

**2003 DRAFTING REQUEST**

**Assembly Substitute Amendment (ASA-AB323)**

Received: **09/11/2003**

Received By: **mglass**

Wanted: **Soon**

Identical to LRB:

For: **Donald Friske (608) 266-7694**

By/Representing: **Tim Gary**

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

Drafter: **mglass**

May Contact: **DNR (Paul DeLong)**

Addl. Drafters: **jkreye  
btradewe**

Subject: **Nat. Res. - parks and forestry**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Friske@legis.state.wi.us**

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Changes to managed forest land bill

---

**Instructions:**

See Attached

---

**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>
/?	mglass 09/11/2003	wjackson 09/12/2003					
/P1	mglass 09/23/2003	wjackson 10/06/2003	rschluet 09/12/2003				
	mglass						

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	10/06/2003 btradewe 10/06/2003			_____			
/P2			jfrantze 10/07/2003	_____	sbasford 10/07/2003		
/1	btradewe 10/09/2003	wjackson 10/09/2003	pgreensl 10/09/2003	_____	sbasford 10/09/2003	sbasford 10/09/2003	

FE Sent For:

<END>

### 2003 DRAFTING REQUEST

#### Assembly Substitute Amendment (ASA-AB323)

Received: 09/11/2003

Received By: mglass

Wanted: Soon

Identical to LRB:

For: Donald Friske (608) 266-7694

By/Representing: Tim Gary

This file may be shown to any legislator: NO

Drafter: mglass

May Contact: DNR (Paul DeLong)

Addl. Drafters: jkreye  
btradewe

Subject: Nat. Res. - parks and forestry

Extra Copies:

Submit via email: YES

Requester's email: Rep.Friske@legis.state.wi.us

Carbon copy (CC:) to:

---

#### Pre Topic:

No specific pre topic given

---

#### Topic:

Changes to managed forest land bill

---

#### Instructions:

See Attached

---

#### 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>
/?	mglass 09/11/2003	wjackson 09/12/2003					
/P1	mglass 09/23/2003 mglass	wjackson 10/06/2003	rschluet 09/12/2003				
		11 W/LJ 10/9	10/9 P.8	10/9 P.8/15			

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	10/06/2003			_____			
	btradewe			_____			
	10/06/2003			_____			
/P2			jfrantze	_____	sbasford		
			10/07/2003	_____	10/07/2003		

FE Sent For:

<END>

**2003 DRAFTING REQUEST**

**Assembly Substitute Amendment (ASA-AB323)**

Received: 09/11/2003

Received By: **mglass**

Wanted: **Soon**

Identical to LRB:

For: **Donald Friske (608) 266-7694**

By/Representing: **Tim Gary**

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

Drafter: **mglass**

May Contact: **DNR (Paul DeLong)**

Addl. Drafters: **jkreye**

Subject: **Nat. Res. - parks and forestry**

Extra Copies: **wlj**

Submit via email: **YES**

Requester's email: **Rep.Friske@legis.state.wi.us**

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Changes to managed forest land bill

---

**Instructions:**

See Attached

---

**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>
1?	mglass	1/1 wlj 9/12					
		1/2 wlj 10/6	9-2-3	pb			
			10/7	10/7			

FE Sent For:

**ENDS**  
10/7

Tues Wed  
Thurs

# AB 323 Substitute Amendment 1

prepared  
by Tim  
Gary

done  
done

- 1. Include AB 276 as passed by the Assembly Committee on Forestry
- 2. Include Assembly Amendment 1 to AB 323
- 3. The term "nature-based outdoor recreation" [AB 323 section 2, p 4, lines 6 and 7; s. 23.09 (18m) 2., Stats.] is broader than the range of uses intended. Link the purposes for which land may be acquired to the purposes for which MFL owners must permit public access to open MFL land as stated in s. 77.83 (2) (a), Stats., i.e. "... for hunting, fishing, hiking, sightseeing, and cross-country skiing."

are  
already  
continuing  
D-Note

4. To properly administer the grant program proposed under AB 323 section 2; s. 23.09 (18m), Stats. it is important that the appropriation created in AB 323 section 1; s. 20.370 (1) (cw) be a continuing appropriation. Similarly, if Assembly Amendment 1 to AB 323 [LRBa0531/1] offered by Representative Serratti is adopted, the Department requests that the appropriation created in section 1b of that Amendment also be created as a continuing appropriation. Again, to properly administer grants over state fiscal years and biennia, it is necessary that these appropriations be continuing.

5. **Sections 22 and 24 [ss. 77.82 (7) (c) 2., and 77.82 (12), Stats.]. As drafted, AB 323 seems to create a minor discrepancy between application dates for first-time petitioners who own 1000 acres or more and renewal petitioners who own 1000 acres or more.** Specifically, AB 323 section 22 [s. 77.82 (7) (c) 2.] requires that petitions be received before April 1 of any year; however, AB 323 section 24 [§77.82 (12)] requires that renewal petitions for 1000 acres or more be filed "no later that the April 1 ...". That is, it appears that under the draft, a renewal petition would be considered on time if received by the end of the day April 1, while a first-time petition must be submitted by the end of the day March 31. A minor point, but an inconsistency.

6. **Sections 28, 30, and 32 [Ss. 77.84 (2)(am), (bm), and (cm)]. Correction to formula for calculating the acreage share and closed acreage fee.** The current AB 323 descriptions of the formula for calculating the acreage share and closed acreage fee [ss. 77.84 (2) (am) and 77.84 (2) (bm), Stats.] do not reflect the bases upon which the Governor's Council approved changes to the acreage share and closed acreage fees. That is, the current wording results in calculations other than those intended by the Council. The intended formula used as a calculation

JTR

*The average statewide equalized value/acre of class 5 and 6 (x) times the average statewide tax rate of all classes of taxable property.*

Based on conversations with the Department of Revenue, one way to remedy this may be to reference the average equalized value for the two classes of land and the average tax rate as determined under s. 76.126, Stats. — Which would be consistent with the tax rate used in examples prepared for discussion with the Governor's Council on Forestry subcommittee.

The following is a suggested amendment to AB 323 section 32 [s. 77.84 (2) (cm), Stats.] to align the formula with the Council's intent:

*77.84 (2) (cm) For purposes of determining the per acre amounts under pars. (am) and (bm), in 2007 and each 5th year thereafter, the department of revenue shall determine the average statewide tax per acre of property classes under s. 70.32 (2) (b) 5. and 6., using the average equalized value and the average tax rate as determined under s. 76.126.*

Sections 28, 30 and 32 incorrectly reference s. 70.32 (2) (b) 5. and 6; they should reference s. 70.32 (a) 5. and 6.

done

7. Section 56. Strike the last 4 words in 77.89 (2) (b). "*and resource management activities*". S. 77.89 (2) (b) refers to the use of the amounts received under s. 77.89 (2) (b) and (bm) [the closed acreage fee]. Under the bill, those receipts are deposited to the appropriation at s. 20.370 (1) (cw) [AB 323 section 1], which directs that 100% of those amounts be used for land acquisition grants under s.23.09 (18m). Therefore, the final four words of s. 77.89 (2) (b) are unnecessary.

8. Assembly Amendment 1 to AB 323 [LRBa0531/1] proposes to create appropriation s. 20.370 (1) (cx). Revenue from MFL application fees in excess of the amount necessary for the payment of recording fees would be deposited to this appropriation and used to pay for management plans prepared by plan writers under contract with the Department. The creation of this appropriation and the use of funds for this purpose is consistent with the intent expressed in recommendation 1.1 of the Governor's Council Report that the Department use the additional revenue collected from increased application fees "for contracting with consultant foresters to prepare MFL plans."

9. Since Assembly Amendment 1 to AB 323 offered by Representative Serratti is incorporated, section 14m of that amendment should also refer to s. 77.82 (2m) (e). LRBa0531/1, section 14m [s. 77.82 (2m) (dm), Stats.] directs the portion of the application fee not credited to s. 20.370 (1) (cr) (recording fees) be credited to s. 20.370 (1) (cx). However, it only references fees collected under s. 77.82 (2m) (a), that is, the fee submitted when an application is submitted without a management plan (\$300). This section should also reference fees collected under s. 77.82 (2m) (e) - which is the balance of the application fee collected when the plan submitted with an application is not approved (\$280).

10. Create a two-tiered application deadline. Various proposals have been discussed all with the intent of creating an option for landowners to get applications processed in less than the proposed 18-month time frame. The landowner could submit an application without a plan on July 31 of the year prior to entry, or submit a completed application with a signed commitment from a consultant to have a completed, approved, & signed management plan into the DNR in Madison by May 15<sup>th</sup>.

