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LRB-0994/1 MJL:lmk&jld:rs

2005 SENATE BILL 62

February 15, 2005 – Introduced by Senators Breske, Grothman and Brown, cosponsored by Representatives Musser, Staskunas, Hines, Hahn, Hubler, Lehman and Sheridan. Referred to Committee on Natural Resources and Transportation.

- 1 AN ACT to create 706.25 and 709.03 (form) D. 1m. of the statutes; relating to:
- 2 disclosing whether land being sold is subject to withdrawal as managed forest

Analysis by the Legislative Reference Bureau

Under current law, with certain exceptions, owners who wish to sell residential real property must give prospective buyers a form, known as a real estate condition report, on which the owner discloses whether he or she is aware of various specified conditions, mostly defects, of the real property. The form also includes some additional information, such as how long the owner has lived on the property, and a notice that the prospective buyer and the owner may wish to obtain professional advice or inspections of the property.

Also under current law, a parcel of land that is at least 10 contiguous acres in size, at least 80 percent of which is capable of producing a minimum of 20 cubic feet of timber per acre per year, and that is not developed for a human residence may be designated as managed forest land under a program administered by the Department of Natural Resources. The owner of land designated as managed forest land makes an annual acreage share payment instead of the property taxes that normally would be payable. In exchange the owner must comply with certain forestry practices and must allow the public on the land with certain exceptions. Land is subject to withdrawal as managed forest land if, among other things, it is subdivided for sale into parcels that are too small to be eligible for managed forest land designation.

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This bill adds to the real estate condition report the requirement that the owner disclose whether he or she is aware that the real property, after the sale, may be subject to this withdrawal because it has been subdivided into too small a parcel. If the owner is not required to furnish a real estate condition report because no portion of the real property being sold is residential, the owner must disclose this possibility of withdrawal in writing to a prospective buyer.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Section 1. 706.25 of the statutes is created to read: 706.25 Disclosure regarding managed forest land. An owner of real property located in this state who is not required to furnish to a prospective buyer a real estate condition report under s. 709.03 shall, not later than 10 days after acceptance of a contract of sale or option contract, in writing disclose to a prospective buyer of the real property whether the property, or any portion of the property, after transfer to the buyer, may be subject to withdrawal from managed forest land designation under s. 77.88 (2) (am). **Section 2.** 709.03 (form) D. 1m. of the statutes is created to read: 709.03 (form) D. 1m. I am aware that the property, or portion of the property, after transfer to the buyer, designated as, or is eligible to be designated as, managed forest land.

SECTION 3. Initial applicability.

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	(1) This act first applies to written disclosures and real estate condition reports
t	that are furnished after a contract of sale or option contract acceptance that occurs
C	on the effective date of this subsection.

(END)