



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-3757/1
MDK:amn

2015 ASSEMBLY BILL 717

January 15, 2016 - Introduced by Representatives RIPP, E. BROOKS, CZAJA, KRUG,
LOUDENBECK, TAUCHEN and A. OTT, cosponsored by Senator PETROWSKI.
Referred to Committee on Colleges and Universities.

1 **AN ACT** *to repeal* 36.33 (3) and 36.33 (5); *to amend* 13.48 (2) (b) 1m., 13.48 (14)
2 (d), 36.33 (title), 36.33 (1), 36.33 (2) (a) (intro.), 36.33 (2) (b), 36.33 (4) and
3 36.335; and *to create* 13.48 (14) (am) 5., 16.848 (2) (b) and 36.33 (3m) of the
4 statutes; **relating to:** authority of the University of Wisconsin System Board
5 of Regents regarding agricultural land.

Analysis by the Legislative Reference Bureau

This bill expands the authority of the Board of Regents of the University of Wisconsin (UW) System regarding agricultural land. Subject to the approval of the Building Commission, current law allows the Board of Regents to sell or lease specified tracts of agricultural land and improvements thereon. The Board of Regents must use the net proceeds from selling the specified tracts for the purpose of purchasing agricultural land outside the urban area of the city of Madison and constructing improvements thereon. However, the Board of Regents must obtain the approvals of the Building Commission and governor for those purchases. If the net proceeds exceed the amount required for those purchases, current law provides that the excess constitutes a nonlapsible fund of no more than \$7,200,000 for erecting facilities for research and instruction in animal husbandry, agricultural engineering, and agricultural and life sciences at the UW-Madison. Current law requires the Building Commission to authorize expenditures from the fund. Current law also includes legislative findings regarding why it is in the public interest to allow the Board of Regents to purchase, sell, and lease agricultural land. One of the

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findings concerns the problems resulting from development of the city of Madison around agricultural lands of the UW-Madison.

The bill allows the Board of Regents to sell or lease agricultural land without the approval of the Building Commission. The bill eliminates the references to the specified tracts of land and allows the Board of Regents to sell or lease agricultural land used by the UW-Madison regardless of the land's location for the purpose of agricultural instruction and research. The bill also allows the Board of Regents, for the same purpose, to purchase or otherwise acquire land without the approval of the Building Commission or governor. The bill modifies the legislative finding regarding the problems of development to refer to the problems of development of any city, village, town, or county around agricultural land of the UW-Madison.

The bill also allows the Board of Regents, without Building Commission approval, to exchange part or all of any parcel of agricultural land used by the UW-Madison for any other land of approximately equal value if the exchange is for the purpose described above. Also, the lands exchanged must be of a like kind. In addition, before making an exchange, the bill requires the Board of Regents to determine that the exchange contributes to the consolidation or completion of a block of land, enhances the conservation of agricultural lands, or is otherwise in the public interest.

The bill eliminates the requirements under current law regarding the net proceeds of the Board of Regent's sale of agricultural lands. Instead, the bill requires that the net proceeds of sales, leases, exchanges, purchases, or other acquisitions of agricultural land must be deposited into a nonlapsible fund, which must be used to purchase additional land as allowed under the bill or to erect facilities for research and instruction in animal husbandry, agricultural engineering, and agricultural and life sciences at the UW-Madison. However, the fund may be used only upon the consent and recommendation of the Board of Regents. In addition, authorization of the Building Commission is required for the fund to be used to erect facilities. Building Commission authorization is not required to use the fund for the purchase of land.

Finally, current law authorizes the Building Commission and the Department of Administration to sell or lease state-owed real property. The bill exempts from that authority agricultural land of the Board of Regents that is used for the purposes described above. Current law also requires the Building Commission to approve the UW System's acceptance of gifts, grants, or bequests of real property with a value of more than \$150,000. Under the bill, Building Commission approval is not required if the real property is agricultural land that is acquired by the Board of Regents for the purposes described above.

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

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

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1 **SECTION 1.** 13.48 (2) (b) 1m. of the statutes is amended to read:

2 13.48 (2) (b) 1m. The University of Wisconsin System may not accept any gift,
3 grant or bequest of real property with a value in excess of \$150,000 or any gift, grant
4 or bequest of a building or structure that is constructed for the benefit of the system
5 or any institution thereof without the approval of the building commission. This
6 subdivision does not apply to agricultural land acquired by the Board of Regents of
7 the University of Wisconsin System under s. 36.33 (1).

8 **SECTION 2.** 13.48 (14) (am) 5. of the statutes is created to read:

9 13.48 (14) (am) 5. This paragraph does not apply to agricultural land acquired
10 by the Board of Regents of the University of Wisconsin System under s. 36.33 (1).

11 **SECTION 3.** 13.48 (14) (d) of the statutes is amended to read:

12 13.48 (14) (d) Biennially, beginning on January 1, 2014, each agency other than
13 the investment board shall submit to the department of administration an inventory
14 of all real property under its jurisdiction. Except with respect to the Board of Regents
15 of the University of Wisconsin System, the inventory shall include the estimated fair
16 market value of each property. The agency shall specifically identify any
17 underutilized assets in the inventory. No later than July 1 following receipt of the
18 inventories, the department of administration shall obtain appraisals of all
19 properties in the inventories that are identified by the department for potential sale
20 and shall submit to the building commission an inventory containing the location,
21 description and fair market value of each parcel of property identified for potential
22 sale. This paragraph does not apply to the agricultural land acquired by the Board
23 of Regents of the University of Wisconsin System under s. 36.33 (1).

