



March 18, 2025

Senator Ann Rest, Chair
Minnesota Senate Tax Committee
328 Capitol
St. Paul, MN 55155-1606

Subject: The Conservation Fund Opposition to S.F. No. 2374 - Reducing Sustainable Forest Incentive Act (SFIA) Payments

Via email to mitch.berggren@mnsenate.gov.

Dear Minnesota Senate Tax Committee Chair Rest,

I am the Minnesota State Director for The Conservation Fund (TCF), a national non-profit conservation organization. TCF owns large tracts of forestlands throughout northern Minnesota totaling approximately 80,000 acres. We are a conservation organization that purchased these timberlands from the PotlatchDeltic timber company over the past 15 years with the goal of transferring these lands into public ownership for continued sustainable forest management and conservation. Much of the land TCF currently owns is enrolled in the SFIA program and serves as a financial incentive to some of our future landowners by allowing them to continue to receive SFIA payments on these lands when in their ownership. These SFIA payments are important for our sustained management of these forests and in our transactions.

I am writing to express our strong opposition to the portion of S.F. No. 2374 that proposes a 30% annual reduction in Sustainable Forest Incentive Act (SFIA) payments from Fiscal Year 2026 to 2029. This reduction would greatly impair our current management and future transactions with partners and landowners that have the goal of continuing to maintain sustainable forestry practices on these lands.

In summary, the Sustainable Forestry Incentives Act (SFIA) has been a valuable tool for maintaining sustainable forestry and land management on our forests here in Minnesota. It is critical for promoting responsible land stewardship and encouraging long-term forest management.

I urge the Senate Tax Committee to remove the SFIA Program payment reduction from S.F. No. 2374.

Kim Berns Melhus
State Director
The Conservation Fund, Minnesota

Cc: DNR Commissioner Sarah Strommen
Anna Johnson, Governor Walz Policy Advisor