

## State of Misconsin 2025 - 2026 LEGISLATURE

LRB-1052/P7 EHS:skw&wlj

DOA:.....Vencill, BB0121 - Reauthorization of stewardship program for 10 years

### FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

# Analysis by the Legislative Reference Bureau NATURAL RESOURCES

#### GENERAL NATURAL RESOURCES

### Warren Knowles-Gaylord Nelson Stewardship 2000 Program

This bill reauthorizes the Warren Knowles-Gaylord Nelson Stewardship 2000 Program (stewardship program) until 2036 and makes various changes to the program.

Current law authorizes the state to incur public debt for certain conservation activities under the stewardship program, which is administered by DNR. The state may incur this debt to acquire land for the state for conservation purposes and for property development activities and may award grants or state aid to certain local governmental units and nonprofit conservation organizations (NCOs) to acquire land for these purposes. Current law establishes the amounts that DNR may obligate in each fiscal year through fiscal year 2025-26 for expenditure under each of five subprograms of the stewardship program.

This bill increases the total amount that may be obligated for the stewardship program from \$33,250,000 each fiscal year to \$83,000,000 each fiscal year beginning with fiscal year 2026-27 and ending with fiscal year 2035-36.

Moneys obligated under the stewardship program are appropriated from the capital improvement fund (CIF) and stewardship bond proceeds are deposited into CIF. Current law provides that, in obligating moneys under the subprogram for land acquisition, DNR must set aside certain amounts to be obligated only for DNR to acquire land and to provide grants to counties for land acquisition (county forest grants). Specifically, the set-aside for DNR land acquisition each fiscal year is \$1,000,000 plus the amount transferred to CIF under an appropriation that transfers from moneys received for forestry activities (the forestry account) to CIF \$5,000,000 in each fiscal year. The set-aside for county forest grants is equal to the amount transferred to CIF under an appropriation that transfers from the forestry account to CIF \$3,000,000 in each fiscal year. The bill ends these annual transfers from the forestry account to CIF beginning in fiscal year 2026-27 and replaces the corresponding set-aside requirements under the land acquisition subprogram with appropriations that directly fund those purposes from the conservation fund, not the stewardship program. Specifically, the bill appropriates \$6,000,000 each fiscal

year from the conservation fund for DNR land acquisitions and \$3,000,000 each fiscal year from the forestry account for county forest grants. The \$6,000,000 that the bill appropriates directly each fiscal year for DNR land acquisitions is \$1,000,000 more than the amount currently transferred to CIF and set aside for this purpose, and in addition the bill continues to provide a \$1,000,000 set-aside for this purpose under the land acquisition subprogram of the stewardship program. The bill provides that any amount in CIF remaining from the amounts transferred from the forestry account in fiscal years 2022-23, 2023-24, 2024-25, and 2025-26 is transferred back to the forestry account in fiscal year 2026-27.

The bill eliminates a current law provision that states that, of the amount set aside under the land acquisition subprogram for DNR to acquire land, DNR may not use more than one-third to acquire land in fee simple. In addition, the bill eliminates a provision requiring DNR to use at least two appraisals to determine the current fair market value of land that is the subject of a stewardship funding for an NCO or governmental unit if DNR estimates the fair market value of the land to exceed \$350,000. The bill increases the amount under the land acquisition subprogram that must be set aside for grants to nonprofit conservation organizations each fiscal year from \$7,000,000 to \$14,000,000.

The bill renames the property development and local assistance subprogram to be the "state property development and local parks and recreation subprogram," and increases the amount in each fiscal year that may be obligated under the subprogram from \$14,250,000 to \$51,500,000. Of that amount, the bill increases the amount that DNR must obligate for property development each fiscal year from \$5,000,000 to \$15,450,000 and increases the amount that DNR must obligate for local assistance each fiscal year from \$9,250,000 to \$36,050,000.

