

# Conservation Fund



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Prepared by

Erin Probst

Wisconsin Legislative Fiscal Bureau  
One East Main, Suite 301  
Madison, WI 53703  
<http://legis.wisconsin.gov/lfb>



## TABLE OF CONTENTS

Introduction.....	1
Fish and Wildlife Account.....	2
Forestry Account.....	36
Parks Account .....	51
Water Resources Account.....	55
Boat Registration Account.....	62
All-Terrain Vehicle Account .....	64
Snowmobile Account.....	68
Endangered Resources Account .....	72
Natural Resources Magazine Account .....	75
Motorcycle Recreation Account.....	75
Grants to NCOs .....	76
General Conservation Fund.....	84
Non-budget Accounts .....	87
Appendix I      Conservation Fund Condition Statement.....	89
Appendix II      Major Hunting and Fishing Licenses and Permits -- Current Fees and Sales.....	90
Appendix III     Deer Management Assistance Program.....	92
Appendix IV     State Parks and Forests Recreation Fees.....	93
Appendix V      State Parks and Recreation Areas .....	94
Appendix VI     Boat Registration Fees .....	95



# Conservation Fund

## Introduction

The conservation fund is a segregated (SEG) trust fund used to finance many of the state's resource management programs administered by the Department of Natural Resources (DNR). DNR programs supported by conservation fund revenues include wildlife and fish management, forestry, the state parks system, the endangered resources program, and several recreational vehicle programs. The conservation fund also supports programs and operations in other agencies, including the Lower Wisconsin State Riverway Board, the Fox River Navigational System Authority, the Kickapoo Reserve Management Board, the University of Wisconsin System, the State Historical Society, and the Departments of Tourism, and Agriculture, Trade and Consumer Protection.

The conservation fund is defined under s. 25.29 of the Wisconsin Statutes. Fund revenues may only be expended under the appropriation authority provided by the Legislature. The Department cannot transfer funds between appropriations. At the end of each fiscal year, unexpended amounts in most conservation fund appropriations lapse to the balance of the fund.

State and federal law require that some types of conservation fund revenues be used exclusively for particular activities. In addition, the statutes require that all monies received through DNR resource management, enforcement and local support activities be credited to the program which generated them. Therefore, separate accounts within the conservation fund have been administratively created to facilitate its management. One account, into which snowmobile program revenues are deposited, is designated by statute. Other accounts may be referenced in statute, but are not defined.

The subdivision of the conservation fund into separate accounts differs from the practice used for most other state segregated funds. For example, the state transportation fund is not split into separate accounts. The accounts within the conservation fund enable DNR to ensure that revenues are utilized for authorized purposes. In addition, the accounts system is useful in developing budgets for each program area.

The conservation fund is divided into the following nine accounts (a tenth account, the motorcycle recreation account was eliminated on June 30, 2005):

- fish and wildlife
- forestry
- parks
- water resources
- boat registration
- all-terrain vehicle
- snowmobile
- endangered resources
- natural resources
- magazine

This paper contains information on revenue sources for each account and the appropriations provided for specific programs during the 2013-15 biennium. The estimated 2013-15 condition statement for the conservation fund is included as Appendix I. Descriptions of program changes resulting from recent legislation are also included.

In reviewing the revenue and expenditure data, the reader should note five points. First, although certain federal revenues received by the state are deposited in the conservation fund, these revenues are not included in discussions of revenues to each account or included in revenue totals. These revenues are credited to separate federal appropriations. Second, several of the programs funded from the conservation fund also receive funding from general purpose revenue (GPR) or program revenue (PR), which are also credited to separate appropriations and are not generally discussed in this paper. Third, budgeted expenditures may ex-

ceed actual and estimated revenue amounts for some of the accounts during the 2013-15 biennium. This can occur when an account has a positive, uncommitted balance from a previous fiscal year and part of this balance is appropriated to fund program activities in the next fiscal year. Fourth, the amounts identified as revenue estimates for the 2014-15 fiscal year are primarily based on revenues over the previous several fiscal years. These revenue estimates may be modified by the Legislative Fiscal Bureau during legislative deliberation of the biennial budget. Fifth, some revenue sources and expenditure categories, such as licensing and administration, are common to more than one account in the conservation fund, and are discussed in a separate section rather than under the individual accounts.

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## Fish and Wildlife Account

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### Revenue

**General Account Revenue.** The primary source of revenue to the fish and wildlife account is the fees charged for hunting, fishing and special licenses and stamps. There are a wide variety of licenses authorizing residents and nonresidents to hunt, trap, and fish. Hunting and fishing licenses vary according to the type of species that may be pursued, the method of pursuit, the number of people for whom the license is valid and the time period for which the license is valid. To hunt or fish certain species (such as wild turkey or trout), a stamp must be purchased in addition to the license.

Most licenses may be purchased directly from DNR or from sales agents appointed by the Department (such as sporting goods stores, discount stores and bait shops), although certain licenses are only available through the Department. A sales agent retains 50¢ for each license and 15¢ for each stamp sold. In addition to receiving the issuance

fee, since license year 2002, sales agents have also retained 50¢ for each transaction provided through the Automated License Issuance System (ALIS), as well as 50¢ for each antlerless deer hunting tag issued. Both the issuance and transaction fees are deducted from the amount of license revenue retained by DNR. In 2013-14, agent commissions totaled approximately \$3.5 million. In 2014-15, approximately \$2.9 million is budgeted for the operation of the Automated License Issuance System.

Agents contracting with DNR to operate ALIS terminals are also authorized to collect and retain the handling fee that DNR is authorized to charge for handling costs (such as credit transaction fees, mailing and personnel costs) if the individual purchases a license using a credit card. Currently, this fee is \$3. License year 1999 (April, 1999, through March, 2000) was the ALIS system's first year of operation. Over 1,500 agents contracted with DNR to operate ALIS terminals, including gas stations, marinas, sporting goods stores, and chain stores (such as Wal-Mart and Mills Fleet Farm). By license year 2014, the number of independent ALIS agents decreased to 1,234 (not including the 30 DNR locations). Currently, there are 349 different licenses and approvals issued through ALIS. The Department also offers most licenses and registrations through its website. During license year 2013 (April, 2013, through March, 2014) in over 2.7 million transactions, approximately 7.9 million licenses were sold through ALIS to approximately 1.7 million customers. Approximately \$69.6 million in revenue was collected in license year 2013 from ALIS transactions.

In addition to state licenses, in the past, DNR also offered certain Lac du Flambeau tribal hunting and fishing licenses and approvals. There is currently no agreement in place between the Lac du Flambeau Tribe and DNR in which the tribe agrees to limit its treaty-based right to fish outside the reservation consistent with s. 29.2295 of the statutes. In 2013, the Lac du Flambeau Band of



Lake Superior Ojibwe made walleye declarations in a manner that did not allow the State of Wisconsin to maintain a walleye bag limit of three walleyes on off-reservation lakes, that had been specified in a 17-year agreement between the Tribe and the Department.

As a condition of receiving federal aid under the Sport Fish Restoration Act and the Pittman-Robertson Wildlife Restoration Act, federal law requires that revenues received from hunting and fishing licenses not be diverted to purposes other than administration of the state fish and wildlife agency (in Wisconsin, the Department of Natural Resources). Federal aid is apportioned to each state based on the number of paid licenses holders and the land and water area of the state. To have a license sale recognized in the formula for determining federal aid, the state must charge a fee for a license sufficient to produce net income to the state after deducting reasonable costs to issue the license.

Current major recreational hunting and fishing licenses and corresponding fees are identified in Appendix II, as well as the number sold during fiscal year 2013-14 as reported by DNR's Bureau of Customer Service and Licensing. The fees include the issuing fee and the wildlife damage surcharge where applicable (the wildlife damage surcharge is applied to most hunting licenses). DNR issues certain reduced fee licenses to youths, seniors, disabled persons, and disabled veterans.

While non-residents generally pay higher fees for hunting and fishing licenses, 2007 Act 51 specified that members of the armed forces and members of reserve units of the armed forces who are stationed in Wisconsin are to be charged the resident fees for hunting, trapping, and fishing licenses. Active duty military who were residents at the time of their enlistment are also eligible for resident-priced licenses. In addition, 2013 Act 55 requires DNR to treat a qualified recipient of a Purple Heart medal as a resident for the purposes of obtaining a hunting, trapping or fishing license,

except for a conservation patron license. The act also specifies that a Wisconsin resident that is a Purple Heart medal recipient may purchase a conservation patron license at a reduced fee of \$10. A non-resident that is a Purple Heart medal recipient may purchase a conservation patron license for the regular resident price of \$161.

In addition, 2013 Act 20 requires the Department of Veterans Affairs (DVA) to issue a voucher for one resident small game hunting license, resident deer hunting license, resident archer hunting license, or resident annual fishing license to each person who applies for the voucher, is a qualified veteran and submits the voucher to DNR within one year of discharge. The Act specifies that a qualified veteran is a resident who is one of the following: (a) a veteran, as defined in s. 45.01(12)(a) to (f) of the statutes (generally a person who served in the U.S. armed forces or in forces incorporated as part of the U.S. armed forces), who served during a specified war period [including a period between September 11, 2001, and the ending date of Operation Enduring Freedom or an operation that is a successor to Operation Enduring Freedom, as established by DVA through administrative rule or a period between March 19, 2003, and the ending date of Operation Iraqi Freedom or an operation that is a successor to Operation Iraqi Freedom, as established by DVA through administrative rule; (b) a member of a reserve component of the U.S. armed forces or of the national guard who has served in a war period and who has served under honorable conditions for a least one year from the date of enlistment; or (c) a person who served in a war period and who was honorably discharged from a reserve component of the U.S. armed forces or from the National Guard.

The Act specifies that the voucher entitles a qualified veteran receiving the voucher to the waiver of the fee, including the issuing fee and any applicable surcharge for a single hunting or fishing license. Further, the Act requires that vouchers be submitted directly to the Department

of Natural Resources, and may not be submitted to an agent appointed by DNR to issue licenses (such as sporting goods stores). DVA is required to establish a procedure for determining who qualifies as a veteran, and before issuing a license, DNR must request that DVA verify whether the applicant is a qualified veteran. If the Department of Veterans Affairs verifies that the applicant for a license is a qualified veteran, the Department of Natural Resources would be required to issue the license without charging a fee. On an annual basis, the Act requires DVA to pay to DNR an amount that equals the total of fees and surcharges that have been waived by DNR for the licenses issued to voucher holders. In fiscal year 2013-14, DNR issued six licenses to voucher holders including the following resident licenses: two annual fishing, one archery, one gun deer, and two first-time annual fishing. DVA paid DNR \$98 to cover the cost of the licenses issued by DNR.

Under 2011 Act 168, DNR is required to issue

certain hunting, trapping, and fishing approvals at a reduced fee to persons who have not been issued that type of approval or a conservation patron or sports license in the 10 years before the license application. The Act also requires DNR to develop an incentive program for recruiting first-time hunters, trappers, and anglers. For residents, the fee for the reduced fee licenses is \$5 each (including the issuing fee) and for non-residents, the fee is one-half the regular fee, rounded up to the nearest dollar. These first-time buyer licenses went on sale through the ALIS system on April 17, 2012. Table 1 shows the fees for licenses for non-first-time buyers, as well as the license fees for qualifying first-time buyers, and the number of licenses sold during fiscal year 2013-14 as reported by DNR's Bureau of Customer Service and Licensing. The wildlife damage surcharge is not applied to the first-time licenses.

2011 Act 168 also created an annual disabled veteran recreation card (\$7) which entitles the

**Table 1: First-Time Licenses Sold: Fiscal Year 2013-14**

	Statutory Fee	Issuing Fee	Wildlife Damage Surcharge	Total Fee for Non-First-Time Licenses	Total Fee For First-Time Licenses	Number of First Time Licenses Sold FY 2013-14
<b>Resident</b>						
Small Game	\$15.25	\$0.75	\$2	\$18	\$5	10,344
Senior Small Game	6.25	0.75	2	9	5	611
Youth Small Game	6.25	0.75	2	9	5	5,271
Deer	21.25	0.75	2	24	5	16,194
Youth Deer	17.25	0.75	2	20	5	9,418
Class B Bear	11.25	0.75	2	14	5	1,731
Archery	21.25	0.75	2	24	5	13,442
Youth Archery	17.25	0.75	2	20	5	4,987
Wild Turkey	12.25	0.75	2	15	5	10,628
Annual Fishing	19.25	0.75	0	20	5	66,302
Trapping	19.25	0.75	0	20	5	1,493
<b>Non Resident</b>						
Annual Small Game	\$82.25	\$0.75	\$2	\$83	\$42.75	2,552
Deer	157.25	0.75	2	158	79.75	4,336
Class B Bear	107.25	0.75	2	108	54.75	85
Archery	157.25	0.75	2	158	79.75	2,312
Fur-Bearing Animal	157.25	0.75	2	158	79.75	91
Wild Turkey	57.25	0.75	2	58	29.75	8,894
Annual Fishing	49.25	0.75	0	50	25.75	33,806
Trapping	149.25	0.75	0	150	75.75	11

holder to the privileges under a resident small game hunting license and a resident fishing license (prior to the Act, a disabled fishing license was available for \$7 and a disabled veteran fishing license was available for \$3, but there was no disabled small game license). The Act requires DNR to issue a card to any resident who produces evidence that shows he or she is a veteran, as defined under federal law, and is receiving certain disability compensation benefits. The Act also clarifies that a person holding a card is not required to pay a vehicle admission fee for admission to state parks or an admission fee for Heritage Hill State Park or any state trail. In addition, the Act created a Class D disabled hunting permit that may be issued to any person with an amputation, or permanent substantial loss of function, of one or both arms, one or both hands, or one or both shoulders.

2009 Act 364 created a one-day resident fishing license with a fee of \$8 and a one-day nonresident fishing license with a fee of \$10, effective April 1, 2011. Previously, residents were limited to the purchase of an annual license or husband and wife license, and non-residents were limited to the purchase of a four-day, fifteen-day or annual individual license (annual and fifteen-day family licenses are also available). The Act also specified that a person who holds a one-day fishing license and wants to purchase a resident or non-resident annual fishing license, may purchase the annual resident or non-resident fishing license within the same license year at a reduced fee. The reduced fee is equal to the difference between the fee for the general annual license and the fee for the one-day license (resulting in a reduced fee of \$12 for residents, \$40 for non-residents). 2013 Act 20 specifies that no fishing license is required for a resident or nonresident to fish in a pond that is a self-contained body of water and that is located entirely on private property owned by a person who gives permission to the person to fish in the pond.

Combination licenses, which provide holders the privileges of several individual licenses, are

also available. These licenses include the conservation patron and sports licenses. The conservation patron license provides the holder with a number of hunting, fishing and other recreational privileges and a subscription to Wisconsin Natural Resources magazine. Most of the revenue from conservation patron license sales is retained in the fish and wildlife account; however, a portion of the revenue is transferred to the forestry, parks and natural resources magazine accounts of the conservation fund to reflect the revenue from the license attributable to the privileges related to those accounts. The sports license provides the holder all the privileges of the fishing license and the small game and firearm deer hunting licenses. Beginning April 1, 2003, a sports and junior conservation patron license are also available, for a reduced fee, to individuals between the ages of 12 and 17 years of age, which confer the same privileges of a regular conservation patron or sports license. Major licenses and fees are shown in Appendix II.

2009 Act 39 established a hunting mentorship program for youths ages 10 to 15 (the prior minimum hunting age was 12). The act established a deer hunting license issued to 10- and 11-year olds for a reduced fee of \$7 (including the issuing fee and \$2 wildlife damage surcharge). The Act provided that youths ages 10 and 11 may hunt without obtaining a hunter safety course certificate if they hold a valid hunting license and are hunting with a qualified mentor.

Under the 2009 Act, a qualified mentor must: (a) be at least 18 years of age or older, (b) be the youth's parent or guardian or be authorized by the parent or guardian to serve as a mentor; (c) be within arm's reach of the youth at all times while serving as the youth's mentor; (d) have been issued a hunter safety course certificate of accomplishment (or be exempt from this requirement) and (e) hold a current valid hunting license. Additionally, youths ages 12 to 15 who hold a valid deer hunting license may hunt with a qualified mentor without holding a hunter safety course cer-

tificate. Qualified adult mentors may only mentor one youth hunter who is age 10 or 11, or who has not completed a hunter safety course, at any given time. Further, a youth age 12 or 13 who holds a valid deer hunting license, rather than being required to be accompanied by his or her parent or guardian while hunting, may also hunt if accompanied by a person at least 18 years of age who is designated by a parent or guardian. Youths ages 14 and 15 who hold a valid deer hunting license are required to be accompanied by a parent or guardian or person designated by a parent or guardian, or hold a hunter education course certificate. In addition, 2011 Act 168 created a resident trapping license for persons under age 16 for a fee of \$10.

The Department currently charges a \$3 permit application fee for the following permits: (a) otter trapping; (b) fisher trapping; (c) Canada goose hunting; (d) wild turkey hunting; (e) sharp-tailed grouse hunting; and (f) Class A bear license. Some of these fees are waived for holders of the conservation patron license. In addition, 2009 Act 28 increased the permit application fee for the bobcat hunting and trapping permit from \$3 to \$6, and provided \$30,000 annually to be used for a study of bobcat populations. The permit application fee for an elk license, should an elk hunt be held, and for the wolf harvest license created by 2011 Act 169 is \$10.

In addition to licenses purchased primarily for recreational fish and game activities, several types of licenses are required for specialized commercial fish and game activities. These include guide and sport trolling approvals, fur dealer and taxidermist licenses, commercial fishing and clamming approvals, fish and bait dealing approvals, captive wild animal farm approvals and licenses for wild rice harvesting and dealing. In addition, a DNR environmental permit may be required for certain fish farming operations (the Department of Agriculture, Trade and Consumer Protection (DATCP) is responsible for the annual registration of fish farms, fish import permits for live fish and

eggs, and fish health issues).

### **Deer Hunting Revenue**

Deer hunting licenses are a primary source of revenue to the fish and wildlife account. These licenses primarily include gun deer licenses, and archery licenses (including those issued to residents, non-residents, and to youths ages 12 to 15). In fiscal year 2013-14, revenue from resident and non-resident gun deer licenses (including those issued to resident youths ages 12 to 15) totaled approximately \$14.5 million or 19.5% of revenues to the fish and wildlife account, while resident and non-resident archery licenses generated approximately \$5.4 million or 7.3% of account revenues. Additional revenues were generated from mentored deer licenses issued to 10- and 11-year olds and duplicate licenses, as well as licenses issued to first-time buyers as shown in Table 1 and other discounted licenses.

### **Wolf Hunting Revenue**

2011 Act 169 created a wolf harvesting license with an application fee of \$10 and a license fee of \$100 for residents and \$500 for non-residents. 2013 Act 20 reduced the price of a wolf harvesting license fee from \$100 to \$49 for residents and from \$500 to \$251 for non-residents (the same as the license fee for a bear or elk harvest license). In addition, duplicate wolf harvest license fees are reduced under Act 20 from \$50 for residents and \$250 for non-residents to \$13 for either. Revenues from the wolf application fees and harvest licenses are deposited to a DNR continuing appropriation to be used for the administration of a wolf depredation program. The initial fall 2012 wolf hunt season generated approximately \$290,000 in revenue from applications and licenses, while the fall 2013 hunt generated approximately \$256,600 and preliminary data indicate the fall 2014 hunt generated approximately \$200,000. DNR may use all or a part of any revenues remaining after depredation payments for management and control of the wolf population in the following fiscal year. 2013 Act

20 also repealed a 2011 provision which specified that a person may hunt wolves during nighttime.

### *Captive Wildlife Regulation*

Under s. 93.07 (10) of the statutes, the Department of Agriculture, Trade and Consumer Protection (DATCP) has the responsibility to protect the health of domestic animals of the state, including farm-raised deer, and to prevent, control, and eradicate communicable disease among these animals. Prior to 2003, DATCP registered approximately 100 deer farms with non-native species (such as red deer and sika deer) and 235 elk farms. Under 2001 Act 56, which created Chapter 169 of the statutes, the authority to license, regulate, and inspect all of the state's approximately 400 captive deer and elk farms (including approximately 280 whitetail deer herds in 2014), and related markets and movement in the state was transferred from DNR to DATCP on January 1, 2003. Under administrative rule ATCP 10, DATCP requires all deer farms to register.

Under s. ATCP 10.46(7) of the administrative code, annual captive wildlife registration fees are \$162.50 for a herd of 15 or fewer deer, and \$325 for a herd of more than 15 deer. The annual fee is \$85 if the herd includes no more than 15 deer and the following apply: (a) no live deer move from the premises except directly to slaughter; (b) no farm-raised deer are killed on the premises except for consumption by the farm-raised deer keeper; and (c) the herd is not enrolled in the DATCP chronic wasting disease herd status program. If a farmer owns more than one type of deer (red deer and whitetail deer, for example), the deer owner may choose to commingle the deer into one herd (and thereby register one herd), or separate the herds, with DATCP certification of separation required, and register multiple herds. In addition, DATCP regulates about 66 farm-raised deer hunting preserves. Hunting preserves must pay a \$500

**Table 2: DNR Captive Wildlife Fees**

	Initial Cost	Renewal
Captive Wild Animal Farm License, Class A	\$200	\$100
Captive Wild Animal Farm License, Class B	50	25
Bird Hunting Preserve License, Class A	300	200
Bird Hunting reserve License, Class B	200	100
Bird Dog Training License*	25	25
Bird Dog Trial License	25	25
Hound Dog Training License*	25	25
Hound Dog Trial License	25	25
Dog Club Training License	100	100
Wildlife Stocking License**	25	25
Wildlife Rehabilitation License*	Free	
Scientific Research License	25	25
Non-profit Educational Exhibition License	25	25
Non-resident Temporary Exhibition License**	50	50
Wild Fur Farm License*	50	50

\*Valid for three years

\*\*Valid for 30 days

fee that is good for 10 years. A deer herd owner who also owns a hunting preserve is required to obtain both a deer herd and a hunting preserve license.

DNR retains responsibilities related to the inspection of fences for facilities containing farm-raised whitetail deer, and is authorized to charge an inspection fee. In addition to the deer farm fees charged by DATCP, DNR charges an inspection fee of \$50 for a fenced area under 80 acres and \$100 if the fenced area is 80 acres or more. Inspections typically occur every 10 years, and inspection certificates are valid until December 31<sup>st</sup> of the 10<sup>th</sup> year following certification.

