



2009 ASSEMBLY BILL 580

November 16, 2009 – Introduced by Representatives CLARK, FRISKE, MURSAU and TURNER, cosponsored by Senators HOLPERIN and TAYLOR. Referred to Committee on Forestry.

1 **AN ACT** *to repeal* 77.82 (2) (i), 77.82 (2m) (a) 2., 77.82 (7) (c) 1. and 77.82 (7) (c)
2 *2.*; *to renumber* 77.82 (2m) (a) 1.; *to renumber and amend* 77.82 (2m) (e) and
3 77.82 (3) (a); *to amend* 20.370 (1) (cx), 26.09 (1b) (j), 77.06 (5), 77.82 (title),
4 77.82 (1) (bn), 77.82 (1) (c), 77.82 (2) (intro.), 77.82 (2) (cm), 77.82 (2) (e), 77.82
5 (2) (e), 77.82 (2) (f), 77.82 (2) (i), 77.82 (2m) (title), 77.82 (2m) (a) 1., 77.82 (2m)
6 (a) 2., 77.82 (2m) (am), 77.82 (2m) (c), 77.82 (2m) (d), 77.82 (2m) (dm) 1., 77.82
7 (2m) (e), 77.82 (3) (a), 77.82 (3) (c) (intro.), 77.82 (3) (g), 77.82 (4), 77.82 (4g) (a),
8 77.82 (4g) (b), 77.82 (4m) (a), 77.82 (4m) (b), 77.82 (4m) (d), 77.82 (5) (title), 77.82
9 (5) (a), 77.82 (5) (b), 77.82 (6) (a), 77.82 (6) (b) 2., 77.82 (7) (a) (intro.), 77.82 (7)
10 (a) 2., 77.82 (7) (b) (intro.), 77.82 (7) (b) 1., 77.82 (7) (c) 3., 77.82 (7) (d), 77.82 (8),
11 77.82 (10), 77.82 (11), 77.82 (11g), 77.82 (12), 77.86 (1) (c), 77.86 (1) (d), 77.86
12 (5) (a), 77.86 (5) (b), 77.87 (1), 77.87 (1g) (a), 77.87 (1g) (d), 77.87 (2), 77.87 (3),
13 77.88 (1) (b) 3., 77.88 (2) (b), 77.88 (2) (d) 1., 77.88 (2) (e), 77.88 (4), 77.88 (5) (ab)
14 1., 77.88 (5) (am) (intro.), 77.88 (6), 77.90, 77.91 (1) and 170.12 (5); *to repeal*

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1 **and recreate** 77.82 (3) (f); and **to create** 77.125, 77.82 (2) (dm), 77.82 (2m) (ac),
2 77.82 (3) (am), 77.88 (5g), 709.03 (form) D. 1m. and 710.12 of the statutes;
3 **relating to:** petitions and management plans for the designation of managed
4 forest land; transferrals of ownership of managed forest land; establishing
5 stumpage values, filing cutting reports, and estimating withdrawal taxes
6 under the managed forest land program; signatures and authentication
7 requirements for orders under the forest croplands program; granting
8 rule-making authority; making an appropriation; and providing a penalty.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Natural Resources (DNR) administers the managed forest land (MFL) program and a similar program called the forest croplands 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 under certain circumstances 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 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. This bill makes various changes to the MFL program, including the following:

1. The words “applicant” and “application” are substituted for “petitioner” and “petition” in the subchapter related to the MFL program. This change is nonsubstantive.

2. The dates before which DNR must act on applications under the MFL program are changed, and the deadline for owners to file applications to renew MFL orders is changed.

3. A forestry management plan for the MFL must accompany the application, and the requirement that DNR prepare the plan upon the request of the applying landowner is eliminated. Under the bill, DNR must prepare the plan only if DNR determines that the applicant is unable to have a proposed management plan prepared by a certified independent plan writer. DNR must promulgate rules establishing the criteria for when DNR will prepare the plan.

4. The Department of Revenue, upon the request of an MFL landowner, with the assistance of DNR, must prepare an estimate of the withdrawal tax that would be due if the MFL is withdrawn.

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5. The requirement that the stumpage value used to determine the amount of yield taxes and withdrawal taxes under the MFL program be established by rule is eliminated.

6. The bill clarifies that when MFL is transferred to another owner, the person purchasing or otherwise receiving the land pays the transfer fee.

7. Under the forest croplands program, facsimile signatures are allowed and documents are exempted from register of deeds authentication requirements. These provisions exist for the MFL program under current law.

8. The penalties and procedures that apply to persons who file false reports also apply for assessing the yield tax to persons who fail to file cutting reports.

9. An owner selling MFL must disclose to prospective buyers that the land is designated as such under an MFL order.

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.** 20.370 (1) (cx) of the statutes is amended to read:

2 20.370 (1) (cx) *Forestry — management plans.* All moneys as ~~calculated~~
3 received under s. 77.82 (2m) ~~(dm)~~ 1. (ag) for payment for management plans prepared
4 or completed by plan writers who are under contract with the department under s.
5 77.82 (3).

