

**LOUISIANA FORESTRY COMMISSION  
BATON ROUGE, LA  
DECEMBER 5, 2022  
MINUTES**

**CALL TO ORDER**

The Louisiana Forestry Commission meeting was called to order by Chairman Michael Hudson at 10:02 a.m.

**ROLL CALL**

The roll was called by Wade Dubea

**Members Present:**

Chairman Michael Hudson, Gradon Clemons, Peggy Hagan, and Bill Jenkins

**LDAF Staff Present:** Wade Dubea, Epney Brasher, Steve Bary, Ben Booth, Patricia Dayberry, Bret Lane, Amy McInnis, Baleigh Olah, Matt Polk, and Roy St. Pierre

**Guests Present:** Gracie Texada, George Tiley, Buck Vandersteen and Alicia Wheeler

**PUBLIC COMMENTS**

None at this time; deferred to later in the meeting.

**APPROVAL OF MINUTES**

**MOTION:** Gradon Clemons made a motion to approve the minutes of the meeting held on September 13, 2022; Bill Jenkins seconded the motion. All were in favor.

**ADJUDICATORY HEARING**

Alicia Wheeler, an Assistant Attorney General with the Louisiana Department of Justice office was the hearing officer at the adjudicatory hearing. Lionel Washington, defendant and his attorney Bryan Smith, were present for the hearing. Amy McInnis, legal counsel for the Louisiana Department of Agriculture and Forestry, conducted the questioning and admitted into evidence on the case.

- 1) Case No 20-000117 – Lionel Washington – First Violation – 1 count - \$350.00 Fine; Ben Booth, LDAF Enforcement Agent was sworn in and testified regarding Mr. Washington’s violation – failure to keep a loaders log. Attorney Bryan Smith called Mr. Lionel Washington, Mrs. Lisaby Washington James, and Mr. William Washington, who were all sworn in to testify on Mr. Lionel Washington’s behalf. After testimony, cross examinations, and closing arguments the Commission Members made their determination on this case.

**MOTION:** Mike Hudson made a motion to charged Mr. Lionel Washington with the one violation: Peggy Hagan seconded the motion. All were in favor.

**MOTION:** Peggy Hagan made a motion to impose the \$350.00 fine LDAF recommended; Gradon Clemons seconded the motion. All were in favor.

The adjudicatory hearing was adjourned at 11:05 am.

Commissioner Mike Strain, DVM joined the meeting and addressed the Commissioners. Issues that were addressed were the economy slowing, inflation reducing, interest rates leveling out. There looks like possibly no change in the oil prices. Businesses are moving and using the waterways for the moving of products. We have 15 million acres of timber in Louisiana, along with carbon capture dollars, makes it profitable. This year’s legislative session is a fiscal session. Prescribed burning is an issue that needs to be watched, particularly sugar cane burning. Next year the state fiscally should be ok, but the next year may be a problem. All the federal money will run out and the state will be short on cash. We will have to watch close that they don’t try to take the dedicated funds that we use for firefighting equipment and maintenance. In the case of a constitutional convention, anything in the constitution can be changed with a vote. We must watch close the severance tax,

homestead exemption and value use of real estate. The Legislators do not understand the timber industry. Questions concerning the Florida parishes which has a lot of oversized timber and desperately need a mill in southeast Louisiana, we are just asking for one mill in the area. Is there a possibility of incentives to get a mill and get new young timber in place? Mississippi has received mills and Louisiana needs to get some help from the Legislature to work getting some mills in that portion of the state. We need to get in contact with the Department of Economic Development to be contacted when any interest is shown. A proposal needs to be brought to the Legislature to capture the severance tax from harvesting for carbon sequestration projects.

**Severance Tax Rates**

Setting up severance tax rates: The proposed rates for 2023 is based on the information that is submitted from the Department of Revenue and is a statewide average. It is also affected by non-reporting. This is based on what is reported and is a lagging indicator for the values. The proposed rates are strictly from what is reported, and no third-party input is considered. Need proposal to change wording on products. A ten-minute recess was proposed so that the Commission can go into executive session for the consideration of severance tax rates.

**MOTION:** Gradon Clemons made a motion to go into executive session; Bill Jenkins seconded the motion. All were in favor.

Commission resumed meeting at 11:55 am and after a brief discussion, the severance tax rates were set for 2023.

