

2005 ASSEMBLY BILL 1012

February 10, 2006 – Introduced by Representatives JENSEN, SHERMAN, KAUFERT, RHOADES, WARD, ALBERS, BOYLE, MONTGOMERY, NASS, BIES, MUSSER, AINSWORTH, VOS, POCAN, SEIDEL, HAHN, PETROWSKI, HUBLER and TRAVIS, cosponsored by Senators COWLES, DECKER, LASSA, JAUCH, HARS DORF, OLSEN, DARLING and BRESKE. Referred to Committee on Forestry.

1 **AN ACT** *to renumber and amend* 24.10; *to amend* 24.09 (1) (d); and *to create*
 2 23.1985, 24.10 (2), 24.11 (1) (c), 24.59, 24.605, 24.61 (2) (a) 10., 24.61 (2) (cm) and
 3 24.62 (3) of the statutes; **relating to:** sale of public lands and investment of
 4 proceeds from the sale of public lands and requiring the Department of Natural
 5 Resources to obligate moneys under the Warren Knowles–Gaylord Nelson
 6 Stewardship 2000 Program to acquire certain public lands from the Board of
 7 Commissioners of Public Lands.

Analysis by the Legislative Reference Bureau

Sale of public lands and investment of proceeds

Under current law, the Board of Commissioners of Public Lands (BCPL) may invest moneys in the common school fund, the normal school fund, the university fund, and the agricultural college fund in certain specified investments. These include: bonds or notes of the United States; bonds issued by this state or the University of Wisconsin Hospitals and Clinics Authority; and bonds issued by a town, village, city, county, or school district or certain other special districts in the state.

This bill authorizes BCPL to invest moneys in the purchase of land in this state, but establishes certain conditions on the purchase of this land for investment purposes. First, the land must be within any applicable consolidation area approved

ASSEMBLY BILL 1012

by BCPL; second, the total acreage of public lands managed by BCPL must not exceed the total acreage of public lands managed by BCPL on the bill's effective date; third, the moneys must be derived from the sale of public lands in the future; and finally, BCPL must determine that the purchase of the land will improve timberland management, address forest fragmentation, or increase public access to the land. The bill also provides that, if the land at the time of purchase was subject to assessment or levy of a real property tax, BCPL must make annual payments in lieu of property taxes to the appropriate local governmental unit in an amount equal to property taxes levied on the land in the year prior to the year in which BCPL purchased the land.

Stewardship program

Current law authorizes the state to incur public debt for certain conservation activities under the Warren Knowles–Gaylord Nelson Stewardship 2000 Program (stewardship program), which is administered by the Department of Natural Resources (DNR).

Current law grants the state the authority to bond for various conservation purposes under the stewardship program. The stewardship program consists of four subprograms: one for land acquisition; one for property development and local assistance; one for bluff protection; and one for the Baraboo Hills. Purposes for which bonding under the land acquisition subprogram may be used include land acquisition for habitat and natural areas and land acquisition that preserves or enhances the state's water resources.

This bill requires DNR, beginning in fiscal year 2006–07 and ending in fiscal year 2009–10, to set aside \$2,000,000 in each fiscal year under the stewardship program to acquire certain land from BCPL. Under the bill, DNR must obligate these moneys to purchase lands identified by BCPL. The bill provides that the amounts set aside for this purpose shall be treated as moneys obligated under the land acquisition subprogram of the stewardship program.

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:

- 1 **SECTION 1.** 23.1985 of the statutes is created to read:
- 2 **23.1985 Acquisition of certain public lands.** Beginning in fiscal year
- 3 2006–07 and ending in fiscal year 2009–10, from the appropriation under s. 20.866
- 4 (2) (ta), the department shall set aside \$2,000,000 in each fiscal year that may be
- 5 obligated only to acquire land from the board of commissioners of public lands under

ASSEMBLY BILL 1012

1 s. 24.59 (1). If the department sets aside, but does not obligate moneys in a fiscal year
2 under this section, the department may obligate those nonobligated moneys in a
3 subsequent fiscal year under this section in addition to the amounts the department
4 is required to set aside for that subsequent fiscal year. For purposes of s. 23.0917,
5 moneys provided from the appropriation under s. 20.866 (2) (ta) shall be treated as
6 moneys obligated under the subprogram under s. 23.0917 (3).

7 **SECTION 2.** 24.09 (1) (d) of the statutes is amended to read:

8 24.09 (1) (d) All sales other than sales under par. (b) or (c) shall be made at the
9 times and public places by sealed bid or public sale as the board designates. Prior
10 to any sale, the board shall publish a class 3 notice, under ch. 985, specifying the time
11 and place and describing the lands to be sold in a newspaper published in the county
12 where the lands are situated.