Since January 1, 2003, the captive wildlife licenses and fees shown in Table 2 have been assessed by DNR. Licenses shown in the table are valid for one year, unless otherwise indicated. Captive wild animal farm licenses are for species other than cervids (deer or elk).

**Dedicated Account Revenue.** Some revenue sources to the fish and wildlife account are statutorily designated for specific purposes, rather than

for general fish and game activities. The main categories of dedicated revenue are: (a) hunting and fishing stamps; (b) bonus deer permit and wildlife damage surcharge revenue; and (c) handling fees.

*Hunting and Fishing Stamps.* In order to hunt or fish certain species, a person must purchase a stamp in addition to a license. Revenue from the sale of these stamps must be utilized exclusively for habitat and propagation projects for the benefit of the respective species. Currently, five stamps are required:

- waterfowl
- wild turkey
- pheasant
- inland waters trout
- Great Lakes trout and salmon

2005 Act 25 created a sturgeon hook and line tag, with a fee of \$20 for residents and \$50 for nonresidents. The tag is required in addition to any other license under current law, such as a fishing license. Revenues from the sturgeon hook and line tag are used for assessing and managing lake sturgeon stock in inland waters. The Act also created a resident two-day inland trout fishing license (for use on inland lakes only), priced at \$14. Individuals on lakes with the two-day license are not required to purchase a fishing license or inland waters trout stamp to fish for lake trout. Appendix II summarizes major hunting and fishing fees and total sales in fiscal year 2013-14.

In addition to sturgeon hook and line tags, a sturgeon spearing license is also available. A non-issuance period for a sturgeon spearing license was created in 2002, from the November 1 preceding the open season until the last day of the season. The fee for a sturgeon spearing license is currently \$20 for residents and \$65 for nonresidents. 2011 Act 168 reduced the minimum age for a person to obtain a sturgeon spearing license from age 14 to age 12. A person need not hold a valid fishing license to be issued a sturgeon spearing license. The privileges of the sturgeon spear-

ing license are not included for holders of conservation patron licenses. Effective April 1, 2014, 2013 Act 64 changes the cumulative preference system for issuing sturgeon spearing permits. Under the Act, an applicant may apply for a sturgeon spearing permit or a preference point each year (whereas under prior law, an applicant was issued one preference point for each season that he or she applied for but did not receive a permit). This is consistent with the preference point system used for fishers, otters, and bobcats. The Act also changes the beginning of the period in which the holder of a sturgeon spearing license may transfer their license to a minor from November 1 to October 1 of each year. Revenues from the sale of sturgeon spearing licenses are directed toward the cost of administering the license, assessing and managing the lake sturgeon stock and fishery, and improving and maintaining lake sturgeon habitat.

*Voluntary Contribution for Lake Research and Control of Aquatic Invasive Species.* Any person purchasing a fishing license or applying for a boat registration, may elect to make a voluntary contribution for lake research, specifically research conducted by DNR to determine methods for improving the quality of lakes in Wisconsin, in addition to the fishing license or boat registration fee. Prior to 2009 Act 28, the minimum contribution associated with a fishing license was \$1, while the minimum contribution associated with a boat registration was \$3. 2009 Act 28 specified that the minimum voluntary contribution associated with both a fishing license and a boat registration is \$2 and that moneys received from the contribution, less the 50¢ retained by the sales agent, are to be used to provide grants for projects to control invasive species and for promotional activities and materials to encourage voluntary contributions as well as for research. In 2013-14, contributions of \$44,800 from fishing licenses and boat registrations were deposited in the fish and wildlife account.

*Voluntary Contribution for the Natural Resources Foundation of Wisconsin.* 2011 Act 148 specifies that any person purchasing a hunting or

fishing license, permit, stamp, or tag, a recreational vehicle registration (boat, ATV, UTV, or snowmobile), or a park vehicle admission, may also elect to make a voluntary contribution of at least \$2 to the Natural Resources Foundation of Wisconsin (NRF) to be used for an endowment program to support habitat management activities on land owned or managed by the state. The NRF is a publicly supported non-profit conservation organization governed by a board of private citizens under s. 501(c)(3) of the Internal Revenue Code. According to their mission statement, the NRF was formed in 1986 to boost private sector investment and involvement in state-managed natural resources; waters, lands, and wildlife. The Act requires donations to be deposited in an appropriation in the fish and wildlife account from which DNR makes annual payments to the NRF under a memorandum of agreement (MOA). Further, the Act specifies that the MOA outline the types of activities the NRF will support under the endowment, how the funds will be managed, and, if the NRF makes grants under the endowment program, the methods used to award the grants.

The MOA between the Department and the Natural Resources Foundation was approved by the Natural Resources Board on September 25, 2013, and signed on October 15, 2013. The MOA states that a fund be established on the books of the Foundation, known as the Cherish Wisconsin Outdoors Fund, that it constitute a permanent endowment and to be used for the sole purpose of habitat management and ecological restoration on state of Wisconsin owned or managed lands. According to the MOA, the Foundation agrees to hold, invest, reinvest, administer and distribute the fund in accordance with the terms and conditions of the MOA and the provisions of 2011 Act 148. Under the MOA, DNR agrees to actively promote the fund, and to inform applicants of the voluntary contribution opportunity. The MOA specifies that DNR transfer contributions, less any applicable processing fee, to the Foundation on a quarterly basis. The process for allocating distributions from the fund is specified under the MOA as follows:

(a) the Foundation will announce the amount available for distribution and DNR will be asked to propose a list of projects, ranked in order of priority (according to a set of criteria developed through public input), and a DNR advisory team will make recommendations among the projects; (b) the Foundation Board will make the final decision regarding allocation of the funds to the projects. Further, the MOA specifies that distributions be made solely to tax-exempt entities including state or federal agencies or qualified exempt organizations [certain non-profit organizations recognized as tax-exempt under section 501(c)(3) of the Internal Revenue Code].

Beginning on September 23, 2012, individuals buying a hunting or fishing license, permit, vehicle admission sticker, or ATV, UTV, snowmobile, or boat registration through the Department's ALIS system or vehicle registration system, could also elect to make a voluntary contribution of at least \$2 to the Cherish Outdoors Fund. In addition, beginning on December 18, 2013, individuals reserving a campsite through the Department's online campsite reservation system (operated by Active Network) could also elect to make a \$2 contribution to the Cherish Outdoors Fund in addition to their camping reservation. In fiscal year 2013-14, approximately \$64,800 was collected by DNR through the donations, and, after subtracting transaction fees, approximately \$61,000 was distributed to the NRF for the Cherish Outdoors Fund. However, to date the Department has not included the appropriation in their condition statement (and it consequently is not shown in the revenue or expenditure table). Under the MOA, the NRF may access up to 20% of the fund principal in each of the first two years of the fund to utilize for marketing purposes. In addition, in order to maintain a modest fund balance, NRF officials indicate it is unlikely that any disbursements (other than the up to 20% of fund principal for marketing) will be made from the fund before 2016.

*Bonus Deer Permit and Wildlife Damage Surcharge.* A surcharge is added to most resident and

nonresident hunting licenses to fund wildlife damage program activities. 2005 Act 25 increased the wildlife damage surcharge from \$1 per license to \$2 per license. The \$2 surcharge is added to the following licenses:

- resident and nonresident deer
- resident and nonresident elk
- resident and nonresident Class A bear licenses
- resident and nonresident Class B bear licenses
- resident and nonresident archer
- resident and nonresident turkey
- resident and nonresident annual small game
- resident and nonresident sports
- nonresident five-day small game
- nonresident fur-bearing animal hunting

A \$4 surcharge is included for most resident and nonresident conservation patron licenses. The wildlife damage surcharge generated approximately \$2,160,600 in 2013-14.

Also, revenue from the \$12 (\$20 nonresident) bonus deer permit is used to fund wildlife damage programs. Resident and nonresident bonus deer permits generated \$1,093,000 during 2013-14, for total wildlife damage revenues of approximately \$3.25 million.

*Handling Fees.* In addition to the statutory fees charged for hunting and fishing licenses, DNR may collect a handling fee for the approvals that the Department itself issues. The fee cannot be more than the amounts necessary to cover the costs of issuing the licenses. The Department currently charges a \$3 handling fee for licenses ordered with a credit card by phone, over the internet, or by mail from the DNR Madison office (all licensing agents may also charge, and retain, the \$3 fee for credit card purchases).

*ALIS Transaction Fees.* DNR is statutorily re-

**Table 3: Fish and Wildlife Account Revenue**

Revenue Sources	2013-14 Actual	2014-15 Estimate	2013-14 % of total
Resident Hunting Licenses	\$20,858,100	\$20,900,000	28.1%
Nonresident Hunting Licenses	7,030,700	7,000,000	9.5
Duplicate Hunting	62,800	63,000	0.1
Hunting Stamps	1,277,800	1,300,000	1.7
Resident Fishing Licenses	14,058,200	14,171,000	18.9
Nonresident Fishing Licenses	9,556,200	9,661,000	12.9
Two-Day Great Lakes	559,700	560,000	0.8
Duplicate Fishing	82,900	83,000	0.1
Fishing Stamps	2,949,400	2,950,000	4.0
Combination Licenses	9,180,700	9,200,000	12.4
Permit Application Fee	970,000	970,000	1.3
Other Licenses and Permits	395,800	395,000	0.5
Timber Sales	3,895,900	4,000,000	5.2
Handling Fees	87,600	87,600	0.1
Education and Safety (Hunter Education)	204,600	298,800	0.3
ALIS Transaction Fees	-1,240,900	-1,286,000	-1.7
Tribal Gaming Transfer	3,000,000	3,000,000	4.0
All Other	<u>1,365,000</u>	<u>1,316,600</u>	<u>1.8</u>
<b>Total</b>	<b>\$74,294,500</b>	<b>\$74,670,000</b>	<b>100.0%</b>

quired to pay each license sales agent 50¢ for each transaction processed through the statewide Automated License Issuance System (ALIS). The Department treats this as a reduction to revenues.

**Tribal Gaming Revenue Transfer.** An additional source of revenue to the fish and wildlife account began in 1999-00 with an annual transfer of \$2.5 million from tribal gaming compact revenues. This revenue is not statutorily designated for a specific purpose. The amount was increased to \$3 million annually beginning in 2003-04.

Table 3 lists fish and wildlife account revenue in the 2013-15 biennium.

### Expenditures

**General Account Expenditures.** Fish and wildlife account revenues that are not statutorily designated for specific purposes are used to support the fish and wildlife management and law enforcement functions of the Department.

**Fish Management.** The Bureau of Fisheries



Management undertakes various activities related to monitoring, maintaining and enhancing aquatic ecosystems and sport and commercial fisheries. Fisheries population and habitat surveys are conducted to monitor the status and health of the state's fisheries and aquatic habitat, and evaluate regulation effectiveness and needs. Surveys yield data relating to fish population structure and harvests, which are used to develop and monitor management actions, prepare environmental impact statements, develop regulations for the sport fishing and commercial fishing industry, and assess waters on which Native Americans exercise their treaty rights. The surveys are also provided to the public for informational and planning purposes. In addition, DNR is responsible for Great Lakes fish management activities in Wisconsin waters of Lake Michigan and Lake Superior.

Fish propagation and stocking involves raising and distributing fish to enhance fishing in areas where natural reproduction is insufficient or being restored. DNR utilizes 17 facilities for fish propagation and stocking activities including eight cold-water (trout and salmon) facilities, three cool-water facilities (primarily for walleye, muskellunge and bass), three dual-purpose hatcheries, and three spawning facilities where eggs from feral trout and salmon are collected. In addition, DNR complements these facilities with additional rearing ponds located throughout the state, and by contracting with private sector aquaculture to rear fish for stocking.

During fiscal year 2013-14, DNR estimates it stocked inland streams and the Great Lakes with approximately four million cold-water fish. In addition, inland lakes were stocked with approximately 8.8 million cool (sometimes referred to as warm) water fish. Cool/warm water fish stocks larger than fry (such as fingerling, yearling, and adult) included approximately 1.8 million walleye, 317,000 northern pike, 92,000 muskellunge,

**Table 4: Wisconsin's Fish Propagation Facilities**

	County	Brood Stock	Hatching Facilities	Fish Rearing
<b>Cold-Water Facilities</b>				
Bayfield (Les Voigt)	Bayfield		x	x
Brule	Douglas			x
Lakewood*	Oconto			x
Langlade*	Langlade			x
Nevin	Dane	x	x	x
Osceola	Polk	x	x	x
St. Croix Falls	Polk	x	x	x
Thunder River	Marinette			x
<b>Cool/Warm-Water Facilities</b>				
Oehmcke	Oneida		x	x
Thompson	Washburn		x	x
Western District	Various	x	x	x
<b>Dual-Purpose Facilities</b>				
Kettle Moraine Springs	Sheboygan		x	x
Lake Mills	Jefferson		x	x
Wild Rose	Waushara	x	x	x
<b>Spawning Facilities</b>				
Besadny	Kewaunee	<i>feral trout &amp; salmon</i>		
Root River	Racine	<i>egg collection</i>		
Strawberry Creek	Door			

\*Temporarily closed.

117,000 largemouth bass, and 5,838 lake sturgeon. Primarily due to continued staff vacancies, the Langlade facility was closed in 2009 and the Lakewood facility in 2011.

*Wisconsin Walleye Initiative.* Included in 2013 Act 20, the Wisconsin Walleye Initiative provides funding from general purpose revenue (GPR) and conservation fund SEG-supported bonding to increase walleye production and stocking in the state through the Department and private fish farms and municipal hatcheries (including those owned or operated by cities, villages, towns, counties or federally recognized American Indian tribes or bands in Wisconsin). The initiative includes a total of over \$5 million GPR in the 2013-15 biennium as shown in Table 5. Funds include: (a) \$1 million each year in walleye population maintenance and enhancement grants (infrastructure/capacity grants) to municipal fish hatcheries (DNR has

**Table 5: Wisconsin Walleye Initiative GPR Funding**

	2013-14	2014-15
Population Maintenance and Enhancement Grants	\$1,000,000	\$1,000,000
Hatchery Operations	626,000	1,230,300
Contracts	0	500,000
Tribal Youth Program	250,000	250,000
UW Extension Private Fish Farms	160,000	0
Private Fish Farm Stocking Capacity Study	0	0
Fish Farm Regulations Study	0	0
<b>Total</b>	<b>\$2,036,000</b>	<b>\$2,980,300</b>

committed to awarding the total \$2 million to nine grant recipients including six private fish farms and three tribal fish farms for proposed infrastructure improvements); (b) \$626,000 in 2013-14 and \$1,230,300 in 2013-14 for state fish hatchery operations; (c) \$500,000 annually beginning in 2014-15 for contracts between DNR and municipal fish hatcheries and private fish farms to purchase fish for raising and stocking walleye in Wisconsin waters (DNR has committed to purchasing fish from the nine recipients of the population maintenance and enhancement grants and the Department plans to purchase a total of 1,042,000 fish for a total cost of \$1.9 million over four years from 2014 through 2017); (d) \$250,000 annually for expansion of a summer tribal youth program (the program provides up to 50% of eligible project costs to provide tribal youth who are 13 to 19 years of age with an opportunity to work on natural resource-related projects during summer); and (e) \$160,000 in 2013-14 in one-time funding to provide a grant to UW-Extension to assist private fish farms by developing programs and providing services that support fish farm industry growth and profitability. This grant was awarded to UW-Extension for activities including developing electronic and written aquaculture workshops, developing and improving aquaculture education opportunities at high school, technical college and University levels, conducting on-farm visits to assist fish farmers with concerns, providing information about aquaculture to the public, and assisting the Wisconsin

Aquaculture Association in promoting the growth and profitability of the aquaculture industry.

In addition, the initiative includes \$8.2 million in existing conservation fund SEG-supported general obligation bonds enumerated in the 2013-15 capital development budget for increased walleye production at various state fish hatcheries (debt service on the \$8.2 million bonds would be expected at approximately \$625,000 annually once the bonds are fully issued, paid from the fish and wildlife account). The bonding is expected to be utilized for facility improvements primarily at the Art Oehmcke fish hatchery in Woodruff, and the Tommy G. Thompson fish hatchery in Spooner, but also for the Wild Rose fish hatchery and potentially for other facilities.

The overall initiative is expected to increase stocking of large, or extended growth, walleye fingerlings (generally six to eight inch fish) to 500,000 to 750,000 by 2016. In 2012-13 DNR stocked approximately 263,300 (including 142,100 from DNR sources and 121,200 from non-DNR sources) large walleye fingerlings and approximately 672,100 (including 425,300 from DNR sources and 246,800 from non-DNR sources) in 2013-14.

Further, 2013 Act 20 directed DNR and DATCP to conduct a study of the regulations applicable to private fish farms in Wisconsin to assess the need for existing regulations, and a study to evaluate the viability of establishing a fish hatchery stamp and make recommendations to the appropriate standing committees of the Legislature and the Joint Committee for Review of Administrative Rules by November 15, 2013. In their report to the Legislature regarding rules and statutory requirements related to fish farms, DNR and DATCP made several recommendations related to streamlining certain regulations and permits including: (a) water quality wetland permits (hold a workshop at the next Wisconsin Aquaculture Association Conference highlighting new statewide guidance on wetland permit processing); (b) Wis-

consin Pollutant Discharge Elimination System (WPDES) discharge permits (adopt wastewater effluent limitations guidelines for facilities under the 100,000 pound threshold, reduce the number of parameters required to be monitored as part of the wastewater permit application process, have DNR develop a Best Management Practices plan related to effluent limits, and modify wastewater discharge application to allow applicants to report quarterly usage rates of additives); and (c) invasive species (revise invasive species administrative code related to mosquito fish), the Great Lakes Compact (have DNR staff continue to work with each water use sector to address unique concerns and streamline compact-related requirements), and mobile food processing units (have DATCP reevaluate their internal policy on licensing mobile food processing units with regard to fish processing).

In their report regarding the viability of establishing a fish hatchery stamp, DNR and DATCP concluded that "conceptually there are no insurmountable barriers to creating a fish hatchery stamp or other form of fishing license with a dedicated purpose of funding hatchery improvements and operations to increase the stocking of fish and improve fishing in Wisconsin waters". The report found that there is likely to be significant public support for a fish hatchery stamp. A \$5 stamp, for example, was estimated to generate approximately \$7 million annually. However, the report noted that the need for funding for hatchery programs should be carefully evaluated against funding needs of other fish and wildlife programs. Further, the report noted that the addition of a fishing license stamp or surcharge has the same effect as a general fee increase and could arguably reduce public support for general license fee increases intended to more broadly support Department fish and wildlife programs.

According to the report, during the summer of 2012, DNR staff made presentations to major conservation groups on the findings of their fish hatchery infrastructure report which found that the

DNR hatchery system needed significant investment to maintain and upgrade infrastructure and asked participants about their preference for additional investments if any. Among 283 responses: 63.6% supported \$7 million per year in new funding; 21.2% supported \$3.5 million per year in new funding; and 4.9% supported taking no action. Of those who supported new funding, 54.5% supported the idea of a fish hatchery stamp, 32.2% supported using Stewardship bonding, and 25.4% supported using GPR.

2013 Act 20 also directed DNR, in consultation with DOA, DATCP, the Wisconsin Economic Development Corporation (WEDC), the Wisconsin Aquaculture Association, and the University of Wisconsin-Extension, to conduct a study of the capacity of private fish farms to rear fish for stocking in Wisconsin waters. The Act required DNR to submit a report of the study results to the appropriate standing committees of the Legislature by June 30, 2014. The report provided results from a spring 2014 survey of private fish farmers in Wisconsin conducted by the UW-Extension and UW-River Falls. A total of 253 surveys were sent and 138 were completed. Of the 138 returned surveys, 33 percent, representing 46 respondents indicated that they had conducted commercial operations in the past year. According to the report, this number represents 53% of the total number of commercial fish farms reported in Wisconsin in the 2005 U.S. Census of Aquaculture (defined as having \$1,000 or more in sales) and 58% of the number of commercial fish farms estimated by DATCP based on fish health records. The survey found that many respondents had unused capacity for fish stocking (over half of respondents) and planned to expand in the next three years (over half), with expansions more likely for cool water species (such as walleye and panfish) than cold water species (trout and salmon). The report also notes that as the survey was only sent to current DATCP registered fish farms, it did not capture data from farms that have ceased operations. Further, the report notes that it may be possible to reengage these facilities if the proper market in-

centives were present and impediments addressed. According to the report, most respondents indicated it was not an important factor for them to work with DNR to fulfill management stocking needs. Additionally, the survey found that regulations and permitting issues are among the biggest challenge to expansion plans.

**Law Enforcement.** DNR's responsibilities include the investigation and enforcement of laws relating to fish and wildlife, recreational vehicles, environmental protection, water regulation, and shoreland zoning. These activities are performed primarily by conservation wardens whose enforcement authority varies depending on the type, location and severity of the violation. Conservation wardens share responsibilities with park superintendents and forest rangers for public conduct on state lands. When requested, wardens may assist local police and are authorized to respond when any crime is committed in their presence.

In 2013-14, DNR's permanent conservation wardens recorded 267,500 hours related to public safety and fish and game (including 81,500 hours related to enforcement) and issued at least 4,615 citations. Enforcement activities include enforcement of hunting and fishing regulations, commercial fish and game activities, and treaty enforcement issues.

In 2013-14, a total of 12,707 natural resources citations (including hunting, fishing, and other conservation-related violations, outdoor recreation, and environmental violations) were issued by DNR conservation and environmental wardens, park and forest rangers, and other law enforcement officials (such as county sheriff officers), including 1,723 (14%) where the issuing agency was listed as unknown (which likely includes a significant number of citations issued by DNR).

**Wildlife Management.** The Bureau of Wildlife Management works to protect and manage the wildlife populations and habitats of the state and promotes wildlife appreciation and recreational

opportunities. Wildlife biologists and technicians manage and regulate various species, including deer, bear, geese, turkey, and waterfowl. Wildlife personnel also assist in the management of wildlife on private lands and take part in wildlife-related educational efforts.

DNR also operates the state game farm at Poynette, which raised approximately 75,000 game farm pheasants for stocking on public hunting grounds in fall 2014. Of the revenue generated by the sale of the pheasant stamp, 60% is statutorily designated to be used for pheasant stocking and propagation and 40% for wild pheasant restoration. In 2014, the state provided approximately 34,900 day-old rooster chicks to 33 conservation and sports clubs in 20 counties under cooperative agreements. The wild pheasant restoration program revenues are used to develop, manage, restore, and maintain the wild pheasant population in the state.

