

# Timber Cutters, Foresters, Legislators Weigh In on Commercial Forest Act Debate

## May Impact 37,467 Acres in County

By Paul Gingras

To encourage timber production in Michigan, the state House of Representatives has passed a series of bills to change the Commercial Forest Act (CFA), and that has sparked debate among legislators, state foresters, and timber cutters.

The CFA offers tax breaks to owners of commercial forests, but Representative Gary McDowell of Rudyard contends that the bills fail to properly compensate townships for the tax revenue lost. And, while owners of commercial forest land are supposed to be penalized for withdrawing their lands from the program early, state foresters contend the new legislation does not solve an old problem of calculating the fines or even knowing who is or isn't providing access, because land changes hands too frequently to check.

There are 411,516 acres of forest land in the Eastern Upper Peninsula enrolled under the CFA, including

37,467 acres in Mackinac County, said DNR forester Richard Stevenson, who approves harvesting plans for commercial forests.

The Commercial Forest Act, he said, is designed to allow land to be kept in a forested state so Michigan can continue to produce timber. To make this possible on private land, the CFA replaces property taxes with an annual fee. All parties with land enrolled under the CFA pay much less in fees than if their forests were taxed, but they must provide public access in exchange for CFA status, and they face financial penalties if they withdraw from the program.

Compensating local governments is a hotly debated aspect of the CFA program, Mr. McDowell said. Prior to 1994, local municipalities received five percent of the DNR's profits when a piece of forest land was opened to harvest. This, however, meant that municipalities would receive large sums

on harvest years, and nothing on years when no logging took place, so they sought a more stable way to get revenue from the land, said Cara Boucher, forest resource manager for the DNR.

When the CFA was revised in 1995, the rules were changed and local municipalities were no longer paid through profits produced when commercial forest lands were harvested, Mr. McDowell said. Instead, local governments were paid a fixed rate of \$1.10 per acre for commercial forests, and the state added \$1.20, for a total of \$3.30 per acre every year. These lands could remain in the CFA as long as an owner wanted, Ms. Boucher said. In many areas, she added, this amounted to a serious financial blow to local governments with commercial forests inside their borders, and municipalities were promised a raise in the CFA fee.

The revised plan included a formula stating that, in 2004, the fee would be raised to \$3.90 per acre for CFA lands with a \$4.10 state

contribution, for a total of \$8 per acre. When 2004 arrived, however, the state said it couldn't afford this expenditure. CFA landowners said they couldn't afford it, either, and the issue was to be addressed by the legislature again in 2006.

Mr. McDowell said that the current bills freeze CFA fees at \$1.10 for landowners and \$1.20 for the state, without providing local governments additional compensation. Therefore, if the bills pass as they are, local governments will never see a raise, he added.

Mr. McDowell explained that the bills had gone through a series of revisions when they came up for a vote in the House, but the final versions were voted on and passed before legislators had sufficient time to study them and consider the concerns of the public, the DNR, and concerned legislators. Owing largely to pressure by the Michigan United Conservation Clubs (MUCC), the senate has stalled the bills to allow time for proper scrutiny.

"I applaud their efforts," Mr. McDowell said. "I'm confident these bills will be subject to a deliberate and thoughtful process. It will be awhile before they are finished and signed into law," he added.

Providing proper compensation to municipalities is one of three major problems regarding the CFA. In recent years, increasing numbers of landowners have been selling their land and maximizing profits by breaking large tracts of commercial forest land into smaller pieces. Some buyers have been withdrawing these parcels from the CFA program, and the DNR must calculate buyers' penalties. Penalties for withdrawing commercial forest land from the program are intended to be a powerful disincentive to leaving the program, Ms. Boucher said, because withdrawing lands requires owners to pay back taxes.

The DNR, however, has no accurate method by which to determine landowners' penalties, she added. If the current bill passes, landowners could potentially with-

draw their lands and pay no penalty. When an owner of commercial forest land withdraws from the program, the way the DNR classifies the land is changed. While forest land is in under the CFA, an owner pays only \$1.10 per acre annually, but if land is withdrawn, the owner must pay local municipalities what the taxes that would have been levied had it been classified "residential/recreational," or in some cases, "timber cutover."

For example, she said, if a parcel of land were entered into the CFA program in 2001, the owner would pay the low CFA fee. If that land were taken out of the program in 2006, however, the owner would have to pay an additional five years of taxes on the land, which is the sum of the amount the owner would have paid for each year between 2001 and 2006.

The problem, said Ms. Boucher, is the potential residential value of commercial forest lands are not calculated by local municipalities (or anyone else). There would be no reason for local assessors to do so, Ms. Boucher added, because taxes on such lands wouldn't be collected by local governments, anyway.

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## State Planners Visit St. Ignace for Transportation Viewpoints

### Residents Voice Opinions at Recent Open House

By Karen Gould

Identifying how residents envision the future of transportation is part of a 23-month statewide effort now underway by the Michigan Department of Transportation (MDOT) as part of its long range transportation planning process. During an open house Thursday, April 6, in St. Ignace, the public was invited to give opinions on shortfalls in the state's transportation system and set priorities on a list of future needs. Information gathered will be combined with other data the department is collecting and will be used to help set future transportation policy and find gaps in the state's current transportation system.

