



## Legislative Fiscal Bureau

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June 4, 2001

TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Budget Issue Papers

Attached are 2001-03 budget issue papers, prepared by this office, on the following agencies:

- Department of Administration -- Office of Justice Assistance
- Wisconsin Health and Educational Facilities Authority
- Board on Aging and Long-Term Care
- Department of Health and Family Services -- Family Care and Other Community-Based Long-Term Care Programs
- General Provisions
- Department of Natural Resources -- Air, Waste and Contaminated Lands
- Department of Natural Resources -- Departmentwide
- Wisconsin Advanced Telecommunications Foundation
- Base Budget Reductions
- Budget Management and Compensation Reserves
- Department of Revenue -- Tax Administration
- General Fund Taxes -- Individual and Corporate Income Taxes
- General Fund Taxes -- General Sales and Use Tax
- General Fund Taxes -- Public Utility Taxes
- General Fund Taxes -- Excise Taxes and Regulation of Alcohol and Tobacco
- General Fund Taxes--Other Items
- Tobacco Settlement Securitization

These agencies have been scheduled for executive action by the Joint Committee on Finance on Tuesday, June 5. The meeting will begin at 10:00 a.m. in Room 411 South, State Capitol.

BL/sas  
Attachments

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June 5, 2001

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*Bill Agency*

(LFB Budget Summary Document: Page 323)

**No Issue Papers Have Been Prepared**

## GENERAL PROVISIONS

### Regulation of Cemetery Authorities and Salespersons

**Motion:**

Move to incorporate into the budget the provisions of LRB 2973/4 (other than the provisions relating to reimbursement of cemetery expenses for certain indigent individuals), relating to: (1) the regulation of cemetery authorities, cemetery salespersons and preneed sellers; (2) the care of abandoned or neglected cemeteries and mausoleums; (3) the reporting and auditing of cemetery records; (4) the management of care funds for cemetery lots; (5) the creation of a Cemetery Board under the Department of Regulation and Licensing; and (6) other cemetery regulation requirements.

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**Note:**

In general, the modifications under this motion would not apply to religious cemetery authorities, except as specifically indicated.

*Creation of a Cemetery Board.* Create a seven-member Cemetery Board under the Department of Regulation and Licensing (R&L) that would be authorized to investigate and impose disciplinary actions against cemetery authorities, cemetery salespersons, and preneed sellers that violate certain statutory requirements and administrative rules promulgated by R&L. Specify that the Board would have no authority over religious cemeteries, cemetery salespersons who work for religious cemeteries, and preneed sellers who work for religious cemeteries.

Specify that members of the Cemetery Board would include the following: (1) four members who are business representatives of a licensed cemetery authority; (2) a representative of the Department of Justice, as designated by the Attorney General; and (3) two public members. Of the business members of the Board, one must represent a for-profit licensed cemetery authority; one must represent a non-profit licensed cemetery authority; and one must represent a municipal cemetery authority. No member of the Board may be a business representative of a religious cemetery authority. Provide that the members of the Board who are business representatives or public members would be subject to Senate confirmation and provide

for transition terms for the initial members of the Board. Require the Board to meet at least four times per year and authorize Board members to receive a \$25 per diem and actual and necessary meeting expenses.

*General Powers and Duties of the Board.* The Board would be required to do each of the following: (1) advise the Secretary of R&L on matters relating to cemeteries; (2) independently exercise its powers, duties and functions with respect to the licensure and registration of cemetery authorities, cemetery sales persons and cemetery preneed sellers under Subchapter VIII of Ch. 440 of the statutes; (3) be the supervising authority of all personnel, other than shared personnel, engaged in the review, investigation or handling of information regarding the administration of discipline by persons or entities subject to cemetery licensure or registration; (4) maintain all records pertaining to the Board's operations; (5) compile and keep current a registry of all persons licensed or registered under the Department's cemetery regulatory authority and make those records and registries available to the public; and (6) require cemetery authorities, upon reasonable notice, to make records and contracts available for inspection and reproduction.

Specify that the Board would not have rule-making authority but could comment on rules developed by R&L governing the regulation of cemetery authorities, cemetery salespersons or cemetery preneed sellers (other than rules governing religious cemetery authorities). Require R&L to submit any proposed rule relating to nonreligious cemetery authorities to the Board for comment. Provide that the Board would have 30 days to submit its comments to the Department. Require the Department to submit copies of any emergency rules relating to cemeteries to the Board prior to the rule's publication. Authorize the chairperson of the Board to co-chair any public hearing held by the Department on a proposed rule. Specify that the Department provide staff to assist the Board in preparing its comments and reports on any proposed rules.

*Licensure Requirements.* Replace the current cemetery authority registration requirement with a licensure requirement applicable to each nonreligious cemetery authority that is more than five acres in size that sells more than 20 burial spaces per year or has \$100,000 or more in trust fund accounts. A separate license would be required for each cemetery that meets these requirements. Under current law, a cemetery authority must be registered with R&L if the authority sells or solicits the sale of 10 or more cemetery lots per year.

Stipulate that the Department would be required to grant a license to the authority, if all of the following conditions are satisfied: (1) the authority submits on a form provided by R&L the names of the officers of the cemetery authority and the business representative who is primary responsible for the authority's compliance with cemetery regulations; (2) the cemetery authority agrees to pay an initial licensure fee [\$53 for the 2001-03 biennium] and the costs of any background investigations conducted by the Department [currently \$29 per investigation]. The cemetery authority would also be subject to the current law requirement that it renew its license on January 1 of every odd-numbered year [\$343 for the 2001-03 biennium], except that a licensed authority would not be required to renew its license if it sells less than 10 burial sites during a period of two consecutive calendar years. However, if the cemetery authority does exceed this threshold, it would again be required to renew its license with R&L for the ensuing two-year period.

Specify that if a licensed cemetery authority notifies the Department that the authority will be sold, and R&L does not object to the transaction, the existing license would be revoked and the authority would be required to apply for a new license.