*Hunting in State Parks.* Prior to 2011 Act 168, hunting or trapping in a state park, or a state fish hatchery, was generally prohibited, unless DNR had authorized the hunting of a particular type of game in a state park or portion of a state park, by administrative rule. Under 2011 Act 168, the prohibition of hunting and trapping in state fish hatcheries was maintained. However, the Act modified the prohibition of hunting and trapping in state parks (including state trails). Effective January 1, 2013, state parks must be open to hunting, fishing, and trapping. However, the Act authorizes DNR to prohibit hunting, fishing, or trapping in a state park or a portion of a state park if the area is: (a) within 100 yards of a designated use area; or (b) if the Natural Resources Board (seven members) determines that prohibiting hunting, fishing, or trapping is necessary to protect public safety or to protect a unique plant or animal (the Act requires four or more Board members to concur in that determination).

The hunting opportunities in state parks that were already established by rule and in place prior

to the enactment of 2011 Act 168 remain in place. In addition, the Department has established two time periods during which hunting and trapping is permitted in state parks during seasons that fall within these time periods including: (a) spring - gun and archery hunting and limited trapping are allowed in the open areas of the property from April 1 through the Tuesday nearest May 3; and (b) fall/winter - gun and archery hunting and trapping are allowed in the open areas of the property from November 15 through December 15, except that hunting with legal archery methods is allowed through the Sunday nearest January 6. According to the Department, most state parks have some areas open to hunting and trapping during these time periods. However, due to property size, proximity to urban or residential areas, environmental sensitivity and other factors, some state park properties do not allow hunting or trapping. Maps are available at each property, and on the Department's website, showing the areas open to hunting and trapping. (All properties are open for state fishing seasons except that bow and spear fishing follow the same state park rules as hunting. Bow and spear fishing is prohibited within 100 yards of a beach, boat launch, or fishing pier within a state park).

*Crossbows.* 2013 Act 61 eliminated the age and disability requirements for using a crossbow. Instead, the act requires that, if DNR establishes an open archery season for a species, it must also open a crossbow season for hunting the same species. The Act requires the crossbow season to be concurrent with the archery season for that species for the 2014-15 and 2015-16 hunting seasons, and that after those two seasons, the crossbow season dates could be changed by the Department through administrative rule. The Act also allows a hunter who holds an archery license that purchases a crossbow license, or a hunter who holds a crossbow license to purchase an archery license at a reduced fee of \$3.00, and that resident hunters under 18 years of age may purchase a crossbow license at a reduced rate (similar to the junior archery license) and provides that the fee for a du-

plicate of a reduced fee archery or crossbow license may not exceed the original reduced fee.

Under the Act, a person born on or after January 1, 1973, is prohibited from obtaining a crossbow hunting license unless the person completes a hunter education or bow hunter education course (DNR indicates they have incorporated crossbow safety into both the hunter education and bow hunter education programs). In addition, the Act allows DNR to determine, by administrative rule, the open seasons during which antlerless deer harvest tags are valid and the types of weapons authorized to be used under such permits, and allows DNR to promulgate emergency rules, without the finding of an emergency, to establish the crossbow hunting seasons, which are effective until June 30, 2016 or the date on which permanent rules take effect. The Act also specifies that if DNR requires a person to register their killed animal with DNR, then DNR must make a record of the type of weapon that was used to kill the animal.

### **Elk Management**

Under 2001 Act 109, DNR was provided the authority to establish an elk hunting season. The Department was also directed by Act 109 to establish an elk hunter education course, which would be a mandatory requirement prior to participating in an elk hunt. A limited bull-elk season would be considered when population levels reach at least 200.

Twenty-five elk were initially introduced near Clam Lake in 1995. DNR indicates that, due to the severity of the 2013-2014 winter season, only a few calves survived or were born in the spring (whereas under good conditions 35 to 40 calves would have been born in spring, 2014). The Department did not conduct spring calf searches in 2014 so precise population estimates were not available, but the Department estimates the fall, 2014 herd at approximately 160 to 165 animals. This is consistent with the elk herd that has survived the winter over the past several years (ap-

proximately 150 to 160 animals). The DNR overwinter population goal for the Clam Lake herd is 1,400.

Fees for the elk hunting licenses are currently set at \$49 for residents and \$251 for non-residents (including the issuing fee and \$2 wildlife damage surcharge), with a \$10 processing (application) fee. The processing fee was increased from \$3 to \$10 by 2009 Act 28, with \$7 deposited in a continuing appropriation in the fish and wildlife account specifically for elk management, and the remainder deposited in the general balance of the fish and wildlife account.

If the number of applications for an elk license exceeds the available number of permits, successful applications would be chosen on a random basis. Non-residents would be eligible to receive 5% of elk hunting licenses remaining after 100 tags were provided to residents. Elk populations within the Clam Lake herd are unlikely to reach sufficient levels to support a very limited hunting season until at least the fall of 2016.

In December, 2012, the Natural Resources Board approved a Wisconsin elk herd dispersal and expansion plan aimed at increasing genetic diversity in the existing herd, expanding the range for the existing herd, and introducing a new herd in the Black River State Forest in Jackson County. The plan included importing 275 wild elk with different genetic backgrounds than the existing herd (likely from a growing elk herd in Kentucky); adding 200 of the imported elk to the Clam Lake herd; expanding the Clam Lake herd range by 508 square miles; and releasing 75 of the imported wild elk to establish a new elk herd in the Black River State Forest in Jackson County, northeast of La Crosse.

The new Black River elk herd range would cover about 320 square miles, and the plan set a population goal for the Black River herd of 390 elk, with a limited, bull-only hunting season authorized once the population reaches 150. Import-

ing the 275 elk was estimated to take approximately three to five years, at an estimated cost of \$480,000 to \$560,000.

In 2013, the Department indicated that the number imported would more likely be approximately 150 elk, rather than the 275 elk recommended in the 2012 plan. Of the 150, DNR indicates it is likely 75 would be released in the Clam Lake herd range and 75 released to establish the Black River herd. DNR now estimates that importing 150 elk over a three-year period would cost approximately \$550,000. In addition, as part of an elk reintroduction exchange, DNR may also consider trading other game animals of which the state has a surplus. According to the Department, \$500,000 has been pledged from partner groups including the Ho-Chunk Nation (\$100,000 from a federal grant and \$50,000 from Ho-Chunk funding sources), Rocky Mountain Elk Foundation (\$300,000 written pledge), and the Jackson County Wildlife Fund (\$50,000 written pledge). Should actual costs exceed \$450,000, DNR indicates that all three current pledge partners have indicated to the Department that they are likely willing to provide additional funding for the elk importation costs.

2013 Act 20 specifies that DNR may import and move elk and introduce the elk into Ashland, Bayfield, Jackson, Price, or Sawyer County if all of the following apply: (a) the elk are taken from the wild and not raised on a farm; (b) the purpose of importing or moving the elk is to protect, develop, or manage wildlife resources in this state; (c) the Department of Agriculture, Trade, and Consumer Protection (DATCP) determines that the applicable requirements related to chronic wasting disease under s. 95.20 and 95.55(6) of the statutes are met to the fullest extent possible and practical with wild and free-roaming elk; (d) DNR tests each elk for tuberculosis and brucellosis before importing or moving the elk in accordance with the applicable DATCP disease testing requirements; and (e) DNR does not seek a reduction of road access to public lands in connection

with importing, moving or introducing the elk.

In addition, 2013 Act 20 prohibits DNR from establishing an open elk hunting season that begins earlier than the Saturday nearest October 15. Prior to the Act, under administrative rule NR 10.01(3)(i), a limited bull only elk season could have been held beginning on the Saturday nearest September 15, when the Department determined that the total Clam Lake elk herd population had reached a level of at least 200.

### **Wolf Management**

If the gray wolf is not listed on the U.S. list of endangered or threatened species or the Wisconsin list of endangered and threatened species, DNR must allow and regulate the hunting and trapping of wolves, implement a wolf management plan, and may limit the number of wolf hunters and trappers and the number of wolves that may be taken by issuing wolf harvesting licenses. If the number of qualified applications for wolf harvesting licenses exceeds the number of licenses that are available, DNR must issue 50% of the licenses by selecting applicants at random, and 50% based on a cumulative preference system. DNR is also required to hold a single season for both hunting and trapping wolves that begins on October 15th of each year and ends on the last day of February of the following year, beginning with October 15, 2012. DNR reported that Wisconsin had an estimated population of between 660 and 689 animals in late winter 2013-14, down from 809 to 834 in late winter 2012-13 (and down from 815 to 880 wolves in late winter 2011-12). The Department's wolf population goal of 350 animals (outside American Indian reservations) was set in the 1999 Wisconsin wolf management plan. DNR indicates they are in the process of updating the wolf management plan and the population goal will be a component of this update.

The Department set a total quota of 201 wolves to be harvested during the initial wolf harvest season, which began October 15, 2012, with specific

quotas in each of six DNR-established zones. Zones where wolf depredations had been highest were assigned the highest quotas, and DNR has the authority to issue an emergency closure in any zone that reaches its quota. For the initial season, over 20,000 applications were received for the 1,160 harvest permits authorized by DNR for a non-tribal harvest goal of 116 (an 85 wolf harvest goal was allocated to the tribes in the ceded territories, though no wolves were harvested by the tribes). DNR reported that during the initial 2012 season, 117 wolves were taken through licensed harvest, with the season closing on December 23, 2012.

For the 2013 season, 16,672 applications were received for an authorized 2,510 available non-tribal harvest permits. A total of 1,868 resident permits and 11 non-resident permits were sold. The quota was set at 251 and 257 wolves were taken through the December 23, 2013, closure.

For the 2014 season, the Department set the non-tribal harvest quota at 150, with the same ratio of available permits (10 times the quota) as the previous two wolf hunting and trapping seasons. Preliminary data indicate that approximately 14,400 applications were received and 1,100 licenses sold for the season that ran from October 15, to December 5, 2014.

Under 2011 Act 169, a wolf harvesting license authorizes the hunting of wolves using dogs to track or trail wolves, subject to certain restrictions. However, on August 31, 2012, the Dane County Circuit Court issued a temporary injunction blocking wolf hunters from using dogs or training dogs to hunt wolves while a lawsuit brought by a group of humane societies against the DNR was considered. As a result of this ruling, the use of dogs for tracking and trailing of wolves was not authorized during the 2012 season. The injunction on hunting wolves with the aid of dogs was lifted, and hunting with the aid of dogs was a legal method beginning December 2, 2013. According to the Department, of the 247 wolves harvested during the

2013 season, 35 wolves were taken with the aid of dogs. The injunction on training dogs to hunt wolves remains in place (hunters primarily utilized dogs trained to hunt bear and coyote to hunt wolves) until the Department promulgates rules on the activity and they are reviewed and approved by the judge. DNR is incorporating dog training rules into the permanent administrative rule package that will likely be in place for the 2015 wolf hunting season.

### **Deer Management - Kroll Report**

On October 1, 2011, DNR entered into a Memorandum of Understanding (MOU) with the Department of Administration (DOA) to cover expenditures associated with a deer trustee, Dr. James C. Kroll, and two other deer management experts, David C. Guynn, Jr. and Gary L. Alt, for a study of white-tailed deer management in Wisconsin. DNR expended \$126,800 fish and wildlife SEG for payments to DOA under the MOU in fiscal year 2011-12 for deer trustee contract costs. Further, DNR expended an additional \$8,100 fish and wildlife SEG between fiscal years 2011-12 and 2013-14 for existing DNR staff salary, fringe, and travel associated with the deer trustee's work.

Under the MOU, the deer trustee and associates, (Kroll), conducted a study of deer management by DNR which included reviewing materials provided by DNR, conducting meetings with DNR, stakeholder groups, other state agencies associated with natural resources, the Great Lakes Indian Fish and Wildlife Commission (GLIFWC), and the general public. In July, 2012, Kroll released a report entitled, "Final Report and Recommendations By Wisconsin White-Tailed Deer Trustee and Review Committee". Overall, the report encouraged DNR to increase public involvement in deer management, particularly by landowners, hunters, and the 11 tribes of Wisconsin. The report made a number of recommendations including recommendations related to: (a) deer population management; (b) hunting regulations and seasons; (c) predator management; (d) chronic

wasting disease management (discussed later); (e) development of a Deer Management Assistance Program (DMAP); as well as recommendations related to DNR research topics (including deer habitat, forest health, and public opinion) and technological needs (the report recommended a statewide geospatial information system be developed in Wisconsin to aid in land management).

With regard to deer population management, the Kroll report recommended DNR limit the use of sex-age-kill (SAK) deer population estimate models to monitoring deer population size and trends at the state level, rather than at the deer management unit (DMU) level. They also recommended reducing the number of DMUs. In addition, rather than reporting numeric population goals and estimates of deer abundance at the DMU level, the report recommended moving to a system where deer management goals are expressed as a range of acceptable conditions across a set of criteria (such as harvest success or harvest levels, crop damage claims, deer vehicle collisions, or forest regeneration success) within each DMU. The population goals would be expressed as either to increase, maintain, or decrease deer population density as measured by these criteria. Kroll also recommended revising the Wisconsin Deer Management Plan at least every five years. Further, the Kroll report recommended simplifying the regulatory process by setting antlerless deer harvest goals and regulations on a three to five-year cycle, rather than annually, and basing the number of antlerless permits available on historical demand within a DMU rather than annual deer population estimates.

2013 Act 20 specifies that DNR may promulgate emergency rules to implement the recommendations in the deer trustee report without the finding of an emergency and that these rules remain in effect until June 30, 2015, or the date on which permanent rules take effect, whichever is sooner. The emergency rule package for implementation of the deer trustee report recommendations became effective in March, 2014.



Beginning with the fall 2014 deer hunting season, the Department began implementing recommendations of the Kroll report, including eliminating the traditional deer management units (DMUs) and replacing them with DMUs based on tribal reservation boundaries and counties (smaller metropolitan subunits remain in place). Separate units for state park properties were also eliminated. The report also recommended moving from numerical deer population goals to deer population objectives (maintain, increase, or decrease, the population) within each DMU, which the Department began establishing with the 2014 season.

In an effort to provide for more public input on deer management issues and to give stakeholders greater responsibility in managing local deer numbers, in 2014, the Department established County Deer Advisory Councils (CDACs) in 71 of 72 counties (the Department indicated it was uncertain whether Menomonee County would have a council). Each council met in September, October, and December, 2014, to provide a three-year population objective recommendation to the Department (increase, decrease, or maintain). They will also meet each spring to recommend antlerless deer harvest quotas for deer hunting seasons and consider various strategies to meet population objectives. According to the Department, six to eight members are chosen for each county's CDAC (between 432 and 575 members statewide) and the requirements for CDAC membership include: (a) at least three members on each council must have held a deer hunting license in seven of the previous 10 years; (b) members must be residents of the county in which they wish to participate (with exceptions for tribal members), own land within the county or work professionally for the county agency/organization which appointed them to the CDAC; (c) a Conservation Congress delegate will serve as chair and a second will serve as a non-voting member of the council and alternate chair; and (d) those currently enrolled in the Deer Management Assistance Program (discussed later) must own or be the authorized representative of property enrolled in DMAP in order

to be considered for that county's CDAC. While there are no set membership terms, the Department indicates that a three-year commitment is preferred. As recommended by the Kroll report, the CDACs will include representatives from agriculture, forestry, transportation, tribes, hunters, the Conservation Congress, DMAP, and urban stakeholders.

The DNR Secretary sent letters requesting assistance in identifying individuals to serve on councils to stakeholder groups that hold leadership positions in various interests within each county. Letters were sent to the Secretaries of the Departments of Tourism, Agriculture, Trade and Consumer Protection and Transportation, County Board supervisors in urban/metropolitan counties, the Wisconsin Council on Forestry, County Forest Administrators, and the six bands of Chippewa. The Department also contacted Wisconsin Land and Water Conservation Association county conservationists and letters were also sent to over 400 sporting/conservation groups across the state requesting their assistance in nominating individuals to represent local deer hunting interests on the CDAC in their county. Local government-appointed delegates identified through the DNR Secretary letters will automatically be considered appointments and placed on the councils. Nominees for sporting/conservation groups will be reviewed by the CDAC chair and DNR wildlife and law enforcement liaisons to select a representative.

*Deer Hunting Season Structure - Prior to 2014.* Each year, DNR wildlife biologists review deer harvest histories and compare them to management goals for each deer management unit to determine recommendations for the hunting season structure of the unit. The Natural Resources Board then either approves the recommendations or recommends changes to the DNR's proposals. Season structures and unit designations are then finalized at the Natural Resources Board meeting in May and then go through the administrative rule process.

In general, prior to the 2014 season, there were four types of deer season structures: regular, herd control (formerly zone-T), earn-a-buck (EAB) (eliminated by 2011 Act 50), and chronic wasting disease (CWD). Regular units were units where deer populations were at or near the goal set in administrative rule, referred to as "regular" units because the regular nine-day November gun season structure was the primary gun hunting opportunity. Often a limited number of additional antlerless bonus tags were available in these units for \$12. Herd control units were units where additional gun and archer hunting of antlerless deer was deemed necessary to reduce the deer population to a level closer to the DNR established goal. In some seasons, an unlimited number of bonus antlerless tags were available in these units; and in other seasons, a limited number were available for \$2. (Beginning with the 2014 season, most bonus antlerless tags are now \$12).

The earn-a-buck season structure was a more restrictive season structure. Under earn-a-buck, a hunter was required to first tag an antlerless deer before being allowed to tag an antlered buck. The EAB season structure included antlerless deer carcass tags and additional antlerless-only hunts in October and December. Earn-a-buck has been prohibited since 2011 Act 50, which specified that DNR may not "require a person who holds a license that authorizes the hunting of deer to take an antlerless deer before the person may take the person's first antlered deer under that license". The Act also prohibits DNR from establishing an early fall gun deer hunt, with the exception of early youth mentorship hunts and an early fall hunt in CWD confirmed areas if enacted through emergency rule (which requires approval by the Natural Resources Board and the Governor).

*2014 Deer Season.* As recommended by the Kroll report, for 2014, the number of deer management units was reduced, to 76 (72 counties, and four tribal units) rather than more than 100 units under the former traditional DMU structure. Beginning in 2014, the state is divided into four

deer management zones (northern forest zone, central farmland zone, central forest zone, and southern farmland zone), with differing permit availability within each zone to account for variations in deer habitat types. As recommended by the Kroll report, DNR continued the limit of one buck per gun deer license; in 2014, each deer hunting license (archer, gun, and crossbow) was valid for one buck statewide (hunters who purchased both archer and crossbow licenses were issued only one buck tag for the two licenses). Additionally, each hunter received one free antlerless permit for use in any DMU located in either the central or southern farmland zone.

Similar to prior seasons, the 2014 deer season included the traditional nine-day November gun deer hunt statewide from November 22 to 30 (with the metro subunits season extending through December 10). The season structure also included: archery and crossbow seasons from September 13, 2014 through January 4, 2015 (with all metro subunits seasons extending through January 31, 2015); youth gun hunt on October 11 and 12 statewide (excluding state parks); a gun deer hunt for hunters with certain disabilities from October 4 to 12 on certain enrolled properties; a muzzleloader season from December 1 to 10 statewide; a December 4-day antlerless only hunt from December 11 to 14 in the central farmland and central forest zones units only; and a nine-day antlerless only holiday hunt from December 24, 2014 through January 1, 2015, in southern farmland zones units only (excluding state parks). Youths ages 12 to 15 who have successfully completed a hunter education program and possess a gun deer hunting license may participate in the youth hunt. Also, any youth ages 10 to 11, or those 12- to 15-year olds who had not completed a hunter education program, are authorized to participate in the youth hunt under the mentored hunting program. In fiscal year 2013-14, 14,013 mentored gun deer hunting licenses were sold to 10- and 11-year olds.

Modernizing the current check station and paper forms used for reporting deer harvested was

also recommended by the Kroll report. The trustee's report recommended that the mandatory registration system should be maintained during the November nine-day gun-deer season, but hunters harvesting deer outside the nine-day gun season should be allowed the option to use a system such as Telecheck or a web-based system to register deer. Telecheck is a system used in several states, including Kentucky and Missouri, where hunters register deer, or other game (such as turkey) either by phone or on-line by reporting required information (such as a hunter ID number, harvest location, characteristics of the harvested animal such as age or sex), rather than in person. This would allow for a rapid assessment and reporting of deer harvest by DMU, region, and statewide as well as greater convenience for hunters.

In 2014, all deer hunters were still required to register harvested deer in-person at a registration station, but the Department began testing other registration methods and selecting hunters randomly to participate using various automated registration methods. Beginning with the fall, 2015 hunting season, all hunters will be able to choose from a variety of methods to register deer that may include telephone, internet, and in-person registration. The Department indicates that DNR will likely maintain some deer registration stations throughout the state in order to collect age and sex data, as well as CWD samples.

The Kroll report also recommended establishing a separate public lands antlerless permit system. According to the report, "A public lands permit system would address public and Tribal concerns about potential overharvest of antlerless deer on [public] lands, allow the DNR to affirm the value of public lands to deer hunters and Tribal hunters and respond to the impacts of changing habitat conditions due to maturing forests and focus antlerless harvest on local areas of deer overabundance, and to the possible increasing impacts of predation to deer populations on these lands." In addition, they recommended that the price for all antlerless tags for regular and herd control units

should be set at \$12 which was consistent with the antlerless tag price in regular units as of the time of the report (prior to the 2014 season, DNR offered a limited number of antlerless tags in "herd control units" for \$2). They also recommended limiting the number of antlerless deer tags that can be purchased in regular and herd control units to two to four per hunter.

Beginning with the 2014 season, the Department began selling bonus antlerless tags that specify the deer management zone, county/unit, and the type of land, public or private, where they are to be used (whereas in the past, bonus antlerless tags could be used across various units and could be used on either private or public land). Lands which are privately owned but open to public hunting under the managed forest law program are considered "public land" for the purposes of the bonus tags (private land bonus tags may only be used on "closed" MFL lands and public bonus tags may only be used on "open" MFL land). For the 2014 season, the Department made available 172,495 bonus antlerless deer tags for purchase beginning in mid-August including 149,475 private land and 23,020 public land tags. All bonus antlerless tags are \$12 (including in counties with CWD restrictions in place), with the exception of reduced-price DMAP bonus antlerless tags, available for \$6 (discussed later). The Department indicated that the limit on public antlerless tags was intended to limit the antlerless harvest on heavily-hunted public lands.

