



**Fiscal Estimate Narratives**  
**DNR 3/1/2004**

LRB Number <b>03-4294/1</b>	Introduction Number <b>AB-908</b>	Estimate Type <b>Original</b>
<b>Subject</b> Relating to: the effective dates for provisions relating to the distribution of payments received by taxation districts for acres designated as closed under the Managed Forest Land Program		

**Assumptions Used in Arriving at Fiscal Estimate**

This bill is a correction bill for AB 323 which has been sent to the Governor's office but is not yet signed.

The intent is to correct language in the Senate amendment to AB 323 which attempted to delay certain effective dates affecting the Forestry Account. The language in the amendment does not accomplish what was intended, and this bill is being introduced to correct the errors.

AB 908 would modify the impact of AB 323 by delaying the transfer of revenues from the state to the municipalities until after the current biennium.

The MFL closed acreage fees estimated to be generated under AB323 as it exists is \$1,380,000 in FY 04 and \$1,590,000 in FY 05. Under AB323, the state would receive 20% of this amount each year, and the municipality would retain 80%.

Under AB 323, closed acreage fees are paid by the landowner to the municipality. The municipality retains 80% of the fees, and forwards 20% of the fees to the county. The county, in turn is required to forward all closed acreage fees they receive (20%) to the Department until July 1, 2005.

This bill would require the municipality to forward 100% of the closed acre fees collected under the Forest Law (MFL) to the county, and the county would forward all of the fees to the state. This provision would be in effect until July 1, 2005, or the end of the current biennium, at which time the municipality would retain 80% of the fees, and forward 20% of the fees to the county. The county would then retain that 20%.

The fiscal affect of this bill would be an increase in revenue to the state of \$1,104,000 in FY 04, and an increase of \$1,272,00 in FY 05.

This bill is void unless AB 323 is signed into law before this bill, and without being partially vetoed.

**Long-Range Fiscal Implications**

None

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original
  Updated
  Corrected
  Supplemental

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<b>Subject</b>		
Relating to: the effective dates for provisions relating to the distribution of payments received by taxation districts for acres designated as closed under the Managed Forest Land Program		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
This bill will result in a one time increase in revenue to the state, and a one time decrease in revenue to local government, of \$2,376,000 in FY04 and FY05 combined. There is no annualized fiscal impact.		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$</b>	
<b>B. State Costs by Source of Funds</b>		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
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