## Michigan Department of Natural Resources Timber Report Second Quarter Fiscal Year 2021-2022 Public Act 87 of 2021, Section 802

## **Background**

Michigan's state forest system was originally certified under both the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC) third party forest certification standards in December 2005. To date, Michigan has successfully retained certification under both standards.

The Department of Natural Resources' (Department) investment in forest certification strengthens Michigan's forest products sector. Certification is essential for primary and secondary wood producers in Michigan to have continued access to national and international markets.

## Second Quarter Fiscal Year 2021-2022 State Forest Timber Treatments

State forest planning and activities, including timber treatments, are conducted within the framework of SFI and FSC forest certification principles and standards, which require both multidisciplinary Department staff and public participation. The Department utilizes the compartment review process for participation and approval of treatments. Timber treatments each year are based on decisions made two years prior to actual implementation of the treatments.

The fiscal year (FY) 2021-22 plan of work currently identifies approximately 53,523 acres for timber sale preparation that were prescribed for treatment and approved through the compartment review process.

Timber sale preparation is done by Department staff, and through timber marking contracts with private consultants. In the second quarter of FY 2021-22, Department staff prepared 2,813 acres of timber sales (4,806 acres YTD) with an estimated volume of 58,335 cords (89,215 cords YTD), which averages 20.7 cords per acre (18.6 cords per acre YTD).

Timber sale preparation-marking contracts for 9,337 acres have been awarded through the second quarter, and these acres will be prepared for sale by the end of the fiscal year. No additional FY 2021-22 preparation-marking contracts are expected to be awarded.

State timber sales are primarily sold through a sealed bidding process, though direct sales and oral auctions can be used as well. In the second quarter of FY 2021-22, the Department sold 11,238 acres (23,118 acres YTD) with an estimated volume of 232,995

cords (480,264 cords YTD), which averages 20.7 cords per acre (20.8 cords per acre YTD).

In the second quarter of FY 2021-22, the Department received \$12,223,909 in revenue (\$25,946,257 YTD) from timber receipts.

## **Good Neighbor Authority (GNA)**

The FY 2021-22 plan of work currently identifies 8,820 acres for GNA timber sale preparation that were prescribed for treatment and approved by the U.S. Forest Service.

In the second quarter of FY 2021-22, the Department prepared 154 acres of GNA timber sales (672 acres YTD) with an estimated volume of 5,332 cords (14,928 cords YTD), which averages 34.6 cords per acre (22.2 cords per acre YTD).

GNA timber sale preparation-marking contracts for 6,150 acres have been awarded through the second quarter. No additional FY 2021-22 GNA preparation-marking contracts are expected to be awarded this year.

In the second quarter of FY 2021-22, the Department sold 563 acres of GNA timber sales (563 acres YTD) with an estimated volume of 12,992 cords (12,992 cords YTD), which averages 23.1 cords per acre (23.1 cords per acre YTD).

In the second quarter of FY 2021-22, the department received \$1,989,486 in revenue (\$3,797,018 YTD) from GNA timber receipts.