



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-3547/PB  
MGG:eev:jf

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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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1 AN ACT *to repeal* 20.370 (1) (cx), 77.82 (2m) (ac), 77.82 (2m) (ag), 77.82 (2m) (am),  
2 77.82 (2m) (c), 77.82 (2m) (dm) 1., 77.82 (2m) (dm) 2., 77.82 (3) (am), 77.82 (4g),  
3 77.82 (4m) (d), 77.86 (2), 77.86 (3) (title), 77.87 (1g) (d), 77.88 (2) (a) 1., 77.88 (3g)  
4 (a), 77.88 (4), 77.88 (5) (a) 1. and 2., 77.88 (5) (ab), 77.88 (5) (ar), 77.88 (5) (b),  
5 77.88 (5) (c), 77.88 (6) and 77.91 (3); *to renumber* 77.81 (1), 77.86 (1) (a), 77.86  
6 (1) (b) and 77.89 (2) (b); *to renumber and amend* 77.06 (1), 77.81 (2m), 77.82  
7 (1) (bn), 77.82 (12), 77.86 (1) (title), 77.86 (1) (c), 77.86 (1) (d), 77.86 (3), 77.88  
8 (2) (a) (intro.), 77.88 (2) (a) 2., 77.88 (2) (a) 3., 77.88 (2) (e), 77.88 (2) (f), 77.88  
9 (3), 77.88 (5) (a) (intro.) and 77.89 (2) (a); *to amend* 20.370 (5) (bv), 74.23 (1) (a)  
10 2., 74.25 (1) (a) 2., 74.25 (1) (a) 3., 74.30 (1) (b), 74.30 (1) (c), 77.07 (2), 77.07 (3),  
11 77.82 (1) (a) 1., 77.82 (1) (a) 2., 77.82 (1) (b) 3., 77.82 (2m) (title), 77.82 (3) (title),  
12 77.82 (3) (ag), 77.82 (3) (ar), 77.82 (3) (c) (intro.), 77.82 (3) (g), 77.82 (4), 77.83  
13 (2) (b), 77.84 (3) (b), 77.86 (4), 77.86 (5) (a), 77.86 (5) (b), 77.87 (1), 77.87 (2), 77.87  
14 (3), 77.87 (5), 77.876 (1), 77.876 (4), 77.88 (title), 77.88 (1) (b) 1., 77.88 (1) (c),  
15 77.88 (2) (am), 77.88 (2) (b), 77.88 (2) (c), 77.88 (3) (title), 77.88 (3g) (title), 77.88

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(3g) (am) (intro.), 77.88 (3g) (b), 77.88 (3g) (c), 77.88 (3j) (c), 77.88 (3m), 77.88 (5) (am) 1., 77.88 (5m), 77.88 (7), 77.88 (8) (b), 77.883 (3), 77.885 (intro.), 77.89 (1), 77.89 (2) (title) and 77.91 (3m); **to repeal and recreate** 77.86 (title); and **to create** 77.10 (2) (d), 77.81 (1d), 77.81 (2r), 77.81 (4m), 77.82 (1) (a) 1m., 77.82 (1) (bp), 77.82 (3m), 77.82 (12) (a) 2., 77.82 (12) (a) 4., 77.82 (12) (a) 5., 77.82 (12) (a) 6., 77.83 (2) (d), 77.86 (1g) (title), 77.86 (4m), 77.88 (1) (bn), 77.88 (2) (a) (title), 77.88 (2) (ac) (title), 77.88 (2) (d) (title), 77.88 (3) (am), 77.88 (3) (b) (title), 77.88 (3) (b) 1. (intro.) and 2., 77.88 (3) (c), 77.88 (3) (d), 77.88 (3g) (c), 77.88 (3j), 77.88 (3k), 77.88 (3L), 77.88 (3p), 77.88 (4m), 77.88 (5) (ac), 77.88 (5) (am) (title) and 77.89 (3) (title) of the statutes; **relating to:** eligibility requirements under the managed forest land program relating to parcel size and production of merchantable timber, management plans for managed forest lands, orders adding and withdrawing managed forest land, renewal of orders designating managed forest land, areas of managed forest lands that are open for public access, regulation of cutting of timber on managed forest land and on forest croplands, withdrawal taxes and fees imposed on the withdrawal of managed forest land and yield taxes imposed for cutting timber from managed forest land, the sale or transfer of managed forest land, expiration of orders designating managed forest land, withdrawal of forest croplands that are held in trust for Indian tribes, a study of the managed forest land program, a report on exempt withdrawals from the managed forest land program and the forest cropland program, elimination of references to the woodland tax law, granting

*allowing allowing managed forest lands to be used for recreational activities;*

1 rule-making authority, requiring the exercise of rule-making authority, and  
2 providing a penalty.

*Analysis by the Legislative Reference Bureau*

This is a preliminary draft. An analysis will be provided in a subsequent version of this draft. ✓

← INSERT ANL

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

3 SECTION 1. 20.370 (1) (cx) of the statutes is repealed. ✓

4 SECTION 2. 20.370 (5) (bv) of the statutes is amended to read:

5 20.370 (5) (bv) *Resource aids — county forests, forest croplands and managed*  
6 *forest land aids.* A sum sufficient to pay county forest aids under s. 28.11 (8) (a),  
7 forest croplands aids under subch. I of ch. 77 and managed forest land aids under ss.  
8 s. 77.85 and 77.89 (1). ✓

9 SECTION 3. 74.23 (1) (a) 2. of the statutes is amended to read:

10 74.23 (1) (a) 2. Pay to the proper treasurer all collections of special  
11 assessments, special charges and special taxes, except that occupational taxes under  
12 ss. 70.40 to 70.421 and forest cropland, ~~woodland~~ and managed forest land taxes  
13 under ch. 77 shall be settled for under s. 74.25 (1) (a) 1. to 8.

14 SECTION 4. 74.25 (1) (a) 2. of the statutes is amended to read:

15 74.25 (1) (a) 2. Pay to the proper treasurer all collections of special  
16 assessments, special charges and special taxes, except that occupational taxes under  
17 ss. 70.40 to 70.421 and forest cropland, ~~woodland~~ and managed forest land taxes  
18 under ch. 77 shall be settled for under subs. 5. to 8.

19 SECTION 5. 74.25 (1) (a) 3. of the statutes is amended to read:

1           74.25 (1) (a) 3. Retain all collections of special assessments, special charges and  
2 special taxes due to the taxation district, except that occupational taxes under ss.  
3 70.40 to 70.421 and forest cropland, ~~woodland~~ and managed forest land taxes under  
4 ch. 77 shall be settled for under subs. 5. to 8.

5           **SECTION 6.** <sup>✓</sup> 74.30 (1) (b) of the statutes is amended to read:

6           74.30 (1) (b) Pay to the proper treasurer all collections of special assessments,  
7 special charges and special taxes, except that occupational taxes under ss. 70.40 to  
8 70.421 and forest cropland, ~~woodland~~ and managed forest land taxes under ch. 77  
9 shall be settled for under pars. (e) to (h).

10          **SECTION 7.** <sup>✓</sup> 74.30 (1) (c) of the statutes is amended to read:

11          74.30 (1) (c) Retain all collections of special assessments, special charges and  
12 special taxes due to the taxation district, except that occupational taxes under ss.  
13 70.40 to 70.421 and forest cropland, ~~woodland~~ and managed forest land taxes under  
14 ch. 77 shall be settled for under pars. (e) to (h).

15          **SECTION 8.** <sup>✓</sup> 77.06 (1) of the statutes is renumbered 77.06 (1) (a) and amended  
16 to read:

17          77.06 (1) (a) ~~No~~ Except as provided in par. (b), no person shall cut any  
18 merchantable wood products on any forest croplands where the forest crop taxes are  
19 delinquent nor until 30 days after the owner has filed with the department of natural  
20 resources a notice of intention to cut, specifying by descriptions and the estimated  
21 amount of wood products to be removed and the proportion of present volume to be  
22 left as growing stock in the area to be cut. The owner of a large property, as defined  
23 in s. 77.81 (2r), does not have to file a notice of intention to cut if all of the  
24 requirements under s. 77.86 (4m) (a) have been met.

✓ **\*\*\*\*NOTE:** There is no statutory requirement regarding management plans for forest cropland parcels. Therefore, a statutory exemption is not required.

1           **(b)** The department of natural resources may require a bond executed by some  
2 surety company licensed in this state or other surety for such amount as may  
3 reasonably be required for the payment to the department of natural resources of the  
4 severance tax ~~hereinafter provided~~ prescribed in sub. (5). The department, after  
5 examination of the lands specified, may prescribe the amount of forest products to  
6 be removed.

7           **(c)** Cutting in excess of the amount prescribed shall render the owner liable to  
8 double the severance tax prescribed in ~~s. 77.06~~ sub. (5) and subject to cancellation  
9 under s. 77.10.

10           **(d)** Merchantable wood products include all wood products except wood used  
11 for fuel by the owner.

