



SCOTT KRUG

STATE REPRESENTATIVE • 72nd ASSEMBLY DISTRICT

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P.O. Box 8952
Madison, WI 53708-8952
Rep.Krug@legis.wi.gov

TO: Assembly Committee on State Affairs

FROM: Rep. Scott Krug

RE: Assembly Bill 367, Purchase of the Verso Paper Mill in Wisconsin Rapids

DATE: June 2, 2021

Chairman Swearingen and committee members:

Thank you for holding a hearing today on AB367. I call this the “Mill Bill”. I write this testimony for the record but am certainly going to speak from the heart today. I grew up in Wisconsin Rapids, went to the public schools in Wisconsin Rapids, graduated (a while ago) from good ol’ Lincoln High School, went to Mid-State Tech there and graduated as a proud MSTC Cougar. The whole while I have had dozens and dozens of family members working their tails off at Consolidated Papers, then Stora Enso, then New Page, then Verso. As much as I credit my success to my hard work, NONE of it would have been possible without each of my family at the mill and every other single employee, union and owner of that facility

This mill goes back many generations in Wisconsin Rapids. It is the backbone, the single biggest employer, the heartbeat of the community. When I got the call about a year ago that the mill would be “idled” I was heartbroken and so were thousands of people in the Wisconsin Rapids area and beyond. You see, this isn’t just a Wisconsin Rapids mill, as you will hear from others today. The footprint of this closure reaches throughout the state of WI. When I entered office in 2011, I had been witnessing the downward slide of the facility and vowed I did NOT want to be the guy in this office when that place closed. Now I know that God had other plans and I was meant to be the guy to be in this office when this place closed.

We (Sen. Testin and I) jumped into action immediately upon hearing the news of a pending “idling” of the plant. First, we reached out to Verso to find out how the state could be of assistance to prevent this from happening. We learned that in their minds nothing would stop the closure; they stated that COVID had hit them hard. The impact in their estimation was harder than they anticipated. You see, this isn’t the first hard time this mill had seen. It has survived the last pandemic, two World Wars,

MORE

the Great Depression and Great Recession and multiple ownership changes. It has seen it all, until now. Forced shutdowns in their consumer markets, threats from county government to close their doors, finally led Verso to say "That's enough, we're done."

Next, we called the Governor's office and hand delivered communication to the East Wing. I give credit to Governor Evers for taking our calls and being just as concerned as we are. He told us on multiple occasions, he would go along with whatever we came up with. That may have changed somewhat since then with the introduction of this bill and his return offer to tie the sale to the Medicaid expansion. Committee members I will tell you this, we ALL know this must happen. I pledge to you that I am willing to compromise on language of this bill as a standalone issue. We need to give Wisconsin Rapids its day in the Assembly, its day in the Senate and its day on the Governor's desk with a signature on the single largest issue facing it right now.

Sen. Testin and I started the Wisconsin Rapids Task Force prior to the closure of the mill, to gather stakeholders together for two purposes. We wanted to help find a buyer for the mill, and we wanted make sure needed community services were available to affected workers and families (at the height of a pandemic) to all affected, here and statewide. The stakeholders on our task force include state and federal government officials, me, Sen. Testin, Rep Shankland, Rep VanderMeer, as well as members of our Congressional delegation (Reps Kind and Rep Tiffany) and Senators Johnson and Baldwin. We worked with WEDC, the Governor's Office, DWD, DNR, the federal WIOA staff, and numerous other agencies to prepare for the worst. Locally we engaged our local chambers, United Way, the school districts, unions, employees and even Verso. All hands-on deck, NO POLITICS, we all played nice.

After a short time in conversations with various entities, a buyer emerged and an idea came forth to end the stalemate. We have an opportunity with the Consolidated Cooperative as a part of the Timber Professionals to come forward and be a local owner, something we haven't seen since the old Consolidated Papers in the 1990s. We worked through the investment bankers hired to conduct the outreach and sale to identify others as well. To this date no other buyer has specifically come forward to state an interest in making a purchase of the business, other than this buyer. This bill, geared towards that purchase, combines ALL the efforts of the task force with the ability to generate change with federal dollars. In the bill we specifically lay out parameters on how a potential transaction is to be laid out. The interested party would have to prove to have a sufficient amount of private funds before BCPL and WEDC can become involved. WEDC would then be allowed to craft a loan of up to \$50 million towards the purchase in conjunction with a pass-through loan from the BCPL. That combination along with private capital would make up the anticipated purchase amount of the facility and lead to production once again.

