



An Overview of Iowa's Forests & Forest Reserve Law

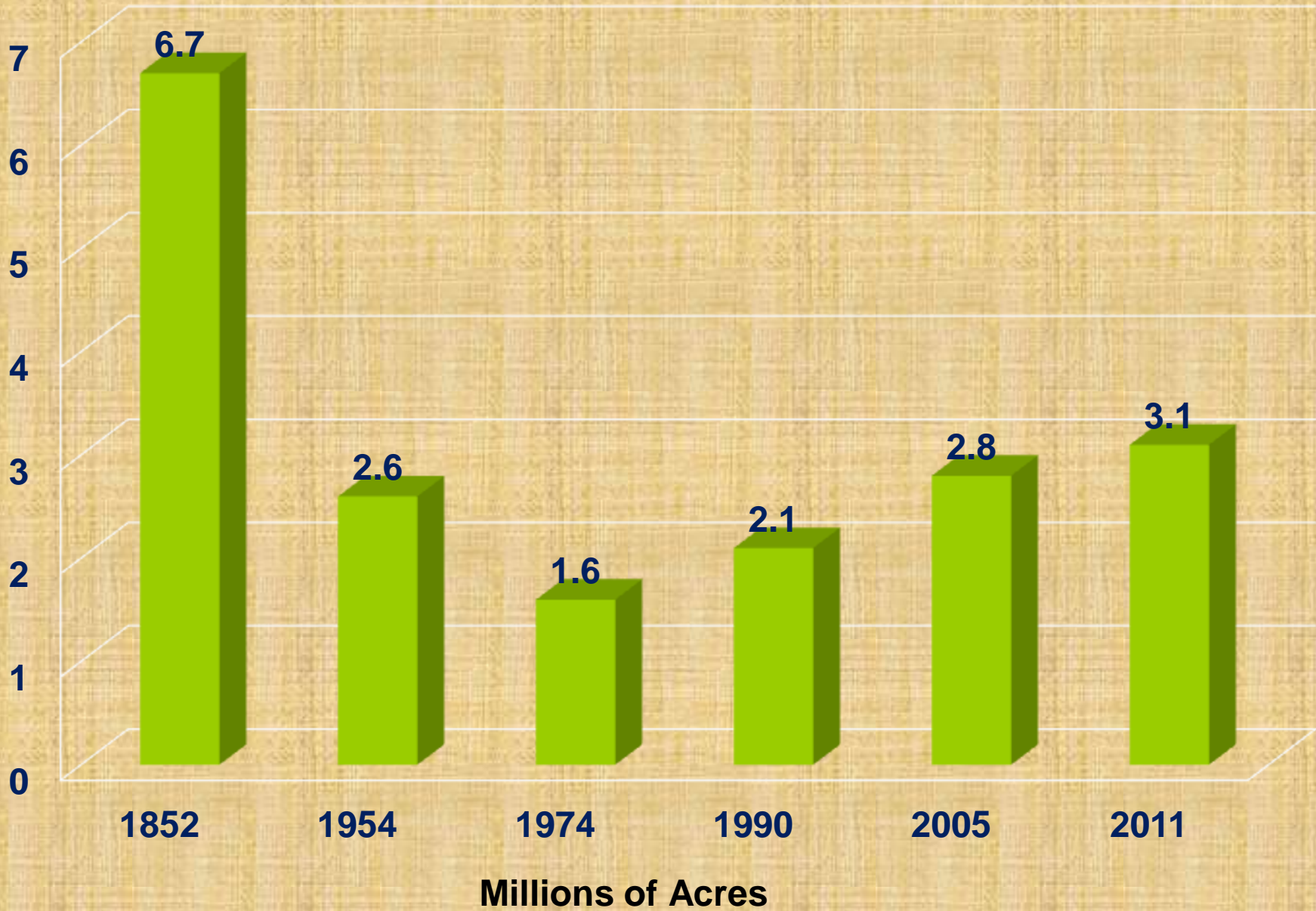
Paul J. Tauke
State Forester/Bureau Chief
IDNR Forestry

Iowa's Forest Cover

- Iowa's forests cover 8% of our landscape
- 87% of our 3.1 million acres are owned by private landowners (FIA)



Iowa Forest Acres 1852-2011



Comparison of Total Forest Acres to Oak/Hickory Acres in Iowa 1954 to 2008



57,000 acre increase in bur oak.

34,000 acre decrease in all other oak acres.

6,800 acres per year over the last five years.

Why Do Forests Matter?

Economy

- \$25 - \$30 million annually direct to woodland owners



Why Do Forests Matter?

Economy

- Wood based businesses:
 - \$4 billion in products
 - \$916 million in payroll
 - 18,000 jobs



Why Do Forests Matter?

Economy

- \$749,000 in ginseng sales in 2008



- \$1 billion in fishing, hunting, wildlife watching



Why Do Forests Matter?