Provide that if a nonreligious cemetery authority does not exceed the sales and trust fund thresholds described above, it would not have to be licensed by R&L but would be subject to a registration requirement. Establish a new \$5 registration fee for this purpose, payable on January 1 of each odd-numbered year. Delete a current law exemption from registration currently applicable to not-for-profit cemetery authorities and cemetery authorities operated by a city, town or village. However, provide that a cemetery authority that receives no income, other than gifts, from the sale of lots or services or from trust fund earnings would not be required to register with R&L.

Specify that if a registered cemetery authority notifies the Department that the authority will be sold, and R&L does not object to the transaction, the existing registration would be revoked and the authority would be required to apply for a new registration.

Require the Board to restrict, limit or suspend any license or registration when requested to do so by the Department.

Newly require a cemetery salesperson and a cemetery preneed seller to be licensed rather than registered by R&L. Licensure of cemetery salespersons would apply to any person who sells more than 20 burial spaces during a two calendar year period. Under current law, registration is required for cemetery salespersons who sell ten or more cemetery or mausoleum lots during a single year. Delete the current law exemptions from registration for cemetery salespersons who sell burial spaces in nonreligious cemeteries that are exempt from registration as cemetery authorities and for preneed sellers who work for not-for-profit cemeteries. However, no license would be required for an individual who is under the direct supervision of a licensed cemetery salesperson.

*Care of Abandoned and Neglected Cemeteries by Municipalities.* Repeal the current law requirements that if the operator of a cemetery fails to care for the cemetery for a period of one or more years, the city, town or village in which the cemetery is located may take control of the property and manage and care for the cemetery and collect and manage all trust funds connected with the cemetery. Further, repeal the current law requirement that if the operator of a cemetery fails to care for the cemetery for a period of five or more years, the city, town or village in which the cemetery is located must take control of the property and manage and care for the cemetery and collect and manage all associated trust funds. Finally, repeal a current law provision that when a cemetery located in a town falls into neglect, disuse or abandonment and no cemetery association exists, the ownership and operation of the cemetery must be transferred to the town and the town board, at the expense of the town, must take charge of the property and manage and care for it.

Newly provide that if a city, village or town determines that a cemetery authority (including a religious cemetery authority) has failed to care for the cemetery for a period of six months or more, the municipality must notify the cemetery authority that it has 90 days to correct the failure. For good cause, authorize the municipality to grant the cemetery authority one 90-

day extension to correct the failure. Provide that if the municipality finds that the cemetery authority has not corrected the failure within the time period specified, the municipality may, after a public hearing, take control of the cemetery and collect funds from the cemetery authority necessary for the care of the cemetery.

Upon application by R&L, newly authorize a court to enjoin a person from acquiring ownership or control of a cemetery if the person has abandoned another cemetery that subsequently became subject to control by a municipality.

*Trustees for Certain Cemeteries.* Provide that in response to a petition by the Board or upon his or her own motion, the Attorney General would be required to petition the circuit court in a county where a cemetery is located for the appointment of a trustee. This provision would not apply to cemeteries where a municipality had assumed ownership, control or management of the facility. Require the court to hold a hearing to determine if the cemetery has been neglected, improperly maintained or was in a state of disuse or financial distress. Where the court finds that any of these conditions apply, authorize the appointment of a trustee, other than the Department or the Board, for the cemetery. In addition, authorize the owner of a cemetery to petition the court for an order surrendering title to the cemetery to a new owner, other than the state, if the owner believes itself incapable of continuing to operate the cemetery. If the court grants the petition, it shall transfer title of the cemetery to a new owner and appoint a trustee.

Direct a court-appointed trustee to do all of the following: (1) be responsible for the management, maintenance and operation of the cemetery; (2) comply with all annual reporting requirements to R&L; and (3) provide the court with any required information, records, or reports that the court may direct.

Authorize a trustee to petition the court for the following additional authority: (1) termination the trusteeship and reversion of the ownership and operation of the cemetery to the previous owner; (2) termination of the trusteeship and transfer of the ownership and operation of the cemetery to a new owner, other than the state; (3) removal and reinterment of human remains; (4) termination of the trusteeship and closing of the cemetery following the removal and reinterment of the human remains.

Finally, authorize a trustee to do any of the following: (1) seek a new owner or operator for the cemetery; (2) assess burial spaces for cleaning, care or improvement; (3) expend funds from a newly created cemetery management insurance fund for the purpose of carrying out the trustee's duties; (4) employ professional, legal, technical experts, managers, agents, and employees as required to carry out the trustee duties; and (5) take any other action necessary for useful management or trusteeship of the cemetery or mausoleum.

Direct the court that appointed the trustee to terminate the trusteeship if any of the following applies: (1) the owner or operator of the cemetery or mausoleum demonstrates that the conditions that necessitated the trusteeship have been remedied and the person is competent and capable of managing the facility; (2) the court determines that the new operator is competent and capable of operating the facility; (3) the court finds that the proposed sale of the facility is to an owner that is competent and capable of operating the cemetery or mausoleum on a financially sound basis; or (4) the court approves of the closure of the facility after all human remains have



been removed and reinterred.

*Creation of a Cemetery Management Insurance Fund.* Create a Cemetery Management Insurance Fund as a nonlapsing segregated trust fund under the management of the State of Wisconsin Investment Board. Create a new, SEG-funded sum sufficient appropriation account to make disbursements to trustees who assume the management and operation of cemeteries and mausoleums under court order. Specify that the Fund would consist of monies collected from the following: (1) a \$10 filing fee for death certificates; and (2) a \$1 surcharge on certified copies of death certificates. Since religious cemetery associations are not subject to the trusteeship provisions of the proposal, funds from the Cemetery Management Insurance Fund could not be used for such facilities.

*Maintenance of Cemeteries.* Newly require a cemetery authority to maintain a cemetery, its buildings, burial spaces, grounds, landscaping, parking lots, fences and other structures in a reasonable manner at all times.

Provide that if a cemetery authority receives a gift for the improvement, maintenance, repair, preservation or ornamentation of a burial space or structure in a cemetery, the authority shall either expend the funds or place them in a trust account. The authority would be required to maintain a gift ledger that accounts for all gift receipts and disbursements.