It is with great pride in my community that I humbly ask for your support and your help today in getting AB367 to be the lifeline that Wisconsin Rapids needs.



JAMES W. EDMING

STATE REPRESENTATIVE • 87TH ASSEMBLY DISTRICT

Testimony in Support of Assembly Bill 367

Assembly Committee on State Affairs

June 2, 2021

Mr. Chairman and committee members, thank you for holding a public hearing on Assembly Bill (AB) 367 today. I appreciate having the opportunity to work with Representative Krug, Senator Testin, and Senator Felzkowski on this important legislation.

When the Verso paper mill closed last year the impacts were felt far outside of the Wisconsin Rapids area. Prior to its closure, this mill utilized approximately 25% of all the pulpwood harvested in Wisconsin. With this major customer gone, many timber professionals who sold to this mill have struggled to find new buyers for their product. I have heard from loggers in my district who lost 50% or more of their business when the Wisconsin Rapids mill closed. A large number of them have been unable to find new customers to replace the loss of Verso.

Beyond the impact on the timber industry, the closure of the Wisconsin Rapids mill has also negatively impacted the budgets of many northern counties. Many counties across the Northwoods receive a significant amount of revenue from timber sales out of their county forests. For example, my office spoke with the county forest administrator in Rusk County who estimates that lost timber sales from the closure of the Verso mill has resulted in a reduction in revenue of around \$300,000 for the county. Other counties in my district and around northern Wisconsin are facing similar challenges.

Outside of the financial impacts, the harvest of timber is an important part of forest management. If the reduction in the harvest of pulpwood caused by the Wisconsin Rapids mill closure is not reversed the health of our state's forests could suffer resulting in an increased fire risk amongst other problems.

AB 367 would make a big difference in northern Wisconsin by providing the necessary funding to reopen the Wisconsin Rapids paper mill and return a very important customer for Wisconsin's timber industry.

Mr. Chairman and members, I ask you to join me in supporting AB 367 and thank you again for the opportunity to testify before you today.



IMPLICATIONS OF VERSO MILL CLOSURES

TO THE RUSK COUNTY BOARD OF SUPERVISORS

RUSK COUNTY

ROLL CALL Board Members	AYE (Yes)	NAY (No)	Abstain / Excused
1. TERRY DUSELL	X		
2. JERRY BILLER			X
3. ALAN RATHSACK	X		
4. TONY HAUSER			X
5. TIMOTHY MILLER			X
6. ROBERT STOUT	X		
7. RANDY TATUR	X		
8. LYLE LIEFFRING	X		
9. BILL MCBAIN	X		
10. KEN PEDERSEN	X		
11. PHIL SCHNEIDER	X		
12. JIM MEYER	X		
13. MARK SCHMITT	X		
14. LISA DOBROWOLSKI	X		
15. TOM HANSON	X		
16. JOSH UNTERSCHUETZ	X		
17. DAVE WILLINGHAM	X		
18. MICHAEL HRABAN	X		
19. KEN BROWN	X		
TOTAL	16		3

BOARD ACTION

Vote Required: Majority Vote of a Quorum

Motion to Approve: Adopted

1st Lieffring Defeated:

2nd Schneider

No: 0 Yes: 16 Exc: 3

Reviewed by: _____, Corp. Counsel

Reviewed by: _____, Finance Director

FISCAL IMPACT: (Note if there is any fiscal impact or not)

Certification:

I, Loren Beebe, Clerk of Rusk County, hereby certify that the above is a true and correct copy of a resolution that was adopted on the 23 day of June, 2020 by the Rusk County Board of Supervisors.