Economy

- Fall color - \$6 million in economic activity



Forest Reserve Law

- Two contiguous acres and not less than 66 feet wide
- Not less than 200 trees per acre
- No cattle, mules, sheep, goats or hogs are permitted on forest reservations
- Not more than 1/5 of the total number of trees in the forest reservation may be removed in a single year
- If buildings are present, one acre is excluded from tax exemption

Forest Reserve Law Timeline

- 1906 – Established to encourage retention of forest for “erosion control, watershed protection and game cover”
- 1907 – 1935 – Forest reservations had appraised value of \$1/acre
- 1935 – Appraised value raised to \$4/acre
- 1974 – Appraised value raised to \$14.82/acre
- 1986 - Appraised value decreased to \$0/acre
 - Administrative code also defined economic gain as relating to products of the tree.

Forest Reserve Law Timeline 2011

- **Proposed Legislation**
 - **Eliminates provisions providing an exemption from property taxes for land established as a forest or fruit-tree reservation**
 - **Forest Reserve tax exemption expires on the last date of the tax year ending in 2021**
 - **Violators will be assessed at fair market value**

Forest Reserve Law

Timeline

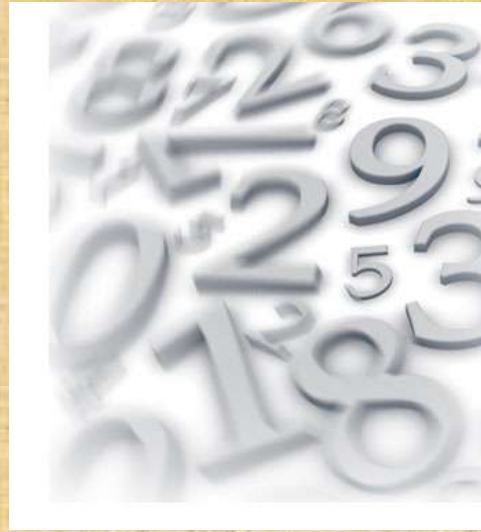
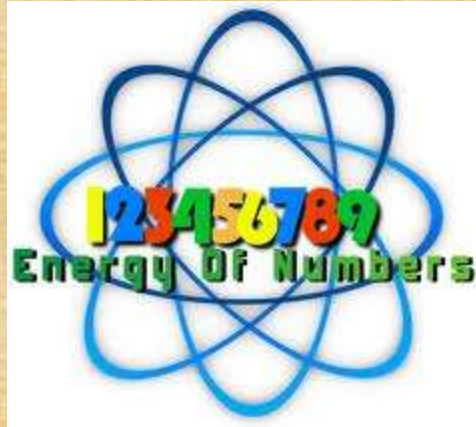
- **Proposed Legislation**
 - The bill prohibits the assessor from approving an application for a reservation if more than 15 percent of the acres owned in the county by the applicant would qualify as a fruit-tree or forest reservation
 - If the assessor has evidence that the area is used to hunt by persons other than the owner or the owner's family, the owner shall have the burden of proof that the area is not maintained for economic gain prohibited in this section

Forest Reserve Study 2003

- **With funds from the U.S. Forest Service a Forest Reserve Program Study was completed by UNI it found:**
 - **85% of landowners live within 25 miles of their forest reserve**
 - **2.8% live out of state**
 - **70% allow friends and neighbors to recreate on their forest reserve**

- **Study Findings Continued**
 - **70% of forest reserve owners have more than 10 acres**
 - **Only 22% have a written management plan**
 - **DNR Foresters were the primary source for forestry information**
 - **32% are Farm Bureau members**
 - **77% are between the age of 46 & 75**
 - **2% lease hunt**

