



# WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2003-04

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on Forestry...

## COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

## INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)  
(**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)  
(**sb** = Senate Bill)                              (**sr** = Senate Resolution)                      (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

## Assembly

### Record of Committee Proceedings

#### Committee on Forestry

##### Assembly Bill 276

Relating to: allowing managed forest land to be located in cities.

By Representatives Seratti, Gielow, Ainsworth, Albers, Bies, Freese, Gunderson, Hines, Musser and Grothman; cosponsored by Senators Darling.

April 18, 2003

Referred to Committee on Forestry.

May 13, 2003

#### **PUBLIC HEARING HELD**

Present: (6) Representatives Friske, Ainsworth, Seratti, M. Williams, Hubler and Boyle.

Absent: (0)

#### Appearances For

- State Representative Lorraine Seratti (36<sup>th</sup>)
- Allan Waelchli, Shawano
- John Reineman for Representative Curt Gielow (38<sup>th</sup>)
- Tom Petri for Senator Alberta Darling (8<sup>th</sup>)

#### Appearances Against

- None.

#### Appearances for Information Only

- Linda DePaul – Department of Natural Resources – Division of Forestry

#### Registrations For

- Colette Mathews – Wisconsin County Forests Association
- Andrew R. Potts – City of Fitchburg

#### Registrations Against

- None.

May 13, 2003

#### **EXECUTIVE SESSION HELD**

Present: (6) Representatives Friske, Ainsworth, Seratti, M. Williams, Hubler and Boyle.

Absent: (0)

Moved by Representative Hubler, seconded by Representative Friske that **Assembly Bill 276** be recommended for adoption.

Ayes: (6) Representatives Friske, Ainsworth, Seratti, M. Williams, Hubler and Boyle.

Noes: (0) None.

Absent: (0)

ADOPTION RECOMMENDED, Ayes 6, Noes 0



Tim Gary  
Committee Clerk

Vote Record

Committee on Forestry

Date: 5-13-03

Moved by: Hubler

Seconded by: FRISKE

AB 276 SB \_\_\_\_\_ Clearinghouse Rule \_\_\_\_\_  
AJR \_\_\_\_\_ SJR \_\_\_\_\_ Appointment \_\_\_\_\_  
AR \_\_\_\_\_ SR \_\_\_\_\_ Other \_\_\_\_\_

A/S Amdt \_\_\_\_\_  
A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_  
A/S Sub Amdt \_\_\_\_\_  
A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_  
A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

Recommended for:  
 Passage     Adoption     Confirmation     Concurrence     Indefinite Postponement  
 Introduction     Rejection     Tabling     Nonconcurrence

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Representative Donald Friske	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative John Ainsworth	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Lorraine Seratti	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mary Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mary Hubler	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Frank Boyle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	<u>6</u>	<u>0</u>	_____	_____



# Alberta Darling

## Wisconsin State Senator

Co-Chair, Joint Committee on Finance

TESTIMONY IN FRONT OF THE ASSEMBLY FORESTRY COMMITTEE

TUESDAY MAY 12, 2003

### ASSEMBLY BILL 276

THANK YOU CHAIRMAN FRISKE AND COMMITTEE MEMBERS FOR GIVING ME THE OPPORTUNITY TO TESTIFY ON BEHALF OF SENATOR DARLING ON THE BENEFITS OF ASSEMBLY BILL 276, WHICH WILL ALLOW THE STATE'S MANAGED FOREST PROGRAM TO INCLUDE CITY FOREST LAND. I'M TOM PETRI, AIDE TO SENATOR DARLING. SHE APOLOGIZES FOR BEING UNABLE TO TESTIFY HERSELF, BUT SHE IS CHAIRING THE JOINT COMMITTEE ON FINANCE WORK TODAY.

