



INSERT NOTE

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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1 **AN ACT to repeal** 77.06 (5), 77.07, 77.82 (1) (bn), 77.82 (4g), 77.83 (1) (a) 1., 77.86
2 (2), 77.87, 77.88 (2) (a) 1., 77.88 (3g), 77.88 (4), 77.88 (5) (a) 1. and 2., 77.88 (5)
3 (ab), 77.88 (5) (ar), 77.88 (5) (b) and 77.88 (5) (c); **to renumber** 77.83 (1) (a) 2.
4 a., b. and c.; **to renumber and amend** 77.06 (1) (b) 2., 77.86 (1) (b) 2., 77.88 (2)
5 (a) (intro.), 77.88 (2) (a) 2., 77.88 (2) (a) 3., 77.88 (2) (e), 77.88 (2) (f), 77.88 (3)
6 and 77.88 (5) (a) (intro.); **to consolidate, renumber and amend** 77.83 (1) (a)
7 (intro.) and 2. (intro.); **to amend** 26.06 (1), 74.25 (1) (a) 6., 74.30 (1) (f), 75.36
8 (2) (a), 77.06 (1) (c), 77.10 (1) (a), 77.81 (6), 77.82 (1) (b) 3., 77.82 (2) (dm), 77.82
9 (4), 77.82 (11), 77.82 (12), 77.88 (2) (am), 77.88 (2) (b), 77.88 (2) (c), 77.88 (3)
10 (title), 77.88 (5) (am) 1., 77.88 (8) (b), 77.88 (11), 77.89 (1) (a) and 77.89 (2) (b);
11 and **to create** 23.0951, 23.27 (3) (c), 77.06 (1) (b) 2. b., 77.06 (1) (b) 2. c., 77.06
12 (1) (b) 2. d., 77.81 (4m), 77.82 (1) (bp), 77.83 (1) (d), 77.86 (1) (b) 2. a., 77.86 (1)
13 (b) 2. b., 77.86 (1) (b) 2. c., 77.86 (1) (b) 2. d., 77.86 (1) (e), 77.86 (1) (f), 77.88 (2)
14 (a) (title), 77.88 (2) (ac) (title), 77.88 (2) (d) (title), 77.88 (2m), 77.88 (3) (am),
15 77.88 (3) (b) 1. (intro.) and 2., 77.88 (3) (d), 77.88 (3j), 77.88 (3r), 77.88 (4m),

1 77.88 (5) (ac) and 77.88 (5) (am) (title) of the statutes; **relating to:** taxes on
2 managed forest lands, eligibility for the managed forest land program,
3 management plans for managed forest land, sale or transfer of managed forest
4 land, productivity of managed forest land, closed managed forest land, forest
5 production areas, natural heritage inventory, and wildlife action plans.

Analysis by the Legislative Reference Bureau

This bill makes numerous changes to the managed forest land (MFL) program administered by the Department of Natural Resources (DNR).

Introduction

Under current law, certain forested land may be designated as MFL under a program administered by DNR. Under this program, the owner of land designated as MFL makes an annual acreage share payment that is lower than, and in lieu of, the property taxes that normally would be payable. In exchange, the owner must comply with certain forestry practices and have a management plan prepared for the land. The owner must also open the MFL to the public for hunting, fishing, hiking, sight-seeing, and cross-country skiing, but may designate up to a certain number of acres as being closed to the public. For MFL that is designated as closed, the owner must pay an additional closed acreage fee. An owner seeking to have land designated as MFL submits an application to DNR that contains a management plan for the land. If the MFL meets the eligibility requirements under the program, which include minimum acreage requirements and requirements as to how much merchantable timber can be produced on the land, DNR approves the application and issues an order designating the land as MFL. An owner may choose to have the order last 25 or 50 years.

A similar program exists for land designated as forest croplands (FCL). Since July 1985, no new land may be subject to the FCL program. However, there is forest land that is currently in this program since the designations last for 25 or 50 years.

Taxes and fees

Under current law, an owner pays a severance tax for wood products removed from FCL and a yield tax for merchantable timber cut from MFL. This bill eliminates both taxes.

Under current law, subject to limitations, land may be withdrawn from the MFL program with payment of a withdrawal tax. The withdrawal tax is the higher of two amounts: the amount of past tax liability, less the taxes paid, or 5 percent of the fair market value of the merchantable timber on the land, less the taxes paid. Variations on this method of calculating the withdrawal taxes are used depending on when the land was designated as MFL, how long the land has been designated as

MFL, and whether the MFL is subject to an original order or an order that has been renewed. Under this bill, those methods are replaced with a single method of calculating this tax: the total net property tax rate imposed by the municipality in which the land is located is multiplied by the assessed value of the land being withdrawn, with the result then multiplied by ten years, or the number of years the MFL was subject to the order, whichever is fewer.

Under current law, the amount that is collected as closed acreage fees is collected by the applicable taxation district and paid to the applicable county, which pays these amounts to DNR for deposit into the conservation fund. This bill requires the taxation district to retain 80 percent of the closed acreage fees and to pay 20 percent of the closed acreage fees to the county. None of the amount collected is paid to DNR.

Eligible land

Under current law, a parcel that is developed for a human residence is not eligible for designation as MFL. Under the bill, a parcel is not eligible if there is any building or improvement associated with a building located on the parcel. The bill defines “building” to include any structure used as shelter, as a place of employment, or as storage and “improvement” to include any accessory building, structure, or fixture that is placed on a parcel for the parcel’s benefit. The bill specifically excludes roads, certain rights-of-way, fences, hunting blinds, and other structures from being considered improvements.

Under current law, the owner of land that is designated as managed forest land under an order that takes effect on or after April 28, 2004, may file an application with DNR to designate as managed forest land an additional parcel of land if the additional parcel is at least three acres in size and is contiguous to any of that designated land. This bill allows any owner of MFL to apply to designate an additional parcel of land as MFL regardless of the date of the order designating the land as MFL. The tax rate applicable to an added parcel is the tax rate currently applicable to the parcel to which the land is being added.

Management plans

Under current law, an amendment to or repeal of the MFL subchapter of the statutes does not affect the terms of an order or management plan, except as expressly agreed to in writing by the land owner and DNR. Under this bill, subject to certain exceptions, DNR may not amend or otherwise change the terms of an order or management plan to conform with changes made to the statutes subsequent to the date on which the order was entered or the plan was approved. If a statute is enacted or a rule or guidance document is promulgated during the period of the order that materially changes the terms of the order, the state shall require the landowner to elect between acceptance of modifications to the contract or voluntary withdrawal of the land without penalty.

