

WISCONSIN LEGISLATIVE COUNCIL STAFF

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FORM 2

JUN 17 REC'D

RULES CLEARINGHOUSE

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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 99-084

AN ORDER to amend NR 46.15 (9) Note; and to repeal and recreate NR 46.30 (2) (a) to (d), relating to the administration of the forest crop law and the managed forest law.

Submitted by **DEPARTMENT OF NATURAL RESOURCES**

05-11-99 RECEIVED BY LEGISLATIVE COUNCIL.

06-08-99 REPORT SENT TO AGENCY.

RNS:MM:jal;rv

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS [s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO

OFFICE OF THE REVISOR OF STATUTES
NATURAL RESOURCES BOARD
WISCONSIN LEGISLATIVE COUNCIL STAFF

RULES CLEARINGHOUSE

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CLEARINGHOUSE RULE 99-084

Comments

[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated September 1998.]

2. Form, Style and Placement in Administrative Code

- a. In s. NR 46.30 (2) (a), (b) and (c), the effective date of each table should be placed at the top of each table, as in the current rule.
- b. The introductory material to the map in s. NR 46.30 (d) should be recreated. In addition, should the map contain the names of the zones, in addition to the numerical designation, as does the map in the current rule?

ORDER OF THE STATE OF WISCONSIN
NATURAL RESOURCES BOARD
AMENDING AND REPEALING AND RECREATING RULES

The Wisconsin Natural Resources Board proposes)
an order to amend NR 46.15(9) Note and repeal and)
recreate NR 46.30(2)(a) to (d) relating to the administration)
of the Forest Crop Law and the Managed Forest Law.)

FR-21-99

Analysis Prepared by the Department of Natural Resources

Statutory authority: ss. 77.06(2), 77.91(1) and 227.11(2)(a), Stats.
Statutes interpreted: ss. 77.06(2), and 77.91(1), Stats.

Building Clarification Note: The note of clarification following the definition of "Developed for human residence" will be modified to exclude all land converted to MFL from FCL under the window of conversion authorized by the legislature from the changes in human residence definition.

Annual Stumpage Rate Adjustments: For purposes of the Forest Crop Law and The Managed Forest Law, this rule repeals and recreates s. NR 46.30(2)(a) to (c) to revise annual stumpage values used to calculate severance and yield taxes due on timber cut during the period from November 1, 1999 through October 31, 2000. Twelve separate zones reflect varying stumpage values for different species and products across the state. The average price change for sawtimber is a 6.97% increase over current rates. The pulpwood proposed prices are, on the average, 32.44% higher compared to current prices.

The proposed change to 14 zones is not reflected in the stumpage tables due to the number of alternatives that are possible. At the hearing, prices will be available by county and/or zone proposals. The average price increases should still be relatively close with the changes coming within specific zones.

Stumpage Rate Zone Changes: In an effort to simplify and more accurately represent the actual prices received for timber cut on Forest Crop Law and Managed Forest Law lands, this rule repeals and recreates s. NR 46.30(2)(d) to create 14 new zone designations from the old 12 for the stumpage rate tables. This will eliminate the need for a 30% reduction in stumpage rates for pine cordwood in 27 counties as presently established in the 12 zone configuration.

SECTION 1. NR 46.15(9) Note is amended to read:

Note: "Developed for human residence" is not meant to include storage or workshop buildings. If there is living space as part of such buildings, the living space will be compared against the 8 characteristics. This definition does not apply to entries in effect January 1, 1999 or lands converted from the Forest Crop Law to the Managed Forest Law under ss: 77.82(4m) Wis. Stats., except that those entries must adhere to the traditional domicile and landscaping definitions concerning buildings on MFL lands.

SECTION 2. NR 46.30(2)(a) to (d) are repealed and recreated to read:

(see attached pages)

NR 46.30 Stumpage Rates - 2000

2000 Rates - Effective Nov. 1, 1999

NR 46.30(2)(a) Stumpage Rates - Logs (stumpage value per thousand board feet measurement by the Scribner Decimal C log rule).

