the same. Actual impact for a county and municipality will vary by the number of harvests completed and the actual species and products cut.

Other requested changes in NR 46 will streamline the implementation of the MFL program. Requests to enter lands based on municipal lines except for when lands must be combined with other lands in adjacent municipalities will have no impact on local or state finances.

Requests to change the plan completion dates will have no financial impact on local or state finances.

Fiscal Estimate Worksheet — 2007 Session
 Detailed Estimate of Annual Fiscal Effect

Original Updated
 Corrected Supplemental

LRB Number	Amendment Number if Applicable
Bill Number	Administrative Rule Number FR-09-09

Subject

Proposed revisions to Subch. III Ch. NR46, including revision to stumpage rates in NR 46.30 (2).

One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

None.

Annualized Costs:		Annualized Fiscal Impact on State Funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations — Salaries and Fringes	\$	\$ -	
(FTE Position Changes)	(FTE)	(- FTE)
State Operations — Other Costs		-	
Local Assistance		-	
Aids to Individuals or Organizations		-	
Total State Costs by Category	\$	\$ -	
B. State Costs by Source of Funds			
GPR	\$	\$ -	
FED		-	
PRO/PRS		-	
SEG/SEG-S		-	
State Revenues	<small>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</small>	Increased Revenue	Decreased Revenue
GPR Taxes	\$	\$ -	
GPR Earned		-	
FED		-	
PRO/PRS		-	
SEG/SEG-S		-	
Total State Revenues	\$	\$ -	

Net Annualized Fiscal Impact

	<u>State</u>	<u>Local</u>
Net Change in Costs	\$ 0	\$ 0
Net Change in Revenues	\$ 0	\$ 0

Prepared By: Joe Polasek	Telephone No. 266-2794	Agency Department of Natural Resources
Authorized Signature	Telephone No. 266-2794	Date (mm/dd/ccyy)

ORDER OF THE STATE OF WISCONSIN NATURAL RESOURCES BOARD
REPEALING AND RECREATING RULES

The Wisconsin Natural Resources Board proposes an order to amend NR 46.16 (5), amend NR 46.18(5)(a)1., NR 46.18(5)(1)2., NR 16.18(5)(a)3. repeal NR 46.30(2)(a) to (d) and create NR46.30(2)(a) to (f) relating to the administration of the Forest Crop Law and Managed Forest Law.

FR-09-09

Analysis Prepared by the Department of Natural Resources

Statutes interpreted: Section 77.06 (2) and subch. VI Ch. 77, Stats .

Statutory authority: Sections 77.06 (2), 77.82 (3) (c), 77.91 (1), Stats., and 227.11(2)(a), Stats. Sections 77.06 (2) and 77.91 (1), Stats. directs the department to establish stumpage rates on an annual basis for use in determining the severance and yield taxes assessed when timber is harvested from lands designated as forest crop land and managed forest land. New rates shall take effect on November 1 each year. Section 77.82 gives implicit authority the department to create rules for processing petitions.

Analysis of proposed rules.

Annual Stumpage Rate Adjustment: For purposes of the Forest Crop Law (FCL) and the Managed Forest Law (MFL), this rule repeals NR 46.30(2)(a) to (d) and recreates NR 46.30(2)(a) to (f) to revise annual stumpage values used to calculate severance and yield taxes due on timber cut during the period from November 1, 2009 through October 31, 2010. Two new stumpage tables are created to represent new stumpage values used to calculate severance and yield taxes due on timber if the timber is sold by weight (tons). Thirteen separate zones reflect varying stumpage values for different species and products across the state.

Timber prices have been variable from 2007 through 2008. The average statewide prices for sawlogs have increased 3%, with a range of a 21% increase to a 15% decrease. The average statewide prices for cords have increased 1%, with a range of a 10% increase to a 7% decrease. Prices for mixed products (mixture of sawlogs and cords for red pine, white pine and spruce) have dropped 12%, with a range of a 14% increase and a 31% decrease. Piece products (posts and poles) had a 12% increase in prices, with some market zones having an increase in prices of 96%. The increase in piece prices appears to be due to the additional reporting of piece products more than fluctuations in the markets. Only 12 of the available 143 piece product values were reported in the past year. This reporting is more than past years' reporting, so it is possible that piece products may be undervalued in some market zones.