*Department Review and Approval of Certain Cemetery Transactions.* Newly prohibit a cemetery authority from taking any of the following actions, until it has notified R&L in writing: (1) the sale or encumbrance of any land, other than the routine sale of burial spaces; (2) the transfer of ownership or control of 50% or more of the assets or stock of the cemetery; (3) a transaction that results in a person acquiring ownership or control of 50% or more of the stock of the cemetery; or (4) the transfer of responsibility for the management or operation of the cemetery authority. The Department would be authorized to object to any of these types of transactions, in which case, the transaction could not proceed.

*Care Funds and Preneed Trust Funds.* Newly require a cemetery treasurer to maintain a bond in the amount of the total annual amount of all principal payments on care funds, as stated in the authority's most recent annual report to R&L. Clarify that cemetery authorities may not withdraw a care fund's principal amounts but may withdraw interest, dividends, or capital gains earned in the most recently completed calendar year. Authorize the Department to request proposals from state financial institutions for the purpose of selecting an institution for use by cemetery authorities and preneed sellers for the deposit of preneed trust funds. A cemetery authority or preneed seller would not be required to use the financial institution unless the Department had previously determined that the authority or seller had violated the management and investment of such funds in the past.

Delete the current law exemption that preneed sellers of caskets and casket vaults must deposit into a trust fund 40% of the principal received under the preneed sales contract, if such individuals sell or solicit the sale of fewer than 10 cemetery lots annually.

Where the Department or Board has cause to believe that a licensed or registered cemetery authority has not complied with current law provisions governing the maintenance and investment of trust funds and accounts, specify the cemetery authority may be required to submit

an audit conducted at the authority's expense.

*Burial Space Purchase Agreements.* Newly specify that before a cemetery authority may enter into a burial space purchase agreement, the authority must disclose any opening or closing fees charged. Require the agreement to be in writing and include the terms and conditions and other pertinent information, including the price of the space, perpetual care requirements, resale, inheritor, cancellation and refund rights. The agreement must also list all goods and services that are reasonably expected at the time of need that are not covered by the agreement. Require each burial agreement to be assigned a serial number.

*Reburial Requirements.* Specify that if a cemetery authority violates current law reburial procedures and notifications, the owner could be fined up to \$1,000 or imprisoned for up to 90 days, or both. Under current law a cemetery authority may rebury human remains, if an error has been made in the burial process. Within 30 days of the reburial the cemetery authority must provide notice to the coroner or medical examiner of the county in which the reburial takes place. The authority must also inform the spouse, or next available family member. Under current law, failure to provide proper reburial notification may result in a civil forfeiture of \$200 for each offense.

*Code of Ethics for the Professional Conduct of Cemetery Authorities.* Authorize the Department to promulgate rules establishing a code of ethics for licensed cemetery authorities, licensed cemetery salespersons and licensed preneed sellers. Provide that a person violating the code could be denied licensure by the Department. Persons who operate a cemetery authority, or are licensed cemetery salespersons or licensed preneed sellers who make misrepresentations, engage in practices that demonstrate a lack of knowledge or ability, violate the Department's code of ethics, violate applicable cemetery regulatory laws, are impaired by mental disease or defect or due to drug and alcohol use or violate an order of the Department may be subject to a forfeiture of no more than \$5,000 per occurrence, with each day of violation being a separate occurrence. The forfeiture could be in addition to any license revocation, limitation, suspension or denial.

*Other Penalties.* Newly provide that any cemetery authority that sells 10 or more burial spaces during a calendar year or has \$1,000,000 or more in trust fund accounts and operates without a license granted by R&L would be subject to a fine of not more than \$100.

*Investigation of Religious Cemetery Authorities.* Stipulate that if the Department has reason to believe that a religious cemetery authority has violated any aspect of cemetery regulations applicable to such authorities and that a continuation of the activity might cause injury to the public interest, the Department would be authorized to investigate the matter.

*Submission of Reports to the Department.* Require any cemetery authority that must be licensed to submit an annual report to R&L. Require religious cemetery associations to submit an annual report to the Department unless the authority makes an annual certification to the agency. Under current law, cemetery authorities with annual operating budgets in excess of \$2,500 must submit an annual report to R&L. Religious cemetery associations may submit an annual certification to the Department rather than an annual report.

Authorize the Department to promulgate rules governing the minimum standards for

records used in preparing the reports, eliminate the requirement that certain financial records be filled with the Department of Financial Institutions and require licensed cemetery authorities to maintain records with respect to the location of burial spaces at the facility.

*Fiscal Effect -- Cemetery Management Insurance Fund.* The cemetery management insurance fund would be funded from: (1) a \$10 fee collected for the filing of a death certificate; and (2) a \$1 fee charged for all certified copies of a death certificate.

Based on the number of death certificates issued in the last three years, as adjusted by the recent trend in the annual number of deaths, 49,230 death certificates are anticipated for 2001-02 and 50,260 are anticipated for 2002-03, resulting in fee collections for the Cemetery Management Insurance Fund of \$492,300 SEG-REV in 2001-02 and \$502,600 SEG-REV in 2002-03. Currently, there are approximately 4,000 certified copies of death certificates issued by the state each year, resulting in an additional \$4,000 SEG-REV annually. It is unknown the number of certified death certificates that would be prepared annually by local vital records offices. Total annual revenues from both the above fee sources are estimated at \$496,300 SEG-REV in 2001-02 and \$506,600 SEG-REV in 2002-03. It is not known whether or not any trustees would be appointed to manage and operate a cemetery authority during the 2001-03 biennium; consequently, it is not possible to estimate the level of expenditures under the Fund's sum sufficient appropriation.

*Fiscal Effect -- Licensure of Cemetery Authorities.* There are 62 cemetery authorities registered under current law. The Department estimates that an additional 288 authorities would newly be subject to licensure and an additional 550 authorities would newly be subject to registration. The newly licensed authorities would generate an additional \$1,500 GPR-Earned and \$13,800 PR-REV during the 2001-03 biennium. The new registrations would generate an additional \$300 GPR-Earned and \$2,500 PR-REV during the 2001-03 biennium. Total license and registration fee collections from cemetery authorities would total \$1,800 GPR-Earned and \$16,300 PR-REV during the 2001-03 biennium.