The bill increases from \$500,000 to \$2,500,000 the amount that DNR is required to set aside each fiscal year, from the amounts obligated for property development, for grants to friends groups and NCOs for property development activities on DNR properties. The bill also increases from \$20,000 to \$50,000 the maximum amount that DNR may encumber per DNR property for these grants in each fiscal year.

The bill creates a motorized recreation grant program funded from stewardship moneys, under which DNR may award a grant to a county, city, village, town, or recreational vehicle club either to acquire land for the purpose of establishing an all-terrain vehicle trail, off-highway motorcycle trail, or snowmobile trail (treated as obligated from the land acquisition subprogram) or to construct a trail crossing for an all-terrain vehicle trail, off-highway motorcycle trail, or snowmobile trail as part of an interchange project (treated as obligated from the state property development and local parks and recreation subprogram). The bill requires DNR to allocate \$5,000,000 in each fiscal year for these grants.

The bill renames the recreational boating aids subprogram to be the "local recreation boat facilities subprogram" and increases the amount in each fiscal year that DNR may obligate under the subprogram from \$3,000,000 to \$9,000,000. The bill eliminates DNR's authority under current law to use funds, whether stewardship or other funds, for recreational boating project feasibility studies. The

bill changes one of the factors that DNR must consider in establishing priorities for projects from "projects underway" to "projects in a state of readiness."

The bill creates two new programs and funds them with appropriations from the general fund. Specifically, the bill creates a grant program for nonprofit conservation organizations to support wildlife and habitat management, and a tribal co-management program under which DNR must coordinate with the federally recognized American Indian tribes or bands domiciled in this state in the management of education infrastructure, land management activities, and other activities on DNR land.

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:

**SECTION 1.** 18.08 (1) (a) (intro.) of the statutes is amended to read:

18.08 (1) (a) (intro.) All moneys resulting from the contracting of public debt or any payment to be received with respect to any agreement or ancillary arrangement entered into under s. 18.06 (8) (a) with respect to any such public debt and any moneys transferred under s. 20.370 (5) (hq) or (hr) shall be credited to a separate and distinct fund, established in the state treasury, designated as the capital improvement fund, except that:

**SECTION 2.** 20.370 (5) (ha) of the statutes is created to read:

20.370 (5) (ha) *Grants to nonprofit conservation organizations*. As a continuing appropriation, from the general fund, the amounts in the schedule for grants to nonprofit conservation organizations under s. 23.0961.

\*\*\*\*Note: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 3.** 20.370 (5) (hb) of the statutes is created to read:

20.370 (5) (hb) *Tribal co-management program*. As a continuing appropriation, from the general fund, the amounts in the schedule for the tribal comanagement program under s. 23.0966.

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\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 4.** 20.370 (5) (hq) of the statutes is amended to read:

20.370 (5) (hq) Department land acquisition. From As a continuing appropriation, from the moneys received by the department for forestry activities, the amounts in the schedule for transfer to the capital improvement fund the purposes specified in s. 23.09 (2) (d).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 5.** 20.370 (5) (hr) of the statutes is amended to read:

20.370 (5) (hr) County forest grants. From As a continuing appropriation, from the moneys received by the department for forestry activities, the amounts in the schedule for transfer to the capital improvement fund grants to counties under s. 23.0953.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 6.** 20.866 (2) (ta) of the statutes is amended to read:

20.866 (2) (ta) Natural resources; Warren Knowles-Gaylord Nelson stewardship 2000 program. From the capital improvement fund a sum sufficient for the Warren Knowles-Gaylord Nelson stewardship 2000 program under s. 23.0917. The state may contract public debt in an amount not to exceed \$1,046,250,000 \$1,876,250,000 for this program. The state may contract additional public debt in an amount up to \$42,600,000 for this program. The state may contract additional public debt in an amount up to \$90,000,000. Except as provided in s. 23.0917 (4g) (b), (4m) (k), (5), (5g), and (5m), the amounts obligated, as defined in s. 23.0917 (1) (e), under this paragraph may not exceed \$46,000,000 in fiscal year 2000-01, may not exceed \$46,000,000 in fiscal year 2001-02, may not exceed