Under current law, the owner of land under an MFL order may apply to renew the order and must satisfy the same requirements required of an original application, including providing DNR with a proposed management plan. Under

this bill, the management plan requirement may be satisfied by the management plan that is in effect on the date that the application for renewal is filed.

Sales and transfers of land

Under current law, an owner may sell or transfer an entire parcel of MFL. An owner may also sell or transfer part of a parcel of MFL, if the land being sold or transferred is all of the owner's land located in a quarter-quarter section or in a government lot or fractional lot, provided that the land remaining meets the eligibility requirements for designation as MFL. Under the bill, an owner may voluntarily withdraw part of an MFL parcel for the purpose of selling it or using it as a construction site, ~~other than a construction site for a residence~~. The land withdrawn may not be less than one acre and may not be more than five acres. The bill limits the number of times that MFL may be withdrawn for this purpose and requires the owner to pay the withdrawal taxes and the withdrawal fee.

Productivity of land

This bill creates a provision that allows an owner of MFL that has been damaged by a natural disaster to restore the productivity of the land so that it meets the requirements under the MFL program for producing merchantable timber. If the owner fails to complete the restoration within a time period specified by DNR, either DNR may order withdrawal of the land or the owner of the land may request withdrawal of the land. The owner is exempt from payment of withdrawal taxes if the owner makes the request and DNR determines that the MFL is unable to meet the production requirements for merchantable timber and if the owner withdraws only the number of acres necessary for the parcel to again meet the production requirements. This bill defines "natural disaster" as fire, ice, snow, wind, flooding, insects, or disease.

This bill also allows an owner who is unable to meet the requirements for producing merchantable timber to request withdrawal of that part of a parcel that is unsuitable for the production of merchantable timber. The owner is exempt from payment of withdrawal taxes or fees.

Under current law, a person may not cut any merchantable wood products on FCL or any merchantable timber on MFL unless the owner has filed a notice with DNR. DNR may prescribe the amount of forest products or timber to be removed unless the notice of intention to cut was provided to DNR by a cooperating forester authorized to assist in the harvesting and sale of timber or by an accredited forester. Under this bill, DNR may not prescribe the amount of forest products or timber to be removed if the notice of intention to cut was provided to DNR by additional persons meeting specified education and work experience requirements.

Closed lands

Under current law, an owner may designate MFL as closed to public access. The closed area may consist of a quarter-quarter section, a government lot, a fractional lot, or a combination thereof or up to 160 acres in each municipality. This bill



eliminates the limit on acreage that can be designated as closed within a municipality.

This bill also allows an owner of land designated as closed to permit access to the land for hunting purposes by members of the public who perform activities on the land for the benefit of the owner.

Other provisions

Under current law, a “forest production area” is an area in a state forest that DNR has classified as an area in which the primary management objective relates to the production of timber and other forest products. This bill requires DNR to propose a variance to the master plans of all state forests except for the southern state forests and Governor Knowles State Forest so that 75 percent of all the land in those state forests combined is classified as a forest production area.

Under current law, DNR conducts a natural heritage inventory program to determine the existence and degree of endangerment of natural areas. Under this bill, activities under the program related to private property may be conducted only with the permission of the property owner.

This bill authorizes DNR to prepare a state wildlife action plan that identifies which native wildlife species with low or declining populations are most at risk and that provides guidance for activities to conserve those species. The plan may not require action by property owners or the department and may not be referenced as guidance on DNR forms.

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.** 23.0951 of the statutes is created to read:

2 **23.0951 Wildlife action plan.** The department may prepare a state wildlife
3 action plan that identifies which native wildlife species with low or declining
4 populations are most at risk and provides guidance for activities to conserve those
5 species. The plan may not require action by property owners or the department. The
6 department may not require that the plan be used as guidance on official department
7 forms.

8 **SECTION 2.** 23.27 (3) (c) of the statutes is created to read:

1 23.27 (3) (c) *Rights of property owners.* The department may conduct activities
2 under this subsection related to private property only with the permission of the
3 owner of the property.

4 **SECTION 3.** 26.06 (1) of the statutes is amended to read:

5 26.06 (1) Foresters, forest supervisors, rangers and wardens of the department
6 and the cruisers and foresters of the board of commissioners of public lands have the
7 enforcement powers specified in s. 26.97 with respect to, and may seize, without
8 process, any forest products unlawfully severed from public lands of the state, federal
9 lands leased to the state, county forest lands entered under s. 28.11, forest croplands
10 entered under subch. I of ch. 77 or managed forest land designated under subch. VI
11 of ch. 77. Seized products cut from lands under the control of the board of
12 commissioners of public lands shall be held for the commissioners and those cut from
13 forest croplands, managed forest land or county forest shall be held for the owner,
14 and subject to the payment of ~~severance taxes, yield taxes or~~ severance share thereon
15 to the state. Products cut from state forest lands or federal lands leased to the
16 department shall be appraised and sold. Products appraised at more than \$500 shall
17 be sold on sealed bids not less than 10 days after a class 1 notice has been published,
18 under ch. 985, in the county where the material is located. Any sheriff may seize and
19 hold for the owner thereof any forest products unlawfully severed or removed.

20 **SECTION 4.** 74.25 (1) (a) 6. of the statutes is amended to read:

21 74.25 (1) (a) 6. Pay to the county treasurer ~~20%~~ 20 percent of collections of
22 occupational taxes on coal docks, ~~20%~~ 20 percent of collections of the taxes imposed
23 under ss. 77.04 and 77.84 (2) (a) ~~and, (am), and (bp),~~ and all 20 percent of collections
24 of payments for lands under s. 77.84 (2) (b), and (bm), ~~and (bp).~~

25 **SECTION 5.** 74.30 (1) (f) of the statutes is amended to read:

1 74.30 (1) (f) Pay to the county treasurer ~~20%~~ 20 percent of collections of
2 occupational taxes on coal docks, ~~20%~~ 20 percent of collections of the taxes imposed
3 under ss. 77.04 and 77.84 (2) (a) ~~and, (am), and (bp)~~, and all 20 percent of collections
4 of payments for lands under s. 77.84 (2) (b), and (bm), ~~and (bp)~~.

5 **SECTION 6.** 75.36 (2) (a) of the statutes is amended to read:

6 75.36 (2) (a) If property is acquired by a county taking a tax deed under this
7 chapter, the county is not required to pay any special charges or special assessments
8 until the property is sold by the county. In the case of lands designated as forest
9 croplands or managed forest lands, the county is not required to pay any taxes under
10 s. 77.04, ~~77.07 or 77.87~~ until the forest crop is cut. The liens of the tax certificate and
11 of all general property taxes, special assessments, special charges and special taxes
12 levied against the property shall merge in the county's title.

