

2009 DRAFTING REQUEST

Bill

Received: **01/28/2009**

Received By: **mglass**

Wanted: **As time permits**

Identical to LRB:

For: **Mark Radcliffe (608) 266-7461**

By/Representing:

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

Drafter: **mglass**

May Contact:

Addl. Drafters:

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

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Radcliffe@legis.wisconsin.gov**

Carbon copy (CC:) to: **mary.gibson-glass@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Conversion of managed forest land to agricultural use

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>
/?				_____			S&L
/P1	mglass 02/06/2009	wjackson 02/11/2009	phenry 02/11/2009	_____	lparisi 02/11/2009		S&L
/1	mglass 08/14/2009	wjackson 08/21/2009	rschluet 08/21/2009	_____	lparisi 08/21/2009	lparisi 08/21/2009	

FE Sent For: "/1" @ intro. 10/28/09

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May Contact:

Addl. Drafters:

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

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Radcliffe@legis.wisconsin.gov**

Carbon copy (CC:) to: **mary.gibson-glass@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Conversion of managed forest land to agricultural use

*for 12 take out language:
going back into MFL*

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>
/?				_____			S&L
/P1	mglass 02/06/2009	wjackson 02/11/2009	phenry 02/11/2009	_____	lparisi 02/11/2009		

FE Sent For:

1 WLJ 8/21



<END>

2009 DRAFTING REQUEST

Bill

Received: 01/28/2009

Received By: **mglass**

Wanted: **As time permits**

Identical to LRB:

For: **Mark Radcliffe (608) 266-7461**

By/Representing: *Steve Borz*

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

Drafter: **mglass**

May Contact:

Addl. Drafters:

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

Extra Copies: *e-mail M&B
a copy*

Submit via email: **YES**

Requester's email: **Rep.Radcliffe@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Conversion of managed forest land to agricultural use

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	<i>/pl Wlj 2/11</i>	<i>ph</i>	<i>ph</i>	<i>ph</i>		

FE Sent For:

<END>

1/28/09 Call From Rep. Mark Radcliffe. He would like a bill draft that provides that when land enrolled in the Managed Forest Land program is converted to agricultural use, the withdrawal penalty would not apply (although the land would have to remain open for hunting - (and he seemed to indicate that there might be other requirements that should still apply)). The penalty would apply when the land was converted out of agricultural use, unless it was ~~now~~ reenrolled as MFL.

W. W. (a) 3.

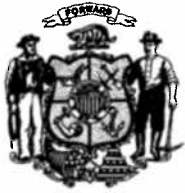
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deducted sum

70.32 (2) (c)

1g.



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1842 P1

MGG: |....

Wlj

D-Note wanted
2/11

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

LPS: Please check spaces.

Gen Cat

1 AN ACT ... relating to: managed forest land being converted to agricultural land.

Analysis by the Legislative Reference Bureau

which

Under current law, the Department of Natural Resources (DNR) administers the managed forest land (MFL) program. ~~The MFL program~~ exempts an owner of land that is designated MFL from payment of municipal property taxes on the land in exchange for a lower payment per acre. In exchange, the owner must comply with certain forestry practices and must allow the public on the land for hunting, fishing, and other outdoor recreational activities unless the landowner elects to pay an extra amount per acre to keep a limited number of acres closed. In addition, an owner of MFL must pay a withdrawal tax and withdrawal fee when the owner withdraws the land from the program before the order designating the land as MFL expires. Orders are for 25 or 50 years.

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to

Under current law, an owner is exempt from paying the withdrawal tax and withdrawal fee if the owner withdraws the MFL to transfer the land for a public road or a utility right-of-way or to the federal or state government or a local governmental unit for a conservation purpose such as a park or public forest. This bill expands this exemption to include withdrawals to convert MFL into agricultural land if the land has been MFL for at least 5 years. The bill incorporates the definition of "agriculture land" that exists under current law for property tax assessment purposes. "Agricultural land" is land that is devoted primarily to agricultural use, as defined by rule by the Department of Revenue. "Agricultural use," in turn, is defined in this rule to include land that is enrolled in certain federal agriculture programs and land that is subject to the stream bank protection program administered by DNR. Under the bill, MFL that is converted to agricultural land is subject to the same public

SP

recreational access requirements until the date that the MFL order would have expired (original expiration date).