\$60,000,000 in each fiscal year beginning with fiscal year 2002-03 and ending with fiscal year 2009-10, may not exceed \$86,000,000 in fiscal year 2010-11, may not exceed \$60,000,000 in fiscal year 2011-12, may not exceed \$60,000,000 in fiscal year 2012-13, may not exceed \$47,500,000 in fiscal year 2013-14, may not exceed \$54,500,000 in fiscal year 2014-15, and may not exceed \$33,250,000 in each fiscal year beginning with 2015-16 and ending with fiscal year 2021-22. Except as provided in s. 23.0917 (4g) (b), (4m) (f) and (k), (5g), and (5m), the amounts obligated, as defined in s. 23.0917 (1) (e), under this paragraph cannot exceed \$33,250,000 in each fiscal year beginning with fiscal year 2022-23 and ending with fiscal year 2025-26. Except as provided in s. 23.0917 (4g) (b), (4m) (f) and (k), (5g), and (5m), the amounts obligated, as defined in s. 23.0917 (1) (e), under this paragraph may not exceed \$83,000,000 in each fiscal year beginning with fiscal year 2026-27 and ending with fiscal year 2035-36.

**SECTION 7.** 23.0917 (2) (a) 2. of the statutes is amended to read:

23.0917 (2) (a) 2. A subprogram for <u>state</u> property development and local <u>assistance parks and recreation</u>.

**SECTION 8.** 23.0917 (2) (a) 3m. of the statutes is amended to read:

23.0917 (2) (a) 3m. A subprogram for recreational boating aids local recreation boat facilities.

**SECTION 9.** 23.0917 (3) (a) of the statutes is amended to read:

23.0917 (3) (a) Beginning with fiscal year 2000-01 and ending with fiscal year 2025-26 2035-36, the department may obligate moneys under the subprogram for land acquisition to acquire land for the purposes specified in s. 23.09 (2) (d) and

grants for these purposes under s. 23.096, except as provided under ss. 23.197 (2m), (3m) (b), (7m), and (8) and 23.198 (1) (a).

**SECTION 10.** 23.0917 (3) (br) 3. of the statutes is created to read:

23.0917 (3) (br) 3. For each fiscal year beginning with 2026-27 and ending with 2035-36, \$14,000,000.

**SECTION 11.** 23.0917 (3) (bt) 4. of the statutes is created to read:

23.0917 (3) (bt) 4. For each fiscal year beginning with fiscal year 2026-27 and ending with fiscal year 2035-36, \$1,000,000.

**SECTION 12.** 23.0917 (3) (bw) 2. of the statutes is amended to read:

23.0917 (3) (bw) 2. In obligating moneys under the subprogram for land acquisition, for each fiscal year beginning with fiscal year 2022-23 and ending with fiscal year 2025-26, the department shall set aside the amount transferred to the capital improvement fund under s. 20.370 (5) (hr), 2023 stats., in that fiscal year to be obligated only to provide grants to counties under s. 23.0953.

**SECTION 13.** 23.0917 (3) (c) 8. of the statutes is created to read:

23.0917 (3) (c) 8. Grants under s. 23.0952 to acquire land for recreational vehicle trails.

**SECTION 14.** 23.0917 (3) (dm) 9. of the statutes is created to read:

23.0917 (3) (dm) 9. For each fiscal year beginning with fiscal year 2026-27 and ending with fiscal year 2035-36, \$15,000,000.

**SECTION 15.** 23.0917 (4) (title), (a) and (b) (intro.) of the statutes are amended to read:

23.0917 (4) (title) PROPERTY STATE PROPERTY DEVELOPMENT AND LOCAL ASSISTANCE PARKS AND RECREATION SUBPROGRAM. (a) Beginning with fiscal year

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2000-01 and ending with fiscal year <del>2025-26</del> <u>2035-36</u>, the department may obligate moneys under the subprogram for <u>state</u> property development and local <del>assistance</del> <u>parks and recreation</u>. Moneys obligated under this subprogram may be only used for nature-based outdoor recreation, except as provided under par. (cm).