13 **SECTION 7.** 77.06 (1) (b) 2. of the statutes, as created by 2015 Wisconsin Act 55,
14 is renumbered 77.06 (1) (b) 2. (intro.) and amended to read:

15 77.06 (1) (b) 2. (intro.) ~~If~~ The department of natural resources may not
16 prescribe the amount of forest products to be cut if the notice of intention to cut was
17 provided to the department of natural resources by ~~a~~ any of the following:

18 a. A cooperating forester authorized under s. 28.05 to assist the state in the
19 harvesting and sale of timber, ~~or by a forester accredited by the Society of American~~
20 ~~Foresters, Association of Consulting Foresters, or Wisconsin Consulting Foresters,~~
21 ~~the department may not prescribe the amount of forest products to be removed.~~

22 **SECTION 8.** 77.06 (1) (b) 2. b. of the statutes is created to read:

23 77.06 (1) (b) 2. b. A forester accredited by the Society of American Foresters,
24 Association of Consulting Foresters, or Wisconsin Consulting Foresters.

25 **SECTION 9.** 77.06 (1) (b) 2. c. of the statutes is created to read:

SECTION 9

1 77.06 (1) (b) 2. c. A person who holds at least a bachelor's degree from a forestry
2 program provided by a nationally or regionally accredited institution of higher
3 education and who has engaged in the equivalent of 5 years of full-time work
4 preparing forest management plans or marking trees for cutting.

5 **SECTION 10.** 77.06 (1) (b) 2. d. of the statutes is created to read:

6 77.06 (1) (b) 2. d. A person who holds a degree or diploma from a 2-year forestry
7 program provided by an accredited technical or vocational school and who has
8 engaged in the equivalent of 5 years of full-time work preparing forest management
9 plans or marking trees for cutting.

10 **SECTION 11.** 77.06 (1) (c) of the statutes, as created by 2015 Wisconsin Act 55,
11 is amended to read:

12 77.06 (1) (c) Cutting in excess of the amount prescribed by the department of
13 natural resources, or cutting that the department finds is inconsistent with sound
14 forestry practices, shall render the owner ~~liable to double the severance tax~~
15 ~~prescribed in s. 77.06 (5) and~~ subject to cancellation under s. 77.10.

16 **SECTION 12.** 77.06 (5) of the statutes is repealed.

17 **SECTION 13.** 77.07 of the statutes, as affected by 2015 Wisconsin Act 55, is
18 repealed.

19 **SECTION 14.** 77.10 (1) (a) of the statutes is amended to read:

20 77.10 (1) (a) The department of natural resources shall on the application of
21 the department of revenue or the owner of any forest croplands or the town board of
22 the town in which said lands lie and may on its own motion at any time cause an
23 investigation to be made and hearing to be had as to whether any forest croplands
24 shall continue under this subchapter. If on such hearing after due notice to and
25 opportunity to be heard by the department of revenue, the town and the owner, the

1 department of natural resources finds that any such lands are not meeting the
2 requirements set forth in s. 77.02 or that the owner has made use of the land for
3 anything other than forestry or has failed to practice sound forestry on the land, the
4 department of natural resources shall cancel the entry of such description and issue
5 an order of withdrawal, and the owner shall be liable for the tax and penalty under
6 sub. (2). Copies of the order of withdrawal specifying the description shall be filed
7 by the department of natural resources with all officers designated to receive copies
8 of the order of entry and withdrawal and this subchapter shall not thereafter apply
9 to the lands withdrawn, ~~except s. 77.07 so far as it may be needed to collect any~~
10 ~~previously levied severance or supplemental severance tax.~~ If the owner shall not
11 repay the amounts on or before the last day of February next succeeding the return
12 of such lands to the general property tax roll as provided in sub. (4), the department
13 of natural resources shall certify to the county treasurer the descriptions and the
14 amounts due, and the county treasurer shall sell such lands as delinquent as
15 described in s. 77.04 (2). Whenever any county clerk has certified to the taking of tax
16 deed under s. 77.04 (2) the department of natural resources shall issue an order of
17 withdrawal as to the lands covered in such tax deed. Such order may also be issued
18 when examination of tax records reveals prolonged delinquency and noncompliance
19 with the requirements of s. 77.04 (2).

20 **SECTION 15.** 77.81 (4m) of the statutes is created to read:

21 77.81 (4m) “Natural disaster” means fire, ice, snow, wind, flooding, insects, or
22 disease.

23 **SECTION 16.** 77.81 (6) of the statutes is amended to read:

24 77.81 (6) “Recreational activities” ~~include~~ means recreational outdoor
25 activities that are compatible with the practice of forestry, as determined by the

1 department. “Recreational activities” includes hunting, fishing, hiking,
2 sight-seeing, cross-country skiing, horseback riding, and staying in cabins.

3 **SECTION 17.** 77.82 (1) (b) 3. of the statutes is amended to read:

4 77.82 (1) (b) 3. A parcel ~~that is developed for a human residence~~ on which a
5 building or an improvement associated with a building is located.

6 **SECTION 18.** 77.82 (1) (bn) of the statutes is repealed.

7 **SECTION 19.** 77.82 (1) (bp) of the statutes is created to read:

8 77.82 (1) (bp) 1. For purposes of par. (b) 3., and except as provided in subd. 2.,
9 an improvement is any of the following:

10 a. Any accessory building, structure, or fixture that is built or placed on the
11 parcel for its benefit.

12 b. Landscaping that is done on the parcel.

13 2. An improvement does not include any of the following:

14 a. A public or private road.

15 b. A railroad or utility right-of-way.

16 c. A fence, unless the fence prevents the free and open movement of wild
17 animals across any portion of the parcel.

18 d. Culverts.

19 e. Bridges.

20 f. Hunting blinds, as specified by rules promulgated by the department.

21 g. Structures and fixtures that are needed for sound forestry practices.

22 **SECTION 20.** 77.82 (2) (dm) of the statutes is amended to read:

23 77.82 (2) (dm) ~~A~~ Subject to sub. (12), a proposed management plan.

24 **SECTION 21.** 77.82 (4) of the statutes is amended to read:

1 77.82 (4) ADDITIONS TO MANAGED FOREST LAND. An owner of land that is
2 designated as managed forest land ~~under an order that takes effect on or after April~~
3 ~~28, 2004~~, may file an application with the department to designate as managed forest
4 land an additional parcel of land if the additional parcel is at least 3 acres in size and
5 is contiguous to any of that designated land. The application shall be accompanied
6 by a nonrefundable \$20 application recording fee unless a different amount for the
7 fee is established by the department by rule at an amount equal to the average
8 expense to the department of recording an order issued under this subchapter. The
9 fee shall be deposited in the conservation fund and credited to the appropriation
10 under s. 20.370 (1) (cr). The application shall be filed on a department form and shall
11 contain any additional information required by the department. The tax rate
12 applicable to an addition under this subsection shall be the tax rate currently
13 applicable to the parcel to which the land is being added.