The long range plan is a policy document designed to look 25 years into the future, and by state law, must be updated every five years. This time, the planning process began in 2005, is expected to be completed in 2007, and will provide a vision for the state's transportation system to the year 2030.

The document strives to set a

course for a statewide preferred transportation system, explained Cyndi Vonklingler, transportation planning departmental specialist at MDOT.

"We're trying to get a sense of what the public is seeing as needs for transportation in the future," she said regarding the series of open houses being held throughout the state.

"The open houses are serving to let us know what types of transportation services people want and what infrastructure needs they will require," she added.

In St. Ignace, seven people took the opportunity to tell MDOT officials what they were thinking about the future of transportation in Michigan. On an average, about 20 residents attend the open houses, said Mrs. Vonklingler. The largest gathering took place in Kalamazoo, with 38 in attendance.

Before holding the open houses, MDOT conducted a phone study of 1,100 households, held one-on-one planning sessions

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## St. Andrew, Winkelman Top Texas Hold 'em Players

### Society Breaks Even on Tournament Costs



Above: Twenty-six players participated in the Michilimackinac Historical Society's Texas Hold'em Tournament at Little Bear East Conference Center Saturday, April 8, with the finalists playing on a card table built by Historical Society President Keith Massaway. Below: Scott St. Andrew (middle) won \$500 and a trophy for his first-place finish in the tournament. Rob Winkelman (right) was awarded \$110 for his second-place finish. Mr. Massaway is on the left. The historical society was hoping for 200 participants to raise money for historical projects, however, the 26 participants helped the group break even on holding the tournament.



Members of Cub Scout Pack 140 of Les Cheneaux (right) react to the end of a race between two scouts' cars in the local Pinewood Derby at Les Cheneaux Community Schools cafeteria in Cedarville.

## Scouts, Enthusiastic Parents Enjoy Pinewood Derby

Nineteen boys and a large group of enthusiastic parents and supporters participated in the Cub Scout Pack 140 Pinewood Derby Wednesday, March 15. With 21 boys in the pack, nearly every member participated in the event, which included races and judging of individual cars.

Jaden Lee had the fastest car,

taking first place in the race to win a die-cast car autographed by race car driver Jeff Gordon. He was followed by Hilan Lysinger in second place, and Derek Burger in third. All the boys are from Cedarville, and were the first place winners of their individual divisions, qualifying them for the final race.

In Division A, Derek Burger

won first place, Kamen Labinski won second place, and Matthew Landreville won third place in the races.

The first place Division B winner was Jaden Lee, followed by John Sullivan in second, and River Brown in third.

In Division P, Hilan Lysinger won first, Jesse Malkowski won

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## St. Ignace Library Plans Open House April 20

The St. Ignace Public Library will hold an open house and a silent auction from 1 p.m. to 8 p.m. Thursday, April 20, to celebrate the one-year anniversary of the opening of the new facility.

The library's board of trustees and the Friends of the St. Ignace Library have been raising funds

to purchase more equipment and furnishings for the library.

Bidding for the silent auction will end at 7 p.m.

During the open house, Wendy Belonga will read "Bed Hogs," by Kelly DiPucchio, which is a book about a little pig having to share his bed with his family.

Children's Story Time begins at 6:30 p.m.

Also at 6:30 p.m., attendants will be shown how to use the library's Web site to place books on hold and borrow from other libraries in the Upper Peninsula.

Refreshments will be served during the open house.

## Animal Shelter To Host Open House April 22

The Mackinac County Animal Shelter will celebrate its fifth year of operation Saturday, April 22, at an open house from noon to 3 p.m., said George Ford, president of the Mackinac Animal Aid Association.

At the event, the group will honor the efforts of Joann "Jo" Sommerville of St. Ignace, who helped establish the facility. Ms. Sommerville passed away in 2002, and county officials named April 25 Adopt-A-Pet day in her honor.

The open house will also celebrate the two-year anniversary of the Animal Aid Association as well as Ginger Valentine's one-year anniversary as shelter manager.

The Animal Aid Association will dedicate its new storage facilities to Frank A. Horn of Mackinac Island, who provided funding to continue improving conditions for animals in the county. Mr. Horn passed away in 2003.

At right: Mackinac County Animal Shelter Manager Ginger Valentine stands with Bart, a newly adopted beagle, in front of storage units recently built with funding donated to the shelter by the late Frank A. Horn.



## Minimum Wage To Be Raised

### to \$6.95 in Oct.

Michigan's minimum wage will be raised from \$5.15 to \$6.95 an hour effective October 1. The legislation, signed by Governor Jennifer Granholm March 28, provides for further hikes to \$7.15 on July 1, 2007, and to \$7.40 on July 1, 2008.

"This is a tremendous victory for our working families and for all of Michigan," Governor Granholm said. "Without those citizens who overwhelmingly support this increase, it wouldn't have been possible. I want to thank all those Michiganders who have repeatedly and loudly called for Lansing to take action."

Raising the wage is estimated to benefit nearly 464,000 Michigan workers in minimum wage jobs, according to U.S. Department of Labor.

## Sportsmen To Elect Officers Monday

Straits Area Sportsmen's Club will host its monthly meeting and annual election of officers Monday, April 17, at 7:30 p.m. at the Masonic Lodge on North State Street in St. Ignace. New members are welcome. Participants are asked to use the building's back entrance.