	1 SOUTHERN	2 GREEN BAY	3 MARINETTE	4 BLK RIVER FALLS	5 LA CROSSE	6 EAU CLAIRE	7 WOOD-RUFF	8 ANTIGO	9 WIS RAPIDS	10 BRULE	11 CUMBER-LAND	12 PARK FALLS
Cedar	80.00	80.00	80.00	80.00	NA	80.00	161.00	161.00	161.00	80.00	80.00	80.00
Fir	NA	68.00	68.00	68.00	NA	68.00	68.00	68.00	NA	78.00	38.00	68.00
Hemlock	NA	93.00	93.00	93.00	NA	93.00	30.00	95.00	NA	155.00	155.00	155.00
Pine												
Jack	42.00	42.00	42.00	42.00	42.00	42.00	58.00	57.00	58.00	84.00	42.00	42.00
Red	111.00	141.00	150.00	104.00	92.00	106.00	148.00	141.00	116.00	139.00	96.00	65.00
White	125.00	152.00	144.00	105.00	122.00	91.00	122.00	154.00	188.00	142.00	110.00	135.00
Spruce	75.00	123.00	122.00	81.00	81.00	81.00	97.00	93.00	94.00	63.00	29.00	77.00
Tamarack	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	34.00	26.00	23.00
Aspen	25.00	132.00	56.00	44.00	26.00	64.00	174.00	39.00	19.00	24.00	37.00	20.00
Ash	185.00	179.00	182.00	148.00	116.00	163.00	190.00	177.00	120.00	144.00	120.00	126.00
Basswood	143.00	230.00	232.00	160.00	158.00	187.00	200.00	204.00	101.00	180.00	161.00	132.00
Birch												
White	66.00	150.00	150.00	144.00	96.00	77.00	136.00	170.00	161.00	21.00	180.00	18.00
Yellow	186.00	282.00	282.00	186.00	186.00	186.00	188.00	210.00	208.00	175.00	110.00	145.00
Elm	82.00	92.00	92.00	50.00	100.00	83.00	92.00	92.00	92.00	92.00	92.00	92.00
Maple												
Sugar	308.00	388.00	385.00	262.00	364.00	286.00	255.00	346.00	233.00	291.00	236.00	139.00
Other	195.00	237.00	157.00	120.00	152.00	156.00	163.00	154.00	121.00	114.00	93.00	111.00
Oak												
Red	371.00	200.00	423.00	286.00	313.00	336.00	210.00	346.00	351.00	210.00	321.00	295.00
White	229.00	133.00	240.00	131.00	146.00	133.00	NA	400.00	188.00	161.00	163.00	131.00
Other	171.00	142.00	114.00	131.00	102.00	126.00	NA	188.00	113.00	258.00	55.00	151.00
Other Hardwood	167.00	163.00	161.00	96.00	242.00	126.00	159.00	183.00	157.00	124.00	123.00	87.00
Black Walnut	606.00	NA	NA	400.00	400.00	400.00	NA	NA	NA	NA	NA	NA

NA - Not Applicable - This species/product is not normally harvested within this zone.

NR 46.30(2)(b) Cord Products - 128 cubic feet of wood, air and bark assuming careful piling.

	1 SOUTHERN	2 GREEN BAY	3 MARINETTE	4 BLK RIVER FALLS	5 LA CROSSE	6 EAU CLAIRE	7 WOOD-RUFF	8 ANTIGO	9 WIS RAPIDS	10 BRULE	11 CUMBER-LAND	12 PARK FALLS
Cedar	25.00	27.20	27.20	25.00	NA	25.00	15.00	15.00	15.00	3.40	12.50	13.00
Fir	NA	21.80	21.80	16.10	NA	16.10	12.80	12.40	NA	20.00	12.70	14.10
Hemlock	NA	10.00	10.00	9.90	NA	9.90	10.00	10.00	NA	8.30	8.30	8.30
Pine												
Jack*	36.40	44.40	44.80	34.00	24.70	35.80	47.10	44.30	37.80	37.40	34.20	31.20
Red*	29.80	13.00	45.80	36.00	35.10	37.30	46.00	45.50	34.30	40.90	32.10	36.80
White*	22.40	8.00	24.90	19.30	33.50	23.40	26.70	12.70	23.10	37.10	13.20	29.00
Spruce	13.40	8.00	28.40	22.00	18.40	19.50	27.40	27.70	27.60	20.90	16.70	24.70
Tamarack	25.00	24.90	24.90	18.10	11.00	16.90	34.60	19.40	33.00	19.60	13.90	11.60
Aspen	25.90	15.00	31.40	18.60	9.50	22.20	25.40	22.90	14.30	21.60	25.80	22.90
Birch	20.30	26.40	26.40	17.00	5.00	15.90	24.00	22.30	11.70	17.30	15.20	21.70
Basswood	12.00	13.00	13.00	12.60	12.60	12.60	3.60	6.00	2.00	5.70	11.70	21.70
Oak	10.00	10.00	19.50	12.50	9.40	44.10	12.80	9.30	12.30	17.40	9.70	14.80
Other Hardwood	7.30	3.00	23.00	17.00	10.20	16.50	19.10	17.30	12.10	14.50	12.50	13.50
Fuelwood	8.80	21.50	21.50	5.70	6.30	7.50	8.00	9.60	2.20	9.70	5.00	7.60

