



Legally Harvested Timber in Indiana

1999 through 2006

Indiana Department of Natural Resources
Division of Forestry

Duane McCoy
Timber Buyer Licensing Forester





In many parts of the world, timber is being illegally harvested hurting forests, and, by extension, the timber industry itself. This practice has made it important for all entities involved to be aware of whether timber they export or import has been harvested legally and in a sustainable manner.

Although many private certification and government programs worldwide focus on sustaining ecosystems, the area they must cover is too vast. Individual companies also must actively participate to have a positive effect on timber growth, mortality and management.

The following is intended to reassure the general public and those in the forest products industry that when using Hoosier timber, they are utilizing legally harvested timber.

Abstract

The Forest Products Industry in Indiana harvested an estimated 403.7 million Board Feet Doyle (bd ft) per year between 1999 and 2003 (Woodall et. al., 2006) for an estimated total of 2.0185 billion board feet in the 5 year period.

The total for known wrongfully cut timber in the same 5 year period was 812,006 bd ft, which is 00.04% of the 2.018 billion bd ft harvested. Inversely, 99.96% of the timber removed in Indiana was legally acquired, harvested, and processed. A large percentage of the cases that fall within the wrongfully cut category are often accidental problems that are settled between parties not requiring law enforcement action or the Division of Forestry's (DoF) intervention.

The amount of board footage throughout this paper is not precise, but is the best information the DoF has.

Since the 1999 to 2003 time period, harvesting has continued, and there is no evidence that the 99.96% legally harvested rate has

changed. Timber wrongfully cut one year can take time before it is discovered, reported, and then investigated. Our records currently have for; 2004 – 155,639 bd ft, 2005 – 225,127 bd ft, and 2006 – 57,280 bd ft wrongfully harvested. By the end of 2007, we will have a better estimate of what was wrongfully cut in 2005 and 2006. Currently, there are several investigations for 2006 that have not yet determined bd ft volume wrongfully cut.

Timber Buyer's Law in Indiana

The Forest Products Industry in Indiana generally comes to a business agreement with the "Timber Grower" (IC 25-36.5) to harvest the standing timber for some type of compensation, usually monetary, before harvesting the timber. In order to insure fair business practices for the Timber Growers in Indiana, the "Timber Buyers Law" (IC 25-36.5) licenses and regulates anyone who buys



timber from Timber Growers in the state. The Indiana Department of Natural Resources' DoF is charged with the administration of the Timber Buyers Law and all of their licensing, and therefore is uniquely qualified for addressing the focus of this paper.

Indiana regulates the purchasing of timber through The Timber Buyer's Law, IC 25-36.5-14 and 312 IAC 14. The Timber Buyer's Law was designed to protect Timber Growers from losses caused by wrongfully cut trees and unscrupulous business practices. IC 25-36.5-1-4 defines a violation of this law as;



IC 25-36.5-1-4

Violations

Sec. 4. It shall be unlawful and a violation of this chapter.

(a) For any timber buyer to fail to pay, as agreed, for any timber purchased.

(b) For any timber buyer to cut or cause to be cut or appropriate any timber not purchased.

(c) For a timber buyer to willfully make any false statement in connection with the application, bond or other information required to be given to the department or a timber grower.

(d) To fail to honestly account to the timber grower or the department for timber purchased or cut if the buyer is under a duty to do so, and

(e) For a timber buyer to commit any fraudulent act in connection with the purchase or cutting of timber.

(Formerly: Acts 1972, P.L.190, SEC.1.)

All such violations or complaints are investigated and determined to be criminal or civil matters. Over time, IC 25-36.5 and 312 IAC 14 have undergone changes and so what is considered a "violation" of the law has changed. For a better understanding of the law and its changes, please read "A History of the Timber Buyer's Law."

In Indiana, timber can be wrongfully cut through different circumstances. A professional logger may be harvesting timber legally acquired, but cut some trees just over the property line by accident and when discovered, negotiates a settlement. In another circumstance, a logger might purchase timber and cut more trees than were purchased and refuses to compensate the timber grower, so a violation complaint could include that of "...appropriate any timber not purchased."

Technically, this timber is illegally acquired, but extenuating

circumstances and the timber buyer's willingness to compensate the timber grower can easily draw the problem to a conclusion.

There are times in which trees are purchased through contract, but a contractual dispute arises during or after the harvest. These cases are not considered illegal cutting as the trees were purchased, but something has caused a break-down of the contractual agreement. The timber grower has recourse in the law to file for an adjudicative process to help settle the dispute, but there is likely to be no complaint of a violation as long as the timber buyer has paid what was the agreed amount and has cut no trees beyond those described in the original agreement.

There are cases in Indiana where the timber is wrongfully cut, but not at the complete fault of the timber buyer. People misrepresent themselves to the timber buyer as the timber grower even though



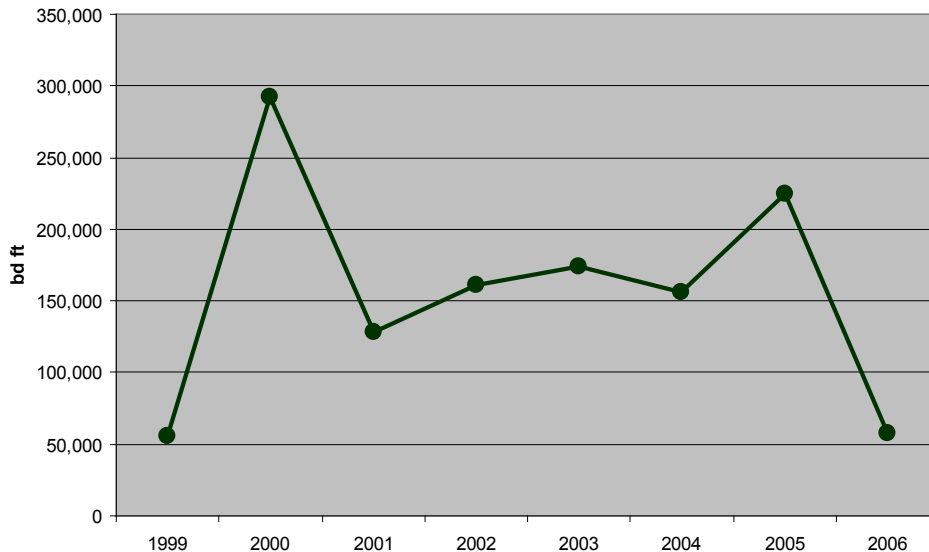
they are not. Also, there are some timber growers that by accident or design misrepresent the property lines causing trees to be wrongfully harvested on an adjacent property. Timber buyers have to accept some responsibility in these instances since they should be checking the property boundaries and ownerships with the county. In these cases the Timber buyer may not be at fault, but the footage must still be counted as wrongfully cut.

Methods

The DoF keeps files on all known Timber Violations in Indiana. The present License Timber Buyer (LTB) Forester for the DoF reviewed those files and determined the board foot volume from each case in which the timber was wrongfully harvested in the 1999 through 2003 time period. When the review was completed, the total board foot volume was summed for each year.

Conclusions

A summary table below shows the total volume of wrongfully harvested timber for each year.



For the period of 1999 through 2003 approximately 2.018 billion bd ft of volume was harvested and approximately 812,006 bf ft of volume was wrongfully cut. Therefore, we estimate that 99.96% of the total volume harvested in that time period was legally harvested timber.