6 **SECTION 2.** 26.09 (1b) (j) of the statutes is amended to read:

7 26.09 (1b) (j) “Stumpage value” means the applicable stumpage rate value
8 established ~~by rule~~ under s. 77.91 (1) or the fair market value of raw forest products
9 less the cost of their harvesting, whichever is greater.

10 **SECTION 3.** 77.06 (5) of the statutes is amended to read:

11 77.06 (5) TAX LEVY ON RIGHT TO CUT TIMBER. The department of natural resources
12 shall assess and levy against the owner a severance tax on the right to cut and remove
13 wood products covered by reports under this section, at the rate of 10% of the value
14 of the wood products based upon the stumpage value ~~then in force~~ established under

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1 s. 77.91 (1). Upon making the assessment, the department of natural resources shall
2 mail a duplicate of the certificate by registered mail to the owner who made the
3 report of cutting at the owner's last-known post-office address. The tax assessed is
4 due and payable to the department of natural resources on the last day of the next
5 ~~calendar month after mailing~~ following the date the certificate is mailed to the owner.

6 The proceeds of the tax shall be paid into the forestry account of the conservation
7 fund for distribution under s. 77.07 (3).

8 **SECTION 4.** 77.125 of the statutes is created to read:

9 **77.125 Signatures. (1)** The signature of an official or an employee of the
10 department of natural resources may be stamped, printed, or otherwise reproduced
11 on an order under ss. 77.01 to 77.14 after the official or employee adopts the stamped,
12 printed, or otherwise reproduced signature as his or her facsimile signature.

13 **(2)** The signature or the facsimile signature under sub. (1) of an official or an
14 employee of the department of natural resources meets the requirement under s.
15 706.05 (2) (a).

16 **(3)** The requirement of s. 706.05 (2) (b) does not apply to orders issued under
17 this subchapter.

18 **SECTION 5.** 77.82 (title) of the statutes is amended to read:

19 **77.82 (title) Managed forest land; ~~petitioner~~ applicant application.**

20 **SECTION 6.** 77.82 (1) (bn) of the statutes is amended to read:

21 **77.82 (1) (bn)** For purposes of par. (b) 3., the department by rule shall define
22 "human residence" to include a residence of the ~~petitioner~~ applicant regardless of
23 whether it is the ~~petitioner's~~ applicant's primary residence. The definition may also
24 include up to one acre surrounding the residence for a residence that is not the
25 ~~petitioner's~~ applicant's primary residence.

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1 **SECTION 7.** 77.82 (1) (c) of the statutes is amended to read:

2 77.82 (1) (c) In addition to the requirements under pars. (a) and (b), for land
3 subject to ~~a petition~~ an application under sub. (4m), all forest croplands owned by
4 the ~~petitioner~~ applicant on the date on which the ~~petition~~ application is submitted
5 filed that are located in the municipality or municipalities for which the ~~petition~~
6 application is submitted filed shall be included in the ~~petition~~ application.

7 **SECTION 8.** 77.82 (2) (intro.) of the statutes is amended to read:

8 77.82 (2) ~~PETITION APPLICATION.~~ (intro.) Any owner of land may ~~petition~~ file an
9 application with the department to designate any eligible parcel of land as managed
10 forest land. ~~A petition~~ An application may include any number of eligible parcels
11 under the same ownership. Each ~~petition~~ application shall include all of the
12 following:

13 **SECTION 9.** 77.82 (2) (cm) of the statutes is amended to read:

14 77.82 (2) (cm) A copy of an instrument that has been recorded in the office of
15 the register of deeds of each county in which the property is located that shows the
16 ownership of the land subject to the ~~petition~~ application.

17 **SECTION 10.** 77.82 (2) (dm) of the statutes is created to read:

18 77.82 (2) (dm) A proposed management plan.

19 **SECTION 11.** 77.82 (2) (e) of the statutes is amended to read:

20 77.82 (2) (e) A statement of the owner's forest management objectives for the
21 production of merchantable timber, in sufficient detail to provide direction for the
22 development and approval of a management plan. The ~~petition~~ application may also
23 state additional forest management objectives, which may include wildlife habitat
24 management, aesthetic considerations, watershed management and recreational
25 use.

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1 **SECTION 12.** 77.82 (2) (e) of the statutes, as affected by 2009 Wisconsin Act ...
2 (this act), is amended to read:

3 77.82 (2) (e) A statement of the owner's forest management objectives for the
4 production of merchantable timber, in sufficient detail to provide direction for the
5 ~~development and approval of~~ a the proposed management plan. The application
6 may also state additional forest management objectives, which may include wildlife
7 habitat management, aesthetic considerations, watershed management and
8 recreational use.

9 **SECTION 13.** 77.82 (2) (f) of the statutes is amended to read:

10 77.82 (2) (f) Proof that each person holding any encumbrance on the land
11 ~~agrees to the petition~~ that the application may be filed.

12 **SECTION 14.** 77.82 (2) (i) of the statutes is amended to read:

13 77.82 (2) (i) If a proposed management plan is not ~~submitted~~ filed with the
14 ~~petition~~ application, a request that the department prepare a management plan.
15 The department may decline to prepare the plan.