NA - Not Applicable - This species/product is not normally harvested within this zone.

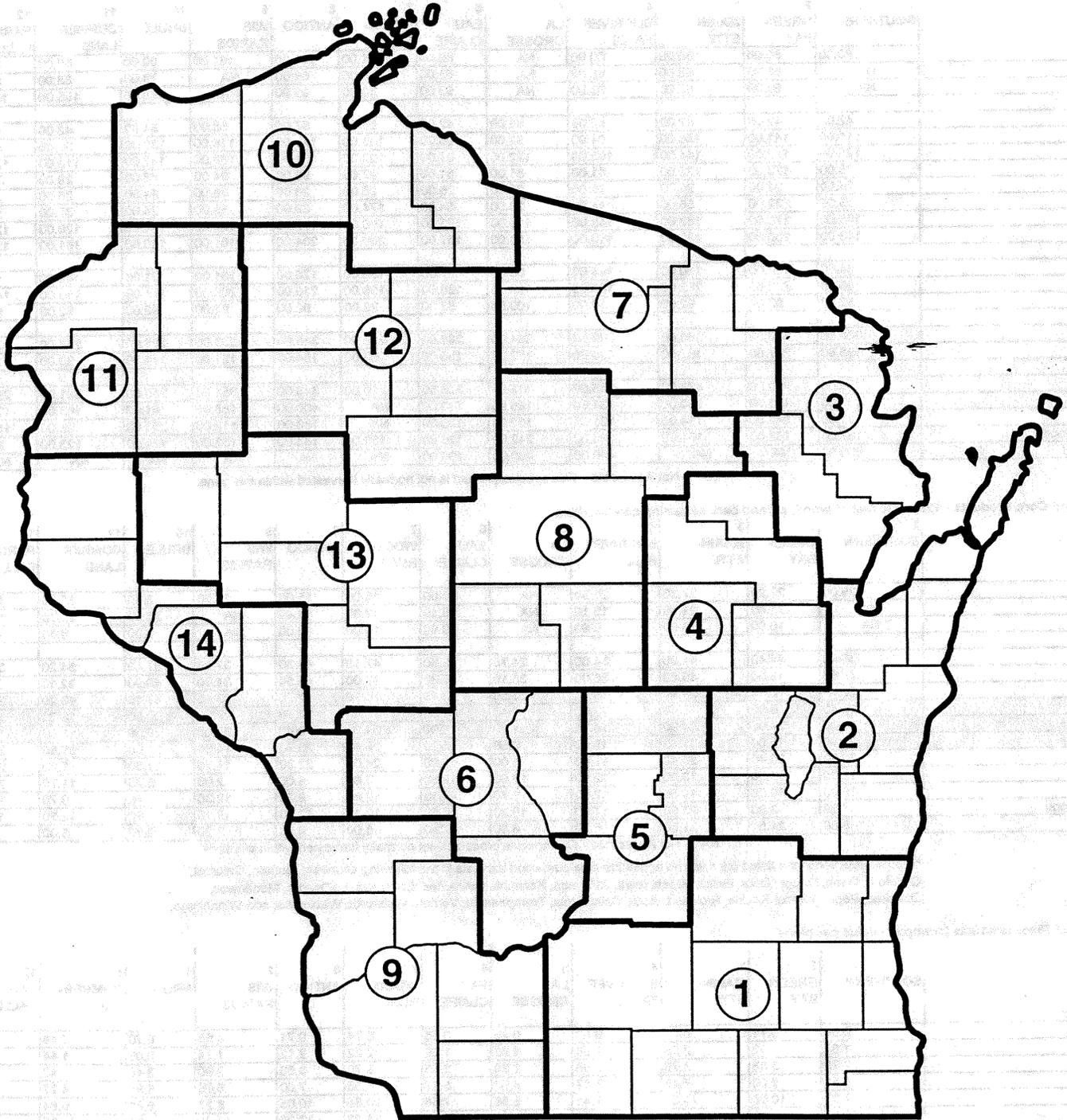
*A 30% reduction in the listed price will be applied to pine cordwood harvests in the following counties: Buffalo, Calumet, Crawford, Dane, Dodge, Door, Grant, Green, Iowa, Jefferson, Kenosha, Kewaunee, LaCrosse, LaFayette, Manitowoc, Ozaukee, Pepin, Pierce, Racine, Richland, Rock, Saint Croix, Trempealeau, Vernon, Walworth, Waukesha, and Winnebago.

