

# 1999 ASSEMBLY BILL 681

February 1, 2000 – Introduced by JOINT LEGISLATIVE COUNCIL. Referred to Committee on Conservation and Land Use.

1     **AN ACT** *to renumber and amend* 77.82 (12); *to amend* 74.25 (1) (a) 6., 74.30 (1)  
2           (f), 74.30 (1) (h), 77.82 (2) (title), 77.82 (2) (h), 77.82 (3) (b), 77.82 (12) (title),  
3           77.84 (2) (a), 77.84 (2) (b), 77.84 (2) (c), 77.88 (5) (a) 1., 77.88 (5) (a) 2., 77.88 (5)  
4           (b) 1., 77.88 (5) (b) 2. and 77.89 (2); and *to create* 77.82 (12) (b) and 77.84 (2)  
5           (am) of the statutes; **relating to:** adding a 15-year term for orders designating  
6           land under the managed forest land program, allowing the department of  
7           natural resources to contract with private foresters to prepare management  
8           plans under the managed forest land program and making an appropriation.

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### ***Analysis by the Legislative Reference Bureau***

This bill is explained in the NOTES provided by the joint legislative council in the bill.

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

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

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PREFATORY NOTE: This bill was prepared for the joint legislative council's special committee on incentives for resource stewardship. The joint legislative council established the special committee by a June 24, 1998, mail ballot and directed it to study "means to encourage and promote private efforts to conserve and protect the natural values of land and water through an appropriate legislative framework and the use of economic incentives". The bill:

1. Revises the managed forest land program to encourage private landowners to include land in the managed forest land program by allowing land to be in the program for a 15-year term.

2. Provides an appropriation to the department of natural resources (DNR) to contract with private foresters to prepare plans for inclusion of wooded land into the managed forest land program.

This bill is explained in more detail in SECTION notes following the relevant SECTIONS of the bill.

1           **SECTION 1.** 74.25 (1) (a) 6. of the statutes is amended to read:

2           74.25 (1) (a) 6. Pay to the county treasurer 20% of collections of occupational  
3 taxes on coal docks, 20% of collections of the taxes imposed under ss. 77.04 and 77.84  
4 (2) (a) and (am) and all collections of payments for closed lands under s. 77.84 (2) (b).

5           **SECTION 2.** 74.30 (1) (f) of the statutes is amended to read:

6           74.30 (1) (f) Pay to the county treasurer 20% of collections of occupational taxes  
7 on coal docks, 20% of collections of the taxes imposed under ss. 77.04 and 77.84 (2)  
8 (a) and (am) and all collections of payments for closed lands under s. 77.84 (2) (b).

9           **SECTION 3.** 74.30 (1) (h) of the statutes is amended to read:

10           74.30 (1) (h) Retain for the taxation district all woodland tax law collections  
11 under s. 77.16 and 80% of collections of the taxes imposed under ss. 77.04 and 77.84  
12 (2) (a) and (am).

13           **SECTION 4.** 77.82 (2) (title) of the statutes is amended to read:

14           77.82 (2) (title) ~~PETITION~~ INITIAL PETITION.

15           **SECTION 5.** 77.82 (2) (h) of the statutes is amended to read:

16           77.82 (2) (h) Whether the land will be designated as managed forest land for  
17 15, 25 or 50 years.

18           **SECTION 6.** 77.82 (3) (b) of the statutes is amended to read:

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1           77.82 (3) (b) If the petitioner requests that the department prepare the  
2 management plan, the department shall comply with the request. The department  
3 may contract with private foresters to prepare these management plans.

4           **SECTION 7.** 77.82 (12) (title) of the statutes is amended to read:

5           77.82 (12) (title) RENEWAL; EXTENSION.

6           **SECTION 8.** 77.82 (12) of the statutes is renumbered 77.82 (12) (a) and amended  
7 to read:

8           77.82 (12) (a) The department shall notify each owner of managed forest land  
9 of the expiration date of an order no later than the January 31 preceding the  
10 expiration date. The After receiving the notification, the owner may petition the  
11 department for renewal of the order. The petition shall be filed no later than the  
12 March 31 before the expiration date and shall specify whether the owner wants the  
13 order renewed for 25 or 50 years. Any order issued under this section may only be  
14 renewed for 25 or for 50 years.

15           (c) The notice and hearing provisions under subs. (5) and (6) do not apply to a  
16 petition under this subsection. The department may deny ~~the~~ a petition under this  
17 subsection only if the land fails to meet the eligibility requirements under sub. (1),  
18 if the owner has failed to comply with the management plan or if there are delinquent  
19 taxes on the land. If the petition is denied, the department shall state the reason for  
20 the denial in writing.

21           **SECTION 9.** 77.82 (12) (b) of the statutes is created to read:

22           77.82 (12) (b) In addition to petitioning for renewal under par. (a), an owner  
23 of land that is designated as managed forest land for a 15-year period may petition  
24 the department at any time to extend that designation to 25 or 50 years. The term

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1 of the extended designation shall run from the date that the original order  
2 designating the land for 15 years was issued.

3 **SECTION 10.** 77.84 (2) (a) of the statutes is amended to read:

4 77.84 (2) (a) Each owner of managed forest land shall pay to the municipal  
5 treasurer an annual acreage share of 74 cents per acre ~~on or before January 31~~.