While the statewide averages increased slightly, there are fluctuations between market zones and individual prices. Of all total 624 prices calculated, 173 (28%) increased, 188 (30%) decreased and 263 (42%) stayed the same.

The severance and yield tax collected in CY 2008 was \$1,734,479. This value is 17% lower than it was in CY 2006. Timber harvest volumes are down since CY 2007 by the following amounts:

Timber Product	% Change
Cordwood	Down 11%
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Reporting of mixed products increased most likely due to the awareness that private landowners may sell red pine, white pine and white spruce in this fashion. Based on the very small statewide increase in timber prices an estimated \$3,090.00 will be collected for municipalities.

Estimates are based on the average change in rates for private land timber sales across species and zone for each product type (cordwood, sawtimber and mixed), the volumes reported and paid for in CY 2008, and the assumption that the volume and the ratio of the cordwood and sawtimber will remain the same. Actual impact for a county and municipality will vary by the number of harvests completed and the actual species and products cut.

Amendments to petition requirements in NR 46.16 (5): Petition requirements are being changed to streamline the administration and processing of new MFL entries.

Currently, NR 46.16 (5) requires that *[All eligible MFL land under the same ownership, when applied for designation in the same year, shall be designated under the same order of designation.* This rule, in effect, requires that lands that are not adjacent to each other, including lands that lie in different counties in the state, are entered under the same MFL order.

2005 Wisconsin Act 299 had removed the eligibility requirement that lands must consist of at least 10 contiguous acres in a single municipality. With the municipal lines requirement removed, lands that span across municipal lines, including township, village, city and county lines, may be entered into the MFL program as long as they meet eligibility requirements (i.e. are 10 acres and 80% productive).

DNR in kind removed statements to eliminate municipal lines in NR46. This change caused lands that lie in different parts of the state to be entered under the same MFL order. Landowners, DNR Foresters and Certified Plan Writers are confused with who is responsible for preparing and reviewing these MFL entries.

Since it appeared that the legislative intent was to allow a landowner's adjacent lands that do not meet the eligibility requirements per municipality to be entered under MFL, an argument can be made that a landowner's land that does meet the eligibility requirement per municipality can and should be entered under its own MFL order.

To simplify entry and administration of MFL lands DNR would allow entries of land per municipality except in cases where lands must cross municipality lines to meet eligibility requirements.

Amendments to management plan requirements in NR 46.18 (5): Deadlines to submit management plans for DNR approval are being changed to make the two application deadlines similar to each other.

Currently certified plan writers (CPWs) must submit a “completed and approved management plan to the Department by the 2nd July 1 after the landowner’s initial application is received. A high percentage of the CPW prepared management plans need minor adjustments or slight corrections before they can be approved. Creation of a draft plan deadline date would allow for any corrections to be made prior to the final deadline. This change to NR 46 suggests a June 1 draft deadline date and allows “completed and approved” plans to be returned on or before August 15. These deadline dates increase the time available to CPW’s to finalize their work.

Landowners with management plans prepared by DNR foresters must return their signed plans by August 1. A change in this deadline to August 15 is proposed to make the certified plan writer and DNR deadline the same for landowners to turn in completed management plans.

Comparison of Federal Regulations: There are no known federal rules which apply to stumpage rates or Managed Forest Law petitions. There are no known federal rules that define ownerships. There are no specify deadlines for submittal of management plans for MFL designation.

Comparison of Adjacent States: Checks with the surrounding states of Minnesota, Michigan, Iowa and Illinois indicate that while they offer some type of incentive program to forest landowners, none of the states have similar forestry practice requirements nor do they calculate annual stumpage rates for severance and yield taxes in conjunction with their programs.

Anticipated cost by private sector:

For owners of land designated as MFL or FCL there is an anticipated increase in cost associated with the increase in yield tax on MFL and severance tax on FCL based on the average increase in stumpage rates proposed for both pulpwood (1% increase) and saw timber (3% increase). Actual cost could be an increase or decrease depending on the specific species, product and zone.

Changes associated with submitting and approving management plans prepared by certified plan writers and DNR foresters will have no fiscal effect and allow additional time for plans to be written and approved.

