The state board, commission or department designated by the governor under sub. (2) to administer federal payments in lieu of taxes on national forest lands shall distribute those payments to towns, cities and villages, but not to counties, that provide general governmental services and contain national forest lands. That distribution shall reflect the level of services provided by, and the number of acres of national forest land within, the town, city or village in accordance with 31 USC 6907.

SECTION 2. Nonstatutory provisions; notice. The state board, commission or department designated to administer federal payments in lieu of taxes on national forest lands under section 16.54 (2) of the statutes shall notify the secretary of the U.S. department of the interior of that designation within 30 days after that designation and shall submit proposed rules interpreting section 16.54 (11) of the statutes, as created by this act, under section 227.018 (2) of the statutes within 90 days after the effective date of this act.
SECTION 3. Initial applicability. This act first applies to funds received from the federal government on the day after the effective date of this act.