

**1999 DRAFTING REQUEST**

**Bill**

Received: **01/14/99**

Received By: **shoveme**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 6-7973**

By/Representing: **Grinde**

This file may be shown to any legislator: **NO**

Drafter: **shoveme**

May Contact:

Alt. Drafters: **traderc**

Subject: **Tax Credits (inc) - farmland  
Agriculture - miscellaneous**

Extra Copies:

**Topic:**

DOA:.....Grinde - Farmland preservation credits, repeal farmland preservation agreements

**Instructions:**

See Attached. Create a "successor" to the farmland tax credit by keeping a lot of the formulas, but eliminating the ties to exclusive ag zoning, county preservation plans and farmer pres. programs. Repeal farmland pres. agreements in subch. II of ch. 91. Create a new tax credit of a certain amount of credit per acre of certain farmland.

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	shoveme 01/20/99	gilfokm 01/21/99	ismith 01/22/99	_____	lrb_docadmin 01/22/99		
/P2	shoveme 01/27/99 traderc 01/27/99 shoveme 01/27/99 traderc 01/27/99	ygeller 01/27/99 gilfokm 01/28/99	hhagen 01/29/99	_____	lrb_docadmin 01/29/99		S&L
/P3	traderc 01/30/99	gilfokm 01/30/99	hhagen 01/31/99	_____	lrb_docadmin 01/31/99		S&L

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typist</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	shoveme 01/30/99			_____			
/1				_____	wjackson 02/8/99		S&L
				_____	lrb_docadmin 02/8/99		
/2	shoveme 02/9/99	jgeller 02/9/99	jfrantze 02/9/99	_____	lrb_docadmin 02/9/99		S&L

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/P3	traderc 01/30/99	gilfokm 01/30/99	hhagen 01/31/99	_____	lrb_docadmin 01/31/99		S&L

*12-29-99  
Kmg*

*Jo/a*

*Jo/ep  
2/9*

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	01/30/99			_____			

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	traderc 01/27/99	gilfokm 01/28/99		_____			
	shoveme 01/27/99	<i>/P3-1-30 Kmg</i>		_____			
	traderc 01/27/99			_____			

*1/P3 MESBROT 1/30/99 # 1/31 # 1/31*

FE Sent For:

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/P1	shoveme 01/20/99	gilfokm 01/21/99	ismith 01/22/99	_____	lrb_docadmin 01/22/99		

1/P2 MES 1/27 /P2-1-28-99 King  
FE Sent For: *att/la att/jc 1/29*

<END>

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/P1	shoveme	1-1-21-99 KMG	IS 1/22/99	IS/LP 1/22/99	Submit		
MESBRET 1/20/99							

FE Sent For:

<END>



**CORRESPONDENCE MEMORANDUM**

**STATE OF WISCONSIN  
Department of Administration**

**Date:** January 13, 1999  
**To:** Steve Miller  
Chief, Legislative Reference Bureau  
**From:** Kirsten Grinde *mg*  
Policy and Budget Analyst, State Budget Office  
**Subject:** FY 1999-2001 Budget Statutory Language Proposal

The following is an additional statutory language proposal for the FY 1999-2001 biennial budget. I have indicated my priority ranking below.

The intent of this request is to create a successor to the current Farmland Preservation Program. This request would retain the majority of the current formula but eliminate the ties to exclusive agricultural zoning, county preservation plans and farmer preservation agreements.

The proposed program would have a two-pronged approach to farmland preservation: 1) a tax credit calculated on income level and property taxes paid by farm landowners complying with soil and water conservation prohibitions and standards and 2) a tax credit of a set amount per acre of farmland for which the owner has sold or donated the property development rights to a governmental unit or a nonprofit organization meeting certain requirements.

The transition from the current program to the new program would occur over 18 months after the effective date of the budget bill.

<u>Issue</u>	<u>Status</u>	<u>Analyst</u>	<u>Priority</u>
Farmland Preservation Program	Proposal below	Kirsten	High

- Repeal ss. 91.01(7), (10)(c), 91.06, 91.11 to 91.23 (Subchapter II - Farmland Preservation Agreements), 91.31 to 91.41 (Subchapter III - Initial Agreements), 91.51 to 91.63 (Subchapter IV - Agricultural Preservation Planning), and 91.79. The effective date of the repeal of these sections would be February 1, 2001, or 18 months after the effective date of the bill.
- Prohibit the approval of any farmland preservation agreement applications or renewals as of the effective date of the budget bill. This would be effective on the effective date of the budget bill.
- Require DATCP to release land from a farmland preservation agreement if the owner so requests. This would be effective on the effective date of the budget bill.
- Repeal ss. 71.59 (1)(b)3., (d)1. to 4., (2)(d), 71.60(1)(c). The effective date of the repeal of these sections would be February 1, 2001, or 18 months after the effective date of the bill. *gr mg / 1/1/01*
- Repeal s. 92.104 (effective February 1, 2001, or 18 months after the effective date of the bill) and s. 92.105(7)(b) to (d) (effective March 1, 2000). *init app*

- Require county land conservation committees to establish soil and water conservation standards that are consistent with tolerable soil erosion levels established under s. 92.04(2)(i), nutrient management rules established by DATCP under s. 92.05(3)(k), and nonpoint source pollution standards established under s. 281.16(3). This would be effective March 1, 2000.
- Modify s. 71.59(1)(d) (intro) and (d)5. to require landowners filing a claim for the credit to submit a certificate of compliance issued by the land conservation committee certifying that soil and water standards are established and approved and that the landowner is in compliance with the standards at the time the certificate is issued.
- Modify s. 92.105(5) to require the land conservation committee to send a copy of any notice of noncompliance or any cancellation of such notice to the department of revenue. Continue to require that DOR deny a credit to a landowner who has a notice of noncompliance in effect when filing.
- Create a new preservation credit which would provide a refundable tax credit of a set amount per acre of farmland for which the owner sells or donates the development rights to a governmental unit or a nonprofit organization. The rights would have to be given up permanently to receive the credit. This credit program would be effective on the effective date of the budget bill.
- The credit would provide \$0.50 per acre for which development rights are transferred, but farming rights are retained. The credit would also provide \$0.30 per acre for which development and farming rights are transferred.
- In order to be eligible for the credit when transferring rights to a nonprofit organization, the organization must have entered into a signed agreement with DATCP. The agreement would restrict the use and sale of the development rights by the organization to ensure that the land remains in farming or as open space/habitat.
- The credit would be received by the owner(s) who transferred the rights. Once the land is sold, the new owner(s) would not be eligible for the credit.
- Please let me know if there are any current statutory barriers to local units of government creating purchase of development rights programs.
- Require DATCP to maintain a list of nonprofit organizations that have entered into agreements with the department and make that list available to landowners who are interested in transferring their development rights. Require DATCP to provide an up-to-date list to the Department of Revenue upon request.
- Require the landowner to file a certificate from the county registrar of deeds verifying the sale or donation of the development rights.