Inside the Numbers

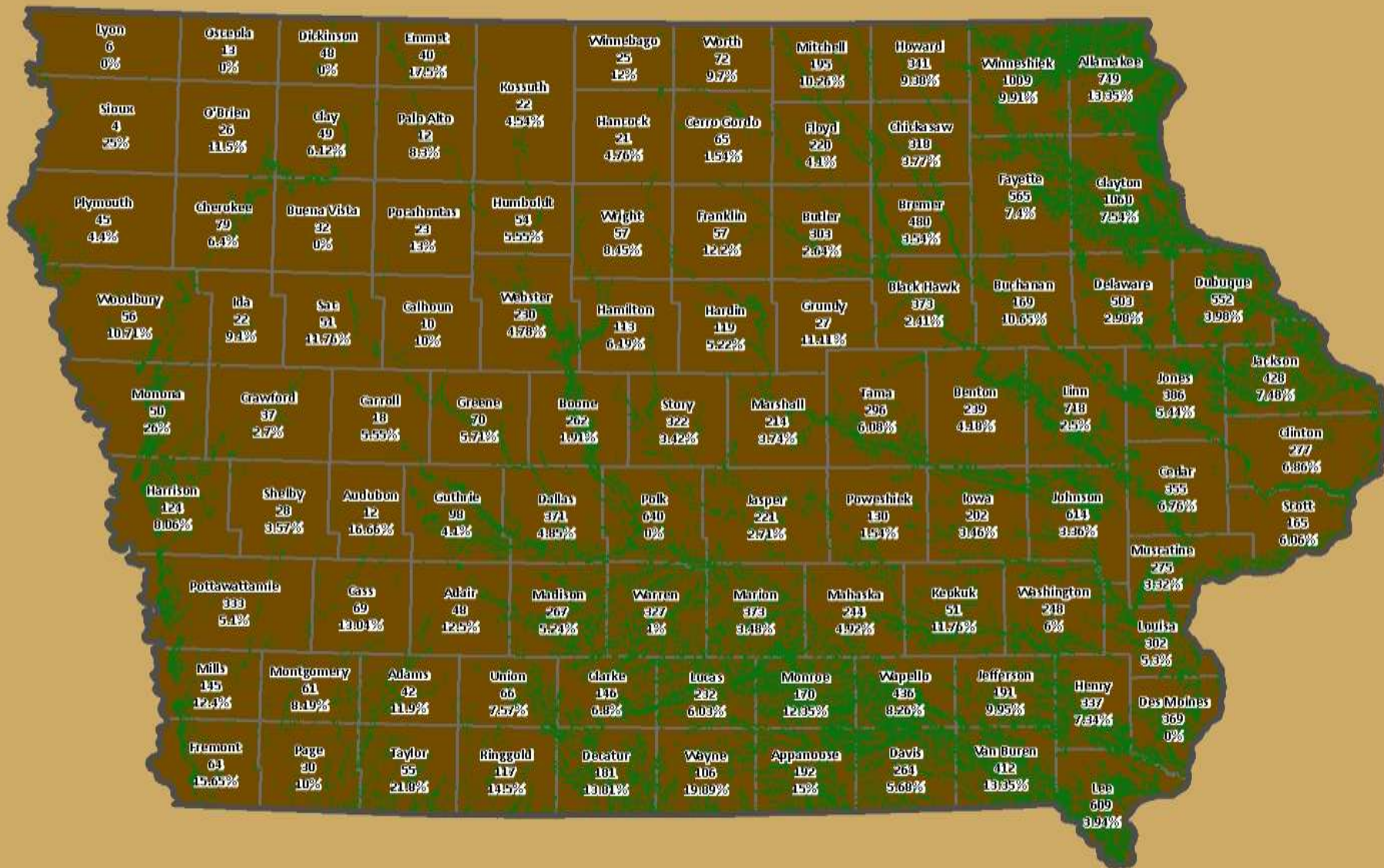


Forest Reserve 2011



The map shows: Forest acres circa 1832-1859, current forest acres, percent of each county in forest and Forest Reserve acres.

Number of Forest Reserve Land Owners



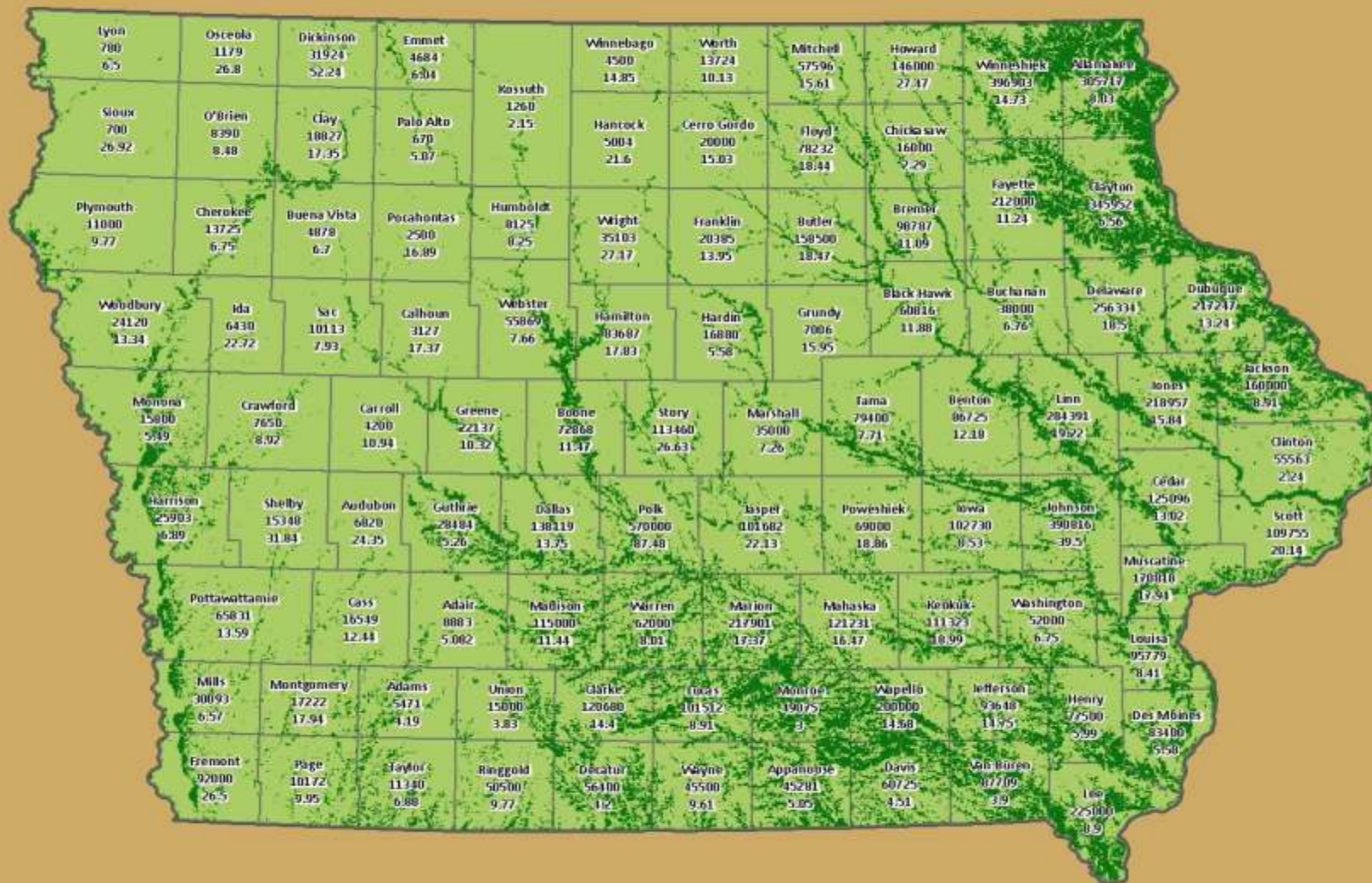
For each county, the map shows the total number of Forest Reserve land owners and the percent of Forest Reserve land owners who live outside of Iowa.

