



Minnesota Forest Resources Council

March 21, 2022

Representing:
Commercial Logging Contractors
Conservation Organizations
County Land Departments
Department of Natural Resources
Environmental Organizations
Forest Products Industry
Game Species Management
Indian Affairs Council
Labor Organizations
Nonindustrial Forest Landowners
Research and Higher Education
Resort and Tourism Industry
Secondary Wood Products
Manufacturers
USDA – Forest Service

The Honorable Rick Hansen, Chair
The Honorable Ami Wazlawik, Vice Chair
The Honorable Josh Heintzeman, Ranking Member
Environment and Natural Resources Finance and Policy Committee
Minnesota House of Representatives

Committee Leaders,

As Chair of the Minnesota Forest Resources Council, I am pleased to represent our 17-member Council in offering this written testimony in support of HF 4428, a bill to raise the per diem for natural resource boards, councils and commissions from \$55 to \$125 per day.

Our Council was established in 1995 under the authorities of the Sustainable Forest Resources Act (MN Stat 89A). The work of our Council has major implications for forest, wildlife, fish, soil, and water conditions associated with 17 million acres of Minnesota's forest lands, as well as the state's \$7 billion forest products industry and \$9 billion tourism industry.

Currently, our Council is deeply engaged in reviewing and providing sustainable forest recommendations to the Governor, and to Legislature, on the Administration's draft Climate Change Action Framework. To date, the Council has passed two Resolutions in this regard which I also share with the Committee today as attachments.

In reference to HF4428, our Council holds six regularly scheduled meetings each year, as do each of our six Council committees. Each Council meeting requires a significant investment of time by our members, including time to brief themselves on Council business items, and associated travel to in-person Council meeting sites. Even at \$125 per diem, this sum represents a very modest investment towards our Council members' investments of time and personal expenses as state fiduciaries.

I encourage this committee to give HF4428 your strongest consideration.

Sincerely,

Pete Aube
Chair

Cc: The Honorable Sydney Jordan
Peter Strohmeier
Scotland Kraker



Minnesota Forest Resources Council Resolution 2022-1
“Supporting Minnesota’s Climate Change Goals
Through Development of Sustainable Forest Products Markets”

1. **WHEREAS**, Minnesota is facing multiple challenges related to over-abundance of mill residuals, forestry residuals, and underutilized tree species.
2. **WHEREAS**, uneven policy support in Minnesota for bioenergy production using mill residuals, forest residuals, excess woody biomass, dead trees, diseased trees or otherwise unmarketable timber has resulted in the loss of a number of markets for such woody material.
3. **WHEREAS**, management of trees killed by extreme storm events, diseases, or insects such as emerald ash borer and spruce bud worm, is a critical problem in Minnesota that is expected to continue to grow over time with climate change.
4. **WHEREAS**, dead and dying wood, if unmanaged, creates multiple risks including risk of wild fire, habitat loss, and loss of the biogenic carbon sink.
5. **WHEREAS**, active forest management and stewardship, supported by local markets, and following sustainable forest management practices and sustainable management plans, is essential to maintaining healthy, productive forests that are resilient and adaptable to climate change.
6. **WHEREAS**, under the direction of the Minnesota Sustainable Forest Resources Act (MN Stat. 89A) the Minnesota Forest Resources Council (MFRC) has developed forest management guidelines for the sustainable harvest of forest residuals and woody biomass.
7. **WHEREAS**, MFRC is charged by statute with developing recommendations to the governor and to state government with respect to forest resource policies that result in the sustainable management, use, and protection of the state's forest resource.
8. **WHEREAS**, it is important that MFRC recommendations for new market attraction strategies to support sustainable forest management not create additional competition for otherwise marketable wood species.
9. **AND WHEREAS**, it is desirable for Minnesota to be a leader in developing and attracting the most advanced forest products industries to the state and to set the example for sustainable management of its forests
10. **BE IT THEREFORE RESOLVED**, the Minnesota Forest Resources Council, consistent with its statutory responsibility, recommends support for new and expanded Minnesota markets for forest and mill residuals, and other types of sustainably harvested woody biomass and encourages elected and appointed officials to:
 - a. Include woody feedstocks in statewide fuel or energy standards and/or offer broadly available production incentives for low carbon renewable biofuels derived from woody biomass or other bioenergy feedstocks.

11. **BE IT FURTHER RESOLVED**, the Minnesota Forest Resources Council commits to developing an action and communications strategy to further align new market development and sustainable forest management by:
- a. Evaluating appropriate sources of material that could be considered “woody biomass” or “forest residuals” such as mill residuals, harvest residuals, wood waste, diseased wood, unmerchantable wood, and other material removed for fuel reduction.
 - b. Describing how harvesting of these materials acknowledges Tribal treaty rights while integrating with existing forest management plans, timber harvesting guidelines, and forest certification standards.
 - c. Recommending policies and strategies for attracting new markets that align with the state’s management objectives, to potentially include energy products (e.g commercial and residential heating, pellets, biofuels) and non-energy products (e.g thermally-modified wood, biochar, activated carbon, biobased chemicals and extractives, and engineered and specialty wood products).