It would probably be helpful to meet and discuss any questions you have. Feel free to contact me at 266-7973.

cc: Dave Schmiedicke

Phone  
Instruction  
from Kirsten -

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU - LEGAL SECTION

(608-266-3361)

REC'D 1/15/99

Moving ties to land use agreements

all calculations stay in s. 71.60(1)(a)  
& (b) - keep 10% pun in ~~s. 71.60~~  
s. 71.60(2)

county land cons. ~~comm.~~ <sup>comm.</sup>

New credit: <sup>sum suff.</sup> refundable

no max - 50¢/acre

eligibility, definitions same as present  
pres credit -  
can be claimed by any person -  
not just individuals

DOA: sunset this program every  
2 years.

no new claims may be filed  
for taxable year beginning after

12/31/02

# ISSUES re: -1785/P1

1) what are "developments" --  
PM by DOR?

Key them to limits on ag use, open spaces, wildlife habitat?  
use conservation easement  
under ch 700.40

2) How are devel'ts/cons. easements transferred?

2) does stat perpetuities? trump rule against.

3) do limits in 501(C) 3 apply to  
govts? should they? - apply to  
i.e. ag use, open space, wildlife  
habitat

4) Is my assumption correct that D&A want  
these transferred devel'ts, lts to  
ag use, wildlife habitat open spaces, to  
last forever?

## Tradewell, Becky

---

**From:** Grinde, Kirsten [kirsten.grinde@doa.state.wi.us]  
**Sent:** Saturday, January 16, 1999 12:20 AM  
**To:** Tradewell, Becky  
**Subject:** RE: Farmland preservation program budget drafting request

Becky,

I'll try to provide answers to your questions, but let me know if you want to sit down and go over the drafting instructions. It would probably be helpful to meet with both you and Marc at some point in time.

Question 1: The agreements will remain in place unless the landowner requests to have it removed, but it would not be used to determine eligibility or the amount of the credit received. Contrary to the instructions I sent over, the Governor wants the payback requirement to remain in place for those landowners requesting to get out of their agreements.

Question 2: Counties should be allowed to continue to use exclusive agricultural zoning as a land use tool, but whether or not a landowner's property is within an area zoned for exclusive agricultural use would have no bearing on the landowner's eligibility for the credit, nor the amount of the credit received.

I'll be in all day tomorrow and Monday, probably most of Sunday as well.

Kirsten

> -----Original Message-----

> From: Tradewell, Becky [SMTP:Becky.Tradewell@legis.state.wi.us]  
> Sent: Friday, January 15, 1999 4:32 PM  
> To: Kirsten Grinde (E-mail)  
> Subject: Farmland preservation program budget drafting request

>

> Kirsten,

>

> I imagine that I will have a number of questions about the farmland  
> preservation request. Here are the first two. First, is it the intent of  
> the request that the agreements under chapter 91 cease to have any meaning  
> as of February 1, 2001? Also, what is the significance of the sections of  
> subchapter V of chapter 91 (relating to exclusive agricultural zoning)  
> that  
> I am not requested to repeal, given the other changes in the program?

>

> Thanks,

> Becky

Section #. 700.40 (1) (a) of the statutes is amended to read:

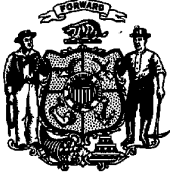
Instructions  
from 1/20/99  
meeting w/  
Kirsten

700.40 (1) (a) "Conservation easement" means a holder's nonpossessory interest in real property imposing any limitation or affirmative obligation the purpose of which includes retaining or protecting natural, scenic or open space values of real property, assuring the availability of real property for agricultural, forest, ~~recreational~~ <sup>creation</sup> or open space use, protecting natural resources, maintaining or enhancing air or water quality, <sup>]</sup> preserving a burial site, as defined in s. 157.70 (1) (b), or preserving the historical, architectural, archaeological or cultural aspects of real property.

History: 1981 c. 261; 1985 a. 316.

add →  
del ↘  
23,096 (3) (a) (b) & (c)  
(4) & (5) & (6)  
no conditions

if 501(c) 3 wants to transfer  
its devel nts, it may only transfer  
to nts to another 501(c) 3 that  
has an agreement w/ DATCP or to  
the state or a pol subdiv



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-1785/P1  
MES&RCT...  
*[Handwritten initials]*

DOA:.....Grinde - Farmland preservation credits, repeal farmland preservation agreements

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

*WANTED;  
Fri.*

*Don't Contact*  
1 AN ACT ...; relating to: modifying the farmland preservation credit and creating  
2 a new refundable farmland preservation credit for certain farmland ~~that~~ that  
3 *develop* rights to which have been limited and soil and water conservation standards.  
*has limited development*

*Analysis by the Legislative Reference Bureau*

TAXATION

INCOME TAXATION

To be provided in a future version of the bill. *↙*

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

- 4 SECTION 1. 23.094 (2) (c) *3* of the statutes is repealed.
- 5 SECTION 2. 66.023 (7m) of the statutes is amended to read:
- 6 66.023 (7m) ZONING IN TOWN TERRITORY. If a town is a party to a cooperative plan
- 7 with a city or village, the town and city or village may agree, as part of the cooperative

## SECTION 2

1 plan, to authorize the town, city or village to adopt a zoning ordinance under s. 60.61,  
2 61.35 or 62.23 for all or a portion of the town territory covered by the plan. The  
3 exercise of zoning authority by a town under this subsection is not subject to s. 60.61  
4 (3) or 60.62 (3). If a county zoning ordinance applies to the town territory covered  
5 by the plan, that ordinance and amendments to it continue until a zoning ordinance  
6 is adopted under this subsection. If a zoning ordinance is adopted under this  
7 subsection, that zoning ordinance continues in effect after the planning period ceases  
8 until a different zoning ordinance for the territory is adopted under other applicable  
9 law. This subsection does not affect zoning ordinances adopted under ss. 59.692,  
10 87.30 or ~~91.71 to 91.78~~ 91.73 to 91.77.

History: 1991 a. 269; 1993 a. 213, 301, 329, 399; 1995 a. 35, 201, 216, 227; 1997 a. 27, 35.

11 **SECTION 3.** 71.59 (1) (a) of the statutes is amended to read:

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

History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137. History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137.

21 **SECTION 4.** 71.59 (1) (b) (intro.) of the statutes is amended to read:



*plain*  
*section*  
*s.*

1           71.59 (1) (b) (intro.) Every claimant under ~~this subchapter~~ and ~~71.60~~  
2 shall supply, at the request of the department, in support of the claim, all of the  
3 following:

4 History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137. History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137.

**SECTION 5.** 71.59 (1) (b) 5. of the statutes is created to read:

5           71.59 (1) (b) 5. A copy of a certificate of compliance issued by the land  
6 conservation committee of each of the counties ~~which~~ *that* have jurisdiction over the  
7 farmland *that* certifies that the soil and water standards that apply to the farmland  
8 under s. 92.105 (1) and (2) are being met.

\*\*\*NOTE: Is this cross-reference sufficient? Should the x-ref include s. 92.105 (3)?

9           **SECTION 6.** 71.59 (1) (c) of the statutes is amended to read:

10           71.59 (1) (c) A farmland preservation agreement submitted under par. (b) 3.  
11 shall contain provisions specified under s. 91.13 (8) including either a provision  
12 requiring farming operations to be conducted in substantial accordance with a soil  
13 and water conservation plan prepared under s. 92.104, 1997 stats., or a provision  
14 requiring farming operations to be conducted in compliance with reasonable soil and  
15 water conservation standards established under s. 92.105.

16 History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137. History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137.