Forest Reserve Acres and Out-of-State Land Owners



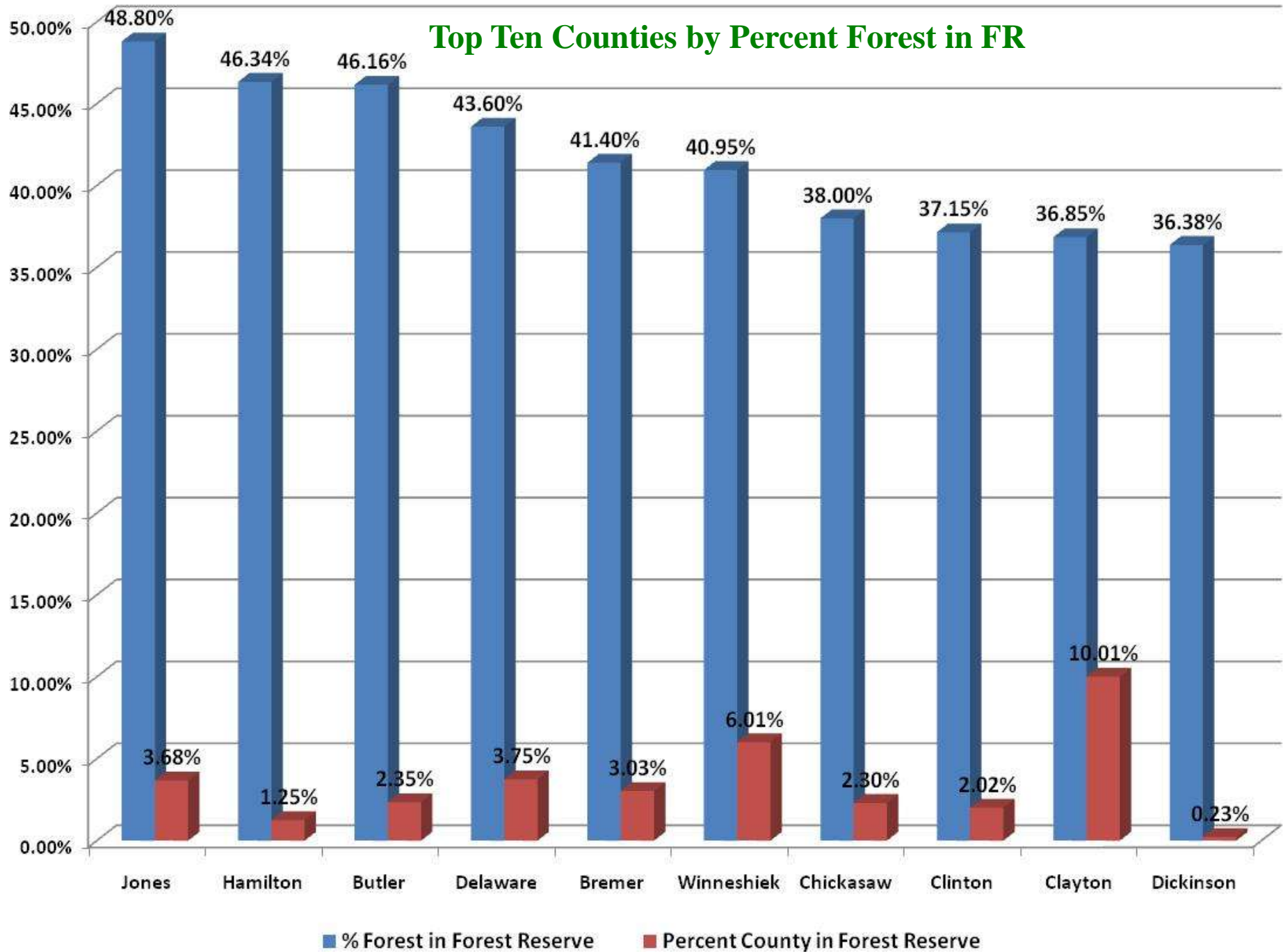
For each county, the map shows the total number of acres in Forest Reserve, the percentage of forest acres in the Forest Reserve program and the percentage of out-of-state owned acres in the Forest Reserve program.

