



1997 ASSEMBLY BILL 574

October 28, 1997 - Introduced by Representatives OTTE, HASENOHRL, ZUKOWSKI, PLOUFF, F. LASEE, GROTHMAN and HAHN, cosponsored by Senators CLAUSING and GROBSCHMIDT. Referred to Committee on Ways and Means.

1 **AN ACT to repeal** 20.835 (2) (q) and 71.61 (2); **to renumber** 91.55 (3); **to**
2 **renumber and amend** 91.78; **to amend** 20.835 (2) (dm), 71.05 (6) (a) 17., 71.07
3 (3m) (b) 1. a., 71.28 (2m) (b) 1. a., 71.47 (2m) (b) 1. a., 71.58 (8), 71.59 (1) (a), 71.59
4 (1) (d) 5. and (2) (b) and (c), 71.60 (title), (1) (intro.) and (2), 79.10 (11) (b), 91.06,
5 91.13 (1), 91.19 (7) and (8), 91.21 (1), 91.51, 91.55 (1) (b), 91.63, 91.73 (2), 91.75
6 (8) (b), 92.104 (5), 92.105 (1), 92.105 (2), 92.105 (6) and 92.14 (3) (intro.); and **to**
7 **create** 20.835 (2) (r), 71.05 (6) (b) 25., 71.07 (3m) (b) 2. c., 71.26 (1) (g), 71.28
8 (2m) (b) 2. c., 71.45 (2) (a) 15., 71.47 (2m) (b) 2. c., 71.58 (1) (h), 71.59 (2) (f),
9 71.605, 91.19 (6n), 91.25, 91.52, 91.55 (1m) (intro.) and (a), 91.72, 91.75 (10),
10 91.77 (1) (e), 91.78 (2) and 92.14 (3e) of the statutes; **relating to:** eliminating
11 farmland preservation agreements, modifying the requirement to repay
12 farmland preservation credits, converting the farmland preservation credit to
13 a straight percentage of property taxes accrued, creating guidelines for the
14 designation of agricultural preservation areas by counties, creating guidelines

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1 for the rezoning of land in an exclusive agricultural zone to residential use, soil
2 and water conservation standards, the requirement that an application for a
3 farmland preservation agreement be signed by all persons holding a mortgage
4 on the land to be covered by the agreement, release from a farmland
5 preservation agreement of foreclosed land, granting rule-making authority
6 and making appropriations.

Analysis by the Legislative Reference Bureau

EXCLUSIVE AGRICULTURAL ZONING AND FARMLAND PRESERVATION AGREEMENTS

Under current law, an eligible claimant may recover a certain amount of property taxes paid through the refundable farmland preservation credit. A refundable tax credit means that, if the amount of the credit that is otherwise due an eligible claimant exceeds the claimant's tax liability, or if there is no outstanding tax liability, the excess amount of the credit is paid to the claimant by check.

One of the eligibility requirements for the farmland preservation credit under current law is that the land to which the claim relates be subject either to a farmland preservation agreement or to a county exclusive agricultural use zoning ordinance that is certified by the land and water conservation board (LWCB). Under current law, an owner may only apply for a farmland preservation agreement if the county in which the land is located has in effect an agricultural preservation plan that is certified by the LWCB or the land is subject to a certified exclusive agricultural use zoning ordinance.

This bill requires the department of agriculture, trade and consumer protection (DATCP) to establish a schedule for the recertification of county exclusive agricultural use zoning ordinances. Current certifications expire according to that schedule. Future certifications are for a period specified by the LWCB, not to exceed 10 years. The bill also provides that a county, except for Milwaukee County, must have a certified agricultural preservation plan in order to obtain recertification of its exclusive agricultural use zoning ordinance. The ordinance must be consistent with the agricultural preservation plan. The bill requires DATCP to establish guidelines, which are binding on counties, for agricultural preservation planning and for rezoning of agricultural land for residential use.

This bill phases out farmland preservation agreements by prohibiting DATCP from entering into, or extending, farmland preservation agreements for land in a county after the date for recertification of the exclusive agricultural use zoning ordinance for that county. The bill also requires DATCP to release land from a farmland preservation agreement without penalty, at the owner's request, if the recertification date for the county in which the land is located has passed or if the land is subject to a certified exclusive agricultural use zoning ordinance.