Summary of factual data and analytical methodologies: Stumpage rate data is collected from Department Foresters and Cooperating Foresters annually. This data is used to calculate a three year weighted average for each species and product by zone. Only data obtained from private timber sales was used in the stumpage rate calculation.

$$\frac{\left[\frac{\text{wtd avg current year minus 3 selling price} + \text{wtd avg current year minus 2 selling price} + \text{wtd avg current year minus 1 selling price}}{3} \right] + \text{wtd avg current year minus 1 selling price}}{2} = \text{Base Rate}$$

The current rates in NR 46.30 are compared to the proposed rates to determine the average change in rates by product.

Analysis to determine effect on small business: A review of the law shows the impact on

small business. The actual impact is dependant on the amount of timber (if any) is scheduled to be harvested on their specific land during this stumpage rate year.

Effect on Small Business: This rule will impact small businesses (i.e., farmers, landowners) that have land designated as managed forest land or forest crop land. Those involved in this voluntary program pay a reduced tax in place of the regular property tax in exchange for sound forest management on the land. When timber is harvested they pay a 5% yield tax or 10% severance tax, which is calculated using the stumpage rates established in NR 46.30. At the time of entry into these programs the owner pays for the preparation of a management plan, which includes sound forest management practices that must be completed during the order period to ensure and maintain a healthy stand of timber.

Agency Contact Person: Kathryn J. Nelson, Forest Tax Section Chief
Ph: 608/266-3545
e-mail: Kathryn.Nelson@Wisconsin.gov

SECTION 1. NR 46.16 (5) is amended to read:

NR 16.16 (5) SAME OWNERSHIP. All eligible land under the same ownership and located in the same municipality, when applied for designation in the same year, shall be designated under the same order of designation. Ineligible lands under the same ownership and located in a adjacent municipalities that are contiguous to lands applied for designation in the same year that when combined will meet eligibility requirements shall be combined under the same order of designation.

SECTION 2. NR 46.18 (5) (a)1. is amended to read:

NR 46.18 (5)(a)1. Management plans prepared by an independent certified plan writer shall be approved by the department, signed by the landowner, and submitted to the department forester no later than August 15 ~~July 4~~ of the year in which the order of designation will be issued. The department shall deem a management plan completed if all the following apply:

1. A draft of the management plan packet was submitted to the department for review on or before June 1.
2. The management plan includes all requirements under subs. (1) to (3) and meets department standards.
3. The department has approved the management plan.
4. The owner has signed the management plan.

SECTION 3. NR 46.18 (5)(a) 2. is amended to read:

NR 46.18 (5)(a)2. As a condition of designating the land, the owner shall sign the department prepared and approved management plan and return it to the department no later than August 15 ~~August 4~~ of the year in which the order of designation will be issued unless otherwise specified by the department. The petitioner shall pay the plan preparation fee no later than October 1 of the year in which the order of designation will be issued.

SECTION 4. NR 46.18 (5)(a) 3. is amended to read:

NR 46.18 (5)(a)3. Failure to submit a management plan prepared by an independent certified plan writer no later than August 15 ~~July 4~~ or return the signed department prepared management plan no later than August 15 ~~August 4~~ or a later date agreed to by the department will result in a denial of the petition.

Section 5. NR 46.30 (2) (a) to (d) is repealed and NR 46.30(2)(a) to (f) is created to read:

NR 46.30(2)(a) Logs (stumpage value per thousand board feet measurement by the Scribner Decimal C log rule).

