

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-1385/1	Introduction Number AB-0614	
Description the regulation of ferrous metallic mining and related activities		
Fiscal Effect		
State:		
<input checked="" type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local:		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input checked="" type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected		
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS		
Affected Ch. 20 Appropriations		
Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DOR 12/11/2017

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Description the regulation of ferrous metallic mining and related activities					

Assumptions Used in Arriving at Fiscal Estimate

This fiscal estimate addresses sections administered by the Department of Revenue.

Mining Net Proceeds Tax

The Department of Revenue administers a graduated net proceeds (revenues less allowed deductions) occupation tax on the mining of metallic minerals. Under current law, 15 days after the tax collection, the Department of Administration shall transfer 60 percent of the collection to the Investment and Local Impact Fund, a SEG Fund, and 40 percent to the General Fund. Under the bill, 100 percent of the collection would be transferred to the Investment and Local Impact Fund. The shift has no net fiscal effect on the state. If active and profitable metallic mines operated in Wisconsin, the bill would decrease revenue to the General Fund and shift that funding to the Investment and Local Impact Fund.

Managed Forest Land (MFL)

Under current law, an owner of twenty or more contiguous forest acres may apply to the DNR to enter his or her land into the MFL program. 2015 Wisconsin Act 358 allows for currently enrolled parcels under twenty acres to renew one time. MFL land is exempt from property taxes. In lieu of property taxes, three annual payments are made on this land: (1) Department of Natural Resource (DNR) annual payment of \$0.20 per MFL enrolled acre to the municipality where the land is located, (2) an acreage share payment made by the landowner to the municipality where the land is located, and (3) the closure fee paid by the landowner to the municipality where the land is located for acres closed to certain public access.

Current law allows a landowner with enrolled MFL land to "close" or restrict public access for each acre located in a proposed ferrous mining site once a pre-application notification occurs with the DNR. The MFL is subject to closure fees under current law. Under the bill, a landowner could not close lands located in a proposed ferrous mining site. No entity has a standing pre-application notification to qualify for closing a portion of MFL land for ferrous mining, subjecting the acreage to the ferrous mining closure fees in 2017. If MFL land located in a proposed ferrous mining site is closed in the future, the bill would result in a decrease in local government revenue compared to current law.

Long-Range Fiscal Implications