*Chronic Wasting Disease (CWD).* Chronic wasting disease is a prion disease that affects North American cervids (mammals). The known natural hosts of CWD are mule deer, white-tailed deer, elk, and moose. In 2002, DNR detected CWD in white-tailed deer, the state's first documented case of CWD.

In May, 2014, the Natural Resources Board established the boundaries of an updated CWD affected area which includes the 35 counties where CWD has been detected in either wild or

game farm deer or elk (this was a recommendation of the Kroll trustee report). The boundaries match the counties where baiting and feeding is prohibited (a county is included in the ban if a wild or domestic animal has been confirmed to be positive for CWD in the county, or the county is within a 10 mile radius of a wild or domestic animal that has been confirmed to have CWD). The 35 counties considered "CWD-affected counties" include: Adams, Barron, Burnett, Calumet, Columbia, Crawford, Dane, Dodge, Grant, Green, Iowa, Jefferson, Juneau, Kenosha, Lafayette, Manitowoc, Marathon, Marquette, Milwaukee, Polk, Portage, Racine, Richland, Rock, Sauk, Shawano, Sheboygan, Vernon, Walworth, Washburn, Washington, Waukesha, Waupaca, Waushara, and Wood.

In response to the Kroll report, the Department developed several proposals to address deer health recommendations including maintaining bonus buck, charging a fee for antlerless tags in the CWD affected areas, and re-evaluating the October antlerless season. As recommended by the Kroll report, for the 2014 season DNR continued the "bonus buck" regulation in the southern farmland zone units (which includes the former CWD deer management zone) where hunters may harvest either a buck or doe as their first deer, but are required to take an antlerless deer before taking a second buck. The Kroll report also recommended DNR charge a fee for bonus antlerless tags in CWD areas, rather than issuing free antlerless tags. The report also recommended developing a permanent source of funding, such as increased hunting license fees, to support CWD testing and reduce CWD test result waiting times. 2013 Act 20 establishes the fee for a bonus deer permit in a CWD-confirmed area at \$5.75 statutorily. However, the Act allows DNR to promulgate a higher fee through the administrative rule process and specifies that \$5 from each bonus deer permit for taking an additional deer in a Department-confirmed CWD area will be deposited in a new appropriation for the management of and testing for CWD. The March, 2014, deer trustee emergency rule package establishes that all bonus antlerless tags

are available for \$12 with the exception of reduced-price DMAP bonus antlerless tags (available for \$6). (with \$5 from each bonus deer permit in a CWD area deposited in the CWD appropriation for management and testing and the remainder for the wildlife damage program).

In addition, the trustee report also recommended DNR evaluate the effectiveness of the October antlerless season in the CWD areas. The Department did not hold an October antlerless hunt in 2013 or 2014 CWD areas, but did hold a gun deer hunt for hunters with certain disabilities on certain enrolled properties in October, 2014. The rule package includes language that provides advice on when an October firearm season would be held if necessary in CWD-affected areas (four consecutive days beginning on a Thursday and ending on the Sunday nearest, but not later than October 15<sup>th</sup>; this would occur only in those units or subunits where CWD or other disease has been found and only after promulgation of an administrative rule as required by s. 29.016(2) of the statutes).

Overall, the Kroll report also recommended DNR take a more passive approach to managing CWD. The rule package states that the passive approach to CWD management is reflected by the establishment of deer seasons in CWD-affected areas that are similar to those in other areas of the state. However, the Department indicates that management of CWD is still important. As mentioned previously, the rules retain the antlerless only holiday hunt in the southern farmland zone (which includes much of the former CWD deer management zone), although it will now be a nine-day season and will end on January 1. The rules also allow DNR to require any deer harvested in CWD-affected areas to be registered in person, and allow the Department to issue landowner permits for sampling or for additional harvest opportunities in CWD affected areas. The rules also provide a process for adding new counties as CWD-affected areas. Under the rules, the Department may add adjacent counties or portions of counties if they are within a 10 mile radius of the

known location of a captive or free-roaming domestic or wild animal that has been tested and confirmed to be positive for CWD, and that affected area expansion is effective upon issuance by the Secretary of DNR and publication in the official state newspaper.

Another recommendation of the Kroll report was that DNR develop a new sampling protocol for CWD in Wisconsin, one that focuses on detecting new cases outside the former CWD zone to support detection of outbreaks and rapid response, while continuing to sample within the former CWD zone to monitor conditions over time. Since 2002, over 185,000 free-ranging deer have been tested, of which over 2,500 have tested positive. CWD disease surveillance has been continuously conducted since 2002 in southern portions of the state, as well as more recently in 10-mile radius areas around positive locations in central and northwestern Wisconsin.

County Deer Advisory Councils (CDACs) will make recommendations on whether the deer herds in these CWD affected counties should be increased, stabilized, or decreased for future deer seasons. In making their recommendations, the CDACs will be considering the impacts of disease as DNR provides current information on CWD in Wisconsin. In future years, CDACs may also be making recommendations on herd control options such as the bonus buck provision when the county herd objective is to decrease or stabilize the herd.

2005 Act 286 allows DNR to promulgate rules regarding the transportation and disposal of deer carcasses in order to control the spread of Chronic Wasting Disease (CWD). The Act allows DNR and the Department of Agriculture Trade and Consumer Protection (DATCP) to enter into agreements with landfills, meat processing facilities, or wastewater treatment facilities to indemnify them for damages resulting from the processing or disposal of cervids carrying CWD. A sum sufficient GPR appropriation was created to pay indemnities. The Act also requires individuals to

provide DNR with a tissue sample of an animal if that sample is needed to determine the extent of a disease in wild animals. Currently, DNR has indemnification agreements with Dane and Rock Counties which allow DNR to place untested deer carcasses from the former CWD management zone in a county landfill.

Further, 2005 Act 286 allows DNR to exempt, by administrative rule, deer hunters in CWD zones from the requirement to have a valid deer hunting license. The Department used this authority to develop administrative rules whereby DNR issued free, or \$2, "nuisance" permits to allow landowners in the CWD zones to harvest deer without requiring them to have a valid deer hunting license. DNR indicates this authority was used from 2004 through 2007 but is no longer utilized.

In November, 2006, the Legislative Audit Bureau (LAB) released a report regarding the efforts to eradicate Chronic Wasting Disease (CWD) in Wisconsin. The audit found that, of the \$32.3 million spent by state agencies through June 30, 2006, to address CWD, \$20.1 million, or 62%, had been provided from the fish and wildlife account of the conservation fund. The report concluded that DNR's efforts to eradicate CWD had not been effective. Specifically, the Audit Bureau noted that the number of deer killed in CWD zones had declined, the CWD infection rate had not declined in the DNR established "core area" (a 210 square mile area in the western disease eradication zone where the majority of infected deer have been found); and, the estimated post-hunt number of deer in CWD zones had increased.

In the September, 2010, Natural Resources Board approved a revised CWD management plan. The plan spans 15 years, from 2010 to 2025. DNR concluded that the Department must accept a CWD endemic area in southern Wisconsin and focus CWD control efforts on limiting CWD to that area of the state. This represented a departure from the Department's initial (2002) goal of complete eradication of CWD from Wisconsin. The

**Table 6: DNR Federal Pittman-Robertson Grant Expenditures for Deer Initiatives Fiscal Year 2013-14**

Initiative	Fiscal Year 2013-14 Expenditures
Buck Mortality and Fawn Predation Studies	\$494,200
Deer Program	315,400
Citizen Wildlife Observational Surveys	380,800
CWD Surveillance and Testing	506,400
Anterless Tags in CWD Zone	20,600
Statewide Trail Camera Monitoring Project	37,100
Citizen Monitoring Initiative	21,700
Herd Health Metrics to Assess Deer Population Status	20,200
Update Land Cover Assessment	3,500
Baiting and Feeding Study	0
<b>Total</b>	<b>\$1,799,900</b>

Department indicates that other aspects of the CWD management plan are under revision as some portions of it conflict with implementation of the Kroll-related provisions.

**Deer Management Federal Allocation**

To address other Kroll report recommendations, 2013 Act 20 provides increased federal expenditure authority of \$1,300,500 in 2013-14 and \$641,500 in 2014-15 with 1.5 positions for deer management initiatives. Table 6 shows the nearly \$1.8 million in federal Pittman-Robertson grant funding (funded through an 11 percent excise tax on sporting arms and ammunition and a 10 percent tax on sales of pistols and revolvers and ammunition apportioned to states primarily based on land area and the number of paid hunting and fishing license holders) expended by initiative in fiscal year 2013-14. Pittman-Robertson funds require a match of 25% in state funds (typically provided from fish and wildlife account SEG).

*Buck Mortality and Fawn Predation Studies.* In fiscal year 2013-14, DNR spent \$494,200 in federal Pittman-Robertson grant funds for the continuation of three studies being conducted in northern and east-central Wisconsin using radio telemetry to track fawns and adult deer to evaluate deer survival and causes of deer mortality.

*Deer Program.* A total of \$315,400 was spent for the deer program including expenditures related to the establishment of deer hunting seasons (policy and administrative code), analyzing and interpreting deer population data (such as field necropsies), setting quota and permit numbers, working with stakeholder groups, development of deer management policy, deer management publications and communications, and responding to public inquiries. As mentioned previously, DNR established County Deer Advisory Councils (CDACs) that make recommendations regarding the deer herd management objectives in each county.

*Citizen Wildlife Observational Surveys.* DNR spent approximately \$380,800 for an expansion of the Department's Operation Deer Watch (ODW) program and Deer Hunter Wildlife Survey program. Through ODW, citizens record deer sightings during the summer months to monitor Wisconsin's deer reproduction. The goal of ODW is to gauge the number of fawns produced. This assists deer managers in making deer population estimates. Through the Deer Hunter Wildlife Survey program, deer hunters provide wildlife data used to monitor the relative abundance and distribution of deer and other mammalian/avian wildlife species in Wisconsin including deer, raccoon, skunk, porcupine, red and gray fox, turkey, ruffed grouse, coyote, bear, otter, fisher, bobcat, house cat, badger, wolf, opossum, and elk. Because hunters often spend many quiet observation hours in the woods, they can provide valuable information about species that is often difficult to measure.

*CWD Surveillance and Testing.* Approximately \$506,400 in federal funds was spent for costs associated with registration, sampling, and testing of wild deer for the purpose of disease detection,

surveillance, and assessment of disease distribution and prevalence. Funding was utilized for the development of sampling protocols and the implementation of surveillance efforts to determine how the area surveyed and number of samples taken affects the perceived prevalence of deer diseases, such as CWD and EHD (Epizootic Hemorrhagic Disease). Additionally, in order to increase the speed with which CWD test results are provided to hunters, funding is being utilized for the development of a decentralized statewide approach to improve sample collection and testing turnaround.

*Antlerless Tags in CWD Zone.* DNR spent approximately \$20,600 for implementation of a system for bonus tags in Department-confirmed CWD areas.

*Statewide Trail Camera Monitoring Project.* In fiscal year 2013-14, the Department spent approximately \$37,100 for the development of a standardized statewide citizen trail camera research and monitoring program referred to as "Snapshot Wisconsin". The program involves citizens, students, and DNR working together to monitor wildlife with a network of trail cameras. In addition to predator information, the cameras will provide a measure of fawn recruitment rates, estimates of buck densities, and age structure. The Department is recruiting volunteers who would be responsible for attending a training session and placing a DNR trail camera that they would monitor. DNR also plans to implement a crowdsourcing site where participants can identify species in photos beginning in December, 2014. 2013 Act 20 provides 1.0 research scientist-advanced position to annually conduct regional workshops and develop training materials for the citizen volunteers, oversee team members in responding to volunteer inquiries and coordination of cameras and training materials, develop and implement web applications and statistical packages to determine animal abundance and distribution through an interactive website, secure external funding to support research activities and collaborate with field managers and other

researchers.

In addition, the research scientist would be responsible for developing a comprehensive reporting system to inform volunteers, interested citizens, DNR managers and administrators of results on a semi-annual basis and conducting presentations to citizen groups and professional organizations and producing peer-reviewed publications. The Department plans to implement Snapshot Wisconsin in one county and with school groups in winter, 2015 and will add additional counties throughout 2015 and 2016.

*Citizen Monitoring Initiative.* The Department expended approximately \$21,700 to refine the sick deer reporting system that is available to the public and for work reinforcing and supporting public relations efforts to encourage the reporting of sick deer. Citizen detection and reporting of diseased deer on the landscape is critical to detecting and managing wildlife diseases.

*Herd Health Metrics to Assess Deer Population Status.* The Department expended approximately \$20,200 to utilize herd health metrics to evaluate deer herd populations based on their impacts to the ecosystem.

*Update Land Cover Assessment.* Approximately \$3,500 in federal funds was used for an update of the Department's land cover data. DNR indicates that the Department plans to utilize approximately \$400,000 in federal Pittman-Robertson funds for the project. Currently, the Department uses land cover data dating from 1992. Land cover data describes the types of land cover throughout the state (such as croplands, forests, prairie, urban structures, wetlands, and water bodies, among others). Funding will be used to acquire satellite imagery of the entire state. For each satellite image scene, automated computer processes would be run to derive a representation of land cover in a format that can be used in a Geographic Information System (GIS). Then, personnel (DNR staff and potentially partners from the University of

Wisconsin) would visit various locations to verify whether the type of land cover identified in the satellite imagery is consistent with that found on the ground, a process known as "ground truthing". For each satellite image scene, information gathered during the ground truthing process would be used to assess the quality of the automated land cover classification; how closely the land cover type identified by the computer processing matches the actual land cover found on the ground. This information, together with other current geospatial data (including high-resolution aerial photography), would then be used to adjust the automated computer processing to improve the accuracy of the land cover classification. The individual satellite scenes would be compiled into a statewide updated land cover database in a GIS format that could be used to support a variety of needs for DNR, other government agencies, the University of Wisconsin, and a variety of other stakeholders. Updated land cover data would assist the Department in understanding current land use and wildlife habitat and assist with planning recreational opportunities and managing timber resources, as well as providing data to aid deer density evaluations, and habitat suitability models for deer throughout the state.

*Baiting and Feeding Study.* Funding of \$40,000 FED in fiscal year 2013-14 and \$20,000 FED in fiscal year 2014-15 was intended to provide for the development and implementation of a study on the human dimensions (public opinion) surrounding baiting and feeding deer through the use of focus groups with current and past bait-using hunters as well as those who have never used bait, for the purpose of developing policy. The practice of baiting and feeding is currently prohibited in 35 counties. The Department did not conduct a study in fiscal year 2013-14 and indicates it is uncertain whether this study will be conducted in fiscal year 2014-15.

### **Deer Management Assistance Program**

The Kroll report recommended the develop-

ment and implementation of a Deer Management Assistance Program (DMAP) in Wisconsin, beginning within the CWD management zone. According to the report, "the primary goal of most DMAPs is to allow landowners and hunters to work together with the state agency to manage deer on a site-specific basis". Currently, twenty states "utilize DMAPs to facilitate deer management on private lands at the local level by involving landowners and hunters". These programs vary by state, and may involve both public and private lands. Participation is voluntary and is generally open to landowners, groups of landowners, or organizations such as a hunting club (some states have minimum acreage requirements). Landowners and the state agency (in this case DNR) work together to establish a goal of whether to increase, stabilize, or decrease, the deer population on the property enrolled in a DMAP. These objectives are then accomplished through habitat improvement recommendations and the issuance of DMAP antlerless tags. The tags are valid only on the enrolled property, may not be used for antlered bucks, and are issued to the landowner who distributes them to individual hunters.

According to the Kroll report, a DMAP participant is typically required to have a written statement of objectives or a written management plan, and is required to have an initial on-site assessment of deer habitat on the property by a (DNR) wildlife biologist/technician. Further, the DMAP participant is required to collect some data on deer harvested on the property (such as the date and method of harvest, sex, age or mandible (jawbone), weight, antler measurements, and lactation status). The trustees recommended that Wisconsin DMAP harvest data collection should, at a minimum, mimic those of deer harvest registration stations currently manned by DNR staff to ensure compatibility with existing databases. Kroll recommended that all DMAP enrollment fees and a portion of fees for DMAP antlerless tags be earmarked for the DMAP. In addition, the report suggested allocating a portion of the DMAP antlerless tag revenues to the wildlife damage pro-



gram.

Further, the report suggested DNR hire a Deer Management Assistance Coordinator, someone who: (a) has considerable experience with DMAP or related programs; (b) is well-respected in both the science and public communities; (c) possesses high-level communication skills; and (d) is highly motivated to work with the public. Kroll also recommended that DNR wildlife biologists/technicians' job descriptions be updated to include responsibilities for working with the public and stakeholders in matters related to DMAP and landowner/stakeholder management plan development.

2013 Act 20 requires DNR to establish a DMAP. Under this program, DNR is required to provide deer management assistance to participating landowners. Further, the Department is required to provide a method for collecting information from participating landowners about deer health and the deer population in Wisconsin and for receiving suggestions from participating landowners about managing the deer population. DNR must analyze the information received and use it to improve deer health and manage the deer population in Wisconsin. The Act also required DNR to promulgate administrative rules to implement the program, without finding an emergency, and specified that the emergency rules may remain in effect until June 30, 2015, or the date on which permanent rules take effect, whichever is sooner. The Act specifies that DNR may establish fees for participation in DMAP (enrollment fees) to be deposited in a newly-created continuing appropriation in the fish and wildlife account of the conservation fund to be used for administering DMAP. In February, 2013, DNR was provided 1.0 federal position for a DMAP coordinator through the DOA allotment process. The Department hired a DMAP coordinator in September, 2013. DNR established three levels of participation in the DMAP, as summarized in Appendix III. There is no fee for participation at level one; the fee for level two enrollment is \$75 and the fee for level

three enrollment is \$150. Application fees cover a three-year period of enrollment. The deadline for enrollment for a given year is March 1 of that year; applications received after March 1 will be considered for enrollment in the following year. The agreement will terminate on February 28, three years following the year of enrollment (for example, if the applicant applied by March 1, 2015, the termination date would be February 28, 2018, whereas if the applicant applied on March 2, 2015, the termination date would be February 28, 2019).

Landowners enrolled in all levels of DMAP may participate in regional workshops conducted by the Department and conservation partners. According to DNR, these workshops will provide information on habitat management techniques, program opportunities and first-hand landowner experience. Invited speakers will provide information on a variety of topics. Workshops will also include a site-visit of a DMAP property and DMAP updates. The Department indicates that the workshops will provide an opportunity for DMAP landowners to interact and network and learn about opportunities to collect data in their area as well as learn about other training opportunities.

Those enrolled in DMAP at levels two and three are eligible for site visits from a professional DNR wildlife biologist and a DNR forester. The site visit will allow Department staff to learn property boundaries, evaluate habitat quality and deer densities, discuss and establish property goals and interact with the landowner(s). Landowners enrolled at level two are eligible for one site visit and regular communication with DNR staff as needed, and landowners enrolled at level three are eligible for multiple site visits depending on the size of the property or properties enrolled (the number of visits will be based on the amount of time needed to fully evaluate the enrolled property or properties). In addition, DNR will provide property management plans to properties enrolled at levels two and three. If the property already has a management plan in place (such as a managed

forest law (MFL), forest stewardship plan, or property master plan), the DMAP management plan will provide more detail on any wildlife objectives in the existing plans. (For the purposes of enrollment in DMAP, MFL lands are considered private lands, meaning an entire MFL-enrolled parcel may be enrolled in DMAP, but private bonus antlerless tags would be used on "closed" MFL lands and public bonus antlerless tags would be used on "open" MFL lands.) According to DNR, the management plans will provide recommendations to find a balance between habitat quality and deer density, which may include habitat improvements and deer harvest strategies, and the plan will include an aerial photo of the property. The Department indicates there will be no penalty to landowners who do not follow management plan recommendations.

In addition, landowners enrolled at levels two and three will be asked to collect data on the deer they harvest, and will be encouraged to provide data on the deer they observe. The Department indicates that the permanent administrative rules will require landowners to provide the harvest date, firearm used, number, and sex of any deer harvested. Landowners will also be encouraged to provide other data on the deer they harvest including antler measurements, lactation status, and weight, and will also be encouraged to submit data on deer and wildlife observations on the property. DNR will summarize the harvest data collected by the landowner in an annual report that the Department will provide to the landowner.

Levels two and three also provide landowners with the option of enrolling as a group cooperative, defined as "an association of individual property owners or their representatives who are not organized as a business entity but are organized for the purpose of managing deer and other wildlife resources and whose members have agreed to participate in DMAP". The Department requires that each property enrolled in the group cooperative must be within one-half mile of another property in the cooperative. A cooperative may be

formed in order to meet the minimum acreage requirement for level two or three of DMAP participation. According to DNR, benefits include: large-scale habitat management opportunities; reduced habitat management costs; increased acreage for deer management goals; improved neighbor relations; and the ability to share data and information. The Department indicates that DNR staff will be available to provide technical assistance and information on forming group cooperatives, and there is no limit to the number of landowners in a group cooperative. While group cooperative landowners will be responsible for habitat and deer management objectives for the enrolled properties, the Department will ask the cooperative to identify a primary contact to serve as the main point of contact with DNR staff. Properties may be added or removed from a group cooperative (provided the minimum acreage requirements for level two or three are still met) but the termination date for the agreement will not change (three years from enrollment).

If applicable to management goals, landowners enrolled at levels two and three are also eligible for reduced price bonus antlerless tags (at a fee of \$6). For 2014, level two and three participants who were issued reduced-price DMAP bonus antlerless tags were not provided with the tags until a site visit and browse survey were conducted on their property by a DNR wildlife biologist and DNR forester. According to the Department, this was done in an effort to allow both the landowner and Department to document impacts of deer on the enrolled property and discuss deer and habitat management goals and how the issuance of additional DMAP antlerless tags would help achieve those goals. DNR staff also took into account local deer densities, as well as past regional data (specified to the farmland and northern and central forest zones) that provided a starting point as to how many deer per acre could be harvested in order to achieve an "increase, stabilize or decrease" objective for their property. As recommended by the Kroll report, revenue from the DMAP antlerless tags will be deposited in the wildlife damage ac-

count (with the exception of DMAP bonus antlerless tags sold in a CWD-confirmed area, where \$5 from each tag will be deposited in an appropriation for CWD testing and management, and the remainder deposited in the wildlife damage account).