11. Retroactivity - Amend the bill to apply changes in taxes to new entry closed acreage and prior entry that add in excess of 10 acres to existing property within one municipality.

for KS after effective date of bill

12. Ensure that the proposed changes to yield tax are retroactive to existing MFL plans

13. For distribution of closed acreage fees, take 100% of \$1.12 from currently existing contracts, add to 100% of new closed acreage fees put money into an expressly non-lapsable account held by DNR by name only, to be administered by a board of 5 members, chaired by a member appointed by the Wisconsin Counties Association, joined by a member appointed by the Wisconsin County Forests Association, a member appointed by the Wisconsin Towns Association, a member appointed by the Governor's Council on Forestry and the Chief State Forester. Only the five-member board may disburse money from the account held by the DNR. The Board may release the funds with a simple majority vote to A) a county; B) a town; C) a non-governmental, non-profit organization; or D) the DNR. The Board shall prioritize its awards based on A) proposals by counties (shall have top priority), and B) location of closed acres. The board of five must have an affirmative vote on a resolution by the county board(s) in which a project is proposed to occur in order for the Board of five members to release funds for projects.

for what purpose

nominating

[Tim Gary]

[Paul deLong]

## Gibson-Glass, Mary

---

**From:** Ebersberger, Eric K  
**Sent:** Thursday, June 12, 2003 2:58 PM  
**To:** Gibson-Glass, Mary  
**Cc:** DeLong, Paul J; Mather, Robert J; Depaul, Linda C; Nielsen, Carol K  
**Subject:** FW: LRB-1310/2 [Clean-up issues for a substitute amendment]

Mary,  
Per our conversation this afternoon, the following clean-up issues remain regarding LRB-1310/2. I understand that there will be a substitute amendment following the July 8th hearing in Merrill. If we spot additional issues, we'll let Representative Friske know.

Thanks for your help.

Eric

Eric K. Ebersberger  
DNR Legal Services  
(608) 266-0228  
Eric.Ebersberger@dnr.state.wi.us

- ①
- RE: LRB-1310/2 sections 1 and 2 [pages 3 and 4 of the draft] re: the proposed Wis. Stat. §§ 20.370 (1) (cw) and 23.09 (18m): The Governor's Council on Forestry Report @ recommendation 7.1 stated that the "Department, local units of government and land trusts should be able to apply for these funds." Although the language as drafted clearly gives the Department the authority to award grants, it doesn't appear that the Department itself has the authority to also use the money to purchase hunting/recreational easements and land.
  - As drafted, LRB-1310/2 seems to create a minor discrepancy between application dates for first-time petitioners who own 1000 acres or more and renewal petitioners who own 1000 acres or more. Specifically, LRB-1310/2 section 22 [§ 77.82 (7) (c) 2.] requires that petitions be received before April 1 of any year, however, LRB-1310/2 section 24 [§ 77.82 (12)] requires that renewal petitions regarding 1000 acres or more be filed "no later than the April 1 ...". That is, it appears that under the draft, a renewal petition would be considered on time if received by the end of the day April 1, while a first-time petition must be submitted by the end of the day March 31. A minor point, but an inconsistency.
  - LRB-1310/2 sections 28 and 30 [ss. 77.84 (2) (am) and (2) (bm)] reference property classifications under s. 70.32 (2) (b) 5. and 6. I believe the references should be to the swamp or waste and productive forest land classifications at s. 70.32 (2) (a) 5. and 6.



ASA  
to

2003 ASSEMBLY BILL 323

LPS: Inserts  
are out of  
order.

~~May 13, 2003 - Introduced by Representative FRISKE, cosponsored by Senators WELCH and BRESKE. Referred to Committee on Forestry.~~

REGEN

1 AN ACT *to repeal* 77.82 (2m) (c); *to renumber and amend* 77.82 (2m) (d), 77.88  
2 (2) (d), 77.89 (2) and 77.89 (3); *to amend* 74.25 (1) (a) 6., 74.25 (1) (a) 8., 74.30  
3 (1) (f), 74.30 (1) (h), 75.35 (2) (f) 3., 75.36 (3) (b), 77.82 (2m) (a), 77.82 (2m) (b),  
4 77.82 (2m) (e), 77.82 (3) (c) (intro.), 77.82 (3) (c) 6., 77.82 (4), 77.82 (7) (c), 77.82  
5 (7) (c), 77.82 (8), 77.82 (12), 77.83 (1) (a) 1., 77.84 (2) (a), 77.84 (2) (b), 77.84 (2)  
6 (c), 77.84 (3) (b), 77.87 (3), 77.88 (1) (c), 77.88 (2) (am), 77.88 (2) (b), 77.88 (2) (c),  
7 77.88 (2) (f), 77.88 (3), 77.88 (4), 77.88 (5) (a) 1., 77.88 (5) (a) 2., 77.88 (5) (b) 1.,  
8 77.88 (5) (b) 2., 77.88 (7), 77.88 (8) and 77.89 (1); and *to create* 20.370 (1) (cw),  
9 23.09 (18m), 77.82 (2) (cm), 77.82 (2m) (d) 2., 77.82 (3) (g), 77.82 (7) (c) 2., 77.83  
10 (1m), 77.84 (2) (am), 77.84 (2) (bm), 77.84 (2) (cm), 77.87 (1g), 77.876, 77.88 (2)  
11 (d) 2., 77.88 (3m) and 77.88 (5m) of the statutes; **relating to:** the Managed  
12 Forest Land Program, providing funding for grants for land acquisition for

**ASSEMBLY BILL 323**

INSERT REL

1 certain activities  
 2 outdoor recreation, requiring the exercise of rule-making authority, and  
 making an appropriation<sup>s</sup>



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

A parcel of land may be designated as managed forest land (MFL) under a program administered by the Department of Natural Resources (DNR). Under the program, the owner of land that is designated as MFL under an order issued by DNR makes an annual acreage share payment that is lower than, and in lieu of, the property taxes that normally would be payable on the land. In exchange, the owner must comply with certain forestry practices and may keep a specific area closed to public access; the remainder of the land must be kept open for recreational activities such as hunting, fishing, and cross-country skiing. In order for a landowner to participate in the MFL Program, DNR must approve a management plan for the MFL. The management plan includes the owner's forestry objectives and a description of the forestry practices to be used.

The changes to the MFL Program contained in this bill include the following:

1. The bill increases the fees for filing a petition for an order designating land as MFL, to add land to an existing MFL order, and to transfer ownership of MFL.
2. The bill requires that management plans that may qualify under the program be prepared by a plan writer certified by DNR or by DNR itself. Under current law, there are no restrictions on who prepares the management plan, but a plan prepared by a qualified forester, as defined by DNR by rule, or a plan approved by DNR that DNR does have to prepare itself may qualify for a reduced application fee. The bill requires DNR to promulgate rules specifying the necessary qualifications for certified plan writers.
3. The bill exempts an owner of MFL that is initially entered into the program after the effective date of this bill from any yield tax for the first five years of the order. Under current law, an annual yield tax of 5% is imposed on the value of the merchantable timber cut from the land.
4. The bill requires DNR to distribute all of the withdrawal taxes and yield taxes it receives to the town or village and to the county in which the MFL is located. Under current law, DNR retains 50% of these taxes and distributes 40% to the village or town and 10% to the county. Under the bill, DNR distributes all of these taxes, the town or village receiving 80% and the county 20%.
5. The bill creates a withdrawal fee that an owner must pay, in addition to the withdrawal tax under current law, if the owner withdraws the land from the program before the order designating the land as MFL expires. Orders are for 25 or 50 years.
6. The bill increases the acreage of MFL that may be kept closed for public use. Under current law, the maximum amount that may be closed is 80 acres in a single town or village or one of a combination of any two of the following areas as found on government surveys: quarter-quarter sections (40 acres), fractional lots (usually somewhat less than 40 acres), or government lots (usually somewhat less than 40

**ASSEMBLY BILL 323**

acres) as shown on government surveys. The bill increases the limit of 80 acres in a single town or village to 160 acres.

7. The bill changes how the acreage share payment and the additional payment for closed acreage is calculated. Under current law, the annual acreage share payment per acre is 74 cents. In addition an MFL owner must pay an additional \$1 for each acre of MFL that is closed to public use. Under the bill, beginning in 2008, the acreage share payment for each acre of MFL is equal to 5% of the average statewide property tax per acre of property assessed as swampland or wasteland and productive forest land. Also, beginning in 2008, the additional payment for each acre of MFL that is closed to the public is equal to 20% of the average statewide property tax per acre of property assessed as swampland or wasteland and productive forest land.

8. The bill requires that the additional payments made by MFL owners for closed MFL be used by DNR for grants to local governmental units for the acquisition of land for nature-based outdoor recreation.

9. This bill specifies that certain provisions under current law that apply to an initial petition apply to a renewal petition. These requirements include the payment of an application fee and the preparation of a new management plan. Under current law, a MFL order lasts for 25 or 50 years, as elected by the MFL owner and may be renewed for an additional 25 or 50 years, as elected by the owner.

10. The bill requires that copy of the legal document that has been recorded with the county register of deeds that show the ownership of the land subject be included with a MFL petition. Current law only requires that the petition include a description of the land.

11. Finally, if a property owner who is required to complete a forestry practice fails to complete the practice by the time specified under a management plan, the owner must pay a noncompliance assessment of \$250 to the municipality in which the property that is subject to the management plan is located. Under the bill, the municipality distributes 20% of the noncompliance assessment to the county in which the property is located.

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

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

INSERT  
3-1

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

2 20.370 (1) (cw) *Forestry — outdoor recreation grants*. All moneys received  
3 under s. 77.84 (2) (bm) for grants under s. 23.09 (18m).