2010 Rates - Effective Nov. 1, 2009

	ZONES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Wau- kesha	Green Bay	Crivitz	Wausau	Wau- toma	Dodge- Ville	Rhine- lander	Adams	Richland Center	Hay- ward	Eau Claire	River Falls	Sparta
Aspen	78.41	65.19	158.21	61.15	53.81	58.96	78.85	58.87	56.13	85.62	129.55	79.67	57.46
Ash	117.59	163.21	115.03	143.14	111.36	126.00	207.30	146.72	142.04	148.46	137.04	109.81	80.00
Basswood	145.77	160.99	165.95	156.09	107.36	144.23	204.43	137.44	124.81	153.79	112.71	117.35	103.99
Birch													
White	110.00	123.70	139.15	151.51	50.83	65.75	224.67	64.44	75.66	172.09	71.32	111.15	93.23
Yellow	200.00	279.98	266.11	105.09	229.00	229.00	234.50	97.76	252.00	219.40	116.50	69.00	112.08
Cedar	80.00	123.03	123.85	188.15	60.00	400.00	80.00	80.00	NA	80.00	80.00	450.00	80.00
Cherry	605.24	792.00	542.22	307.65	380.52	536.27	345.01	413.00	556.45	432.00	435.41	283.50	377.78
Elm	57.95	17.67	119.16	57.19	42.82	56.97	20.00	112.50	55.90	89.00	24.00	6.00	60.00
Fir	NA	50.00	50.00	94.00	NA	50.00	90.00	NA	NA	27.50	110.00	100.00	100.00
Hemlock	NA	51.75	53.00	159.00	NA	NA	70.00	NA	NA	300.00	100.00	500.00	57.00
Maple													
Sugar	432.24	591.13	517.89	460.07	265.51	461.32	445.16	377.96	385.45	360.47	310.25	328.21	479.98
Red	136.00												
Other	150.00	180.46	266.63	181.67	192.67	174.40	258.62	196.84	149.32	200.69	141.38	124.58	155.04
Other Hardwoods	267.27	94.61	88.36	128.39	117.46	209.41	214.36	201.05	113.96	136.46	116.06	124.12	120.37
Oak													
Red	350.45	465.30	461.31	325.04	335.20	377.29	303.50	317.47	348.21	282.82	308.81	291.76	329.19
White	185.29	229.71	151.54	167.37	180.49	223.50	133.00	178.31	173.34	117.12	117.58	139.11	136.53
Other	145.38	185.42	161.82	159.46	153.24	165.81	150.85	144.07	164.48	159.64	122.32	177.78	167.34
Pine													
Jack	72.00	72.00	72.00	72.00	141.00	72.00	100.00	45.00	62.00	135.00	70.00	60.00	70.00
Red	57.00	94.00	74.17	90.73	106.01	63.00	143.78	109.86	128.69	79.86	63.10	82.01	111.92
White	165.00	89.90	147.91	132.69	112.60	114.00	133.22	173.74	103.55	91.63	109.56	111.90	164.85
Spruce	90.00	138.20	45.00	168.18	78.00	99.00	69.60	80.00	62.00	120.23	150.00	49.00	25.00
Tamarack	50.00	117.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Black Walnut	1,437.50	NA	NA	250.00	967.73	1,576.77	252.00	NA	1,318.17	NA	400.00	979.67	1,395.13

NA - Not Applicable - This species/product is not normally harvested within this zone.

Note: Stumpage values used to calculate severance and yield taxes during any specific period are intended for the purposes of the Forest Crop Law and Managed Forest Law. They are not a guarantee of actual market prices. Actual market prices can fluctuate, both up and down, and are the product of macro and micro-economic conditions reflecting specific factors of each individual sale.

NR 46.30(2)(b) Cord Products - 128 cubic feet of wood, air and bark assuming careful piling.

2010 Rates - Effective Nov. 1, 2009

	ZONES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Wau- kesha	Green Bay	Crivitz	Wausau	Wau- toma	Dodge- ville	Rhine- Lander	Adams	Richland Center	Hay- ward	Eau Claire	River Falls	Sparta
Aspen	13.75	17.91	31.11	25.10	14.53	10.40	29.99	24.12	16.14	26.90	24.24	25.24	22.75
Basswood	12.00	7.00	12.27	11.16	5.00	1.80	12.89	10.75	3.57	12.79	8.20	6.64	3.09
Birch	12.00	12.19	27.71	25.40	14.29	3.00	32.92	22.82	8.00	27.50	21.51	19.72	15.63
Cedar	6.00	11.75	37.11	21.13	20.00	10.00	8.56	10.00	1.00	10.00	10.00	10.00	10.00
Fir	NA	4.26	20.64	14.17	22.86	NA	14.72	22.00	NA	19.31	16.00	20.00	15.00
Hemlock	NA	6.50	9.21	9.39	NA	NA	10.82	13.00	8.00	23.33	13.00	13.00	13.00
Other Hardwood	21.26	13.54	28.75	25.56	17.78	7.93	26.75	25.37	11.69	24.43	24.60	21.40	24.90
Oak	10.00	25.00	18.86	16.43	18.45	5.45	16.23	45.96	14.49	20.44	16.54	13.71	17.94
Pine													
...Jack	20.00	29.39	40.12	32.35	31.13	18.00	28.40	31.44	29.14	40.68	28.01	35.14	35.85
...Red	18.64	16.59	54.30	34.72	40.80	23.75	43.12	37.67	29.72	55.30	34.99	29.36	32.12
...White	14.79	20.34	23.19	20.65	28.84	20.00	13.81	25.42	13.39	18.19	21.13	17.23	22.07
Spruce	16.64	23.67	36.13	33.27	36.42	42.00	32.33	29.90	25.00	31.44	28.36	26.13	20.43
Tamarack	18.00	12.00	23.37	12.71	20.72	13.00	13.47	15.43	19.00	11.23	38.00	43.00	15.00
Fuelwood	10.00	11.00	17.68	9.04	17.88	5.00	5.03	1.25	5.27	2.56	6.00	10.00	3.93