[Change to Bill: \$1,800 GPR-Earned, \$16,300 PR-REV and \$1,002,900 SEG-REV]

MO#

BURKE	Y	N	A
DECKER	Y	N	A
2 MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

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## GENERAL PROVISIONS

### *Bill Agency*

#### **LFB Summary Items for Which No Issue Paper Has Been Prepared**

<u>Item #</u>	<u>Title</u>
5	Register of Deeds Fees for Certifying Copies
6	Bifurcated Sentencing Structure Modifications
7	Statute of Limitation in Sexual Assault Cases
8	Club Drug Penalties
9	Crimes Related to Computers, Obscenity, Nudity and Pornography
10	Theft of Rented or Leased Motor Vehicle
11	Prisoner Litigation Definition of Correctional Institution

#### **LFB Summary Items for Introduction as Separate Legislation**

<u>Item #</u>	<u>Title</u>
1	Prohibition on Dual Employment by State Agencies
2	State-Local Fringe Benefits Study Committees
3	Uniform Electronic Transactions Act
4	Requirements Pertaining to the Sale of Municipal Utility Property

# Natural Resources

## Air, Waste and Contaminated Land

*Base Agency*

(LFB Budget Summary Document: Page 494)

### LFB Summary Items for Which Issue Papers Have Been Prepared

Item #

Title

9

Solid and Hazardous Waste Staff (Paper #691)

AGENCY: DNR

PAPER: #691

ISSUE: Solid & Hazardous Waste Staff

RECOMMENDATION: (Anything but Alt. 3)

SUMMARY: This paper was delayed at request of Mayor Antaramian. He has apparently extracted his pound of flesh from DNR and has an understanding with them about future work. It's my understanding that these folks haven't always been helpful in implementing innovative brownfields projects.

BY: Barry



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 24, 2001

Joint Committee on Finance

Paper #691

### **Solid and Hazardous Waste Staff (Natural Resources -- Air, Waste and Contaminated Land)**

[LFB 2001-03 Budget Summary: Page 498, #9]

#### **CURRENT LAW**

The DNR waste management program regulates the transportation, treatment, storage and disposal of solid and hazardous wastes. Program activities include plan review, licensing, inspection, compliance actions, technical assistance and outreach. The DNR receives a federal hazardous waste grant of approximately \$2,000,000 annually. DNR has 33.61 authorized full-time equivalent (FTE) positions from the grant, including 30.11 FTE in the waste management program, 2.0 FTE in the law enforcement program and 1.5 FTE in the remediation and redevelopment program. DNR receives program revenues for solid and hazardous waste disposal administration from landfill plan review fees, licenses and a 9¢ per ton solid waste landfill license surcharge and from hazardous waste facility licenses, transporter licenses and plan review fees. The DNR program revenue appropriation received \$2,829,000 PR in 1999-00 and will receive an estimated \$2,415,000 in 2000-01. In 2000-01, there will be estimated expenditures of \$2,401,400 from the program revenues for 33.0 positions, including 28.5 positions in the waste management program, 2.5 in the remediation and redevelopment program and 2.0 in the cooperative environmental assistance program. In 2000-01, the waste management program is also appropriated \$1,658,100 GPR for 21.5 GPR positions.

#### **GOVERNOR**

Make the following changes in solid and hazardous waste management program funding:

- (a) delete \$439,300 FED annually and 6.0 FED positions to reflect the anticipated level of federal hazardous waste grant funding;
- (b) provide \$67,900 PR in 2001-02 and \$88,600 PR in 2002-03 and 2.0 PR positions annually for hazardous waste management staff from current solid and hazardous waste plan review and license fees;
- (c) provide \$11,000 PR annually for limited-



term employees; and (d) provide \$60,000 PR annually for additional contracts with the State Lab of Hygiene.

## DISCUSSION POINTS

1. The federal grant has been approximately \$2 million for the last five years and is currently sufficient to fund 26.5 of the 33.61 authorized federal positions. The unfunded 7.11 positions are vacant. The bill deletes 6.0 of the 7.11 unfunded FED positions. The remaining 1.11 FED position and \$55,800 FED annually could also be deleted to reflect available federal funding.

2. The recommended 2.0 PR positions would represent an increase of two staff for the solid and hazardous waste management program because the deleted FED positions have been vacant for three to four years.

3. The bill would provide a program planning analyst to coordinate administrative rule development and implementation and reduce the backlog of federal rules that have not been incorporated into the state's hazardous waste rules (currently 75 federal rules, which is an increase from 30 in September, 2000). DNR officials indicate that the Department has been behind on the process of incorporating federal rules into state administrative codes for several years, that the US EPA has indicated that the lack of progress in this area could be used as a basis for revoking EPA authorization of hazardous waste regulation to DNR for the state. However, DNR indicates that it is working on the rules backlog and EPA has not taken action to revoke DNR's authorization to administer the program.

4. The bill would provide a regional waste management specialist to inspect solid and hazardous waste plans, such as groundwater monitoring plan revisions, gas extraction plan revisions, alternative daily cover requests, leachate handling system design modifications and construction documentation reports. The backlog of plan review reports waiting for review was 111 in late-March, a decrease from 179 in September, 2000. The limited-term employee funding would be used for additional inspections, plan review and rule-making activities.

5. The \$60,000 provided for contracts with the State Laboratory of Hygiene would be in addition to the \$50,000 currently allocated from the federal hazardous waste grant and would be used for solid waste facility monitoring wells, mine-related monitoring and hazardous waste enforcement-related monitoring. DNR indicates that if the funds are not provided, the Department would probably continue to contract with the Laboratory of Hygiene at the current contract level. Alternatively, DNR could reallocate from existing activities related to plan review, inspections and rule development for additional contracts. This reallocation might increase backlogs for plan review and rule development.

6. On July 1, 2001, there will be a balance of approximately \$1.7 million in program revenue available for solid and hazardous waste disposal administration activities. Under the bill, current revenues would be sufficient to fund the proposed two positions and the June 30, 2003, balance would be approximately \$1.1 million. In 2002-03, annual revenues would be

approximately \$2.4 million and expenditures would be approximately \$2.7 million. This should be sufficient to fund the level of expenditures under the bill through the 2003-05 biennium. It is possible that after the 2003-05 biennium, revenues and expenditures would have to be monitored to maintain a positive balance, and DNR may need to review fee levels established in administrative rule. The appropriation receives both solid and hazardous waste fees. DNR indicates that hazardous waste plan review and license fees have not been increased in approximately six years.