12           **SECTION 9.** 77.07 (2) of the statutes is amended to read:

13           **77.07 (2) PENALTY, COLLECTIONS.** If any severance tax ~~remain~~ remains unpaid  
14 for 30 days after it becomes due, there shall then be added a penalty of 10 percent,  
15 and such tax and penalty shall thereafter draw interest at the rate of one percent per  
16 month until paid. At the expiration of said 30 days the department of natural  
17 resources shall report to the attorney general any unpaid severance tax, adding said  
18 penalty, and the attorney general shall thereupon proceed to collect the same with  
19 penalty and interest by suit against the owner and by attachment or other legal  
20 means to enforce the lien and by action on the bond mentioned in s. 77.06 (1) (b), or  
21 by any or all such means.

22           **SECTION 10.** 77.07 (3) of the statutes is amended to read:

1           77.07 (3) DISTRIBUTION OF SEVERANCE TAX. All severance taxes collected under  
2 this subchapter shall be distributed as follows: The state shall retain an amount  
3 equal to the total acreage payments on the lands to which the severance taxes relate,  
4 made by the state under s. 77.05, and all penalties imposed under sub. (2) and s. 77.06  
5 (1) (c), and the balance shall be paid to the town treasurer to be apportioned as  
6 provided in s. 77.04 (3).

7           **SECTION 11.** 77.10 (2) (d) of the statutes is created to read:

8           77.10 (2) (d) Upon request of an Indian tribe, the department shall issue an  
9 order of withdrawal for the land that is owned in fee and that is subject to a contract  
10 under s. 77.03. The land withdrawn is not subjected to the tax payment calculated  
11 under par. (a) if all of the following apply:

12           1. The Indian tribe provides the department the date of the order to transfer  
13 the land to the United States to be held in trust for the tribe.

14           2. The tribe and the department have in effect a written agreement under  
15 which the tribe agrees that the land shall continue to be treated as forest cropland  
16 until the date on which the contract under s. 77.03 would have expired.

17           **SECTION 12.** 77.81 (1) of the statutes is renumbered 77.81 (1p).

18           **SECTION 13.** 77.81 (1d) of the statutes is created to read:

19           77.81 (1d) "Building" includes any structure used for sheltering people,  
20 machinery, animals, or plants; used for storing property; used for parking, sales, or  
21 display space; or used as a place of employment.

22           **SECTION 14.** 77.81 (2m) of the statutes is renumbered 77.81 (1m) and amended  
23 to read:

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77.81 (1m) ~~“Independent certified~~ Certified plan writer” means a plan writer certified by the department ~~but who is not acting under contract with the department~~ under s. 77.82 (3) (g).

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SECTION 15. 77.81 (2r) of the statutes is created to read:

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77.81 (2r) “Large property” means one or more separate parcels of land that are under the same ownership, that collectively are greater than 1,000 acres in size, and that are designated as managed forest land ~~or forest croplands or~~ a combination thereof.

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SECTION 16. 77.81 (4m) of the statutes is created to read:

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77.81 (4m) “Natural disaster” means fire, ice, snow, wind, flooding, insects, or disease.

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INSECT 7-10

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SECTION 17. 77.82 (1) (a) 1. of the statutes is amended to read:

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77.82 (1) (a) 1. It consists of at least 10 contiguous acres, except as provided in ~~this subdivision. The par. (am). This subdivision applies to applications under sub.~~ (2), (4m), or (12) that are filed before the effective date of this subdivision ... [LRB inserts date].

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(am) For purposes of par. (a) 1. and 1m., the fact that a lake, river, stream or flowage, a public or private road or a railroad or utility right-of-way separates any part of the land from any other part does not render a parcel of land noncontiguous. If a part of a parcel of at least 10 contiguous acres is separated from another part of that parcel by a public road, that part of the parcel may be enrolled in the program, even if that part is less than 10 acres, if that part meets the requirement under subd. 2. and is not ineligible under par. (b).

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SECTION 18. 77.82 (1) (a) 1m. of the statutes is created to read:

XXXX NOTE: A reference to “forest croplands” needed to be added to this definition. See s. 77.06(1), as treated in this draft.

1 77.82 (1) (a) 1m. It consists of at least 20 contiguous acres, except as provided  
2 in par. (am). This subdivision applies to applications under sub. (2), (4m), or (12) that  
3 are filed on or after the effective date of this subdivision .... [LRB inserts date].

4 SECTION 19. 77.82 (1) (a) 2. of the statutes is amended to read:

5 77.82 (1) (a) 2. At least 80% of the parcel must be producing or capable of  
6 producing a minimum of 20 cubic feet of merchantable timber per acre per year,  
7 except as provided in s. 77.88 (1) (bn) ~~77.88 (1) (bn)~~ ~~77.88 (1) (bn)~~ 77.88 (2m)

8 SECTION 20. 77.82 (1) (b) 3. of the statutes is amended to read:

9 77.82 (1) (b) 3. A parcel ~~that is developed for a human residence on which a~~  
10 building or an improvement associated with a building is located.

✓ **NOTE:** I changed "associated with the building" to "associated with a building."  
Otherwise, a parcel with "an improvement" on it would continue to be eligible for  
designation. OK?

11 SECTION 21. 77.82 (1) (bn) of the statutes is renumbered 77.88 (3g) (d) and  
12 amended to read:

13 77.88 (3g) (d) For purposes of ~~par. (b) 3.~~ this subsection and sub. (3j), the  
14 department by rule shall define "human residence" to include a residence of the  
15 applicant regardless of whether it is the applicant's primary residence. The  
16 definition may also include up to one acre surrounding the residence for a residence  
17 that is not the applicant's primary residence.

18 SECTION 22. 77.82 (1) (bp) of the statutes is created to read:

19 77.82 (1) (bp) 1. For purposes of par. (b) 3., and except as provided in subd. 2.,

20 an improvement <sup>is</sup> includes any of the following:

21 a. Any <sup>accessory</sup> building, structure, fixture, or right-of way that is built or placed on the  
22 parcel for its benefit.

b. Landscaping that is done on the parcel. ~~for the term~~  
**NOTE:** I added "accessory" to distinguish from the any  
"main" building that ~~is~~ covered by the definition of "building."  
would be

\*\*\* x NOTE: I did not limit subd. 2, c, to permanent fences since that would result in temporary fences

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b. Any activity that occurs on a parcel and that is done on or to the parcel for the parcel's benefit, including demolition, excavation, repair, and remodeling activities, as well as filling, grading, tiling, and landscaping.

2. An improvement does not include any of the following:

a. A public or private road.

b. A railroad or utility right-of way.

c. A fence, unless the fence prevents the free and open movement of wild animals across any portion of the parcel.

being improvements  
to improvements

\*\*\*\*NOTE: I reworked this language because the language in s. 779.01 (2) (a) is awkward and is lacking parallel construction.

SECTION 23. 77.82 (2m) (title) of the statutes is amended to read:

77.82 (2m) (title) FEES FOR APPLICATIONS AND MANAGEMENT PLANS.

SECTION 24. 77.82 (2m) (ac) of the statutes is repealed.

SECTION 25. 77.82 (2m) (ag) of the statutes is repealed.

SECTION 26. 77.82 (2m) (am) of the statutes is repealed.

SECTION 27. 77.82 (2m) (c) of the statutes is repealed.

SECTION 28. 77.82 (2m) (dm) 1. of the statutes is repealed.

SECTION 29. 77.82 (2m) (dm) 2. of the statutes is repealed.

SECTION 30. 77.82 (3) (title) of the statutes is amended to read:

77.82 (3) (title) MANAGEMENT PLAN PLANS.

SECTION 31. 77.82 (3) (ag) of the statutes is amended to read:

77.82 (3) (ag) A proposed management plan shall cover the entire acreage of each parcel subject to the application and shall be prepared by an independent a certified plan writer or by the department if par. (am) applies on a form provided by the department.

for sound forestry practices

- d. Culverts
- e. Bridges
- f. Other buildings, structures, and fixtures that are needed

1           **SECTION 32.** 77.82<sup>✓</sup> (3) (am) of the statutes is repealed.

2           **SECTION 33.** 77.82<sup>✓</sup> (3) (ar) of the statutes is amended to read:

3           77.82 (3) (ar) For ~~a~~ each proposed management plan ~~prepared by an~~  
4 ~~independent certified plan writer prepared under par. (ag),~~ the department, after  
5 considering the owner's forest management objectives as stated under sub. (2) (e),  
6 shall review and either approve or disapprove the proposed management plan. If the  
7 department disapproves the proposed plan, it shall inform the applicant of the  
8 changes necessary to qualify the plan for approval upon subsequent review. ~~At the~~  
9 ~~request of the applicant, the department may agree to complete the proposed~~  
10 ~~management plan.~~

11           **SECTION 34.** 77.82<sup>✓</sup> (3) (c) (intro.) of the statutes is amended to read:

12           77.82 (3) (c) (intro.) To qualify for approval, a management plan shall include  
13 all of the following items:

14           **SECTION 35.** 77.82<sup>✓</sup> (3) (g) of the statutes is amended to read:

15           77.82 (3) (g) The department shall certify plan writers and shall promulgate  
16 rules specifying the qualifications that a person must satisfy to become a certified  
17 plan writer. ~~For management plans prepared or completed by the department under~~  
18 ~~this subsection, the department may contract with plan writers certified by the~~  
19 ~~department to prepare and complete these plans.~~

20           **SECTION 36.** 77.82<sup>✓</sup> (3m) of the statutes is created to read:

21           77.82 (3m) MANAGEMENT PLANS; LARGE PROPERTIES. (a) Notwithstanding sub.  
22 (3) (c), the department may modify any item that is required in a management plan  
23 for a large property. In determining whether to make a modification, the department  
24 shall consider all of the following:

1           1. Whether the owner of the large property owns other land that is designated  
2 as managed forest land or that is forest cropland subject to a contract under s. 77.03.