While the Kroll report recommended initially implementing the DMAP within the CWD management zone, DNR did not limit initial participation in DMAP to CWD-affected areas. Additionally, the Department indicates public lands may be enrolled in the DMAP (beginning in 2015). DNR has identified two potential options for public land enrollment including: (a) provide management options to help address deer management concerns and reach habitat objectives; and (b) promote wildlife habitat improvement projects on public properties where quality habitat is limited. According to the Department, the application of DMAP on public properties will be a discussion item for the County Deer Advisory Councils (CDACs).

**Car-Killed Deer.** DNR contracts for the removal and disposal of car-killed deer from state highways. Beginning with 1997 Act 27, 50% of these funds are from the fish and wildlife account and 50% are from GPR. The program is currently funded at \$701,400 annually (\$350,700 each from GPR and SEG). In 2013-14, DNR spent \$349,000 fish and wildlife SEG on car-killed deer contracts.

**County Conservation Aids.** Under this program, counties and tribal governing bodies may apply for grants of up to 50% of the costs of county fish and game management projects. Eligible game projects include game food seeding, browse improvement cutting, prescribed burning, and the creation of game cover brush piles, impoundments and nature trails. Examples of eligible fish management projects include lake and stream improvements, rough fish control, construction of fish shelters, and streamside fencing. Funding of \$148,500 is provided in 2014-15.

**Dedicated Account Expenditures.** Dedicated revenues support habitat and monitoring efforts for particular species, wildlife damage programs and license handling and issuance.

*Wildlife Damage Programs.* Prior to 1999, revenue from the wildlife damage surcharge and bonus deer permits was statutorily directed to be expended on three programs related to wildlife damage: (a) the wildlife damage claims and abatement program; (b) control of wild animals; and (c) the urban wildlife abatement and control grant program. The 1999-01 biennial budget included a provision that allowed DNR to use funds from the wildlife damage program to pay participating counties for the processing of venison that was donated to food pantries or charitable organizations during a deer herd control season established to abate deer damage. Current law specifies that if the total amount of damage claimed is greater than available revenues, after paying for administration and urban abatement, venison processing, and wildlife control activities, the Department is first required to prorate agricultural damage claim payments.

**Venison Processing.** Under 2001 Act 16, a monetary donation program was created, allowing any applicant for a deer, bear, turkey, or small game hunting license to elect to make a voluntary contribution of at least \$1 to be used for the venison processing donation program. In 2013-14, approximately \$1,900 was donated for this purpose (compared to approximately \$17,500 in fiscal year 2012-13). Effective November, 2013, DNR no longer includes a prompt asking those purchasing a hunting license to make a donation for venison processing; instead the Department has chosen to include only the Cherish Wisconsin donation prompt for hunting licenses (see *Voluntary Contribution for the Natural Resources Foundation of Wisconsin*). Some 90,600 pounds of meat was distributed to food pantries in 57 counties from 2,265 deer donated during the fall of 2013 (compared to 140,500 pounds from 3,121 deer the previous fall). In fiscal year 2013-14, DNR expended

\$133,700 for county venison processing costs and administration of the deer donation program. In 2014-15, \$300,000 is appropriated for county venison processing costs and administration of the deer donation program.

**Wildlife Damage Claims and Abatement Programs.** These programs provide landowners in participating counties with financial assistance to implement projects to reduce crop damage and partially reimburse losses incurred from wildlife damage to crops. In calendar year 2013, 70 counties participated in the programs. Counties may participate in the wildlife damage abatement program, which emphasizes damage prevention but provides no payments for damages incurred, or they may participate in both the wildlife damage abatement and the wildlife damage claims programs. In fiscal year 2013-14, approximately \$1,393,600 was expended for damage claims, \$939,700 for county administrative costs, and \$192,100 for abatement projects.

Under these programs, DNR assists participating counties in developing and reviewing administrative plans. The state fully funds DNR-approved county administrative costs. Approved abatement projects are eligible for state funding of up to 75% of costs, with the remaining share paid by the landowner. Landowners in counties that administer both the abatement and damage claims programs are eligible to file claims for damage to agricultural crops, harvested crops, orchard trees, nursery stock, beehives or livestock if the damage is caused by deer, bear, geese or turkey. Elk and cougar damage is also eligible for compensation under the program. However, no claims related to elk or cougar damage have been filed to date. Damage caused by sandhill cranes would also be statutorily included, if a hunting season were established.

2009 Act 28 made a number of changes to wildlife damage claims payments to address a potential deficit in the wildlife damage appropriation. The Act increased the deductible for each

wildlife damage claim from \$250 to \$500. If a claim is more than \$500, but not more than \$5,250, the claimant is paid 100% of the claim. If a claim is greater than \$5,250, a claimant can receive 80% of the amount of the claim up to the statutory maximum. However, Act 28 reduced the maximum amount paid per claim from \$15,000 to \$10,000. If the total amount of damage claimed is greater than available revenue after paying for administration and abatement, the Department may prorate claim payments.

A person receiving a wildlife damage claim payment is required to permit hunting of the type of wild animals causing the damage on that land during the appropriate open hunting season. However, a hunter must first notify the landowner of his or her intent to hunt on the land, and a landowner may deny a hunter access to land for reasonable cause related to certain safety and property-related concerns. In addition, a landowner may deny a hunter access if at least two hunters per 40 acres of eligible land are present on the land when the hunter notifies the landowner that he or she intends to hunt on the land.

Generally, persons receiving abatement assistance are required to follow the same standards allowing hunting as wildlife damage claim recipients. However, a person who receives wildlife damage abatement assistance is not required to open their land to hunting if they are issued a shooting permit for deer causing damage; that permit is the only abatement measure the person receives; and, the person waives any eligibility to receive a wildlife damage claim payment for damage caused by deer.

Further, 2011 Act 280 specifies that the requirements to allow hunting do not apply to a person seeking wildlife damage abatement assistance, or wildlife damage claim payments, for damage caused by cougar.

**Wolf Depredation Program.** 2011 Act 169 established a wolf harvest season, and specified

that the revenue from the licenses and application fees be used to administer a wolf depredation program. The wolf damage program provides payments to persons who apply for reimbursement for damage caused by wolves to livestock, hunting dogs (other than those used in wolf hunting) and pets, and control activities conducted by the Department aimed at reducing wolf damage. These damage payments only apply if the wolf is not listed on the U.S. list of endangered and threatened species or the state list of endangered and threatened species (Wisconsin delisted the gray wolf in 2004, and as of January 27, 2012, the gray wolf is no longer a federally endangered species in Wisconsin and other parts of the western Great Lakes region).

DNR is also required to establish maximum damage payments depending on the type of animal affected. Further, payments are prorated if the amount available from wolf harvest license and application fee revenues is insufficient in a given fiscal year for making all damage payments. DNR may use any revenues remaining after damage and control payments for management and control of the wolf population in the following fiscal year.

In fiscal year 2013-14, wolf damage payments totaled approximately \$151,300. Of that amount, \$101,300 was paid for with wolf hunting license and application revenues and the remaining \$50,000 was paid for with a wolf-livestock demonstration grant from the U.S. Fish and Wildlife Service. In addition, DNR spent approximately \$181,800 on wolf management and control activities. DNR will have approximately \$170,000 available for wolf management and control activities in 2014-15.

**Control of Wild Animals.** The wildlife damage surcharge revenue is also used for the Department's costs of removing wild animals that cause damage, and responding to complaints about wild animals, or their structures, which are causing a nuisance. DNR contracts with the United States Department of Agriculture's Animal

Plant Health Inspection Service (APHIS) Wildlife Services to control and manage wildlife causing damage. In 2013-14, \$280,900 was expended for this purpose from wildlife damage revenues. In addition, 2011 Act 32 provided \$113,300 annually from general fish and wildlife revenues for management of nuisance wildlife, primarily black bear and birds (such as Canada geese).

Further, 2005 Act 287 directed the Department to, in cooperation with federal agencies, administer a program to control and manage double-crested cormorants (nesting primarily in Green Bay) in order to reduce wildlife damage caused by these birds. No appropriation specifically for this purpose was made by the Act.

**Urban Wildlife Abatement and Control Grants.** Urban communities can apply to DNR for matching grants of up to \$5,000 for planning wildlife abatement projects and for wildlife control efforts. The program provides up to 50% of project costs, and \$23,900 was expended under the program in 2013-14. The program is funded at \$24,700 in 2014-15.

**Chronic Wasting Disease (CWD) Management and Testing.** 2013 Act 20 created an appropriation for CWD management and testing funded by a portion of the proceeds of bonus antlerless tags sold in CWD-confirmed areas. Fees became effective with the fall 2014 deer seasons, so no revenues or expenditures occurred in 2013-14. In the past, funds have been spent for herd monitoring and sampling, law enforcement and wildlife management staff costs, equipment, supplies, travel, education efforts, limited-term employees and overtime costs as well as for a veterinarian, public information officer, and data manager position. In addition, DNR had been directed to provide funds to the Wisconsin Veterinary Diagnostic Lab (WVDL) for CWD testing and to publicize CWD control efforts to meat processors and CWD sampling stations.

**Education and Safety and Trapper Educa-**

**tion.** The Department is required to establish hunter education and bow hunter education courses. Both courses provide instruction to students in the responsibilities of hunters to: (1) wildlife, the environment, landowners, and others; (2) recognize threatened and endangered species; and (3) know the principles of wildlife management and conservation. In addition, to conform with the requirements of 2013 Act 61, DNR has incorporated crossbow safety into both the hunter education and bow hunter education courses. Under current law, the fee for both bow and gun hunter classroom safety courses is set at \$10 by administrative rule. Instructors are allowed to retain up to \$5 per student for costs associated with offering the class and remit the remaining fees to DNR (to be deposited in the fish and wildlife account of the conservation fund; the boat registration account, ATV account, and snowmobile accounts also are allocated a portion of this appropriation corresponding to the revenue from safety course fees in those areas). The hunter education program addresses safety in handling firearms, bows, and crossbows used in hunting, while the bow hunter education program covers primarily hunting with bows and crossbows. With certain exceptions, no person born on or after January 1, 1973, can obtain a hunting license unless the person is issued a certificate of accomplishment from the appropriate program.

In addition to traditional classroom courses, since 1996, DNR has offered online hunter education. Currently, four online courses for participants of any age are available which meet Wisconsin hunter education requirements which range in cost from no course fee to \$24.95. All courses require participants to complete a field training day (generally taking approximately six to eight hours) and a written and hands-on examination for an additional fee of \$10 to obtain certification. 2011 Act 168 requires DNR to offer an online hunter education course for adults (ages 18 and older) and an online trapper education course. Further, if these courses require field testing or completion of a written test, DNR must make such testing availa-

ble at each DNR service center at least once every two months. The Department began offering the adult-only online hunter education course in July, 2012 (the online courses for participants of any age also remain available). Online adult-only hunter education course participants are required to complete a written and hands-on examination but are not required to undergo field training. Three courses are available with course fees ranging from \$13 to \$24.95. In addition, a \$10 fee is required for the cost of the written and hands-on examination. 2011 Act 168 also authorizes a school board to award one half-credit toward high school graduation to a high school pupil who successfully completes the hunter education program, the bow hunter education program, or the trapper education program (a school board may award credit for completion of only one of these programs). In fiscal year 2013-14, 32,311 students completed a hunter education course, including 25,129 students certified in basic hunter education, 2,062 students certified in general online hunter education, 2,696 students certified in adult only hunter education, and 2,425 students certified in bow hunter education.

The Department is also required to establish a trapper education program. The trapper education course provides instruction in: trapping history in wildlife conservation; principles of wildlife management; furbearer management; biology and disease; trapping laws and ethics; trap preparation, adjustment setting and safety; humane trapping methods; and pelt preparation, skinning, grading, and marketing. Under current law, instructors may retain up to 50% of the instruction fee set by DNR in administrative rule (currently \$12 per student) and remit the remaining portion of the fee to DNR. In fiscal year 2013-14, 2,596 students completed a trapper education course. 2011 Act 168 also requires DNR to offer an online trapper education course. As of November, 2014, an online trapper education course was not available. DNR indicates that staff is currently revising the existing correspondence course to accommodate online users and working with an online vendor so an

online course can be made available.

**Commercial Fish Propagation and Great Lakes Protection Surcharge.** 2005 Act 288 created a commercial fish protection surcharge where, if a court imposes a fine or forfeiture for the unlawful killing, catching, taking, transporting, sale or possession of Great Lakes fish in violation of s. 29.971 of the statutes, the court may impose a commercial fish protection surcharge in the following amount: (a) for any commercial fish, as determined by DNR, an amount equal to the average wholesale value of the fish on the date of the violation; or (b) for salmon, trout, and noncommercial game fish, an amount equal to the corresponding wild animal protection surcharge under s. 29.983 of the statutes (the amount ranges from \$8.75 to \$43.75 depending on the species of fish). In addition, the Act created a Great Lakes resource surcharge where, if a court imposes a fine or forfeiture for a violation of s. 29.503 involving Great Lakes fish or a violation of s. 29.514 or 29.519 involving sport trolling or commercial fishing in outlying waters, the court shall impose a Great Lakes resource surcharge equal to 75 percent of the amount of the fine or forfeiture. Revenue from these surcharges is directed to an appropriation in the fish and wildlife account of the conservation fund to be used for research relating to Great Lakes fish. Revenue totaled \$18,600 in fiscal year 2013-14.

*Stamp-Funded Programs.* Recent sales and revenue amounts for fish and wildlife stamps are shown in Appendix II. All of the money from the sale of turkey stamps is statutorily required to be used for developing, managing, preserving, restoring and maintaining the wild turkey population in the state.

Beginning March 1, 2006, 40% of the revenues generated by the sale of pheasant stamps must be used for developing, managing, preserving, restoring, and maintaining the wild pheasant population in the state, and 60% is used to raise and stock pheasants on DNR lands.

Two-thirds of the revenue from the waterfowl stamp is to be used for developing, managing, preserving, restoring, and maintaining Wisconsin wetland habitat for producing waterfowl; the other third is contributed to governmental or nonprofit agencies in Canada for the propagation, management, and control of migratory waterfowl for the Mississippi flyway.

Funds from the inland trout stamp are used to improve and maintain trout habitat and conduct trout surveys in inland trout waters. In addition to stamp revenue, 2005 Act 25 specifies that one-half of the revenues generated by the sale of the inland lake trout fishing license be used for improving and maintaining trout habitat in inland waters, and for conducting trout surveys. Revenue from the Great Lakes trout and salmon stamp can be used to supplement and enhance the existing trout and salmon rearing and stocking program in outlying waters.

2013 Act 72 requires DNR to set aside the following amounts from Great Lakes trout and salmon stamp account funds in fiscal year 2013-14 for sea lamprey control activities (sea lampreys are eel-like parasites who feed on other fish, extracting blood and other fluids): (a) \$42,000 SEG to be used for a project to improve the sea lamprey barrier on the Kewaunee River at the Besadny Anadromous Fish Facility (which the Act requires DNR to release upon receipt or commitment of funding in the amount of \$78,000 from one or more governmental units); and (b) \$262,500 SEG to be used for a project to construct a sea lamprey barrier on the Nemadji River (which DNR is required to release upon receipt or commitment of funding in the amount of \$487,500 from one or more governmental units). In addition, the Act provides \$520,000 in 2013-14 in a new continuing GPR appropriation and specifies that DNR may expend up to \$400,000 from the appropriation to carry out sea lamprey control projects and up to \$120,000 to conduct surveys of sea lamprey larvae on any inland lakes, tributaries of Lake Michigan or Lake Superior, or harbors of Lake Michigan or Lake

Superior. The Act specifies that no moneys may be encumbered from the GPR appropriation after June 30, 2016. As of the close of fiscal year 2013-14, DNR had encumbered all \$520,000 of the GPR funds. The Department indicates that DNR contracted with the U.S. Fish and Wildlife Service sea lamprey control program, and they completed a set of surveys and treatments in early fiscal year 2014-15 (for a cost of \$24,900), and will be conducting additional surveys in fiscal year 2015-16 utilizing the encumbered funds. Through fiscal year 2013-14, DNR had not encumbered or expended any Great Lakes trout and salmon stamp funds for the sea lamprey projects on the Keweenaw or Nemadji rivers. However, the Department indicates that they have set aside funds from fiscal year 2013-14 stamp account revenues which they will utilize for these projects to meet the requirements under the Act.

#### **Great Lakes Vessel Rental Appropriation.**

2013 Act 20 creates a continuing appropriation in the fish and wildlife account of the conservation fund for the deposit of all moneys received from the rental of Great Lakes research vessels that are rented for purposes other than this state's management of fish and wildlife resources. Recently, the Bureau of Fisheries Management acquired a new Lake Michigan research vessel and rebuilt its Lake Superior research vessel. In the past, the Bureau has accommodated requests by other DNR programs or external agencies to conduct activities on these vessels for uses that are not generally eligible for support by the fish and wildlife account, without charge. For example, the U.S. Fish and Wildlife Service utilized a boat to complete near-shore lake trout sampling, and the DNR Bureau of Science Services utilized a boat for water quality sampling. For each of these requests, DNR provided a minimum staff of a research vessel captain and first mate, the costs of which have been borne by the Bureau of Fisheries Management. The Act provides an appropriation in the fish and wildlife account where money received from rental of Great Lakes research vessels owned by DNR for purposes other than the agency's fish and wildlife

resource management are to be deposited to pay the cost to the Department for staffing and other services associated with rental of these vessels for those purposes. Although DNR estimates revenues of approximately \$14,000 a year, no monies were received in 2013-14.

**ALIS Contract Fees.** DNR contracts with a third party (currently Active Network) to operate the statewide automated license system. Under the contract, DNR pays 83¢ to Active Network for each license sold. The contract fee for each license sold that is owed to the ALIS operator is deposited into a continuing appropriation. The ALIS operator (Active Network) is then paid the amounts due under the contract from this appropriation.

Table 7 lists the major expenditure categories funded by the fish and wildlife account and identifies 2013-14 actual expenditures and the amounts appropriated for 2014-15 for each of these categories.

**Administrative Funding Limit.** Beginning in 1999-00 DNR is prohibited from expending more than 16% of funding from the fish and wildlife account in any fiscal year for administrative purposes. The 16% limit is statutorily defined to include DNR administrative and support services as well as division administration.

In June, 2006, the Legislative Audit Bureau released an audit concerning DNR fish and wildlife funding. The report analyzed revenues, expenditures, and staffing levels for DNR's fish and wildlife related activities in 2004-05. The LAB found that DNR's statutorily defined administrative costs were 11.1% in 2004-05, below the 16% limit (the statutory calculation of administrative costs does not include bureau administration and licensing costs). They also found that user fees funded \$68.2 million (56.7%) of DNR's total \$120.2 million in fish and wildlife expenditures. Other revenues included federal funds, bonding, GPR and program revenues. Further, the LAB found that 97.6% of user fee-funded expenditures



**Table 7: Fish and Wildlife Account Expenditures**

	2013-14 Actual	2014-15 Appropriated	2013-14 % of Total	2014-15 Staff
<b>Fish and Wildlife Program Appropriations</b>				
Law Enforcement	\$15,786,400	\$16,854,600	21.2%	133.13
Fish Management	15,057,400	16,364,300	20.6	178.93
Wildlife Management	11,093,000	12,451,300	15.6	126.07
Car-Killed Deer	349,000	350,700	0.4	0.00
County Conservation Aids	148,500	148,500	0.2	0.00
<b>Dedicated Revenue Appropriations</b>				
Wildlife Damage Claims and Abatement Program	2,525,400	2,950,000	3.7	0.00
Wolf Depredation Program	283,100	249,000	0.3	0.00
Control of Wild Animals	280,900	282,000	0.4	2.00
Urban Wildlife Abatement and Control Grants	23,900	24,700	0.0	0.00
Venison Processing	131,100	300,000	0.4	0.00
Venison Processing (from donations)	2,600	14,800	0.0	0.00
Chronic Wasting Disease Management and Testing	0	0	0.0	0.00
Education and Safety Courses	298,800	298,800	0.4	0.00
Trapper Education	48,600	48,600	0.1	0.00
Commercial Fish Protection and Great Lake Surcharge	30,000	25,000	0.0	0.00
<b>Stamp Funded Programs</b>				
Trout Habitat Improvement	1,391,600	1,393,100	1.7	8.09
Great Lakes Trout and Salmon*	1,370,200	1,607,000	2.0	3.50
Sturgeon Habitat	194,600	196,700	0.2	0.00
Sturgeon Habitat-Inland waters	41,800	58,300	0.1	0.00
Pheasant Restoration	111,700	237,000	0.3	0.00
Pheasant Stocking	449,900	353,600	0.4	3.00
Wetlands Habitat Improvement	276,100	358,200	0.4	0.00
Wild Turkey Restoration	397,400	777,900	1.0	0.00
Canadian Agencies Migratory Waterfowl Aids	172,100	167,500	0.2	0.00
ALIS Contract fees	3,022,100	2,863,100	3.6	0.00
Voluntary Contribution - Lake Research	60,500	68,600	0.1	0.00
Miscellaneous	115,800	36,200	0.0	0.00
<b>Split-Funded Appropriations</b>				
Administration and Technology Services	5,136,400	5,387,300	6.8	44.34
Customer Assistance and Employee Services	3,642,700	3,951,000	5.0	35.05
Enforcement and Science Management	518,700	590,000	0.7	4.43
Land Program Management	518,300	492,700	0.6	3.61
Water Program Management	35,200	17,100	0.0	0.00
Bureau of Facilities and Lands	3,304,700	3,512,100	4.4	36.21
Bureau of Science Services	1,217,900	1,296,400	1.6	9.00
Bureau of Endangered Resources	520,900	533,500	0.7	4.98
Administrative Facility Repair and Debt Service	896,700	2,175,500	2.7	0.00
Aids in Lieu of Taxes	302,600	303,900	0.4	0.00
Resource Acquisition and Development	2,198,100	2,274,200	2.9	0.00
Taxes and Assessments	67,100	176,500	0.2	0.00
Rent and Property Maintenance	535,400	336,700	0.4	0.00
Handling Fees	87,700	87,600	0.1	0.00
<b>Total</b>	<b>\$72,644,900</b>	<b>\$79,614,000</b>	<b>100.0%</b>	<b>592.34</b>

provided some benefit to hunters and anglers. Of total fish and wildlife spending in 2004-05, 52.7% supported resource management and education, and 30.4% supported habitat development and land acquisition. The LAB recommended that the Department limit the use of generalized time accounting codes to track staff time, and increase project-planning efforts.