7. The largest amount of fee revenue is from solid waste disposal landfill licenses (approximately \$900,000 annually) and a solid waste landfill license surcharge of 9¢ per ton on solid waste disposed of at landfills (approximately \$800,000 annually). The tonnage fee was incorporated in administrative rules as a landfill license surcharge effective October, 1997. Administrative rules require DNR to review the fee with the Natural Resources Board in October, 2002.

8. There should be a sufficient program revenue appropriation balance through the 2003-05 biennium to generate \$130,800 annual GPR savings by converting two of the existing 21.5 GPR waste management positions to program revenue funding beginning in 2001-03. However, this would increase expenditures to approximately \$2.8 million annually, as compared with \$2.4 million in annual revenues. Under this alternative, it is probable that DNR would have to review fee levels in the administrative rules to implement possible fee increases for the 2005-07 biennium.

### ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to: (a) delete \$439,300 FED annually and 6.0 FED positions to reflect the anticipated level of federal hazardous waste grant funding; (b) provide \$67,900 PR in 2001-02 and \$88,600 PR in 2002-03 and 2.0 PR positions annually for hazardous waste management staff from current solid and hazardous waste plan review and license fees; (c) provide \$11,000 PR annually for limited-term employees; and (d) provide \$60,000 PR annually for additional contracts with the State Lab of Hygiene.

<b>Alternative 1</b>	<b>FED</b>	<b>PR</b>	<b>TOTAL</b>
<b>2001-03 FUNDING</b> (Change to Base) [Change to Bill]	- \$878,600 \$0	\$298,500 \$0	- \$580,100 \$0]
<b>2002-03 POSITIONS</b> (Change to Base) [Change to Bill]	- 6.00 0.00	2.00 0.00	- 4.00 0.00]

2. Adopt Alternative 1 and, in addition, delete \$55,800 FED and 1.11 FED position annually to reflect the anticipated level of federal hazardous waste grant funding.

<b>Alternative 2</b>	<b>FED</b>	<b>PR</b>	<b>TOTAL</b>
<b>2001-03 FUNDING</b> (Change to Base)	- \$990,200	\$298,500	- \$691,700
[Change to Bill]	- \$111,600	\$0	- \$111,600]
<b>2002-03 POSITIONS</b> (Change to Base)	- 7.11	2.00	- 5.11
[Change to Bill]	- 1.11	0.00	- 1.11]

3. Delete \$495,100 FED and 7.11 FED hazardous waste positions annually. In addition, approve one of the following related to program revenue funding:

a. Provide \$78,900 PR in 2001-02 and \$99,600 PR in 2002-03 and 2.0 PR positions annually for hazardous waste management staff and limited-term employees. (This would provide no new funding for contracts with the State Laboratory of Hygiene.)

<b>Alternative 3a</b>	<b>FED</b>	<b>PR</b>	<b>TOTAL</b>
<b>2001-03 FUNDING</b> (Change to Base)	- \$990,200	\$178,500	- \$811,700
[Change to Bill]	- \$111,600	- \$120,000	- \$231,600]
<b>2002-03 POSITIONS</b> (Change to Base)	- 7.11	2.00	- 5.11
[Change to Bill]	- 1.11	0.00	- 1.11]

b. Provide \$33,800 PR in 2001-02 and \$44,400 PR in 2002-03 and 1.0 PR position annually for hazardous waste management activities. (This would provide no new funding for limited-term employees or contracts with the State Laboratory of Hygiene.)

<b>Alternative 3b</b>	<b>FED</b>	<b>PR</b>	<b>TOTAL</b>
<b>2001-03 FUNDING</b> (Change to Base)	- \$990,200	\$78,200	- \$912,000
[Change to Bill]	- \$111,600	- \$220,300	- \$331,900]
<b>2002-03 POSITIONS</b> (Change to Base)	- 7.11	1.00	- 6.11
[Change to Bill]	- 1.11	- 1.00	- 2.11]

c. Provide \$60,000 PR annually for contracts with the State Laboratory of Hygiene. (This would provide no new funding for staff or limited-term employees.)

<b>Alternative 3c</b>	<b>FED</b>	<b>PR</b>	<b>TOTAL</b>
<b>2001-03 FUNDING</b> (Change to Base)	- \$990,200	\$120,000	- \$870,200
[Change to Bill]	- \$111,600	- \$178,500	- \$290,100]
<b>2002-03 POSITIONS</b> (Change to Base)	- 7.11	0.00	- 7.11
[Change to Bill]	- 1.11	- 2.00	- 3.11]

d. Provide no new program revenue funding for hazardous waste management staff, limited-term employees or contracts with the State Laboratory of Hygiene.

<u>Alternative 3d</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	-\$990,200	\$0	-\$990,200
[Change to Bill]	-\$111,600	-\$298,500	-\$410,100]
2002-03 POSITIONS (Change to Base)	-7.11	0.00	-7.11
[Change to Bill]	-1.11	-2.00	-3.11]

4. Maintain current law. (DNR would retain FED expenditure and position authority but would not have sufficient federal revenues to fill the positions.)

<u>Alternative 4</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	\$0	\$0	\$0
[Change to Bill]	\$878,500	-\$298,500	\$580,000]
2002-03 POSITIONS (Change to Base)	0.00	0.00	0.00
[Change to Bill]	6.00	-2.00	4.00]

5. In addition to any of the above alternatives, convert \$130,800 GPR with 2.0 GPR positions annually to program revenue from the solid and hazardous waste management appropriation.