Motion supporting the resolution “**Supporting Minnesota’s Climate Change Goals Through Development of Sustainable Forest Products Markets**” (MFRC Resolution 2022-1) as a 2022 priority policy recommendation of the Minnesota Forest Resources Council; and directing the MFRC Policy Committee, MFRC Landscape Advisory Committee, and MFRC Communications Committee to collaboratively develop an action and communications strategy for conveying the recommendation to the Governor, Legislature, and stakeholders.

AYES (9) Craig Engwall, Janet Erdman, Kathleen Preece, Katie Fernholz, Kim Berns-Melhus, Kory Cease, Mike Kilgore, Pete Aube, Rick Horton

NAYS (1) Keith Karnes

ABSTAIN (2) Forrest Boe, Jim Manolis

ABSENT (4) Bob Owens, Connie Cummins, Deb Theisen, Scott Pittack



Attested to by:

Pete Aube, Chair, Minnesota Forest Resources Council

01/18/2022

Date



Minnesota Forest Resources Council Resolution 2022-2
“Contributing to Minnesota’s Climate Change Goals
by Increasing Minnesota Nursery Capacity”

1. **WHEREAS**, Minnesota’s forests provide critical benefits for the economy, recreation, wildlife, clean water, biodiversity, and greenhouse gas mitigation; and
2. **WHEREAS**, the state forest nursery once produced over 12 million seedlings per year to support those benefits, but now produces < 4 million; and
3. **WHEREAS**, the State Nursery is outdated, inefficient, and incapable of producing containerized seedlings; and
4. **WHEREAS**, a modernized state forest nursery and additional private nurseries could play a critical role in mitigating climate change and increasing other benefits forests provide; and
5. **AND WHEREAS**, per Minnesota Statutes 89A Subd2, it is the role of the Minnesota Forest Resources Council to recommend policies and practices that: foster the productivity of the state’s forests to provide a diversity of sustainable benefits at site levels and landscape levels; enhance the ability of the state’s forest resources to provide future benefits and services; and foster no net loss of forest land in Minnesota;
6. **BE IT THEREFORE RESOLVED**, the Minnesota Forest Resources Council recommends enhancing nursery capacity in both State run and privately owned forest nurseries by:
 - a. Upgrading State Forest Nursery facilities by 2027, to produce both containerized and bare-root seedlings, using modern technology to track seed-source locations, while minimizing risks to seeds that are stored on site.
 - b. Increasing State Forest nursery production from current capacity of 4 million trees per year to 10 million trees per year by 2027, to double SFN capacity again by 2032, and to continue to increase SFN production capacity as necessary to plant up to 1 million acres of new forest by 2050.
 - c. Providing long-term contracts and other incentives to support the expansion of private nursery operations in furtherance of reforestation goals.

7. **BE IT FURTHER RESOLVED**, the Minnesota Forest Resources Council recommends enhancing tree seedling capacity, production, and delivery by:
- a. Promoting collaborative efforts to reforest 1-million acres of appropriate non-forested lands by 2050.
 - b. Incentivizing private land tree planting through cost-share programs, partnerships, and projects to fully utilize planned increases in nursery stock.
 - c. Increasing funding for state forest nursery staff and contracted seed collectors to ensure adequate labor for the entire process from collecting seed to preparing seedlings for distribution.
 - d. Utilizing tree seed orchards, localized tree storage/distribution centers, and other nursery supply diversification strategies.
 - e. Re-evaluating the current “enterprise” model for the State Nursery that depends upon annual seedling sales to cover operational costs.
 - f. Removing legislative prohibitions on state forest nursery production capacity and seedling sales.
 - g. Implementing quality assurance strategies to improve seedling survival, tree genetics, disease resistance, and species suitability for changing climate.

Motion adopting **“Contributing to Minnesota’s Climate Change Goals by Increasing Minnesota Nursery Capacity”** (MFRC Resolution 2022-2) as a 2022 priority policy recommendation of the Minnesota Forest Resources Council; and directing the MFRC Chair to submit the resolution to The Honorable Governor Timothy Walz, and to the Chairs and Ranking Minority Members of the appropriate House and Senate Committees of the Minnesota State Legislature.

AYES (11) Craig Engwall, Janet Erdman, Kathleen Preece, Katie Fernholz, Kim Berns-Melhus, Kory Cease, Mike Kilgore, Pete Aube, Rick Horton, Keith Karnes, Jim Manolis

NAYS None

ABSTAIN (1) Forrest Boe

ABSENT (4) Bob Owens, Connie Cummins, Deb Theisen, Scott Pittack



Attested to by:

Pete Aube, Chair, Minnesota Forest Resources Council

01/18/2022

Date