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Under current law, one of the conditions for entering into a farmland preservation agreement is that the application form must be signed by all persons holding a recorded mortgage on the land to be covered by the agreement. This bill eliminates that condition. The bill also requires that DATCP release land from a farmland preservation agreement if ownership of the land changes as a result of foreclosure of a mortgage.

Under current law, in some of the circumstances under which DATCP may release land from a farmland preservation agreement, or if land is rezoned from exclusive agricultural use, DATCP is required to file a lien against the land for the amount of the farmland preservation credit received by the owner during the last 10 years. This bill reduces the amount of the lien to the amount of the farmland preservation credit received during the last 5 years.

SOIL AND WATER CONSERVATION STANDARDS AND GUIDELINES

Current law requires a county land conservation committee to establish soil and water conservation standards that apply to persons who claim a farmland preservation credit. The LWCB reviews the county soil and water conservation standards and approves or disapproves them based on guidelines that LWCB develops. If a county land conservation committee determines that farming operations are not in compliance with the soil and water conservation standards, the land owner is not eligible for the farmland preservation credit. This bill requires county soil and water conservation standards and LWCB's guidelines to allow a person who has no need to grow hay or grass crops to comply with the soil and water conservation standards by using reduced tillage practices instead of growing hay or grass crops.

FARMLAND TAX RELIEF CREDIT AND FARMLAND PRESERVATION CREDIT

The farmland tax relief credit is a refundable income and franchise tax credit that is based on property taxes accrued on farmland and gross farm profits. Under this bill, a person who claims the farmland tax relief credit may not also claim the farmland preservation tax credit if both claims relate to the same taxable year. Also under the bill, both the farmland tax relief credit and the farmland preservation tax credit are funded from the same appropriations. Currently, these credits are funded from different appropriations.

This bill also makes a number of changes in the farmland preservation credit. The bill changes the definition of "claimant" to prevent a person who is ineligible for the credit because of outstanding property taxes due on the farmland from receiving the credit after the outstanding taxes have been paid by a subsequent landowner. Current law requires recipients of the credit to be in compliance with soil and water conservation standards at the time the claim is filed. Under the bill, recipients of the credit are required to be in compliance with soil and water conservation standards at the end of the year for which the credit is claimed. The bill also exempts from income and franchise taxation amounts received under the farmland preservation credit.

For taxable years beginning after December 31, 1997, based on property taxes accrued in the previous year, the bill creates a new method of computing the farmland preservation credit for farmland that, at the close of the year to which the

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claim relates, is in an area zoned for exclusive agricultural use and is not subject to a farmland preservation agreement. Under the bill, a claim under the credit is calculated to be 50% of the property taxes accrued on farmland that is in an area zoned by a city, village, town or county for exclusive agricultural use at the close of the year or, if the farmland is in an area identified in a county agricultural preservation plan as a transition area, 25% of the property taxes accrued on the farmland. Under either calculation, the maximum credit is \$7,500.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state and local* 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:

1 **SECTION 1.** 20.835 (2) (dm) of the statutes is amended to read:

2 20.835 (2) (dm) (title) *Farmland preservation credit and farmland tax relief*
3 *credit supplement.* A sum sufficient to pay the aggregate claims approved under
4 subch. IX of ch. 71 and the aggregate claims approved under ss. 71.07 (3m) (c), 71.28
5 (2m) (c) and 71.47 (2m) (c) that exceed the amount appropriated under par. (r).

6 **SECTION 2.** 20.835 (2) (q) of the statutes is repealed.

7 **SECTION 3.** 20.835 (2) (r) of the statutes is created to read:

8 20.835 (2) (r) *Farmland preservation credit; farmland tax relief credit.* From
9 the lottery fund, a sum sufficient, not to exceed, in a fiscal year, \$16,300,000, to pay
10 the aggregate claims approved under subch. IX of ch. 71 and the aggregate claims
11 approved under ss. 71.07 (3m) (c), 71.28 (2m) (c) and 71.47 (2m) (c).

12 **SECTION 4.** 71.05 (6) (a) 17. of the statutes is amended to read:

13 71.05 (6) (a) 17. The amount received under s. 71.07 (3m) (c) ~~or 71.60, or both,~~
14 that is not included in federal adjusted gross income.