(b) (intro.) The purposes for which moneys may be obligated for local assistance under the subprogram for <u>state</u> property development and local <u>assistance parks and recreation</u> are the following:

**SECTION 16.** 23.0917 (4) (b) 5. of the statutes is created to read:

23.0917 (4) (b) 5. Grants under s. 23.0952 for construction of recreational vehicle trail crossings for interchange projects.

**SECTION 17.** 23.0917 (4) (c) (intro.) and (cm) (intro.) of the statutes are amended to read:

23.0917 (4) (c) (intro.) The purposes for which moneys may be obligated for property development under the subprogram for <u>state</u> property development and local <u>assistance</u> <u>parks and recreation</u> are the following:

(cm) (intro.) Notwithstanding the purposes for which the department is authorized to obligate moneys under pars. (a), (b), and (c), the department may obligate moneys under the subprogram for <u>state</u> property development and local <u>assistance parks and recreation</u> for any of the following purposes:

**SECTION 18.** 23.0917 (4) (d) (intro.) of the statutes is amended to read:

23.0917 (4) (d) (intro.) In obligating moneys under the subprogram for <u>state</u> property development and local <u>assistance</u> <u>parks and recreation</u>, all of the following shall apply:

**SECTION 19.** 23.0917 (4) (d) 1m. g. of the statutes is created to read:

23.0917 (4) (d) 1m. g. For each fiscal year beginning with fiscal year 2026-27 and ending with fiscal year 2035-36, \$51,500,000.

**SECTION 20.** 23.0917 (4) (d) 2m. c. of the statutes is created to read:

23.0917 (4) (d) 2m. c. Beginning with fiscal year 2026-27 and ending with fiscal year 2035-36, the department shall obligate \$36,050,000 in each fiscal year for local assistance.

**SECTION 21.** 23.0917 (4) (d) 3. d. of the statutes is created to read:

23.0917 (4) (d) 3. d. Beginning with fiscal year 2026-27 and ending with fiscal year 2035-36, \$15,450,000.

**SECTION 22.** 23.0917 (4) (e) (intro.) of the statutes is amended to read:

23.0917 (4) (e) (intro.) Beginning with fiscal year 2022-23 and ending with fiscal year 2025-26 2035-36, of the amounts obligated for property development, the department shall set aside the following amounts for the following purposes:

**SECTION 23.** 23.0917 (4) (e) 1. of the statutes is amended to read:

23.0917 (4) (e) 1. For grants under s. 23.098, \$500,000 \$2,500,000 in each fiscal year.

**SECTION 24.** 23.0917 (4j) (title) of the statutes is repealed and recreated to read:

23.0917 (4j) (title) LOCAL RECREATION BOAT FACILITIES.

**SECTION 25.** 23.0917 (4j) (b) of the statutes is amended to read:

23.0917 (**4j**) (b) For fiscal year 2007-08, the department may not obligate more than \$1,500,000 for cost-sharing with local governmental units for recreational boating projects under s. 30.92. For each fiscal year beginning with fiscal year 2008-09 and ending with fiscal year 2021-22, the department may not

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obligate more than \$2,500,000 for cost-sharing with local governmental units for recreational boating projects under s. 30.92. For each fiscal year beginning with fiscal year 2022-23 and ending with fiscal year 2025-26, the department cannot obligate more than \$3,000,000 for cost-sharing with local governmental units for recreational boating projects under s. 30.92. For each fiscal year beginning with fiscal year 2026-27 and ending with fiscal year 2035-36, the department may not obligate more than \$9,000,000 for cost-sharing with local governmental units for recreational boating projects under s. 30.92.

