



Extent of woodland leasing in Wisconsin: Insights from a recent landowner survey

(Adapted from December 19, 2011 post at <http://notcountingtrees.org>).

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Key Findings

- Leasing occurs on 7-9% of private woodlands.
- 6.0% of landowners not enrolled in the Managed Forest Law (MFL) in a 2010 survey reported leasing land for activities such as hunting.
- Larger parcels are leased more frequently reflecting greater economic motivations for landownership.
- Demographically, those who lease have slightly higher educational attainment, but are otherwise similar.

Introduction

Leasing of woodlands provides a potential alternative income stream for woodland owners. It also provides hunters or other recreational users surety in when and where they will go to pursue their activity. However, part of pending legislation (Wisconsin Senate Bill 162) would repeal a ban on recreational leasing of Managed Forest Law (MFL) lands, which has led to concern among those interested in maintaining public access when lands receive tax breaks.

Roughly 30,000 of the state's 174,000 eligible landowners are enrolled in the MFL. These individuals, families, and legal entities (e.g., LLCs) own 2+ million acres, roughly a fourth of all private woodlands.

Few estimates of leasing are available. U.S. Forest Service data show that 8.5% of small woodlands are leased in Wisconsin. Reasons for leasing include grazing, hunting, timber and non-timber products, and recreation. Further details emerge from a 2010 survey of woodland owners not enrolled in the MFL that helps answer two questions.

1. What portion of woodland owners leases their land?
2. How do those who lease woodlands differ from other landowners?

Analysis for this post depends on survey responses from 821 landowners who were (1) not enrolled in the MFL, (2) owned a minimum of 10 wooded acres and maximum of 500 total acres, and (3) completed the question, Do you receive payments or other benefits for allowing other people access to your land, such as leasing land for hunting? Overall survey response rate was high, 68.5%, and the analysis likely reflects woodland owners across the state.

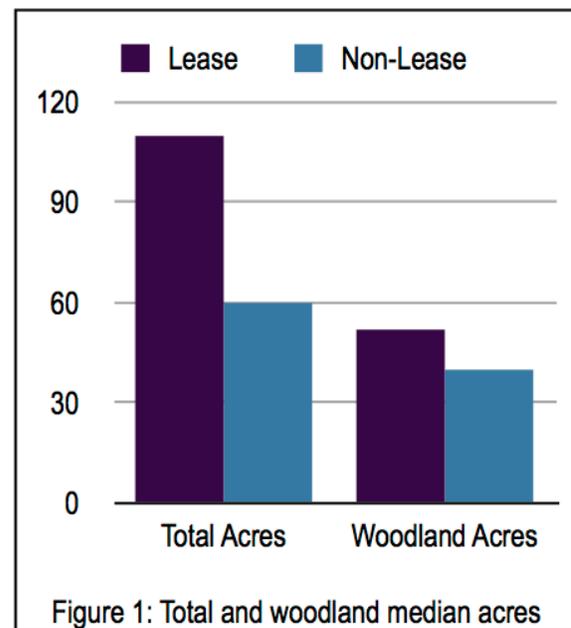
Findings

6.0% of woodland owners indicated that they leased their land activities such as hunting.

Those who lease owned more total land and woodland than those who do not (Figure 1). The difference was statistically significant for both. Those who lease owned 7.6% of the total woodland area in the study.

There were no differences on key tenure metrics. For all respondents median decade of land acquisition was the 1970s, roughly half lived on or beside their woodlands, and more than half visited their property at least once per month.

As to reasons for landownership, no differences were found for most reasons, including hunting, privacy, and recreation. However, those who lease rated real estate investment and income from forest products as more important. They also report being somewhat likely to sell or transfer ownership of any portion of their woodlands in the next ten years. Those who don't lease were somewhat unlikely. All three differences were statistically significant.



Demographically, respondents did not differ in age (median = 59 years) or 2009 pretax income (median = \$50-\$75K). However, there was a slight statistical difference in educational attainment, with those who lease completing more education.

Implications

Available estimates suggest that leasing is a relatively uncommon management activity that effects 7-9% of private woodlands. Economics appear to be the primary motivation. Such considerations are likely more acute for non-MFL enrollees, who likely pay considerably higher property taxes.

The net effect, though, is relatively small for at least two reasons.

First, leasing competes with a relative abundance of public lands and open MFL land primarily in the North. A trend toward more MFL acres closed to public recreation may alter this over time.

Second, providing and overseeing leases require effort and commitment. Given that most woodland owners hold land for personal reasons that may be competitive with leasing (e.g., hunting), widespread adoption seems unlikely.

Study Partners & Funding

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Any errors or all interpretations are the sole responsibility of the author, Mark Rickenbach. Mark is Professor & Extension Specialist in the Department of Forest & Wildlife Ecology, University of Wisconsin-Madison/Extension, mgrickenbach@wisc.edu/608-262-0134

Revised on January 4, 2012 to fix error in reported woodland owner numbers and area (paragraph beginning "Roughly 30,000...").