

## WISCONSIN LEGISLATURE

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## Reps. Krug and Edming Applaud Assembly Passage of the Mill Bill

## Provides state assistance towards the purchase of paper mills in Wisconsin Rapids and Park Falls

**MADISON** – On Tuesday, the State Assembly approved <u>Assembly Bill 367 (AB 367)</u>. This legislation would provide state assistance to support the purchase of the former Verso paper mill in Wisconsin Rapids and the Park Falls Pulp and Paper Mill in Park Falls. (<u>Link to vote</u>)

The loss of these mills has affected families in both communities, as well as the timber industry and forestry management across the state. Prior to its closure, the Wisconsin Rapids mill alone consumed approximately 25% of all the pulpwood harvested in Wisconsin.

"The Verso mill is the heart of Wisconsin Rapids," said Rep. Krug. "Our mill employed 900 people in a city of 18,000. We have a chance to re-open this mill and re-establish the mill as a papermaking entity and a local employer here in Rapids."

"When the Verso paper mill closed last year the impacts were felt far outside of the Wisconsin Rapids area," said Rep. Edming. "I've heard from some loggers in my district who lost 50% or more of their business when the Wisconsin Rapids mill closed. It is critical for our state's timber industry that we find a way to get this mill back up and running."

Beyond the impact on the timber industry, the closure of the Wisconsin Rapids mill has also negatively impacted the budgets of many northern counties. According to the Wisconsin County Forests Association, the financial impact of the Verso shutdown is over \$4 million annually in lost revenue from sales out of county forests.

"The loss of sales to Verso is negatively impacting county budgets across my district," said Rep. Edming. "This reduction in revenue means less for critical county services like the sheriff's department, ambulance services and plowing and maintaining the roads."

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"We need the mill back up and running for our timber industry and also for our forests," Rep, Krug added. "Timber cutters need to be able to sell the wood they cut, and timberland owners need to be able to trim and cull forests according to management plans. Some of these landowners are participants in the Managed Forest Land Program, and if they don't follow the management plans they've filed with DNR their participation in the program is at risk." Rep. Krug went on to say that "I don't need to explain to anyone the importance of healthy forests in Wisconsin."

The version of AB 367 passed by the State Assembly would provide assistance to buy and reopen the mills in Wisconsin Rapids and in Park Falls.

- The assistance would be loans, not grants.
- Funds to be used would be money received by the state under the American Rescue Plan Act of 2021 ("stimulus funding"), as well as money to be loaned from the State of Wisconsin's Board of Commissioners of Public Lands (BCPL).
- The loans would be subject to terms agreed to by the Wisconsin Economic Development Corporation (WEDC) and would have to be re-paid to the state by the end of 2024.
- In addition, the loans would not meet the entire cost of purchasing the mills. The bill requires private investment to be part of the purchase arrangement.

The amounts of the loans would be up to \$50 million from ARPA and up to \$50 million from BCPL toward the purchase of the Wisconsin Rapids mill, and up to \$15 from each source toward the purchase of the Park Falls mill.

"I am pleased to see this critical legislation move forward," said Rep. Edming. "It is my hope that our colleagues in the Senate approve this bill soon and get it to Governor Evers' desk."

AB 367 advances to the State Senate for further consideration. The companion bill to AB 367, Senate Bill 369, was recommended for passage by the Senate Committee on Economic and Workforce Development earlier on Tuesday, June 22.