INSERT 3-3

4 SECTION 2. 23.09 (18m) of the statutes is created to read:

**ASSEMBLY BILL 323**

1           23.09 (18m) GRANTS FOR LAND ACQUISITIONS FOR OUTDOOR RECREATION. (a) In this  
2 subsection:

3           1. "Land" means land in fee simple, conservation easements, and other  
4 easements in land.

5           2. "Local governmental unit" means a city, village, town, or county.

6           3. ~~"Nature-based outdoor recreation" has the meaning given by the~~  
7 ~~department by rule under s. 23.0917 (4) (f).~~

8           3, 4. "Nonprofit conservation organization" has the meaning given in s. 23.0955  
9 (1).           *hunting, fishing, hiking, sight-seeing and cross-country skiing*

10           (b) The department shall establish a program to award grants from the  
11 appropriation under s. 20.370 (1) (cw) to local governmental units and nonprofit  
12 conservation organizations to acquire land for ~~nature-based outdoor recreation~~. The  
13 department shall promulgate rules establishing criteria for awarding grants under  
14 this subsection.

15           **SECTION 3.** 74.25 (1) (a) 6. of the statutes is amended to read:

16           74.25 (1) (a) 6. Pay to the county treasurer 20% of collections of occupational  
17 taxes on coal docks, 20% of collections of the taxes imposed under ss. 77.04 and 77.84  
18 (2) (a) and (am) and all collections of payments for closed lands under s. 77.84 (2) (b)  
19 and (bm).

20           **SECTION 4.** 74.25 (1) (a) 8. of the statutes is amended to read:

21           74.25 (1) (a) 8. Retain for the taxation district all woodland tax law collections  
22 under s. 77.16 and 80% of collections of the taxes imposed under ss. 77.04 and 77.84  
23 (2) (a) and (am).

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

**ASSEMBLY BILL 323**

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

5           **SECTION 6.** 74.30 (1) (h) of the statutes is amended to read:

6           74.30 (1) (h) Retain for the taxation district all woodland tax law collections  
7           under s. 77.16 and 80% of collections of the taxes imposed under ss. 77.04 and 77.84  
8           (2) (a) and (am).

9           **SECTION 7.** 75.35 (2) (f) 3. of the statutes is amended to read:

10          75.35 (2) (f) 3. Any withdrawal tax or withdrawal fee due under s. 77.84 (3) (b).

11          **SECTION 8.** 75.36 (3) (b) of the statutes is amended to read:

12          75.36 (3) (b) From the net proceeds of the sale of the property, as determined  
13          under par. (a), first pay any withdrawal tax and withdrawal fee due under s. 77.84  
14          (3) (b) and then pay to taxing jurisdictions all special assessments and special  
15          charges to which the property is subject, including interest and any penalties  
16          imposed under s. 74.47. If the net proceeds are not sufficient to pay all outstanding  
17          amounts due, the net proceeds shall be prorated to each taxing jurisdiction based  
18          upon the ratio that the amount of all special assessments and special charges due  
19          that taxing jurisdiction bears to the amount of all special assessments and special  
20          charges levied against the property sold, including interest and any penalties  
21          imposed under s. 74.47. Amounts payable under this paragraph shall be paid to the  
22          taxing jurisdiction within 15 days after the last day of the month in which sale  
23          proceeds become available to the county.

24          **SECTION 9.** 77.82 (2) (cm) of the statutes is created to read:

INSERT  
5-23

**ASSEMBLY BILL 323**

1           77.82 (2) (cm) A copy of an instrument that has been recorded in the office of  
2 the register of deeds of the county in which the property is located that shows the  
3 ownership of the land subject to the petition.

4           **SECTION 10.** 77.82 (2m) (a) of the statutes is amended to read:

5           77.82 (2m) (a) Except as provided in par. (b), a petition under sub. (2) ~~or~~, (4m),  
6 or (12) shall be accompanied by a nonrefundable application fee of \$100 \$300.

7           **SECTION 11.** 77.82 (2m) (b) of the statutes is amended to read:

8           77.82 (2m) (b) If the petition under sub. (2), (4m), or (12) is accompanied by a  
9 ~~proposed management plan as provided in par. (e)~~, the nonrefundable application fee  
10 shall be \$10 \$20 unless a different amount for the fee is established by the  
11 department by rule at an amount equal to the average expense to the department of  
12 recording an order issued under this subchapter.

13           **SECTION 12.** 77.82 (2m) (c) of the statutes is repealed.

14           **SECTION 13.** 77.82 (2m) (d) of the statutes is renumbered 77.82 (2m) (d) 1. and  
15 amended to read:

16           77.82 (2m) (d) 1. ~~All the fees collected under this subsection shall be deposited~~  
17 ~~in the conservation fund. The~~ All of the fees collected under par. (b) and \$10 \$20 of  
18 each \$100 \$300 fee collected under par. (a) shall be credited to the appropriation  
19 under s. 20.370 (1) (cr), except as provided under subd. 2.

20           **SECTION 14.** 77.82 (2m) (d) 2. of the statutes is created to read:

21           77.82 (2m) (d) 2. The department may establish by rule a different amount of  
22 each \$300 fee under subd. 1. that will be credited to the appropriation under s. 20.370  
23 (1) (cr). The amount shall be equal to the average expense to the department of  
24 recording an order issued under this subchapter.

25           **SECTION 15.** 77.82 (2m) (e) of the statutes is amended to read:

— (INSERT 6-24)



**ASSEMBLY BILL 323**

1 submitted filed on a department form and shall contain any additional information  
2 required by the department.

3 **SECTION 20.** 77.82 (7) (c) of the statutes is amended to read:

4 77.82 (7) (c) Except as provided in par. (d), if a petition is received on or before  
5 January 31 of any year from a petitioner who owns less than 1,000 acres in this state  
6 or on or before March 31 of any year from any other petitioner, the department shall  
7 investigate and shall either approve the petition and issue the order under sub. (8)  
8 or deny the petition ~~on or~~ before the following November 21.

9 **SECTION 21.** 77.82 (7) (c) of the statutes, as affected by 2003 Wisconsin Act ...  
10 (this act), is amended to read:

11 77.82 (7) (c) Except as provided in par. (d), ~~if:~~

12 1. If a petition is received on or before ~~January 31~~ July 1 of any year from a  
13 petitioner who owns less than 1,000 acres in this state ~~or on or before March 31 of~~  
14 ~~any year from any other petitioner~~, the department shall investigate and shall either  
15 approve the petition and issue the order under sub. (8) or deny the petition before the  
16 2nd following November 21.

17 **SECTION 22.** 77.82 (7) (c) 2. of the statutes is created to read:

18 77.82 (7) (c) 2. If a petition is received before April 1 of any year from a  
19 petitioner who owns 1,000 or more acres in this state, the department shall  
20 investigate and shall either approve the petition and issue the order under sub. (8)  
21 or deny the petition before the following November 21.

22 **SECTION 23.** 77.82 (8) of the statutes is amended to read:

23 77.82 (8) ORDER. If a petition under sub. (2) ~~or~~, (4m), or (12) is approved, the  
24 department shall issue an order designating the land as managed forest land for the  
25 time period specified in the petition. If a petition under sub. (4) is approved, the



## ASSEMBLY BILL 323

1 department shall amend the original order to include the additional parcel. The  
2 department shall provide the petitioner with a copy of the order or amended order  
3 and shall also file a copy with the department of revenue, the supervisor of  
4 assessments and the clerk of the municipality, and shall record the order with the  
5 register of deeds in the county, in which the land is located.

6 **SECTION 24.** 77.82 (12) of the statutes is amended to read:

7 77.82 (12) RENEWAL. ~~The department shall notify each owner of managed forest~~  
8 ~~land of the expiration date of an order no later than the January 31 preceding the~~  
9 ~~expiration date. The~~ An owner of managed forest land may petition the department  
10 under sub. (2) for renewal of the order. The A petition filed by an owner of 1,000 acres  
11 or more in this state shall be filed no later than the March 31 and ~~April 1~~ before the  
12 expiration date of the order. A petition filed by an owner of less than 1,000 acres in  
13 this state shall be filed no later than the 2nd July 1 before the expiration date of the  
14 order. The petition shall specify whether the owner wants the order renewed for 25  
15 or 50 years. The notice and hearing provisions under subs. (5) and, (6) and (7) do not  
16 apply to a petition under this subsection. The department may deny the petition only  
17 if the land fails to meet the eligibility requirements under sub. (1), if the owner has  
18 failed to comply with the management plan that is in effect on the date that the  
19 petition for renewal is filed, or if there are delinquent taxes on the land. If the  
20 petition is denied, the department shall state the reason for the denial in writing.

21 **SECTION 25.** 77.83 (1) (a) 1. of the statutes is amended to read:

22 77.83 (1) (a) 1. A maximum of 80 160 acres in the municipality.