NR 46.30(2)(c) Piece products (stumpage value per piece).

	1 SOUTHERN	2 GREEN BAY	3 MARINETTE	4 BLK RIVER FALLS	5 LA CROSSE	6 EAU CLAIRE	7 WOOD-RUFF	8 ANTIGO	9 WIS RAPIDS	10 BRULE	11 CUMBER-LAND	12 PARK FALLS
Posts & Poles												
7 and 8 ft.	0.56	0.71	0.75	0.52	0.46	0.53	0.74	0.71	0.58	0.70	0.48	0.33
10 and 12 ft.	1.67	2.12	2.25	1.56	1.38	1.59	2.22	2.12	1.74	2.09	1.44	0.98
14 and 16 ft.	2.78	3.53	3.75	2.60	2.30	2.65	3.70	3.53	2.90	3.48	2.40	1.63
18 and 20 ft.	5.51	7.00	7.45	5.17	4.57	5.27	7.35	7.00	5.76	6.91	4.77	3.23
21 and 30 ft.	7.91	10.05	10.69	7.41	6.56	7.56	10.55	10.05	8.27	9.91	6.84	4.63
31 and 40 ft.	13.67	17.36	18.47	12.80	11.33	13.05	18.22	17.36	14.28	17.11	11.82	8.00
41 and 50 ft.	20.44	25.96	27.62	19.15	16.94	19.52	27.25	25.96	21.36	25.60	17.68	11.97
51 and 60 ft.	28.23	35.86	38.15	26.45	23.40	26.96	37.64	35.86	29.50	35.35	24.42	16.53
61 and 70 ft.	36.92	46.90	49.90	34.59	30.60	35.26	49.23	46.90	38.59	46.24	31.93	21.62
Christmas Trees												
Unsheared	3.10	3.10	3.10	3.40	3.40	3.40	4.50	5.00	3.40	5.60	2.30	6.50
Sheared	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50

6

NR 46.30 (d)



The foregoing rules were approved and adopted by the State of Wisconsin Natural Resources Board on _____.

The rules shall take effect the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats.

Dated at Madison, Wisconsin _____

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By _____
George E. Meyer, Secretary

(SEAL)

JUL 20 REC'D

State of Wisconsin
Department of Natural Resources

**NOTICE TO PRESIDING OFFICERS
OF PROPOSED RULEMAKING**

Pursuant to s. 227.19, Stats., notice is hereby given that final draft rules are being submitted to the presiding officer of each house of the legislature. The rules being submitted are:

Natural Resources Board Order No. FR-21-99

Legislative Council Rules Clearinghouse Number 99-084

Subject of Rules Administration of the Forest Crop Law
and the Managed Forest Law

Date of Transmittal to Presiding Officers July 19, 1999

Send a copy of any correspondence or notices pertaining to this rule to:

**Carol Turner, Rules Coordinator
DNR Bureau of Legal Services
LC/5, 101 South Webster**

266-1959

REPORT TO LEGISLATURE

NR 46, Wis. Adm. Code Administration of the Forest Crop Law and the Managed Forest Law

Board Order No. FR-21-99 Clearinghouse Rule No. 99-084

Statement of Need

The proposed rule completes the annual stumpage rate adjustments as required in ss. 77.06(2) and 77.91(1), Stats., including the creation of new zones for stumpage calculations and to clarify buildings on Forest Crop Law and Managed Forest Law conversion applications sent in prior to the establishment of the new definition of "human residence" which have yet to be processed.

