

WISCONSIN STATE  
LEGISLATURE  
COMMITTEE HEARING  
RECORDS

**2005-06**

(session year)

**Senate**

(Assembly, Senate or Joint)

**Committee on  
Agriculture and  
Insurance  
(SC-AI)**

File Naming Example:

Record of Comm. Proceedings ... RCP

- 05hr\_AC-Ed\_RCP\_pt01a
- 05hr\_AC-Ed\_RCP\_pt01b
- 05hr\_AC-Ed\_RCP\_pt02

*Published Documents*

➤ Committee Hearings ... CH (Public Hearing Announcements)

➤ \*\*

➤ Committee Reports ... CR

➤ \*\*

➤ Executive Sessions ... ES

➤ \*\*

➤ Record of Comm. Proceedings ... RCP

➤ \*\*

*Information Collected For Or  
Against Proposal*

➤ Appointments ... Appt

➤ \*\*

➤ Clearinghouse Rules ... CRule

\*\*

➤ Hearing Records ... HR (bills and resolutions)

➤ **05hr\_ab0007\_SC-AI\_pt01**

➤ Miscellaneous ... Misc

➤ \*\*

**Vote Record**  
**Committee on Agriculture and Insurance**

Date: 3-6-06

Moved by: Olsen

Seconded by: Brown

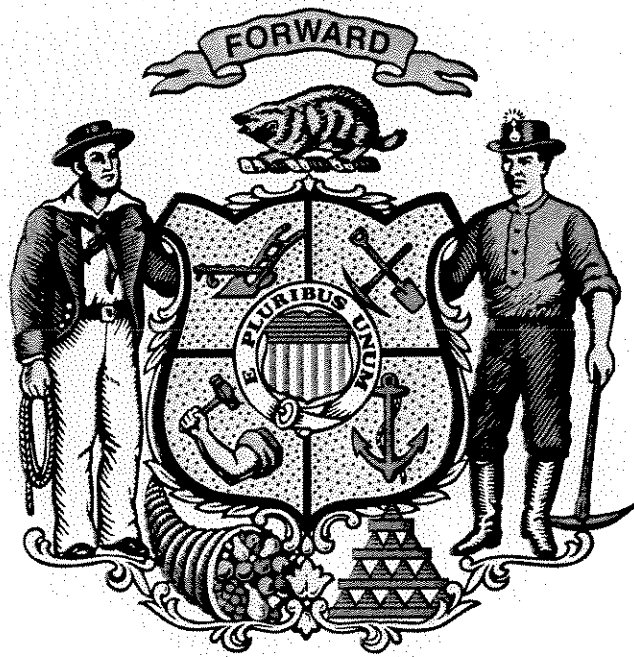
AB 7 SB \_\_\_\_\_ Clearinghouse Rule \_\_\_\_\_  
 AJR \_\_\_\_\_ SJR \_\_\_\_\_ Appointment \_\_\_\_\_  
 AR \_\_\_\_\_ SR \_\_\_\_\_ Other \_\_\_\_\_

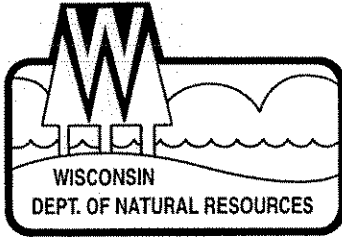
A/S Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_  
 A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

Be 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>
Senator Dan Kapanke, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Neal Kedzie	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Ronald Brown	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Luther Olsen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Jon Erpenbach	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator David Hansen	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Mark Miller	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Totals:</b>	<u>4</u>	<u>2</u>	_____	_____

Motion Carried       Motion Failed





State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Jim Doyle, Governor  
Scott Hassett, Secretary

101 S. Webster St.  
Box 7921  
Madison, Wisconsin 53707-7921  
Telephone 608-266-2621  
FAX 608-267-3579  
TTY Access via relay - 711

**Assembly Bill 7**

Senate Committee on Agriculture and Insurance

Department of Natural Resources Testimony  
Kathryn Nelson, Forest Tax Section Chief  
Division of Forestry  
March 1, 2006

Mr. Chairman and Committee Members:

Good morning. My name is Kathy Nelson and I am the Forest Tax Section Chief of the Department of Natural Resources' Division of Forestry. I appreciate this opportunity to appear before you to discuss AB 7.