✓ ~~\*\*\*\*NOTE: I deleted the reference to "other forest tax law program[s]" because the  
woodland tax program has been repealed and it is my understanding that no other forest  
tax law program currently exists.~~

3           2. The total number of counties in which either or both of the following are  
4 located:

5           a. Land that is covered by the proposed management plan.

6           b. Land that is owned by the applicant that is designated as managed forest  
7 land or that is forest cropland.

8           3. Whether a management plan that has been prepared by or for the applicant  
9 and that is acceptable to the department exists and is available for review.

10          4. Whether the owner submits a written commitment that the owner will  
11 provide any information from the owner's management plan that may be requested  
12 by the department. The commitment shall describe the proposed management plan  
13 and shall include a procedure to be used to amend or update the plan.

14          5. Whether the owner has demonstrated that it has consistent access to  
15 technical forest management assistance provided by its own staff or consultants.

16          (b) If the managed forest land that remains after a withdrawal or transfer of  
17 ownership no longer constitutes a large property, the department shall notify the  
18 owner of the land remaining subject to the managed forest land order that the owner  
19 must prepare a new management plan for the remaining land. The new plan shall  
20 be prepared in accordance with the procedures and requirements under sub. (3). The  
21 owner shall submit the plan to the department within one year after being notified.

22          SECTION 37. 77.82 (4) of the statutes is amended to read:

1           77.82 (4) ADDITIONS TO MANAGED FOREST LAND. An owner of land that is  
2 designated as managed forest land ~~under an order that takes effect on or after April~~  
3 ~~28, 2004~~, may file an application with the department to designate as managed forest  
4 land an additional parcel of land if the additional parcel is at least 3 acres in size and  
5 is contiguous to any of that designated land. The application shall be accompanied  
6 by a nonrefundable \$20 application recording fee unless a different amount for the  
7 fee is established by the department by rule at an amount equal to the average  
8 expense to the department of recording an order issued under this subchapter. The  
9 fee shall be deposited in the conservation fund and credited to the appropriation  
10 under s. 20.370 (1) (cr). The application shall be filed on a department form and shall  
11 contain any additional information required by the department.

12           **SECTION 38.** 77.82<sup>✓</sup> (4g) of the statutes is repealed.

13           **SECTION 39.** 77.82<sup>✓</sup> (4m) (d) of the statutes is repealed.

14           **SECTION 40.** 77.82<sup>✓</sup> (12) of the statutes is renumbered 77.82 (12) (a) and  
15 amended to read:

16           77.82 (12) (a) An owner of managed forest land may file an application with the  
17 department under sub. (2) for renewal of the order. An application for renewal shall  
18 be filed no later than the June 1 before the expiration date of the order. The  
19 application shall specify whether the owner wants the order renewed for 25 or 50  
20 years. The provisions under subs. (3), (5), (6), and (7) do not apply to an application  
21 under this ~~subsection~~ paragraph. The department may deny the application only if  
22 ~~the any of the following apply:~~

23           1. The land fails to meet the eligibility requirements under sub. (1), if the

24           3. The owner has failed to comply with the management plan that is in effect  
25 on the date that the application for renewal is filed, or if there,

1        7. There are delinquent taxes on the land.

2        (b) If the application is denied, the department shall state the reason for the  
3 denial in writing.

4        SECTION 41. 77.82 (12) (a) 2. of the statutes is created to read:

5        77.82 (12) (a) 2. The land that is subject to the application for renewal of the  
6 order is not identical to the land that is designated as managed forest land under the  
7 existing order.

8        SECTION 42. 77.82 (12) (a) 4. of the statutes is created to read:

9        77.82 (12) (a) 4. The management plan does not contain any mandatory  
10 forestry or soil conservation practices, as described in sub. (3) (c) 6. and 7., or any  
11 mandatory management activities, as described in sub. (3) (d), that the department  
12 determines are required to be continued during the term of the renewed order.

13        SECTION 43. 77.82 (12) (a) 5. of the statutes is created to read:

14        77.82 (12) (a) 5. No review of the mandatory forestry or soil conservation  
15 practices or the mandatory management activities contained in the management  
16 plan has been conducted within the 5 years immediately preceding the date of the  
17 application for renewal.

18        SECTION 44. 77.82 (12) (a) 6. of the statutes is created to read:

19        77.82 (12) (a) 6. Within the 5 years immediately preceding the date of the  
20 application for renewal, the management plan has not been updated to reflect the  
21 completion of any forestry or soil conservation practices or management activities  
22 contained in the plan.

← INSERT 13-22

23        SECTION 45. 77.83 (2) (b) of the statutes is amended to read:

24        77.83 (2) (b) An owner may restrict public access to any area of open managed  
25 forest land which is within 300 feet of any building or within 300 feet of a commercial

1 logging, thinning, or reforestation operation that ~~conforms~~ or other forest  
2 management activity if the operation or activity conforms to the management plan.

3 **SECTION 46.** 77.83 (2) (d) of the statutes is created to read:

4 77.83 (2) (d) 1. An owner of managed forest land that is designated as open shall  
5 ensure that the public has access to that land for all of the purposes specified in par.

6 (a). The method of access and location of the access shall be equivalent to the method  
7 of access and location of the access that is used by the owner of the land.

8 2. If the owner is unable to provide the access that is required under subd. 1.,  
9 the department shall modify the designation of the land from being open to being  
10 closed.

11 ~~✓ SECTION 47. 77.84 (3) (b) of the statutes is amended to read:~~

12 77.84 (3) (b) Immediately after receiving the certification of the county clerk  
13 that a tax deed has been taken, the department shall issue an order withdrawing the  
14 land as ~~managed forest land. The notice requirement under s. 77.88 (1) does not~~  
15 ~~apply to the department's action under this paragraph. The department shall notify~~  
16 ~~the county treasurer of the amount of the withdrawal fee under s. 77.88 (5m) and the.~~  
17 The county shall determine the amount of the withdrawal tax, as determined under  
18 s. 77.88 (5). The amount of the tax and the fee shall be payable to the department  
19 under s. 75.36 (3) if the property is sold by the county. The amount shall be credited  
20 to the conservation fund, and shall assess the withdrawal tax and the withdrawal  
21 fee under s. 77.88 (5m) against the owner of the land. The notice requirement under  
22 s. 77.88 (1) does not apply to the department's action under this paragraph.

23 **SECTION 48.** 77.86 (title) of the statutes is repealed and recreated to read:

24 **77.86 (title) Cutting practices.**

1                    <sup>✓</sup>  
2           **SECTION 49.** 77.86 (1) (title) of the statutes is renumbered 77.86 (1b) (title) and  
3           amended to read:

4           77.86 (1b) (title) ~~CUTTING REGULATED~~ PROHIBITED.

5           **SECTION 50.** 77.86 (1) (a) of the statutes is renumbered 77.86 (1b).

6           **SECTION 51.** 77.86 (1) (b) of the statutes is renumbered 77.86 (1g) (a).

7           **SECTION 52.** 77.86 (1) (c) of the statutes is renumbered 77.86 (1g) (b) and  
8           amended to read:

9           77.86 (1g) (b) If the ~~proposed cutting~~ proposed under par. (a) conforms to the  
10          management plan and is consistent with sound forestry practices, the department  
11          shall approve the request.

12          **SECTION 53.** 77.86 (1) (d) of the statutes is renumbered 77.86 (1g) (c) and  
13          amended to read:

14          77.86 (1g) (c) If the ~~proposed cutting~~ proposed under par. (a) does not conform  
15          to the management plan or is not consistent with sound forestry practices, the  
16          department shall assist the owner in developing an acceptable proposal before  
17          approving the request.

18          **SECTION 54.** 77.86 (1g) (title) of the statutes is created to read:

19          77.86 (1g) (title) APPROVAL BY DEPARTMENT.

20          **SECTION 55.** 77.86 (2) of the statutes is repealed.

21          **SECTION 56.** 77.86 (3) (title) of the statutes is repealed.

22          **SECTION 57.** 77.86 (3) of the statutes is renumbered 77.86 (1g) (d) and amended  
23          to read:

24          77.86 (1g) (d) All cutting specified in the notice under ~~sub. (1) (b)~~ par. (a) shall  
25          be commenced within one year after the date the proposed cutting is approved. The  
owner shall report to the department the date on which the cutting is commenced.