To more accurately reflect the actual prices received by landowners, this rule repeals and recreates s. NR 46.30(2)(a) to (c) to revise annual stumpage values used to calculate severance and yield taxes due on timber cut during the period from November 1, 1999 through October 31, 2000. Thirteen separate zones reflect varying stumpage values for different species and products across the state. The average price change for sawtimber is a 4.38% increase over current rates. The pulpwood proposed prices are, on the average, 23.61% higher compared to current prices. The zones were also modified to create 13 zones rather than the current 12 zones. This will eliminate the need to have a special 30% reduction on pine cordwood prices in 27 counties.

Modifications as a Result of Public Hearing

The number of zones was changed from 12 to 13, rather than 14 as originally proposed. Because the number of zones was modified and further information received on the prices received for the timber cut from forest tax law lands, the average increase in stumpage values for sawtimber was 4.38% rather than 6.97%. The average stumpage value for pulpwood was an increase of 23.61% rather than 32.44% as originally proposed.

Appearances at the Public Hearing and Their Position

In support – none

In opposition:

Christine M. Walroth, Consolidated Papers, Inc., P.O. Box 158, Rhinelander, WI 54501

As interest may appear:

Rob Kudick, Wausau-Mosinee Paper Corporation, 100 Main Street, Mosinee, WI 54455

Bill Hasse, Champion International Corporation, W6582 N. US Hwy. 2, P.O. Box 39,
Norway, Michigan 49870

Pete Hilgers, Kretz Lumber Co., Inc., 1770 Lone Pine Lane, Mosinee, WI 54455

Doug Maurer, The Timber Company, 993 Kings Way, Nekoosa, WI 54457

Response to Legislative Council Rules Clearinghouse Report

The recommendations were accepted.

Final Regulatory Flexibility Analysis

This rule does affect small businesses. Small private forest landowners and forest industries enrolled under the Forest Crop Law and the Managed Forest Law are required to pay 10% and 5% respectively of the stumpage value adopted in the zone for the species and wood product volume cut from their land. Existing compliance and reporting procedures are defined by statute.

ORDER OF THE STATE OF WISCONSIN
NATURAL RESOURCES BOARD
AMENDING AND REPEALING AND RECREATING RULES

The Wisconsin Natural Resources Board proposes)
an order to amend NR 46.15(9) Note and repeal and)
recreate NR 46.30(2)(a) to (d) relating to the administration) FR-21-99
of the Forest Crop Law and the Managed Forest Law.)

Analysis Prepared by the Department of Natural Resources

Statutory authority: ss. 77.06(2), 77.91(1) and 227.11(2)(a), Stats.
Statutes interpreted: ss. 77.06(2), and 77.91(1), Stats.

Building Clarification Note: The note of clarification following the definition of "Developed for human residence" is modified to exclude all land converted to the Managed Forest Law from the Forest Crop Law (under the window of conversion authorized by the legislature) from the changes in human residence definition.

Annual Stumpage Rate Adjustments: For purposes of the Forest Crop Law and The Managed Forest Law, this rule repeals and recreates s. NR 46.30(2)(a) to (c) to revise annual stumpage values used to calculate severance and yield taxes due on timber cut during the period from November 1, 1999 through October 31, 2000. Thirteen separate zones reflect varying stumpage values for different species and products across the state. The average price change for sawtimber is a 4.38% increase over current rates. The pulpwood proposed prices are, on the average, 23.61% higher compared to current prices.

The change to 13 zones is a change in the stumpage tables. The average price increase percentages were calculated on the 12 zones due to the lack of 13 zone pricing from last year.