16 **SECTION 15.** 77.82 (2) (i) of the statutes, as affected by 2009 Wisconsin Act ...
17 (this act), is repealed.

18 **SECTION 16.** 77.82 (2m) (title) of the statutes is amended to read:

19 77.82 (2m) (title) FEES FOR PETITIONS APPLICATIONS AND MANAGEMENT PLANS.

20 **SECTION 17.** 77.82 (2m) (a) 1. of the statutes is amended to read:

21 77.82 (2m) (a) 1. ~~A petition~~ An application under sub. (2), (4m), or (12) shall
22 be accompanied by a nonrefundable application recording fee of \$20 unless a
23 different amount for the ~~recording~~ fee is established by the department by rule at an
24 amount equal to the average expense to the department for recording an order issued
25 under this subchapter.

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1 **SECTION 18.** 77.82 (2m) (a) 1. of the statutes, as affected by 2009 Wisconsin Act
2 (this act), is renumbered 77.82 (2m) (a).

3 **SECTION 19.** 77.82 (2m) (a) 2. of the statutes is amended to read:

4 77.82 **(2m)** (a) 2. If ~~a petition~~ an application under sub. (2), (4m), or (12) is not
5 accompanied by a proposed management plan that meets the requirements under
6 par. (c), the department shall charge the plan preparation fee established under par.
7 (am) if the department agrees to complete the plan.

8 **SECTION 20.** 77.82 (2m) (a) 2. of the statutes, as affected by 2009 Wisconsin Act
9 (this act), is repealed.

10 **SECTION 21.** 77.82 (2m) (ac) of the statutes is created to read:

11 77.82 **(2m)** (ac) If the department prepares a management plan under sub. (3)
12 (am), the department shall collect from the applicant the management plan fee
13 established under par. (am).

14 **SECTION 22.** 77.82 (2m) (am) of the statutes is amended to read:

15 77.82 **(2m)** (am) The department shall by rule establish on an annual basis a
16 nonrefundable fee that the department shall charge for a management plan
17 prepared or completed by the department, ~~including any plan prepared by a certified~~
18 ~~plan writer contracted by the department under sub. (3) (g).~~ The fee shall be based
19 on the comparable commercial market rate that is charged for preparation of such
20 management plans.

21 **SECTION 23.** 77.82 (2m) (c) of the statutes is amended to read:

22 77.82 **(2m)** (c) A proposed management plan is exempt from the management
23 plan preparation fee under par. (a) ~~2.~~ (ag) if it is prepared or completed by an
24 independent certified plan writer instead of by the department.

25 **SECTION 24.** 77.82 (2m) (d) of the statutes is amended to read:

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1 77.82 (2m) (d) All of the application recording fees collected under par. (a) ~~1-~~
2 shall be credited to the appropriation under s. 20.370 (1) (cr).

3 **SECTION 25.** 77.82 (2m) (dm) 1. of the statutes is amended to read:

4 77.82 (2m) (dm) 1. Of each management plan fee, \$300 or the entire fee,
5 whichever is less, that is collected under par. (a) ~~or (e) that is not credited to the~~
6 ~~appropriation under s. 20.370 (1) (cr)~~ (ag) shall be credited to the appropriation under
7 s. 20.370 (1) (cx).

8 **SECTION 26.** 77.82 (2m) (e) of the statutes is amended to read:

9 77.82 (2m) (e) If a proposed management plan accompanying ~~a petition~~ an
10 application filed under sub. (2), (4m), or (12) is not approved by the department under
11 its initial review under sub. (3) (a), and if the department agrees to complete the
12 management plan under sub. (3) (a), the department shall collect from the ~~petitioner~~
13 applicant the plan preparation fee established under par. (am), ~~if the petitioner~~
14 applicant has not previously paid the fee.

15 **SECTION 27.** 77.82 (2m) (e) of the statutes, as affected by 2009 Wisconsin Act
16 (this act), is renumbered 77.82 (2m) (ag) and amended to read:

17 77.82 (2m) (ag) If a proposed management plan accompanying an application
18 filed under sub. (2), (4m), or (12) is not approved by the department under its initial
19 review under sub. (3) ~~(a)~~ (ar), and if the department agrees to complete the proposed
20 management plan under sub. (3) ~~(a)~~ (ar), the department shall collect from the
21 applicant the management plan preparation fee established under par. (am), ~~if the~~
22 ~~applicant has not previously paid the fee.~~

23 **SECTION 28.** 77.82 (3) (a) of the statutes is amended to read:

24 77.82 (3) (a) A proposed management plan may shall cover the entire acreage
25 of each parcel subject to the ~~petition~~ application. The department, after considering

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1 the owner's forest management objectives as stated under sub. (2) (e), shall review
2 and either approve or disapprove the proposed management plan. If the department
3 disapproves the plan, it shall inform the ~~petitioner~~ applicant of the changes
4 necessary to qualify the plan for approval upon subsequent review. At the request
5 of the ~~petitioner~~ applicant, the department may agree to complete the proposed
6 management plan that has been prepared by an independent certified plan writer.
7 The department shall complete any proposed management plan prepared by the
8 department.