14 **SECTION 22.** 77.82 (4g) of the statutes is repealed.

15 **SECTION 23.** 77.82 (11) of the statutes is amended to read:

16 77.82 (11) ~~DURATION; EFFECT OF CHANGES.~~ An order issued under this subchapter
17 remains shall constitute a contract between the state and the owner and shall
18 remain in effect for the period specified in the application unless the land is
19 withdrawn under s. 77.84 (3) (b) or 77.88. ~~An amendment to or repeal of this~~
20 ~~subchapter does not affect the terms of an order or management plan, except as~~
21 ~~expressly agreed to in writing by the owner and the department and except~~ Except
22 as provided in sub. subs. (3) (f) and (11m), the department may not amend or
23 otherwise change the terms of an order or management plan to conform with changes
24 made to any provision of this subchapter subsequent to the date on which the order
25 was entered or the plan was approved. If a statute is enacted or a rule or guidance

1 document is promulgated during the period of the order that materially changes the
2 terms of the order, the landowner shall elect between acceptance of modifications to
3 the contract consistent with the provisions of the statute, rule, or guidance document
4 or voluntary withdrawal of the land without penalty.

5 **SECTION 24.** 77.82 (12) of the statutes is amended to read:

6 77.82 (12) RENEWAL. An owner of managed forest land may file an application
7 with the department under sub. (2) for renewal of the order. An application for
8 renewal shall be filed no later than the June 1 before the expiration date of the order.
9 The application shall specify whether the owner wants the order renewed for 25 or
10 50 years. The requirement under sub. (2) (dm) may be satisfied by the management
11 plan that is in effect on the date that the application for renewal is filed. The
12 provisions under subs. (5), (6), and (7) do not apply to an application under this
13 subsection. The department may deny the application only if the land fails to meet
14 the eligibility requirements under sub. (1), if the owner has failed to comply with the
15 management plan that is in effect on the date that the application for renewal is filed,
16 or if there are delinquent taxes on the land. If the application is denied, the
17 department shall state the reason for the denial in writing.

18 **SECTION 25.** 77.83 (1) (a) (intro.) and 2. (intro.) of the statutes are consolidated,
19 renumbered 77.83 (1) (am) (intro.) and amended to read:

20 77.83 (1) (am) (intro.) An owner may designate land subject to a managed forest
21 land order as closed to public access. The closed area may consist of ~~either: 2. One~~
22 one or a combination of any 2 of the following in each municipality:

23 **SECTION 26.** 77.83 (1) (a) 1. of the statutes is repealed.

24 **SECTION 27.** 77.83 (1) (a) 2. a., b. and c. of the statutes are renumbered 77.83

(25) (1) (am) 1., 2. and 3.

INS (12-25)

1 **SECTION 28.** 77.83 (1) (d) of the statutes is created to read:

2 77.83 (1) (d) An owner of land designated as closed under par. (am) may permit
3 access to the land for hunting purposes by members of the public who perform
4 activities on the land for the benefit of the owner.

5 **SECTION 29.** 77.86 (1) (b) 2. of the statutes, as created by 2015 Wisconsin Act
6 55, is renumbered 77.86 (1) (b) 2. (intro.) and amended to read:

7 77.86 (1) (b) 2. (intro.) An owner who is required under the terms of an approved
8 management plan to cut merchantable timber on managed forest land is not required
9 to obtain approval of the cutting of that timber before the cutting takes place if a
10 ~~cooperating forester authorized under s. 28.05 to assist the state in the harvesting~~
11 ~~and sale of timber, or a forester accredited by the Society of American Foresters,~~
12 ~~Association of Consulting Foresters, or Wisconsin Consulting Foresters, any of the~~
13 following provided the required notice of intent to cut to the department under subd.
14 1.:

15 **SECTION 30.** 77.86 (1) (b) 2. a. of the statutes is created to read:

16 77.86 (1) (b) 2. a. A cooperating forester authorized under s. 28.05 to assist the
17 state in the harvesting and sale of timber.

18 **SECTION 31.** 77.86 (1) (b) 2. b. of the statutes is created to read:

19 77.86 (1) (b) 2. b. A forester accredited by the Society of American Foresters,
20 Association of Consulting Foresters, or Wisconsin Consulting Foresters.

21 **SECTION 32.** 77.86 (1) (b) 2. c. of the statutes is created to read:

22 77.86 (1) (b) 2. c. A person who holds at least a bachelor's degree from a forestry
23 program provided by a nationally or regionally accredited institution of higher
24 education and who has engaged in the equivalent of 5 years of full-time work
25 preparing forest management plans or marking trees for cutting.

1 **SECTION 33.** 77.86 (1) (b) 2. d. of the statutes is created to read:

2 77.86 (1) (b) 2. d. A person who holds a degree or diploma from a 2-year forestry
3 program provided by an accredited technical or vocational school and who has
4 engaged in the equivalent of 5 years of full-time work preparing forest management
5 plans or marking trees for cutting.

6 **SECTION 34.** 77.86 (1) (e) of the statutes is created to read:

7 77.86 (1) (e) The department shall not restrict an approved cutting based on
8 standards established under s. 23.27 (3).

9 **SECTION 35.** 77.86 (1) (f) of the statutes is created to read:

10 77.86 (1) (f) The department shall notify the owner by certified letter or
11 electronic mail within 24 hours of the department's decision to approve or deny a
12 cutting notice.

13 **SECTION 36.** 77.86 (2) of the statutes is repealed.

14 **SECTION 37.** 77.87 of the statutes is repealed.

15 **SECTION 38.** 77.88 (2) (a) (title) of the statutes is created to read:

16 77.88 (2) (a) (title) *Authority to transfer.*

17 **SECTION 39.** 77.88 (2) (a) (intro.) of the statutes is renumbered 77.88 (2) (a) and
18 amended to read:

19 77.88 (2) (a) ~~Except as provided in par. (am), an~~ An owner may sell or otherwise
20 transfer ownership of all or part of a parcel of the owner's managed forest land ~~if the~~
21 land transferred is one of the following:.

22 **SECTION 40.** 77.88 (2) (a) 1. of the statutes is repealed.

23 **SECTION 41.** 77.88 (2) (a) 2. of the statutes is renumbered 77.88 (3) (b) 1. a. and
24 amended to read:

1 77.88 (3) (b) 1. a. All of ~~an~~ the owner's managed forest land within a quarter
2 ~~quarter~~ quarter-quarter section.