Loren Beebe
Loren Beebe
County Clerk, Rusk County

1 **WHEREAS**, On June 9, Verso announced idling of their Duluth, MN and
 2 Wisconsin Rapids, WI pulp and paper mills by the end of July 2020 for an
 3 indefinite period, and
 4
 5 **WHEREAS**, the idling of these mills will directly impact 1,000 workers and
 6 indirectly affect thousands more across the entire state of Wisconsin that support
 7 the mills through related forestry work such as logging and transportation, and
 8
 9 **WHEREAS**, the prolonged closure of these mills will negatively affect national,
 10 state, county and private landowners financially and has the potential to affect the
 11 ability to continue proper silviculture techniques on those lands to maintain a
 12 healthy forest structure, and
 13
 14 **WHEREAS**, the Wisconsin Rapids, WI mill utilizes over 25% of all pulpwood
 15 produced in the state of Wisconsin, and
 16
 17 **WHEREAS**, the forest products industry is the number 1 employer in Rusk
 18 County based on number of employees, and
 19
 20 **WHEREAS**, 58.7% of total pulpwood on active sales in Rusk County is
 21 hardwood pulp, of which over 90% would be consumed at the Wisconsin Rapids
 22 mill, and
 23
 24 **WHEREAS**, timber revenue from the Rusk County Forest reduces the County
 25 levy by 15-20% and the loss of this income will financially affect the 14,000+
 26 citizens of Rusk County and the public services available to them, and
 27
 28 **WHEREAS**, a similar impact will be felt by nearly every County operating a
 29 County Forest for timber production.
 30
 31 **NOW, THEREFORE, BE IT RESOLVED**, The County Board of Supervisors
 32 of the County of Rusk ask that the Governor and Legislature direct that
 33 assistance be provided in any way possible to allow continuation of mill
 34 operations and/or financial assistance be considered to support the direct loss of
 35 jobs, as well as assistance for other industries impacted by the closure.
 36
 37 **BE IT FURTHER RESOLVED**, that the State of Wisconsin work with
 38 Counties to identify new markets for forest products and provide flexibility and
 39 assistance to replace lost revenues
 40 -
 41 **BE IT FURTHER RESOLVED** That the Rusk County Land and Forestry
 42 Committee has directed to forward this resolution to Wisconsin Counties
 43 Association (WCA), Wisconsin County Forests Association (WCFA) and all
 44 local, regional, state and federal representatives.
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Resolution #2020- 30

RESOLUTION REGARDING IMPLICATIONS OF VERSO MILL CLOSURES

WHEREAS, On June 9, 2020 Verso announced the idling of their Duluth, MN and Wisconsin Rapids, WI pulp and paper mills by the end of July 2020 for an indefinite period, and

WHEREAS, the idling of these mills will directly impact 1,000 workers and indirectly affect thousands more across the state of Wisconsin that support the mills through related forestry, forestry product work and various support industries, and

WHEREAS, the prolonged closure of these mills will negatively affect national, state, county and private landowners financially and has the potential to affect the ability to continue proper silviculture techniques on those lands to maintain a healthy forest structure, and

WHEREAS, the Wisconsin Rapids, WI mill utilizes over 25% of all pulpwood produced in the state of Wisconsin, and

WHEREAS, the forest products industry is the number 3 employer in Sawyer County based on number of employees, and

WHEREAS, 30% of total pulpwood on active timber sales in Sawyer County is hardwood pulp, of which 50% would be consumed at the Wisconsin Rapids mill, and

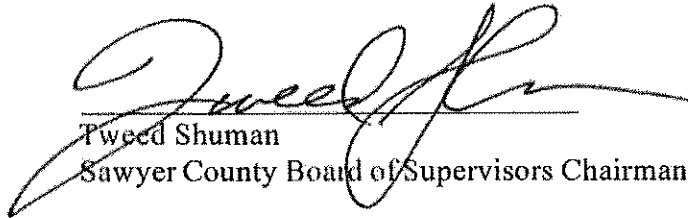
WHEREAS, timber revenue from the Sawyer County Forest reduces the County levy, and the loss of this income will financially affect the citizens of Sawyer County and the public services available to them, and

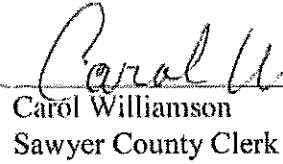
WHEREAS, a similar impact will be felt by nearly every County operating a County Forest for timber production.

NOW, THEREFORE, BE IT RESOLVED, the Sawyer County Board of Supervisors ask that the Governor and Legislature direct that assistance be provided in any way possible to allow continuation of mill operations and/or financial assistance be considered to support the direct loss of jobs, as well as assistance for other industries impacted by the closure.

BE IT FURTHER RESOLVED, that the State of Wisconsin work with Counties to identify new markets for forest products and provide flexibility and assistance to replace lost revenues

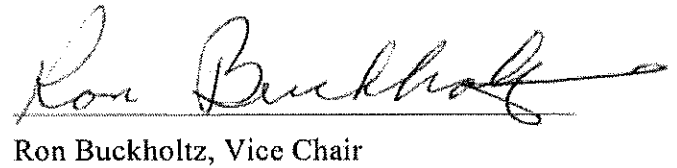
The Sawyer County Board of Supervisors hereby adopts this Resolution on this 16th day of July, 2020.