23 **SECTION 26.** 77.83 (1m) of the statutes is created to read:

24 77.83 (1m) MODIFICATION OF DESIGNATION. For a managed forest land order that  
25 takes effect on or after the effective date of this subsection .... [revisor inserts date],

**ASSEMBLY BILL 323**

1 the owner of the managed forest land may modify the designation of a closed or open  
2 area one time during the term of the order. For a managed forest land order that  
3 takes effect before the effective date of this subsection .... [revisor inserts date], the  
4 owner of the managed forest land may modify the designation of a closed or open area  
5 one time during the period beginning with the effective date of this subsection ....  
6 [revisor inserts date], and ending with the expiration date of the order, regardless of  
7 whether the owner has previously modified the designation as authorized by rules  
8 promulgated by the department.

9 **SECTION 27.** 77.84 (2) (a) of the statutes is amended to read:

10 77.84 (2) (a) ~~Each~~ Ending with the property tax assessments as of January 1,  
11 2007, each owner of managed forest land shall pay to the municipal treasurer an  
12 acreage share of 74 cents per acre on or before January 31.

13 **SECTION 28.** 77.84 (2) (am) of the statutes is created to read:

14 77.84 (2) (am) Beginning with the property tax assessments as of January 1,  
15 2008, each owner of managed forest land shall pay to the municipal treasurer, on or  
16 before January 31, an amount that is equal to 5% of the average statewide property  
17 tax per acre of property classified under s. 70.32 (2) (b) 5. and 6., as determined under  
18 par. (cm), for each acre of managed forest land.

19 **SECTION 29.** 77.84 (2) (b) of the statutes is amended to read:

20 77.84 (2) (b) ~~In~~ Ending with the property tax assessments as of January 1,  
21 2007, in addition to the payment under par. (a), each owner shall pay \$1 for each acre  
22 that is designated as closed under s. 77.83. The payment shall be made to the  
23 municipal treasurer on or before January 31.

24 **SECTION 30.** 77.84 (2) (bm) of the statutes is created to read:

**ASSEMBLY BILL 323**

1           77.84 (2) (bm) Beginning with the property tax assessments as of January 1,  
2           2008, in addition to the payment under par. (am), each owner of managed forest land  
3           shall pay to the municipal treasurer, on or before January 31, an amount that is equal  
4           to 20% of the average statewide property tax per acre of property classified under s.  
5           70.32 (2) (b) 5. and 6., as determined under par. (cm), for each acre that is designated  
6           as closed under s. 77.83.

7           **SECTION 31.** 77.84 (2) (c) of the statutes is amended to read:

8           77.84 (2) (c) In 1992 and each 5th year thereafter, and until the determination  
9           in 2007 under par. (cm), the department of revenue shall adjust the amounts under  
10          pars. (a) and (b) by multiplying the amount specified by a ratio using as the  
11          denominator the department of revenue's estimate of the average statewide tax per  
12          acre of property classes under s. 70.32 (2) (b) 4., 1993 stats., s. 70.32 (2) (b) 5., 1993  
13          stats., and s. 70.32 (2) (b) 6., 1993 stats., for 1986 and, as the numerator, the  
14          department of revenue's estimate of the average tax per acre for the same classes of  
15          property for the year in which the adjustment is made.

16          **SECTION 32.** 77.84 (2) (cm) of the statutes is created to read:

17          77.84 (2) (cm) For purposes of determining the per acre amounts under pars.  
18          (am) and (bm), in 2007 and each 5th year thereafter, the department of revenue shall  
19          determine the average statewide tax per acre of property classes under s. 70.32 (2)  
20          (b) 5. and 6.

21          **SECTION 33.** 77.84 (3) (b) of the statutes is amended to read:

22          77.84 (3) (b) Immediately after receiving the certification of the county clerk  
23          that a tax deed has been taken, the department shall issue an order withdrawing the  
24          land as managed forest land. The notice requirement under s. 77.88 (1) does not  
25          apply to the department's action under this paragraph. The department shall notify

## ASSEMBLY BILL 323

1 the county treasurer of the amount of the withdrawal fee under s. 77.88 (5m) and the  
2 withdrawal tax, as determined under s. 77.88 (5), and the. The amount of the tax and  
3 the assessment shall be payable to the department under s. 75.36 (3) if the property  
4 is sold by the county. ~~The amount shall be credited to the conservation fund.~~

5 **SECTION 34.** 77.87 (1g) of the statutes is created to read:

6 77.87 (1g) EXEMPTION. For a managed forest land order that takes effect on or  
7 after the effective date of this subsection .... [revisor inserts date], the owner of the  
8 managed forest land is exempt from payment of the yield tax under sub. (1) for the  
9 first 5 years of the managed forest land order. The exemption under this subsection  
10 does not apply to managed forest land converted pursuant to a petition approved  
11 under s. 77.82 (7) (d) or to a renewal of managed forest land order under s. 77.82 (12).

12 **SECTION 35.** 77.87 (3) of the statutes is amended to read:

13 77.87 (3) PAYMENT. A tax assessed under sub. (1) or (2) is due and payable to  
14 the department on the last day of the month following the date the certificate is  
15 mailed to the owner. The department shall collect interest at the rate of 12% per year  
16 on any tax that is paid later than the due date. ~~Amounts received shall be credited~~  
17 ~~to the conservation fund.~~

18 **SECTION 36.** 77.876 of the statutes is created to read:

19 **77.876 Noncompliance assessment.** (1) ASSESSMENT. The department shall  
20 certify to the municipality in which the property is located an owner's failure to  
21 complete a forestry practice during the period of time required under an applicable  
22 management plan, and the municipality shall impose a noncompliance assessment  
23 of \$250 against the owner for each failure. The department shall mail a copy of the  
24 certificate of assessment to the owner at the owner's last-known address and to the  
25 municipality.

**ASSEMBLY BILL 323**

1           (2) PAYMENT. An assessment under sub. (1) is due and payable to the  
2 municipality on the last day of the month following the date the certificate is mailed  
3 to the owner. The municipality shall collect interest at the rate of 12% per year on  
4 any assessment that is paid later than the due date.

5           (3) OWNER'S LIABILITY. The owner is personally liable for an assessment under  
6 sub. (1). An unpaid assessment becomes a lien against the merchantable timber cut.  
7 If the merchantable timber cut is mingled with other wood products, the unpaid  
8 assessment becomes a lien against all of the wood products while they are in the  
9 owner's possession or in the possession of any person other than a purchaser for  
10 value without notice in the usual course of business.

11           (4) DELINQUENCY. If an assessment due under sub. (1) is not paid on or before  
12 the last day of the August following the date specified under sub. (2), the  
13 municipality shall certify to the taxation district clerk the description of the land and  
14 the amount due for the assessment and interest. The taxation district clerk shall  
15 enter the delinquent amount on the property tax roll as a special charge.

16           **SECTION 37.** 77.88 (1) (c) of the statutes is amended to read:

17           77.88 (1) (c) If the department determines that land should be withdrawn, it  
18 shall issue an order withdrawing the land as managed forest land and shall assess  
19 against the owner the tax under sub. (5) and the withdrawal fee under sub. (5m).

20           **SECTION 38.** 77.88 (2) (am) of the statutes is amended to read:

21           77.88 (2) (am) If the land transferred under par. (a) does not meet the eligibility  
22 requirements under s. 77.82 (1), the department shall issue an order withdrawing  
23 the land from managed forest land designation and shall assess against the owner  
24 a withdrawal tax under sub. (5) and the withdrawal fee under sub. (5m).

25           **SECTION 39.** 77.88 (2) (b) of the statutes is amended to read:

↓  
INSERT  
13-15

**ASSEMBLY BILL 323**

1           77.88 (2) (b) If the land remaining after a transfer under par. (a) is contiguous  
2 and meets the eligibility requirements under s. 77.82 (1) (a) 2. and (b), it shall  
3 continue to be designated as managed forest land until the expiration of the existing  
4 order, even if the parcel contains less than 10 acres. Notwithstanding s. 77.82 (12),  
5 an owner may not petition the department for renewal of the order if the parcel  
6 contains less than 10 acres. No withdrawal tax under sub. (5) or withdrawal fee  
7 under sub. (5m) may be assessed when the remaining land is withdrawn at the  
8 expiration of the order.

9           **SECTION 40.** 77.88 (2) (c) of the statutes is amended to read:

10           77.88 (2) (c) If the remaining land does not meet the eligibility requirements  
11 under s. 77.82 (1) (a) 2. and (b), the department shall issue an order withdrawing the  
12 land and shall assess against the owner the withdrawal tax under sub. (5) and the  
13 withdrawal fee under sub. (5m). Notwithstanding s. 77.90, the owner is not entitled  
14 to a hearing on an order withdrawing land under this paragraph.

15           **SECTION 41.** 77.88 (2) (d) of the statutes is renumbered 77.88 (2) (d) 1. and  
16 amended to read:

17           77.88 (2) (d) 1. Within 10 days after a transfer of ownership, the former owner  
18 shall, on a form provided by the department, file with the department a report of the  
19 transfer signed by the former owner and the transferee. The report shall be  
20 accompanied by a ~~\$20 \$100~~ fee which shall be deposited in the conservation fund and  
21 Twenty dollars of the fee or a different amount of the fee as may be established under  
22 subd. 2. shall be credited to the appropriation under s. 20.370 (1) (cr). The  
23 department shall immediately notify each person entitled to notice under s. 77.82 (8).