3 **SECTION 42.** 77.88 (2) (a) 3. of the statutes is renumbered 77.88 (3) (b) 1. b. and
4 amended to read:

5 77.88 (3) (b) 1. b. All of ~~an~~ the owner's managed forest land within a
6 government lot or fractional lot as determined by the U.S. government survey plat.

7 **SECTION 43.** 77.88 (2) (ac) (title) of the statutes is created to read:

8 77.88 (2) (ac) (title) *Transferred land; requirements met.*

9 **SECTION 44.** 77.88 (2) (am) of the statutes is amended to read:

10 77.88 (2) (am) *Transferred land; requirements not met.* If the land transferred
11 under par. (a) does not meet the eligibility requirements under s. 77.82 (1) (a) and
12 (b), the department shall issue an order withdrawing the land from managed forest
13 land designation and shall assess against the owner a withdrawal tax under sub. (5)
14 and the withdrawal fee under sub. (5m).

15 **SECTION 45.** 77.88 (2) (b) of the statutes is amended to read:

16 77.88 (2) (b) *Remaining land; requirements met.* If the land remaining after
17 a transfer under par. (a) is ~~contiguous and~~ meets the eligibility requirements under
18 s. 77.82 (1) (a) ~~2.~~ and (b), it the remaining land shall continue to be designated as
19 managed forest land ~~until the expiration of the existing order, even if the parcel~~
20 ~~contains less than 10 acres. Notwithstanding s. 77.82 (12), an owner may not file an~~
21 ~~application with the department for renewal of the order if the parcel contains less~~
22 ~~than 10 acres. No withdrawal tax under sub. (5) or withdrawal fee under sub. (5m)~~
23 ~~may be assessed when the remaining land is withdrawn at the expiration of the~~
24 ~~order.~~

25 **SECTION 46.** 77.88 (2) (c) of the statutes is amended to read:

1 77.88 (2) (c) Remaining land; requirements not met. If the ~~remaining~~ land
2 remaining after a transfer under par. (a) does not meet the eligibility requirements
3 under s. 77.82 (1) (a) ~~-2-~~ and (b), the department shall issue an order withdrawing
4 the land and shall assess against the owner the withdrawal tax under sub. (5) and
5 the withdrawal fee under sub. (5m). Notwithstanding s. 77.90, the owner is not
6 entitled to a hearing on an order withdrawing land under this paragraph.

7 **SECTION 47.** 77.88 (2) (d) (title) of the statutes is created to read:

8 77.88 (2) (d) (title) *Report by transferee; fee.*

9 **SECTION 48.** 77.88 (2) (e) of the statutes is renumbered 77.88 (2) (ac) 1. and
10 amended to read:

11 77.88 (2) (ac) 1. ~~The transferred~~ If the land shall remain transferred under par.
12 (a) meets the eligibility requirements under s. 77.82 (1) (a) and (b), the land shall
13 continue to be designated as managed forest land if the transferee, within 30 days
14 after the transfer, certifies to the department an intent to comply with the existing
15 management plan for the land and with any amendments to the plan, and provides
16 proof that each person holding any encumbrance on the land agrees to the
17 designation. The transferee may designate an area of the transferred land closed to
18 public access as provided under s. 77.83. The department shall issue an order
19 continuing the designation of the land as managed forest land under the new
20 ownership.

21 **SECTION 49.** 77.88 (2) (f) of the statutes is renumbered 77.88 (2) (ac) 2. and
22 amended to read:

23 77.88 (2) (ac) 2. If the transferee does not provide the department with the
24 certification required under ~~par. (e)~~ subd. 1., the department shall issue an order
25 withdrawing the land and shall assess against the transferee the withdrawal tax

1 under sub. (5) and the withdrawal fee under sub. (5m). Notwithstanding s. 77.90,
2 the transferee is not entitled to a hearing on an order withdrawing land under this
3 paragraph subdivision.

4 **SECTION 50.** 77.88 (2m) of the statutes is created to read:

5 77.88 (2m) DAMAGE TO LAND. (a) If a parcel of managed forest land has been
6 damaged by a natural disaster, the owner of the parcel may notify the department,
7 and the department shall establish a period of time that the owner of the parcel will
8 have to restore the productivity of the land so that it meets the requirements under
9 s. 77.82 (1) (a) 2.

10 (b) If the owner fails to complete the restoration in the applicable period of time,
11 the owner may request that the department withdraw all or part of the land in
12 accordance with sub. (3) or (3r), or the department may proceed with a withdrawal
13 by department order under sub. (1).

14 (c) The department may promulgate a rule that establishes criteria to be used
15 by the department for determining the length of time that an owner shall have to
16 complete the restoration.

17 **SECTION 51.** 77.88 (3) (title) of the statutes is amended to read:

18 77.88 (3) (title) VOLUNTARY WITHDRAWAL; TOTAL OR PARTIAL.

19 **SECTION 52.** 77.88 (3) of the statutes is renumbered 77.88 (3) (b) (intro.) and
20 amended to read:

21 77.88 (3) (b) Parts of parcels. (intro.) ~~An owner may Upon request that the~~
22 ~~department withdraw all or any of an owner of managed forest land to withdraw part~~
23 ~~of the owner's land meeting one of the requirements specified under sub. (2) (a) 1. to~~
24 ~~3. If any remaining land meets the eligibility requirements under s. 77.82 (1) a parcel~~
25 of managed forest land, the department shall issue an order withdrawing the land

1 subject to the request and shall assess against the owner the withdrawal tax under
2 sub. (5) and the withdrawal fee under sub. (5m). If the land being withdrawn is
3 within a proposed ferrous mining site, the department shall issue the order within
4 30 days after receiving the request. if all of the following apply:

5 **SECTION 53.** 77.88 (3) (am) of the statutes is created to read:

6 77.88 (3) (am) *Entire parcels.* Upon request of an owner of managed forest land
7 to withdraw an entire parcel of managed forest land, the department shall issue an
8 order withdrawing the land.

9 **SECTION 54.** 77.88 (3) (b) 1. (intro.) and 2. of the statutes are created to read:

10 77.88 (3) (b) 1. (intro.) The land to be withdrawn is one of the following:

11 2. The land remaining after the withdrawal will continue to meet the eligibility
12 requirements under s. 77.82 (1).

13 **SECTION 55.** 77.88 (3) (d) of the statutes is created to read:

14 77.88 (3) (d) *Ferrous mining site.* If the land being withdrawn under this
15 subsection is within a proposed ferrous mining site, the department shall issue the
16 order within 30 days after receiving the request.

17 **SECTION 56.** 77.88 (3g) of the statutes is repealed.