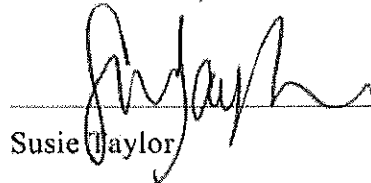

Tweed Shuman
Sawyer County Board of Supervisors Chairman

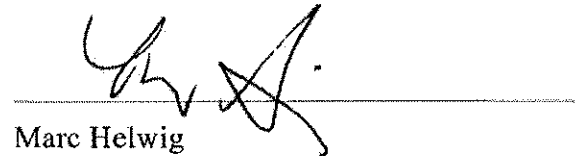

Carol Williamson
Sawyer County Clerk

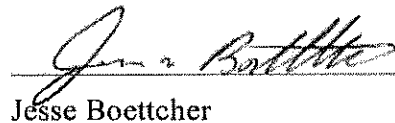
The content of this Resolution was recommended for adoption by the Sawyer County Board of Supervisors at its meeting on July 16, 2020 by this Sawyer County Land, Water, and Forest Resources Committee on July 8, 2020.


Bruce Paulsen, Chair


Ron Buckholtz, Vice Chair


Susie Taylor


Marc Helwig


Jesse Boettcher



PATRICK TESTIN

STATE SENATOR

DATE: June 2, 2021
RE: Testimony on Assembly Bill 367
TO: The Assembly Committee on State Affairs
FROM: Senator Patrick Testin

I would like to thank Chairman Swearingen and members of the committee for accepting my testimony on Assembly Bill 367 (AB 367).

When Verso Corporation closed its paper mill in Wisconsin Rapids, it affected the lives of 905 employees. Due to the COVID-19 pandemic, the mill was shut down and Wisconsin Rapids and Wood County lost a major employer.

As gutting as this was for that community, the shuttering of that mill had repercussions that extended farther in the state. In addition to high quality coated paper, the mill also produced paper pulp. About one-quarter of all pulpwood in the state went to the Verso mill in Wisconsin Rapids. Without their consumption, scores of small timber cutters had no buyer for the softwood they harvested. That lack of wood cutting also affects many land owners who have property in the Managed Forest Land (MFL) program. Many of those land owners rely on the timber companies to help manage their forests.

Verso has put the mill up for sale. The Great Lakes Timber Professionals Association has been working with the UW to form a cooperative which could purchase the mill, make it operational again, and restore some jobs. This cooperative, called the Consolidated Cooperative, needs additional capital aside from what they have secured, to purchase and operate the mill.

What we are proposing is that the some of the federal pandemic stimulus funds be used as a loan to help the cooperative purchase the mill and get it back up and running. This would not be a handout. This would be a loan. And it would require the cooperative to obtain significant funds from other sources as well.

This is a chance to help a community, a region and an industry that was devastated by the pandemic. Thank you again for listening to my testimony and I hope that you will join me in supporting this bill.

Rep.Edming

From: Mike Gardner <mgardner@northflow.net>
Sent: Wednesday, June 02, 2021 9:13 AM
To: Rep.Swearingen
Cc: Rep.Krug; Rep.Edming; Bruce Paulsen; Jessica M. Wagner-Schultz
Subject: 2021 Assembly Bill 367 Support

The forest products economy is very important to Sawyer County. The Sawyer County Lac Courte Oreilles Economic Development Corporation wishes to be recorded as supporting 2021 Assembly Bill 367 in the official committee record. A loan to the Consolidated Cooperative for the purchase of the Verso Paper Mill in the city of Wisconsin Rapids will support jobs and provide increased sustainable forest management options for northern Wisconsin. . Do not hesitate to contact me if I can provide additional information or data relevant to the decision making process. Thank you for your consideration.