**SECTION 7.** 71.59 (1) (d) (intro.) of the statutes is amended to read:

17           71.59 (1) (d) (intro.) The certificate of ~~the zoning authority~~ submitted under  
18 par. ~~(b) 3.~~ *plain* ~~(b) 5.~~ shall certify:

19 History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137. History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137.

**SECTION 8.** 71.59 (1) (d) 1. of the statutes is amended to read:

20           71.59 (1) (d) 1. That the lands are within the boundaries of an agricultural  
21 zoning district which is part of an adopted ordinance meeting the standards of subch.  
22 V of ch. 91 and certified under s. 91.06, 1997 stats.

23 History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137. History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137.

**SECTION 9.** 71.59 (2) (intro.) of the statutes is amended to read:

SECTION 9

1 71.59 (2) INELIGIBLE CLAIMS. (intro.) No credit shall be allowed under this  
2 subchapter ss. 71.59 and 71.60:

History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137. History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137.  
\*\*\*\*NOTE: Does s. 71.59 (2) (a) to (d) need to be amended or repealed?

3 SECTION 10. 71.59 (2) (b) of the statutes is amended to read:

4 71.59 (2) (b) If a notice of noncompliance with an applicable soil and water  
5 conservation plan under s. 92.104, 1997 stats., is in effect with respect to the  
6 claimant at the time the claim is filed.

History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137. History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137.  
7 SECTION 11. 71.59 (2) (d) of the statutes is amended to read:

8 71.59 (2) (d) For property taxes accrued on farmland zoned for exclusive  
9 agricultural use under an ordinance certified under subch. V of ch. 91 s. 91.06, 1997  
10 stats., which is granted a special exception or conditional use permit for a use which  
11 is not an agricultural use, as defined in s. 91.01 (1).

History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137. History: 1987 a. 312, 411; 1989 a. 31, 359; 1991 a. 39, 309; 1995 a. 201; 1997 a. 137.  
12 SECTION 12. 71.60 (1) (b) of the statutes is amended to read:

13 71.60 (1) (b) The credit allowed under this subchapter shall be limited to 90%  
14 of the first \$2,000 of excessive property taxes plus 70% of the 2nd \$2,000 of excessive  
15 property taxes plus 50% of the 3rd \$2,000 of excessive property taxes. The maximum  
16 credit shall not exceed \$4,200 for any claimant. The credit for any claimant shall be  
17 the greater of either the credit as calculated under this subchapter as it exists at the  
18 end of the year for which the claim is filed or as it existed on the date on which the  
19 farmland became subject to a current agreement under subch. II ~~or III~~ of ch. 91 or  
20 under  
subch. III of ch. 91, 1997 stats., using for such calculations household income and  
21 property taxes accrued of the year for which the claim is filed.

History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420. History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420.  
22 SECTION 13. 71.60 (1) (c) 1. to 3. of the statutes are amended to read:

1           71.60 (1) (c) 1. If the farmland is located in a county which has a ~~certified~~ an  
2           agricultural preservation plan certified under ~~subch. IV of ch. 91 s. 91.06, 1997 stats.,~~  
3           at the close of the year for which credit is claimed and is in an area zoned by a county,  
4           city or village for exclusive agricultural use under ch. 91 at the close of such year, the  
5           amount of the claim shall be that as specified in par. (b).

6           2. If the farmland is subject to a transition area agreement under subch. II of  
7           ch. 91 on July 1 of the year for which credit is claimed, or the claimant had applied  
8           for such an agreement before July 1 of such year and the agreement has subsequently  
9           been executed, and the farmland is located in a city or village which has a ~~certified~~  
10          an exclusive agricultural use zoning ordinance certified under ~~subch. V of ch. 91 s.~~  
11          91.06, 1997 stats., in effect at the close of the year for which credit is claimed, or in  
12          a town which is subject to a ~~certified~~ county exclusive agricultural use zoning  
13          ordinance certified under ~~subch. V of ch. 91 s. 91.06, 1997 stats.,~~ in effect at the close  
14          of the year for which credit is claimed, the amount of the claim shall be that as  
15          specified in par. (b).

16          3. If the claimant or any member of the claimant's household owns farmland  
17          which is ineligible for credit under subd. 1. or 2. but was subject to a farmland  
18          preservation agreement under subch. III of ch. 91, 1997 stats., on July 1 of the year  
19          for which credit is claimed, or the owner had applied for such an agreement before  
20          July 1 of such year and the agreement has subsequently been executed, and if the  
21          owner has applied by the end of the year in which conversion under s. 91.41 <sup>1997</sup> is first stats.  
22          possible for conversion of the agreement to a transition area agreement under subch.  
23          II of ch. 91, and the transition area agreement has subsequently been executed, and  
24          the farmland is located in a city or village which has a ~~certified~~ an exclusive  
25          agricultural use zoning ordinance certified under ~~subch. V of ch. 91 s. 91.06, 1997~~

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1 stats., in effect at the close of the year for which credit is claimed, or in a town which  
 2 is subject to a ~~certified~~ county exclusive agricultural use zoning ordinance certified  
 3 under ~~subch. V of ch. 91 s. 91.06,~~ 1997 stats., in effect at the close of the year for which  
 4 credit is claimed, the amount of the claim shall be that specified in par. (b).

5 SECTION 14. 71.60 (1) (c) 5. to 8. of the statutes are amended to read:

6 71.60 (1) (c) 5. If the claimant or any member of the claimant's household owns  
 7 farmland which is ineligible for credit under subds. 1. to 4. but was subject to a  
 8 farmland preservation agreement under subch. III of ch. 91, 1997 stats., on July 1  
 9 of the year for which credit is claimed, or the owner had applied for such an  
 10 agreement before July 1 of such year and the agreement has subsequently been  
 11 executed, and if the owner has applied by the end of the year in which conversion  
 12 under s. 91.41 <sup>is first possible for conversion of the agreement to an agreement under</sup>  
 13 subch. II of ch. 91, and the agreement under subch. II of ch. 91 has subsequently been  
 14 executed, the amount of the claim shall be limited to 80% of that specified in par. (b).

History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420. History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420.

15 6. If the farmland is located in an agricultural district under a ~~certified~~ county  
 16 agricultural preservation plan certified under ~~subch. IV of ch. 91 s. 91.06,~~ 1997 stats.,  
 17 at the close of the year for which credit is claimed, and is located in an area zoned for  
 18 exclusive agricultural use under a ~~certified~~ town ordinance certified under ~~subch. V~~  
 19 ~~of ch. 91 s. 91.06,~~ 1997 stats., at the close of such year, the amount of the claim shall  
 20 be the amount specified in par. (b).

21 6m. If the farmland is located in an agricultural district under a ~~certified~~  
 22 county agricultural preservation plan certified under ~~subch. IV of ch. 91 s. 91.06,~~  
 23 1997 stats., at the close of the year for which credit is claimed, and is located in an  
 24 area zoned for exclusive agricultural use under a ~~certified~~ county or town ordinance

1 certified under ~~subch. V of ch. 91 s. 91.06, 1997 stats.,~~ for part of a year but not at  
 2 the close of that year because the farmland became subject to a city or village  
 3 extraterritorial zoning ordinance under s. 62.23 (7a), the amount of the claim shall  
 4 be equal to the amount that the claim would have been under this section if the  
 5 farmland were subject to a certified county or town exclusive agricultural use  
 6 ordinance at the close of the year.