18 **SECTION 57.** 77.88 (3j) of the statutes is created to read:

19 77.88 (3j) VOLUNTARY WITHDRAWAL; OTHER CONSTRUCTION; SMALL LAND SALES. (a)

20 Except as provided in par. (b), upon the request of an owner of managed forest land
21 to withdraw part of a parcel of the owner's land, the department shall issue an order
22 withdrawing the land subject to the request if all of the following apply:

23 1. The purpose for which the owner requests that the department withdraw the
24 land is for the sale of the land or for a construction site.

1 2. The land to be withdrawn is not less than one acre and not more than 5 acres.
2 Partial acres may not be withdrawn.

3 3. If the land is subject to a city, village, town, or county zoning ordinance that
4 establishes a minimum acreage for ownership of land or for a construction site, the
5 owner requests that the department withdraw not less than that minimum acreage.

6 (b) 1. For land that is designated as managed forest land under an order with
7 a term of 25 years, the department may not issue an order of withdrawal under par.
8 (a) if the department has previously issued an order of withdrawal under par. (a)
9 from that parcel of managed forest land during the term of the order.

10 2. For land that is designated as managed forest land under an order with a
11 term of 50 years, the department may not issue an order of withdrawal under par.
12 (a) if the department has previously issued 2 orders of withdrawal under par. (a) from
13 that parcel of managed forest land during the term of the order.

14 (c) Upon issuance of an order withdrawing land under this subsection, the
15 department shall assess against the owner of the land the withdrawal tax under sub.
16 (5) and the withdrawal fee under sub. (5m).

17 **SECTION 58.** 77.88 (3r) of the statutes is created to read:

18 77.88 (3r) WITHDRAWAL FOR ENVIRONMENTAL CONCERNS. An owner of managed
19 forest land may request that the department enter an order withdrawing a part of
20 the owner's land from managed forest land if that part is unsuitable for the
21 production of merchantable timber. If the department determines that the
22 remaining land meets the requirements described under s. 77.82 (1), the department
23 shall issue an order withdrawing the land as managed forest land and no withdrawal
24 tax under sub. (5) or withdrawal fee under sub. (5m) may be assessed against the
25 owner.

1 **SECTION 59.** 77.88 (4) of the statutes is repealed.

2 **SECTION 60.** 77.88 (4m) of the statutes is created to read:

3 77.88 (4m) EXPIRATION OF ORDERS. The department shall maintain a list of
4 orders designating managed forest lands that have expired. The department shall
5 add a parcel to the list within 30 days after the date of expiration. For each expired
6 order, the list shall provide a description of the land and shall identify each
7 municipality in which the managed forest land is located.

8 **SECTION 61.** 77.88 (5) (a) (intro.) of the statutes is renumbered 77.88 (5) (ae)
9 and amended to read:

10 77.88 (5) (ae) *Tax liability; general.* Except as provided in ~~pars. par. (am), (ar),~~
11 ~~and (b)~~, for land withdrawn during a managed forest land order, the withdrawal tax
12 shall be the higher of the following: equal the amount of past tax liability under par.
13 (ac) that is applicable to the land.

14 **SECTION 62.** 77.88 (5) (a) 1. and 2. of the statutes are repealed.

15 **SECTION 63.** 77.88 (5) (ab) of the statutes is repealed.

16 **SECTION 64.** 77.88 (5) (ac) of the statutes is created to read:

17 77.88 (5) (ac) *Calculation of past tax liability.* For purposes of this subsection,
18 the amount of past tax liability for land to be withdrawn from the managed forest
19 land program shall be calculated by multiplying the total net property tax rate in the
20 municipality in which managed forest land to be withdrawn is located in the year
21 prior to the withdrawal of the land by an amount equal to the assessed value of the
22 land for that same year, as calculated by the department of revenue, and by then
23 multiplying that product by 10 or by the number of years the land was designated
24 as managed forest land, whichever number is fewer.

25 **SECTION 65.** 77.88 (5) (am) (title) of the statutes is created to read:

1 77.88 (5) (am) (title) *Converted forest croplands.*

2 **SECTION 66.** 77.88 (5) (am) 1. of the statutes is amended to read:

3 77.88 (5) (am) 1. The amount ~~calculated under par. (a)~~ of past tax liability under
4 par. (ac) for the land.

5 **SECTION 67.** 77.88 (5) (ar) of the statutes is repealed.

6 **SECTION 68.** 77.88 (5) (b) of the statutes is repealed.

7 **SECTION 69.** 77.88 (5) (c) of the statutes is repealed.

8 **SECTION 70.** 77.88 (8) (b) of the statutes is amended to read:

9 77.88 (8) (b) The department may not order withdrawal of land remaining after
10 a transfer of ownership is made under par. (a) 1., 2., or 3., or after a lease is entered
11 into under par. (a) 3., ~~or after the department orders withdrawal of land under sub.~~
12 ~~(3g) (am)~~ unless the remainder fails to meet the eligibility requirements under s.
13 77.82 (1).

14 **SECTION 71.** 77.88 (11) of the statutes is amended to read:

15 77.88 (11) LIABILITY FOR PREVIOUS TAXES. Withdrawal of land under this section
16 does not affect the liability of the owner for previously levied taxes under s. 77.84 ~~or~~
17 ~~77.87.~~

18 **SECTION 72.** 77.89 (1) (a) of the statutes, as affected by 2015 Wisconsin Act 55,
19 is amended to read:

20 77.89 (1) (a) By June 30 of each year, the department, from the appropriation
21 under s. 20.370 (5) (bv), shall pay 100 percent of each payment received under ~~ss.~~ s.
22 ~~77.84 (3) (b) and 77.87 (3)~~ and 100 percent of each withdrawal tax payment received
23 under s. 77.88 (7) to the treasurer of each municipality in which is located the land
24 to which the payment applies.

25 **SECTION 73.** 77.89 (2) (b) of the statutes is amended to read:

1 77.89 (2) (b) The municipal treasurer shall pay all 20 percent of the amounts
2 received under s. 77.84 (2) (b) and (bm) to the county treasurer, as provided under
3 ss. 74.25 and 74.30. ~~The county treasurer shall, by June 30 of each year, pay all~~
4 ~~amounts received under this paragraph to the department. All amounts received by~~
5 ~~the department shall be credited to the conservation fund and shall be reserved for~~
6 ~~land acquisition, resource management activities, and grants under s. 77.895 and~~
7 ~~shall deposit the remainder in the municipal treasury.~~

8 **SECTION 74. Nonstatutory provision.**

9 (1) STATE FOREST PLAN VARIANCE. Before March 1, 2017, the department of
10 natural resources shall propose a variance to the master plans of all state forests
11 except for the southern state forests, as defined in section 27.016 (1) (c) of the
12 statutes, and except for Governor Knowles State Forest so that 75 percent of all the
13 land in those state forests combined is classified as a forest production area as
14 provided in section 28.04 (3) (am) of the statutes.