13 **SECTION 3.** 24.10 of the statutes is renumbered 24.10 (1) and amended to read:

14 24.10 (1) ~~At~~ If the sale is to be by public auction, at the time and place specified
15 in the notice under s. 24.09 (1) (d), the board shall commence the sale of the lands
16 described in the notice and thereafter continue the same from day to day, Sundays
17 excepted, between 9 a.m. and the setting of the sun, until all lands described in the
18 notice have been offered. The order of the sale shall be to begin at the lowest number
19 of the sections, townships, and ranges in each county and proceed regularly to the
20 highest, until all then to be sold are offered for sale. Except for lands withheld from
21 sale under s. 24.09 (2), each lot ~~or~~, tract of lands, or collection of tracts of lands to be
22 sold shall be offered ~~separately~~ at the minimum price fixed by law and shall be cried
23 at public auction long enough to enable every one present to bid. If the minimum
24 price or more is bid, the lot or tract shall be struck off to the highest bidder, but if the
25 minimum price is not bid the tract shall be set down unsold.

ASSEMBLY BILL 1012

1 **SECTION 4.** 24.10 (2) of the statutes is created to read:

2 24.10 **(2)** If the sale is to be by sealed bid, the highest bid for any lot, tract of
3 lands, or collection of tracts of lands shall be accepted, unless the highest bid is below
4 the minimum price fixed by law. If the highest bid is below the minimum price fixed
5 by law, then all bids may be rejected. If all bids are rejected or if no bid is received,
6 the board may readvertise the sale, adjourn the sale to a definite date, or withhold
7 the lands from sale pursuant to s. 24.09 (2).

8 **SECTION 5.** 24.11 (1) (c) of the statutes is created to read:

9 24.11 **(1)** (c) Unless otherwise required by law to be deposited into a fund other
10 than any of the trust funds, as defined in s. 24.60 (5), all moneys received from the
11 sale of public lands on or after the effective date of this paragraph [revisor inserts
12 date], shall be credited to the appropriate trust fund in an account specified in s.
13 24.605.

14 **SECTION 6.** 24.59 of the statutes is created to read:

15 **24.59 Sale of public lands to state under Warren Knowles-Gaylord**
16 **Nelson stewardship 2000 program. (1)** Notwithstanding ss. 24.09, 24.10, 24.15,
17 24.16, and 24.32, but subject to subs. (2) and (3), the board shall sell to the state under
18 s. 23.1985 public lands that the board identifies as available for sale to the state.
19 Notwithstanding s. 24.08 (4), the public lands shall be sold at the appraised value
20 determined under sub. (2).

21 **(2)** The board shall have all of the public lands specified under sub. (1)
22 independently appraised under s. 24.08 (2) and (3) after the effective date of this
23 subsection [revisor inserts date], but before sale under sub. (1).

24 **(3)** Notwithstanding s. 24.11, public lands sold under sub. (1) may not be paid
25 for in installments.

ASSEMBLY BILL 1012

1 **SECTION 7.** 24.605 of the statutes is created to read:

2 **24.605 Accounts in trust funds for deposit of proceeds from sale of**
3 **certain lands.** The board shall establish in each of the trust funds an account to
4 which are credited the proceeds from the sale of any public lands on or after the
5 effective date of this section [revisor inserts date], that are required by law to be
6 deposited in the funds. Moneys credited to the accounts in the funds may only be
7 used to invest in land under s. 24.61 (2) (a) 10. and for the payment of expenses
8 necessarily related to investing in land under s. 24.61 (2) (a) 10.

9 **SECTION 8.** 24.61 (2) (a) 10. of the statutes is created to read:

10 **24.61 (2) (a) 10.** Land in this state, but subject to the condition established
11 under par. (cm).

12 **SECTION 9.** 24.61 (2) (cm) of the statutes is created to read:

13 **24.61 (2) (cm)** *Investments in land in this state.* The board may not invest
14 moneys in the purchase of any land under par. (a) 10. unless all of the following occur:

- 15 1. The land is within any applicable consolidation area approved by the board.
16 2. The total acreage of public lands managed by the board does not exceed the
17 total acreage of public lands managed by the board on the effective date of this
18 subdivision [revisor inserts date].
19 3. The board determines that the purchase of the land will improve timberland
20 management, address forest fragmentation, or increase public access to the land.
21 4. The moneys are in an account specified in s. 24.605.

22 **SECTION 10.** 24.62 (3) of the statutes is created to read:

23 **24.62 (3)** If any land purchased under s. 24.61 (2) (a) 10. was at the time of
24 purchase subject to assessment or levy of a real property tax, the board shall make
25 annual payments in lieu of property taxes to the appropriate local governmental unit

ASSEMBLY BILL 1012

1 in an amount equal to property taxes levied on the land in the year prior to the year
2 in which the board purchased the land.

3 (END)