1999 DRAFTING REQUEST

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Received: 09/16/98 Wanted: Soon For: Administration-Budget 67973 This file may be shown to any legislator: NO May Contact: See attached			Received By: gibsom Identical to LRB: By/Representing: Grinde						
							Drafter: gibsom Alt. Drafters:		
			Topic:	Use of proceeds of	timber sale h	onds			
			Instructions:						
See Attached									
Drafting History:		•							
Vers. <u>Drafted</u>	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required			
/1 gibsom 10/16/9	gilfokm 8 10/16/98	jfrantze 10/19/98		lrb_docadmin 10/19/98		State			
FE Sent For:			<end></end>						

1999 DRAFTING REQUEST

Bill

Received: 09/16/98

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Wanted: Soon

Identical to LRB:

For: Administration-Budget 67973

By/Representing: Grinde

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Alt. Drafters:

Subject:

Nat. Res. - forests and parks

Extra Copies:

1 - DNR

Topic:

DOA:.....Grinde - Use of proceeds of timber sale bonds

Instructions:

See Attached

Drafting History:

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gibsom

<END>

Statutory Language Proposals

Division: LANDS

Subprograms: FORESTRY

Issue/Topic: TIMBER SALE BONDING - OPERATIONAL SPENDING AUTHORITY

<u>Proposed Change</u>: Section 20.370, Stats., would be amended to allow the Department spending authority to utilize money withheld from timber sale bonds to rectify logging damages on the specific property where they occurred.

Explanatory Note: Currently, the Department lacks the necessary authority to utilize monies withheld from timber sale performance bonds to correct damages caused by a logging contractor during timber harvesting operations on state lands. Performance bonds are required to recompense the state for damages resulting from the failure to fully perform the contract. All or a portion of a bond may be withheld for failure to repair damages when they occur. However, the monies withheld by the state from performance bonds may not be spent to repair or clean up the property. Bonding revenue and operational spending authority are two different appropriations and revenue in one appropriation does not authorize the payment of expenditures from the other appropriation.

Desired Effective Date: July 1, 1999 or the effective date of the 1999-01 Biennial Budget

Contact Person: Eric Thompson (6-8251) or Jim Christenson (6-1318)

ch. 16



State of Misconsin 1999 - 2000 LEGISLATURE

D-Note Soon

LRB-0187/1 MGG...://:...

DOA:.....Grinde – Use of proceeds of timber sale bonds

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

AN ACT 2; relating to: the budget.

Analysis by the Legislative Reference Bureau NATURAL RESOURCES

OTHER NATURAL RESOURCES

Currently, the department of natural resources (DNR) requires that certain persons provide performance bonds or other surety when entering into a timber sale contract to cut or remove timber products from state forest lands. If a person cutting or removing timber under the contract causes damage, fails to remove debris or otherwise does not properly perform under the contract, DNR deposits in the conservation fund the portion of the surety that is necessary to cover the repair or other costs. These deposited moneys are not appropriated for any specific purpose.

This bill creates a separate appropriation to allow DNR to use the moneys that it receives from such sureties for these repair and other costs. The bill also specifically authorizes DNR to require sureties under these timber sale contracts.

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:

Section 1. 20.370(1)(ct) of the statutes is created to read:

2

1

20.370 (1) (ct) Timber sales contracts — repair and reimbursement costs. Al
sureties
moneys received by the department as performance bonds under s. 28.05 (1) to be
used to repair damage and recover costs incurred by the improper performance of
timber sales contracts and to reimburse persons who provide sureties as provided in
s. 28.05 (1). > NOTE: BUD

SECTION 2. 28.05 (1) of the statutes is amended to read:

28.05 (1) LIMITATIONS. Cutting shall be limited to trees marked or designated for cutting by a forester in the professional series of the state classified civil service or by a department—designated employe equally qualified by reason of long, practical experience. The department may sell products removed in cultural or salvage cuttings and standing timber designated in timber sale contracts, but all sales shall be based on tree scale or on the scale, measure or count of the cut products. The department may require that a person purchasing products or standing timber under a timber sale contract provide surety for the proper performance of the contract either directly or through a bond furnished by a surety company authorized to do business in this state.

(END)

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0187/1dn MGG...:

Attention: Eric Thompson

Please have someone who is familiar with DNR's current practice renew for accuracy the analysis of this bill.

Mary Gibson-Glass Senior Legislative Attorney 267-3215

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0187/1dn MGG:kmg:jf

October 16, 1998

Attention: Eric Thompson

Please have someone who is familiar with DNR's current practice review for accuracy the analysis of this bill.

Mary Gibson-Glass Senior Legislative Attorney 267-3215



State of Misconsin 1999 - 2000 LEGISLATURE

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

SECTION 1. 20.370 (1) (ct) of the statutes is created to read:

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20.370 (1) (ct) Timber sales contracts — repair and reimbursement costs. All moneys received by the department as sureties under s. 28.05 (1) to be used to repair damage and recover costs incurred by the improper performance of timber sales contracts and to reimburse persons who provide sureties as provided in s. 28.05 (1).

****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 2. 28.05 (1) of the statutes is amended to read:

28.05 (1) LIMITATIONS. Cutting shall be limited to trees marked or designated for cutting by a forester in the professional series of the state classified civil service or by a department—designated employe equally qualified by reason of long, practical experience. The department may sell products removed in cultural or salvage cuttings and standing timber designated in timber sale contracts, but all sales shall be based on tree scale or on the scale, measure or count of the cut products. The department may require that a person purchasing products or standing timber under a timber sale contract provide surety for the proper performance of the contract either directly or through a bond furnished by a surety company authorized to do business in this state.

(END)