The bill provides that if the owner stops using the land for agricultural use before the original expiration date, the owner must pay the withdrawal tax and withdrawal fee ^{the} and that would have been payable at the time of the conversion, and the land is no longer subject to the public recreational access requirements. The bill further provides that if the land again becomes MFL before the original expiration date, DNR must reimburse to the owner an amount equal to ^{the} withdrawal tax and fee that would not have been paid if the conversion never occurred. ^{the Withdrawal}

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. 77.81 (1) of the statutes is renumbered 77.81 (1d).[✓]

2 SECTION 2. 77.81 (1b)[✓] of the statutes is created to read:

3 77.81 (1b) "Agricultural land" has the meaning given in s.70.32 (2) (c) 1g.[✓]

4 SECTION 3. 77.88 (1) (a) of the statutes is amended to read:

5 77.88 (1) (a) The department may, at the request of the owner of managed forest

6 land or of the governing body of any municipality in which any managed forest land

7 is located, ^{plain} or at its own discretion, ~~investigate~~ [✓] conduct an investigation to determine

8 whether the designation as managed forest land should be withdrawn. Except as

9 provided in par. (am), the department shall notify the owner of the land and the

10 mayor of the city, the chairperson of the town, or the president of the village in which

11 the land is located of the investigation. The department may also make a

12 determination to conduct such an investigation at its own discretion. ^o

13 History: 1985 a. 29; 1991 a. 39; 1993 a. 16, 131; 1995 a. 27; 1999 a. 150 s. 672; 2003 a. 228; 2005 a. 64, 299. SECTION 4. 77.88 (8) of the statutes is renumbered 77.88 (8) (a) ^(intro.) and amended

14 to read:

15 77.88 (8) (a) ^(intro.) No withdrawal tax or withdrawal fee may be assessed against an

16 owner who ~~transfers~~ withdraws managed forest land by doing any of the following:

1 1. Transfers ownership of managed forest land for a public road or railroad or
2 utility right-of-way. ~~No withdrawal tax or withdrawal fee may be assessed against~~
3 ~~an owner who transfers~~ ✓

4 2. Transfers ownership of managed forest land for a park, recreational trail,
5 wildlife or fish habitat area or a public forest to the federal government, the state or
6 a local governmental unit, as defined in s. 66.0131 (1) (a).

7 ^b~~(f)~~ The department may not order withdrawal of the remainder of the land that
8 is not withdrawn under par. (a) ✓ unless the remainder fails to meet the eligibility
9 requirements under s. 77.82 (1).

History: 1985 a. 29; 1991 a. 39; 1993 a. 16, 131; 1995 a. 27; 1999 a. 150 s. 672; 2003 a. 228; 2005 a. 64, 299.

10 **SECTION 5.** 77.88 (8) (a) 3. ✓ of the statutes is created to read:

11 77.88 (8) (a) 3. Converts managed forest land ^einto agricultural land as provided
12 in sub. (8m). ✓

History: 1985 a. 29; 1991 a. 39; 1993 a. 16, 131; 1995 a. 27; 1999 a. 150 s. 672; 2003 a. 228; 2005 a. 64, 299.

13 **SECTION 6.** 77.88 (8m) of the statutes is created to read:

14 77.88 (8m) CONVERSION TO AGRICULTURAL LAND. (a) An owner is exempt from
15 payment of the withdrawal tax and withdrawal fee if ^ethe owner directly ^econverts
16 managed forest land that has been subject to an order for more than 5 years ^eto
17 agricultural land. The provisions under s. 77.83 ✓ apply until the date that the order
18 would have expired.