7 7. If the farmland is located in an area zoned for exclusive agricultural use  
 8 under a ~~certified~~ county, city or village ordinance certified under ~~subch. V of ch. 91~~  
 9 s. 91.06, 1997 stats., at the close of the year for which credit is claimed, but the county  
 10 in which the farmland is located has not adopted an agricultural preservation plan  
 11 under subch. IV <sup>✓</sup> of ch. 91, 1997 stats., by the close of such year, the amount of the  
 12 claim shall be limited to 70% of that specified in par. (b).

13 8. If the farmland is subject to a farmland preservation agreement under subch.  
 14 III of ch. 91, 1997 stats., on July 1 of the year for which credit is claimed or the  
 15 claimant had applied for such an agreement before July 1 of such year and the  
 16 agreement has subsequently been executed, the amount of the claim shall be limited  
 17 to 50% of that specified in par. (b).

18 History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420. History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420. ✓

18 **SECTION 15.** 71.60 (2) of the statutes is renumbered 71.60 (2) (a) and amended  
 19 to read:

20 71.60 (2) (a) If For taxable years beginning before January 1, 2001, if the  
 21 farmland is subject to a <sup>an</sup> certified ordinance under subch. V of ch. 91, <sup>s. 91.06, 1997 stats.</sup> or an agreement  
 22 under subch. II of ch. 91, in effect at the close of the year for which the credit is

SECTION 15

1 claimed, the amount of the claim is 10% of the property taxes accrued or the amount  
2 determined under sub. (1), whichever is greater.

History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420. History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420.

3 ~~SECTION 16. 71.60 (2) of the statutes is amended to read:~~

4 71.60 (2) If the farmland is subject to a certified an ordinance certified under  
5 subch. V of ch. 91 91.06, 1997 stats., or an agreement under subch. II of ch. 91, in  
6 effect at the close of the year for which the credit is claimed, the amount of the claim  
7 is 10% of the property taxes accrued or the amount determined under sub. (1),  
8 whichever is greater.

History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420. History: 1987 a. 312, 411; 1989 a. 31; 1991 a. 39; 1993 a. 246, 420.

9 SECTION 17. 71.60 (2) (b) of the statutes is created to read:

10 71.60 (2) (b) For taxable years beginning after December 31, 2000, if the  
11 farmland is subject to a certificate of compliance that is described under s. 71.59 (1)  
12 (b) 5. <sup>and</sup> that is in effect at the close of the year for which the credit is claimed, the  
13 amount of the claim is 10% of the property taxes accrued or the amount determined  
14 under sub. (1), whichever is greater. (71.61)

15 SECTION 18. 71.60 (6) of the statutes is created to read:

16 <sup>(see title)</sup> 71.60 (6) ~~PARTIAL SUNSET~~ For claims that are filed under <sup>71.59</sup> this subchapter, for <sup>and computed under s. 71.60</sup>  
17 taxable years that begin after December 31, 2000, based on property taxes that are  
18 accrued in the previous calendar year, ss. 71.59 (1) (b) 3., (d) 1. to 4. and 71.60 (1) (c) <sup>land</sup>  
19 do not apply.

20 SECTION 19. 71.605 of the statutes is created to read:

21 71.605 Farmland preservation acreage credit. (1) DEFINITIONS. In this  
22 section:

23 (a) "Development rights" means a holder's nonpossessory interest in <sup>farmland</sup> real  
24 property that imposes a limitation or affirmative obligation the purpose of which is

1 to retain or protect natural, scenic or open space values of ~~real property~~ <sup>farmland</sup>, assuring the  
 2 availability of ~~real property~~ <sup>farmland</sup> for agricultural, forest, wildlife habitat or open space  
 3 use, protecting natural resources or maintaining or enhancing air or water quality.

\* \*\*\*\*NOTE: This definition is based on the definition of "conservation easement" in  
 s. 700.40 (1) (a). Is it OK? Is "real property" better than "farmland"?

4 (b) "Nonprofit entity" means an entity that is described in section 501 (c) (3) of  
 5 the Internal Revenue Code and is exempt from federal income tax under section 501  
 6 (a) of the Internal Revenue Code.

7 (2) CALCULATION. If the claimant sells, donates or otherwise transfers the  
 8 development rights to farmland for which a credit is claimed under this section to the  
 9 state or to a city, village, town or county, or to a nonprofit entity, the credit may be  
 10 calculated as follows:

11 (a) If farming rights are retained on such farmland, the credit shall be ~~\$0.50~~ <sup>50 cents</sup>  
 12 for each acre that the claimant sells, donates or otherwise transfers.

13 (b) If farming rights are not retained on such farmland, the credit shall be ~~\$0.30~~ <sup>30 cents</sup>  
 14 for each acre that the claimant sells, donates or otherwise transfers.

15 (3) LIMITATIONS. (a) If a claimant sells, donates or otherwise transfers  
 16 development rights under sub. <sup>(2)</sup> ~~11A~~ to a nonprofit entity, the credit under this section  
 17 may not be claimed unless the entity enters into a signed agreement with the  
 18 department of agriculture, trade and consumer protection that contains all of the  
 19 following ~~provisions~~ <sup>provisions</sup>:

20 1. Standards for the management of the farmland, the development rights to  
 21 which are to be acquired.

## SECTION 19

1           2. A prohibition against using the development rights to the farmland which  
2           are to be acquired as security for any debt unless the department of agriculture, trade  
3           and consumer protection approves the incurring of the debt.

4           3. A clause that any subsequent sale, donation or other transfer of the  
5           development rights to the farmland which are to be acquired is subject to pars. (b)  
6           and (e).

7           (b) The nonprofit entity may subsequently sell, donate or otherwise transfer  
8           the acquired development rights to the farmland to the state or to a city, village, town  
9           or county, or to a 3rd party other than a creditor if the 3rd party is also a nonprofit  
10          entity, except that a sale, donation or transfer to another nonprofit entity may occur  
11          only if all of the following apply:

12           1. The department of agriculture, trade and consumer protection approves the  
13          subsequent sale, donation or transfer.

14           2. The party to whom the development rights are sold, donated or transferred  
15          enters into a new contract with the department of agriculture, trade and consumer  
16          protection under par. (a).

17           (c) The nonprofit entity may subsequently sell, donate or transfer the acquired  
18          development rights to satisfy a debt or other obligation if the department of  
19          agriculture, trade and consumer protection approves the sale or transfer. *donation*

20           (d) The nonprofit entity may subsequently develop the property, with the  
21          written consent of the owner of the property and with the written consent of the  
22          department of agriculture, trade and consumer protection.

23           (e) If the nonprofit entity violates any essential provision of the contract, title  
24          to the development rights *that were* acquired shall vest in the state.

\*\*\*\*NOTE: I'm not sure if one may "obtain title" to development rights.



1 (f) The instrument conveying the development rights to the nonprofit entity  
2 shall state the interest of the state under par. (e). The contract entered into under  
3 par. (a) and the instrument of conveyance shall be recorded in the office of the register  
4 of deeds of each county in which the farmland is located.

\*\*\*\*NOTE: Sub. (3) is based on s. 23.096; does this meet your intent?