24           **SECTION 42.** 77.88 (2) (d) 2. of the statutes is created to read:

**ASSEMBLY BILL 323**

1           77.88 (2) (d) 2. The department may establish by rule a different amount of  
2 each fee under subd. 1. that will be credited to the appropriation under s. 20.370 (1)  
3 (cr). The amount shall be equal to the average expense to the department of  
4 recording an order issued under this subchapter.

5           **SECTION 43.** 77.88 (2) (f) of the statutes is amended to read:

6           77.88 (2) (f) If the transferee does not provide the department with the  
7 certification required under par. (e), the department shall issue an order  
8 withdrawing the land and shall assess against the transferee the withdrawal tax  
9 under sub. (5) and the withdrawal fee under sub. (5m). Notwithstanding s. 77.90,  
10 the transferee is not entitled to a hearing on an order withdrawing land under this  
11 paragraph.

12           **SECTION 44.** 77.88 (3) of the statutes is amended to read:

13           77.88 (3) VOLUNTARY WITHDRAWAL. An owner may request that the department  
14 withdraw all or any part of the owner's land meeting one of the requirements  
15 specified under sub. (2) (a) 1. to 3. If any remaining land meets the eligibility  
16 requirements under s. 77.82 (1), the department shall issue an order withdrawing  
17 the land subject to the request and shall assess against the owner the withdrawal  
18 tax under sub. (5) and the withdrawal fee under sub. (5m).

19           **SECTION 45.** 77.88 (3m) of the statutes is created to read:

20           77.88 (3m) WITHDRAWAL FOR FAILURE TO PAY PERSONAL PROPERTY TAXES. If an  
21 owner of managed forest land has not paid the personal property tax due for a  
22 building on managed forest land before the February settlement date under s. 74.30  
23 (1), the municipality in which the managed forest land is located shall certify to the  
24 department that a delinquency exists and shall include the legal description of the  
25 managed forest land on which the building is located in the certification.

**ASSEMBLY BILL 323**

1 Immediately after receiving the certification, the department shall issue an order  
2 withdrawing the land as managed forest land and shall assess against the owner of  
3 the land the withdrawal tax under sub. (5) and the withdrawal fee under sub. (5m).  
4 Notwithstanding s. 77.90, the owner is not entitled to a hearing on an order  
5 withdrawing land under this subsection.

6 **SECTION 46.** 77.88 (4) of the statutes is amended to read:

7 77.88 (4) NONRENEWAL. If an owner does not petition the department to renew  
8 a managed forest land order, the department shall order the land withdrawn at the  
9 expiration of the order. No withdrawal tax under sub. (5) ~~shall~~ or withdrawal fee  
10 under sub. (5m) may be assessed.

11 **SECTION 47.** 77.88 (5) (a) 1. of the statutes is amended to read:

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

17 **SECTION 48.** 77.88 (5) (a) 2. of the statutes is amended to read:

18 77.88 (5) (a) 2. Five percent of the stumpage value of the merchantable timber  
19 on the land, less any amounts paid by the owner under ss. 77.84 (2) (a) and (am) and  
20 77.87.

21 **SECTION 49.** 77.88 (5) (b) 1. of the statutes is amended to read:

22 77.88 (5) (b) 1. An amount equal to the product of the total net property tax rate  
23 in the municipality in the year prior to the withdrawal and the assessed value of the  
24 land for the same year, as computed by the department of revenue, multiplied by the



**ASSEMBLY BILL 323**

1 number of years since the renewal, less any amounts paid by the owner under ss.  
2 77.84 (2) (a) and (am) and 77.87.

3 **SECTION 50.** 77.88 (5) (b) 2. of the statutes is amended to read:

4 77.88 (5) (b) 2. Five percent of the stumpage value of the merchantable timber  
5 on the land, less any amounts paid by the owner under ss. 77.84 (2) (a) and (am) and  
6 77.87.

7 **SECTION 51.** 77.88 (5m) of the statutes is created to read:

8 77.88 (5m) WITHDRAWAL FEE. The withdrawal fee assessed by the department  
9 under subs. (1) (c), (2) (am), (c), and (f), (3), and (3m) shall be \$300.

10 **SECTION 52.** 77.88 (7) of the statutes is amended to read:

11 77.88 (7) PAYMENT; DELINQUENCY. ~~A tax~~ Taxes under sub. (5) is and fees under  
12 sub. (5m) are due and payable to the department on the last day of the month  
13 following the effective date of the withdrawal order. ~~Amounts received shall be~~  
14 ~~credited to the conservation fund.~~ If the owner of the land fails to pay the tax or fee,  
15 the department shall certify to the taxation district clerk the amount due. The  
16 taxation district clerk shall enter the delinquent amount on the property tax roll as  
17 a special charge.

18 **SECTION 53.** 77.88 (8) of the statutes is amended to read:

19 77.88 (8) EXCEPTION. No withdrawal tax or withdrawal fee may be assessed  
20 against an owner who transfers ownership of managed forest land for a public road  
21 or railroad or utility right-of-way. No withdrawal tax or withdrawal fee may be  
22 assessed against an owner who transfers ownership of managed forest land for a  
23 park, recreational trail, wildlife or fish habitat area or a public forest to the federal  
24 government, the state or a local governmental unit, as defined in s. 66.0131 (1) (a).

**ASSEMBLY BILL 323**

1 The department may not order withdrawal of the remainder of the land unless the  
2 remainder fails to meet the eligibility requirements under s. 77.82 (1).

3 **SECTION 54.** 77.89 (1) of the statutes is amended to read:

4 77.89 (1) PAYMENT TO MUNICIPALITIES. By June 30 of each year, the department,  
5 from the appropriation under s. 20.370 (5) (bv), shall pay ~~50%~~ 100% of each payment  
6 received under s. 77.84 (3) (b), 77.87 (3) ~~or~~ and 77.88 (7) to the treasurer of the  
7 municipality in which is located the land to which the payment applies.

8 **SECTION 55.** 77.89 (2) of the statutes is renumbered 77.89 (2) (a) and amended  
9 to read:

10 77.89 (2) (a) Each municipal treasurer shall pay 20% of each payment received  
11 under sub. (1) ~~or s. and under ss.~~ 77.84 (2) (a) or and (am), 77.85, and 77.876 to the  
12 county treasurer and shall deposit the remainder in the municipal treasury. The  
13 payment to the county treasurer for money received before November 1 of any year  
14 shall be made on or before the November 15 after its receipt. For money received on  
15 or after November 1 of any year, the payment to the county treasurer shall be made  
16 on or before November 15 of the following year.

17 **SECTION 56.** 77.89 (3) of the statutes is renumbered 77.89 (2) (b) and amended  
18 to read:

19 77.89 (2) (b) The municipal treasurer shall pay all amounts received under s.  
20 77.84 (2) (b) and (bm) to the county treasurer, as provided under ss. 74.25 and 74.30.  
21 The county treasurer shall, by June 30 of each year, pay all amounts received under  
22 this ~~subsection~~ paragraph to the department. All amounts received by the  
23 department ~~shall be credited to the conservation fund and shall be reserved for land~~  
24 acquisition and resource management activities.

25 **SECTION 57. Initial applicability.**



**ASSEMBLY AMENDMENT 1,  
TO 2003 ASSEMBLY BILL 323**

May 28, 2003 – Offered by Representative SERATTI.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 2, line 2: substitute “appropriations” for “an appropriation”.

3 **2.** Page 3, line 1: before that line insert:

4 ~~SECTION 10.~~ <sup>#</sup> 20.370 (1) (cr) of the statutes is amended to read: INSERT

5 20.370 (1) (cr) *Forestry — recording fees.* All moneys received under ss. 77.82

6 (2m) (d) and (4) and 77.88 (2) (d) for the payment of fees to the registers of deeds under

7 s. 77.91 (5) <sup>6</sup>.

8 **3.** Page 3, line 1: substitute ~~“SECTION 1m”~~ for ~~“SECTION 1”~~

9 **4.** Page 3, line 3: after that line insert:

10 ~~SECTION 10.~~ <sup>#</sup> 20.370 (1) (cx) of the statutes is created to read: insert 3-3

11 20.370 (1) (cx) *Forestry — management plans.* All moneys received under s.

12 77.82 (2m) (dm) for payment for management plans prepared by plan writers who

13 are under contract with the department under s. 77.82 (3) <sup>9</sup>

1 ~~5.~~ Page 6, line 24: after that line insert:

2 "SECTION ~~14m~~ 77.82 (2m) (dm) of the statutes is created to read:

3 77.82 (2m) (dm) The remainder of each fee collected under par. (a) that is not  
4 credited to the appropriation under s. 20.370 (1) (cr) shall be credited to the  
5 appropriation under s. 20.370 (1) (cx)".