**SECTION 26.** 23.0917 (5g) (a) of the statutes is amended to read:

23.0917 (**5g**) (a) Except as provided in pars. (b) to (j), if for a given fiscal year, the department obligates an amount from the moneys appropriated under s. 20.866 (2) (ta) for a subprogram under sub. (3) or (4) that is less than the annual bonding authority under that subprogram for that given fiscal year, the department may not obligate the unobligated amount in subsequent fiscal years. This subsection applies beginning with fiscal year 2011-12 and ending with fiscal year 2025-26 2035-36.

**SECTION 27.** 23.0917 (7) (e) 3. of the statutes is created to read:

23.0917 (7) (e) 3. Subdivision 1. does not apply beginning with fiscal year 2026-27.

**SECTION 28.** 23.0917 (8) (f) 2. of the statutes is amended to read:

23.0917 (8) (f) 2. Beginning with fiscal year 2013-14 and ending with fiscal year 2025-26, of the amount set aside for a given fiscal year under sub. (3) (bt), not more than one-third of that amount may be obligated for the purpose of the acquisition of land by the department.

**SECTION 29.** 23.0917 (12) of the statutes is amended to read:

23.0917 (12) EXPENDITURES AFTER 2026. No moneys may be obligated from the appropriation under s. 20.866 (2) (ta) after June 30, 2026 2036.

**SECTION 30.** 23.0952 of the statutes is created to read:

#### 23.0952 Motorized recreation grants. (1) In this section:

- (a) "All-terrain vehicle trail" has the meaning given in s. 23.33 (1) (d).
- (b) "Land" means land in fee simple or an easement.
- (c) "Off-highway motorcycle trail" has the meaning given in s. 23.335 (1) (v).
- (d) "Recreational vehicle club" means an all-terrain vehicle club, as defined under s. 23.33 (1) (bc), a utility terrain vehicle club, as defined under s. 23.33 (1) (nh), an off-highway motorcycle association, as defined under s. 23.335 (1) (qm), or a snowmobile club, as defined under s. 350.12 (3j) (bg) 1.
  - (e) "Snowmobile trail" has the meaning given in s. 350.01 (17).
- (2) Beginning with fiscal year 2026-27 and ending with fiscal year 2035-36, the department shall establish a grant program under which the department may award a grant to a county, city, village, town, or recreational vehicle club for any of the following purposes:
- (a) To acquire land for the purpose of establishing an all-terrain vehicle trail, off-highway motorcycle trail, or snowmobile trail.
- (b) To construct a trail crossing for an all-terrain vehicle trail, off-highway motorcycle trail, or snowmobile trail as part of an interchange project.
- (3) Grants under this section shall be awarded from the appropriation under s. 20.866 (2) (ta), and the department shall allocate a total of \$5,000,000 in each fiscal year beginning with fiscal year 2026-27 for these grants. For purposes of s.

23.0917, grants awarded under sub. (2) (a) to acquire land shall be treated as moneys obligated from the subprogram under s. 23.0917 (3) and grants awarded under sub. (2) (b) for the construction of trail crossings shall be treated as moneys obligated from the subprogram under s. 23.0917 (4).

(4) A grant recipient may not convert the land, or any rights in the land, acquired with grant moneys awarded under this section to a use that is inconsistent with the type of trail for which the grant was awarded unless the natural resources board approves the conversion.

**SECTION 31.** 23.096 (title) of the statutes is amended to read:

23.096 (title) Grants Stewardship grants to nonprofit conservation organizations.

**SECTION 32.** 23.096 (2m) (intro.) of the statutes is amended to read:

23.096 **(2m)** (intro.) Notwithstanding sub. (2) (b), in each fiscal year beginning with fiscal year 2010-11 and ending with fiscal year <del>2025-26</del> 2035-36, the department may award grants under this section that equal up to 75 percent of the acquisition costs of the property if the natural resources board determines that all of the following apply:

**SECTION 33.** 23.0961 of the statutes is created to read:

**23.0961** Grants to nonprofit conservation organizations. The department may award grants from the appropriation under s. 20.370 (5) (ha) to nonprofit conservation organizations to support wildlife and habitat management.