The Department of Natural Resources (DNR) supports the intent of AB 7. We encourage all woodland owners who sustainably manage their woodlands to become involved in the Managed Forest Law (MFL) program. The Division of Forestry had 3 major concerns with the original bill as it was written in 2005 and are pleased that 2 of our 3 concerns have been addressed through Amendments 1 and 2. One major concern about the cost/benefit ratio remains unresolved and, as a result, the Department can not support this bill.

- 1. The internal costs to change the computer record keeping system may exceed the benefits that will be derived from the small number of landowners who would benefit from the proposed changes in AB 7. This was a concern we brought up one year ago that has not been addressed. The DNR does not have the funding to support this cost and requests additional funding to modify our record keeping computer software programs should this bill be passed.**

We anticipate a large one-time cost in revising the computer software programs to record and track managed forest law entries with multiple municipalities. Some of the software changes would be:

- Create a new system to identify managed forest law orders. The computer software programs use county prefix codes and municipality names (town, village, city) to track managed forest law orders now. The county prefix code is called a "unique identifier" because it identifies only one county in the state. Records are further tracked by municipality. Changes in AB 7 would necessitate a new system to identify land in multiple municipalities so that aids payments to municipalities can be made accurately. Transfers or withdrawals in one municipality may have a large impact on land eligibility in another municipality in case of transfers, withdrawals, % productive, etc.
- Revise all legal documents and reports to show multiple counties and municipalities.
- Record the same Order of Entry in multiple counties.

Our record keeping software programs are based on recording an MFL ownership to one county and one municipality. This record keeping system is used to calculate aids payments to the municipality and in running reports. What AB 7 is asking for is an exception. Our current record keeping system cannot handle this exception and would need to be revised. We do not have computer program staff to change our software programs and need to contract this work out to private contractors.

Based on the cost to revise computer software programs after the changes in 2003 Act 228, we expect that the cost to change the computer software programs for AB 7 to be approximately \$150,000. In our opinion, this cost exceeds the benefits returned to the state from having this additional forest land enrolled in the program. We believe very few landowners would benefit and a relatively small acreage of additional forest land would be eligible if AB 7 becomes law. (We estimate that 10 landowners and 180 acres per year might be affected).

The Department urges this Committee to consider the cost to implement AB 7 in its decision. If this bill is approved we ask the Committee to ask for the funding necessary to implement it.

The Department strongly believes that the Managed Forest Law is a very effective tool to encourage and implement sustainable forestry on private forest lands. This law is the backbone of a very strong private forestry program in Wisconsin. We feel that AB 7 is very well intentioned but benefits a very few forest landowners compared to the costs to implement it.

