

ORDER OF THE STATE OF WISCONSIN NATURAL RESOURCES BOARD
CREATING RULES

The State of Wisconsin Natural Resources Board proposes an order to create NR 47.92 relating to master logging certification scholarships.

FR-42-05

Analysis Prepared by Department of Natural Resources

Statutes interpreted: ss. 26.39(7), Stats.

Statutory authority: ss. 26.39(7), Stats. 2005 Wisconsin Act 25 created ss. 26.39(7) that specifically directs the Department of Natural Resources (DNR) to promulgate rules that establish criteria for logging certification scholarships. The program is to be funded through a continuing appropriation, to be provided annually.

Analysis of proposed rules: Rules will address the purpose, applicability, definitions, application and grant procedures, general provisions, accountability and audit procedure, and termination for the logging certification scholarship program. Scholarships will be provided to applicants interested in attaining Wisconsin Master Logger Certification (MLC[®]) as currently administered through the Wisconsin Professional Loggers Association (WPLA). The funding will be applied as a credit towards an individual's application fee. Eligible costs within the application fee will include costs incurred during the audit process, training related to the audit process, information and outreach to prospective applicants and owners of Wisconsin woodlands, and record-keeping and administrative costs directly related to Wisconsin MLC[®].

Scholarship funds will be distributed quarterly to WPLA on behalf of the individuals that have applied for Wisconsin MLC[®] during that quarter. A Master Logger Advisory Board, independent of WPLA, is responsible for oversight and monitoring of the Wisconsin MLC[®] program. The Advisory Board ensures that WPLA's administration of the program adheres to the national MLC[®] standards. Scholarship funds not spent on eligible costs will be returned to DNR. Scholarship funds will be retained by WPLA in a segregated account that will be audited periodically by DNR Division of Forestry.

Comparison with federal regulations: There are no known federal regulations that apply to the MLC[®] program.

Comparison with adjacent states: None of the adjacent states have implemented a similar program at this time. Michigan is in the early stages of developing a MLC[®] program, however, has not drafted any rules as yet. Minnesota is also starting a similar program however they are not intending to pattern it after the MLC[®] standards. Neither Iowa nor Illinois have any related programs.

Summary of the methodologies used in support of the proposed rule: 2005 Act 25 was specific in identifying the MLC[®] program as currently administered through WPLA. The rule was drafted to accommodate the existing format and minimize DNR administrative costs, while still providing appropriate oversight of the logging certification scholarship program. DNR worked with WPLA in rule development.

Effect on small business: This rule does affect small business. The scholarship program would make Wisconsin MLC more affordable for logging contractors. The current cost of attaining MLC is approximately \$2500. At present, the cost of the program is prohibiting some contractors from applying. Master Logger status is advantageous to contractors in that it does provide them with additional opportunities to market green-certified forest products. It also helps to ensure that they will be able to continue marketing forest products to some mills that may require green-certified raw materials in the future. Wisconsin MLC[®] also provides third party verification of a logger's business practices. This could be helpful in marketing their services. It is not possible to affix a monetary value on the marketing impacts.

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SECTION 1. NR 47.92 is created to read:

NR 47.92 Logging certification scholarships. (1) PURPOSE. The purpose of this section is to establish standards and procedures for implementation of a grant program to contribute funds to individuals seeking Wisconsin master logger certification.

(2) APPLICABILITY. This section applies to individuals applying for master logger certification as administered through the Wisconsin Professional Loggers Association.

(3) DEFINITIONS. In this section:

(a) "In-woods harvesting equipment" means the equipment necessary to enter a harvesting site, and to harvest, process and remove the designated forest products including, but not limited to, excavating equipment, chain saws, mechanized tree harvesters, skidders, forwarders, slashers and chippers.

(b) "Master Logger Advisory Board" means a third party board, independent of WPLA, that provides oversight and monitoring for the Wisconsin master logger certification program.

(c) "Master logger certification program" or "MLC[®]" means a performance-based program copyrighted and sanctioned by the American Loggers Council that establishes national standards of performance for the logging profession.

(d) "Scholarship" means a sum of money that is credited towards an individual's application fee to offset part of the program cost of processing applicants for master logger certification.