9 **SECTION 29.** 77.82 (3) (a) of the statutes, as affected by 2009 Wisconsin Act
10 (this act), is renumbered 77.82 (3) (ag) and amended to read:

11 77.82 (3) (ag) A proposed management plan shall cover the entire acreage of
12 each parcel subject to the application. ~~The~~ and shall be prepared by an independent
13 certified plan writer or by the department if par. (am) applies.

14 (ar) For a proposed management plan prepared by an independent certified
15 plan writer, the department, after considering the owner's forest management
16 objectives as stated under sub. (2) (e), shall review and either approve or disapprove
17 the proposed management plan. If the department disapproves the proposed plan,
18 it shall inform the applicant of the changes necessary to qualify the plan for approval
19 upon subsequent review. At the request of the applicant, the department may agree
20 to complete the proposed management plan that ~~has been prepared by an~~
21 ~~independent certified plan writer. The department shall complete any proposed~~
22 ~~management plan prepared by the department.~~

23 **SECTION 30.** 77.82 (3) (am) of the statutes is created to read:

24 77.82 (3) (am) If the department determines that an applicant is not able to
25 have a proposed management plan prepared by a certified independent plan writer,

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1 the department shall prepare the plan. The department shall promulgate rules
2 establishing the criteria that shall be met in order to determine that an applicant is
3 unable to prepare such a plan.

4 **SECTION 31.** 77.82 (3) (c) (intro.) of the statutes is amended to read:

5 77.82 (3) (c) (intro.) To qualify for approval, a management plan shall be
6 prepared by an independent certified plan writer or prepared by the department and
7 shall include all of the following:

8 **SECTION 32.** 77.82 (3) (f) of the statutes is repealed and recreated to read:

9 77.82 (3) (f) A management plan may be amended either by an agreement
10 entered into by the owner and the department or by the department to ensure the
11 practice of sound forestry.

12 **SECTION 33.** 77.82 (3) (g) of the statutes is amended to read:

13 77.82 (3) (g) The department shall certify plan writers and shall promulgate
14 rules specifying the qualifications that a person must satisfy to become a certified
15 plan writer. For management plans prepared or completed by the department under
16 this subsection, the department may contract with plan writers certified by the
17 department to prepare and complete these plans.

18 **SECTION 34.** 77.82 (4) of the statutes is amended to read:

19 77.82 (4) ADDITIONS TO MANAGED FOREST LAND. An owner of land that is
20 designated as managed forest land under an order that takes effect on or after April
21 28, 2004, may petition file an application with the department to designate as
22 managed forest land an additional parcel of land if the additional parcel is at least
23 3 acres in size and is contiguous to any of that designated land. The petition
24 application shall be accompanied by a nonrefundable \$20 application recording fee
25 unless a different amount for the fee is established by the department by rule at an

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1 amount equal to the average expense to the department of recording an order issued
2 under this subchapter. The fee shall be deposited in the conservation fund and
3 credited to the appropriation under s. 20.370 (1) (cr). The ~~petition~~ application shall
4 be filed on a department form and shall contain any additional information required
5 by the department.

6 **SECTION 35.** 77.82 (4g) (a) of the statutes is amended to read:

7 77.82 **(4g)** (a) If an owner of land that is designated as managed forest land
8 under an order that takes effect before April 28, 2004, wishes to have an additional
9 parcel of land that is at least 10 acres in size and that satisfies the other requirements
10 in sub. (1) designated as managed forest land, the owner may ~~petition~~ file an
11 application with the department under sub. (2) for a new order covering the
12 additional land.

13 **SECTION 36.** 77.82 (4g) (b) of the statutes is amended to read:

14 77.82 **(4g)** (b) If an owner of land that is designated as managed forest land
15 under an order that takes effect before April 28, 2004, wishes to have designated as
16 managed forest land an additional parcel of land that is at least 3 acres in size, that
17 does not satisfy the requirements in sub. (1), and that is contiguous to any of that
18 designated land, the owner may withdraw the designated land from the original
19 order and may ~~petition~~ file an application with the department under sub. (2) for a
20 new order covering both the withdrawn land and the additional land. The
21 withdrawal tax and the withdrawal fee under s. 77.88 (5) and (5m) do not apply to
22 a withdrawal under this paragraph.

23 **SECTION 37.** 77.82 (4m) (a) of the statutes is amended to read:

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1 77.82 (4m) (a) An owner of land that is entered as forest croplands under s.
2 77.02 may ~~petition~~ file an application with the department under sub. (2) to convert
3 all or a portion of the land to managed forest land, subject to sub. (1) (c).

4 **SECTION 38.** 77.82 (4m) (b) of the statutes is amended to read:

5 77.82 (4m) (b) ~~A petition~~ An application under this subsection shall specify
6 whether the order designating the land as managed forest land will remain in effect
7 for 25 years or 50 years, as elected by the owner.

8 **SECTION 39.** 77.82 (4m) (d) of the statutes is amended to read:

9 77.82 (4m) (d) An owner of land who has filed a conversion ~~petition~~ application
10 under this subsection and for whom the department is preparing or completing a
11 management plan may withdraw the request and have it prepared by an
12 independent certified plan writer if the owner determines that the department is not
13 preparing or completing the management plan in a timely manner.