**Split-Funded Appropriations.** Functions that are funded by several conservation fund accounts are described under the "General Conservation Fund" section near the end of this paper.

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## Forestry Account

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### Revenue

Article VIII, Section 10, of the Wisconsin Constitution allows the state to appropriate moneys for the purpose of acquiring, preserving and developing the forests of the state through a tax on property not to exceed 0.2 mill (20¢ per \$1,000 of property value). This tax is frequently referred to as the "forestry mill tax" and is the only property tax levied by the state. The rate of the mill tax, which is established in statute, was set at 0.2 mill in 1937 and did not change until 2005.

Revenue to the forestry account of the conservation fund from the mill tax increased an average 7.4% per year from 1970-71 to 2004-05. 2005 Act 25 limited the forestry mill tax levy to an annual increase of no more than 2.6% for the next three years. The mill rate for the property tax assessment as of January 1, 2007, became the rate of the tax imposed for all subsequent years. The rate is now 0.1697 (16.97¢ per \$1,000 of property value).

The tax is collected with other property taxes on a calendar-year basis and is calculated by using each county's total equalized property value, as determined by the Department of Revenue, for the

previous year. For 2013-14, the tax generated \$79.4 million, which is 77% of the total revenue that was credited to the forestry account in that fiscal year. Statutorily, at least 12% of the revenue generated by the tax must be used to acquire and develop forests within a sixteen-county region southeast of a line running generally from Rock to Outagamie to Manitowoc Counties.

Other sources of revenue to the forestry account include: (a) revenues from the sale of timber on state forest lands; (b) revenues from the sale of stock from the state's tree nurseries; (c) camping and entrance fees at state forests; (d) severance and withdrawal payments from timber harvests on cooperatively-managed county forests and on privately-owned land entered under the forest crop law and managed forest law programs; (e) closed acre fees under the managed forest law program; and (f) a portion of the revenue from the sale of the conservation patron licenses, to reflect the fact that license holders are granted admission to state forests at no additional charge as part of the license.

The 2005-07 budget directed DNR to prioritize reducing the backlog of incomplete timber harvests (approximately 170,000 acres) and forest inventory work on state-owned land. Further, 2005 Act 166 required DNR to set annual allowable timber harvest goals for all forested state properties, and to report biennially (by January 1 of each odd-numbered year) on its progress in meeting the goals. In its 2013 submission, DNR reported a 65,000 acre backlog as of December, 2012. As of August, 2014, DNR estimated the backlog of incomplete timber harvests at approximately 45,000 acres, 26% of the original 2005 figure. DNR indicates the backlog is due to a variety of factors including: difficulty establishing timber harvests on properties with seasonal restrictions (for example, parks properties where timber harvests could interfere with recreational users and forested wetlands where weather conditions often prevent adequate ground freezing required for harvest); difficulty accessing certain areas for har-

vest; marketability limitations (small acreage, limited volume, poor quality); and management delays associated with the development and revision of property master plans.

Timber revenues from state forests and other state lands from the last six fiscal years are shown in Table 8. The Department sells forest products in several units of measure including: board feet (typically saw logs to be turned into boards) which are reported in board foot increments (MBF); cords (typically to be turned into pulp, paper, or chips) which are sold by volume, and tons (typically to be turned into pulp, paper, or chips) sold by weight rather than volume. The table shows these units all converted to cord equivalent for comparison. One cord or cord equivalent is equal to a pile of wood four feet by four feet by eight feet or 128 cubic feet, which typically contains about 78 cubic feet of wood and 50 cubic feet of air space. It should be noted that the data reflects when timber sales were closed, not when a timber sale initially took place or when each acre was actually harvested. For example, a sale may have taken place in fiscal year 2011-12, with a majority of the timber from that sale harvested in fiscal year 2012-13, with the final portion of the timber harvested, and the sale closed out in the Department's timber harvest tracking system in fiscal year 2013-14, but all of the volume and all of the revenue is shown in Table 8 as fiscal year 2013-14 (when the sale closed). Actual timber revenue received in 2013-14 was just over \$11.7 million, with almost \$7.5 million (64%) being deposited to the forestry account. Remaining revenues were associated with fish and wildlife (33%), state parks (1%), or natural areas (2%).

Table 9 lists the revenue to the forestry account in the 2013-15 biennium.

## Expenditures

Forestry account revenues are used to fund several forestry programs and related administrative activities. 1999 Act 9 created a Division of Forestry within DNR (previously Forestry had been a bureau within the Land Division).

**State Forest Operations.** The Department operates state forests under two separate administrative structures. Northern state forest properties are operated by DNR's forestry staff in a manner that generally focuses on the enhancement of their timber resources but also emphasizes recreational use. The eight southern state forest properties are operated by state parks personnel and managed in a manner that gives priority to their recreational value.

**Table 8: DNR Timber Sales Completed**

FY Completed	State Forest Acres	Other State Lands	Total Acres	Cord Equivalent	Total Revenue
2008-09	9,400	7,200	16,600	286,500	\$9,928,300
2009-10	9,600	4,200	13,800	240,800	8,044,000
2010-11	10,600	4,600	15,200	287,500	10,055,800
2011-12	12,000	3,900	15,900	275,100	9,975,700
2012-13	10,800	5,400	16,200	277,800	9,742,600
2013-14	9,700	7,900	17,600	330,600	12,228,300

**Table 9: Forestry Account Revenue**

	Actual 2013-14	Estimate 2014-15	2013-14 % of Total
Mill Tax	\$79,399,800	\$81,300,000	76.8%
Timber Sales	7,461,500	7,600,000	7.2
Nurseries	1,494,800	1,500,000	1.4
Forest Tax Law	8,382,500	8,600,000	8.1
Campsite Fees	2,462,000	2,500,000	2.4
Admission Stickers	2,696,600	2,700,000	2.6
Sales and Services	521,500	500,000	0.5
Conservation Patron Allocation	252,900	250,000	0.2
All Other Revenue	889,800	900,000	0.9
<b>Total</b>	<b>\$103,561,400</b>	<b>\$105,850,000</b>	<b>100.0%</b>

**Table 10: Wisconsin's State Forests**

	Counties	Acreage
<b>Northern Forests</b>		
Northern Highland	Iron, Vilas	173,849
Flambeau River	Ashland, Price, Rusk, Sawyer	90,752
Black River	Clark, Jackson	68,527
American Legion	Oneida	60,047
Brule River	Douglas	47,381
Governor Knowles	Burnett, Polk	21,039
Peshtigo River	Marinette, Oconto	11,142
Coulee Experimental Forest	La Crosse	<u>2,992</u>
Subtotal Northern Forests		475,729
<b>Southern Forests</b>		
Kettle Moraine-Northern Unit	Fond du Lac, Sheboygan, Washington	29,814
Kettle Moraine-Southern Unit	Jefferson, Walworth, Waukesha	21,543
Point Beach	Manitowoc	2,943
Kettle Moraine-Loew Lake	Washington	1,231
Kettle Moraine-Lapham Peak	Waukesha	1,026
Kettle Moraine-Pike Lake	Washington	752
Kettle Moraine-Mukwonago River	Walworth, Waukesha	911
Havenwood Forest Preserve	Milwaukee	<u>237</u>
Subtotal Southern Forests		58,457
Other Properties*		<u>3,016</u>
Total		537,202
Working Forest Easements on Private Lands		202,994

\*Other properties include demonstration forests, nurseries, state owned islands, and the sustainable forest education center

Table 10 identifies the eight largest northern forest properties and all southern state forests and the acreage of these properties as of July 1, 2014.

In addition to the acreage owned in fee title or held in easement which is included in a state forest, DNR holds easements on approximately 203,000 acres of other forest land, including lands acquired with the assistance of the federal Forest Legacy Program. This total includes the 2012 acquisition of phase one of the Brule-St. Croix Legacy Forest easement on 44,670 acres utilizing up to \$11.3 million from the stewardship program. Congress created the Forest Legacy Program to identify and protect environmentally important private forestlands threatened with conversion to non-forest uses. Under a conservation easement,

development rights may be purchased from landowners to prevent development and subdivision, to require specific land practices (such as maintaining certain parcels as productive forest land), and to ensure public recreational access. Generally, easements are purchased in perpetuity and remain attached to the deed regardless of any change in the property's ownership. Previous uses of this federal funding include the 2008 Wild Rivers and Forest Legacy project, for which DNR spent \$39.7 million, including \$4.6 million in federal forest legacy funding to acquire conservation easements on over 59,000 acres and fee title ownership of another 5,600 acres in Florence, Forest and Marinette Counties. The property includes more than 48 lakes and ponds, and more than 70 miles of rivers and streams. It is a working forest

that also provides habitat for migratory waterfowl, trout, and other wildlife. The property offers a variety of recreational opportunities including hiking, hunting, fishing, kayaking, cross-country skiing and snowmobiling.

DNR is statutorily required to practice "sustainable forestry" and use it to assure state forests are managed to provide a full range of benefits, including soil protection, public hunting, protection of water quality, production of recurring forest products, outdoor recreation, native biological diversity, aquatic and terrestrial wildlife, and aesthetics.

In 2003, the Governor directed DNR to explore forestry certification in response to a growing demand for certified wood from purchasers of Wisconsin timber products. Forest certification is a process in which a forest landowner undergoes an audit of their forest practices by a third party. If the third party determines that the landowner's forest practices meet the third party's definition of long-term sustainability, then that party will "certify" that the forest is well managed. Wood products originating from that forest can be marketed as having been grown and harvested in a "sustainable" manner, which provides biological, social, and economic benefits. In 2004, 517,700 acres of State Forests were dual-certified by the Sustainable Forest Initiative (SFI) and the Forest Stewardship Council (FSC). Third party auditors conduct annual reviews of these forests.

As of June 30, 2014, approximately 7.35 million acres (46.66%) of Wisconsin forestland were certified including: (a) approximately 536,600 acres of Wisconsin State Forests and another 1,022,200 of other DNR lands (parks, wildlife areas, natural areas, and other DNR lands) dual-certified by the SFI and FSC; (b) County Forests (1,476,200 dual certified by the FSC and SFI, 168,800 certified by the FSC, and 725,500 certified by the SFI); (c) approximately 2.5 million acres of managed forest law (MFL) land dual certified by the FSC and American Tree Farm Sys-

tem (ATFS), (d) 224,700 Menominee tribal forest lands certified by the FSC, and (e) 700,800 of private forest and local government forest lands certified by the FSC or ATFS.

The Department operates two tree nurseries (Boscobel and Wisconsin Rapids) which produce and distribute seedlings (trees and wildlife shrubs) used for reforestation and conservation purposes. Seedling distribution has declined in recent years, from approximately 7.7 million seedlings distributed by the nurseries in fiscal year 2009-10 to approximately 4.3 million seedlings distributed in fiscal year 2013-14. A third nursery, in Hayward, was operated by DNR through fiscal year 2012-13, when seedling production ended and existing nursery stock was processed and sold. Currently, the Forestry Division's reforestation program uses the Hayward Nursery facility as a seed cleaning and storage facility, and a seedling distribution center. (While no seedlings are produced at the Hayward Nursery, the public may purchase seedlings produced by the other nurseries at the Hayward Nursery.) DNR indicates that research plots, field trials, and seed orchards are also being established on the property. Nursery stock is sold at prices that reflect costs to administer the forest nursery program and, with the exception of seedlings distributed to pupils for Arbor Day activities, may not be used for ornamental or landscaping purposes. A 3¢ per seedling surcharge on the sale of nursery stock is dedicated to forestry public education and awareness programs.

The Department has broad authority in the prevention, detection, and suppression of forest fires. DNR utilizes funding to establish and maintain lookout towers, ranger stations and fire suppression and communications equipment and for fire law education and enforcement activities. The Department's forest fire control program takes primary responsibility for forest fires on public and private lands in most northern and many southern counties. The forest fire control program also provides cooperative services to towns in those southern counties where wooded lands are

more scattered. In addition, the Department also relies on local fire departments, as needed, for additional wildland fire suppression support. Under a Memorandum of Understanding (MOU), DNR reimburses each local fire department for their fire suppression efforts according to rates established in the MOU.

Department foresters assist private landowners and county foresters in a variety of sustainable forestry management activities including the development of management plans and marketing strategies and how to address forest health issues. Of the estimated 17.1 million acres of forest land in the state, about 70% are privately-owned, while an additional 14% are part of forest properties owned by county and municipal governments.

Section 23.22 of the statutes requires DNR to establish a statewide program to control invasive species and to report annually on the program. The 2007-09 budget provided \$50,000 annually from the forestry account for technology to detect and monitor the emerald ash borer. DNR's Division of Forestry allocated \$200,000 annually, with a three-quarter time position beginning in 2007-08, for the emerald ash borer effort (a non-native insect that is threatening ash trees in Great Lakes states). The emerald ash borer was first found in southeastern Wisconsin in 2008. Currently 36 counties are under a quarantine restricting ash timber sale and movement including: Adams, Brown, Buffalo, Calumet, Crawford, Dane, Dodge, Door, Douglas, Fond du Lac, Grant, Green, Iowa, Jefferson, Juneau, Kenosha, Kewaunee, La Crosse, Lafayette, Manitowoc, Milwaukee, Monroe, Oneida, Outagamie, Ozaukee, Racine, Richland, Rock, Sauk, Sheboygan, Trempealeau, Vernon, Walworth, Washington, Waukesha, and Winnebago counties.

Under 2001 Act 16, \$400,000 was provided on a one-time basis from the forestry account to begin planning for a facility to promote public awareness of sustainable forestry and its benefits. 2005 Act 25 provided \$150,000 in 2005-06 and

\$165,000 beginning in 2006-07 from the forestry account to plan for, and begin operating, such a facility on 67 acres of land that the state purchased from Milwaukee County on the former Milwaukee County grounds. Since then, funding has been used to hire planning consultants and provide staff support for the formation of a nonprofit organization, the Forest Exploration Center, Inc. (FEC). According to the Department, an interpretive plan and a trails plan have been completed and implementation of those plans has begun. All programming is coordinated with and based on LEAF (Learning, Experiences and Activities in Forestry), a sustainable forestry curriculum program administered by the Wisconsin Center for Environmental Education. In July, 2014, DNR and DOT entered into an agreement which allows DOT use of the unforested part of the FEC property for concrete processing and equipment storage in support of DOT's Zoo Interchange project. According to DNR, this agreement will reduce taxpayers' costs for this public infrastructure improvement, and DOT will provide improvements to the FEC property after the project is completed. DOT will construct the entrance road to the FEC property in 2015 and plans to vacate the property in 2018, with additional improvements completed in 2019. Existing FEC funding will be used in the intervening years to develop a detailed architectural and landscape-designed site plan (to be partially implemented by DOT), continue development of trails and interpretive infrastructure in the forest, continue development and presentation of educational programs and interactive community-based programming in the forest, and start a Friends Group to organize local volunteerism to help steward the part of the property not used by DOT.

2013 Act 20 specifies that beginning with payments received in fiscal year 2013-14, federal National Forest Income (NFI) payments received by DNR (under Title I of the federal Secure Rural Schools (SRS) Act) be provided to school districts that contain national forest lands within their boundaries based on the proportion of national forest lands within the school district, rather than

being distributed to towns. In state fiscal year 2013-14, 27 school districts with national forest lands received \$1,648,900 under Title I of the federal SRS Act, based on the proportion of national forest lands in each district. In addition, the Act provided \$2.5 million SEG from the forestry account of the conservation fund in fiscal year 2013-14 only to be distributed by DNR to towns that were eligible to receive National Forest Income payments during fiscal year 2012-13, based on the proportion of national forest land located in the town. The \$2.5 million forestry SEG was provided by DNR in fiscal year 2013-14 to 11 county treasurers to be distributed to towns within their county. The \$2.5 million payment to towns in fiscal year 2013-14 was provided to compensate towns for a one-year loss of revenue from the switch of NFI payments to towns, and a federal payment in lieu of taxes formula that will subsequently increase payments to towns.

**Southern Forest Operations.** DNR is provided over \$5 million annually with 43.25 positions for operations of the eight southern state forests shown in Table 10. Southern state forest properties are managed by state parks personnel in a manner that gives priority to their recreational value.

**Stewardship Debt Service.** 1997 Act 27 provided \$8.7 million in funding from the forestry account in each year of the 1997-99 biennium for payment of principal and interest related to the acquisition and development of state forest and nursery properties under the Warren Knowles-Gaylord Nelson stewardship program. Prior to 1998, debt service for the stewardship program had been primarily funded from general purpose revenue (GPR). This provision sunset on June 30, 1999. However, each of the next three biennial budgets allocated from \$3 million to \$10 million forestry SEG each year on a "one-time" basis for stewardship debt service.

In addition, 2005 Act 25 provided \$14.1 million in 2005-06 and \$13.5 million annually in on-

going funding beginning in 2006-07 from the forestry account. Further, 2007 Act 5 provided an additional \$10.6 million in 2006-07 (for a total of \$24.1 million) from the forestry account for stewardship debt service payments (\$13.5 million was provided annually beginning in 2007-08). 2009 Act 28 provided an additional \$5 million forestry SEG in 2009-10 (for a total of \$18.5 million) and \$2.5 million in 2010-11 (for a total of \$16 million) and reduced the amount provided from GPR by the same amount. However, the additional \$2.5 million 2010-11 payment was specified as a one-time payment. The payment from the forestry account for stewardship debt service returned to \$13.5 million annually beginning in 2011-12.

**Aids in Lieu of Property Taxes.** Since 1992, when DNR acquires land, the Department pays aids in lieu of property taxes on the land to the city, village or town in which the land is located in an amount equal to the tax that would be due on the estimated value of the property at the time it was purchased, adjusted annually to reflect changes in the equalized valuation of all land, excluding improvements, in the taxation district. The municipality then pays each taxing jurisdiction (including the county and school district) a proportionate share of the payment, based on its levy. For lands purchased after July 1, 2011, the aids in lieu formula is adjusted so that estimated value means either the lower of the equalized value of the property in the year prior to purchase by DNR or the purchase price (instead of the purchase price, under prior law). In cases where the property had been previously tax exempt, the calculation would be the lower of either: (a) the purchase price; or (b) the last recorded equalized value, or a payment of \$10 per acre, whichever amount was greater. In cases where the property had been tax exempt in the year prior to acquisition, or enrolled in the forest crop law (FCL) or managed forest law (MFL) program at the time of purchase, estimated value means the lesser of either the purchase price or an amount that would result in a payment of \$10 per acre.

Prior to 2003, aids in lieu payments were made entirely from a sum sufficient, GPR appropriation. However, the 2003-05 biennial budget provided \$1 million in 2003-04 and \$2 million in 2004-05 from the forestry account of the conservation fund for these payments. Statutory language specifies that the first draw for aids in lieu of property tax payments be taken from the forestry account appropriation. The amount increased over the next several years until reaching its current \$5,470,000 SEG annually, beginning in 2012-13.

**Forest Crop Law and Managed Forest Law Programs.** The forest crop law (FCL) and the managed forest law (MFL) programs are designed to encourage landowners to manage private forest lands for the production of future forest crops for commercial use through sound forestry practices. Land enrolled under these programs is exempt from property taxes. Instead, landowners make payments to municipalities (which in turn pay a portion to the counties) in amounts determined by the date the land is entered into these programs. DNR distributes state aids to the municipalities in which the land designated as forest crop law and managed forest law is located.

*Forest Crop Law Program.* In return for the property tax benefit, property owners with land enrolled in FCL must comply with certain forestry practices and must allow hunting and fishing on all of the designated land. In addition, the landowner pays the town 10¢ per acre for land entered prior to January 1, 1972. On land entered since 1972, owners paid 83¢ per acre through 2002. The rate was adjusted to \$2.52 per acre for 2013 payments and is adjusted every tenth year thereafter. Certain special classes pay 20¢ per acre. In addition, DNR receives severance taxes on timber harvested on the land and withdrawal penalties for land taken out of the program under certain conditions. The revenue from the taxes and penalties is divided between the Department and the municipality and county in which the land is located.

On January 1, 1986, new entries into FCL were

eliminated, although existing FCL orders will remain in effect until their expiration. The last FCL order expires in 2035. Landowners with land enrolled in the FCL program may convert their land to the managed forest law program when their FCL order expires. Early conversion into MFL is also available for a non-refundable application fee of \$30.

*Managed Forest Law Program.* DNR pays the municipality 20¢ per year for each MFL acre in the municipality, of which the municipality keeps 80% and sends 20% to the county.

1985 Act 29 created the managed forest law program, a landowner incentive program which provides a property tax exemption for lands enrolled in the program in exchange for a commitment to sound management of private forest lands. Under the MFL program, an owner of 10 or more contiguous acres of productive forest land (at least 80% of the parcel is capable of producing at least 20 cubic feet of sellable timber per acre per year) can petition DNR to enroll land in the MFL program. If the petition and corresponding forest management plan is approved, DNR issues an order designating the land as MFL for a period of 25 or 50 years. The landowner is required to follow the approved management plan throughout the period of the MFL order. If a landowner fails to follow the management plan, then DNR may withdraw the land from the program, and the landowner is subject to a withdrawal penalty. All MFL applications including conversion and renewal applications are subject to a \$30 non-refundable application recording fee.

Under current law, a landowner applying for enrollment in the MFL program must submit a forestry management plan. If a forestry management plan is not filed with the application, the application must contain a request that DNR prepare the plan. DNR may decline to prepare the plan, unless the Department determines that the applicant is unable to have a certified independent plan writer (certified under criteria established by DNR



through administrative rule) prepare the plan. If DNR makes such a determination, the Department may prepare the plan, or may contract with an independent certified plan writer to prepare the plan.

If DNR prepares the plan, the Department may charge a management plan preparation fee. The fee is based on a formula comprised of the average of the cost data supplied by independent certified plan writers for MFL plan preparations completed in the previous year (June 1 through May 31). The rate established in July, 2012, for entries effective January 1, 2014, is \$13.92 per acre. Certified plan writers are required to supply the cost data as part of their certification maintenance requirements. The fee is charged in addition to any recording or other fee required under current law. The first \$280 of each fee collected for the preparation of a management plan is deposited in a continuing appropriation for contracting for forestry management plans. Any additional funds are deposited in the forestry account and are available for general appropriation.

Like the forest crop law program, land enrolled under the MFL program is exempt from general property taxes. In exchange for this benefit, landowners must manage their forestland according to the approved forestry management plan and must make annual acreage share payments to municipalities (which in turn pay 20% to the counties) in amounts determined by the date the land was entered into the program. The initial acreage share payment was 74¢ per acre through 1992, with the rate adjusted in 1992 and every five years thereafter for land enrolled prior to 2004.