15 **SECTION 75. Initial applicability.**

16 (1) YIELD AND SEVERANCE TAXES. The treatment of sections 26.06 (1), 75.36 (2)
17 (a), 77.07, 77.10 (1) (a), 77.86 (2), 77.88 (5) (a) 1. and 2., (ar), and (b) and (11), and
18 77.89 (1) (a) of the statutes first applies to the removal of wood products from forest
19 croplands and the cutting of merchantable timber from managed forest land that
20 occurs on the effective date of this subsection.

21 **SECTION 76. Effective dates.** This act takes effect on the day after publication,
22 except as follows:

23 (1) The treatment of sections 26.06 (1), 75.36 (2) (a), 77.07, 77.10 (1) (a), 77.86
24 (2), 77.88 (5) (a) 1. and 2., (ar), and (b) and (11), and 77.89 (1) (a) of the statutes and

1 SECTION 75 (1) of this act take effect on the first day of the 3rd month beginning after
2 publication.

3 (END)

**2015-2016 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-3256/P4ins
ZDW:emw&km

1 **INS A-4**

2 Under this bill, the limit on acreage that can be designated as closed applies
3 only to land owned by a business entity.

4 **INS 12-25**

5 ~~SECTION 1.~~ 77.83 (1) (ar) of the statutes is created to read:

6 77.83 (1) (ar) Notwithstanding par. (am), not more than 160 acres owned by any
7 business entity, as defined in s. 13.62 (5), may be designated as closed managed forest
8 land in each municipality.

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

15-3256/P4dn
ZDW:emw&km

1

— Dje —

2 Attn: Tyler Wenzlaff

3 This draft limits the amount of land owned by a business entity that can be designated
4 as closed managed forest land in each municipality to 160 acres. "Business entity"
5 means any organization or enterprise operated for profit, including but not limited to
6 a proprietorship, partnership, firm, business trust, joint venture, syndicate,
7 corporation, limited liability company or association.

8 Your request used the term "larger industrial owner" but, without defining that term,
9 that would be subject to interpretation by DNR. Using the term "business entity"
10 would allow individual land owners to close their managed forest land, but would
11 create a cap on any for-profit enterprise.

12 If this is inconsistent with your intent, please let me know.

13 Zachary Wyatt
14 Legislative Attorney
15 (608) 267-3362
16 zachary.wyatt@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

15-3256/P4dn
ZDW:emw

November 3, 2015

Attn: Tyler Wenzlaff

This draft limits the amount of land owned by a business entity that can be designated as closed managed forest land in each municipality to 160 acres. "Business entity" means any organization or enterprise operated for profit, including but not limited to a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation, limited liability company, or association.

Your request used the term "larger industrial owner" but, without defining that term, that would be subject to interpretation by DNR. Using the term "business entity" would allow individual land owners to close their managed forest land, but would create a cap on any for-profit enterprise.

If this is inconsistent with your intent, please let me know.

Zachary Wyatt
Legislative Attorney
(608) 267-3362
zachary.wyatt@legis.wisconsin.gov

Changes to LRB 3256

- Section 11 – Grant DNR the authority to issue a citation for 20% of the value of the merchantable timber cut in excess.
 - Without this change DNR’s only recourse for FCL owners who don’t follow sound forestry would be to take the owner to contest case and involuntarily withdraw the owner.
- Section 15 – please add “drought” to the definition of natural disaster.
- Section 19 – Changes should be retroactive.
- Section 23 - related to MFL becoming a contract
 - Remove guidance document language
- Section 24 – Renewal
 - Please use sections 45 – 49.
- Sections 25-28 - related to allowing some landowners to have unlimited acres closed to public recreation suggested language:
 - 77.83 Closed, open and restricted areas.
 - (1) ~~CLOSED AREAS.~~ (a) (am) An owner may designate land subject to a managed forest land order as closed to public access.
 - 77.83(1)(ar) Notwithstanding par. (am), not more than 160 acres owned by any business entity as defined in s. 13.62(5), may be designed as closed managed forest land in each municipality.
 - *Note: References to 77.88(2)(a) 1,2,3 should be checked for later in draft.*
- Section 29 – In kind gifts
 - Change “hunting purposes” to “recreational activities” as defined in 77.81(6).
 - Change “activities on the land for the benefit of the owner” to “land-management activities.”
- Section 36 - related to DNR notification to landowner of cutting notice approval
 - 77.86(1)(f) The department shall notify the owner by certified letter or electronic mail ~~within 24 hours~~ of the department’s decision to approve or deny a cutting notice by the next business day.
- Combine sections 48 and 49 – they don’t need to be differentiated as DNR has combined them into a single form
 - 77.88(2)(ac)1. If the land transferred under par. (a) meets the eligibility requirements under s. 77.82(1)(a) and (b), the land shall continue to be designated as managed forest land if the transferee, within 30 days after the transfer of ownership, files a form provided by the department signed by the transferee. By signing the form, the transferee certifies to the department an intent to comply with the existing management plan for the land and with any amendments to the plan. The transferee shall provide proof that each person holding any encumbrance on the land agrees to the designation. The transferee may designate an area of the transferred land closed to public access as provided under s. 77.83. The department shall issue an order continuing the designation that will accompany the report. The transferee shall pay a \$100 feed that will accompany the report. The fee shall be deposited in the conservation fund. Twenty credited to the appropriation under 20.370 (1) (cr). The department shall immediately notify each person entitled to notice under s. 77.82 (8).
 - 2. The department may establish by rule a different amount of each fee under subd. 1. That will be credited to the appropriation under s. 20.370 (1) (cr). The amount shall be

equal to the average expense to the department of recording an order issued under this subchapter.