15 **SECTION 5.** 71.05 (6) (b) 25. of the statutes is created to read:

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1 71.05 (6) (b) 25. All amounts received as a farmland preservation credit under
2 subch. IX to the extent that the amounts are included in federal adjusted gross
3 income.

4 **SECTION 6.** 71.07 (3m) (b) 1. a. of the statutes is amended to read:

5 71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and
6 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income
7 taxes otherwise due, the amount derived under par. (c). If the allowable amount of
8 claim exceeds the income taxes otherwise due on the claimant's income or if there are
9 no Wisconsin income taxes due on the claimant's income, the amount of the claim not
10 used as an offset against income taxes shall be certified to the department of
11 administration for payment to the claimant by check, share draft or other draft paid
12 from the appropriation under s. 20.835 (2) ~~(q)~~ (dm) or (r) or both.

13 **SECTION 7.** 71.07 (3m) (b) 2. c. of the statutes is created to read:

14 71.07 (3m) (b) 2. c. If the claimant files a claim for the credit under subch. IX
15 for the same taxable year for which the claimant files a claim under this subsection.

16 **SECTION 8.** 71.26 (1) (g) of the statutes is created to read:

17 71.26 (1) (g) *Farmland preservation credit.* Any amount received as a farmland
18 preservation credit under subch. IX to the extent that such an amount is included
19 in federal taxable income.

20 **SECTION 9.** 71.28 (2m) (b) 1. a. of the statutes is amended to read:

21 71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and
22 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or
23 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
24 amount of claim exceeds the income or franchise taxes otherwise due on or measured
25 by the claimant's income or if there are no Wisconsin income or franchise taxes due

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1 on or measured by the claimant's income, the amount of the claim not used as an
2 offset against income or franchise taxes shall be certified to the department of
3 administration for payment to the claimant by check, share draft or other draft paid
4 from the appropriation under s. 20.835 (2) ~~(q)~~ (dm) or (r) or both.

5 **SECTION 10.** 71.28 (2m) (b) 2. c. of the statutes is created to read:

6 71.28 **(2m)** (b) 2. c. If the claimant files a claim for the credit under subch. IX
7 for the same taxable year for which the claimant files a claim under this subsection.

8 **SECTION 11.** 71.45 (2) (a) 15. of the statutes is created to read:

9 71.45 **(2)** (a) 15. By subtracting from federal taxable income all amounts
10 received as a farmland preservation credit under subch. IX to the extent that the
11 amounts are included in federal taxable income.

12 **SECTION 12.** 71.47 (2m) (b) 1. a. of the statutes is amended to read:

13 71.47 **(2m)** (b) 1. a. Subject to the limitations provided in this subsection and
14 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or
15 franchise taxes otherwise due, the amount derived under par. (c). If the allowable
16 amount of claim exceeds the income or franchise taxes otherwise due on or measured
17 by the claimant's income or if there are no Wisconsin income or franchise taxes due
18 on or measured by the claimant's income, the amount of the claim not used as an
19 offset against income or franchise taxes shall be certified to the department of
20 administration for payment to the claimant by check, share draft or other draft paid
21 from the appropriation under s. 20.835 (2) ~~(q)~~ (dm) or (r) or both.

22 **SECTION 13.** 71.47 (2m) (b) 2. c. of the statutes is created to read:

23 71.47 **(2m)** (b) 2. c. If the claimant files a claim for the credit under subch. IX
24 for the same taxable year for which the claimant files a claim under this subsection.

25 **SECTION 14.** 71.58 (1) (h) of the statutes is created to read:

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1 71.58 (1) (h) For purposes of filing a claim under this subchapter, “claimant”
2 does not include a person who has transferred farmland to a new owner and who was
3 not able to provide the certification under s. 71.59 (1) (b) 2. at the time of the transfer.