1 SECTION 58. 77.86 (4) of the statutes is amended to read:

2 77.86 (4) REPORTING. Within 30 days after completion of any cutting approved  
3 ~~under this section~~ subject to sub. (1g), the owner shall report to the department, on  
4 a form provided by the department, a description of the species of wood, kind of  
5 product and the quantity of each species cut as shown by the scale or measurement  
6 made on the ground as cut, skidded, loaded or delivered, or by tree scale certified by  
7 a forester acceptable to the department if the wood is sold by tree measurement.

8 SECTION 59. 77.86 (4m) of the statutes is created to read:

9 77.86 (4m) LARGE PROPERTIES. (a) The owner of a large property is exempt from  
10 the requirements under sub. (1g) if all of the following requirements are met:

11 1. The owner has received certification from an independent forestry  
12 organization that the owner is qualified to ensure that cutting of timber from the  
13 large property is consistent with sound forestry practices.

14 2. The department has recognized that the independent forestry organization  
15 under subd. 1. is qualified to make certifications under subd. 1. and under the rules  
16 promulgated under par. (b).

17 3. The owner complies with the rules promulgated under par. (c).

18 (b) The department shall promulgate rules that establish standards that an  
19 independent forestry organization shall meet in order to be recognized by the  
20 department for purposes of par. (a) 1.

21 (c) The department shall promulgate rules that establish cutting requirements  
22 that apply to owners of large properties. These rules shall include:

- 23 ✓ 2. 1. Requirements for cutting notices.
- 24 ✓ 3. 2. Time limits for the completion of cuttings.

*owners of properties*

1. A requirement that proposed cuttings comply with the applicable management plans of large owners and that they are consistent with sound forestry practices.

- 1 x 4 3 Procedures for requesting variances from the requirements established
- 2 under subs. 1. and 2<sub>0</sub>
- 3 x 5 Procedures to allow the department to audit the cutting of timber on the large
- 4 property.

5 SECTION 60. 77.86 (5) (a) of the statutes is amended to read:

6 77.86 (5) (a) Any person who fails to file the notice required under sub. (1)(b)

7 (1g) (a), who fails to file a report as required under sub. (4), ~~or~~ who files a false report

8 under sub. (4), or who fails to comply with a rule promulgated under sub. (4m) (c)

9 shall forfeit not more than \$1,000.

\*\*\*\*NOTE: I left in the language relating to violations of rules promulgated under s. 77.86 (4m) (c) because this provision covers notices as well as reports.

10 SECTION 61. 77.86 (5) (b) of the statutes is amended to read:

11 77.86 (5) (b) Any owner who cuts merchantable timber in violation of this

12 section or a rule promulgated under sub. (4m) (c) is subject to a forfeiture equal to

13 20% of the current value of the merchantable timber cut, based on the stumpage

14 value established under s. 77.91 (1).

15 SECTION 62. 77.87 (1) of the statutes is amended to read:

16 77.87 (1) TAXATION. The department shall assess ~~a~~ determine the amount of

17 yield tax to be assessed against each an owner who cuts merchantable timber in a

18 given county and who files a report under s. 77.86. If the owner fails to timely file

19 a report under s. 77.86 (4), the department shall determine the value of the

20 merchantable timber cut ~~for the assessment of~~ and the yield tax. The department

21 shall then certify to each county in which the cutting occurred the amount of yield

22 tax to be assessed by that county. The yield tax assessed by a county under this

23 subsection shall equal 5% of the value of the merchantable timber cut, based on the

1 stumpage value established under s. 77.91 (1). ~~The department~~ A county assessing  
2 a yield tax under this subsection or under sub. (2) shall mail a copy of the certificate  
3 of assessment to the owner at the owner's last-known address.

4 **SECTION 63.** 77.87 (1g) (d) of the statutes is repealed.

5 **SECTION 64.** 77.87 (2) of the statutes is amended to read:

6 77.87 (2) SUPPLEMENTAL YIELD TAX. At any time within one year after a report  
7 is filed under s. 77.86 (4), the department, after notifying the owner and providing  
8 the owner with the opportunity for a hearing, may determine whether the report is  
9 accurate. If the department determines that the quantity of merchantable timber  
10 cut exceeded the amount on which the tax was assessed under sub. (1), the  
11 department shall ~~assess a-~~ certify to each county in which the timber was cut the  
12 amount of supplemental yield tax to be assessed by that county on the additional  
13 amount as provided under sub. (1).

14 **SECTION 65.** 77.87 (3) of the statutes is amended to read:

15 77.87 (3) PAYMENT. A tax assessed under sub. (1) or (2) is due and payable to  
16 ~~the department~~ each county in which the cutting of merchantable timber occurred  
17 on the last day of the next month following the date the certificate is mailed to the  
18 owner. ~~The department~~ county shall collect interest at the rate of 12% per year on  
19 any tax that is paid later than the due date. ~~Amounts received shall be credited to~~  
20 ~~the conservation fund.~~

21 **SECTION 66.** 77.87 (5) of the statutes is amended to read:

22 77.87 (5) DELINQUENCY. If a tax due under this section is not paid on or before  
23 the last day of the August following the date specified under sub. (3), the ~~department~~  
24 county shall certify to the ~~taxation district clerk~~ municipal clerk of each municipality  
25 in which the cutting occurred the description of the land, and the amount due for the

DAMAGE TO LAND

CS 19

1 tax and interest. The taxation district municipal clerk shall enter the delinquent  
2 amount on the property tax roll as a special charge.

3 SECTION 67. 77.876 (1) of the statutes is amended to read:

4 77.876 (1) ASSESSMENT. The department shall certify to each municipality in  
5 which the property land is located an owner's failure to complete a forestry practice  
6 during the period of time required under an applicable management plan, and the  
7 municipality shall impose a noncompliance assessment of \$250 against the owner for  
8 each failure. The department shall mail a copy of the certificate of assessment to the  
9 owner at the owner's last-known address and to the municipality.

10 SECTION 68. 77.876 (4) of the statutes is amended to read:

11 77.876 (4) DELINQUENCY. If an assessment due under sub. (1) is not paid on or  
12 before the last day of the August following the date specified under sub. (2), the  
13 ~~municipality shall certify to the taxation district clerk the description of the land and~~  
14 ~~the amount due for the assessment and interest.~~ The taxation district municipal  
15 clerk shall enter the delinquent amount on the property tax roll as a special charge.

16 SECTION 69. 77.88 (title) of the statutes is amended to read:

17 77.88 (title) ~~Withdrawal;~~ <sup>Withdrawals: (B)</sup> **transfer of ownership; nonrenewal**  
18 **expiration.** (2m)

19 SECTION 70. 77.88 (1) (b) 1. of the statutes is amended to read:

20 77.88 (1) (b) 1. Failure of the land to conform to an eligibility requirement  
21 under s. 77.82 (1), <sup>sub. (b)(1)</sup> ~~except as provided in par. (b)(1).~~ ~~tax material from~~

22 SECTION 71. 77.88 (1) (b) 1. of the statutes is created to read:

23 ~~(b) - (1)(m) (a)~~ **77.88 (1) (b) 1.** If a parcel of managed forest land has been damaged by a  
24 natural disaster, the owner of the parcel may notify the department, and the  
25 department shall establish a period of time that the owner of the parcel will have to

Move this SECTION to p. 20 where shown  
20

Delete  
Should be s. 77.88 (1)(m)

1 restore the productivity of the land so that it meets the requirements under s. 77.82

2 (1) (a) 2.

3 ~~(b)~~ <sup>(c)</sup> ~~2.~~ If the owner fails to complete the restoration in the applicable period of time,  
4 the owner may request that the department withdraw all or part of the land in  
5 accordance with sub. (3) or (3k), or the department may proceed with a withdrawal  
6 by department order under sub. (1).

7 ~~(c)~~ <sup>(c)</sup> ~~3.~~ The department may promulgate a rule that establishes criteria to be used  
8 by the department for determining the length of time that an owner shall have to  
9 complete the restoration.

10 SECTION 72. 77.88 (1) (c) of the statutes is amended to read:

11 77.88 (1) (c) If the department determines that land should be withdrawn, it  
12 shall issue an order withdrawing the land as managed forest land and. The county  
13 in which the land is located shall determine the amount of the withdrawal tax under  
14 sub. (5). The county shall then assess against the owner the tax under sub. (5) and  
15 the withdrawal tax and the withdrawal fee under sub. (5m) against the owner of the  
16 land.

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17 SECTION 73. ~~77.88 (2) (a) (title)~~ of the statutes is created to read:

18 77.88 (2) (a) (title) Authority to transfer.

19 SECTION 74. 77.88 (2) (a) (intro.) of the statutes is renumbered 77.88 (2) (a) and  
20 amended to read:

21 77.88 (2) (a) ~~Except as provided in par. (am), an An~~ owner may sell or otherwise  
22 transfer ownership of all or part of a parcel of the owner's managed forest land if the  
23 land transferred is one of the following:.

