



Minnesota Timber Producers Association

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Chair Ann Rest
Senate Taxes Committee
328 Capitol
St. Paul, MN 55155-1606

March 19, 2025

Dear Chair Rest and Committee Members,

The Minnesota Timber Producers Association (MTPA) is a trade organization representing all segments of Minnesota's forest products industry, including loggers, truckers, sawmills, paper mills, suppliers, and other allied businesses. We support healthy forests and sustainable forest management. Thank you for the opportunity to provide comment on SF 2374.

The language in the bill regarding the reduction of Sustainable Forest Incentive Act payments is concerning. These payments not only support the important forest management work that mitigates fire danger—among other benefits—but these payments also support everyday Minnesotans in our rural communities.

Just last Friday, a woman walked into our office in downtown Duluth to talk about managing her timber. Her name was Susie Ahonen, a 71-year-old retiree from Brimson, a little town about 45 miles north of Duluth.

And yes—Susie agreed to me sharing the following information with you.

Susie lives on 160 acres of forested land, originally homesteaded by her grandfather in 1913, so it's been in her family more than 110 years. She lives on roughly \$20,000 per year in social security and retirement payments. She also makes a small amount of money manufacturing and selling horse drawn carriages.

Susie's land is enrolled in the SFIA program, agreeing to the 50-year covenant. She told me the biggest reason she enrolled in the program is so she could pay her property taxes. Last year she received \$2892 in SFIA payments, critical funds she uses to be able to stay in her home on land that's been in her family more than a century. Because her property taxes last year were \$1673.91, the lion's share of that SFIA payment goes right back to local government.

In addition, she's been able to manage her forest—creating work for local loggers, providing fiber to area sawmills, and mitigating fire danger not far from the biggest forest fire in our state over the last decade, the Greenwood Fire. She's also re-planted red pine on several acres of the property.

Language in Senate File 2374 that would reduce Sustainable Forest Incentive Act payments by 30% would be devastating to hundreds of Minnesotans like Susie who are trying to stay in their homes in northern Minnesota.

In addition, there are also people in the Twin Cities metro area who own land in northern Minnesota and receive SFIA payments. They too would be negatively impacted by the language in Senate File 2374.

The state of Minnesota made a deal with people like Susie. It's a good deal for both sides, and I encourage you to allow it to continue.

Thank you for the opportunity to comment on SF 2374.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ray Higgins". The signature is stylized with a large "R" and a long, sweeping underline.

Ray Higgins
Executive Vice President