24 **SECTION 4.** 16.848 (2) (b) of the statutes is created to read:

ASSEMBLY BILL 717**SECTION 4**

1 16.848 (2) (b) Subsection (1) does not apply to agricultural land acquired by the
2 Board of Regents of the University of Wisconsin System under s. 36.33 (1).

3 **SECTION 5.** 36.33 (title) of the statutes is amended to read:

4 **36.33** (title) ~~Sale or lease and relocation of agricultural~~ **Agricultural**
5 **lands.**

6 **SECTION 6.** 36.33 (1) of the statutes is amended to read:

7 36.33 (1) LEGISLATIVE INTENT. The legislature finds and determines that,
8 because of the problems resulting from the development of ~~the city of Madison~~ cities,
9 villages, towns, and counties around certain agricultural lands of the University of
10 Wisconsin-Madison, the desirability of consolidating lands used for agricultural
11 instruction, research and extension purposes, the desirability of disposing of
12 agricultural lands no longer needed by the university and the need for land of better
13 quality and of greater quantity for the purpose of improving and expanding
14 agricultural research, it is in the public interest for the board to sell ~~or,~~ lease, or
15 exchange, in whole or in part, and ~~subject to any prior action under s. 13.48 (14) (am)~~
16 ~~or 16.848 (1),~~ the agricultural lands and improvements thereon owned by the board
17 and located in sections 19, 20 and 30, township 7 north, range 9 east, Dane County;
18 sections 25 and 27, township 7 north, range 8 east, Dane County; sections 34 and 35,
19 township 38 north, range 11 east, Oneida County; and ~~section 22, township 22 north,~~
20 ~~range 8 east, Portage County; and used by the University of Wisconsin-Madison for~~
21 the purpose of agricultural instruction and research and to purchase or otherwise
22 acquire other agricultural lands ~~outside of the Madison urban area and to construct~~
23 ~~thereon the necessary buildings and improvements~~ or other lands intended to be
24 used by the University of Wisconsin-Madison for the purpose of agricultural
25 instruction and research. The foregoing policy determination is made without

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1 reference to or intention of limiting the powers which the board may otherwise have.

2 The purchase or acquisition of lands or interests therein under this subsection is
3 exempt from s. 20.914 (1).

4 **SECTION 7.** 36.33 (2) (a) (intro.) of the statutes is amended to read:

5 36.33 (2) (a) (intro.) ~~Subject to any prior action under s. 13.48 (14) (am) or~~
6 ~~16.848 (1), the~~ The board, in selling or leasing any part of the agricultural lands and
7 improvements thereon, ~~mentioned in~~ under sub. (1), shall sell or lease on the basis
8 of either of the following:

9 **SECTION 8.** 36.33 (2) (b) of the statutes is amended to read:

10 36.33 (2) (b) Notwithstanding any provisions of law to the contrary, the lands
11 ~~in Dane County mentioned in~~ sold, leased, or exchanged under sub. (1) shall be
12 subject to special assessments for public improvements by ~~the city of Madison~~ cities,
13 villages, and towns, in the same manner and to the same extent as privately owned
14 lands, if the public improvements are of direct and substantial benefit to the lands
15 that have been platted for sale.

16 **SECTION 9.** 36.33 (3) of the statutes is repealed.

17 **SECTION 10.** 36.33 (3m) of the statutes is created to read:

18 36.33 (3m) EXCHANGE. The board may exchange under sub. (1) part or all of any
19 parcel of agricultural land for any other land of approximately equal value if all of
20 the following are satisfied:

21 (a) The lands exchanged are of a like kind.

22 (b) The board determines that the exchange contributes to the consolidation or
23 completion of a block of land, enhances the conservation of agricultural lands, or is
24 otherwise in the public interest.

25 **SECTION 11.** 36.33 (4) of the statutes is amended to read:

ASSEMBLY BILL 717**SECTION 11**

1 36.33 (4) PROCEEDS. The net proceeds from the sale, lease, exchange, purchase,
2 or other acquisition of agricultural lands and improvements authorized by this
3 ~~section shall be devoted to the purchase of land and construction of improvements~~
4 ~~contemplated in sub. (1) but of any excess of revenue beyond the amount required for~~
5 ~~this purpose a sum not to exceed \$7,200,000 shall constitute~~ under sub. (1) shall be
6 deposited into a nonlapsible fund for the purpose of purchasing additional land
7 under sub. (1) or erecting facilities for research and instruction in animal husbandry,
8 agricultural engineering, and agricultural and life sciences at the University of
9 Wisconsin-Madison, ~~and such~~. Such funds shall become available only upon consent
10 and recommendation of the board and, if used for the erection of facilities, upon
11 authorization by the building commission. Authorization of the building commission
12 is not required to make such funds available for the purchase of land.

13 **SECTION 12.** 36.33 (5) of the statutes is repealed.

14 **SECTION 13.** 36.335 of the statutes is amended to read:

15 **36.335 Sale of other land; buildings and structures.** Except as provided
16 ~~in s. 36.33, if~~ If the board sells any real property under its jurisdiction, the board shall
17 credit the net proceeds of the sale to the appropriation account under s. 20.285 (1)
18 (gb) except that if there is any outstanding public debt used to finance the
19 acquisition, construction, or improvement of any property that is sold, the board
20 shall deposit a sufficient amount of the net proceeds from the sale of the property in
21 the bond security and redemption fund under s. 18.09 to repay the principal and pay
22 the interest on the debt, and any premium due upon refunding any of the debt. If
23 the property was acquired, constructed, or improved with federal financial
24 assistance, the board shall pay to the federal government any of the net proceeds
25 required by federal law. If the property was acquired by gift or grant or acquired with

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1 gift or grant funds, the board shall adhere to any restriction governing use of the
2 proceeds.

3 (END)