NA - Not Applicable - This species/product is not normally harvested within this zone.

Note: Stumpage values used to calculate severance and yield taxes during any specific period are intended for the purposes of the Forest Crop Law and Managed Forest Law. They are not a guarantee of actual market prices. Actual market prices can fluctuate, both up and down, and are the product of macro and micro-economic conditions reflecting specific factors of each individual sale.

NR 46.30(2)(c) Cord products by weight (stumpage value per ton).

2010 Rates - Effective Nov. 1, 2009

	ZONES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Wau- kesha	Green Bay	Crivitz	Wausau	Wau- toma	Dodge- ville	Rhine- Lander	Adams	Richland Center	Hay- ward	Eau Claire	River Falls	Sparta
Aspen	5.33	7.56	13.78	8.89	7.56	5.78	10.22	11.11	6.67	11.11	11.11	12.00	9.78
Basswood	6.23	3.64	6.23	4.68	3.12	3.12	6.23	5.19	2.60	5.71	4.68	4.68	2.60
Birch	5.00	5.83	14.17	10.00	10.00	4.17	10.83	8.75	3.33	11.67	9.17	8.75	5.42
Cedar	3.81	8.89	22.22	6.35	12.70	6.35	10.16	6.35	NA	6.35	6.35	6.35	6.35
Fir	NA	3.75	10.35	7.06	9.88	NA	7.53	10.35	NA	9.41	7.53	9.41	7.06
Hemlock	NA	5.66	4.58	4.17	NA	NA	7.50	5.42	3.33	8.75	5.42	5.42	5.42
Other Hardwood	4.53	5.66	10.19	8.68	7.17	2.26	9.06	9.81	3.40	9.81	8.68	7.92	8.30
Oak	3.64	5.45	6.91	5.45	6.18	1.82	5.82	7.27	4.00	4.73	5.82	4.36	5.45
Pine													
....Jack	9.41	12.71	18.82	13.18	13.65	8.47	16.94	14.59	14.12	17.41	13.65	18.82	14.59
....Red	8.89	9.78	24.89	17.33	18.22	6.67	19.11	17.33	9.33	18.67	20.00	16.44	17.33
....White	8.57	8.57	10.95	9.52	12.86	8.57	6.19	10.48	8.10	8.57	11.43	9.52	10.48
Spruce	10.00	10.00	18.50	14.50	18.50	21.00	16.50	15.00	12.50	15.00	12.00	15.50	13.00
Tamarack	7.74	9.03	9.89	5.16	7.74	5.59	5.16	6.45	8.17	8.17	16.34	18.49	6.45
Fuelwood ¹	3.77	4.15	5.28	3.77	2.64	1.89	5.66	5.28	3.77	3.02	2.26	3.77	3.40
Biomass ²	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25

1 Pulpwood and larger sized products that are dead or cull material that is not merchantable as pulpwood or sawlogs due to quality.

2 Biomass consists of tops and branches other materials that are not large enough to market as pulpwood.

NA - Not Applicable - This species/product is not normally harvested within this zone.

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NR 46.30(2)(d) Mixed products (stumpage value per cord). Only for use with red pine, white pine and spruce.

2010 Rates - Effective Nov. 1, 2009

	ZONES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Wau-kesha	Green Bay	Crivitz	Wausau	Wau-toma	Dodge-ville	Rhine-lander	Adams	Richland Center	Hay-ward	Eau Claire	River Falls	Sparta
Pine													
Red	35.00	25.47	38.78	47.55	46.53	45.00	44.39	44.36	22.38	52.91	29.91	40.89	38.78
White	25.00	11.75	40.00	31.20	31.24	15.00	16.03	36.65	16.40	17.27	50.00	37.96	27.63
Spruce	31.00	19.77	39.00	34.00	29.07	15.00	15.00	35.00	22.50	35.00	29.00	15.00	38.00

Note: Stumpage values used to calculate severance and yield taxes during any specific period are intended for the purposes of the Forest Crop Law and Managed Forest Law. They are not a guarantee of actual market prices. Actual market prices can fluctuate, both up and down, and are the product of macro and micro-economic conditions reflecting specific factors of each individual sale.