4 **SECTION 15.** 71.58 (8) of the statutes is amended to read:

5 71.58 (8) “Property taxes accrued” means property taxes, exclusive of special
6 assessments, delinquent interest and charges for service, levied on the farmland and
7 improvements owned by the claimant or any member of the claimant’s household in
8 any calendar year under ch. 70, less the tax credit, if any, afforded in respect of the
9 property by s. 79.10. “Property taxes accrued” shall not exceed \$6,000 for claims filed
10 under s. 71.60. If farmland is owned by a tax-option corporation, a limited liability
11 company or by 2 or more persons or entities as joint tenants, tenants in common or
12 partners or is marital property or survivorship marital property and one or more
13 such persons, entities or owners is not a member of the claimant’s household,
14 “property taxes accrued” is that part of property taxes levied on the farmland,
15 reduced by the tax credit under s. 79.10, that reflects the ownership percentage of
16 the claimant and the claimant’s household. For purposes of this subsection, property
17 taxes are “levied” when the tax roll is delivered to the local treasurer for collection.
18 If farmland is sold during the calendar year of the levy the “property taxes accrued”
19 for the seller is the amount of the tax levy, reduced by the tax credit under s. 79.10,
20 prorated to each in the closing agreement pertaining to the sale of the farmland,
21 except that if the seller does not reimburse the buyer for any part of those property
22 taxes there are no “property taxes accrued” for the seller, and the “property taxes
23 accrued” for the buyer is the property taxes levied on the farmland, reduced by the
24 tax credit under s. 79.10, minus, if the seller reimburses the buyer for part of the
25 property taxes, the amount prorated to the seller in the closing agreement. With the

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1 claim for credit under this subchapter, the seller shall submit a copy of the closing
2 agreement and the buyer shall submit a copy of the closing agreement and a copy of
3 the property tax bill.

4 **SECTION 16.** 71.59 (1) (a) of the statutes is amended to read:

5 71.59 (1) (a) Subject to the limitations provided in this subchapter and s. 71.80
6 (3) and (3m), a claimant may claim as a credit against Wisconsin income or franchise
7 taxes otherwise due, the amount derived under s. 71.60 or 71.605. If the allowable
8 amount of claim exceeds the income or franchise taxes otherwise due on or measured
9 by the claimant's income or if there are no Wisconsin income or franchise taxes due
10 on or measured by the claimant's income, the amount of the claim not used as an
11 offset against income or franchise taxes shall be certified to the department of
12 administration for payment to the claimant by check, share draft or other draft
13 drawn on the general fund.

14 **SECTION 17.** 71.59 (1) (d) 5. and (2) (b) and (c) of the statutes are amended to
15 read:

16 71.59 (1) (d) 5. That soil and water conservation standards applicable to the
17 land are established and approved as required under s. 92.105 (1) to (3) and that no
18 notice of noncompliance is in effect under s. 92.105 (5) with respect to the claimant
19 ~~at the time the certificate is issued~~ end of the taxable year for which the claim is
20 made. A zoning authority shall not issue a zoning certificate for property for any year
21 at the end of which a notice of noncompliance under s. 92.104 (4) or 92.105 (5) is in
22 effect for the property.

23 (2) (b) If a notice of noncompliance with an applicable soil and water
24 conservation plan under s. 92.104 is in effect with respect to the claimant at the ~~time~~
25 ~~the claim is filed~~ end of the taxable year for which the claim is made.

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1 (c) If a notice of noncompliance with applicable soil and water conservation
2 standards under s. 92.105 is in effect with respect to the claimant at the time the
3 claim is filed end of the taxable year for which the claim is made.

4 **SECTION 18.** 71.59 (2) (f) of the statutes is created to read:

5 71.59 (2) (f) If the claimant files a claim for the credit under s. 71.07 (3m), 71.28
6 (2m) or 71.47 (2m) for the same taxable year for which the claimant files a claim
7 under this subchapter.

8 **SECTION 19.** 71.60 (title), (1) (intro.) and (2) of the statutes are amended to read:

9 **71.60 (title) Computation; farmland preservation agreements. (1)**
10 (intro.) Except as provided in sub. (2), for farmland that is subject to a farmland
11 preservation agreement under subch. II of ch. 91 at the close of the year to which the
12 claim relates, the amount of any claim filed in calendar years based upon property
13 taxes accrued in the preceding calendar year shall be determined as follows:

14 (2) If the farmland is subject to ~~a certified ordinance under subch. V of ch. 91,~~
15 ~~or an agreement under subch. II of ch. 91,~~ in effect at the close of the year ~~for~~ to which
16 the ~~credit is claimed~~ claim relates, the amount of the claim is 10% of the property
17 taxes accrued or the amount determined under sub. (1), whichever is greater.