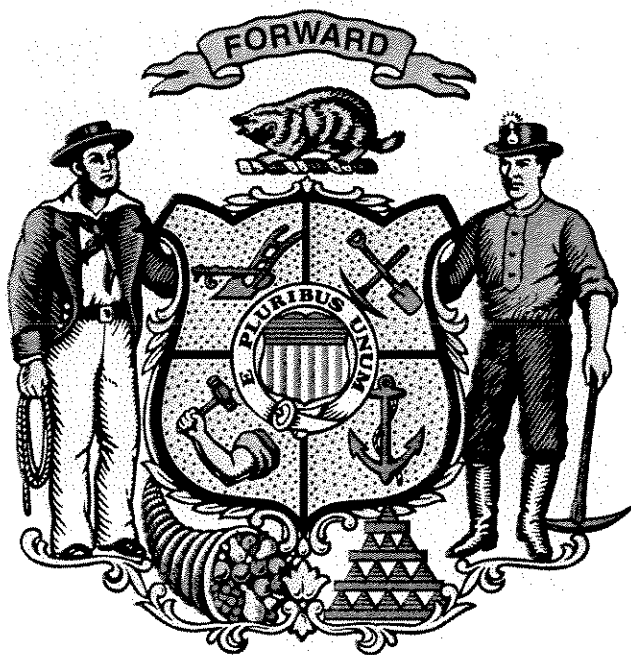
- 2. Amendment 1 deleted the section of the bill that stated that if one acre of land is split between two municipalities, the municipality having the largest acreage would receive the annual 20 cents per acre payment. This addressed one of the DNR concerns.**

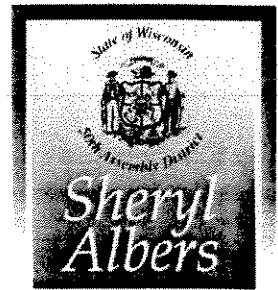
DNR tracks partial acreages already and can easily accommodate additional partial acreages in our record keeping software programs.

- 3. Amendment 2 changed the number of acres that could be closed to public use by each owner from 160 acres per owner statewide back to 160 acres per owner per municipality. This addressed one of the DNR concerns.**
- 4. Amendment 2 also changed the requirement that an entire parcel of MFL land be withdrawn for failure to pay personal property taxes. The Amendment allows that only the affected legal descriptions need to be withdrawn to get the MFL entry back into compliance. The DNR supports this amendment.**

The Amendment restores to the original language that the smallest unit in which managed forest lands can be withdrawn is all of the owner's acreage in a quarter-quarter section, government lot or fractional lot. All remaining acreage in the Managed Forest Law Order of Entry must meet the minimum eligibility requirements, i.e. 10 acres in size and 80% productive. If the remaining acreage failed to meet the eligibility requirement, it would also be withdrawn.

I appreciate this opportunity to express the Department's concerns with AB 7 and would be glad to answer any questions you might have.





**2005 Assembly Bill 7 – Changes to Contiguous Property Requirements Under  
Managed Forest Law**

**Testimony of State Representative Sheryl K. Albers before the Senate  
Committee on Agriculture and Insurance– March 1, 2005**

---

Chairman Kapanke and members, thank you for allowing me the opportunity to address AB 7. A constituent of mine, Steve Powers of Lyndon Station, came to me around this time last year with a problem. Steve owns 34 acres of wooded land that spanned two townships in Juneau County. The wooded area was contiguous, with 26 acres in the Town of Lemonweir and the other 8 acres in the Town of Seven Mile Creek.

Under present MFL guidelines, the eight acres in Seven Mile Creek cannot be enrolled in under MFL because the law requires a minimum of ten contiguous acres in a single municipality. I can appreciate the need for minimum acreage requirements under MFL. Without a minimum, it would be even more difficult for foresters to check on properties and make sure that management plans are being followed.

The bill before you today makes no major change to MFL. It does, however, correct what I perceive to be a deficiency in existing law. As we all know, it's nearly impossible to account for every possible exception and circumstance when initially drafting a law. We often rely on constituents to point out problems after laws have been enacted. We can then take that information and attempt to improve the law.

Reprogramming is necessary to accommodate this change. The Legislative Fiscal Bureau has informed me that the department is seeking funds to bring some of its outdated programming up to date so that small changes like this might be accomplished more readily. It is my hope that the DNR would consider making this change as part of other programming changes that may be occurring.

This bill will help us to ensure that some property owners whose property crosses boundary lines are not discriminated against if they wish to manage their lands under MFL. I believe it is good policy and I would encourage you to recommend this bill for passage.

Thank you for the opportunity to testify. I would be happy to answer any questions you might have at this time.