14 **SECTION 40.** 77.82 (5) (title) of the statutes is amended to read:

15 77.82 (5) (title) NOTICE OF ~~PETITION~~ APPLICATION; REQUEST FOR DENIAL.

16 **SECTION 41.** 77.82 (5) (a) of the statutes is amended to read:

17 77.82 (5) (a) Upon receipt of ~~a petition~~ an application under sub. (2), (4) or (4m),
18 the department shall provide written notice of the ~~petition~~ application to each clerk
19 of each municipality in which the land is located.

20 **SECTION 42.** 77.82 (5) (b) of the statutes is amended to read:

21 77.82 (5) (b) The governing body of any municipality in which the proposed
22 managed forest land is located or a resident or property tax payer of such a
23 municipality may, within 15 days after the notice under par. (a) is provided, request
24 the department to deny the ~~petition~~ application on the grounds that the land fails to
25 meet the eligibility requirements under sub. (1) or that, if the addition is approved,

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1 the entire parcel will fail to meet those eligibility requirements. The request shall
2 be in writing and shall specify the reason for believing that the land is or would be
3 ineligible.

4 **SECTION 43.** 77.82 (6) (a) of the statutes is amended to read:

5 77.82 (6) (a) The department shall conduct any investigation necessary to
6 reach a decision on ~~a petition~~ an application.

7 **SECTION 44.** 77.82 (6) (b) 2. of the statutes is amended to read:

8 77.82 (6) (b) 2. At least 10 days before the date of the hearing, the department
9 shall mail written notice of the date, time, and place of the hearing to the ~~petitioner,~~
10 applicant, to each person who submitted a request under sub. (5) (b), and to the clerk
11 of each municipality in which the land is located.

12 **SECTION 45.** 77.82 (7) (a) (intro.) of the statutes is amended to read:

13 77.82 (7) (a) (intro.) After considering the testimony presented at the public
14 hearing, if any, the facts discovered by its investigation and the land use in the area
15 in which the land is located, the department shall approve ~~a petition~~ an application
16 under sub. (2) or (4m) if it determines all of the following:

17 **SECTION 46.** 77.82 (7) (a) 2. of the statutes is amended to read:

18 77.82 (7) (a) 2. That all facts stated in the ~~petition~~ application are correct.

19 **SECTION 47.** 77.82 (7) (b) (intro.) of the statutes is amended to read:

20 77.82 (7) (b) (intro.) After considering the testimony presented at the public
21 hearing, if any, and the facts discovered by its investigation, the department shall
22 approve ~~a petition~~ an application under sub. (4) if it determines all of the following:

23 **SECTION 48.** 77.82 (7) (b) 1. of the statutes is amended to read:

24 77.82 (7) (b) 1. That all facts stated in the ~~petition~~ application are correct.

25 **SECTION 49.** 77.82 (7) (c) 1. of the statutes is repealed.

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1 **SECTION 50.** 77.82 (7) (c) 2. of the statutes is repealed.

2 **SECTION 51.** 77.82 (7) (c) 3. of the statutes is amended to read:

3 77.82 (7) (c) 3. Except as provided in par. (d), if ~~a petition~~ an application is
4 received on or before ~~May 15~~ June 1 of any year from ~~a petitioner who owns less than~~
5 ~~1,000 acres in this state, who, before the deadline established by the department by~~
6 ~~rule, submitted a draft management plan prepared by an independent certified plan~~
7 ~~writer, and who submits a completed plan, as defined by the department by rule, with~~
8 ~~the petition~~, the department shall investigate and shall either approve the ~~petition~~
9 application and issue the order under sub. (8) or deny the ~~petition~~ application before
10 the following November 21. An application received after June 1 shall be acted on
11 by the department as provided in this subdivision before the November 21 of the year
12 following the year in which the application is received.

13 **SECTION 52.** 77.82 (7) (d) of the statutes is amended to read:

14 77.82 (7) (d) The department shall approve or disapprove ~~a petition~~ an
15 application under par. (a) that is ~~submitted~~ filed under sub. (4m) within 3 years after
16 the date on which the ~~petition is submitted to~~ application is filed with the
17 department.

18 **SECTION 53.** 77.82 (8) of the statutes is amended to read:

19 77.82 (8) ORDER. If ~~a petition~~ an application under sub. (2), (4m), or (12) is
20 approved, the department shall issue an order designating the land as managed
21 forest land for the time period specified in the ~~petition~~ application. If ~~a petition~~ an
22 application under sub. (4) is approved, the department shall amend the original
23 order to include the additional parcel. The department shall provide the ~~petitioner~~
24 applicant with a copy of the order or amended order and shall also file a copy with
25 the department of revenue, the supervisor of assessments, and the clerk of each

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1 municipality in which the land is located, and shall record the order with the register
2 of deeds in each county in which the land is located.

3 **SECTION 54.** 77.82 (10) of the statutes is amended to read:

4 77.82 (10) DENIAL. If the department denies ~~a petition~~ an application, it shall
5 notify the ~~petitioner~~ applicant in writing, stating the reason for the denial.