For land enrolled after April 28, 2004, the acreage share payment is equal to 5% of the average statewide property tax per acre of property assessed as productive forest land. The rate was initially calculated in 2004 and recalculated in 2007 and every five years thereafter, by the Department of Revenue, using the statewide average equalized value per acre for undeveloped land and the statewide average property tax rate, net of the

school levy credit (this tax rate includes taxes levied in towns, villages, and cities, even though most productive forest land is in towns). Current rates were recalculated in 2012, and were effective January 1, 2013 for payments for the 2013 tax year due January 31, 2014. The current rate is 79¢ per acre for lands entered through 2004 and \$2.14 for lands entered after 2004. Revenues from these payments are divided between local units of government (80%) and counties (20%).

Land designated as open land under the MFL program generally must be open to the public for hunting, fishing, hiking, sightseeing, and cross-country skiing. A landowner has the option of designating a maximum of 160 acres per municipality as closed to public access if an additional fee is paid for each acre closed to public access (2003 Act 228 increased the amount of allowable closed acres from 80 to 160). For each acre of land closed to the public (for land entered after 2004), the additional payment is equal to 20% of the average statewide property tax per acre of property assessed as productive forest land (based on the 2011-12 average of \$42.70 per acre). The fee currently is \$1.08 per acre for lands entered into the program between 1987 and 2004, and \$8.54 per acre for lands entered after 2004 (for a total annual per acre fee of \$10.68). The rates were adjusted in 2012 (using 2011 equalized property values for taxes payable in 2012) effective January 1, 2013, and will be adjusted every fifth year thereafter, using a formula that accounts for changes in the average statewide property tax for undeveloped lands. Revenues from closed-acreage payments are deposited as general revenues to the forestry account.

2013 Act 81 allows for the temporary closure of certain MFL land within a proposed ferrous (iron) mining site. Under s. 77.83 (2m) the requirement that public access be permitted for hunting, fishing, hiking, sight-seeing, and cross-country skiing on MFL land designated as open does not apply to an area of land within a proposed ferrous mining site that is located within

600 feet of fixed sampling equipment or within 600 feet of either side of a road that is used for purposes associated with ferrous mining for the lesser of the following amounts of time: (a) until the date DNR approves or denies the application for a mining permit; (b) until the date DNR determines that the applicant is no longer pursuing a mining permit for the site; or (c) for two years, unless DNR determines, after consulting with the applicant and regulatory bodies, that it should extend this time period because it is likely that the applicant or a regulatory body will need additional time to conduct evaluation activities at the proposed ferrous mining site, but not to exceed an additional two years.

The Act defines "fixed sampling equipment" to mean "physical equipment that will be in the same location for more than 24 hours and that is used for the evaluation of a proposed ferrous mining site, including equipment that is used for boring, drilling, bulk sampling, or obtaining climatological data or other data relating to the environment or the state's natural resources". In addition, the Act provides that DNR may, during the time period described in the Act, close additional acres of MFL land in the proposed mining site to one or more of the five recreational activities (hunting, fishing, hiking, sight-seeing, and cross-country skiing) authorized on open MFL land if DNR determines that the closure is necessary to ensure the safety of the public, employees or agents of the mining applicant, or employees or agents of regulatory bodies.

Further, 2013 Act 81 requires DNR to post information on the Department's website regarding what areas within a proposed ferrous mining site are open to public access for what periods of time with respect to each of the five recreational activities. The Act requires the owner of the proposed mining site to make the closed acreage payment for each acre that is closed to the public for any of the five recreational activities for any portion of time during the previous calendar year. In addition, for MFL orders that took effect before April

28, 2004, the Act requires the MFL owner to pay an annual amount equal to 15% of the average statewide property tax per acre of productive forest property, for each acre not open to all five recreational activities for any part of the previous calendar year [paid to the county (20%) and the municipality (80%)], which would be subtracted from the total withdrawal tax due if the property were to be removed from the MFL program prior to the end of the MFL order. The Act also requires the MFL land to be open to hunting deer during the regular nine-day November gun deer season and that land within 50 feet of Class I and II trout streams be open for fishing. Finally, the Act requires that, if an owner withdraws land from MFL that is located within a proposed ferrous mining site, DNR must issue the order for withdrawal within 30 days after receiving the request. In January, 2014, DNR closed over 1,000 acres of MFL lands in Iron and Ashland Counties under this provision. The closures were in relation to exploratory drilling at a potential iron mine site.

Land designated as managed forest law is prohibited from being developed for commercial recreation, for industry, or for any other use determined by DNR to be incompatible with the practice of forestry. However, prior to 2007 Act 20, the ability of a landowner to close up to 160 acres of land enrolled in MFL to the public had allowed some landowners with large acreages enrolled in MFL to close most of their lands by subdividing ownerships. The landowners then leased the MFL property to individuals willing to pay a fee for hunting on the lands. The 2007 Act specified that owners of land designated as managed forest law may not enter into a lease or other agreement for consideration (compensation) permitting persons to engage in recreational activities on the land. Further, the Act specified that all leases of MFL land were invalid as of January 1, 2008. The Act defined recreational activities as hunting, fishing, hiking, sightseeing, cross-country skiing, horseback riding, and rental of cabins. Under the Act, this restriction does not apply to reasonable membership fees charged by a non-profit entity if ap-

proved by DNR.

In 2009, Tigerton Lumber Co., an MFL program participant engaged in leasing of MFL lands, filed a lawsuit against the state (including the Department of Revenue and Department of Natural Resources). Tigerton claimed that the MFL program involves a contractual relationship between DNR and program participants and that 2007 Act 20 involved an unconstitutional "impairment" of that contract and of Tigerton's contracts with lessees. Further, Tigerton claimed that the restriction on leasing on MFL lands resulted in a "taking" of Tigerton's property, in violation of the takings clause of the Fifth Amendment. The Dane County Circuit Court ruled that the MFL program is not a contractual relationship between MFL participants and DNR and that Act 20 therefore, did not impair a contract between DNR and Tigerton and there was no "taking" as a result of the invalidation of leases by Act 20. However, the court found that the provision of Act 20 which retroactively invalidated Tigerton's leases as of January 1, 2008, was an unconstitutional impairment of contract, and that any leases that Tigerton had in place as of that date continue until the expiration date of the contract.

In addition to the acreage share and closed acre payments, landowners must pay a yield (severance) tax of 5% of the timber harvested on MFL land (based on average price of species harvested). The municipality retains 80% of the payment and sends 20% to the county. However, lands enrolled in the MFL program after April 28, 2004, which were not previously enrolled in the FCL or MFL program or would be added to an existing MFL order, are exempt from yield taxes for the first five years of their MFL order.

DNR approval is required before an owner may cut timber on MFL land (except timber cut for use as fuel in a landowner's home). A landowner must submit a notice of intent to cut timber on MFL enrolled land to DNR 30 days prior to cutting. 2009 Act 365 specified that in addition to

the prior law requirement that the cutting conform to the forestry management plan, the proposed cutting must also be "consistent with sound forestry practices" in order to be approved by DNR.

The Department uses stumpage values (value of timber based on recent timber sales) to calculate the yield tax due on timber harvested on MFL enrolled land. DNR determined stumpage values are effective November 1 of each year.

Under the MFL program, the landowner is required to follow the approved management plan throughout the period of the MFL order. If a landowner fails to follow the management plan, then DNR may withdraw the land from the program, and the landowner is subject to a withdrawal fee and withdrawal taxes. Landowners may also request that DNR withdraw land from the program, and with certain exceptions, if land is withdrawn from the MFL program before the expiration of the MFL order, the landowner must pay a withdrawal fee and withdrawal taxes. The withdrawal fee of \$300 is deposited in the forestry account. The withdrawal taxes due (calculated by the Department of Revenue) are generally the higher of either: (a) the MFL owner's past tax liability (calculated using the assessed value of the property and net tax rate in the municipality in the year prior to withdrawal multiplied by the years the land was designated as MFL); or (b) five percent of the stumpage value of merchantable timber on the land (less any acreage share and yield taxes paid by the owner). DNR remits all withdrawal taxes to the municipality where the land is located and the municipality retains 80% of the payment and remits 20% to the county.

Under s. 77.88(3) of the statutes, an owner may request that DNR withdraw a portion of an MFL order or DNR may order the withdrawal of land from the MFL program if it meets one of the following requirements: (a) an entire parcel of managed forest land; (b) all of an owner's managed forest land within a quarter-quarter section (40 acres); or (c) all of an owner's managed forest

land within a government lot or fractional lot as determined by the U.S. government survey plat. For Department ordered withdrawals, (c) only applies if the withdrawal is required as a result of a mistake by the owner. If any remaining land under the MFL order continues to meet the eligibility requirements of the MFL program, it may remain enrolled in the program.

2013 Act 1 prohibits DNR from requiring the withdrawal of a parcel from the FCL or MFL program based on the cutting of timber or other activities on FCL or MFL land related to bulk sampling for ferrous minerals if certain conditions are met. The Act defines bulk sampling as "excavating in a potential mining site by removing less than 10,000 tons of material for the purposes of obtaining site-specific data to assess the quality and quantity of the ferrous mineral deposits and of collecting data from and analyzing the excavated materials in order to prepare the application for a mining permit or for any other approval." The conditions required for the withdrawal exemption include: (a) the cutting or activity is necessary to engage in bulk sampling; (b) the area that will be affected by the cutting or the activity does not exceed five acres; (c) a bulk sampling plan has been filed with DNR and all approvals that are required for bulk sampling have been issued by the Department; and (d) the revegetation plan that is part of the bulk sampling plan includes forestry practices that will ensure that the timber, forest crops, and other vegetation that will be cut or otherwise affected will be restored to the greatest extent possible. The Act specifies that the revegetation plan requirement under (d) would not apply to FCL or MFL enrolled land that is within a mining site described in a preapplication notification for a mining permit or in an application for a mining permit. Further, the Act exempts a cutting proposal for bulk sampling from the provisions regarding whether the cutting conforms to the forestry management plan and is consistent with sound forestry practices. Under the provision, municipalities would continue to receive annual acreage share and yield tax payments on the parcels, but would

not receive withdrawal taxes for those parcels.

2013 Act 20 requires DNR, upon request of an owner, to withdraw at least one acre of the owner's land from the managed forest law (MFL) program, to order withdrawal of the land from the MFL program if all of the following apply: (a) the purpose for which the owner requests that the Department withdraw the land is to construct a residence; (b) the land was designated as managed forest land before October 11, 1997; (c) if the land is not subject to a city, village, town or county zoning ordinance that establishes a minimum acreage for the construction of a residence, the owner requests that the Department withdraw not more than three acres of land; and (d) if the land is subject to a city, village, town, or county zoning ordinance that establishes a minimum acreage for the construction of a residence that is more than one acre, the owner requests that the Department withdraw no more than the acreage of land required by the applicable zoning ordinance for construction of a residence. The Act specifies this option may only be exercised one-time per MFL parcel and defines "parcel" as the acreage of contiguous land described in the MFL application which is under the same ownership. In addition, DNR may not order withdrawal of the remainder of the land under the MFL order unless the remainder fails to meet MFL program eligibility requirements. The owner would be required to pay the withdrawal fee of \$300 and the withdrawal taxes on the acreage withdrawn.

Under current law, the Department of Revenue (DOR), with the assistance of DNR, is required to, upon request of an owner of MFL land, prepare an estimate of the amount of withdrawal tax that would be assessed if DNR were to issue an order to withdraw the land from the MFL program. Section 77.88(5g) of the statutes specifies that DOR charge a fee for the withdrawal tax estimate of either \$100 or \$5 per acre, whichever is greater.

In addition, section 77.88(2)(d) of the statutes specifies that when land enrolled in MFL is trans-

ferred, the transferee is required to file a transfer report with DNR and pay a \$100 transfer fee, which is deposited in the forestry account. Further, a person who is selling land currently enrolled in the MFL program which will remain subject to an MFL order after the sale is required to disclose this information to a prospective buyer. The written disclosure must be made by the seller within 10 days after acceptance of a contract of sale or option contract and must include an explanation that terms of MFL orders are for 25 or 50 years, that the Division of Forestry in the Department of Natural Resources monitors management plan compliance under the MFL program, and provide information on how to contact the Division of Forestry. In addition, the disclosure is required to contain the following statement, "Changes you make to a property that is subject to an order designating it as managed forest land, or to its use, may jeopardize your benefits under the program or may cause the property to be withdrawn from the program and may result in the assessment of penalties."

**FCL and MFL Aids.** Annually, the Department makes payments to each county that has more than 40,000 acres within its boundaries that are entered on the tax roll as FCL or MFL. The amount paid to each county is equal to the number of FCL and MFL acres in the county divided by the total number of FCL and MFL acres that are within the boundaries of counties that are eligible for payments, multiplied by the amount appropriated for these payments. In 2014-15, \$1,237,500 is appropriated for these payments.

**County Forest, FCL and MFL Aids.** Annually, DNR pays each town treasurer 30 cents for each acre of land entered in the county forest program in the previous year. The Department also pays towns and villages 20 cents for each acre enrolled in FCL and MFL. A municipality must submit 20 percent of all moneys received for FCL and MFL acreage to the county treasury.

**County Forest Loans.** A county may receive

from the state noninterest-bearing loans to be used for the acquisition, development, preservation and maintenance of county forest lands, with a maximum loan of 50 cents per acre of county forest land. If the amounts appropriated for these loans are not sufficient to pay all of the amounts approved by DNR, the Department provides funding to eligible counties on a prorated basis.

**County Forest Project Loans.** The Department may allot additional interest-free forestry aid loans on a project basis to individual counties to permit the counties to undertake meritorious and economically productive forestry operations, including land acquisition. These additional aids may not be used for the construction of recreational facilities or for fish and game management projects.

**County Sustainable Forestry Grants and County Forest Administrator Grants.** Beginning in 2001-02, \$200,000 was provided annually to establish a grant program to increase the implementation of sustainable forestry practices on county forest land. This annual amount is currently \$247,500.

DNR provides grants to counties with county forest land for up to 50% of the salary and fringe benefit cost of a county forest administrator or assistant forest administrator, with a maximum eligible fringe rate of 40% of salary. In addition, up to \$50,000 annually may be used for up to 50% of a county's dues to a not-for-profit organization that works with a county forest administrator and their respective forestry committee and functions as an organizational liaison to DNR (the Wisconsin County Forests Association). Funding of \$1,329,400 is available in 2014-15.

**Urban Forestry Grants.** Under the urban forestry grant program, the Department awards grants to cities, villages, towns, counties, tribal governments and non-profit organizations for up to 50 percent of the cost of various projects, including tree management plans, tree inventories, brush

residue projects, the development of tree management ordinances, tree disease evaluation, public education relating to trees in urban areas and other related projects. Under administrative rule, the minimum grant is \$1,000 and the maximum grant is \$25,000.

In addition, 2007 Act 13 specifies that DNR may also award grants under the urban forestry grant program to counties, cities, villages, towns, nonprofit organizations, and tribal governments for the costs of removing, saving, and replacing trees that have been damaged by catastrophic storm events in urban areas. To be eligible for a grant, the damage must have occurred in an area for which the governor has declared a state of emergency due to a catastrophic storm event. Act 13 exempts disaster grant recipients from having to pay any portion of the costs in order to receive a grant. DNR is required to notify each grant applicant within 60 days after the application is submitted as to whether the application was approved or denied. The urban forestry grant program is provided annual funding of \$524,600 in a biennial appropriation.

**Forestry Management Plan Contracts.** Beginning in 2001-02, funding from the forestry account has been made available to contract with consultant foresters to prepare MFL plans for new program enrollees. 2003 Act 228 created a continuing appropriation within the forestry account to receive MFL application fees for proposals that are submitted without timber management plans, with all revenues collected to be used by DNR to contract with consultant foresters to prepare MFL plans. Since most applications are submitted with management plans this appropriation has seen little use in recent years.

**Wildlife and Forestry Recreation Aids.** Counties may apply for grants for the development of wildlife habitat and for outdoor recreational facilities on county forest lands. These projects are limited to those designed to benefit wildlife and the natural environment. County funding

for habitat projects is limited to 10¢ for each acre registered as county forest land; however, funds that remain unallocated as of March 31 of each year may be allotted to any county (as long as the total received does not exceed 20¢ per acre registered as county forest). Counties are required to complete a comprehensive county forest land use plan as part of the application process.

**Recording Fees.** A \$30 application, conversion, or transfer fee is dedicated to pay the register of deeds any recording fees related to notices of order under MFL. If the revenues from the MFL fees are not sufficient to pay the recording fees, the balance would be paid from the forestry general operations appropriation. Further, DNR may increase the fee, by rule, to cover actual costs.

**Fire Emergencies -- Other states.** An appropriation in the forestry account is utilized for the deposit of all moneys received from other states for forest fire fighting activities provided by DNR to be used for forest fire fighting activities. In fiscal year 2013-14, DNR expended approximately \$54,600 from this appropriation for forest fire fighting activities.

**Reforestation.** Forestry account funding is appropriated for reforestation activities on state forests and nursery properties.

**Wisconsin Private Forest Landowner Grants.** Beginning in 1997-98, \$1,000,000 was appropriated annually for a program to award grants for the costs of developing and implementing forest stewardship management plans by owners of 500 acres or less of nonindustrial private forest land in the state (the Wisconsin Private Forest Landowner Grant Program (WFLGP)). In 2014-15, \$1,147,900 is appropriated for the program in a biennial appropriation.

Under statute, management plans are required to contain practices that protect and enhance: (a) soil and water quality; (b) endangered, threatened or rare forest communities; (c) sustainable forest-

ry; (d) habitat for fish and wildlife; and (e) the recreational, aesthetic and environmental benefits that the forest land provides. Under administrative rule, grants are to be given for not less than 50%, but not more than 65% of eligible costs, with a maximum grant amount of \$10,000. DNR gives preference to projects that are directed to accomplish one or more of the following: (a) establish or reestablish forests through regeneration; (b) improve forest stand productivity, vigor, health or value; (c) encourage sustainability; (d) provide protection of soil and water resources; (e) include additional land under written forest stewardship management plans; (f) provide protection and enhancement of riparian areas and wetlands; (g) provide protection and enhancement of terrestrial wildlife habitat; or (h) provide endangered, threatened, or rare species habitat enhancement and natural community habitat maintenance and enhancement. In addition, 2007 Act 20 provided \$60,000 annually beginning in 2008-09 under WFLGP for grants to groups of interested parties for invasive plant projects in weed management areas (as defined by DNR rule). Under the Act, the groups must consist of landowners who each own less than 500 acres of nonindustrial private forest land.

**Forest Fire Protection Grants.** 1997 Act 27 created a program to award grants for up to 50% of the costs of purchasing fire resistant clothing and fire suppression supplies, equipment and vehicles. Funds are available to cities, villages, towns, counties and fire suppression organizations that enter into a written agreement to assist DNR in the suppression of forest fires when requested. 2011 Act 16 expanded allowable uses of the grant to include fire prevention materials and fire suppression training. Since 2009-10, \$170,000 forestry SEG annually has been appropriated. Approximately \$497,000 in total is currently available for the program (\$170,000 SEG and \$327,000 FED).

**Assistance for Nonprofit and Private Conservation.** Funding of \$227,600 in fiscal year 2014-15 is provided from the forestry account for

grants to select non-profit conservation organizations (NCOs) including grants to Gathering Waters and the Natural Resources Foundation (also partially funded by the water resources account) and grants to the Ice Age Trail Alliance and the River Revitalization Foundation. (See "Grants to NCOs" - section near the end of this paper).

**Forestry Education and Curriculum Development.** Revenues from a 3¢ per seedling surcharge assessed on all seedlings sold at DNR tree nurseries (\$93,800 in 2013-14) were originally intended to be divided evenly between two forestry education appropriations related to sustainable forestry education. However, in practice, DNR used appropriation estimates, rather than actual surcharge revenues, to make these awards. Currently, revenues from the 3¢ seedling surcharge are deposited to the balance of the forestry account, and \$350,000 annually is provided from the forestry account for the UW-Stevens Point LEAF program. The Learning Experiences and Activities in Forestry (LEAF) program develops a kindergarten through twelfth grade sustainable forestry education curriculum.

**Parks and Forests Campground Reservations.** DNR retains \$1 of each camping reservation fee collected by a private vendor (Active Network). The Department returns \$8.70 of every \$9.70 to Active Network from an appropriation in the forestry and parks accounts.

**Timber Sale Contract Repairs.** Section 28.05(1) of the statutes specifies the procedure for cutting timber in state forests, and specifies that DNR may require a person purchasing products or standing timber under a timber sale contract provide surety for the proper performance of the contract either directly or through a bond furnished by a surety company authorized to do business in Wisconsin. Generally, the Department requires surety (performance bond) on all lump sum sales greater than \$2,000 and all scaled sales regardless of dollar value (lump sum sales less than \$2,000 and sales where a forest products permit is being

issued which typically include a sale value of \$500 or less do not require surety). All moneys received as sureties are deposited in an appropriation in the forestry account to be used to repair damage and recover costs incurred by the improper performance of timber sales contracts and to reimburse persons who provide sureties.

**Forestry Education and Professional Development.** Funding of \$148,500 annually is provided for grants of up to 50% for individuals pursuing master logger certification or logger safety training through the Great Lakes Timber Professionals Association (formerly the Wisconsin Professional Loggers Association, which became part of the GLTPA in 2011). In addition, \$300,000 in one-time funding in fiscal years 2013-14 and 2014-15 was provided in this appropriation for a grant to the GLTPA and Wisconsin County Forests Association for a timber study. (*See "Grants to NCOs" section*).

**Karner Blue Butterfly Habitat.** 2007 Act 20 created an appropriation within the forestry account for the deposit of money received from fees paid by partners in the Karner blue butterfly habitat conservation plan as well as money received from gifts, grants, and bequests to the plan to be used for plan administration and implementation. DNR administers the Karner blue butterfly habitat conservation plan under an agreement with the U.S. Fish and Wildlife Service. The plan allows Wisconsin land owners to manage land occupied by the federally endangered Karner blue butterfly, provided they follow certain guidelines to protect the species. Certain landowners whose land includes Karner blue butterfly habitat or whose management activities interfere with butterfly habitat are required to participate in the plan, while other landowners are encouraged to participate on a voluntary basis. Initial partners in the plan did not pay a participation fee; however, new partners in the plan, such as utility companies and large private landowners, must pay a one-time entry fee of \$2,550. In fiscal year 2013-14, the Department received approximately \$32,700 in revenue from

Karner blue butterfly gifts and fees.