Value of Forest Reserve Conservation Credit

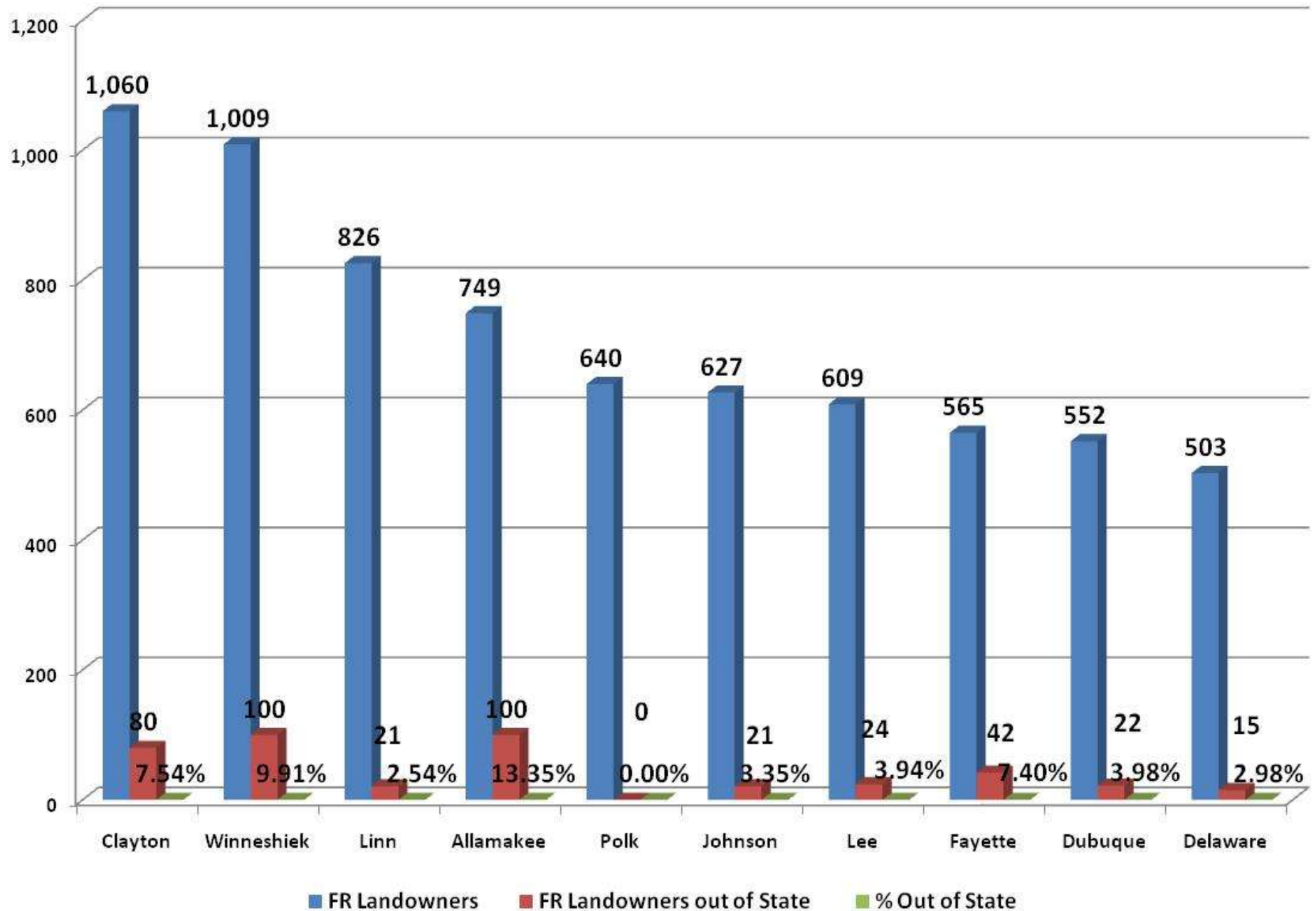


The map shows by county dollars not received and average tax per acre.