24 SECTION 75. 77.88 (2) (a) 1. of the statutes is repealed.

move here from p. 19 add top of p. 20

1           SECTION 76. 77.88 (2) (a) 2. of the statutes is renumbered 77.88 (3) (b) 1. a. and  
2 amended to read:

3           77.88 (3) (b) 1. a. All of ~~an~~ the owner's managed forest land within a quarter  
4 quarter section.

5           SECTION 77. 77.88 (2) (a) 3. of the statutes is renumbered 77.88 (3) (b) 1. b. and  
6 amended to read:

7           77.88 (3) (b) 1. b. All of ~~an~~ the owner's managed forest land within a  
8 government lot or fractional lot as determined by the U.S. government survey plat.

9           SECTION 78. 77.88 (2) (ac) (title) of the statutes is created to read:

10          77.88 (2) (ac) (title) *Transferred land; requirements met.*

11          SECTION 79. 77.88 (2) (am) of the statutes is amended to read:

12          77.88 (2) (am) *Transferred land; requirements not met.* If the land transferred  
13 under par. (a) does not meet the eligibility requirements under s. 77.82 (1) (a) and  
14 (b), the department shall issue an order withdrawing the land from managed forest  
15 land designation and shall assess against the owner a . The county in which the land  
16 is located shall determine the amount of the withdrawal tax under sub. (5). The  
17 county shall then assess the withdrawal tax and the withdrawal fee under sub. (5m)  
18 against the owner of the land.

19          SECTION 80. 77.88 (2) (b) of the statutes is amended to read:

20          77.88 (2) (b) *Remaining land; requirements met.* If the land remaining after  
21 a transfer under par. (a) ~~is contiguous and~~ meets the eligibility requirements under  
22 s. 77.82 (1) (a)-2. and (b), it the remaining land shall continue to be designated as  
23 managed forest land ~~until the expiration of the existing order, even if the parcel~~  
24 ~~contains less than 10 acres. Notwithstanding s. 77.82 (12), an owner may not file an~~  
25 ~~application with the department for renewal of the order if the parcel contains less~~

1 ~~than 10 acres. No withdrawal tax under sub. (5) or withdrawal fee under sub. (5m)~~  
2 ~~may be assessed when the remaining land is withdrawn at the expiration of the~~  
3 ~~order.~~

4 <sup>✓</sup>  
SECTION 81. 77.88 (2) (c) of the statutes is amended to read:

5 77.88 (2) (c) Remaining land; requirements not met. If the remaining land  
6 remaining after a transfer under par. (a) does not meet the eligibility requirements  
7 under s. 77.82 (1) (a) ~~2.~~ and (b), the department shall issue an order withdrawing the  
8 land and. The county in which the land is located shall determine the amount of the  
9 withdrawal tax under sub. (5). The county shall then assess against the owner the  
10 withdrawal tax under sub. (5) and the withdrawal tax and the withdrawal fee under  
11 sub. (5m) against the owner of the land. Notwithstanding s. 77.90, the owner is not  
12 entitled to a hearing on an order withdrawing land under this paragraph.

13 <sup>✓</sup>  
SECTION 82. 77.88 (2) (d) (title) of the statutes is created to read:

14 77.88 (2) (d) (title) *Report by transferee; fee.*

15 <sup>✓</sup>  
SECTION 83. 77.88 (2) (e) of the statutes is renumbered 77.88 (2) (ac) 1. and  
16 amended to read:

17 77.88 (2) (ac) 1. ~~The transferred~~ If the land shall remain transferred under par.  
18 (a) meets the eligibility requirements under s. 77.82 (1) (a) and (b), the land shall  
19 continue to be designated as managed forest land if the transferee, within 30 days  
20 after the transfer, certifies to the department an intent to comply with the existing  
21 management plan for the land and with any amendments to the plan, and provides  
22 proof that each person holding any encumbrance on the land agrees to the  
23 designation. The transferee may designate an area of the transferred land closed to  
24 public access as provided under s. 77.83. The department shall issue an order

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1 continuing the designation of the land as managed forest land under the new  
2 ownership.

3 ~~SECTION 84.~~ <sup>✓</sup> 77.88 (2) (f) of the statutes is renumbered 77.88 (2) (ac) 2. and  
4 amended to read:

5 77.88 (2) (ac) 2. If the transferee does not provide the department with the  
6 certification required under ~~par. (e) subd. 1.~~, the department shall issue an order  
7 withdrawing the land ~~and.~~ The county in which the land is located shall determine  
8 the amount of the withdrawal tax under sub. (5). The county shall then assess  
9 against the ~~transferee~~ the withdrawal tax under ~~sub. (5)~~ and the withdrawal fee  
10 under sub. (5m) against the transferee. Notwithstanding s. 77.90, the transferee is  
11 not entitled to a hearing on an order withdrawing land under this paragraph  
12 subdivision.

*Insert here (check pp. 1920) No change*

13 SECTION 85. 77.88 (3) (title) of the statutes is amended to read:

14 77.88 (3) (title) VOLUNTARY WITHDRAWAL; TOTAL OR PARTIAL.

15 SECTION 86. 77.88 (3) of the statutes, as affected by 2013 Wisconsin Act 81, is  
16 renumbered 77.88 (3) (b) (intro.) and amended to read:

17 77.88 (3) (b) (intro.) ~~An owner may~~ Upon request that the department  
18 ~~withdraw all or any of an owner of managed forest land to withdraw~~ part of the  
19 ~~owner's land meeting one of the requirements specified under sub. (2) (a) 1. to 3.~~ If  
20 ~~any remaining land meets the eligibility requirements under s. 77.82 (1) a parcel of~~  
21 managed forest land, the department shall issue an order withdrawing the land  
22 subject to the request ~~and shall assess against the owner the withdrawal tax under~~  
23 ~~sub. (5) and the withdrawal fee under sub. (5m).~~ If the land being withdrawn is  
24 ~~within a proposed ferrous mining site, the department shall issue the order within~~  
25 30 days after receiving the request. if all of the following apply:

1           **SECTION 87.** 77.88 (3) (am) of the statutes is created to read:

2           77.88 (3) (am) *Entire parcels.* Upon request of an owner of managed forest land  
3 to withdraw an entire parcel of managed forest land, the department shall issue an  
4 order withdrawing the land.

5           **SECTION 88.** 77.88 (3) (b) (title) of the statutes is created to read:

6           77.88 (3) (b) (title) *Parts of parcels.*

7           **SECTION 89.** 77.88 (3) (b) 1. (intro.) and 2. of the statutes are created to read:

8           77.88 (3) (b) 1. (intro.) The land to be withdrawn is one of the following:

9           2. The land remaining after the withdrawal will continue to meet the eligibility  
10 requirements under s. 77.82 (1).

11          — **SECTION 90.** 77.88 (3) (c) of the statutes is created to read:

12           77.88 (3) (c) *Withdrawal tax and fee.* Upon issuance of an order of withdrawal  
13 under this subsection, the county in which the land is located shall determine the  
14 amount of the withdrawal tax under sub. (5). The county shall then assess the  
15 withdrawal tax and the withdrawal fee under sub. (5m) against the owner of the  
16 land.

17           **SECTION 91.** 77.88 (3) (d) of the statutes is created to read:

18           77.88 (3) (d) *Ferrous mining site.* If the land being withdrawn under this  
19 subsection is within a proposed ferrous mining site, the department shall issue the  
20 order within 30 days after receiving the request.

21           **SECTION 92.** 77.88 (3g) (title) of the statutes, as created by 2013 Wisconsin Act  
22 20, is amended to read:

23           77.88 (3g) (title) ~~WITHDRAWAL FOR~~ VOLUNTARY WITHDRAWAL; CONSTRUCTION OF A  
24 RESIDENCE.



1 ~~the owner of the land~~ the withdrawal tax ~~under sub. (5)~~ and the withdrawal fee under  
2 sub. (5m) against the owner of the land.

3 SECTION 98. 77.88 (3j) of the statutes is created to read:

4 77.88 (3j) VOLUNTARY WITHDRAWAL; OTHER CONSTRUCTION; SMALL LAND SALES. (a)  
5 Except as provided in par. (b), upon the request of an owner of managed forest land  
6 to withdraw part of a parcel of the owner's land, the department shall issue an order  
7 withdrawing the land subject to the request if all of the following apply:

8 1. The purpose for which the owner requests that the department withdraw the  
9 land is for the sale of the land or for a construction site, other than a construction site  
10 for a human residence.

11 2. The land to be withdrawn is not less than 1.0 acres and not more than 5.0  
12 acres. Partial acres may not be withdrawn.

13 3. If the land is subject to a city, village, town, or county zoning ordinance that  
14 establishes a minimum acreage for ownership of land or for a construction site, the  
15 owner requests that the department withdraw not less than that minimum acreage.

✓ **\*\*\*\*NOTE:** As I stated in my embedded note following this provision in the /P4  
version, I do not think that a provision that deals with local zoning ordinances should be  
limited by a statutory definition that would apply statewide in all municipalities. What  
constitutes a "construction site" will be determined by a municipality in applying its  
ordinance. Also note that the concept of "construction [site]" currently found in s. 77.88  
(3g) deals with minimum acreage under zoning ordinances and is not defined.