(e) "State fiscal year" means the time period commencing at July 1 and ending the following June 30.

(f) "Wisconsin certified master logger" means an applicant who has been audited, and met or exceeded standards and practices that have been developed and approved for Wisconsin by WPLA, the Master Logger Advisory Board, and the American Loggers Council.

(g) "WPLA" means the Wisconsin Professional Loggers Association.

(4) APPLICATION AND GRANT PROCEDURE. (a) An individual may apply for a scholarship under the logging certification scholarship program using an application form provided by WPLA. The application shall include the applicant's name, address, contact information, and an application fee.

(b) Application forms shall be available from and filed with the WPLA.

Note: The address for WPLA is P.O. Box 326, Tomahawk, WI 54487

(c) To be eligible for a scholarship an applicant shall do all of the following:

1. Be in the business of purchasing timber stumpage, or of subcontracting with another party to fulfill a timber harvesting contract.
2. Be an independent contractor as defined in s. 102.07(8), Stats.
3. Be responsible for on-site timber harvest activities.
4. Own, lease, or rent and operate in-woods timber harvesting equipment.

(d) The application fee for individuals seeking to become a Wisconsin certified master logger shall be established on July 1 of each year by the Master Logger Advisory Board. The application fee shall include the cost of all of the following:

1. Audit process, including time and expenses.
2. Training directly related to the audit process.
3. Record keeping and administrative costs directly associated with MLC[®].
4. Information outreach on MLC[®] to prospective applicants and owners of Wisconsin woodlands.

(e) Scholarships shall be applied as a credit to the eligible individual's application fee.

(f) WPLA shall submit a listing of eligible scholarship applicants to the department quarterly based on the state fiscal year.

(g) The department shall provide payment to the Wisconsin master logger certification program for scholarships as provided in par. (e) and sub. (6)(a) quarterly, based on the state fiscal year.

(j) An individual may not receive a logging certification scholarship more than once every 2 years for initial Master Logger certification.

(5) GENERAL PROVISIONS. (a) The department shall maintain a liaison to the WPLA board of directors.

(b) WPLA shall deposit all scholarship funds received from the department into a segregated account.

(c) WPLA, in conjunction with the Master Loggers Advisory Board and American Loggers Council, shall develop, retain, and may revise the standards of the Wisconsin master logger certification program.

(6) FUNDING RATES AND CONSTRAINTS. (a) A scholarship shall be limited to no more than 50% of the cost of the application fee for receiving, and maintaining, Wisconsin master logger certification.

(b) The remaining application fee costs may be derived from other grants or scholarship programs.

(c) If the total amount of scholarships awarded under this section exceeds the funds available in any one quarter, the scholarships shall be prorated.

(d) Funding through this program may not be applied to applications for Wisconsin master logger certification that have been reviewed and audited prior to the effective date of this paragraph... [revisor insert date].

(7) ACCOUNTABILITY AND AUDIT PROCEDURES. (a) Wisconsin master logger certification scholarship funds shall be applied only to the costs stipulated in sub. (4)(d) and for the purpose in sub. (1).

(b) Any unused scholarship funds shall be applied towards future scholarship applicants.

(c) Scholarship funds not applied to eligible costs included in application fees, or subject to gross abuse or corrupt practices in the administration of the scholarship program through WPLA as determined by the department, shall be returned to the department.

(d) WPLA shall retain financial records, including all documentation to substantiate that scholarship funds were applied towards fees of individuals applying for Wisconsin master logger certification, for a minimum of 3 years from the date of award.

(8) TERMINATION. (a) The department and WPLA may enter into an agreement to terminate the scholarship program at any time.

(b) The agreement shall establish the effective date of termination, the basis for settlement of scholarship termination costs, and the amount of any sums due to either party.

(c) Scholarships may not be awarded if funding has not been appropriated by the legislature for this purpose

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

SECTION 3. BOARD ADOPTION. The rule was approved and adopted by the State of Wisconsin Natural Resources Board on January 25, 2006.

Dated at Madison, Wisconsin _____

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By _____
Scott Hassett, Secretary

(SEAL)