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**Testimony in Support of Bill 5420 –
AAC the Transition from the Ten Mil Program in 2011**

David Sutherland – Director of Government Relations

I am here today on behalf of The Nature Conservancy's Connecticut Chapter to express our support for Bill 5420 – AAC the Transition from the Ten Mil Program in 2011.

When first established in 1913, the "ten mill" program was a very innovative initiative to encourage forest land owners to leave their land in a forested state. Unfortunately, the drafters of the original legislation, while recognizing the importance of thinking in long time frames – in this case, 50-year obligation periods - when conserving forest land, they did not take into account the rising value of land and other changes that would take place over several decades.

The legislation crafters incorporated significant penalties for withdrawing from the program to ensure that municipalities, who were sacrificing tax revenues, were truly getting the financial and ecological benefits of having the land remain undeveloped.

An original requirement of the program, that the land's value not exceed \$100 per acre, has obviously become obsolete and beyond the control of the landowners. In addition, the more recent "490" program has become a more common and flexible mechanism for encouraging landowners to maintain land in an undeveloped state.

As the end of the second of the 50-year ten mill obligation periods nears, we now have 75 landowners, holding 14,000 acres of forestland, facing a very difficult situation. Since their land is clearly worth more than \$100 per acre and therefore ineligible, they will have to withdraw from the ten mill program, and yet they will also face significant penalties for such withdrawal. Many may have to sell all or parts of their land, or do far more extensive logging than sustainable, to pay the fines.

This legislation would permit these landowners to convert their lands to the "490" program or sell the land or an easement over it for conservation, without penalty. They would have to pay more in property taxes than they have under the ten mill program, but still far less than they would if the land were developed. Towns will get more revenues, but will still be able to provide an incentive for these landowners to continue as good stewards of these important forest lands.

We urge your support for this bill.