6 **SECTION 11.** 77.84 (2) (am) of the statutes is created to read:

7 77.84 (2) (am) In addition to the payment under par. (a), each owner of land  
8 designated as managed forest land for a 15-year period shall pay to the municipal  
9 treasurer an annual acreage share of \$1.25 per acre.

10 **SECTION 12.** 77.84 (2) (b) of the statutes is amended to read:

11 77.84 (2) (b) In addition to the payment under par. (a) and any payment  
12 required under par. (am), each owner of managed forest land shall annually pay \$1  
13 for each acre that is designated as closed under s. 77.83.

14 (bn) The ~~payment~~ payments required under pars. (a) to (b) shall be made to the  
15 municipal treasurer on or before January 31 of each year.

16 **SECTION 13.** 77.84 (2) (c) of the statutes is amended to read:

17 77.84 (2) (c) In 1992 and each 5th year thereafter, the department of revenue  
18 shall adjust the amounts under pars. (a), (am) and (b) by multiplying the amount  
19 specified by a ratio using as the denominator the department of revenue's estimate  
20 of the average statewide tax per acre of property classes under s. 70.32 (2) (b) 4., 1993  
21 stats., s. 70.32 (2) (b) 5., 1993 stats., and s. 70.32 (2) (b) 6., 1993 stats., for 1986 and,  
22 as the numerator, the department of revenue's estimate of the average tax per acre  
23 for the same classes of property for the year in which the adjustment is made.

24 **SECTION 14.** 77.88 (5) (a) 1. of the statutes is amended to read:

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1           77.88 (5) (a) 1. An amount equal to the product of the total net property tax rate  
2           in the municipality in the year prior to the withdrawal and the assessed value of the  
3           land for the same year, as computed by the department of revenue, multiplied by the  
4           number of years the land was designated as managed forest land, less any amounts  
5           paid by the owner under ss. 77.84 (2) (a) and (am) and 77.87.

6           **SECTION 15.** 77.88 (5) (a) 2. of the statutes is amended to read:

7           77.88 (5) (a) 2. Five percent of the stumpage value of the merchantable timber  
8           on the land, less any amounts paid by the owner under ss. 77.84 (2) (a) and (am) and  
9           77.87.

10          **SECTION 16.** 77.88 (5) (b) 1. of the statutes is amended to read:

11          77.88 (5) (b) 1. An amount equal to the product of the total net property tax rate  
12          in the municipality in the year prior to the withdrawal and the assessed value of the  
13          land for the same year, as computed by the department of revenue, multiplied by the  
14          number of years since the renewal, less any amounts paid by the owner under ss.  
15          77.84 (2) (a) and (am) and 77.87.

16          **SECTION 17.** 77.88 (5) (b) 2. of the statutes is amended to read:

17          77.88 (5) (b) 2. Five percent of the stumpage value of the merchantable timber  
18          on the land, less any amounts paid by the owner under ss. 77.84 (2) (a) and (am) and  
19          77.87.

20          **SECTION 18.** 77.89 (2) of the statutes is amended to read:

21          77.89 (2) PAYMENT TO COUNTIES. Each municipal treasurer shall pay 20% of each  
22          payment received under sub. (1) or s. 77.84 (2) (a) or (am) or 77.85 to the county  
23          treasurer and shall deposit the remainder in the municipal treasury. The payment  
24          to the county treasurer for money received before November 1 of any year shall be  
25          made on or before the November 15 after its receipt. For money received on or after

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1 November 1 of any year, the payment to the county treasurer shall be made on or  
2 before November 15 of the following year.

NOTE: This bill amends the managed forest land program to provide for a 15-year term for first-time designations of land under the program, commencing on January 1, 2001. Under the managed forest land program, persons owning productive forest land are provided tax incentives to manage their land in ways that promote sound forest management. Under current law, property must be designated under the managed forest land program for 25-year or 50-year periods. Land entered for 15 years may be converted to 25-year or 50-year entries at any time.

Property designated under the program is exempt from property taxation but is subject to an annual managed forest land tax of 74 cents per acre if the land is open to the public for recreational purposes and \$1.74 per acre if the land is not open to the public for recreational purposes. Under the bill, an additional \$1.25 per acre is added to the annual managed forest land tax for lands designated for a 15-year term. The nonstatutory provisions at the end of this bill provide that the statutory changes related to the 15-year term take effect on January 1, 2001.

3 **SECTION 19. Appropriation changes.**

4 (1) In the schedule under section 20.005 (3) of the statutes for the appropriation  
5 to the department of natural resources under section 20.370 (1) (mu) of the statutes,  
6 as affected by the acts of 1999, the dollar amount is increased by \$300,000 for fiscal  
7 year 1999–00 and the dollar amount is increased by \$300,000 for fiscal year 2000–01  
8 to contract with private foresters to prepare management plans for the designation  
9 of land under the managed forest land program.

NOTE: This appropriation, from the forestry account of the conservation fund, allows the DNR to hire private forestry consultants, on a contract basis, to prepare the necessary management plans for designation of land under the managed forest land program.

10 **SECTION 20. Effective dates.** This act takes effect on January 1, 2001, except  
11 as follows:

12 (1) The treatment of section 77.82 (3) (b) of the statutes takes effect on the day  
13 after publication.

14 (END)