18 **SECTION 20.** 71.605 of the statutes is created to read:

19 **71.605 Computation; exclusive agricultural zoning. (1)** For farmland
20 that, at the close of the year to which the claim relates, is in an area zoned for
21 exclusive agricultural use under subch. V of ch. 91 by a city, village, town or county
22 and is not subject to a farmland preservation agreement under subch. II of ch. 91, the
23 amount of any claim filed in a calendar year based upon property taxes accrued in
24 the preceding calendar year shall be determined as follows:

25 (a) Except as provided in par. (b), 50% of the property taxes accrued.

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1 (b) If the farmland is in a transition area identified under s. 91.55 (1) (b), 25%
2 of the property taxes accrued.

3 (2) The maximum credit for a claim filed under this section is \$7,500 for each
4 claimant.

5 **SECTION 21.** 71.61 (2) of the statutes is repealed.

6 **SECTION 22.** 79.10 (11) (b) of the statutes is amended to read:

7 79.10 (11) (b) Before October 16, the department of administration shall
8 determine the total funds available for distribution under the lottery credit in the
9 following year and shall inform the joint committee on finance of that total. Total
10 funds available for distribution shall be all existing and projected lottery proceeds
11 and interest for the fiscal year of the distribution, less the amount estimated to be
12 expended under ss. 20.455 (2) (r), 20.566 (2) (r) and ~~20.835 (2) (q)~~ and 20.835 (3) (r)
13 and less the required reserve under s. 20.003 (5). The joint committee on finance may
14 revise the total amount to be distributed if it does so at a meeting that takes place
15 before November 1. If the joint committee on finance does not schedule a meeting
16 to take place before November 1, the total determined by the department of
17 administration shall be the total amount estimated to be distributed under the
18 lottery credit in the following year.

19 **SECTION 23.** 91.06 of the statutes is amended to read:

20 **91.06 Certification.** The board shall review ~~farmland~~ county agricultural
21 preservation plans and exclusive agricultural use zoning ordinances submitted to it
22 under ss. 91.61 and 91.78 and shall certify to the appropriate zoning authority
23 whether the plans and ordinances meet the standards of subchs. IV and V,
24 respectively. Certifications may be in whole or in part.

25 **SECTION 24.** 91.13 (1) of the statutes is amended to read:

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1 91.13 (1) Any owner of eligible farmlands who desires to have the lands covered
2 by a farmland preservation agreement may apply to the county clerk by executing
3 a form provided by the department. ~~If an application is received by the county clerk~~
4 ~~on or after May 14, 1992, and it is not signed by all persons holding a recorded~~
5 ~~mortgage on the land to be covered by the agreement, the application is void and may~~
6 ~~not be processed by the county clerk.~~ The application shall include a land survey or
7 legal description of all eligible farmland to be covered under the agreement, a map
8 showing significant natural features and all structures and physical improvements
9 on the lands or an aerial photograph of all land which is an integral part of the
10 owner's farming operation which is marked to indicate the farmland and structures
11 to be covered by the agreement, the soil classification of the lands and such other data
12 as the department deems reasonably necessary to determine the eligibility of the
13 lands for coverage under the agreement.

14 **SECTION 25.** 91.19 (6n) of the statutes is created to read:

15 91.19 (6n) The department shall release from a farmland preservation
16 agreement any land whose ownership changes as a result of foreclosure of a
17 mortgage.