19 (b) If the owner ceases to use the land as agricultural land before the date that
20 the order would have expired, ✓ the owner shall pay the withdrawal tax and
21 withdrawal fee that would have been payable at the time of the conversion, and the
22 provisions under s. 77.83 ✓ no longer apply. If the same owner subsequently petitions ✓
23 under s. 77.82 ✓ for an order designating all or part of the same agricultural land as
24 managed forest land and the department issues the order before the date that the

1 original order would have expired, the department shall reimburse the owner an
2 amount equal to^{the} withdrawal tax and^{the} withdrawal fee that would not have been paid
3 by the owner had that land never been converted to agricultural land.

4 **SECTION 7. Initial applicability.**

5 (1) This act first applies^{to} requests or determinations to conduct investigations
6 relating to orders of withdrawals received or made by the department of natural
7 resources on the effective date of this subsection. ✓

8 (END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-18427/dn

MGG:.....

P1

WLY

Date

LPS: Please check spaces.

1. This preliminary draft, although short, is quite complicated. I suggest that you have persons familiar with the managed forest land program and how it administered review this draft. I am also asking our tax drafter to review this draft. ^{is}
2. For purposes of this draft, I arbitrarily set the requirement for how long the land must be in the managed forest land program at 5 years. See s. 77.88 (8m) (a). ^{proposal}
3. I limited the application of the provisions allowing the land to leave and come back into the managed forest land program to the term of the original managed forest land order. OK?

Mary Gibson-Glass
Senior Legislative Attorney
Phone: (608) 267-3215

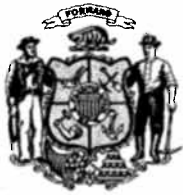
DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1842/P1dn
MGG:wlj:ph

February 11, 2009

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Phone: (608) 267-3215



State of Wisconsin
2009 - 2010 LEGISLATURE

LRNR
LRB-1842/P1
MGG:wlj:ph

~~5/07~~ in 8/13

stays

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

Today please

Regen

1 AN ~~ACT~~ *to renumber* 77.81 (1); *to renumber and amend* 77.88 (8); *to amend*
2 77.88 (1) (a); and *to create* 77.81 (1b), 77.88 (8) (a) 3. and 77.88 (8m) of the
3 statutes; **relating to:** managed forest land being converted to agricultural
4 land.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Natural Resources (DNR) administers the managed forest land (MFL) program, which exempts an owner of land that is designated MFL from payment of municipal property taxes on the land in exchange for a lower payment per acre. In exchange, the owner must comply with certain forestry practices and must allow the public on the land for hunting, fishing, and other outdoor recreational activities unless the landowner elects to pay an extra amount per acre to keep a limited number of acres closed. In addition, an owner of MFL must pay a withdrawal tax and a withdrawal fee when the owner withdraws the land from the program before the order designating the land as MFL expires. Orders are for 25 or 50 years.

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STET
The bill provides that if the owner stops using the land for agricultural use before the original expiration date, the owner must pay the withdrawal tax and the withdrawal fee that would have been payable at the time of the conversion, and the land is no longer subject to the public recreational access requirements. The bill further provides that if the land again becomes MFL before the original expiration date, DNR must reimburse to the owner an amount equal to the withdrawal tax and the withdrawal fee that would not have been paid if the conversion never occurred.

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

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8 **SECTION 7. Initial applicability.**

9 (1) This act first applies to requests or determinations to conduct investigations
10 relating to orders of withdrawals received or made by the department of natural
11 resources on the effective date of this subsection.

12 (END)

Parisi, Lori

From: Boe, Steve
Sent: Friday, August 21, 2009 11:21 AM
To: LRB.Legal
Subject: Draft Review: LRB 09-1842/1 Topic: Conversion of managed forest land to agricultural use

Please Jacket LRB 09-1842/1 for the ASSEMBLY.