5 ~~restricts its use, and future sale, donation or other transfer, of the farmland or~~  
6 ~~the farmland's development rights, such that the farmland may be used only for~~  
7 ~~agricultural use, as defined in s. 91.01 (1), as open space or as habitat for wildlife.~~

\*\*\*\*NOTE: Your instructions do not indicate that if the development rights are transferred to a unit of government, limitations on the uses of the land should be imposed, as is the case for development rights that are transferred to a 501 (c) 3 entity. Do you want to impose similar restrictions on units of government?

↑  
IRS

8 (g) The credit under this section may be claimed only by the person who owns  
9 the farmland when the development rights are initially transferred as described in  
10 sub. (f). 2

f m

11 (g) The credit under this section may not be claimed until the claimant files  
12 with the register of deeds of each county in which the farmland is located the  
13 certificate that verifies that the development rights to the farmland have been  
14 transferred as described in sub. (1).

15 (h) Section 71.59 (2) (a), (c) and (e), to the extent that it applies to the credit  
16 under ss. 71.59 and 71.60, applies to the credit under this section.

17 (4) SUNSET. No new claims may be filed under this section for taxable years that  
18 begin after December 31, 2002.

19 SECTION 20. 91.01 (8) of the statutes is amended to read:

20 91.01 (8) "Local governing body having jurisdiction" means the city council,  
21 village board or town board if that body has adopted a certified an ordinance under

1 subch. V that is certified under s. 91.06, 1997 stats.; or the county board where such  
2 a city, village or town zoning ordinance is not in effect.

3 History: 1977 c. 29, 418; 1981 c. 346; 1983 a. 27; 1987 a. 312 s. 17; 1987 a. 399, 403; 1991 a. 39, 286; 1993 a. 16, 112.

3 SECTION 21. 91.04 of the statutes is created to read:

4 **91.04 Transfer of development rights agreements.** The department shall  
5 maintain a list of <sup>nonprofit entities</sup> ~~organizations~~ with which the department has entered into  
6 agreements under s. 71.605 <sup>3</sup> (a). The department shall make the list available to  
7 owners who are interested in transferring their development rights and to the  
8 department of revenue.

9 SECTION 22. 91.06 of the statutes is repealed.

10 SECTION 23. 91.11 (1) (a) of the statutes is amended to read:

11 91.11 (1) (a) The county in which the land is located has a ~~certified in effect an~~  
12 agricultural preservation plan ~~in effect~~ certified under s. 91.06, 1997 stats.; or

13 History: 1977 c. 29; 1979 c. 34; 1987 a. 399.

13 SECTION 24. 91.11 (1) (b) of the statutes is amended to read:

14 91.11 (1) (b) The land is in an area zoned for exclusive agricultural use under  
15 an ordinance certified under ~~subch. V~~ s. 91.06, 1997 stats.

16 History: 1977 c. 29; 1979 c. 34; 1987 a. 399.

16 SECTION 25. 91.11 (2) of the statutes is amended to read:

17 91.11 (2) An owner of land located in a county with a population density of less  
18 than 100 persons per square mile which has adopted a ~~certified an~~ exclusive  
19 agricultural use zoning ordinance certified under s. 91.06, 1997 stats., may apply  
20 under this subchapter even if the town in which the land is located has not approved  
21 the ordinance.

22 History: 1977 c. 29; 1979 c. 34; 1987 a. 399.

22 SECTION 26. 91.11 (3) of the statutes is amended to read:

1            91.11 (3) In any county with a population density of 100 or more persons per  
2 square mile, an owner may apply for a farmland preservation agreement under this  
3 subchapter only if the county in which the land is located has a ~~certified~~ an exclusive  
4 agricultural use zoning ordinance certified under subch. ~~V~~<sup>S.</sup> 91.06, 1997 stats., and the  
5 town in which the land is located has approved the ordinance.

History: 1977 c. 29; 1979 c. 34; 1987 a. 399.

6            **SECTION 27.** 91.11 (4) of the statutes is amended to read:

7            91.11 (4) In any city, town or village that has adopted a ~~certified~~ an exclusive  
8 agricultural use zoning ordinance certified under subch. ~~V~~ s. 91.06, 1997 stats., or  
9 in any town that has approved a ~~certified~~ an exclusive agricultural use zoning  
10 ordinance adopted by the county and certified under subch. ~~V~~ s. 91.06, 1997 stats.,  
11 an owner may apply for a farmland preservation agreement only if the land is in an  
12 area zoned for exclusive agricultural use.

History: 1977 c. 29; 1979 c. 34; 1987 a. 399.

13            **SECTION 28.** 91.13 (4) (a) of the statutes is amended to read:

14            91.13 (4) (a) Whether the farmland is designated an agricultural preservation  
15 area in a ~~certified~~ an agricultural preservation plan established certified under  
16 subch. ~~IV~~<sup>V</sup> s. 91.06, 1997 stats., or is an area zoned for exclusive agricultural use under  
17 an ordinance certified under ~~subch. V~~<sup>s.</sup> s. 91.06, 1997 stats.

History: 1977 c. 29, 169, 418, 447; 1979 c. 233 s. 8; 1981 c. 346 ss. 33, 38; 1983 a. 311; 1985 a. 29; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 56; 1991 a. 39, 286.

18            **SECTION 29.** 91.13 (8) (d) of the statutes is repealed.

19            **SECTION 30.** 91.14 of the statutes is amended to read:

20            **91.14 Transition area agreements.** An owner may apply for a transition  
21 area agreement under this subchapter if the farmland is located in an area identified  
22 as a transition area under a ~~certified~~ certified county agricultural preservation plan certified  
23 under subch. ~~IV~~<sup>V</sup> s. 91.06, 1997 stats. The provisions of this subchapter, except ss.  
24 91.11 (1) (b) and (4), 91.13 (4) (a) and (10) and 91.15, apply to agreements under this

1 section. Agreements under this section shall be for not less than 5 nor more than 20  
2 years, consistent with the county agricultural preservation plan.

3 History: 1977 c. 29.

**SECTION 31.** 91.19 (2) (c) 1. e. of the statutes is amended to read:

4 91.19 (2) (c) 1. e. The proposed development or use is consistent with the  
5 county's ~~certified~~ agricultural preservation plan certified under s. 91.06, 1997 stats.,  
6 if a plan is in effect.

7 History: 1977 c. 29, 169, 418; 1979 c. 221; 1983 a. 311; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31; 1991 a. 39, 286; 1993 a. 16; 1995 a. 27.

**SECTION 32.** 91.19 (6t) of the statutes is amended to read:

8 91.19 (6t) ~~The~~ After the effective date of this subsection .... [revisor inserts  
9 date], the department shall relinquish land from a farmland preservation agreement  
10 ~~land that has been subject to a farmland preservation agreement for at least 10 years~~  
11 if the owner of the land so requests.

12 History: 1977 c. 29, 169, 418; 1979 c. 221; 1983 a. 311; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31; 1991 a. 39, 286; 1993 a. 16; 1995 a. 27.