SENATOR DARLING HAS BECOME INVOLVED IN THIS LEGISLATION PRIMARILY BECAUSE OF THE BENEFIT THE CHANGE IN LAW WILL BRING TO A CONSTITUENT FAMILY OF HERS. THAT FAMILY LIVES IN MEQUON AND WOULD VERY MUCH LIKE TO PRESERVE THE FORESTED LANDS THEY OWN WITHIN THE CITY LIMITS. THE TAX INCENTIVES THAT GO ALONG WITH THE MANAGED FOREST PROGRAM WILL GIVE THEM INCREASED INCENTIVES TO PROTECT THE AREA.

THE LAW CHANGE WILL ALLOW THE MEQUON FAMILY TO REALIZE DOLLAR SAVINGS, BUT WILL ALSO ALLOW THEIR SURROUNDING NEIGHBORS TO BENEFIT FROM THE CONTINUED GREEN SPACE AND WILDLIFE HABITAT THAT COULD OTHERWISE DISAPPEAR. WITHOUT THE PASSAGE OF THIS LEGISLATION, BEAUTIFUL, PRISTINE WOODLANDS LOCATED IN THE MIDDLE OF OUR STATE'S URBAN AREAS MAY NOT GET THE PROTECTION THEY DESERVE.

SENATOR DARLING HAS JOINED ASSEMBLY COSPONSOR CURT GIELOW IN PENNING A LETTER TO THE COMMITTEE. THAT LETTER MENTIONS THAT A PREVIOUS VERSION OF THE BILL RECEIVED ASSEMBLY APPROVAL DURING THE 2001 SESSION. INCLUDED WITH THAT LETTER ARE TWO SUPPORTING DOCUMENTS FROM THE MEQUON CITY COUNCIL IN SUPPORT OF AB 276.

THANK YOU AND I'D BE HAPPY TO ANSWER ANY QUESTIONS THE COMMITTEE MIGHT HAVE.

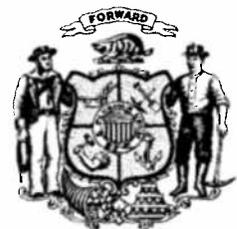
**Capitol Office:** P.O. Box 7882 Madison, Wisconsin 53707-7882 Phone: 608-266-5830 Fax: 608-267-0588 Toll-free: 1-800-863-1113

**District Office:** N88 W16621 Appleton Avenue Menomonee Falls, Wisconsin 53051

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# WISCONSIN STATE LEGISLATURE





# WISCONSIN LEGISLATURE

P. O. Box 7882 Madison, WI 53707-7882

May 12, 2003

Distinguished Members  
Assembly Committee on Forestry

Dear Colleagues;

We write today in support of AB 276, a proposal by Rep. Seratti to allow the Managed Forest Program to include forested land located inside cities. We are both cosponsors and supporters of this bill, as it would benefit constituents in our districts.

We have families in the City of Mequon (48 sq. mile city limits) who have substantial forested lands. Their participation in this Managed Forest program would provide tax incentives to preserve their lands in the natural forested state. Something they are willing and prepared to do should the current legislation simply include cities. Currently the program is open only to forested parcels located in towns or villages, not to those located in cities. While there may not be many parcels of eligible forest located in cities, we believe that those city parcels which do qualify are just as deserving and may be among the forest parcels we most seek to preserve and manage wisely.

The benefits of having forested land in cities are many: substantial water runoff control, air quality enhancement, wildlife habitat and recreational use just to name a few. Participants in the program must follow a conservation plan they file with DNR. Public access for recreation must be allowed on open land in the program and the tax rates under the program are an added inducement to open the land up.

Finally we point out that the 2003 version - AB 276 is essentially the same proposal as that found in engrossed 2001 AB 114, a bill by then-Rep. Rick Skindrud, which would have benefited a landowner in the City of Verona. AB 114 passed the Assembly on June 12, 2001 on a voice vote. The Senate Environmental Resources Committee passed the bill on a 5-0 vote on July 2, 2001. The bill received no action on the Senate floor.