- ~~X~~ Section 58 – Add language that the remaining land after withdrawal meeting eligibility requirements in 77.82 (1) (a) and (b).
- ~~X~~ Section 59 – Use language from ASA 1 to 2013 AB 700 sections 110 and 111.
- ~~X~~ Section 65 – Change “in the year prior to the withdrawal” to “in the year prior to the issuance of a withdrawal order”
- Additional provisions
 - ~~X~~ Should s. 77.06(2) also be repealed since stumpage values will no longer be used when calculating withdrawal taxes?
 - Is 77.06(2) necessary for the DNR to assess a termination tax when lands expire the FCL program?
 - The termination tax is assessed under 77.03.
 - ~~X~~ S. 77.86(2) related to bonds prior to harvesting on MFL lands was repealed, should the same provision for FCL also be repealed in 77.06(1)(a)?
 - ~~X~~ We would like to raise the minimum acres to enroll in the MFL program from 10 acres to 20.
 - Change 77.82 (1)(a)(1) from 10 acres to 20 acres. Those who do not meet the minimum 20 acres may renew once before meeting 20 acre minimum.
 - ~~X~~ ~~Shift the contents of s. NR 46.18(4), Wis. Admin. Code to Chapter 77, Wis. Stats~~
 - ~~X~~ Include sections 137 and 138.
 - ~~X~~ Repeal 77.91(3)
 - ~~X~~ Include section 137 from ASA 1 to 2013 AB 700.
 - Update 1992 to 2015
 - ~~X~~ Allow for electronic signature/approval by DNR and landowner on revised management plan documents.

Wyatt, Zachary

From: Wenzlaff, Tyler
Sent: Monday, November 23, 2015 5:20 PM
To: Wyatt, Zachary
Subject: RE: Changes to LRB 3256

From: Wyatt, Zachary
Sent: Monday, November 23, 2015 4:23 PM
To: Wenzlaff, Tyler <Tyler.Wenzlaff@legis.wisconsin.gov>
Subject: RE: Changes to LRB 3256

Tyler's responses underlined

Tyler,

I'm finishing this up but I'll need some clarification on these:

- Section 19 – Changes should be retroactive.

Section 19 is essentially a definition of a term used in s. 77.82 (1) (b) 3. (section 17). If your intent is to retroactively apply the prohibition on MFL that contains a building or improvement, it should be s. 77.82 (1) (b) 3. that applies retroactively. Ok? Yes, thank you.

- Sections 25-28 - related to allowing some landowners to have unlimited acres closed to public recreation suggested language:
 - 77.83 Closed, open and restricted areas.
 - (1) ~~CLOSED AREAS.~~ (am) An owner may designate land subject to a managed forest land order as closed to public access.
 - 77.83(1)(ar) Notwithstanding par. (am), not more than 160 acres owned by any business entity as defined in s. 13.62(5), may be designed as closed managed forest land in each municipality.
 - *Note: References to 77.88(2)(a) 1,2,3 should be checked for later in draft.*

I am not clear what you're asking for here. The draft currently consolidates s. 77.83 (1) (a) (intro.) and 2. (intro.) to capture the various type of parcels eligible to be closed (up to 160 acres, quarter-quarter section, etc.). Are you trying to get rid of all that language and just have what you've provided above? Correct, DNR believes the way it is currently written it would actually limit the amount of closed land to 40 acres or less. I think they are misinterpreting the language.

- Additional provisions
 - Should s. 77.06(2) also be repealed since stumpage values will no longer be used when calculating withdrawal taxes?
 - Is 77.06(2) necessary for the DNR to assess a termination tax when lands expire the FCL program?
 - The termination tax is assessed under 77.03.

Stumpage values are referenced in various sections (like s. 77.03), This draft repeals some, but not all, sections that reference stumpage values. What do you want to do here? Is it necessary to keep the references to stumpage values in the statutes at all?

- Shift the contents of s. NR 46.18(4), Wis. Admin. Code to Chapter 77, Wis. Stats

We prefer not to simply move admin code language into the statutes because it often, as here, does not meet our standards for clarity and specificity. This rule says DNR may modify a requirement after considering various factors, but it's not clear what that modification might entail. So what is the intent here? Given NR 46.18 (4) (b), it seems like the idea is that a management plan is not required of these large ownerships. Is that the goal? This is a modification DNR asked but may need further clarification. You can remove this provision. Thanks.

If it's easier to meet to discuss these, I am available most of the day tomorrow.

Zachary D. Wyatt

Legislative Attorney

Wisconsin Legislative Reference Bureau

zachary.wyatt@legis.wisconsin.gov

608.267.3362

The information contained in this communication may be confidential and protected by the attorney-client privilege.

From: Wenzlaff, Tyler

Sent: Friday, November 20, 2015 11:25 AM

To: Wyatt, Zachary <Zachary.Wyatt@legis.wisconsin.gov>

Subject: Changes to LRB 3256

Importance: High

Zack,

I've attached the changes we would like to see in LRB 3256. We are hoping to have this bill ready for co-sponsorship early next week so if you could put a rush on it we would appreciate it. Let me know if you have any questions. Thank you.

Tyler

Tyler Wenzlaff

Office of Wisconsin State Senator Tom Tiffany

12th Senate District

608-266-2509

[facebook.com/WISateSenTomTiffany](https://www.facebook.com/WISateSenTomTiffany)

Wyatt, Zachary

From: Wenzlaff, Tyler
Sent: Tuesday, November 24, 2015 9:25 AM
To: Wyatt, Zachary
Subject: RE: Changes to LRB 3256

Ok let's leave them alone then. Thank you Zack.

From: Wyatt, Zachary
Sent: Tuesday, November 24, 2015 9:08 AM
To: Wenzlaff, Tyler <Tyler.Wenzlaff@legis.wisconsin.gov>
Subject: RE: Changes to LRB 3256

Regarding stumpage values for MFL, s. 77.91 (1) requires DNR to establish the values. That definition is referenced by five other sections. This draft repeals two of those:

- s. 77.06 (5), the severance tax
- s. 77.87 (1), the yield tax

This draft does not treat the three others:

- s. 77.86 (5) (b), which sets a penalty based on the stumpage value for unlawful timber cutting
- s. 77.88 (6), which deals with determining stumpage value at time of withdrawal
- s. 170.12 (5), which deals with sunken logs on state lands

There are also two references to stumpage values that do not cross reference s. 77.91 (1), and this draft repeals both:

- s. 77.88 (5) (a) 2., which deals with the withdrawal tax
- s. 77.88 (5) (b) 2., which deals with the withdrawal tax

So I think we should leave that definition intact.

Regarding stumpage values for FCL, s. 77.06 (2) requires DNR to establish the values. That definition is referenced by only one section, s. 28.11 (9) (a), which deals with county severance taxes. But there are references to stumpage values that do not cross reference s. 77.06 (2). Section 77.06 (5), dealing with taxes, is repealed by this draft. The three others, which are not treated by this draft:

- s. 77.03, taxation of land
- s. 77.06 (3), revaluation of land
- s. 77.06 (4), reporting cutting

Based on what the draft does currently, maybe we need to remove the reference to severance tax from s. 77.03. But I don't know how DNR might use the stumpage values in ways not outlined in the statutes, so I hesitate to repeal/treat ss. 77.06 (3) and (4) without their input. And if we don't treat those, we do need to leave s. 77.06 (2) intact.

Zack