16 (b) 1. For land that is designated as managed forest land under an order with  
17 a term of 25 years, the department may not issue an order of withdrawal under par.  
18 (a) if the department has previously issued an order of withdrawal under par. (a)  
19 from that parcel of managed forest land during the term of the order.

20 2. For land that is designated as managed forest land under an order with a  
21 term of 50 years, the department may not issue an order of withdrawal under par.

1 (a) if the department has previously issued 2 orders of withdrawal under par. (a) from  
2 that parcel of managed forest land during the term of the order.

3 (c) Upon issuance of an order withdrawing land under this subsection, the  
4 department shall assess against the owner of the land the withdrawal tax under sub.  
5 (5) and the withdrawal fee under sub. (5m).

6 **SECTION 99.** 77.88 (3j) (c) of the statutes, as created by 2013 Wisconsin Act ...  
7 (this act), is amended to read:

8 77.88 (3j) (c) Upon issuance of an order withdrawing land under this  
9 subsection, the ~~department~~ county in which the land is located shall determine the  
10 amount of the withdrawal tax under sub. (5). The county shall then assess against  
11 the owner of the land the withdrawal tax under sub. (5) and the withdrawal fee under  
12 sub. (5m) against the owner of the land.

13 **SECTION 100.** 77.88 (3k) of the statutes is created to read:

14 77.88 (3k) VOLUNTARY WITHDRAWAL; PRODUCTIVITY. Upon the request of an owner  
15 of managed forest land to withdraw part of a parcel of the owner's land, the  
16 department shall issue an order of withdrawal if the department determines that the  
17 parcel is unable to produce merchantable timber in the amount required under s.  
18 77.82 (1) (a) 2. The order shall withdraw only the number of acres that is necessary  
19 for the parcel to resume its ability to produce the required amount. No withdrawal  
20 tax under sub. (5) or withdrawal fee under sub. (5m) may be assessed.

21 **SECTION 101.** 77.88 (3L) of the statutes is created to read:

22 77.88 (3L) VOLUNTARY WITHDRAWAL; SUSTAINABILITY. Upon the request of an  
23 owner of managed forest land to withdraw part of a parcel of the owner's land, the  
24 department shall issue an order of withdrawal if the department determines that the  
25 parcel is unsuitable, due to environmental, ecological, or economic concerns or

1 factors, for the production of merchantable timber. The order shall withdraw only  
2 the number of acres that is necessary for the parcel to resume its sustainability to  
3 produce merchantable timber. No withdrawal tax under sub. (5) or withdrawal fee  
4 under sub. (5m) may be assessed.

5 **SECTION 102.** 77.88 (3m) of the statutes is amended to read:

6 77.88 (3m) WITHDRAWAL FOR FAILURE TO PAY PERSONAL PROPERTY TAXES. If an  
7 owner of managed forest land has not paid the personal property tax due for a  
8 building on managed forest land before the February settlement date under s. 74.30  
9 (1), the municipality in which the building is located shall certify to the county in  
10 which the land is located and to the department that a delinquency exists and shall  
11 include the legal description of the managed forest land on which the building is  
12 located in the certification. Immediately after receiving the certification, the  
13 department shall issue an order withdrawing the land as managed forest land. The  
14 county shall determine the amount of the withdrawal tax under sub. (5) and shall  
15 assess against the owner of the land the withdrawal tax under sub. (5) and the  
16 withdrawal fee under sub. (5m) against the owner of the land. Notwithstanding s.  
17 77.90, the owner is not entitled to a hearing on an order withdrawing land under this  
18 subsection.

19 **SECTION 103.** 77.88 (3p) of the statutes is created to read:

20 77.88 (3p) VOLUNTARY WITHDRAWAL; OPTIONS. Upon request of an owner of  
21 managed forest land who is considering the voluntary withdrawal of part of a parcel  
22 of the owner's land, the department may make recommendations to the owner  
23 regarding the options available under subs. (3), (3g), (3j), (3k), and (3L).

\*\*\*NOTE: The department is no longer required to do anything under this subsection. Therefore, this subsection may no longer be necessary unless there is some question that DNR must have specific authority to do this.



1           **SECTION 110.** 77.88<sup>✓</sup> (5) (am) (title) of the statutes is created to read:

2           77.88 (5) (am) (title) *Converted forest croplands.*

3           **SECTION 111.** 77.88<sup>✓</sup> (5) (am) 1. of the statutes is amended to read:

4           77.88 (5) (am) 1. The amount ~~calculated under par. (a)~~ of past tax liability for  
5 the land.

6           **SECTION 112.** 77.88 (5) (ar) of the statutes, as affected by 2013 Wisconsin Act  
7 81, is repealed.

8           **SECTION 113.** 77.88 (5) (b) of the statutes, as affected by 2013 Wisconsin Act 81,  
9 is repealed.

10          **SECTION 114.** 77.88<sup>✓</sup> (5) (c) of the statutes is repealed.

11          **SECTION 115.** 77.88<sup>✓</sup> (5m) of the statutes is amended to read:

12          77.88 (5m) WITHDRAWAL FEE. The withdrawal fee assessed by the department  
13 a county under s. 77.84 (3) (b) and subs. (1) (c), (2) (ac) 2., (am), and (c), and (f), (3)  
14 (c), (3g), (3j), and (3m) shall be \$300.

15          **SECTION 116.** 77.88<sup>✓</sup> (6) of the statutes is repealed.

16          **SECTION 117.** 77.88<sup>✓</sup> (7) of the statutes is amended to read:

17          77.88 (7) PAYMENT; DELINQUENCY. Taxes under sub. (5) and fees under sub. (5m)  
18 are due and payable to the department each county in which the land is located on  
19 the last day of the month following the effective date of the withdrawal order.  
20 ~~Amounts received shall be credited to the conservation fund.~~ If the owner of the land  
21 fails to pay the tax or fee, the ~~department~~ county shall certify to the ~~taxation district~~  
22 municipal clerk of each municipality in which the land is located the amount due.  
23 The ~~taxation district~~ municipal clerk shall enter the delinquent amount on the  
24 property tax roll as a special charge.

1           **SECTION 118.** 77.88<sup>✓</sup> (8) (b) of the statutes, as affected by 2013 Wisconsin Act 20,  
2 is amended to read:

3           77.88 (8) (b) The department may not issue an order of withdrawal of land  
4 ~~remaining that remains~~ after a transfer of ownership is made under par. (a) 1., 2.,  
5 or 3., or after a lease is entered into under par. (a) 3., ~~or after the department orders~~  
6 ~~withdrawal of land under sub. (3g) (am)~~ unless the remainder fails to meet the  
7 eligibility requirements under s. 77.82 (1).

8           **SECTION 119.** 77.883<sup>✓</sup> (3) of the statutes, as created by 2013 Wisconsin Act 1, is  
9 amended to read:

10           77.883 (3) Section 77.86 (1) ~~(e) and (d)~~ (1g) (b) and (c) do not apply to cutting  
11 of timber or another activity on managed forest land if all of the requirements in sub.  
12 (1) (a) to (d) are met.

13           **SECTION 120.** 77.885<sup>✓</sup> (intro.) of the statutes is amended to read:

14           **77.885 Withdrawal of tribal lands.** (intro.) Upon request of an Indian tribe,  
15 the department shall issue an order the withdrawal of withdrawing the land that is  
16 owned in fee and that is designated as managed forest land from the managed forest  
17 land program. No withdrawal tax under s. 77.88 (5) or withdrawal fee under s. 77.88  
18 (5m) may be assessed against an Indian tribe for the withdrawal of such land if all  
19 of the following apply:

20           **SECTION 121.** 77.89<sup>✓</sup> (1) of the statutes is amended to read:

21           77.89 (1) ~~PAYMENT~~ PAYMENTS BY COUNTIES TO MUNICIPALITIES. By June 30 of each  
22 year, ~~the department, from the appropriation under s. 20.370 (5) (bv),~~ each county  
23 shall pay ~~100~~ 80 percent of each payment received under ss. 77.84 (3) (b) and 77.87  
24 (3) and ~~100~~ 80 percent of each withdrawal tax payment received under s. 77.88 (7)

1 to the treasurer of each municipality in which is located the land to which the  
2 payment applies is located and shall deposit the remainder in the county treasury.

3 SECTION 122. 77.89<sup>✓</sup> (2) (title) of the statutes is amended to read:

4 77.89 (2) (title) ~~PAYMENT~~ PAYMENTS BY MUNICIPALITIES TO COUNTIES.

