



ILLINOIS FORESTRY DEVELOPMENT FUND TRANSFERS

The Illinois Forestry Association's position on this issue is that the taking of the 4% Harvest Fee as set forth in the Illinois Forestry Development Act of 1983 (the Act) for use other than the purposes set forth in the Act is illegal.

Background

- The taking of these funds in the past has dealt a severe blow to the forest resources of Illinois.
- Since 2004, nearly \$3.0 million of 4% Harvest Fee tax revenues were taken or were authorized to be taken from the Forestry Development Fund by administrative charges and transfers (sweeps).
- Such action paralyzed the Forest Management Plan improvement program and other forestry cost-share practices authorized by the Act.
- The Act authorizes the collection of 4% of the money paid to Illinois forest landowners for timber harvested from their property.
- The Act authorizes expenditures from these monies ONLY for the forestry cost-share practices and the expenditures of the Illinois Forestry Development Council.
- Not all of the Harvest Fees collected are appropriated for cost-share practices and Council expenses, or funds appropriated are not used for the intended purposes as set forth in the Act.
 - Why are not all funds collected appropriated, and how are funds appropriated actually used?
- Unrealistic bookkeeping procedures used by the Comptroller's Office create the impression that funds allocated to forestry cost-share practices are not being spent.

Recommendations

Preserve and protect all Forestry Development Funds for their intended purposes.

Insure that funds appropriated from the Forestry Development Fund are used for their intended purposes.

The IDNR and the Comptroller's Office should develop a protocol to account for "commitments" for cost-share payments to landowners for amounts less than \$10,000 to accurately reflect obligations against the Forestry Development Fund.