INSERT  
6-24

6 ~~6.~~ Page 7, line 15: after "writer." insert <sup>NOT</sup> For management plans prepared by  
7 the department under this subsection, the department may contract with plan  
8 writers certified by the department to prepare these". <sup>plans</sup>

INSERT  
7-15

9 (END)

# 2003 ASSEMBLY BILL 276

April 18, 2003 - Introduced by Representatives SERATTI, GIELOW, AINSWORTH, ALBERS, BIES, FREESE, GUNDERSON, HINES, MUSSER and GROTHMAN, cosponsored by Senator DARLING. Referred to Committee on Forestry.

INSERT  
REL

1 AN ACT to amend 77.81 (4) and 77.88 (1) (a); and to create 77.88 (1) (am) of the  
2 statutes; relating to: allowing managed forest land to be located in cities.

### *Analysis by the Legislative Reference Bureau*

Certain lands are designated as managed forest land under a program administered by the Department of Natural Resources. Under this program, the owner of land designated as managed forest land pays an annual acreage share instead of the property taxes that normally would be payable.

Under current law, the owner of a parcel of land may petition to have the parcel designated as managed forest land if the parcel meets certain requirements and is located in a town or village. Under the bill, the land may also be located in a city.

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

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

3 SECTION ~~A.~~<sup>#</sup> 77.81 (4) of the statutes is amended to read:

INSERT

4 77.81 (4) "Municipality" means a town or village, or city.

5-23

5 SECTION ~~A.~~<sup>#</sup> 77.88 (1) (a) of the statutes is amended to read:

INSERT  
13-15

**ASSEMBLY BILL 276**

INSERT  
13-15  
(cont.)

1           77.88 (1) (a) The department may, at the request of the owner of managed forest  
 2 land or of the governing body of the municipality in which any managed forest land  
 3 is located, or at its own discretion, investigate to determine whether the designation  
 4 as managed forest land should be withdrawn. ~~The~~ Except as provided in par. (am),  
 5 the department shall notify the owner of the land and the mayor of the city, the  
 6 chairperson of the town, or the president of the village in which the land is located  
 7 of the investigation.

8           ~~SECTION 77.88 (1) (am)~~ <sup>#</sup> 77.88 (1) (am) of the statutes is created to read:

9           77.88 (1) (am) If a city or village is organized under subch. I of ch. 64, the  
 10 department shall notify the president of the city council or village board of any  
 11 investigation under par. (a).

(end)

(END)

File

LRB Number: 50174 / P1

---

## Nonsubmittal Form

---

**WPOs: DO NOT FORWARD THIS DRAFT FOR SUBMITTAL, UNLESS INSTRUCTED TO DO SO BY THE DRAFTING ATTORNEY.**

- Return everything to the primary drafting attorney.**

After you have completed typing this draft, return the camera-ready copy to the primary drafting attorney, along with the drafting file. Also, forward the electronic file to the primary drafting attorney for the task of drafting.

- Return only the camera-ready copy to the primary drafting attorney.**

After you have completed typing this draft, clip this form to the camera-ready copy and return these materials to the primary drafting attorney. Place the drafting file in the HOLD basket in the WPO room. Forward the electronic file to Typing -- lrb\_wpo, so that the electronic file can be viewed by all WPOs.

When the attorney finishes reviewing the draft, the attorney will bring the camera-ready copy back to the WPO room. If the attorney has found any typos or minor corrections, correct the draft as indicated and print out a new camera-ready copy. Take the final camera-ready copy, retrieve the drafting file from the HOLD basket in the WPO room, discard this form, place the camera-ready copy and the drafting file in the PA submit basket and forward the electronic file to the PAs for submitting. (If, after reviewing the draft, the attorney decides to redraft it, give the attorney the drafting file and forward the electronic file to the attorney for drafting.)



# AB 323 Substitute Amendment 1

1. Include **AB 276** as passed by the Assembly Committee on Forestry  
Include Assembly Amendment 1 to AB 323
3. The term "nature-based outdoor recreation" [AB 323 section 2, p 4, lines 6 and 7; s. 23.09 (18m) 3., Stats.] is broader than the range of uses intended. Link the purposes for which land may be acquired to the purposes for which MFL owners must permit public access to open MFL land as stated in s. 77.83 (2) (a), Stats., i.e. "... for hunting, fishing, hiking, sightseeing, and cross-country skiing."
4. To properly administer the grant program proposed under AB 323 section 2; s. 23.09 (18m), Stats. it is important that the appropriation created in AB 323 section 1; s. 20.370 (1) (cw) be a continuing appropriation. Similarly, if Assembly Amendment 1 to AB 323 [LRBa0531/1] offered by Representative Serratti is adopted, the Department requests that the appropriation created in section 1b of that Amendment also be created as a continuing appropriation. Again, to properly administer grants over state fiscal years and biennia, it is necessary that these appropriations be continuing.
5. **Sections 22 and 24 [ss. 77.82 (7) (c) 2., and 77.82 (12), Stats.]. As drafted, AB 323 seems to create a minor discrepancy between application dates for first-time petitioners who own 1000 acres or more and renewal petitioners who own 1000 acres or more.** Specifically, AB 323 section 22 [s. 77.82 (7) (c) 2.] requires that petitions be received before April 1 of any year; however, AB 323 section 24 [§77.82 (12)] requires that renewal petitions for 1000 acres or more be filed "no later that the April 1 ...". That is, it appears that under the draft, a renewal petition would be considered on time if received by the end of the day April 1, while a first-time petition must be submitted by the end of the day March 31. A minor point, but an inconsistency.
6. **Sections 28, 30, and 32 [Ss. 77.84 (2)(am), (bm), and (cm)]. Correction to formula for calculating the acreage share and closed acreage fee.** The current AB 323 descriptions of the formula for calculating the acreage share and closed acreage fee [ss. 77.84 (2) (am) and 77.84 (2) (bm), Stats.] do not reflect the bases upon which the Governor's Council approved changes to the acreage share and closed acreage fees. That is, the current wording results in calculations other than those intended by the Council. The intended formula used as a calculation

*The average statewide equalized value/acre of class 5 and 6 (x) times the average statewide tax rate of all classes of taxable property.*

Based on conversations with the Department of Revenue, one way to remedy this may be to reference the average equalized value for the two classes of land and the average tax rate as determined under s. 76.126, Stats. — Which would be consistent with the tax rate used in examples prepared for discussion with the Governor's Council on Forestry subcommittee.

The following is a suggested amendment to AB 323 section 32 [s. 77.84 (2) (cm), Stats.] to align the formula with the Council's intent:

*77.84 (2) (cm) For purposes of determining the per acre amounts under pars. (am) and (bm), in 2007 and each 5th year thereafter, the department of revenue shall determine the average statewide tax per acre of property classes under s. 70.32 (2) (a) 5. and 6. using the average equalized value and the average tax rate as determined under s. 76.126.*

Sections 28, 30 and 32 incorrectly reference s. 70.32 (2) (b) 5. and 6; they should reference s. 70.32 (a) 5. and 6.

7. Section 56. Strike the last 4 words in 77.89 (2) (b). "*and resource management activities*". S. 77.89 (2) (b) refers to the use of the amounts received under s. 77.89 (2) (b) and (bm) [the closed acreage fee]. Under the bill, those receipts are deposited to the appropriation at s. 20.370 (1) (cw) [AB 323 section 1], which directs that 100% of those amounts be used for land acquisition grants under s.23.09 (18m). Therefore, the final four words of s. 77.89 (2) (b) are unnecessary.

8. Assembly Amendment 1 to AB 323 [LRBa0531/1] proposes to create appropriation s. 20.370 (1) (cx). Revenue from MFL application fees in excess of the amount necessary for the payment of recording fees would be deposited to this appropriation and used to pay for management plans prepared by plan writers under contract with the Department. The creation of this appropriation and the use of funds for this purpose is consistent with the intent expressed in recommendation 1.1 of the Governor's Council Report that the Department use the additional revenue collected from increased application fees "for contracting with consultant foresters to prepare MFL plans."

no drafting

9. Since Assembly Amendment 1 to AB 323 offered by Representative Serratti is incorporated, section 14m of that amendment should also refer to s. 77.82 (2m) (e). LRBa0531/1, section 14m [s. 77.82 (2m) (dm), Stats.] directs the portion of the application fee not credited to s. 20.370 (1) (cr) (recording fees) be credited to s. 20.370 (1) (cx). However, it only references fees collected under s. 77.82 (2m) (a), that is, the fee submitted when an application is submitted without a management plan (\$300). This section should also reference fees collected under s. 77.82 (2m) (e) - which is the balance of the application fee collected when the plan submitted with an application is not approved (\$280).

done

do

10. Create a two-tiered application deadline. Various proposals have been discussed all with the intent of creating an option for landowners to get applications processed in less than the proposed 18-month time frame. The landowner could submit an application without a plan on July 31 of the year prior to entry, or submit a completed application with a signed commitment from a consultant to have a completed, approved, & signed management plan into the DNR in Madison by May 15<sup>th</sup>.

??