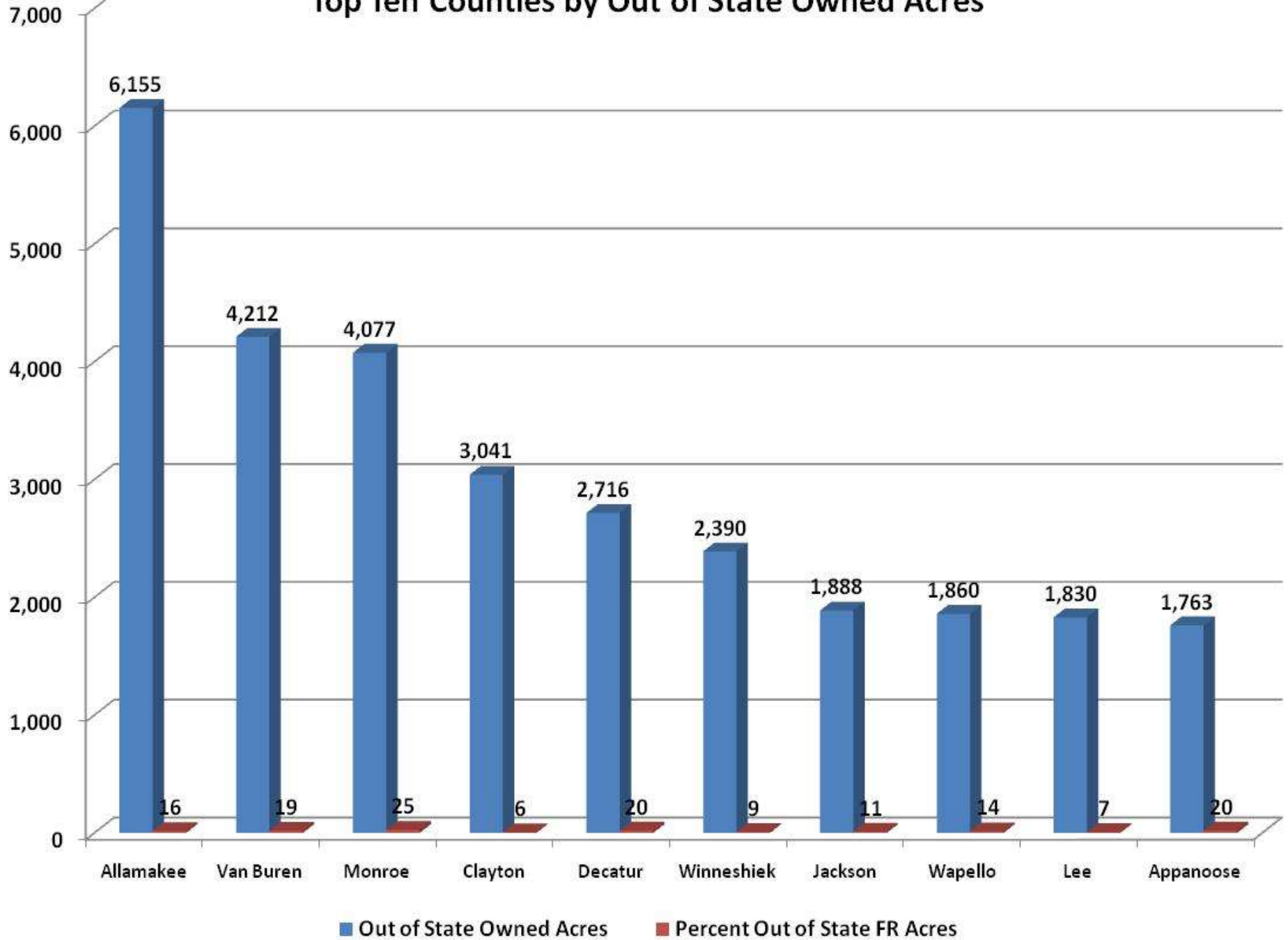
Top Ten Counties by Percent Forest in FR