18 **SECTION 26.** 91.19 (7) and (8) of the statutes are amended to read:

19 91.19 (7) Whenever a farmland preservation agreement is relinquished under
20 sub. (2) or (6t) or all or part of the land is released from a farmland preservation
21 agreement under sub. (2) or (6p) or a transition area agreement is relinquished under
22 sub. (2) or, subject to subs. (12) and (13), a transition area agreement is relinquished
23 under sub. (1) or (1m), the department shall cause to be prepared and recorded a lien
24 against the property formerly subject to the agreement for the total amount of all
25 credits received by all owners of such lands under subch. IX of ch. 71 during the last

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1 10 5 years that the land was eligible for such credit, plus interest at the rate of 9.3%
2 per year compounded annually on the credits received from the time the credits were
3 received until the lien is paid for farmland preservation agreements relinquished
4 under sub. (6t) and 6% per year compounded annually on the credits received from
5 the time the credits were received until the lien is paid for other agreements. No
6 interest shall be compounded for any period during which the farmland is subject to
7 a subsequent farmland preservation agreement or transition area agreement or is
8 zoned for exclusive agricultural use under an ordinance certified under subch. V.

9 (8) Subject to subs. (12) and (13), upon the relinquishment of a farmland
10 preservation agreement under sub. (1) or (1m), the department shall cause to be
11 prepared and recorded a lien against the property formerly subject to the farmland
12 preservation agreement for the total amount of the credits received by all owners
13 thereof under subch. IX of ch. 71 during the last 10 5 years that the land was eligible
14 for such credit, plus 6% interest per year compounded from the time of
15 relinquishment. No interest shall be compounded for any period during which the
16 farmland is subject to a subsequent farmland preservation agreement or transition
17 area agreement or is zoned for exclusive agricultural use under an ordinance
18 certified under subch. V.

19 **SECTION 27.** 91.21 (1) of the statutes is amended to read:

20 91.21 (1) If the owner or a successor in title of the land upon which a farmland
21 preservation agreement has been recorded under this chapter changes the use of the
22 land to a prohibited use without first acting under ss. s. 91.17 and, 91.19 or 91.25 (3)
23 or (4) and the land is not relinquished under s. 91.19 (6p) or (6t), the owner or
24 successor in title may be enjoined by the state, acting through the attorney general,
25 or by the local governing body having jurisdiction, acting through its attorney, and

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1 is subject to a civil penalty for actual damages, but in no case to exceed double the
2 value of the land as established at the time the application for the agreement was
3 approved.

4 **SECTION 28.** 91.25 of the statutes is created to read:

5 **91.25 Phase-out of agreements. (1)** The department may not enter into,
6 or extend, a farmland preservation agreement for land after the date for
7 recertification of exclusive agricultural use zoning ordinances in the county in which
8 the land is located, as established under s. 91.78 (2).

9 **(2)** Notwithstanding s. 91.13 (10), a farmland preservation agreement entered
10 into, or extended, after the effective date of this subsection ... [revisor inserts date],
11 shall expire no later than the date for recertification of exclusive agricultural use
12 zoning ordinances in the county in which the land is located, as established under
13 s. 91.78 (2).

14 **(3)** The department shall release land from a farmland preservation agreement
15 after the date for recertification of exclusive agricultural use zoning ordinances in
16 the county in which the land is located, as established under s. 91.78 (2), if the owner
17 of the land so requests.

18 **(4)** The department shall release land that is subject to a certified exclusive
19 agricultural use zoning ordinance from a farmland preservation agreement if the
20 owner of the land so requests.

21 **SECTION 29.** 91.51 of the statutes is amended to read:

22 **91.51 (title) Purpose Planning.** ~~The purpose of this subchapter is to specify~~
23 ~~standards for county agricultural preservation plans required to enable farmland~~
24 ~~owners to enter into farmland preservation agreements under this chapter.~~
25 Agricultural preservation planning shall be undertaken in accordance with s. 59.69

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1 and agricultural preservation plans shall be a component of and consistent with any
2 county development plan prepared under s. 59.69 (3).

3 **SECTION 30.** 91.52 of the statutes is created to read:

4 **91.52 Guidelines.** The department, after consultation with the board, shall
5 promulgate rules establishing guidelines for agricultural preservation planning.
6 The guidelines shall establish priorities for the preservation of agricultural land,
7 recognizing regional differences and the unique conditions in the various counties.

8 **SECTION 31.** 91.55 (1) (b) of the statutes is amended to read:

9 91.55 (1) (b) Maps identifying agricultural areas to be preserved, areas of
10 special environmental, natural resource or open space significance and, if any,
11 transition areas.

12 **(1m) (b)** Transition areas mapped shall be areas in predominantly agricultural
13 use which the plan identifies for future development.