11. Retroactivity - Amend the bill to apply changes in taxes to new entry closed acreage and prior entry that add in excess of 10 acres to existing property within one municipality.

no drafting

~~12. Ensure that the proposed changes to yield tax are retroactive to existing MFL plans~~

list of 2 nominees

13. For distribution of closed acreage fees, take 100% of \$1.12 from currently existing contracts, add to 100% of new closed acreage fees put money into an expressly non-lapsable account held by DNR by name only, to be administered by a board of 5 members, chaired by a member appointed by the Wisconsin Counties Association, joined by a member appointed by the Wisconsin County Forests Association, a member appointed by the Wisconsin Towns Association, a member appointed by the Governor's Council on Forestry and the Chief State Forester. Only the five-member board may disburse money from the account held by the DNR. The Board may release the funds with a simple majority vote to A) a county; B) a town; C) a non-governmental, non-profit organization; or D) the DNR. The Board shall prioritize its awards based on A) proposals by counties (shall have top priority), and B) location of closed acres. The board of five must have an affirmative vote on a resolution by the county board(s) in which a project is proposed to occur in order for the Board of five members to release funds for projects.

Tim Gary

amt of <sup>closed</sup> acres  
the larger the town or county that → the higher priority given

Res Tim Gary - County may give to city or village, but they are not directly eligible

# AB 323 Substitute Amendment 1

60228  
Carol 68019

The Department believes the following changes to AB 323 are necessary to correctly reflect the intent of the Governor's Council on Forestry, subsequent hearings on AB323, discussions with Wisconsin Consulting Foresters and Wisconsin Woodland Owners Association, and additions from Rep Friske's office,

1. **Include AB 276** as recommended by the Assembly Committee on Forestry.
2. **Include Assembly Amendment 1 to AB 323.** See additional changes on amendment 1 below.
3. **Public Access Grant Program Section 2. 23.09(18m) Relating to the closed acreage fee collection and how the proceeds will be used.** RE: LRB-1310/2 sections 1 and 2 [pages 3 and 4 of the draft] re: the proposed Wis. Stat. §§ 20.370 (1) (cw) and 23.09 (18m): The Governor's Council on Forestry Report @ recommendation 7.1 stated that the "Department, local units of government and land trusts should be able to apply for these funds." Although the language as drafted clearly gives the Department the authority to award grants, it doesn't appear that the Department itself has the authority to also use the money to purchase hunting/recreational easements and land.
  - To properly administer the grant program proposed under AB 323 section 2; s. 23.09 (18m), Stats., it is important that the appropriation created in AB 323 section 1; s. 20.370 (1) (cw) be a continuing appropriation. Similarly, if Assembly Amendment 1 to AB 323 [LRBa0531/1] offered by Representative Serratti is adopted, the Department requests that the appropriation created in section 1b of that Amendment also be created as a continuing appropriation.
  - The term "nature-based outdoor recreation" [AB 323 section 2, p 4, lines 6 and 7; s. 23.09 (18m) 3., Stats.] is broader than the range of uses intended by the Governor's Council on Forestry. Link the purposes for which land may be acquired to the purposes for which MFL owners must permit public access to open MFL land as stated in s. 77.83 (2) (a), Stats., i.e. "... for hunting, fishing, hiking, sightseeing, and cross-country skiing."
  - The 5 uses above were accepted but conditions were expanded to require that sustainable management/sound forestry be practiced on the land. Could be a part of the criteria for awarding grants. Directions and definitions need to be established by rule.
  - Money available to department, local units of government, land trusts
  - Discussions are ongoing regarding how funding should be dispersed and who should decide. (We assume that the results of these discussions are reflected in paragraph 13 of Tim Gary's drafting instructions for AB 323 Substitute Amendment 1.)
4. **Sections 22 and 24 [ss. 77.82 (7) (c) 2., and 77.82 (12), Stats.). As drafted, AB 323 seems to create a minor discrepancy between application dates for first-time petitioners who own 1000 acres or more and renewal petitioners who own 1000 acres or more.** Specifically, AB 323 section 22 [s. 77.82 (7) (c) 2.] requires that petitions be received before April 1 of any year; however, AB 323 section 24 [§77.82 (12)] requires that renewal petitions for 1000 acres or more be filed "no later than the April 1 ...". That is, it appears that under the draft, a renewal petition would be considered on time if received by the end of the day April 1, while a first-time

petition must be submitted by the end of the day March 31. A minor point, but an inconsistency.

5. **Sections 28, 30, and 32 [Ss. 77.84 (2)(am), (bm), and (cm)].** Correction to formula for calculating the acreage share and closed acreage fee. (retroactive issue addressed in item 11.)

- The current AB 323 descriptions of the formula for calculating the acreage share and closed acreage fee [ss. 77.84 (2) (am) and 77.84 (2) (bm), Stats.] do not reflect the bases upon which the Governor's Council approved changes to the acreage share and closed acreage fees. That is, the current wording results in calculations other than those intended by the Council. The intended formula used as a calculation

*The average statewide equalized value/acre of class 5 and 6*

*(x) times*

*the average statewide tax rate of all classes of taxable property.*

Based on conversations with the Department of Revenue, one way to remedy this may be to reference the average equalized value for the two classes of land and the average tax rate as determined under s. 76.126, Stats.—which would be consistent with the tax rate used in examples prepared for discussion with the Governor's Council on Forestry subcommittee.

- The Department suggests further correcting the formula to use only class 6 (productive forest land) due to recent changes in the assessment of class 5 (formerly *swamp and waste*, and now *undeveloped land*) at 50% of full market value.

The following is a suggested amendment to AB 323 section 32 [s. 77.84 (2) (cm), Stats.] to align the formula with the Council's intent:

*77.84 (2) (cm) For purposes of determining the per acre amounts under pars. (am) and (bm), in 2007 and each 5th year thereafter, the department of revenue shall determine the average statewide tax per acre of property classed under s. 70.32 (2) ~~(b)~~ (a) 6., using the average equalized value and the average tax rate as determined under s. 76.126.*

- Sections 28, 30 and 32 incorrectly reference s. 70.32 (2) (b); they should reference s. 70.32 (a).

6. **Section 56. Strike the last 4 words in 77.89 (2) (b). “and resource management activities”.** S. 77.89 (2) (b) refers to the use of the amounts received under s. 77.89 (2) (b) and (bm) [the closed acreage fee]. Under the bill, those receipts are deposited to the appropriation at s. 20.370 (1) (cw) [AB 323 section 1], which directs that 100% of those amounts be used for land acquisition grants under s.23.09 (18m). Therefore, the final four words of s. 77.89 (2) (b) are unnecessary.

7. **Appropriation for application fee.** Assembly Amendment 1 to AB 323 [LRBa0531/1] proposes to create appropriation s. 20.370 (1) (cx). Revenue from MFL application fees in excess of the amount necessary for the payment of recording fees would be deposited to this appropriation and used to pay for management plans prepared by plan writers under contract with the Department. The creation of this appropriation and the use of funds for this purpose is consistent with the intent expressed in recommendation 1.1 of the Governor's Council Report

that the Department use the additional revenue collected from increased application fees "for contracting with consultant foresters to prepare MFL plans."

**With respect to Assembly Amendment 1 to AB323 [LRBa0531/1]:**

- Section 14m [s. 77.82 (2m) (dm), Stats.] directs the portion of the application fee not credited to s. 20.370 (1) (cr) (recording fees) be credited to s. 20.370 (1) (cx). However, it only references fees collected under s. 77.82 (2m) (a), that is, the fee submitted when an application is submitted without a management plan (\$300). This section should also reference fees collected under s. 77.82 (2m) (e) - which is the balance of the application fee collected when the plan submitted with an application is not approved (\$280).
- As noted in item one this should be a continuing appropriation.

**8. Application deadline. A proposal for 2 application deadlines**

- 1<sup>st</sup> Deadline: July 1 – 18 months prior to the January 1 effective date. (Currently in AB323.) Applications without plans - \$300. Applications with approvable plan - \$20. Applications for additions to orders effective after the effective date of the changes - \$20.
  - ✓ Effective immediately.
- 2<sup>nd</sup> Deadline: May 15 – 7 1/2 months prior to effective date for applications that come in with a completed plan (define completed plan by rule - includes signature and approval of the Department and landowners).
  - ✓ Plan must be prepared by certified plan writer.
  - ✓ By rule establish a surety date of April 15 for a draft plan to be submitted by consultant to the Department for review. Consultants had concerns that Department may not return the draft plan in a timely manner for corrections before the application deadline.
  - ✓ Certified plan writers (CPW) would not be available until after the certified plan writer provision is in effect and in place. Current effective date of CPW provision is "the first day of the 19<sup>th</sup> month after publication."
  - ✓ Department may continue to contract with consultants prior to the effective date of the certified plan writer provision.
- Effective date in Section 58 (2) must be amended.
- Effective date of the 1<sup>st</sup> deadline to be effective immediately.
- Effective date of 2<sup>nd</sup> deadline must be based on the effective date of the certified plan writer provision. First calendar year in effect would be 2006.

why by rule

back for any modifications

**9. Allowable Closed Acreage – 160 acres**

- Not retroactive. Only entries after effective date of change are eligible to accrue up to 160 closed acres. (Additional work in NR 46 needs to be looked at in defining what configuration the 160 acres can be.)
- Clarify that all land entered under the same ownership in a municipality must be considered when determining how many more acres can be closed. Regardless of when the land was entered (s. 77.83, Stats.).

draft

up to 80 closed → old rate, old K  
any increase over 80 → new K

- Must be packaged with the use of closed acreage fees for a public access grant program

#### 10. Change in acreage share tax and closed acreage fee formulas.- Not Retroactive

- JTK
- Will be effective on publication of the law and will apply only to orders effective after publication of the law change.
  - Set rates to be calculated for first year effective, then to be adjusted in 2007 for 2008 and then every 5<sup>th</sup> year thereafter. So it coincides with the existing formula adjustments.