6 **SECTION 55.** 77.82 (11) of the statutes is amended to read:

7 77.82 (11) DURATION. An order under this subchapter remains in effect for the
8 period specified in the ~~petition~~ application unless the land is withdrawn under s.
9 77.84 (3) (b) or 77.88. An amendment to or repeal of this subchapter does not affect
10 the terms of an order or management plan, except as expressly agreed to in writing
11 by the owner and the department and except as provided in sub. (11m).

12 **SECTION 56.** 77.82 (11g) of the statutes is amended to read:

13 77.82 (11g) WITHDRAWAL TAX ON CONVERTED FOREST CROPLANDS PROHIBITED. No
14 tax or interest may be assessed under s. 77.10 (2) (a) on land converted to managed
15 forest land pursuant to ~~a petition~~ an application approved under sub. (7) (d).

16 **SECTION 57.** 77.82 (12) of the statutes is amended to read:

17 77.82 (12) RENEWAL. An owner of managed forest land may ~~petition~~ file an
18 application with the department under sub. (2) for renewal of the order. ~~A petition~~
19 An application filed by an owner of 1,000 acres or more in this state shall be filed no
20 later than the March 31 before the expiration date of the order. ~~A petition~~ An
21 application filed by an owner of less than 1,000 acres in this state shall be filed no
22 later than the ~~2nd July 1~~ June 1 before the expiration date of the order, ~~except that~~
23 ~~if the owner satisfies the requirement in sub. (7) (c) 3., the petition shall be filed no~~
24 ~~later than the May 15 before the expiration date of the order.~~ The ~~petition~~ application
25 shall specify whether the owner wants the order renewed for 25 or 50 years. The

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1 provisions under subs. (5), (6), and (7) do not apply to ~~a petition~~ an application under
2 this subsection. The department may deny the ~~petition~~ application only if the land
3 fails to meet the eligibility requirements under sub. (1), if the owner has failed to
4 comply with the management plan that is in effect on the date that the ~~petition~~
5 application for renewal is filed, or if there are delinquent taxes on the land. If the
6 ~~petition~~ application is denied, the department shall state the reason for the denial
7 in writing.

8 **SECTION 58.** 77.86 (1) (c) of the statutes is amended to read:

9 77.86 (1) (c) If the proposed cutting conforms to the management plan and is
10 consistent with sound forestry practices, the department shall approve the request.

11 **SECTION 59.** 77.86 (1) (d) of the statutes is amended to read:

12 77.86 (1) (d) If the proposed cutting does not conform to the management plan
13 or is not consistent with sound forestry practices, the department shall assist the
14 owner in developing an acceptable proposal before approving the request.

15 **SECTION 60.** 77.86 (5) (a) of the statutes is amended to read:

16 77.86 (5) (a) Any person who fails to file the notice required under sub. (1) (b)
17 ~~or, who intentionally~~ fails to file a report as required under sub. (4), or who files a false
18 report under sub. (4) shall forfeit not more than \$1,000.

19 **SECTION 61.** 77.86 (5) (b) of the statutes is amended to read:

20 77.86 (5) (b) Any owner who ~~intentionally~~ cuts merchantable timber in
21 violation of this section is subject to a forfeiture equal to 20% of the current value of
22 the merchantable timber cut, based on the stumpage value established under s.
23 77.91 (1).

24 **SECTION 62.** 77.87 (1) of the statutes is amended to read:

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1 77.87 (1) TAXATION. The department shall assess a yield tax against each owner
2 who cuts merchantable timber and files a report under s. 77.86. If the owner fails
3 to timely file a report under s. 77.86 (4), the department shall determine the value
4 of the merchantable timber cut for the assessment of the yield tax. The yield tax shall
5 equal 5% of the value of the merchantable timber cut, based on the stumpage value
6 established under s. 77.91 (1). The department shall mail a copy of the certificate of
7 assessment to the owner at the owner's last-known address.

8 **SECTION 63.** 77.87 (1g) (a) of the statutes is amended to read:

9 77.87 (1g) (a) An order converting forest cropland to managed forest land
10 pursuant to ~~a petition~~ an application approved under s. 77.82 (7) (d).

11 **SECTION 64.** 77.87 (1g) (d) of the statutes is amended to read:

12 77.87 (1g) (d) ~~A~~ An order petitioned for for which an application is filed under
13 s. 77.82 (4g) (b).

14 **SECTION 65.** 77.87 (2) of the statutes is amended to read:

15 77.87 (2) SUPPLEMENTAL YIELD TAX. At any time within one year after a report
16 is filed under s. 77.86 (4), the department, after notifying the owner and providing
17 the owner with the opportunity for a hearing, may determine whether the report is
18 accurate. If the department determines that the quantity of merchantable timber
19 cut exceeded the amount on which the tax was assessed under sub. (1), the
20 department shall assess a supplemental yield tax on the additional amount as
21 provided under sub. (1).