14 **(c)** Any agricultural preservation areas mapped must be a minimum of 100
15 acres.

16 **(d)** Any transition areas mapped must be a minimum of 35 acres.

17 **(e)** In mapping agricultural preservation areas, ~~the maps~~ a map identifying
18 preliminary agricultural preservation areas prepared under s. 91.05 shall be
19 considered if the map is provided to the county at least 12 months prior to adoption
20 of the agricultural preservation plan.

21 **SECTION 32.** 91.55 (1m) (intro.) and (a) of the statutes are created to read:

22 91.55 (1m) (intro.) Maps prepared under sub. (1) (b) shall comply with the
23 following conditions:

24 (a) Agricultural preservation areas and transition areas shall be consistent
25 with the guidelines in rules promulgated under s. 91.52.

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1 **SECTION 33.** 91.55 (3) of the statutes is renumbered 91.55 (1) (c).

2 **SECTION 34.** 91.63 of the statutes is amended to read:

3 **91.63 Revisions.** Counties shall continually review and evaluate the
4 agricultural preservation plan in light of changing needs and conditions and changes
5 to this subchapter or rules promulgated under this subchapter and shall provide for
6 periodic revision of the agricultural preservation plan set forth in this subchapter.
7 Revisions shall be made in the same manner as adoption of the plan, including
8 submission to the board for certification under s. 91.06.

9 **SECTION 35.** 91.72 of the statutes is created to read:

10 **91.72 Guidelines.** The department, after consultation with the board, shall
11 promulgate rules establishing guidelines for rezoning of agricultural land for
12 residential uses.

13 **SECTION 36.** 91.73 (2) of the statutes is amended to read:

14 91.73 (2) ~~Exclusive~~ An exclusive agricultural zoning ~~ordinances~~ ordinance
15 shall be consistent with a county agricultural preservation plans plan and may not
16 be certified by the board unless a county agricultural preservation plan is
17 established under subch. IV and is certified under s. 91.06. This subsection does not
18 apply in a county with a population greater than 750,000.

19 **SECTION 37.** 91.75 (8) (b) of the statutes is amended to read:

20 91.75 (8) (b) A farm family business may be permitted as a special exception
21 or conditional use under sub. (5) if limited to existing farm residences or structures
22 or portions of the existing farmstead that are not dedicated to agricultural uses. No
23 more than ~~2~~ 5 persons who are not members of the resident farm family may be
24 employed in the farm family business.

25 **SECTION 38.** 91.75 (10) of the statutes is created to read:

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1 91.75 (10) The ordinance includes standards for rezoning of agricultural land
2 for residential uses, which are at least as stringent as the guidelines in rules
3 promulgated under s. 91.72.

4 **SECTION 39.** 91.77 (1) (e) of the statutes is created to read:

5 91.77 (1) (e) Guidelines established by rule by the department and the board
6 under s. 91.72.

7 **SECTION 40.** 91.78 of the statutes is renumbered 91.78 (1) and amended to read:

8 91.78 (1) Copies of exclusive agricultural use zoning ordinances and revisions
9 to those ordinances may be submitted to the board for review and certification under
10 s. 91.06. A certification granted for an unspecified term shall expire according to the
11 recertification schedule under sub. (2). A certification granted after the effective
12 date of this subsection [revisor inserts date], shall expire on a date specified in the
13 certification but not later than 10 years after the date of certification.

14 **SECTION 41.** 91.78 (2) of the statutes is created to read:

15 91.78 (2) The department shall, by rule, establish a schedule, on a
16 county-by-county basis, for the recertification of exclusive agricultural use zoning
17 ordinances that were certified for an unspecified term.

18 **SECTION 42.** 92.104 (5) of the statutes is amended to read:

19 92.104 (5) ELIGIBILITY FOR FARMLAND PRESERVATION CREDIT. A farmland
20 preservation credit may not be allowed under subch. IX of ch. 71 if a notice of
21 noncompliance is in effect with respect to a claimant to which this section applies at
22 ~~the time the claim is filed~~ end of the taxable year for which the claim is made.