5 SECTION 123. 77.89 (2)<sup>✓</sup> (a) of the statutes, as affected<sup>✓</sup> by 2013 Wisconsin Act 81,  
6 is renumbered 77.89 (2) and amended to read:

7 77.89 (2) Each municipal treasurer shall pay 20% of each payment received  
8 ~~under sub. (1) and~~ under ss. 77.84 (2) (a), (am), and (bp), 77.85, and 77.876 to the  
9 county treasurer of the county in which the municipality is located and shall deposit  
10 the remainder in the municipal treasury. The payment to the county treasurer for  
11 money received before November 1 of any year shall be made on or before the  
12 November 15 after its receipt. For money received on or after November 1 of any year,  
13 the payment to the county treasurer shall be made on or before November 15 of the  
14 following year.

15 SECTION 124. 77.89<sup>✓</sup> (2) (b) of the statutes is renumbered 77.89 (3).

16 SECTION 125. 77.89<sup>✓</sup> (3) (title) of the statutes is created to read:

17 77.89 (3) (title) MUNICIPAL PAYMENTS THROUGH COUNTIES TO DEPARTMENT.

18 SECTION 126. 77.91<sup>✓</sup> (3) of the statutes is repealed.

19 SECTION 127. 77.91<sup>✓</sup> (3m) of the statutes, as affected<sup>✓</sup> by 2013 Wisconsin Act 54,  
20 is amended to read:

21 77.91 (3m) REPORT TO LEGISLATURE. Beginning with calendar year ~~1992~~ 2013,  
22 the department shall calculate for each calendar year whether the amount of land  
23 exempt from penalty or tax under s. 77.10 (2) (c) or (d) or 77.88 (8) that is withdrawn  
24 during that calendar year under s. 77.10 ~~or~~, 77.88, or 77.885 exceeds 1% of the total  
25 amount of land that is subject to contracts under subch. I or subject to orders under

1 this subchapter on December 31 of that calendar year. If the amount of withdrawn  
2 ~~or-classified~~ land that is so exempt exceeds 1%, the department shall make a report  
3 of its calculations to the governor and the chief clerk of each house of the legislature  
4 for distribution to the appropriate standing committees under s. 13.172 (3).

5 **SECTION 128. Initial applicability.**

6 (1) DISTRIBUTION OF MONEYS BY COUNTIES. The treatment of section 77.89 (1) of  
7 the statutes first applies to payments made by counties on the effective date of this  
8 subsection.

9 (2) DISTRIBUTION OF MONEYS BY MUNICIPALITIES. The treatment of section 77.89  
10 (2) (title), (a), and (b) and (3) (title) first applies to payments made by municipalities  
11 on the effective date of this subsection.

12 (3) CALCULATION OF PAST TAX LIABILITY UPON WITHDRAWAL. The treatment of  
13 section 77.88 (5) (a) (intro.), 1., and 2., (ab), (ac), (am) (title) and 1., (ar), (b), and (c)  
14 and (6) of the statutes first applies to orders of withdrawal that are issued on the  
15 effective date of this subsection.

16 **SECTION 129. Effective dates.** This act takes effect on the day after  
17 publication, except as follows:

18 (1) ASSESSMENTS OF YIELD AND WITHDRAWAL TAXES AND FEES BY COUNTIES. The  
19 treatment of sections 77.84 (3) (b), 77.87 (1), (2), (3), and (5), 77.88 (1) (c), (2) (am),  
20 (c), and (f), (3) (c), (3m), (5m), and (7) of the statutes and the amendment of section  
21 77.88 (3g) (c) and (3j) (c) of the statutes take effect on January 1, 2015.

22

(END)

SAV

**Insert ANL**

Under current law, certain forested land may be designated as managed forest land (MFL) under a program administered by the Department of Natural Resources (DNR). Under this program, the owner of land designated as MFL makes an annual acreage share payment instead of the property taxes that normally would be payable. In exchange, the landowner must comply with certain forestry practices and have a management plan prepared for the land. The owner must also open the MFL to the public for hunting, fishing, hiking, sight-seeing, and cross-country skiing (recreational activities) but may designate up to a certain number of acres as being closed to public. For MFL that is designated as closed, the owner must make an additional payment per acre. A landowner seeking to have land designated as MFL submits an application to DNR containing the management plan. If the MFL meets the eligibility requirements under the program, which include minimum acreage requirements and requirements as to how much merchantable timber can be produced on the land, DNR approves the application and issues an order designating the land as MFL. A landowner may choose to have the order last 25 or 50 years.

A similar program exists for land designated as forest cropland (FCL). Since July 1985, no new land may be subject to the FCL program. However, there is forest land that is currently in this program since the designations last for 25 or 50 years.

**Eligibility under the managed forest land program**

Under current law, for a parcel of land to be eligible to be designated as MFL it must be at least ten contiguous acres in size. Also, at least 80 percent of the parcel must be producing or be capable of producing a minimum of 20 cubic feet of merchantable timber per acre per year. The parcel may have public or private roads or railway or utility rights-of ways running through it. This bill increases this minimum acres requirement from ten acres to 20 acres.

Under current law, a parcel that is developed for a human residence is not eligible for designation. Under the bill, a parcel is not eligible if there is any building, or any improvement associated with a building, located on the parcel. The bill defines a building to include any structure used as shelter, as a place of employment, or as storage. Under the bill, an improvement includes any accessory building, structure, or fixture that is placed on a parcel for the parcel's benefit. The bill also specifically excludes roads, certain rights-of ways, fences, and other structures from being considered improvements.

**Access to closed lands**

This bill requires that the owner of open MFL ensure that the public has access to the land. Sometimes, open MFL is surrounded by closed MFL or other private property, making it impossible for the public to access the land without having permission from an owner of some of the surrounding land. Under the bill, the method and location of access must be equivalent to the method and location that

public's to open MFL that

*Certain recreational activities, such as hunting, hiking, horseback riding, and staying in cabins* ACCESS

is used by the owner of the MFL. If the owner is unable to provide such DNR must modify the designation of the land from being open to being closed.

*under which the owner receives*

**Leasing of managed forest land**

Under current law, an owner of MFL may not lease the land or enter into any other agreement receive consideration for the purpose of allowing the persons to engage in recreational purposes on the MFL (recreational purposes). Current law provides an exception for agreements under which reasonable membership fees are charged by a nonprofit organization and that are approved by DNR. *start* *public*

This bill repeals this prohibition and specifically authorizes owners of MFL to enter into leases or other agreements to allow closed MFL that is not part of a large property to be used for recreational purposes. *activities* *a* *of* *INS*

**Sales and transfers of land under the managed forest land program**

Under current law, an owner may sell or otherwise transfer an entire parcel of MFL. An owner may also sell or transfer part of a parcel MFL if the land being sold or transferred is all of the owner's land located in a quarter quarter section or in a government lot or fractional lot. Forty acres make up a quarter quarter section. A government or fractional lot is an irregularly shaped lot usually fronting on water, which could not be divided practically into sections when it was surveyed by the federal government. This bill eliminates these restrictions so that any owner may sell or transfer an entire parcel or any part of a parcel.

Under current law, the land remaining under a MFL order after a sale or transfer of part of a parcel continues to be eligible as MFL and does not need to be withdrawn regardless of its size if it is all in one piece (contiguous) and will meet the productivity requirements for producing merchantable timber, if it is not developed for a human residence, and if it is not used for commercial recreation, for industry or for any other purpose that DNR determines to be incompatible with the practice of forestry. Under the bill, the remaining land does not have to be contiguous but must be at least 20 acres in size in order to continue to be eligible as MFL. *it* *determination*

*a finding by*

**Withdrawals of managed forest land**

Under current law, DNR may issue an order withdrawing land from a parcel that has been designated as MFL under certain circumstances. These include *DNR finding* that the land does not comply with an eligibility requirement under the program or the owner has failed to comply with the requirements of the program or with the management plan prepared for the land. Current law also allows owners to voluntarily withdraw land under certain circumstances. Under current law, an owner may all of the owner's land or all of the land that is in a quarter quarter section or a government or fractional lot. An owner may also voluntarily withdraw land on a one-time basis under certain circumstances for the purpose of construction of a residence. When land is voluntarily withdrawn for this purpose, the owner must pay withdrawal taxes and a withdrawal fee. *that* *in*

This bill creates additional provisions that allow MFL to be voluntarily withdrawn. Under the bill, an owner may voluntarily withdraw part of a MFL parcel *an*

*withdraw*

for the purpose of selling it or using it as a construction site, other than a construction site for a residence. Under this provision, the land withdrawn may not be less than one acre and may not be more than <sup>five</sup> 5 acres. The bill limits the number of times that MFL may be withdrawn for this purpose and requires the owner to pay withdrawal taxes ~~for~~ the MFL that is withdrawn ~~and~~ a withdrawal fee. <sup>as well as</sup>

<sup>on</sup> Under the bill, MFL may also be voluntarily withdrawn by an owner if DNR determines that part of a parcel is unsuitable for the production of merchantable timber, due to environmental, ecological, or economic or other concerns, or if DNR determines that the parcel is unable to produce merchantable timber in the amount required under the MFL program. The owner may withdraw only the number of acres that is necessary for the parcel to resume sustainable production of merchantable timber or to resume its ability to meet the merchantable timber production requirement described above. The owner is exempt from paying a withdrawal tax or fee for these types of withdrawal.

