

## WISCONSIN LEGISLATIVE COUNCIL STAFF MEMORANDUM

Memo No. 3

## TO: MEMBERS OF THE SPECIAL COMMITTEE ON REVIEW OF THE MANAGED FOREST LAND PROGRAM

- FROM: Rachel Letzing, Senior Staff Attorney, and Scott Grosz, Staff Attorney
- RE: Proposal Regarding the Sale of Carbon and Other Ecosystem Services Credits Under the MFL Program

DATE: October 5, 2010

During the September 9, 2010 meeting, Chair Clark stated that he would convene a working group on the issue of ecosystem services in the Managed Forest Land (MFL) program. This Memo summarizes the proposal subsequently developed by Chair Fred Clark, and Public Members E.G. Nadeau and Dean Pelkey, with assistance from Avery Dorland, Forest Genetics and Nurseries Specialist, Department of Natural Resources (the Department), regarding the sale of carbon and other ecosystem services, and conditions for the sale of carbon in the MFL program. This is a general proposal offered for purposes of committee discussion.

## **PROPOSAL**

- Allow MFL participants to voluntarily sell credits for carbon sequestered as a result of the practice of sound forestry, or credits for other ecosystem services (e.g., clean water or clean air), either on an individual basis or by using the Department as a statewide aggregator.
- Any forest management practices employed to increase the capture of carbon for sale of carbon credits, or for sale of credits for other ecosystem services, (e.g., extending rotations, forest type conversion, reforestation, or afforestation) must be consistent with current silvicultural guidelines and sound forestry practices.
- To the extent that the Department utilizes staff time and resources to serve as the statewide MFL carbon or ecosystem services aggregator, authorize the Department to recover its administrative costs for conducting the aggregation work.

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• Allow applicants to make MFL enrollments in which more than 20% of their land may be in a nonforest use or may not meet minimal stocking requirements, provided the land is capable of meeting current MFL productivity requirements and provided the applicant converts enough land to minimum stocking of commercial forest types to meet current program requirements (80% stocked) within a three-year period. In addition, allow current MFL enrollees to add a parcel of open or marginal land in a nonforest use to an existing MFL order under these conditions.

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