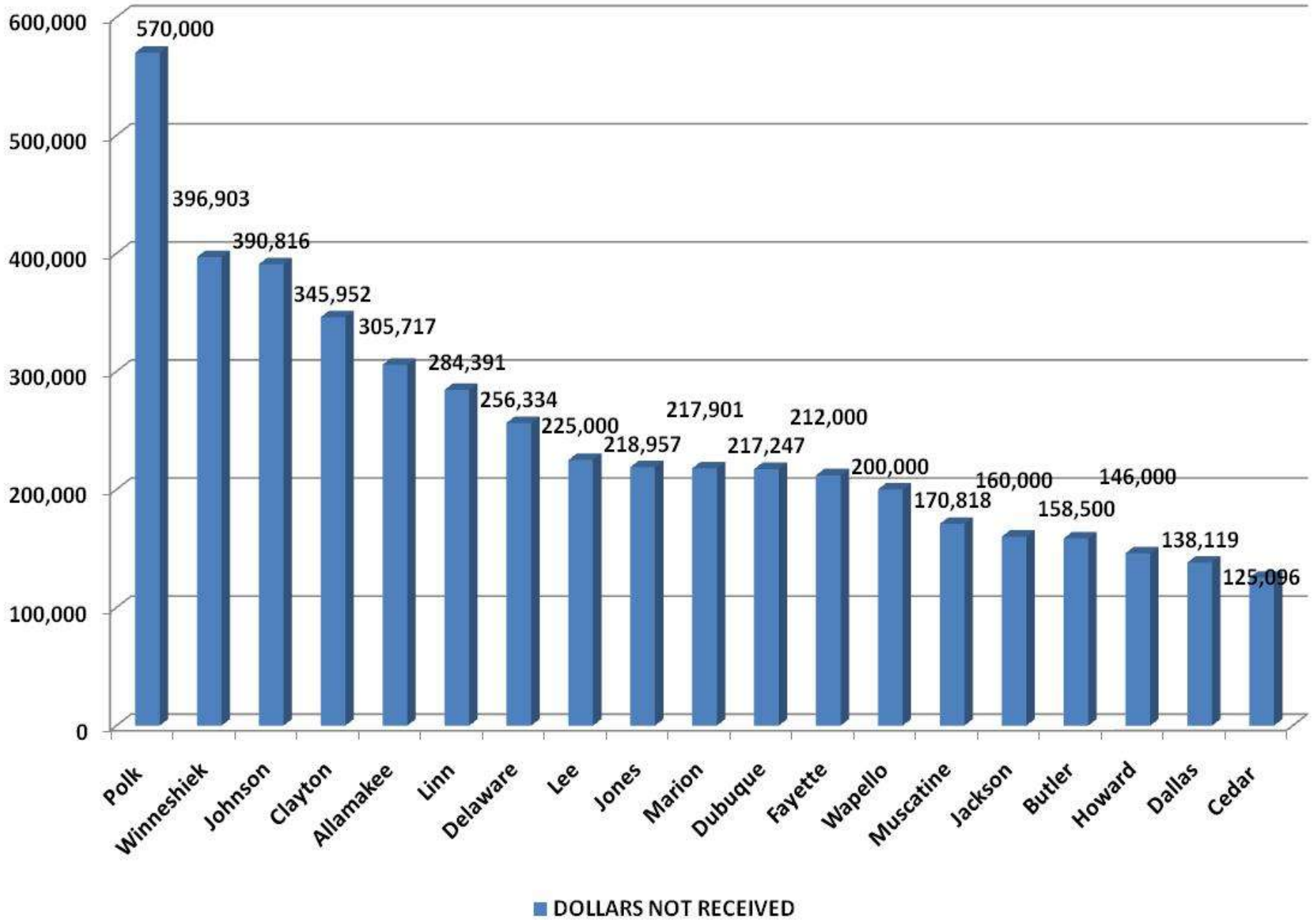
Top Ten Counties by Number of Forest Reserve Landowners



Top Ten Counties by Out of State Owned Acres



TAXABLE VALUATION OF CREDIT



Current Forest Reserve Law Addresses Forest Resource Issues and Concerns of 1906



1. Clearing
2. Overgrazing
3. Loss of game cover



Current and Future Forest Resource

Concerns

- **Invasive Species**
 - **EAB, Gypsy moth, etc.**
- **Loss of White and Red Oak**
- **Development**
 - **Fragmentation**
 - **Parcelization**