**ADOPTED SEVERANCE TAX VALUES FOR 2023**

| <b><u>PRODUCT</u></b> | <b><u>VALUE PER TON</u></b> | <b><u>TAX RATE</u></b> | <b><u>TAX PER TON (2023)</u></b> |
|-----------------------|-----------------------------|------------------------|----------------------------------|
| Pine Sawtimber        | \$32.56                     | 2.25%                  | \$0.73                           |
| Hardwood Sawtimber    | \$36.96                     | 2.25%                  | \$0.83                           |
| Pine Chip-n-Saw       | \$19.91                     | 2.25%                  | \$0.45                           |
| Pine Pulpwood         | \$8.78                      | 5.00%                  | \$0.44                           |
| Hardwood Pulpwood     | \$7.73                      | 5.00%                  | \$0.39                           |

**MOTION:** Mike Hudson made a motion to accept the tax rates as stated; Bill Jenkins seconded the motion. All were in favor.

**BUDGET**

Epney went over the current status; there is a large amount of funds from the federal government that we are currently trying to spend, but we are having a hard time getting it spent. We have ordered 11 dozers and hopefully they will be in right before the deadline. The major repairs section of the budget is for repairing the undercarriage on dozers. The transports have been requested but hopefully they will be awarded soon. The funds are obligated once the bids are accepted. For the Forest Health program, we are purchasing some John Deere gators for spraying Cogongrass. The drone training is in process, drones have been purchased, and employees interested in training have begun classes. The purchase of radios for the radio replacement program has been submitted. It looks like a three-year time frame for the total switchover and installation of the radios. FPP numbers were provided by Patricia, with included status updates, paid outs, replants and preapprovals for fiscal year 2024.

**DIVISION REPORTS**

**Protection:** Fire numbers are up because this year has been drier, so therefore burn bans have been issued. Burn bans and wildfire occurrence usually go hand in hand. We have had crews aid Texas with their wildfire suppression. The Volunteer Fire Assistance Grant Program is handled by the protection branch with an average of \$3500.00 going to fire departments. The certified prescribed burn program is done in conjunction with LSU AgCenter, and we have held 2-3 sessions in the recent past. We are in the process of updating that database. We do have personnel going through fire training at academies out of state. Flow chart to show fire data.

**Enforcement:** All good; complaints, investigations update provided.

**Management:** Management plans have been written and the foresters are doing stewardship plans; five plans required each year; they will meet if not exceed requirements for this year. We have prescribed burns scheduled, but we do honor the burn bans even though we are exempt. At the Alexander State Forest, we have gotten a lot of burning completed and the logging contract has been extended due to the weather.

**Forest Health:** We are trying to stay on top of trapping and monitoring the Southern Pine Beetle versus the Ips Beetle outbreaks and the Emerald Ash Borer as well. Also, Cogongrass spraying is being addressed.

**Aviation:** The breakdown on hours flow was presented. We have interviewed one pilot to fill the open position and we have one more pilot who is leaving and we will have to fill his position. We have eight pilots total when all positions are filled. Currently it takes eighteen months to two years to get an engine replacement on the planes.

### **OLD BUSINESS**

There is nothing up for discussion.

### **NEW BUSINESS**

Wade introduced the wanting to change our fee structure for the services we provide, and we will have a proposal ready for the next commission meeting. Also, the dates for next year's meetings are being provided and Epney will send out the calendar invites. Regarding the severance tax analysis, Wade will address the recommendation as to how it applies to emerging markets in particularly the biofuel industry and the products it generates. The language that we addressed to the Legislature was worded in such it talked about the first or last point of sale and we are probably covered, and we make an amendment to include this as an example. There was some bio-mass legislation that passed we just need to make sure that the language inwood or inwood chipping and or the products to go to a bio refinery would be consider for severance tax. Wade will visit with our folks to see if there needs to be an amendment or if a new bill needs to be introduced. If there needs to be clarification around chip n saw, we may need to get this all addressed at this time, for current and projected markets for forest timber and trees in the state and compare to our current severance tax logic to make sure that we are current with the evolving markets.

### **PUBLIC COMMENTS**

Buck Vandersteen discussed the economic development and attracting new mills and new interests. He also commented that a precedence has already been set on the bio-mass severance tax, which is paid currently at the pulpwood rate. He discussed land use and changing for the carbon marketing. LSU is searching for a new vice president and dean of the section that includes the AgCenter. He talked about the new revised BMP manuals that are effective January 1, 2023, and copies can be requested from my office, The Louisiana Forestry Association. He thanked all the folks who helped do the revisions and the Office of Forestry for assisting with getting this printed and this is the first time a new edition has been done since the 1980's.

### **ADJOURNMENT**

**MOTION:** Gradon Clemons made a motion to adjourn the meeting; Bill Jenkins seconded the motion. All were in favor. Meeting was adjourned at 12:35 pm.