Mike Gardner / Executive Director
Sawyer County / Lac Courte Oreilles Economic Development Corp.
Home Office: 8652N River Rd, Hayward, WI 54843
715-462-4775 office 715-209-8285 cell
mgardner@northflow.net



[Http://www.sclcoedc.com](http://www.sclcoedc.com)

Wisconsin County Forests Association

Norman Bickford
President
Burnett County

Joe Waichulis
Vice President
Clark County

Greg Sekela
Treasurer
Oconto County

Al Mans
Director
Marinette County

Myron Brooks
Director
Taylor County

Ed Kelley
Director
Florence County

Bill Schradle
Director
Barron County

Phil Schneider
Director
Rusk County

William Bialecki
Director
Lincoln County

Arnold Schlei
Director
Marathon County

Jim Parrett
Director
Juneau County

Hank Graber
Director
Washburn County

Alan VanRaalte
Director
Oneida County

Michael Luedeke
Director-at-Large
Spooner, WI

Henry Schienebeck
Director-at-Large
Rhineland, WI

Rebekah Luedtke
Executive Director

June 1, 2021

Representative Rob Swearingen
Chair, Committee on State Affairs
Room 123 West
State Capitol
PO Box 8953
Madison, WI 53708

RE: Support for AB 367, the "Mill Bill"

Dear Representative Swearingen,

The Wisconsin County Forests Association (WCFA) is writing in support of AB 367, also known as the "Mill Bill", and request to be registered as such in order that the Verso mill in Wisconsin Rapids might be purchased and put back into operation as soon as is feasible by a cooperative entity based in Northern Wisconsin. This will help ensure jobs return to the community and greater Wisconsin, and that our forests will regain an important buyer for pulpwood harvested in the State.

WCFA represents the 30 counties in Wisconsin with County Forest lands established under state statutes §28.10 and 28.11. Collectively, these 30 counties manage over 2.4 million acres of forests, the largest public ownership in our State. These counties are a major contributor to public land management and rural economic development, and are also highly valued because they provide a reliable source of raw materials for the forest products industry, as well as a tremendous amount of recreation opportunities.

Sustainable forests, outdoor recreation and public land management are vitally important to our State's economic health. As you know, forest products are the 2nd largest industry in Wisconsin, supporting more than 64,000 jobs and contributing over \$24 billion annually to the State's economy. The two Verso mills which were idled in June 2020 consumed roughly 25% of the total raw material harvested in Wisconsin, including the majority of low-grade hardwood pulp. Losing this, or any, large market puts sustainable forest management, including the viability of our healthy forests, in jeopardy.

Active sustainable forest management, including timber harvests, provide healthy forest conditions, robust wildlife habitat, clean water resources and offer numerous outdoor recreation amenities and services afforded primarily from timber sale revenues. In addition to economic setbacks, counties, and the citizens of Wisconsin, will likely see additional negative environmental and socio-economic impacts as well if markets do not rebound.

801 N. Sales Street, Suite 107
Merrill, WI 54452
715-539-1097

rebekah@wisconsincountyforests.com
www.wisconsincountyforests.com

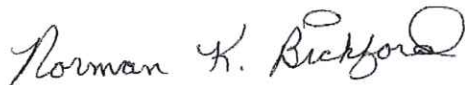
Wisconsin County Forests Association

Furthermore, the County Forest programs bring revenue into county coffers to not only fund their programs but to also supplement county wide budgets. For example, the Forestry and Parks department in Rusk County is responsible for 25% of their county's annual operating budget. Other county departments and services, and possibly tax levies, could be significantly impacted if revenues of harvested timber, due to lost markets, fall considerably.

In summary, forestry isn't just our job but our passion, our pride and our way of life. We implore you to help keep Wisconsin a national leader in forest products and natural resource management by supporting AB 367 and its amendment to also support the Park Falls cooperative initiative. Supporting the forest products industry by financially supporting the cooperative initiatives for both Wisconsin Rapids and Park Falls will go a long way in ensuring the health and viability of wood markets for generations to come.

Thank you for your time and consideration in these matters.

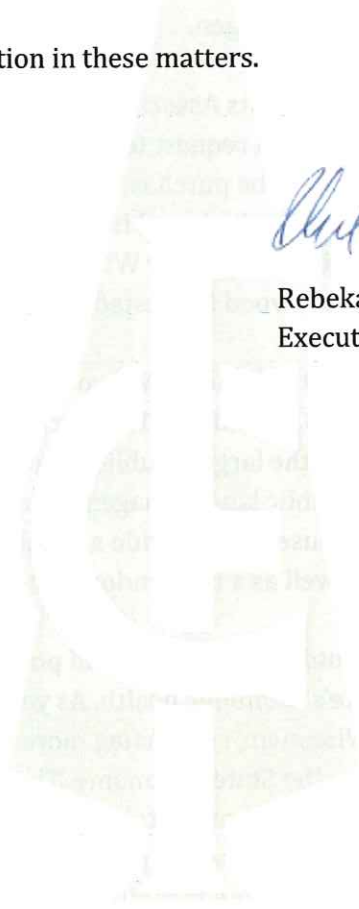
Sincerely,



Norman Bickford
President



Rebekah Luedtke
Executive Director



801 N. Sales Street, Suite 107
Merrill, WI 54452
715-539-1097

rebekah@wisconsincountyforests.com
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Executive Committee:

Matt Jensen President Crandon, WI	Troy Brown WI Vice President Antigo, WI	Mike Sturgill MI Vice President Onaway, MI	Dave Johnson Secretary/Treasurer Quinnesec, MI	Guy Longhini Member at Large Toivola, MI	Mark Huempfer Member at Large Wausaukee, WI	Bruce "Sparky" Enstrom Past President Menominee, MI	Henry Schienebeck Executive Director Rhineland, WI
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Newberry, MI

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DJ Zellar
Germfask, MI

Assembly Committee on State Affairs
Representative Rob Swearingen-Chair
Room 225 NW
State Capitol
Madison WI 53708

RE: AB 367 Loan for VERSO Paper Mill WI Rapids Wisconsin by Consolidated Cooperative

Chair Swearingen and Committee members,

Great lakes Timber Professionals Association members and Board of Directors fully supports AB 367.

Wisconsin's forest industry and ancillary businesses such as tourism depend on healthy forests. The only way to maintain healthy forests is with a healthy forest industry to utilize sustainably harvested wood from Wisconsin certified forests. Industry and healthy forest are equally dependent on one another. In fact, most, if not all wood consumers have agreed and stated publicly in years past, that to maintain forest health in Wisconsin and the Lake States Region, we cannot afford to lose another wood consuming mill. Since June 9th of last year Wisconsin and surrounding states including Minnesota and Michigan have lost three wood consuming mills.

These mills include VERSO in Wisconsin Rapids and Duluth Minnesota and Park Falls Pulp and Paper in Park Falls Wisconsin. In addition to the 1,300 jobs lost at the mills themselves, another 14,000 individuals and businesses were impacted. The impacted includes loggers, truckers, equipment companies, parts distributors, repair facilities, fuel and oil distributors and stations, and landowners of all ownerships.

Since the announced closure of the WI Rapids and Duluth MN Verso mills June 9th in 2020, stumpage revenues have dropped substantially for state, county, and private lands. According to a report from DNR personal provided in February, county timber sale revenue decreased by 27% compared to 2019. State timber sale revenue has decreased by 37% compared to 2019 revenue. Private land is harder to track, however, frequent calls received from landowners indicate they are struggling to find loggers willing to even harvest their wood at any price because of a lack of market. The longer these mills are shuttered stumpage rates will continue to decline. Arguably, lower stumpage may help industry in



the short term, however, if a balance is not maintained landowners will most certainly find other ways to keep land ownership affordable.

AB 367 will aid greatly to help consumption of raw forest products resume at both the VERSO WI Rapids and Park Falls Pulp and Paper mills. Because these are not grants and are loans to the respective cooperatives, GLTPA believes the odds of success and repayment are far greater. They are looked at as a hand-up and not a handout to support Wisconsin's second largest industry which is forest products. With this help, thousands of workers will be able to once again have well-paying jobs to support their families and communities. For these reasons GLTPA asks that you support this proactive legislation.

A handwritten signature in cursive script that reads "Henry Schienebeck".

Henry Schienebeck

Executive Director, Great Lakes Timber Professionals Association

Boisaco, Inc., a Community Owned Industry in Remote Quebec

*Summary by Margaret M. Bau, Cooperative Development Specialist, USDA Rural Development
June, 2012*

Boisaco, Inc. is a fascinating example of a small logging town taking ownership of their economy. Sacre-Coeur (population 1881), situated on the remote north shore of the St. Lawrence River, was like many mill towns. After the third bankruptcy in 10 years, the town's sawmill lay idle for 2.5 years. When the bank tried to liquidate, the community collaborated with the provincial credit union and government to buy the mill for \$1.2 million. The community created Boisaco, Inc. ("bois" means "wood" in French) an ownership strategy composed of three entities (2 co-ops + 1 community investor group):

- 1) COFOR – a worker co-op of 60 loggers harvesting wood in the forests. The co-op holds shares in Boisaco, Inc. and has seats on that corporation's board.
- 2) UNISACO – a worker co-op of 142 millworkers in the processing plant. The co-op holds shares in Boisaco, Inc. and holds seats on that corporation's board
- 3) INVESTRA – a community investor group comprised of 432 small shareholders in the region (local merchants, mayor, business community, and other workers). No family may own more than 5% of shares (to avoid a single family from holding a majority of shares).