Current and Future Forest Resource Concerns

- Lack of Woodland Care
- Decline in Forest Health and Quality



Forest Reserve Concerns

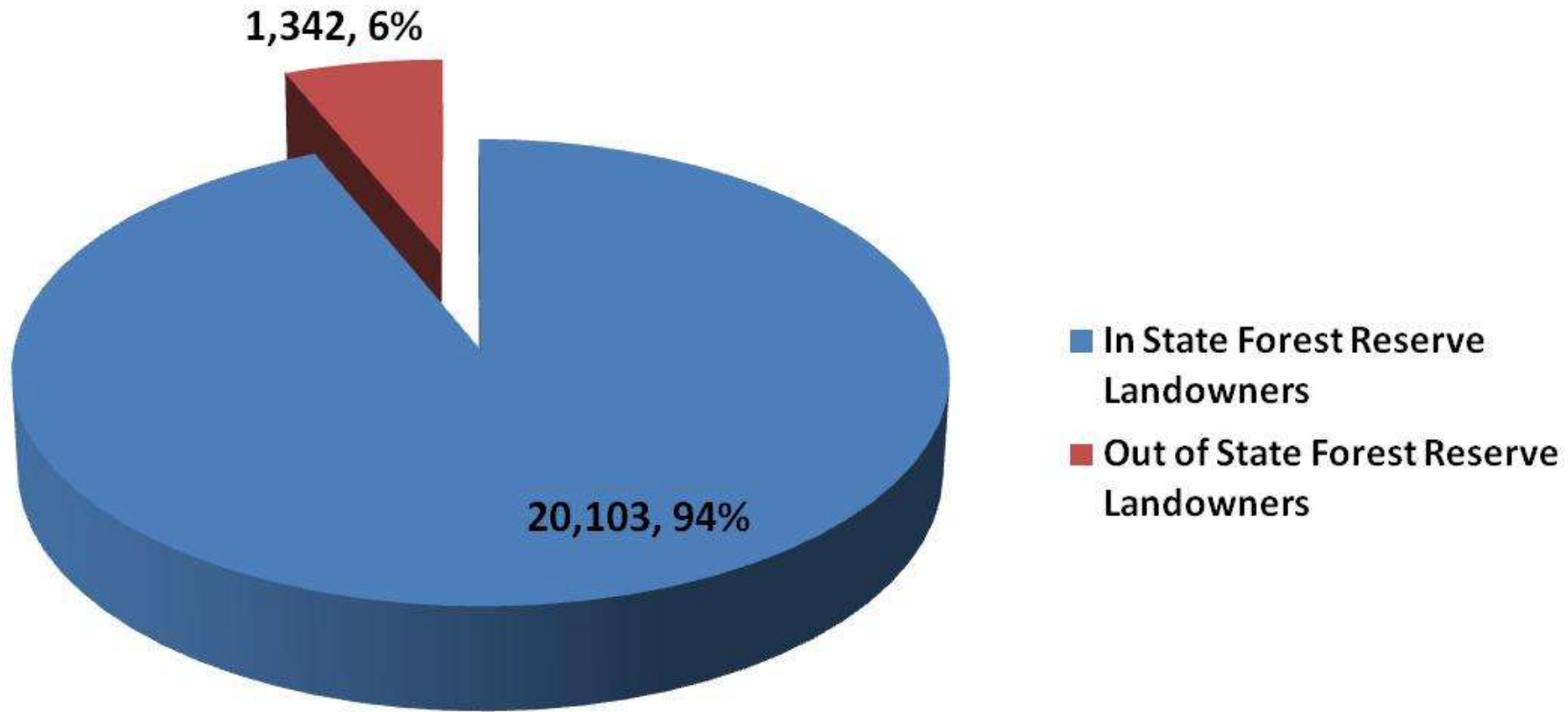


- Out of State Ownership
 - Landowners
 - Acres
- Impact on County Budgets



FR LANDOWNERS

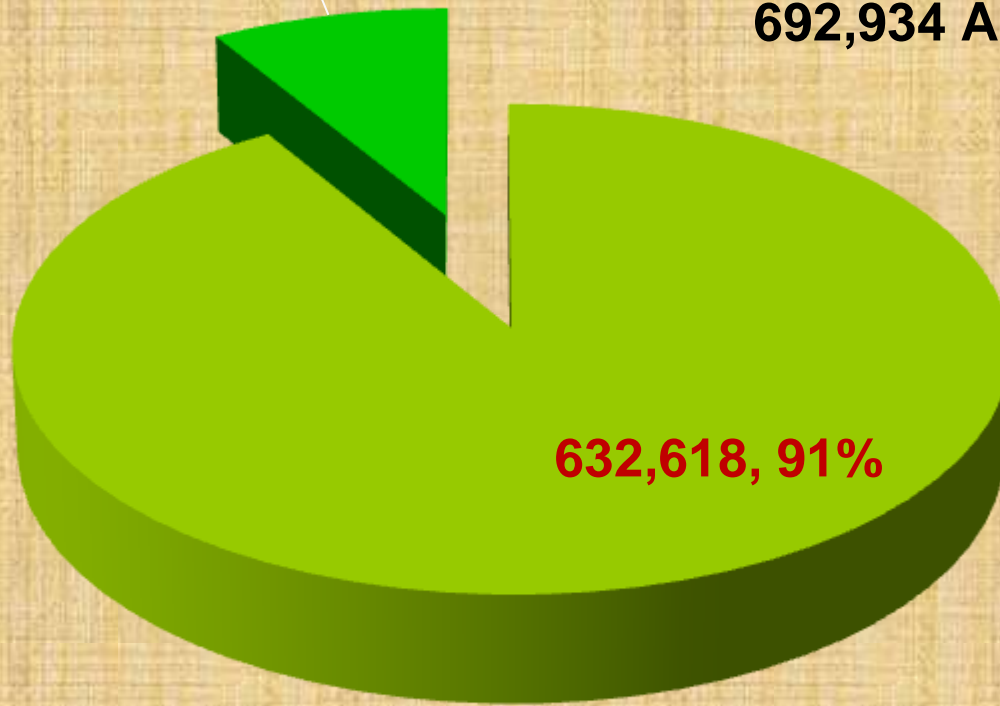
21,445 Forest Reserve Landowners



Forest Reserve Acres Are Owned By Out-of-State Landowners

60,316, 9%

692,934 Acres in Forest Reserve



- Acres Owned By In State Forest Reserve Landowners
- Acres Owned By Out of State Forest Reserve Landowners

Dollars Available to the County Will Increase if Forest Reserve is Eliminated

- **An estimated \$8,448,000 in tax revenue is not collected**
- **Range is \$87.00/acre to \$2.15/acre**
- **Average tax paid is \$12.19 per acre**
- **Average of \$85,333 per county**
- **County tax revenue FY 2009 was \$2,135,291,517**
- **“Lost” Forest Reserve revenue represents on average 4/10 of 1% of county budgets**

Dollars Available to the County Will Increase if Forest Reserve is Eliminated

- “Needed income divided by the taxable value equals the tax rate. So if the taxable value goes up (i.e. forest reserve is discontinued) then the tax rate would be reduced to produce the same amount of income.” *Dave Kubik Dubuque County Assessor*



Benefits of Forests



The Faces of Forest Reserve





■ Comment Rules

1. State your name & where you are from
2. You will have 3 to 5 minutes to make your comments on the Forest Reserve Program
3. Be respectful, even if you disagree with the person commenting
4. If you wish to make comment by e-mail you can do so by sending comments to paul.tauke@dnr.iowa.gov or by writing to Paul Tauke, IDNR Forestry Bureau 502 East 9th Street Des Moines, Iowa 50319-0034