**Assessment of withdrawal taxes and yield taxes**

Under current law, when DNR issues an order of withdrawal that requires the payment of a withdrawal tax and fee, DNR determines the amount of the tax and assesses the tax and fee against the owner. Withdrawal taxes are assessed for voluntary and DNR withdrawals, as described above, ~~withdrawals that are required~~ when <sup>land</sup> is no longer eligible as MFL due to the sale or transfer <sup>of</sup> part of a parcel, and withdrawals that are required as a result of failing to pay property taxes.

Under this bill, once DNR has issued the order of withdrawal, the county in which the MFL is located, instead of DNR, determines the amount of the tax and assesses ~~and~~ the tax and <sup>the</sup> fee <sup>against the owner</sup>.

Similarly, under current law, when merchantable timber is cut from MFL, DNR determines the amount of the yield tax and assesses that amount. Under the bill, the county in which the MFL is located assesses the yield tax.

Under current law,

**Calculation of withdrawal taxes**

~~Therefore~~ Under current law, the withdrawal tax is the higher of two amounts: the amount of past tax liability, less the acreage share payments and yield taxes paid, <sup>are used</sup> or 5 percent of the stumpage value of the merchantable timber ~~on the land.~~ ~~Variations on this method of calculating the withdrawal taxes depending on when the land was designated as MFL, how long the land has been designated as MFL, and whether the MFL is subject to an original order or an order that has been renewed.~~

This bill eliminates these methods of calculating withdrawal taxes. Instead, the bill creates a single method of calculating this tax. Under the bill, the amount of withdrawal tax is calculated by multiplying the total net property tax rate imposed by the city, town, or village in which the land is located by the assessed value of the land being withdrawn, and then multiplying that amount by ten years, or the number of years the MFL was subject to the order, whichever is fewer.

**Distribution of assessed withdrawal taxes and yield taxes**

by DNR

assessed

amount of

Under current law, DNR deposits the yield taxes and withdrawal taxes it collects in the conservation fund. DNR then makes a payment to each city, town, or village (municipality) in which the MFL is located that is equal to the withdrawal tax or yield tax received that is applicable to the MFL in that municipality. Under this bill, the county that assesses the yield and withdrawal taxes distributes to each municipality in the county which the MFL is located 80 percent of applicable yield or withdrawal taxes. The county retains the remaining 20 percent. The county also keeps the withdrawal fees.

in

**Renewals of MFL orders**

an

owed

year

Under current law, a MFL order may be renewed at the end of its 25- or 50-year term. DNR may deny an application for renewal only if the land does not comply with the eligibility requirements, the owner has failed to comply with the management plan for the MFL, or delinquent taxes are owed on the land. This bill creates additional grounds that DNR may use for denying a renewal application. Under the bill, DNR may deny the application if the land that is subject to the renewal application is not identical to the MFL under the existing order or if certain requirements for establishing, updating, and reviewing mandatory forestry soil and conservation practices in a management plan are not met.

**Large properties; cuttings; management plans**

of either MFL or FCL

This bill creates different cutting notice requirements for MFL and FCL parcels that are under the same ownership and that are collectively greater than 1,000 acres in size (large property). Under current law, an owner of MFL must file with DNR a notice of intent to cut merchantable timber at least 30 days before the cutting. DNR approves the cutting if it finds that the cutting is in conformance with the owner's management plan and is consistent with sound forestry practices. The bill exempts the owner of a large property from having to file cutting notices as required by the statutes if an independent forestry organization recognized by DNR certifies that the owner is qualified to insure that its timber cutting is consistent with sound forestry practices and if the owner complies with rules regulating cutting practices that are promulgated by DNR.

must

ensure

consisten

Under current law, a landowner must submit with the MFL application a management plan that contains a statement of the owner's forest management objectives, a description of the forestry and soil conservation practices that will be undertaken on the MFL, and supporting maps, aerial photographs, or diagrams. Under the bill, DNR may modify these general requirements for management plans that are prepared for large properties. In determining whether to do so, DNR must consider certain factors. These factors include how much MFL the applicant already owns and whether the applicant has consistent access to technical forest management assistance.

that has been damaged by a natural disaster

**Other provisions**

This bill creates a provision that allows an owner of MFL to restore the productivity of the land so that it meets the requirements under the MFL for producing merchantable timber. DNR determines the amount of time that the owner will have to restore the land. If the owner fails to complete the restoration within that time period, either DNR may order the withdrawal of the land or the owner of the land may request withdrawal of the land. The owner is exempt from payment of withdrawal taxes if the owner makes the request and DNR determines that the MFL is unable to meet the production requirements for merchantable timber, and the owner withdraws only the number of acres necessary for the parcel to again meet the production requirements.

Under current law, DNR must prepare management plans if DNR determines that an owner submitting an application to have land designated as MFL is unable to have a management plan prepared by an independent plan writer who is certified by DNR but who is not acting on behalf of DNR, and DNR may complete a plan if it does not initially meet DNR's approval. Under current law, DNR charges fees for preparing and completing plans. This bill repeals all of the provisions relating to DNR's preparation and completion of plans.

Under current law, DNR must issue a withdrawal order to remove all lands owned by an Indian tribe from the MFL program if requested to so by the tribe and if the tribe provides DNR with the date on which the MFL land will be transferred to the federal government to be held in trust for the tribe, and the tribe and DNR have in effect a written agreement that the land will continue to be treated as MFL until the date that the MFL order would have expired. This bill creates a parallel provision from withdrawals from the FCL program.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

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**Insert 7-10**

**SECTION 1.** 77.81 (5) of the statutes is repealed.

**SECTION 2.** 77.81 (6) of the statutes is amended to read:

77.81 (6) "Recreational activities" means recreational outdoor activities that are not incompatible with the practice of forestry. "Recreational activities" include hunting, fishing, hiking, sight-seeing, cross-country skiing, horseback riding, and staying in cabins.

**Insert 13-22**

**SECTION 3.** 77.83 (2) (am) of the statutes is repealed.

**SECTION 4.** 77.83 (2) (ar) of the statutes is created to read:

Also, if  
do removing  
the  
anal: space  
include  
as determined by the department

1           77.83 (2) (ar) An owner of managed forest land may enter into a lease or other  
2 agreement for consideration that permits persons to engage in a recreational activity  
3 on managed forest land that is designated as closed and that is not part of a large  
4 property.

---

\*\*\*\*NOTE: As drafted, this authorization is limited to closed MFL. OK?

5 *Insert*   SECTION 5. 77.83 (4) (a) of the statutes is renumbered 77.83 (4).

6 *14-11*   SECTION 6. 77.83 (4) (b) of the statutes is repealed.

INS

~~the bill~~ ~~under current law,~~ ~~the applicable~~  
also recreational purposes

✓ The ~~ex~~ bill expands the types of recreational activities for which the land may be leased to include any recreational outdoor activity that DNR determines to be not incompatible with the practice of forestry.

**2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-3547/P6ins  
MGG:eev:...

**P6INS**

1           **SECTION 1.** 77.88 (2m) of the statutes is created to read:

2           77.88 **(2m)** DAMAGE TO LAND. (a) If a parcel of managed forest land has been  
3 damaged by a natural disaster, the owner of the parcel may notify the department,  
4 and the department shall establish a period of time that the owner of the parcel will  
5 have to restore the productivity of the land so that it meets the requirements under  
6 s. 77.82 (1) (a) 2.

7           (b) If the owner fails to complete the restoration in the applicable period of time,  
8 the owner may request that the department withdraw all or part of the land in  
9 accordance with sub. (3) or (3k), or the department may proceed with a withdrawal  
10 by department order under sub. (1).

11           (c) The department may promulgate a rule that establishes criteria to be used  
12 by the department for determining the length of time that an owner shall have to  
13 complete the restoration.

14

15           END P6ins

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-3547/P6dn  
MGG:.....

eev

(date)

1. Regarding leasing of MFL for recreational activities: I could find no past administrative rule that authorized the leasing of MFL for recreational activities. There used to be a note in the code following the definition of "developed for commercial recreation" The definition and note read as follows:

NR 46.15 (8) Developed for commercial recreation means the alteration of the land or its features or the addition of improvements which impede, interfere with or prevent the practice of forestry.

**Note:** This definition is not meant to preclude or prohibit a landowner from leasing land for hunting or other recreational activities compatible with the practice of forestry.

I have based the provision in s. 77.83 (2) (ar) that is created in this bill on the language used in this note.

The note has since disappeared from the administrative code but the definition remains. The defined phrase is used in the current statutes. See s. 77.82 (1) (b) 2. This type of commercial recreation seems different than leasing lands for recreational activities. See the definition of "recreational activities" in s. 77.81 (6). However, let me know if you think any additional changes in the statutes are needed.

2. The draft is silent on how a county becomes aware that DNR has entered an order of withdrawal. Do you want additional language drafted?

Mary Gibson-Glass  
Senior Legislative Attorney  
Phone: (608) 267-3215  
E-mail: mary.gibson-glass@legis.wisconsin.gov

3. There are embedded notes in this draft to assist you in your review.