The board composition consists of:

- 3 board members representing COFAR
- 3 board members representing UNISACO
- 3 board members representing INVESTRA
- 1 board member from Desjardins Capital de Risqué (the investment tool of Desjardins for venture capital) Desjardin is the powerhouse credit union system throughout Quebec.

A policy for distribution of surplus (profits) was created early on, and has served Boisaco and the entire community well:

18% to the workers in the logger and millworkers co-ops
27% to each shareholder (COFOR, UNISACO, INVESTRA) proportionately
55% to a development fund (after taxes)

That 55% development fund has allowed Boisaco to invest in or acquire five other regional companies (that buy Boisaco's products or by-products) and to modernize equipment. This foresight helped Boisaco diversify and ride out boom and bust cycles typical in the wood products industry. Those five companies include: granite cutting, a molded decorative panel manufacturer, a horse bedding manufacturer, forestry, and a pellet manufacturer.

Also key to Boisaco's success is the long history of transparency, participatory management (30% of workers have at some time served on a board), solidarity, and fairness. Workers are highly invested in avoiding waste and looking for cost savings. Before Boisaco was organized, the mill went through three ownerships and was closed for 30 months. People remember those times and realize how dependent the isolated community of 2,000 is upon this mill. There is also a strong desire to create good jobs to keep young people in the region.

With the crisis in the US housing market and the depressed prices for wood products, four years ago all involved in Boisaco reached an agreement to freeze wages and to implement 5-10% wage cuts when the

foot board measure reaches certain thresholds in the industry. This type of belt tightening has been done with an eye to avoid lay-offs (and what that would do to families and the potential permanent loss of those skilled workers).

For more information (in English) about this 25 year old community venture see:
<http://www.dominionpaper.ca/articles/3558>

Information provided thanks to:

Michel Clement, Director of Cooperative Development with the Quebec Ministry of Finance & Economy.

Case study by Universite de Sherbrooke graduate student Sarah Toulouse
Boisaco; la force d'une collectivité et le pouvoir mobilisateur d'une idée: 25 ans de cooperation
<http://aruc-dtc.uqar.qc.ca/images/stories/ETU-05-2011.pdf>

Sebastien Girard, Co-op Development Counselor with the Quebec-Appalaches Regional Co-op Development Center



WASHBURN COUNTY FOREST

FOREST ADMINISTRATOR

1760 Roundhouse Road
SPOONER, WISCONSIN 54801
(715) 635-4490 Fax (715) 635-4493

Representative Swearingen
34th Assembly District
123 West, P.O. Box 8953
Madison, WI 53708-8953

Dear Representative Swearingen:

It has come to our attention that a hearing on AB 367 (Mill Bill) is scheduled for a public hearing on Wednesday June 2. Please accept this as a letter of support for any assistance that the State of Wisconsin can provide to assist a cooperative entity in the purchase of the Verso Mill.

Washburn County manages 150,000 acres of working forest in northwest Wisconsin and solid wood markets are critical to the economic and environmental health of our communities and forests. The shutdown of the Verso mill in 2020 has resulted in \$750,000 per year direct revenue losses to the County and untold millions in impacts to local businesses in Washburn County.

Our timber industry is struggling and we fear that we will lose valuable logging contractors due to limited pulpwood markets. These are businesses and jobs that are unlikely to return if pulpwood markets do not rebound in the near future.

Washburn County fully supports this bill and we are also investigating if we can legally invest in the Timber Professionals Cooperative directly. Pending legal opinion confirming the legality of participation, Washburn County will very likely contribute financially to this effort.

The Timber Professionals Cooperative and Verso mill operations have been an ongoing discussion at various Committees and the County Board here for several months and there is very evident support for efforts that result in the Wisconsin Rapids mill becoming operational again.

Thank you

Sincerely

A handwritten signature in blue ink, appearing to read "Mike Peterson", is written over a horizontal line.

Mike Peterson
Washburn County Forest Administrator

Cc: Representative Krug