23 **SECTION 43.** 92.105 (1) of the statutes is amended to read:

24 92.105 (1) ESTABLISHMENT. A land conservation committee shall establish soil
25 and water conservation standards. It shall submit these standards to the board for

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1 review. The soil and water conservation standards shall allow a person who has no
2 need to grow hay or grass crops to comply with the standards by using reduced tillage
3 practices instead of growing hay or grass crops.

4 **SECTION 44.** 92.105 (2) of the statutes is amended to read:

5 92.105 (2) GUIDELINES; REVIEW. The board shall develop guidelines to be used
6 for the establishment and administration of soil and water conservation standards.
7 The guidelines shall allow a person who has no need to grow hay or grass crops to
8 comply with soil and water conservation standards by using reduced tillage practices
9 instead of growing hay or grass crops. The board shall review and shall approve or
10 disapprove submitted soil and water conservation standards based on the guidelines
11 it develops. If the board approves soil and water conservation standards, it shall
12 notify any appropriate zoning authority of its approval.

13 **SECTION 45.** 92.105 (6) of the statutes is amended to read:

14 92.105 (6) ELIGIBILITY FOR FARMLAND PRESERVATION CREDIT. A farmland
15 preservation credit may not be allowed under subch. IX of ch. 71 if a notice of
16 noncompliance is in effect with respect to a claimant to which this section applies at
17 the time the claim is filed end of the taxable year for which the claim is made.

18 **SECTION 46.** 92.14 (3) (intro.) of the statutes is amended to read:

19 92.14 (3) BASIC ALLOCATIONS TO COUNTIES. (intro.) To help counties meet
20 administrative and technical operating costs in their soil and water conservation
21 activities, the department shall award grants from the appropriation under s. 20.115
22 (7) (c) to any county land conservation committee which has a workload allocation
23 plan approved by the department under s. 92.08 (2), and which, by county board
24 action, has resolved to match any moneys granted under this subsection with an
25 equal amount of county moneys. The Except as provided in sub. (3e), the county shall

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1 use the grant for county land conservation personnel to administer and implement
2 activities directly related to any of the following:

3 **SECTION 47.** 92.14 (3e) of the statutes is created to read:

4 92.14 (3e) BASIC ALLOCATION; TECHNICAL ASSISTANCE. A county may use a grant
5 under sub. (3) to provide technical assistance to local units of government in the
6 county in administering exclusive agricultural use zoning ordinances under subch.
7 V of ch. 91.

8 **SECTION 48. Nonstatutory provisions.**

9 (1) COMMITTEE FOR RULE DRAFTING. The department of agriculture, trade and
10 consumer protection shall appoint a committee under section 227.13 of the statutes
11 to assist in the drafting of rules required under sections 91.52 and 91.72 of the
12 statutes, as created by this act.

13 (2) REVISION OF SOIL AND WATER CONSERVATION STANDARDS. If a county's soil and
14 water conservation standards under section 92.105 of the statutes in effect on the
15 effective date of this subsection do not comply with section 92.105 (1) of the statutes,
16 as affected by this act, the county land conservation committee shall revise the
17 standards and submit the standards to the land and water conservation board for
18 review no later than the first day of the 7th month beginning after the effective date
19 of this subsection.

20 **SECTION 49. Initial applicability.**

21 (1) The treatment of sections 20.835 (2) (q), 71.05 (6) (a) 17. and (b) 25., 71.26
22 (1) (g), 71.45 (2) (a) 15. and 71.61 (2) of the statutes first applies to taxable years
23 beginning on January 1, 1998.

24 (2) The treatment of sections 20.835 (2) (dm) and (r), 71.07 (3m) (b) 1. a. and
25 2. c., 71.28 (2m) (b) 1. a. and 2. c., 71.47 (2m) (b) 1. a. and 2. c., 71.58 (1) (h) and (8),

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1 71.59 (1) (a) and (d) 5., (2) (b), (c) and (f), 71.60 (title), (1) (intro.) and (2) and 71.605
2 of the statutes first applies to farmland preservation credits and farmland tax relief
3 credits that are claimed for taxable years beginning on January 1, 1998, and that are
4 based on property taxes accrued in the previous year.

5 (3) The treatment of sections 91.73 (2) of the statutes first applies to exclusive
6 agricultural zoning ordinance adopted or amended on the effective date of this
7 subsection.

8

(END)