NR 46.30(2)(e) Mixed products by weight (stumpage value per ton). Only for use with red pine, white pine and spruce.

2010 Rates - Effective Nov. 1, 2009

	ZONES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Wau-kesha	Green Bay	Crivitz	Wausau	Wau-toma	Dodge-ville	Rhine-lander	Adams	Richland Center	Hay-ward	Eau Claire	River Falls	Sparta
Pine													
Red	15.56	12.44	25.78	18.22	26.67	16.00	21.33	24.89	16.44	28.00	21.33	17.78	19.56
White	11.90	11.43	19.05	21.43	17.14	7.14	10.48	16.19	9.52	11.90	12.38	10.48	18.10
Spruce	15.50	15.50	19.50	17.00	21.00	7.50	19.50	17.50	13.00	17.50	14.50	17.00	19.00

Note: Stumpage values used to calculate severance and yield taxes during any specific period are intended for the purposes of the Forest Crop Law and Managed Forest Law. They are not a guarantee of actual market prices. Actual market prices can fluctuate, both up and down, and are the product of macro and micro-economic conditions reflecting specific factors of each individual sale.

NR 46.30(2)(d) Piece products (stumpage value per piece).

2010 Rates - Effective Nov. 1, 2009

	ZONES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Wau- kesha	Green Bay	Crivitz	Wausau	Wau- toma	Dodge- ville	Rhine- lander	Adams	Richland Center	Hay- ward	Eau Claire	River Falls	Sparta
Posts & Poles													
7 and 8 ft.	0.70	0.60	10.00	0.70	0.60	0.70	0.60	0.80	0.70	0.80	0.70	0.60	0.60
10 and 12 ft.	2.10	1.90	1.60	2.10	1.90	2.10	70.45	2.30	2.10	33.00	2.10	1.90	1.90
14 and 16 ft.	3.50	3.10	3.10	3.60	3.30	3.50	2.90	3.90	3.50	37.17	3.50	3.10	3.10
18 and 20 ft.	7.00	6.20	5.30	7.10	6.50	7.00	5.90	7.70	7.00	7.60	7.00	6.20	6.20
21 and 30 ft.	10.10	8.90	7.60	10.20	9.30	10.10	8.40	11.00	10.00	1.15	10.00	1.10	8.90
31 and 40 ft.	17.40	15.40	13.20	20.00	16.00	17.40	27.30	19.10	17.40	80.00	17.30	15.30	15.40
41 and 50 ft.	26.00	23.00	19.70	25.00	24.00	26.00	20.00	28.50	26.00	80.00	25.90	45.00	23.00
51 and 60 ft.	35.90	31.80	27.30	36.50	33.10	35.90	30.10	49.50	45.00	39.00	35.80	31.60	31.80
61 and 70 ft.	47.00	41.60	73.00	47.70	43.30	47.00	39.30	51.50	47.00	51.00	46.80	41.40	41.60
Christmas Trees													
Unsheared	2.00	2.00	2.00	2.00	2.00	2.00	3.80	2.00	2.00	2.84	2.00	4.00	3.00
Sheared	6.70	6.70	6.70	6.70	6.70	6.70	6.28	6.70	6.70	6.70	6.70	6.70	6.70

Note: Stumpage values used to calculate severance and yield taxes during any specific period are intended for the purposes of the Forest Crop Law and Managed Forest Law. They are not a guarantee of actual market prices. Actual market prices can fluctuate, both up and down, and are the product of macro and micro-economic conditions reflecting specific factors of each individual sale.

SECTION 6. EFFECTIVE DATE. This rule shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22 (2) (intro), Stats.

SECTION 7. BOARD ADOPTION. This rule was approved and adopted by the State of Wisconsin Natural Resources Board on _____.

Dated at Madison, Wisconsin _____.

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By _____.
Matthew Frank, Secretary

(SEAL)