The Managed Forest program is good for towns and villages. It could be good for cities too. We hope the committee will recommend AB 276 for passage. Thank you.

Rep. Curt Gielow  
23<sup>rd</sup> Assembly District

Sen. Alberta Darling  
8<sup>th</sup> Senate District

Attachments: Letter from Mequon Mayor Christine Nuernberg  
Resolution in support from City of Mequon Common Council



11333 N. Cedarburg Road 60W  
Mequon, Wisconsin 53092-1930  
Phone (262) 242-3100  
FAX (262) 242-9655  
mayor@mequon.wi.us

*Christine Nuernberg*  
Mayor

May 5, 2003

Members  
Assembly Committee on Forestry

RE: Assembly Bill 276, Permitting Cities to participate in the Managed  
Forest Law Program

Dear Members,

The City of Mequon requests your support of AB276, which would permit owners of forested land located in cities to participate in the Managed Forest Law Program. The City of Mequon has 445 acres of forests assessed at \$1,400,800. The cost in property taxes to the landowners to maintain these woods is driving many owners to do one of several things: 1) remove the forests and till the land to qualify for use value assessment or 2) fence the forests with barbed wire and turn the forest into pasture, which will also result in a very low assessment or 3) sell their woods to developers. All strategies result in the destruction of this important resource.

The State of Wisconsin as well as the City of Mequon values forests, which are a quickly disappearing natural resource. Over 90 percent of forests in southeastern Wisconsin have been lost through development including agriculture. Please permit residents of cities to participate in the Managed Forest Law Program in an effort to preserve forests. Forests benefit all of us through their positive impact on air and water quality and maintaining the bio-diversity of our environment.

Passage of AB276 will have a negligible impact on tax revenue for cities because most cities do not have qualifying forests. Nor will AB276 have a significant fiscal impact on the State of Wisconsin. The lost in tax revenue is more than balanced by the environmental and societal benefits of maintaining our forested lands. Please recommend this bill for approval.

Sincerely,

*Christine Nuernberg*

Christine Nuernberg  
Mayor

COMMON COUNCIL  
OF THE  
CITY OF MEQUON

RESOLUTION NO. 2064

Resolution Supporting Assembly Bill 104  
Permitting Cities to Participate in the Managed Forest Law Program

#2064

WHEREAS, the City of Mequon desires to preserve its rural areas including its forests;

WHEREAS, the recently implemented use value assessment law requires assessment of non-agricultural land to be increased several fold to the value of developable land;

WHEREAS, property owners have experienced dramatic increases in their assessments which has caused them to consider removing the forests on their lands and converting the property to farmland or selling for development;

WHEREAS, Assembly Bill 104 proposes to permit cities to participate in the Managed Forest Law Program now restricted to villages and towns;

WHEREAS, the Managed Forest Law Program requires owners to pay an annual acreage share in lieu of property taxes which acreage share is substantially less than the property tax;

WHEREAS, the Managed Forest Law Program would encourage City of Mequon landowners to preserve their forests which enhance the beauty of the community;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Mequon that is wholeheartedly supports the adoption of Assembly Bill 104.

Approved: Christine Nuernberg  
Christine Nuernberg, Mayor

Date Approved: April 14, 1999

This is to certify that the foregoing resolution was adopted by the Common Council of the City of Mequon, Wisconsin, at a meeting held on the 13<sup>th</sup> day of April, 1999.

Louise M. Recntkowski  
Louise M. Recntkowski, City Clerk



**Testimony Before the  
Assembly Forestry  
Committee  
May 13, 2003**

**In Regards to AB 276**

Good morning Chairman and committee members. I am Linda DePaul, chief of the Forest Tax Section, Division of Forestry, in the Department of Natural Resources. First let me thank you for this opportunity to come before you in regard to AB 276. Let me start by stating that the Department of Natural Resources is neutral on this bill.