22 **SECTION 66.** 77.87 (3) of the statutes is amended to read:

23 77.87 (3) PAYMENT. A tax assessed under sub. (1) or (2) is due and payable to
24 the department on the last day of the next month following the date the certificate
25 is mailed to the owner. The department shall collect interest at the rate of 12% per

ASSEMBLY BILL 580**SECTION 66**

1 year on any tax that is paid later than the due date. Amounts received shall be
2 credited to the conservation fund.

3 **SECTION 67.** 77.88 (1) (b) 3. of the statutes is amended to read:

4 77.88 (1) (b) 3. ~~Intentional cutting~~ Cutting by the owner in violation of s. 77.86.

5 **SECTION 68.** 77.88 (2) (b) of the statutes is amended to read:

6 77.88 (2) (b) If the land remaining after a transfer under par. (a) is contiguous
7 and meets the eligibility requirements under s. 77.82 (1) (a) 2. and (b), it shall
8 continue to be designated as managed forest land until the expiration of the existing
9 order, even if the parcel contains less than 10 acres. Notwithstanding s. 77.82 (12),
10 an owner may not ~~petition~~ file an application with the department for renewal of the
11 order if the parcel contains less than 10 acres. No withdrawal tax under sub. (5) or
12 withdrawal fee under sub. (5m) may be assessed when the remaining land is
13 withdrawn at the expiration of the order.

14 **SECTION 69.** 77.88 (2) (d) 1. of the statutes is amended to read:

15 77.88 (2) (d) 1. Within ~~10~~ 30 days after a transfer of ownership, the former
16 ~~owner~~ transferee shall, on a form provided by the department, file with the
17 department a report of the transfer signed by ~~the former owner and~~ the transferee.
18 ~~The report shall be accompanied by a \$100 fee which~~ transferee shall pay a \$100 fee
19 that will accompany the report. The fee shall be deposited in the conservation fund.
20 Twenty dollars of the fee or a different amount of the fee as may be established under
21 subd. 2. shall be credited to the appropriation under s. 20.370 (1) (cr). The
22 department shall immediately notify each person entitled to notice under s. 77.82 (8).

23 **SECTION 70.** 77.88 (2) (e) of the statutes is amended to read:

24 77.88 (2) (e) The transferred land shall remain managed forest land if the
25 transferee, within 30 days after the transfer, certifies to the department an intent

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1 to comply with the existing management plan for the land and with any amendments
2 agreed to by the department and the transferee to the plan, and provides proof that
3 each person holding any encumbrance on the land agrees to the designation. The
4 transferee may designate an area of the transferred land closed to public access as
5 provided under s. 77.83. The department shall issue an order continuing the
6 designation of the land as managed forest land under the new ownership.

7 **SECTION 71.** 77.88 (4) of the statutes is amended to read:

8 77.88 (4) NONRENEWAL. If an owner does not ~~petition~~ file with the department
9 an application to renew a managed forest land order, the department shall order the
10 land withdrawn at the expiration of the order. No withdrawal tax under sub. (5) or
11 withdrawal fee under sub. (5m) may be assessed.

12 **SECTION 72.** 77.88 (5) (ab) 1. of the statutes is amended to read:

13 77.88 (5) (ab) 1. “Expanded order” means an order approved under s. 77.82 (8)
14 ~~that is petitioned for~~ for which an application is filed under s. 77.82 (4g) (b).

15 **SECTION 73.** 77.88 (5) (am) (intro.) of the statutes is amended to read:

16 77.88 (5) (am) (intro.) For land that is withdrawn within 10 years after the date
17 on which an initial managed forest land order was issued under s. 77.82 (8) for ~~a~~
18 ~~petition~~ an application approved under s. 77.82 (7) (d), the withdrawal tax shall be
19 the higher of the following:

20 **SECTION 74.** 77.88 (5g) of the statutes is created to read:

21 77.88 (5g) ESTIMATES OF WITHDRAWAL TAX. (a) Upon the request of an owner of
22 managed forest land, the department of revenue, with the assistance of the
23 department, shall prepare an estimate of the amount of withdrawal tax that would
24 be assessed under sub. (5) if the department were to issue an order to withdraw the
25 land under this section.

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1 (b) A request from an owner under this subsection shall be accompanied by a
2 nonrefundable fee payable to the department of revenue of either \$100 or the
3 alternative nonrefundable fee calculated under par. (c), whichever is greater.

4 (c) The alternative nonrefundable fee shall be calculated by multiplying the
5 total number of whole and partial acres by \$5.

6 **SECTION 75.** 77.88 (6) of the statutes is amended to read:

7 77.88 (6) DETERMINATION OF STUMPAGE VALUE. In determining the stumpage
8 value of merchantable timber for purposes of this section, an estimator agreed upon
9 by the parties or, if they cannot agree, a forester appointed by a judge of the circuit
10 court in the county in which the land is located shall estimate the volume of
11 merchantable timber on the land. The estimate obtained shall be final. The
12 department shall determine the current stumpage value of the merchantable timber,
13 based on the ~~rule promulgated~~ applicable stumpage value established under s. 77.91
14 (1). The owner shall pay the entire cost of obtaining the estimate.

15 **SECTION 76.** 77.90 of the statutes is amended to read:

16 77.90 **Right to hearing.** ~~A petitioner~~ An applicant under s. 77.82 or an owner
17 of managed forest land who is adversely affected by a decision of the department
18 under this subchapter is entitled to a contested case hearing under ch. 227.