#### 11. Non-compliance penalty. No change

- Applies to each practice in violation.
- Town collects the money – best if they bill immediately.
- The intent is to use it within the existing enforcement procedures outlined in the forest tax law handbook. It would be used only after the landowner was contacted and given the opportunity to comply with the management plan. Modification of the management plan would still be used to reschedule practices that cannot be completed due to circumstances beyond the landowner's control (lack of market, weather, etc.). These situations would not warrant a penalty. Like wise if a landowner has received penalties for non-compliance in the past the forester may skip the non-compliance penalty and pursue withdrawal.

#### 12. Yield tax based on actual amount received for timber proposal

- Landowner must supply :
  - 1) a copy of the timber sale contract with estimated volumes, agreed upon rates, and signatures of the operator and landowner,
  - 2) a copy of 3 or more bids received for the timber sale, and
  - 3) copy of all scale slips.

IF any one of the three cannot be provided double the stumpage rates in NR46 will be used to determine the yield tax. (Disincentive established so landowners cannot just choose the lower rate by not supplying the appropriate data.)
- With exceptions as provided in rule for those who a) received fewer than three bids but can document an attempt to market their timber sale; or b), cut for their own commercial use; or c) traditionally use service contracts to have timber cut.
- Retroactive: Applies to all MFL entries (pre- and post-) change.
- Applies to harvests that occur after the publication (effective date).

#### 13. Retroactive/not retroactive summary

- Not retroactive – acreage share and closed acreage fee formula changes; increase allowable closed acreage to 160; items relating to new entries (application fee, application deadlines, no yield tax on first 5 years of new entries,);
- Retroactive – transfer fee; withdrawal fee; noncompliance penalty; withdrawal for delinquent personal property tax; 100% of yield and withdrawal tax paid to

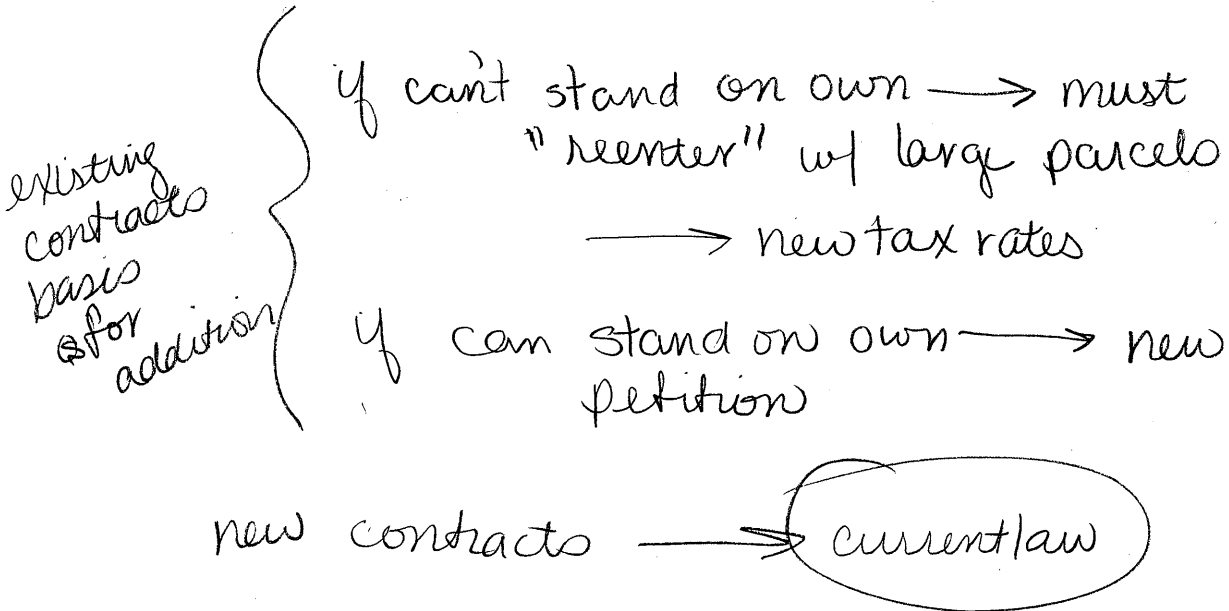
muni/county; use of closed acreage fee for public access grant program (money collected from all entries after the change – not money collected before the change); ~~modification to yield tax calculation (if included);~~

**14. Effective dates other than publication of law**

- Certified plan writer (1<sup>st</sup> day of the 19<sup>th</sup> month after publication)
- Is there any concern with the effective date of No. 6 on page to of amendment 1 from Rep Seratti? Effective immediately is okay.
- 2<sup>nd</sup> application deadline – May 15. First effective in Calendar year 2006 Even if effective immediately it couldn't be used until the certified plan writer provision is in effect/in place (see above).
- Public access grant program – allow time for rules to be established? but money can be deposited immediately in the appropriation.

**15. Additions to Managed Forest Land**

- Amend §77.82 (4), Stats. to clarify that, as of the effective date of the bill, additions of contiguous parcels of land not on their own meeting the MFL eligibility requirements under §77.82 (1), Stats. may not be made to MFL lands designated in a calendar year prior to the effective date of the bill unless the owner re-enters the existing MFL land and the proposed addition in a new MFL order at the new acreage share tax and closed acreage fee. However, if the parcel contiguous to MFL lands designated in a calendar year prior to the effective date of the bill meets the MFL eligibility requirements on its own under §77.82 (1), Stats., the contiguous parcel may be entered as a new MFL order at the new acreage share tax and closed acreage fee. Further, with respect to MFL orders entered after the effective date of this bill, contiguous parcels may be added if in they are in the same municipality and at least 3 acres in size (this is consistent with the existing §77.82 (4), Stats.).



## Gibson-Glass, Mary

---

**From:** Ebersberger, Eric K  
**Sent:** Tuesday, September 16, 2003 9:39 AM  
**To:** Gary, Tim  
**Cc:** Gibson-Glass, Mary; DeLong, Paul J; Mather, Robert J; Depaul, Linda C; Nielsen, Carol K  
**Subject:** Suggestions for Substitute Amendment 1 to AB 323

Tim,  
I've attached a *Word* document reflecting the Department's suggestions for Substitute Amendment 1 to AB 323 following the 8/27/03 meeting and discussions between Representative Friske and Paul DeLong. Most of the suggestions are consistent with the document you forwarded to me on September 11, 2003. However, there are some differences that I'd like to draw your attention to.

- Please compare the application deadline suggestions in paragraph 8 of the attached document with paragraph 10 of your document.
- Please compare the suggestions re: additions to MFL land in paragraph 15 of the attached document with paragraph 11 of your document.
- Please compare the suggestions re: the acreage share and closed acreage fee calculations in paragraph 5 of the attached document with paragraph 6 of your document.
- Please compare the suggestions re: yield tax changes in paragraph 12 of the attached document with paragraph 12 of your document.
- Finally, I am assuming that the discussion in paragraph 13 of your document re: closed acreage fee revenue distribution is consistent with your discussion of this issue with Paul DeLong.

Thanks for your help. Please let me (6-0228) or Carol Nielsen (6-8019) know if you have any questions related to the attached document.

Eric



AB323\_Subst  
mndmnt 1\_suggesti

Eric K. Ebersberger  
DNR Legal Services  
(608) 266-0228  
Eric.Ebersberger@dnr.state.wi.us



## Gibson-Glass, Mary

---

**From:** Ebersberger, Eric K  
**Sent:** Monday, September 29, 2003 4:35 PM  
**To:** Friske, Donald  
**Cc:** Gary, Tim; DeLong, Paul J; Gibson-Glass, Mary  
**Subject:** Forest Ranger enforcement authority re: subch. VI of Ch. 77, Stats.

Representative Friske:

Thanks for calling me regarding your willingness to clarify in the substitute amendment to AB 323 that forest rangers have enforcement authority for the citation provisions of subch. VI of Ch. 77, Stats.

We discussed that this could be accomplished, e.g., by amending §26.97(1), Stats., as follows:

**26.97 Law enforcement and police power.** A state forest ranger, town chairperson, conservation warden or other duly appointed deputy may do any of the following:

(1) Arrest a person, with or without a warrant, when the person is detected actually committing a violation of this chapter, subch. VI of chapter 77, or s. 167.10 (3), 941.10 (1), 941.11, 941.12, 941.13, 943.02 (1), 943.03, 943.04, 943.05 or 943.06 (2).

Please let me know if you'd like to discuss this further.

Thank you,

Eric

Eric K. Ebersberger

DNR Legal Services

(608) 266-0228

Eric.Ebersberger@dnr.state.wi.us