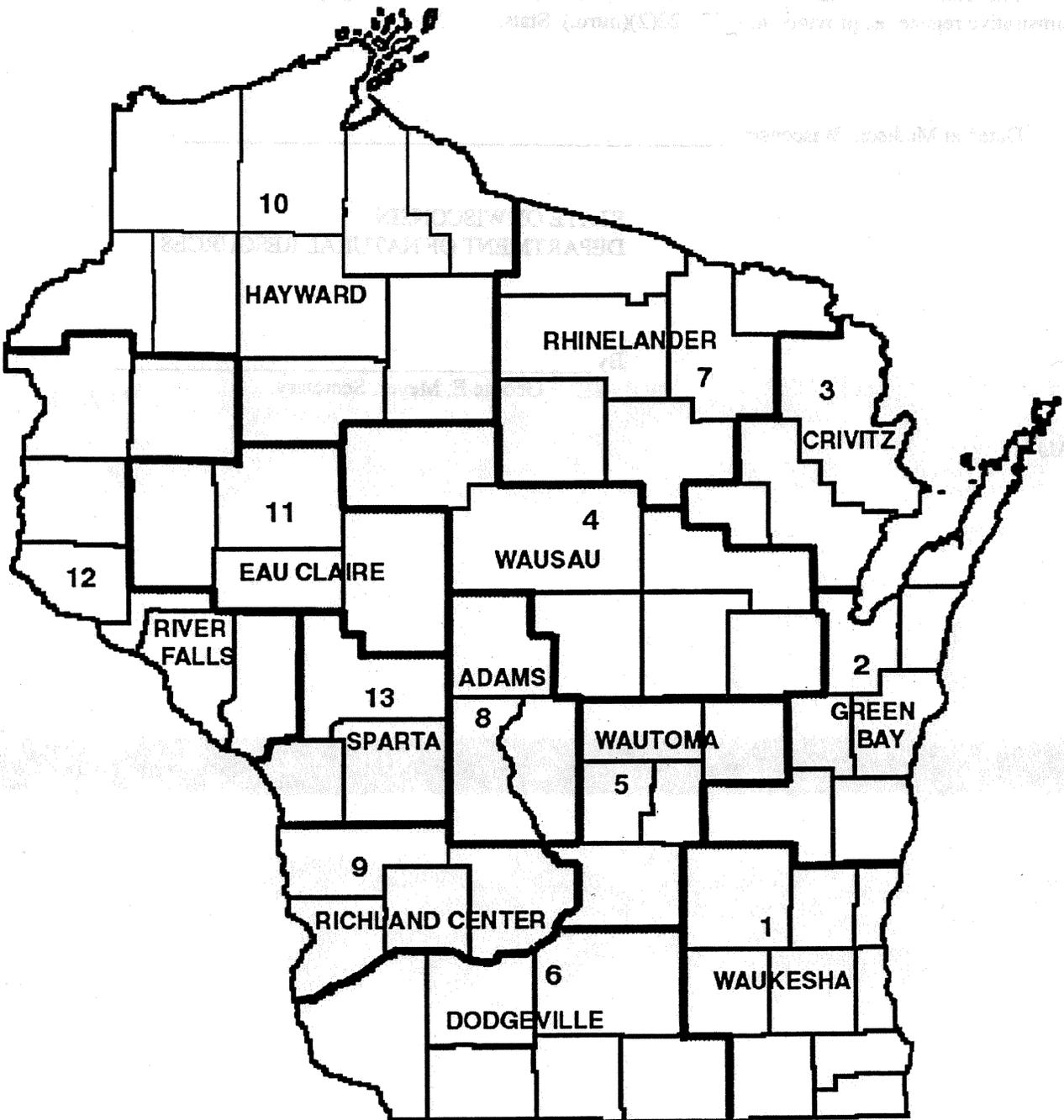
Stumpage Rate Zone Changes: In an effort to simplify and more accurately represent the actual prices received for timber cut on Forest Crop Law and Managed Forest Law lands, this rule repeals and recreates s. NR 46.30(2)(d) to create 13 new zone designations from the old 12 for the stumpage rate tables. This will eliminate the need for a 30% reduction in stumpage rates for pine cordwood in 27 counties as presently established in the 12 zone configuration.

SECTION 1. NR 46.15(9) Note is amended to read:

Note: "Developed for human residence" is not meant to include storage or workshop buildings. If there is living space as part of such buildings, the living space will be compared against the 8 characteristics. This definition does not apply to entries in effect January 1, 1999 or lands converted from the forest crop law to the managed forest law under s.77.82(4m), Stats., except that those entries must adhere to the traditional domicile and landscaping definitions concerning buildings on MFL lands.

SECTION 2. NR 46.30(2)(a) to (d) are repealed and recreated to read:

(d) Map of severance and yield schedule zones



The foregoing rules were approved and adopted by the State of Wisconsin Natural Resources Board on June 30, 1999.

The rules shall take effect the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats.

Dated at Madison, Wisconsin _____

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By _____
George E. Meyer, Secretary

(SEAL)