**SECTION 33.** 91.19 (7) of the statutes is amended to read:

13 91.19 (7) Whenever a farmland preservation agreement is relinquished under  
14 sub. (2) or (6t) or all or part of the land is released from a farmland preservation  
15 agreement under sub. (2) or (6p) or a transition area agreement is relinquished under  
16 sub. (2) or, subject to subs. (12) and (13), a transition area agreement is relinquished  
17 under sub. (1) or (1m), the department shall cause to be prepared and recorded a lien  
18 against the property formerly subject to the agreement for the total amount of all  
19 credits received by all owners of such lands under subch. IX of ch. 71 during the last  
20 10 years that the land was eligible for such credit, plus interest at the rate of 9.3%  
21 per year compounded annually on the credits received from the time the credits were  
22 received until the lien is paid for farmland preservation agreements relinquished  
23 under sub. (6t) and 6% per year compounded annually on the credits received from  
24 the time the credits were received until the lien is paid for other agreements. No

1 interest shall be compounded for any period during which the farmland is subject to  
2 a subsequent farmland preservation agreement or transition area agreement or is  
3 zoned for exclusive agricultural use under an ordinance certified under ~~subch. V s.~~  
4 91.06, 1997 stats.

History: 1977 c. 29, 169, 418; 1979 c. 221; 1983 a. 311; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31; 1991 a. 39, 286; 1993 a. 16; 1995 a. 27.

5 **SECTION 34.** 91.19 (8) of the statutes is amended to read:

6 91.19 (8) Subject to subs. (12) and (13), upon the relinquishment of a farmland  
7 preservation agreement under sub. (1) or (1m), the department shall cause to be  
8 prepared and recorded a lien against the property formerly subject to the farmland  
9 preservation agreement for the total amount of the credits received by all owners  
10 thereof under subch. IX of ch. 71 during the last 10 years that the land was eligible  
11 for such credit, plus 6% interest per year compounded from the time of  
12 relinquishment. No interest shall be compounded for any period during which the  
13 farmland is subject to a subsequent farmland preservation agreement or transition  
14 area agreement or is zoned for exclusive agricultural use under an ordinance  
15 certified under ~~subch. V s.~~ 91.06, 1997 stats.

History: 1977 c. 29, 169, 418; 1979 c. 221; 1983 a. 311; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31; 1991 a. 39, 286; 1993 a. 16; 1995 a. 27.

16 **SECTION 35.** 91.19 (10) of the statutes is amended to read:

17 91.19 (10) The lien may be paid and discharged at any time and shall become  
18 payable to the state by the owner of record at the time the land or any portion of it  
19 is sold by the owner of record to any person except the owner's child or if the land is  
20 converted to a use prohibited by the former farmland preservation agreement. Upon  
21 reentry in an agreement under this subchapter or upon zoning for exclusively  
22 agricultural use under an ordinance certified under ~~subch. V s.~~ 91.06, 1997 stats., the  
23 portion of the lien on the land reentered or so zoned shall be discharged. The

**SECTION 35**

1 discharge of a lien does not affect the calculation of any subsequent lien under sub.  
2 (7) or (8). The proceeds from the payment shall be paid into the general fund.

History: 1977 c. 29, 169, 418; 1979 c. 221; 1983 a. 311; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31; 1991 a. 39, 286; 1993 a. 16; 1995 a. 27.

3 **SECTION 36.** 91.19 (12) of the statutes is amended to read:

4 91.19 (12) No lien may be filed under sub. (7) or (8), on the date of  
5 relinquishment, release or termination, for tax credits paid on lands or any portion  
6 of them which are zoned for exclusively agricultural use under an ordinance certified  
7 under subch. ~~V~~ s. 91.06, 1997 stats.

History: 1977 c. 29, 169, 418; 1979 c. 221; 1983 a. 311; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31; 1991 a. 39, 286; 1993 a. 16; 1995 a. 27.

8 **SECTION 37.** 91.21 (3) of the statutes is amended to read:

9 91.21 (3) If the owner or a successor in title of the land upon which a farmland  
10 preservation agreement has been recorded under this chapter fails to comply with  
11 s. 91.13 (8) (~~d~~)<sup>✓</sup> or (dm), such person shall be given one year to restore compliance  
12 before the remedies of sub. (1) shall be applicable.

History: 1977 c. 29; 1989 a. 31; 1991 a. 39, 286.

13 **SECTION 38.** 91.25 of the statutes is created to read:

14  
15  
16  
17  
18  
19  
20  
21  
22  
23

14 **91.25 Phase~~out~~<sup>out</sup> of agreements.** ~~WAM~~ The department may not enter into,  
15 or extend, an agreement under this subchapter after the effective date of this section  
16 .... [revisor inserts date].

17 **SECTION 39.** Subchapter III<sup>✓</sup> of chapter 91 [precedes 91.31] of the statutes is  
18 repealed.

19 **SECTION 40.** Subchapter IV of chapter 91 [precedes 91.51] of the statutes is  
20 repealed.

21 **SECTION 41.** 91.71 of the statutes is repealed.

22 **SECTION 42.** 91.73<sup>✓</sup> (2) of the statutes is repealed.

23 **SECTION 43.** 91.75 (intro.) of the statutes is amended to read:

1           **91.75 Ordinance standards.** (intro.) A zoning ordinance shall be deemed an  
 2 “exclusive agricultural use ordinance” if it includes those jurisdictional,  
 3 organizational or enforcement provisions necessary for its proper administration, if  
 4 the land in exclusive agricultural use districts is limited to agricultural use and is  
 5 ~~identified as an agricultural preservation area under any agricultural preservation~~  
 6 ~~plans adopted under subch. IV~~ and if the regulations on the use of agricultural lands  
 7 in such districts meet the following standards which, except for sub. (4), are  
 8 minimum standards:

History: 1977 c. 29, 169, 418; 1983 a. 311; 1987 a. 399; 1991 a. 39, 286; 1993 a. 112, 464; 1995 a. 201, 227; 1997 a. 252.

9           **SECTION 44.** 91.75 (6) of the statutes is amended to read:

10           **91.75 (6)** For purposes of farm consolidation and if permitted by local  
 11 regulation, farm residences or structures which existed prior to the adoption of the  
 12 ordinance may be separated from a larger farm parcel. ~~Farm residences or~~  
 13 ~~structures with up to 5 acres of land which are separated from a larger farm parcel~~  
 14 ~~under this section are not subject to the lien under s. 91.19 (8) to (10), as required in~~  
 15 ~~s. 91.77 (2) or 91.79.~~

History: 1977 c. 29, 169, 418; 1983 a. 311; 1987 a. 399; 1991 a. 39, 286; 1993 a. 112, 464; 1995 a. 201, 227; 1997 a. 252.

16           **SECTION 45.** 91.77 (2) of the statutes is repealed.

17           **SECTION 46.** 91.78 of the statutes is repealed.

18           **SECTION 47.** 91.79 of the statutes is repealed.

19           **SECTION 48.** 91.80 (1) of the statutes is amended to read:

20           **91.80 (1) ORDINANCE.** Any county, city, village or town may require by separate  
 21 ordinance that land for which an owner receives a zoning certificate under s. 71.59  
 22 (1)(b) applies for a farmland preservation credit under ss. 71.59 and 71.60 be farmed

**SECTION 48**

1 in compliance with reasonable soil and water conservation standards established by  
2 the county land conservation committee.

History: 1983 a. 27; 1985 a. 29; 1987 a. 312 s. 17.

3 **SECTION 49.** 92.08 (1) of the statutes is amended to read:

4 92.08 (1) Every land conservation committee shall prepare annually for its  
5 county a plan which describes the soil and water resource activities to be undertaken  
6 by that county and the dollar amounts required for personnel to administer and  
7 implement activities in that county related to soil conservation activities required  
8 under ~~ss. 92.104~~ and s. 92.105 to claim a farmland preservation credit under subch.  
9 IX of ch. 71, activities required under s. 92.17 related to shoreland management or  
10 activities required under s. 281.65 (8m) related to the development or  
11 implementation of animal waste or construction site erosion ordinances. The land  
12 conservation committee shall submit that plan to the county board of that county and  
13 to the department.