**SECTION 34.** 23.0966 of the statutes is created to read:

23.0966 Tribal co-management program. The department shall establish a program under which it coordinates with the federally recognized American

Indian tribes or bands domiciled in this state in the management of education infrastructure, land management activities, and other activities on department land, as defined under s. 23.0917 (1) (c).

**SECTION 35.** 23.098 (2) of the statutes is amended to read:

23.098 (2) The department shall establish a program to make grants from the appropriations under s. 20.866 (2) (ta) and (tz) to friends groups and nonprofit conservation organizations for projects for property development activities on department properties. The department may not encumber more than \$500,000 \$2,500,000 in each fiscal year for these grants.

**SECTION 36.** 23.098 (4) (b) of the statutes is amended to read:

23.098 (4) (b) The department may not encumber more than \$20,000 \$50,000 for grants under this section for a department property in each fiscal year.

**SECTION 37.** 23.1987 (1) of the statutes is amended to read:

23.1987 (1) From the moneys appropriated under s. 20.866 (2) (ta), the department shall set aside \$7,000,000 in fiscal year 2014-15 that may be obligated only for infrastructure improvements to the Kettle Moraine Springs fish hatchery. For purposes of s. 23.0917, moneys obligated under this subsection shall be treated as moneys obligated under the property development and local assistance subprogram under s. 23.0917 (4). Section 23.0917 (5g) does not apply with respect to amounts obligated before July 1, 2018, under this subsection.

**SECTION 38.** 23.33 (1) (nh) of the statutes is created to read:

23.33 (1) (nh) "Utility terrain vehicle club" means a club consisting of individuals that promotes the recreational use of utility terrain vehicles.

**SECTION 39.** 30.92 (2) of the statutes is repealed.

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**SECTION 40.** 30.92 (3) (b) 5. of the statutes is amended to read:

30.92 (3) (b) 5. Projects underway in a state of readiness.

**SECTION 41.** 30.92 (4) (b) 2. a. of the statutes is amended to read:

30.92 (4) (b) 2. a. The department may cost-share, with the approval of the commission, with a qualified lake association or an affected governmental unit, including itself, at a rate of up to 50 percent of any construction, acquisition, rehabilitation, feasibility study or other project costs or any combination of these costs, for the recreational boating project if the costs are the type that qualify for funding under this section.

**SECTION 42.** 30.92 (4) (b) 3. of the statutes is repealed.

**SECTION 43.** 30.92 (4) (b) 6m. of the statutes is amended to read:

30.92 (4) (b) 6m. Notwithstanding subd. 6., the department, with the approval of the commission, may reallocate for expenditure for recreational boating aids without complying with the percentages under subd. 6. any state funds that are not encumbered for expenditure for a fiscal year before the first day of the 4th <u>3rd</u> quarter of that fiscal year.

#### SECTION 9232. Fiscal changes; Natural Resources.

- (1) Transfer from Capital Improvement fund to the Conservation fund. In fiscal year 2026-27, there is transferred from the capital improvement fund to the forestry account of the conservation fund an amount equal to the difference between the following:
- (a) The total amount transferred to the capital improvement fund under s. 20.370 (5) (hq) and (hr), 2023 stats., in fiscal years 2022-23, 2023-24, 2024-25, and 2025-26.

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(b) The total amount obligated under s. 23.0917 (3) (bt) 3. and (bw) 2. in fiscal years 2022-23, 2023-24, 2024-25, and 2025-26 minus \$4,000,000.

## SECTION 9432. Effective dates; Natural Resources.

(1) Transfers to the capital improvement fund. The treatment of s. 20.370 (5) (hq) and (hr) takes effect on July 1, 2026.

(END)