

Fiscal Estimate - 2005 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 05-4418/3	Introduction Number AB-1012
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Description
 Sale of public lands and investment of proceeds from the sale of public lands and requiring the Department of Natural Resources to obligate moneys under the Warren Knowles-Gaylord Nelson Stewardship 2000 Program to acquire certain public lands from the Board of Commissioners of Public Lands

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
 - Increase Existing Appropriations
 - Decrease Existing Appropriations
 - Create New Appropriations
 - Increase Existing Revenues
 - Decrease Existing Revenues
 - Increase Costs - May be possible to absorb within agency's budget
 - Yes
 - No
 - Decrease Costs

Local:

- No Local Government Costs
- Indeterminate
- 1. Increase Costs Permissive Mandatory
- 2. Decrease Costs Permissive Mandatory
- 3. Increase Revenue Permissive Mandatory
- 4. Decrease Revenue Permissive Mandatory
- 5. Types of Local Government Units Affected
 - Towns Village Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

- GPR FED PRO PRS SEG SEGS

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Fiscal Estimate Narratives

BPL 2/27/2006

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Assumptions Used in Arriving at Fiscal Estimate

Sale of Property

It is estimated that there will be transaction costs associated with the sale of real estate in an amount less than \$30,000 per year for the next four years. These costs are predominately appraisal and title work. The bill provides that such transaction costs may be paid out of the proceeds from the sale of such lands.

Property Taxes

The bill also provides that the agency will make payments in lieu of taxes (PILT) on land it acquires in an amount equal to the property taxes levied on such lands in the year prior to acquisition. The bill provides that PILT will be paid out of timber revenue or trust fund earnings. Since the land targeted for acquisition and the time frame over which it will be acquired is indeterminate the agency can not estimate those cost this time. Under any scenario those costs can be covered by timber revenue and do not require an appropriation.

Long-Range Fiscal Implications

The agency believes that the land it acquires pursuant to this bill will generate an increase in timber revenue. However, the price of wood is subject to market fluctuations and therefore future timber revenue cannot be projected at this time.