History: 1987 a. 27; 1991 a. 309; 1995 a. 225, 227; 1997 ~~a. 35~~.

14 **SECTION 50.** 92.104 of the statutes is repealed.

15 **SECTION 51.** 92.105 (1) of the statutes is amended to read:

16 92.105 (1) ESTABLISHMENT. A land conservation committee shall establish soil  
17 and water conservation standards. The standards and specifications for agricultural  
18 facilities and practices that are constructed or begun on or after October 14, 1997,  
19 and, if cost-sharing is available to the farmer under s. 92.14, 281.16 (5) or 281.65 or  
20 from any other source, for agricultural facilities and practices that are constructed  
21 or begun before that date shall be consistent with the performance standards,  
22 prohibitions, conservation practices and technical standards under s. 281.16 (3).

23 Beginning on January 1, 2001, the standards shall be consistent with the tolerable

24 ~~soil~~ erosion level established under s. 92.04 (2) (i) and with nutrient management



1 rules promulgated under s. 92.05 (3) (k). ~~It~~ A land conservation committee shall  
2 submit these standards to the board for review.

History: 1985 a. 29, 332; 1987 a. 312 s. 17; 1997 a. 27.

3 **SECTION 52.** 92.105 (2) of the statutes is amended to read:

4 92.105 (2) GUIDELINES; REVIEW. The board shall develop guidelines to be used  
5 for the establishment and administration of soil and water conservation standards.  
6 The board shall review and shall approve or disapprove submitted soil and water  
7 conservation standards based on the guidelines it develops. If the board approves  
8 soil and water conservation standards, it shall notify ~~any appropriate zoning~~  
9 ~~authority~~ the land conservation committee of its approval.

History: 1985 a. 29, 332; 1987 a. 312 s. 17; 1997 a. 27.

10 **SECTION 53.** 92.105 (5) of the statutes is amended to read:

11 92.105 (5) NONCOMPLIANCE. If the land conservation committee determines  
12 that farming operations on land to which this section applies do not comply with soil  
13 and water conservation standards, it shall issue a notice of noncompliance to the  
14 farmer and send a copy of the notice to ~~any appropriate zoning authority.~~ If no  
15 ~~appropriate zoning authority exists, it shall send a copy to the department of~~  
16 ~~revenue. This notice of noncompliance remains in effect until canceled. If actions~~  
17 ~~are taken to comply with the soil and water conservation standards in a manner~~  
18 ~~satisfactory to the land conservation committee, it shall cancel the notice of~~  
19 ~~noncompliance by notifying the farmer and by sending a copy of the cancellation to~~  
20 ~~any appropriate zoning authority. If no appropriate zoning authority exists or if the~~  
21 ~~original notice was sent to the department of revenue, it shall send a copy of the~~  
22 ~~cancellation to the department of revenue.~~

History: 1985 a. 29, 332; 1987 a. 312 s. 17; 1997 a. 27.

23 **SECTION 54.** 92.105 (7) (a) (title) of the statutes is repealed.

1           **SECTION 55.** 92.105 (7) (a) of the statutes is renumbered 92.105 (7) and  
2 amended to read:

3           **92.105 (7) APPLICABILITY.** This section and soil and water conservation  
4 standards established under this section apply only to a person claiming a farmland  
5 preservation credit under subch. IX of ch. 71, land related to that claim and farming  
6 operations on that land ~~and apply only as provided under pars. (b) to (d).~~

7 History: 1985 a. 29, 332; 1987 a. 312 s. 17; 1997 a. 27.

7           **SECTION 56.** 92.105 (7) (b) to (d) of the statutes are repealed.

8           **SECTION 57.** 92.14 (2) (e) of the statutes is amended to read:

9           **92.14 (2) (e)** Promoting compliance with the requirements under ~~ss. 92.104~~ and  
10 s. 92.105 by persons claiming a farmland preservation credit under subch. IX of ch.  
11 71.

12 History: 1987 a. 27, 297; 1989 a. 56; 1991 a. 39, 309; 1993 a. 16, 166, 213; 1995 a. 27, 225, 227; 1997 a. 27.

12           **SECTION 58.** 92.14 (3) (a) of the statutes is amended to read:

13           **92.14 (3) (a)** Compliance with requirements under ~~ss. 92.104~~ and s. 92.105 by  
14 persons claiming a farmland preservation credit under subch. IX of ch. 71.

15 History: 1987 a. 27, 297; 1989 a. 56; 1991 a. 39, 309; 1993 a. 16, 166, 213; 1995 a. 27, 225, 227; 1997 a. 27.

15           **SECTION 59.** 92.14 (4) (b) of the statutes is amended to read:

16           **92.14 (4) (b)** Implementing land and water resource management projects  
17 undertaken to comply with the requirements under ~~ss. 92.104~~ and s. 92.105 by  
18 persons claiming a farmland preservation credit under subch. IX of ch. 71.

19 History: 1987 a. 27, 297; 1989 a. 56; 1991 a. 39, 309; 1993 a. 16, 166, 213; 1995 a. 27, 225, 227; 1997 a. 27.

19           **SECTION 60.** 92.14 (6) (c) 1. of the statutes is amended to read:

20           **92.14 (6) (c) 1.** Cost-effectiveness of an activity, including but not limited to  
21 technical assistance, educational assistance, management practices, and satisfying  
22 the requirements under ~~ss. 92.104~~ and s. 92.105 for claiming farmland preservation  
23 credits under subch. IX of ch. 71.

History: 1987 a. 27, 297; 1989 a. 56; 1991 a. 39, 309; 1993 a. 16, 166, 213; 1995 a. 27, 225, 227; 1997 a. 27.

1           **SECTION 61.** 281.65 (5) (b) of the statutes is amended to read:

2           281.65 (5) (b) Prepare sections of the priority watershed or priority lake plan  
3 relating to farm-specific implementation schedules, requirements under ~~ss. 92.104~~<sup>✓</sup>  
4 and s. 92.105, animal waste management and selection of agriculturally related best  
5 management practices and submit those sections to the department for inclusion  
6 under sub. (4m) (b). The best management practices shall be cost-effective best  
7 management practices, as specified under sub. (4) (e), except in situations in which  
8 the use of a cost-effective best management practice will not contribute to water  
9 quality improvement or will cause a water body to continue to be impaired as  
10 identified to the federal environmental protection agency under 33 USC 1313 (d) (1)  
11 (A).

History: 1977 c. 418; 1979 c. 34, 221; 1979 c. 355 s. 241; 1981 c. 20; 1981 c. 346 s. 38; 1983 a. 27; 1983 a. 189 s. 329 (16); 1983 a. 416; 1985 a. 29; 1987 a. 27; 1989 a. 31, 336, 366; 1991 a. 39, 309; 1993 a. 16, 166, 213, 246, 491; 1995 a. 27, 201, 225; 1995 a. 227 s. 428; Stats. 1995 s. 281.65; 1995 a. 404 s. 204; 1997 a. 27, 209, 237.