Wisconsin currently has two forest tax laws to encourage the management of forest lands for the production of forest crops and compatible uses through the use of property tax incentives. The Forest Crop Law was enacted in 1927 and has been closed to new entries since 1986. The Managed Forest Law (MFL) was enacted in 1985 and replaces two older laws, Woodland Tax Law and Forest Crop Law. None of these three laws have allowed lands within city limits to be enrolled under the laws unless the incorporation occurred after the lands were enrolled in the program. The Forest Crop and the Managed Forest Law allow forested lands within towns or villages. This bill if enacted would allow forested lands within cities to be in the MFL and thus require forest management activities be under taken in these woodlots. Some of this land depending on the size and owners desires could be open to public access. This bill may reduce the property taxes payments received by a city on woodlands entered in the MFL to a far greater extent than the law presently does for woodlands found within towns and villages. This is due to the normally higher property taxes rates found within cities as compared to towns or villages.

The purpose of the Managed Forest Law is as follows and could support the inclusion of forested lands within city boundaries:

*... is to encourage the management of private forest lands for the production of future forest crops for commercial use through sound forestry practices, recognizing the objectives of individual property owners, compatible recreational uses, watershed protection, development of wildlife habitat and accessibility of private property to the public for recreational purposes.*

Both the public accessibility and the required application of sustainable forestry practices could make this proposed change undesirable to some urban residents.

The Managed Forest Law includes the right for a landowner to designate their woodlands as "open" giving the public the right to hunt, fish, hike, sight-see, and cross-country ski on the land. This gives the landowner a lower annual acreage share (property tax) payment. The landowner may also "close" the land to public access. Presently the rates are \$.83 per acre for "open" lands plus another \$1.12 per acre to "close". This totals \$1.95 per acre for lands closed to public access. Most cities restrict hunting within their limits. This may be a conflict for those landowners that would wish to keep their lands "open" and receive the greatest property tax relief.

The law requires a forest management plan be prepared and agreed to by both the state and the landowner prior to lands being designated as Managed Forest land. There are many aspects of a management plan but an important one is the requirement for the plan to include:

*"A description of the forestry practices, including harvesting, thinning and reforestation, that will be undertaken during the term of the order...."*

Management of forestlands within city limits may prove challenging. Forestry practices that may be mandatory include:

- Harvesting mature timber....

- Thinning plantations and natural stands for merchantable products...
- Release of conifers from competing vegetation...
- Reforestation of land...
- Post-harvest treatment...
- Soil conservation practices that may be necessary...

Approximately five percent of any timber sale value is paid by the landowner at the time of harvest and shared between the State, County and Town, or in this case, the city as a yield tax. This yield tax helps offset the reduction in property taxes to the municipality. The Department of Natural Resources would be remiss to not plan required timber harvests within city limits and deny the local governments their rightful revenues.

Some forest practices may be upsetting or even objectionable to some city residents, especially when they occur in their neighborhood. The Managed Forest Law is a commitment by the landowner for 25 or 50 years of forest management.. Within a 25-year period, it is conceivable most cities will have a high level of development surrounding any MFL designation. The potential for future conflicts between the MFL program and local city ordinances is high

Passage of this bill may allow some landowners within cities to retain ownership of their forested lands for a longer period of time in the face of increasing pressure to develop the property. This bill would also encourage retention of private urban green space. Under the right circumstances, the management of the property may be able to be used to demonstrate sustainable forestry in the urban environment.

The total acreage that would ultimately be included in the law within city limits may not justify the time expenditure by department staff versus the forest management benefits that would be accomplished. The Department feels there are other more effective tools available to help protect urban green space.

The Department remains neutral on this bill but does recognize the challenges and opportunities it's passage may create.

Once again, I want to thank the chair and committee members for this time to appear before them. I am willing to answer any questions you may have on the forest tax law program and this issue. Thank you.