<u>Alternative 5</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	-\$261,600	\$261,600	\$0
[Change to Bill]	-\$261,600	261,600	\$0]
2002-03 POSITIONS (Change to Base)	-2.00	2.00	\$0
[Change to Bill]	-2.00	2.00	\$0]

motion  
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2	BURKE	Y	N	A
	DECKER	Y	N	A
	MOORE	Y	N	A
	SHIBILSKI	Y	N	A
P	PLACHE	Y	N	A
	WIRCH	Y	N	A
	DARLING	Y	N	A
	WELCH	Y	N	A
	GARD	Y	N	A
	KAUFERT	Y	N	A
	ALBERS	Y	N	A
	DUFF	Y	N	A
	WARD	Y	N	A
	HUEBSCH	Y	N	A
	HUBER	Y	N	A
	COGGS	Y	N	A

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NATURAL RESOURCES -- AIR, WASTE AND CONTAMINATED LAND

Solid and Hazardous Waste Staff [LFB Paper #691]

Motion:

Move to convert \$261,600 GPR with 4.0 GPR positions annually to program revenue from the solid and hazardous waste management appropriation.

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Note:

In 2000-01, the waste management program is appropriated \$1,658,100 GPR for 21.5 GPR positions. The motion would convert \$261,600 GPR with 4.0 GPR positions to PR.

[Change to Base: - \$523,200 GPR, \$523,200 PR, - 4.0 GPR positions and 4.0 PR positions]

[Change to Bill: - \$523,200 GPR, \$523,200 PR, - 4.0 GPR positions and 4.0 PR positions]

# Natural Resources

## Departmentwide

### *Base Agency*

(LFB Budget Summary Document: Page 460)

#### **LFB Summary Items for Which Issue Papers Have Been Prepared**

<u>Item #</u>	<u>Title</u>
9 (part)	Aircraft Replacement (Paper #630)
11	Licensing LTE Funding (Paper #631)
15	Stewardship Review by the Joint Committee on Finance (Paper #632)
-	Warren Knowles-Gaylord Nelson Stewardship Program (Paper #633)
-	Conservation Fund Account Administrative Funding (Paper #634)
-	Organization of the Department of Natural Resources (Paper #635)

AGENCY: DNR - Departmentwide

PAPER: #630

ISSUE: Aircraft Replacement

RECOMMENDATION: Alternative 1

SUMMARY: Approve the gov. Enough said.

BY: Barry



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

June 5, 2001

Joint Committee on Finance

Paper #630

### Aircraft Replacement (DNR – Departmentwide)

[LFB 2001-03 Budget Summary: Page 465, #9 (part)]

#### CURRENT LAW

The Department of Natural Resources leases aircraft from the Department of Administration for fire control detection and suppression, fishing and hunting law enforcement, ozone monitoring, wildlife surveys, aerial photography, search and rescue missions, and to support statewide operations such as gypsy moth spraying and Department of Justice investigations.

#### GOVERNOR

Provide \$50,000 SEG annually split-funded from all accounts of the conservation fund (except endangered resources and Natural Resources Magazine) to cover anticipated cost increases in the lease costs for the replacement of four Cessna 337/Skymaster aircraft.

#### DISCUSSION POINTS

1. The Department of Administration's Wisconsin Air Services (WAS) unit currently operates a state aircraft fleet consisting of 30 planes that are operated by DOA for general transportation purposes or are assigned to specific state agencies for special purposes.
2. Of the 30 aircraft managed by the WAS unit, six are operated as a central air fleet pool for the transportation of state agency employees. The remaining 24 planes are permanently assigned to two agencies. Currently, 16 aircraft are assigned to DNR and eight are assigned to DOT. These aircraft are used on a continuing basis as part of each agency's program operations.
3. During budget deliberations regarding DOA on May 23, 2001, the Joint Committee



on Finance voted 13-3 to adopt Motion #806 related to LFB budget paper #142, requiring DOA to sell all Wisconsin Air Services agency assigned work aircraft (other than for three planes each assigned to DOT and to DNR). The six aircraft currently used for general aviation purposes would also remain.

4. In 1999-00, 26 DNR bureaus or subprograms used DOA aircraft for a variety of functions. Use is shown on the table below. The fees shown include the DOA hourly lease fee, gasoline, and the monthly DOA lease charge.

#### Fiscal Year 2000 Expenditures

##### Bureau or Subprogram

Administration	\$10,500
Administrative and Field Services	19,600
Air and Waste Program Management	200
Air Management	6,200
Community Financial Assistance	0
CAER Program Management	2,300
Cooperative Environmental Assistance	0
Customer Service and Licensing	0
Drinking Water and Groundwater	0
Endangered Resources	55,200
Fisheries Management and Habitat Protection	6,700
Forestry	96,800
Law Enforcement	48,500
Facilities and Lands	1,300
Lands Program Management	1,900
Mississippi/Lower St. Croix	2,200
Aeronautics	7,800
Parks and Recreation	900
Remediation and Redevelopment	800
Southern Forests	100
Enforcement and Science Program Management	400
Integrated Science Services	5,900
Waste Management	600
Water Program Management	900
Wildlife Management	10,700
Watershed Management	<u>900</u>
 Total	 \$280,400

5. With the decrease in its aircraft fleet size (from 16 available aircraft to three), DNR would no longer require additional funding to cover anticipated cost increases in the lease costs for replacement of four aircraft. Therefore, it may be argued that the additional funding could be

deleted.

6. Alternatively, DNR may need to look elsewhere to contract for aircraft time in order to meet certain Department duties, including gypsy moth spraying, forest fire suppression, aerial photography, and hunting and fishing enforcement and monitoring. The additional funding may be necessary to contract with the private sector for aircraft-related services. At this time, DNR is considering leasing up to 10 airplanes either direct from the Cessna factory or through private services. DNR is anticipating that, if required to rent new planes on an annual basis, costs associated with aerial operations could increase significantly. However, if used planes were leased, and the leases included flexibility to allow the Department to enter into leases for less than one year at a time, DNR indicates that costs would be lower. It is difficult to predict the actual costs at this time. DNR argues that the additional funds provided in the bill may be needed for costs associated with securing leased aircraft from the private sector. On the other hand, if fewer aircraft and more flexible lease terms are available in the private sector costs could decline. Therefore, the additional funds could be deleted and DNR could maintain its current expenditure base. The Department could seek additional funding through future legislation or from the Joint Committee on Finance under s.13.10 if necessary to meet actual needs.