19 **SECTION 77.** 77.91 (1) of the statutes is amended to read:

20 77.91 (1) ~~RULE MAKING; STUMPAGE VALUE~~ STUMPAGE VALUES. Each year the
21 department shall ~~promulgate a rule establishing a~~ establish reasonable stumpage
22 ~~value~~ values for the merchantable timber grown in the municipalities in which
23 managed forest land is located. If the department finds that stumpage values vary
24 in different parts of the state, it may establish different zones and specify the
25 stumpage value for each zone. The ~~rule~~ stumpage value shall take effect on

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1 November 1 of each year. Notwithstanding s. 227.11, the department may not
2 promulgate or have in effect rules that established stumpage values.

3 **SECTION 78.** 170.12 (5) of the statutes is amended to read:

4 170.12 (5) RESERVATION OF VALUE. The state reserves to itself 30% of the
5 stumpage value, as established by the department of natural resources by rule
6 promulgated under s. 77.91 (1), of any log raised pursuant to a permit issued under
7 this section.

8 **SECTION 79.** 709.03 (form) D. 1m. of the statutes is created to read:

9 **709.03** (form)

10 D.1m. I am aware that the property, or portion of the
11 property, is designated as managed forest
12 land.

13 **SECTION 80.** 710.12 of the statutes is created to read:

14 **710.12 Disclosure regarding managed forest land.** An owner of real
15 property located in this state who is not required to furnish to a prospective buyer
16 a real estate condition report under s. 709.03 shall, not later than 10 days after
17 acceptance of a contract of sale or option contract, in writing disclose to a prospective
18 buyer of the real property whether the property, or any portion of the property, after
19 transfer to the buyer, is subject to an order designating it as managed forest land
20 under subch. VI of ch. 77.

21 **SECTION 81. Initial applicability.**

22 (1) MANAGED FOREST LAND APPLICATIONS AND MANAGEMENT PLANS. The treatment
23 of sections 20.370 (1) (cx) and 77.82 (2) (dm) and (e) (by SECTION 12), (2m) (ac), (am),
24 (c), (d), and (dm) 1., and (3) (am), (c) (intro.), and (g) of the statutes, the repeal of
25 section 77.82 (2) (i) and (2m) (a) 2. of the statutes, the renumbering of section 77.82

ASSEMBLY BILL 580**SECTION 81**

1 (2m) (a) 1. of the statutes, and the renumbering and amendment of section 77.82 (2m)
2 (e) and (3) (a) of the statutes first apply to applications filed on the effective date of
3 this subsection.

4 (2) INVESTIGATIONS ON APPLICATIONS. The treatment of section 77.82 (7) (c) 1., 2.,
5 and 3. of the statutes first applies to applications filed on the effective date of this
6 subsection.

7 (3) CUTTING REPORTS. The treatment of sections 77.86 (5) (a) and (b), 77.87 (1)
8 and (2) and 77.88 (1) (b) 3. of the statutes first applies to cutting of merchantable
9 timber for which a cutting report is required on the effective date of this subsection.

10 (4) TRANSFERS OF MANAGED FOREST LAND OWNERSHIP. The treatment of section
11 77.88 (2) (d) 1. of the statutes first applies to transfers of ownership that occur on the
12 effective date of this subsection.

13 (5) ESTIMATES OF WITHDRAWAL TAX. The treatment of section 77.88 (5g) of the
14 statutes first applies to notifications of investigations for withdrawing managed
15 forest land that are issued on the effective date of this subsection.

16 (6) REAL ESTATE DISCLOSURE. The treatment of sections 709.03 (form) D. 1m. and
17 710.12 of the statutes first applies to written disclosures and real estate condition
18 reports that are furnished after a contract of sale or option contract acceptance that
19 occurs on the effective date of this subsection.

20 **SECTION 82. Effective dates.** This act takes effect on the day of publication,
21 except as follows:

22 (1) MANAGED FOREST LAND APPLICATIONS AND MANAGEMENT PLANS. The treatment
23 of sections 20.370 (1) (cx) and 77.82 (2) (dm) and (e) (by SECTION 12), (2m) (ac), (am),
24 (c), (d), and (dm) 1., and (3) (am), (c) (intro.), and (g) of the statutes, the repeal of
25 section 77.82 (2) (i) and (2m) (a) 2. of the statutes, the renumbering of section 77.82

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1 (2m) (a) 1. of the statutes, and the renumbering and amendment of section 77.82 (2m)
2 (e) and (3) (a) of the statutes and SECTION 81 (1) of this act take effect on the 2nd June
3 1 after publication.

4 (2) ESTIMATES OF WITHDRAWAL TAX. The treatment of section 77.88 (5g) of the
5 statutes and SECTION 81 (5) of this act take effect on the first day of the 4th month
6 beginning after publication.

7 (3) The treatment of section 709.03 (form) D. 1m. and 710.12 of the statutes and
8 SECTION 81 (6) take effect on the first day of the 7th month beginning after
9 publication.

10 (END)