12           **SECTION 62.** 281.65 (5) (d) of the statutes is amended to read:

13           281.65 (5) (d) Develop a grant disbursement and project management schedule  
14 for agriculturally related best management practices to be included in a plan  
15 established under sub. (4) (g) and identify recommendations for implementing  
16 activities or projects under ~~ss. 92.10, 92.104~~<sup>✓</sup> and 92.105.

History: 1977 c. 418; 1979 c. 34, 221; 1979 c. 355 s. 241; 1981 c. 20; 1981 c. 346 s. 38; 1983 a. 27; 1983 a. 189 s. 329 (16); 1983 a. 416; 1985 a. 29; 1987 a. 27; 1989 a. 31, 336, 366; 1991 a. 39, 309; 1993 a. 16, 166, 213, 246, 491; 1995 a. 27, 201, 225; 1995 a. 227 s. 428; Stats. 1995 s. 281.65; 1995 a. 404 s. 204; 1997 a. 27, 209, 237.

17           **SECTION 63.** 281.65 (5) (e) of the statutes is amended to read:

18           281.65 (5) (e) Identify areas within a priority watershed or priority lake area  
19 that are subject to activities required under ~~ss. 92.104~~<sup>✓</sup> and s. 92.105.

History: 1977 c. 418; 1979 c. 34, 221; 1979 c. 355 s. 241; 1981 c. 20; 1981 c. 346 s. 38; 1983 a. 27; 1983 a. 189 s. 329 (16); 1983 a. 416; 1985 a. 29; 1987 a. 27; 1989 a. 31, 336, 366; 1991 a. 39, 309; 1993 a. 16, 166, 213, 246, 491; 1995 a. 27, 201, 225; 1995 a. 227 s. 428; Stats. 1995 s. 281.65; 1995 a. 404 s. 204; 1997 a. 27, 209, 237.

20           **SECTION 9104. Nonstatutory provisions; agriculture, trade and**  
21 **consumer protection.**

22           (1) SOIL AND WATER CONSERVATION STANDARDS. A county land conservation  
23 committee shall submit revised soil and water conservation standards that comply

1 with section 92.105 (1) of the statutes, as affected by this act, to the land and water  
2 conservation board no later than March 1, 2000.

3 **SECTION 9343. Initial applicability; revenue.**

4 (1) FARMLAND PRESERVATION CREDIT. (a) The treatment of sections 71.59 (1) (a)  
5 and (b) (intro.) and (2) (intro.) and 71.605 of the statutes first applies to taxable years  
6 beginning on January 1 of the year in which this subsection takes effect, except that  
7 if this subsection takes effect after July 31, <sup>the treatment of</sup> sections 71.59 (1) (a) and (b) (intro.) and  
8 (2) (intro.) and 71.605 of the statutes first applies to taxable years beginning on  
9 January 1 of the year following the year in which this subsection takes effect.

10 (b) The treatment of section 71.59 (1) (b) 5. and (d) <sup>(intro.) and 1. first</sup> of the statutes <sup>applies</sup>  
11 to taxable years beginning on January 1, 2001. <sup>paragraph</sup>

12 **SECTION 9404. Effective dates; agriculture, trade and consumer**  
13 **protection.**

14 (1) FARMLAND PRESERVATION CHANGES. The treatment of sections 23.094 (2) (c)  
15 3., 66.023 (7m), 71.59 (1) (c) <sup>and</sup> (d) 1. and (2) (b) and (d), 71.60 (1) (b) <sup>(A)</sup> (c) 1. to 3. and 5.  
16 to 8. <sup>and</sup> 91.01 (8), 91.06, 91.11 (1) (a) and (b), (2), (3) and (4), 91.13 (4) (a) and (8)  
17 (d), 91.14, 91.19 (2) (c) 1. e., (7), (8), (10) and (12), 91.21 (3), 91.71, 91.73 (2), 91.75  
18 (intro.) and (6), 91.77 (2), 91.78, 91.79, 91.80 (1), 92.08 (1), 92.104, 92.105 (2) and (7)  
19 <sup>and</sup> (b) to (d), 92.14 (2) (e), (3) (a), (4) (b) <sup>and</sup> (6) (c) 1. and 281.65 (5) (b), (d) and (e)  
20 and subchapters III and IV of chapter 91 of the statutes takes effect on January 1,  
21 2001.

(END)  
the repeal of section 92.105 (7) (a) (title) of the statutes and  
the renumbering and  
amendment of sections  
71.60 (2) for the statutes and  
the creation of section  
71.60 (2) (b) of the  
statutes and  
92.105  
(7) (a)

1/26 Per Kirsten -

1. Amend <sup>(or repeal)</sup> s. 91.75(1) to remove 35 acre minimum.  
Instead, require ordinance to establish some minimum  
lot size

✓ 2. P. 11, line 13 - Don't call it "Transfer" call it "Acquisition".

3. P. 20, line 19 - September rather than March

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## Shovers, Marc

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**From:** Grinde, Kirsten  
**Sent:** Wednesday, January 27, 1999 3:02 PM  
**To:** Shovers, Marc; Tradewell, Becky  
**Subject:** FW: Farmland

See Sherrie's note below. Could you include a new appropriation for the preservation tax credit?

Thanks,

Kirsten

-----Original Message-----

**From:** Gates-Hendrix, Sherrie  
**Sent:** Wednesday, January 27, 1999 2:50 PM  
**To:** Grinde, Kirsten  
**Subject:** Farmland

Just one more thought -

I would recommend that you create another appropriation for the new credit. The two credits seem so distinct, and don't preclude one another or interact with one another. Seems like the development rights credit should have it's own appropriation.

S.

## Tradewell, Becky

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**From:** Grinde, Kirsten  
**Sent:** Wednesday, January 27, 1999 3:53 PM  
**To:** Shovers, Marc; Tradewell, Becky  
**Subject:** FW: Analysis of LRB 1785/p1 - Farmland P

Please check the cross-references mentioned below. Thanks, Kirsten

-----Original Message-----

**From:** Gates-Hendrix, Sherrie  
**Sent:** Wednesday, January 27, 1999 3:46 PM  
**To:** Grinde, Kirsten  
**Cc:** Koskinen, John; Schmiedicke, David  
**Subject:** FW: Analysis of LRB 1785/p1 - Farmland P

more comments from DOR.....

-----Original Message-----

**From:** Weinberger, Marc  
**Sent:** Wednesday, January 27, 1999 3:08 PM  
**To:** Gates-Hendrix, Sherrie  
**Cc:** Braun, Yeang Eng; Boldt, Rebecca  
**Subject:** RE: Analysis of LRB 1785/p1 - Farmland P

Sherrie:

some additional drafting comments I just received from IS&E:

The drafters should check the following references for consistency between the tax part (chapter 71) and the Farmland Preservation part (chapters 91 & 92):

On page 2, line 22 and page 3, line 21 the reference to "this subchapter" is changed to sections "71.59 and 71.60". Similar language citing "subchapter IX of chapter 71" appears at the following locations, but was not amended:

- ✓ page 13, line 24
- ✓ page 14, line 14
- ✓ page 17, line 6
- ✓ page 19, lines 1, 6, 10, 14 and 19

Thanks.

You might ask Kirsten if the idea is for the Farmland Preservation acreage credit to be paid via the Farmland Preservation form or on the Income tax form; we cannot tell from the draft.