**ALTERNATIVES TO BASE**

1. Approve the Governor's recommendation to provide \$50,000 SEG annually split-funded from eight accounts of the conservation fund to cover anticipated cost increases associated with airplane lease costs.

<u>Alternative 1</u>	<u>SEG</u>
2001-03 FUNDING (Change to Base)	\$100,000
[Change to Bill]	\$0

2. Maintain current law.

<u>Alternative -</u>	<u>SEG</u>
2001-03 FUNDING (Change to Base)	\$0
[Change to Bill]	- \$100,000

MO# \_\_\_\_\_

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

Prepared by: Rebecca Hotynski

AYE \_\_\_\_\_ NO \_\_\_\_\_ ABS \_\_\_\_\_



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

June 5, 2001

Joint Committee on Finance

Paper #631

### Licensing LTE Funding (DNR -- Departmentwide)

[LFB 2001-03 Budget Summary: Page 466, #11]

#### **CURRENT LAW**

The Department of Natural Resources currently administers an automated hunting and fishing license sales system. There are a wide variety of licenses authorizing residents and nonresidents to hunt and fish. Hunting and fishing licenses vary according to the type of species that may be pursued, the method of pursuit, the number of people for whom the license is valid and the time period for which the license is valid. To hunt or fish certain species, a stamp must be purchased in addition to the license.

Most licenses may be purchased directly from DNR or from sales agents appointed by the Department (such as county clerks, sporting goods stores, discount stores and bait shops), although certain licenses are only available through the Department. A sales agent may retain 50¢ per license and 15¢ per stamp from the purchase price. Currently, 236 different licenses and approvals are issued through ALIS.

#### **GOVERNOR**

Provide \$375,500 SEG annually split funded from the fish and wildlife, boat, snowmobile, and ATV accounts to increase the Bureau of Customer Assistance and External Relations' limited-term employee (LTE) salary base. This increase would reflect actual costs incurred, and for a 15% increase in the average hourly rate received by the Bureau's LTEs in efforts to improve recruitment and retention.

## DISCUSSION POINTS

1. Under the prior license sales system, DNR distributed licenses to county clerks, who in turn distributed them to sales agents. DNR indicates that the prior system was problematic in terms of license distribution and revenue collection. The Department also indicates that the system was too paper-intensive and inconsistent across counties. The number and variation of licenses sold created problems for sales agents, and the prior delivery system did not allow agents to readily respond to variation in license demand.

2. Under ALIS, a data terminal and printer are placed at license sales locations. Hunting and fishing licenses are printed by agents on demand. In addition, license sales information is captured electronically and license revenue is collected via electronic funds transfer. All DNR licenses are programmed into the system and thus, all agents are able to sell all DNR licenses and stamps. Licenses are printed on durable stock and multiple licenses can be printed on one form. Agents can also be updated on new information through notices on an electronic bulletin board system. The delays of a paper system are minimized and license inventory control is improved.

3. The funding for the increase to the Bureau of Customer Assistance and External Relations' limited-term employee (LTE) salary base (as well as to increase the hourly rate for LTEs) would be divided amongst the fish and wildlife, boat, snowmobile, and ATV accounts as follows:

	<u>2001-02</u>	<u>2002-03</u>	<u>Total</u>	<u>Percent</u>
Fish & Wildlife	\$136,700	\$136,700	\$273,400	36%
Boat	154,700	154,700	309,400	41
Snowmobile	51,800	51,800	103,600	14
ATV	<u>32,300</u>	<u>32,300</u>	<u>64,600</u>	<u>9</u>
	\$375,500	\$375,500	\$751,000	100%

4. The Bureau of Customer Service and Licensing attributes the increased demand for LTE hours to increased customer demand. LTE hours in central office increased from 43,100 in 1998-99 to 59,300 in 1999-00. The Bureau attributes approximately 60% of this increase to increased snowmobile, boat, and ATV registrations. The remaining demand was attributed to increases in recreational licenses and special permits, such as turkey and hunter's choice. Of the total requested, \$274,200 annually would be used to increase the base level of funding available to meet the demand for LTE hours. The remaining \$101,300 would be used to increase the average LTE salary in both central office and DNR service center locations by over 15% from \$8.25 per hour to \$9.55 per hour.

5. Reliance on LTEs for seasonal support for customer service and licensing functions has been increasing. As shown in the following table, central office LTE costs have more than doubled since 1997-98.

### Limited-Term Employee Salary Costs -- Central Office

	<u>Salary Cost</u>	<u>Increase</u>	<u>Percent</u>
1997-98	\$199,600		
1998-99	224,700	\$25,100	13%
1999-00	423,000	198,300	88

6. The implementation of an automated licensing system was intended to make the process of purchasing a license or approval more efficient and user-friendly. The new system was also expected to be less cumbersome for retail operators. However, ALIS costs for both system maintenance and operations have significantly exceeded original expectations.

7. Further, DNR argues that in central office, much of the vehicle registration work is complicated, and requires trained individuals to process applications accurately. At regional service centers, more experienced employees may be more efficient in their use of the ALIS system and may have a greater familiarity with DNR rules and regulations, improving the customer service mission of the DNR centers. The LTE pay increase would enhance DNR's effort to retain quality employees. In addition to selling licenses, counter staff at DNR service centers answer customer's questions about licensing and registration requirements, hunting and fishing rules and regulations, and recreational vehicle rules and regulations. Counter staff also direct inquiries to other DNR staff as necessary. DNR argues that well-trained LTEs help provide higher levels of customer service as well as resources for individuals who may have little or no contact with other DNR staff.

8. As of January 1, 2001, there were over 562,800 registered boats in Wisconsin. Boat registrations are valid for three years, and renewals are processed by central office customer service and licensing staff. In addition, as of February 28, 2001, there were 243,400 registered snowmobiles and 144,600 registered ATVs. Both snowmobile and ATV registrations must be renewed every two years.

9. For license year 2000 (April, 2000 through March, 2001), DNR service centers completed 195,100 ALIS transactions, and reported total sales of almost \$6.2 million. This represents 8% of all transactions and over 10% of total revenue generated through the ALIS system during license year 2000.

### ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to provide funding from the fish and wildlife, boat, snowmobile, and ATV accounts to increase the Bureau of Customer Assistance and External Relations' to increase (a) the limited-term employee (LTE) salary base by \$274,200 SEG annually and (b) to provide a 15% LTE salary increase at \$101,300 SEG annually.

<b>Alternative 1</b>	<b>SEG</b>
2001-03 FUNDING (Change to Base)	\$751,000
[Change to Bill]	\$0]

2. Maintain current law.

<b>Alternative 2</b>	<b>SEG</b>
2001-03 FUNDING (Change to Base)	\$0
[Change to Bill]	- \$751,000]

Prepared by: Rebecca Hotynski

MO#			
BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE \_\_\_\_\_ NO \_\_\_\_\_ ABS \_\_\_\_\_

AGENCY: DNR - Departmentwide

PAPER: #632

ISSUE: Stewardship Review by JFC

RECOMMENDATION: Alternative 1 or 2

SUMMARY: Good idea to increase the threshold dollar amount for JFC review. Don't need to micromanage all these transactions.

BY: Barry



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

June 5, 2001

Joint Committee on Finance

Paper #632

### Stewardship Review by the Joint Committee on Finance (DNR -- Departmentwide)

[LFB 2001-03 Budget Summary: Page 467, #15]

#### CURRENT LAW

Under the original and reauthorized Warren Knowles-Gaylord Nelson stewardship program, the Department of Natural Resources may not encumber or expend funding for a given project or activity of more than \$250,000 unless the Department receives the approval of the Joint Committee on Finance under a passive review process. DNR must notify the Committee in writing of the proposed project. If the Co-Chairpersons of the Committee do not notify DNR within 14 working days after the Department's notification that the Committee has scheduled a meeting to review the proposal, DNR may make the expenditure. If, within 14 working days after the date of the notification by DNR, the Co-Chairpersons of the Committee notify the Department that the Committee has scheduled a meeting to review the proposal, DNR may expend the proposed funding only upon the approval of the Committee.

Under administrative rule, the following land transactions require the approval of the Natural Resources Board: (a) acquisitions where the purchase price is \$150,000 or more; (b) acquisitions where more than 40 acres are outside of an established project boundary; (c) acquisitions where the purchase price exceeds the highest appraised value; (d) acquisitions by condemnation of land; (e) acquisitions by gifts of land to the Department; (f) acquisitions where improvement values exceed 35% of total appraised value; (g) acquisitions of short tenure with substantial increased value; (h) sales of state land that are no longer needed for conservation purposes where the value exceeds \$50,000 or where the acreage exceeds 40 acres. The Natural Resources Board need not approve stewardship grants provided by the Department.



## GOVERNOR

Increase the Joint Finance passive review threshold for review of Stewardship 2000 projects to \$500,000.

## DISCUSSION POINTS

1. Since the stewardship passive review provisions became effective on January 1, 1996, 62 projects have been submitted to Joint Finance for approval. Of these, 24 projects have been scheduled for review by the full Committee at a meeting under s. 13.10. Each of the projects reviewed was subsequently approved by the Committee. Of the 24 projects reviewed, the Committee modified the authorized expenditure or placed conditions on the grant or purchase in a number of instances before approving the request. In addition, a \$350,000 grant to the City of Green Bay to fund a portion of the acquisition of 34.2 acres of land in the Bairds Creek Parkway was scheduled for Committee review in December, 1998, but was withdrawn by DNR. The Department subsequently reduced the amount of the grant below the \$250,000 threshold for Joint Finance review.

2. Of the 62 projects submitted to Joint Finance for approval, 31 (50%) were over \$500,000. One motivation for including this provision in SB 55 has been that as property costs increase over time, more projects will become subject to review by the Joint Committee on Finance. In a situation where the timing of the purchase is an issue, the additional step of the passive review process can potentially delay a purchase by anywhere from three weeks to over a month, if review by the full Committee is required. In some instances, the ability to act within a limited time frame can be crucial to successful land purchase negotiations. It may be argued that reducing the number of purchases required to be reviewed by Joint Finance would allow DNR to execute land transactions more quickly. Alternatively, the magnitude of the expenditures in question may warrant continued legislative review. One alternative would be to provide some increase in the review threshold to reflect an increase in land values while maintaining Joint Finance review of large grants or purchases. Providing for Joint Finance passive review at \$350,000 would represent a 40% increase in the threshold level.

3. The Department generally negotiates with a potential seller over an extended period of time (months or even years is typical). Internal discussions and land reviews take place, and multiple appraisals may be performed by DNR staff or contracted for with private appraisers. Once an agreement is reached, (a) any purchase in excess of \$150,000, (b) that involves property outside of a current project boundary, (c) where improvements on the property increase the appraised value of the property, or (d) where the offer to the seller exceeds the appraised value of the property must be approved by the Natural Resources Board. Purchases approved by the Board that exceed \$250,000 are then submitted to the Joint Committee on Finance under the 14-day passive review process. If the Joint Finance Committee approves the purchase, it is submitted to the Governor for review and approval before the transaction is closed. Grant requests are processed as received based on available funding, and are not subject to Natural Resources Board Review. However, grants for \$250,000 or more are required to be submitted to the Joint Committee on Finance under the 14-day

passive review process, and to be approved by the Governor. Given that DNR's timeframe for acquiring property can range from months to years, adding an additional 14-day passive review period would not seem to have a significant effect overall in transaction efficiency. In addition, DNR has shown a willingness in the past to work with other conservation partners when timing of purchases was critical. For example, Joint Finance reviewed and approved a proposed DNR purchase at the December, 2000, s.13.10 hearing that had been purchased on DNR's behalf in June of 2000 by a local chapter of Trout Unlimited after the owner (who was entering a nursing home) needed to sell the property as soon as possible. DNR then purchased the land from the non-profit organization after completing the required DNR board review, the 14-day passive review process for the Joint Committee on Finance, and obtaining the approval of the Governor.

### ALTERNATIVES TO BASE

1. Adopt the Governor's recommendation to increase the threshold for Joint Finance passive review of projects under the Stewardship 2000 program to \$500,000.
2. Increase the threshold for Joint Finance passive review of projects under the Stewardship 2000 program to \$350,000.
3. Maintain current law.

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