**Cooperating Foresters.** 2005 Act 166 directed DNR to establish a program allowing cooperating foresters to assist the state in the harvesting and selling of timber from state forest lands and authorizing cooperating foresters to receive a portion of the proceeds from each sale. 2007 Act 20 created a continuing appropriation in the forestry account into which the portion of the sale proceeds that DNR pays to a cooperating forester is credited to make the required payments.

Further, 2011 Act 32 provides \$550,000 SEG annually in the state forests operations appropriation for timber regeneration and requires DNR to establish a program allowing cooperating foresters to assist in the regeneration of harvested areas on state lands, and to meet the annual allowable timber harvest established under s. 28.025 of the statutes. Section NR 1.26 of the administrative code address these requirements and specifies that tasks included in cooperating forester contracts for state land timber harvests may include: updating of forest reconnaissance, marking of trees and harvest boundaries, estimating volume, preparing maps, recommending timber sale contract terms or operational specifications, and inspecting active harvests. According to the rule, DNR will determine which of these services are appropriate to contract for on individual timber sales.

In 2013-14 \$33,300 was paid to six cooperating foresters to assist with timber sales on approximately 500 acres of DNR forest lands. Assistance included: forest reconnaissance leading to timber sale establishment; timber marking and harvest bonding establishment; estimating timber volume; recommending timber resale specifications; preparing maps; and assisting with sale inspections and scaling.

**Split-Funded Appropriations.** Functions that are funded by several conservation fund accounts are described under the "General Conservation Fund" section near the end of this paper.



**Department of Agriculture, Trade, and Consumer Protection (DATCP).** The forestry account provides funding for the gypsy moth program, emerald ash borer program, and other forest pest programs in DATCP. Gypsy moth control and monitoring programs have been conducted since 1971 in a cooperative effort. The gypsy moth is a leaf-eating pest of trees and shrubs. According to DATCP, forest pests, including the emerald ash borer, have continued to take on a higher emphasis and workload at DATCP as new pests continue to arrive in the U.S. The forestry account funding may also be used for plant protection activities, including nursery regulation and control of other plant pests. Approximately \$1.56 million is budgeted in 2014-15 for these purposes.

**University of Wisconsin System.** 1997 Act 27 appropriated \$200,000 annually for the Wisconsin Environmental Education Board (WEEB) for grants for forestry-related environmental education programs. The Board, a part of the University of Wisconsin System, is responsible for identifying needs and establishing priorities for environmental education in public schools. GPR and environmental fund revenues are also used to fund a portion of the grants. Up to 5% of the amount appropriated from the forestry account may be used for the costs of administering the grants.

Under 1999 Act 9, \$50,000 is provided annually to the University of Wisconsin – Madison Center for Cooperatives to award grants to persons in order to form forestry cooperatives that consist primarily of private, non-industrial forest owners. Further, 2005 Act 25 provided \$78,000 annually with 1.0 position beginning in 2005-06 for the University of Wisconsin-Stevens Point paper science program (\$83,300 is budgeted for this purpose in 2014-15).

**State Historical Society.** Funding has been provided since 1997 for a position for interpretative programming at the Northern Great Lakes Visitor Center near Ashland in Bayfield County. (See "Grants to NCOs").

**Kickapoo Reserve Management Board.** Operations of the Kickapoo Reserve Management Board have been funded from the forestry account since 1997 (\$443,100 in 2013-14). The eleven-member Board is administratively attached to the Department of Tourism, and sets policy and manages the 8,600 acre Reserve in Vernon County acquired from the federal government adjacent to the Kickapoo River to preserve and enhance its unique environmental, scenic and cultural features, to provide facilities for the use of visitors and to promote the reserve as a recreational site. The forestry account also funds aids in lieu of property taxes payments to local governments for Reserve property (\$260,000 in 2013-14).

**Lower Wisconsin State Riverway Board (LWSRB).** The forestry account funds 25% of the operating costs of The Lower Wisconsin State Riverway Board (the remaining 75% comes from the water resources account). The nine-member board is administratively attached to the Department of Tourism and is intended to preserve and protect the scenic beauty and natural character of the Lower Wisconsin State Riverway through controlled land use and development.

Table 11 lists the expenditures from the forestry account for the 2013-15 biennium.

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## Parks Account

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### Revenue

Parks account revenues are generated primarily by motor vehicle admission fees to state parks and camping site fees. As shown in Appendix IV, motor vehicle admission fees are higher for out-of-state than in-state vehicles. Currently, an annual vehicle admission fee for a resident is \$25, while an annual non-resident vehicle admission fee is \$35. The annual admission fee for a second vehicle is one-half the regular price, if an individual or

**Table 11: Forestry Account Expenditures**

	2013-14 Actual	2014-15 Appropriated	2013-14 % of Total	2014-15 Staff
<b>Forestry Program Appropriations</b>				
State Forestry Operations	\$51,099,100	\$50,325,800	48.9%	460.58
Southern Forest Operations	5,036,300	5,281,700	4.8	43.25
Stewardship Debt service	13,500,000	13,500,000	12.9	0.00
Aids in Lieu of Taxes	5,922,200	5,924,100	5.7	0.00
FCL and MFL Aids	1,237,500	1,237,500	1.2	0.00
County Forest FCL and MFL	1,398,100	1,416,400	1.3	0.00
County Forest Loans	447,400	616,200	0.4	0.00
County Forest Project Loans	267,400	396,000	0.3	0.00
County Forest Loan Severance Payments	216,400	100,000	0.2	0.00
County Project Loans Severance Payments	334,800	350,000	0.3	0.00
County Sustainable Forestry Grants and County Forest Administrator Grants	1,641,900	1,576,900	1.6	0.00
Urban Forestry Grants	464,300	524,600	0.4	0.00
Forestry Management Plan Contracts	0	316,800	0.0	0.00
Wildlife and Forestry Recreation Aids	112,200	112,200	0.1	0.00
Recording Fees	147,600	89,100	0.1	0.00
Fire Emergencies - Other States	54,600	0	0.1	0.00
Reforestation	86,500	100,500	0.1	0.00
Wisconsin Private Forest Landowner Grants	723,200	1,147,900	0.7	0.00
Forest Fire Protection Grants	170,000	170,000	0.2	0.00
Assistance for NCOs and Private Conservation	224,100	227,600	0.2	0.00
Forestry Public Education Curriculum Development	462,500	350,000	0.4	0.00
Parks and Forests Campground Reservations	367,700	291,400	0.4	0.00
Timber Sale Contract Repairs	100,000	0	0.0	0.00
Forestry Education and Professional Development	45,400	448,500	0.0	0.00
Karner Blue Butterfly Habitat Conservation Plan Fees	26,700	9,900	0.0	0.00
Cooperating Foresters	33,300	0	0.0	0.00
<b>Split-Funded Appropriations</b>				
Administration and Technology Services	7,833,400	8,215,900	7.5	67.61
Customer Assistance and Employee Services	3,195,300	3,423,700	3.1	30.11
Land Program Management	144,300	137,200	0.1	1.00
Bureau of Facilities and Lands	3,013,700	3,202,900	2.9	33.03
Bureau of Science Services	663,800	706,600	0.6	4.90
Bureau of Endangered Resources	264,300	270,700	0.3	2.52
Administrative Facility Repair and Debt Service	997,600	2,420,300	1.0	0.00
Resource Acquisition and Development	1,312,800	1,429,600	1.3	0.00
Rent and Property Maintenance	173,500	128,400	0.2	0.00
Taxes and Assessments	25,000	65,700	0.0	0.00
Miscellaneous	2,700	0	0.0	0.00
<b>Other Agency Appropriations</b>				
Agriculture, Trade, and Consumer Protection	1,657,300	1,556,500	1.6	9.75
State Historical Society- Northern Great Lakes Center	61,100	50,200	0.1	1.00
University of Wisconsin System- WEEB	129,500	200,000	0.1	0.00
University of Wisconsin System	133,300	133,300	0.1	1.00
Kickapoo Reserve Management Board	703,100	694,600	0.7	2.75
Lower Wisconsin State Riverway Board	<u>51,200</u>	<u>52,200</u>	<u>0.0</u>	<u>0.50</u>
Total	\$104,481,100	\$107,087,200	100.0%	657.45

a member of the household owns a vehicle with a current annual admission sticker. No admission fee is required for any vehicle that transports a person with a senior citizen recreation card, a disabled veteran recreation card, or a conservation patron license. (The senior citizen recreation card has not been available since 1991; however, it continues to convey lifetime privileges to the holder as long as the holder possesses the card and remains a resident.) Prior to 2007, an admission fee exemption existed for motor vehicles transporting students from public or private schools and home-based private educational programs to an outdoor academic class. 2007 Act 20 expanded the provision to include students from a Wisconsin accredited college or university course.

In addition, 2013 Act 20 provides an exemption to the requirement that a vehicle display a state park vehicle admission receipt to any vehicle, except a motor bus, that is in a state park vehicle admission area on Veterans Day or during the three-day weekend that includes Memorial Day and that is occupied by a resident who produces evidence that shows that he or she is a service member (service member is defined as a person who is serving on active duty in the U.S. armed forces). In addition, the Act specifies that no admission fee to enter Heritage Hill State Park or any state trail may be charged for entry by any person who on Veterans Day or during the three-day Memorial Day weekend produces evidence that shows that he or she is a state resident and a service member. Further, it provides a one-time exemption from the \$25 fee for an annual state park vehicle admission sticker to any vehicle, except a motor bus, that has Wisconsin registration plates and that is owned by a resident who produces evidence that he or she is the owner and is a service member, and a one-time exemption from the \$20 annual state trail pass fee to any resident who produces evidence that he or she is a service member.

DNR is required to establish and maintain a list of service members who have received the one-

time exemption from an annual state park vehicle admission sticker fee and a list of service members who have received the one-time exemption from an annual state trail pass fee. The Department indicates that no requests were made for these exemptions in fiscal year 2013-14.

Revenue to the parks account is also derived from other charges, such as camping reservations, trail use fees, golfing at Peninsula State Park and swimming at Blue Mounds State Park. In addition, a portion of the revenue from the sale of patron licenses is deposited in the parks account to reflect the parks-related privileges granted to patron license holders (annual park admission sticker, trail pass and Heritage Hill State Park admission).

Camping site fees are also a primary source of revenue to the account. Although minimum fees are established by statute, DNR may designate, by rule, properties to which higher fees apply based, in part, on local market conditions, the types of conveniences offered at the campground, and the level of use. Site fees for nonresidents are higher than the site fees for residents. 2005 Act 25 increased minimum camping site fees by \$2. Appendix IV identifies vehicle admission fees (which were last increased under 2005 Act 25) and minimum camping fees assessed for use of state park and forest properties.

While the minimum camping fees are established in statute, several administrative rule changes related to camping and parks fees occurred beginning in 2005. The rule changes included increased fees for renting park shelters, picnic shelters with electricity, and enclosed picnic shelters. In addition, DNR also increased the camping fees at eight of its high-use properties (Devil's Lake, Kohler-Andrae, Mirror Lake, Peninsula, Big Bay, Willow River, Hartman Creek, and Point Beach) by \$3 per night from Memorial Day through Labor Day and on weekends in September and October. These rule changes (and corresponding fee changes) were effective August 1, 2005.

In 2008, several additional changes to administrative rules affected the price of camping in various state parks as well as increased the price of the annual state trail pass from \$15 to \$20. Through these administrative rule changes, effective January 1, 2008, the rule permitting an additional camping fee of \$3.00 based on local market conditions was amended to eliminate fee differences based on time of year (meaning the high-use properties are now eligible to charge an additional \$3.00 per night at all times), and seven additional parks were added to the previous eight parks where fees were raised by \$3 per night to reflect market conditions including: Copper Falls, Council Grounds, Governor Dodge, High Cliff, Newport, Pattison, and Potawatomi. Additionally, the rule allowing DNR to charge additional "weekend and holiday" family camping fees for Type A and B campgrounds in the state parks or southern state forests and the Clear Lake, Crystal, Firefly Lake, and Muskie Lake campgrounds in the Northern Highland-American Legion state forest, was amended to read "additional family camping fees" meaning the additional fees could be charged on a year-round basis (rather than solely on weekends and holidays). Also, Castle Mound campground at the Black River State Forest was added to the list of campgrounds subject to the potential for an increased fee on an annual basis. Additionally, teepees and yurts were added to the list of reservable parks facilities, and reservation periods are now

aligned with family camping reservation periods allowing the public to reserve picnic areas, shelters, auditoriums, amphitheaters, teepees and yurts up to 11 months in advance.

1995 Act 27 eliminated the requirement that state park operations be funded equally from the parks account and the general fund. For 2014-15, approximately 28% of the state park \$16.7 million budget for operations is GPR supported (\$4.6 million) and approximately 72% is parks SEG-supported (\$12.1 million).

Table 12 identifies the revenue to the parks account in the 2013-15 biennium.

### Expenditures

Currently, DNR park staff operate 75 recreational properties open to the public, including 46 state parks, 14 state trails (another 25 trails are state owned, but locally operated and maintained), two national scenic trails, eight southern forests and five recreation areas (a sixth recreation area, Capital Springs, is owned by the state but primarily operated by Dane County, and a seventh recreation area, Fisher Creek, is owned by the state but operated by Manitowoc County). Appendix V lists the state parks and recreation areas operated by state parks staff. In addition, some properties are owned by the state and operated by local units of

**Table 12: Parks Account Revenue**

	Actual 2013-14	Estimate 2014-15	2013-14 % of Total
Park Stickers	\$7,469,300	\$7,000,000	44.4%
Campsite Fees	5,774,200	5,750,000	34.4
Campsite Reservations Vendor	983,300	980,000	5.8
Conservation Patron Allocation	746,700	750,000	4.4
Golf Fees	117,800	120,000	0.7
Trail User Fees	842,000	840,000	5.0
Rents, Sales, and Services	415,700	400,000	2.5
Timber Sales	59,700	60,000	0.4
All Other Revenue	<u>400,200</u>	<u>400,000</u>	<u>2.4</u>
Total	\$16,808,900	\$16,300,000	100.0%

government (such as Copper Culture State Park) or nonprofit organizations (such as Heritage Hill State Park). Also, some properties have been designated by the Natural Resources Board, but are not developed or are under development and property operation remains largely unfunded with only limited services provided. Management of properties can also change over time. For example, under 1999 Act 9, the management of the Wisconsin Dells State Natural Area was transferred from the Bureau of Endangered Resources to the Bureau of Parks and Recreation. Parks and southern forests received an estimated 15.3 million visits in fiscal year 2013-14.

The state park system properties contain 5,074 campsites (including currently planned sites and 1,095 southern forest campsites), 1,420 acres of picnic areas and 32 properties with beaches totaling approximately 20 miles in length. The state recreation system also includes an extensive network of trails, some of which are open to multiple uses. This trail system, encompassing all state parks, recreation areas, forests and trails, includes: (a) 2,160 miles of hiking trails; (b) 1,950 miles of snowmobile trails; (c) 1,230 miles of bicycle trails (including 340 miles of mountain bike trails); (d) 520 miles of groomed cross-country ski trails; (e) 830 miles of bridle trails; (f) 450 miles of ATV trails; and (g) approximately 90 miles of nature trails. .

The operating costs for the parks system include staff costs for: (a) park managers, who supervise the daily operation of state parks; (b) park rangers, who are primarily responsible for enforcement and skilled maintenance activities; (c) park naturalists, who develop and present the educational programs offered at the parks; (d) visitor services staff; (e) maintenance personnel; and (f) a position for an outdoor skills program targeted to urban families and other non-traditional outdoor recreation groups. Limited-term and seasonal employees are utilized extensively in the state park system.

Under section 27.01 of the statutes, DNR re-

tains \$1 of each camping reservation fee collected by a private vendor, Active Network. Active Network collects all of the reservation fees and the general campsite fees and then remits the revenue from these fees to DNR, where they are deposited in the parks and forestry accounts. The Department then returns \$8.70 of every \$9.70 to Active Network from an appropriation in the parks and forestry accounts. In 2013-14, the vendor payment totaled approximately \$1.3 million (including \$927,200 from the parks account).

Current law authorizes DNR to charge fees, in addition to vehicle admission fees, for special programs and events in state parks. 2007 Act 20 created a SEG continuing appropriation into which revenue from educational and interpretive programs in state parks is credited, to be used for costs associated with those programs. Revenues totaled \$24,100, with expenditures of \$33,600 in 2013-14.

**Split-Funded Appropriations.** Functions that are funded by several conservation fund accounts are described under the "General Conservation Fund" section near the end of this paper.

Parks account funding (\$12,100 in 2014-15) is also provided for general program operations in the Department of Tourism.

Table 13 identifies expenditures from the parks account for the 2013-15 biennium.

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## Water Resources Account

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### Revenue

The main source of revenue to the water resources account, created in 1987 Act 27, is an annual transfer of motorboat fuel tax revenue into the account. The amount of the transfer each fiscal year is calculated by multiplying the motor fuel

**Table 13: Parks Account Expenditures**

	2013-14 Actual	2014-15 Appropriated	2013-14 % of Total	2014-15 Staff
Parks and Recreation Program Operations	\$11,786,700	\$12,076,700	75.7%	95.77
Campground Reservation Fees	927,200	958,600	6.0	0.00
Parks Interpretive Fees	33,600	0	0.2	0.00
<b>Split-Funded Appropriations</b>				
Administration and Technology Services	930,100	975,500	6.0	8.03
Customer Assistance and Employee Services	303,700	306,800	2.0	2.28
Land Program Management	486,300	462,300	3.1	3.39
Bureau of Facilities and Lands	480,000	510,100	3.1	5.26
Administrative Facility Repair and Debt Service	190,600	462,300	1.2	0.00
Aids in Lieu of Taxes	21,900	22,000	0.1	0.00
Resource Acquisition and Development	199,700	232,300	1.3	0.00
Taxes and Assessments	20,800	54,800	0.1	0.00
Rent and Property Maintenance	174,600	185,600	1.1	0.00
Miscellaneous	1,000	0	0.0	0.00
<b>Other Agency Appropriations</b>				
Tourism Appropriation	<u>12,100</u>	<u>12,100</u>	<u>0.1</u>	<u>0.00</u>
Total	\$15,568,200	\$16,259,100.00	100.0%	114.73

tax on 50 gallons of gasoline on April 1 of the previous fiscal year by the number of motorboats registered as of January 1 of the previous fiscal year, and then multiplying this result by 1.4. In 2014-15, DNR is expecting \$12,883,500 to be transferred to the water resources account under this formula (595,632 motorboats x 50 gallons per motorboat x 30.9¢ per gallon x 1.4). Table 14 identifies 2013-14 and 2014-15 revenues and expenditures from the water resources account.

### Expenditures

Funding from the water resources account is used to support: (a) development of state and local recreational boating facilities; (b) lake and river management activities and grant programs; (c) dam inspection and safety; and (d) a portion of the operational management of the Fox River locks system.

**Recreational Boating Projects.** Under this program, the Department provides grants to municipalities, counties, town sanitary districts, public inland lake protection and rehabilitation districts, qualified lake associations, the Milwaukee

River Revitalization Council, and the Lower Wisconsin State Riverway Board for up to 50% of the costs of developing recreational boating facilities approved by the Waterways Commission.

The Waterways Commission is a five-member board appointed by the Governor with the advice and consent of the Senate for staggered, five-year terms. The Commission is attached to DNR and is comprised of the following members: (a) one resident of the Lake Superior area; (b) one resident of the Lake Michigan area; (c) one resident of the Mississippi River area; (d) one resident of the Lake Winnebago watershed area; and (e) one resident from the inland area of the state. Each member must be able to assess the recreational water use problems in his or her geographical area of the state. The Waterways Commission approves recreational boating projects found to be feasible and supported by the local unit of government or qualified sponsor.

A recreational boating project grant may be used to support up to 60% of project costs if the sponsor conducts a boating safety enforcement and education program approved by DNR. Feasi-

**Table 14: Water Resources Account Revenue and Expenditures**

	2013-14 Actual	2014-15 Appropriated	2013-14 % of Total	2014-15 Staff
Fuel Tax Transfer	\$13,081,500	\$12,883,500	99.8%	
Investment and Other Income	19,800	19,500	0.2	
Total Revenue	\$13,101,300	\$12,903,000	100.0%	
Recreational Boating Projects	\$341,400	\$400,000	2.7%	0.00
Lake, River and Invasive Species Management	2,981,100	2,988,400	23.6	18.50
Lake Protection Grant Program	2,398,900	2,452,600	19.0	0.00
Aquatic Invasive Species Grants	3,798,300	4,029,100	30.0	0.00
River Protection Grant Program	240,700	289,500	1.9	0.00
Dam Safety and Wetland Mapping	611,000	632,800	4.8	6.00
Dam Safety Debt Service	524,600	543,600	4.1	0.00
Public Health	12,900	24,700	0.1	0.00
State Boat Access Sites	60,700	184,800	0.5	0.00
State Boat Access Sites to Southeastern Lakes	6,500	92,400	0.1	0.00
Water Resources Enforcement	213,400	186,000	1.7	2.20
Resource Inventory	121,600	121,600	1.0	0.00
Nonprofit Conservation Organization Aids	200,700	212,400	1.6	0.00
Mississippi St. Croix River Management	2,000	57,700	0.0	0.00
Miscellaneous	700	0	0.0	0.00
<b>Split-Funded Appropriations</b>				
Administration and Technology Services	417,700	438,100	3.3	3.60
Customer Assistance and Employee Services	338,800	344,200	2.7	3.40
Water Program Management	4,600	2,200	0.0	0.00
Bureau of Science Services	79,800	85,000	0.6	1.00
Enforcement and Science Management	8,600	9,700	0.1	0.07
Resource Acquisition Development and Maintenance	7,200	7,800	0.1	0.00
<b>Other Agency Appropriations</b>				
Lower Wisconsin State Riverway Board	153,600	156,600	1.2	1.50
Fox River Navigational System Authority	125,400	125,400	1.0	0.00
Total Expenditures	\$12,650,200	\$13,384,600	100.0%	36.27

bility studies, which are eligible for state cost-sharing, must be completed for any project before it is assigned to a priority list. Grants are available for recreational boating projects that include providing public access (boat ramps and related parking facilities), navigational aids or markers, dredging, weed removal, and capital equipment used for trash or debris removal.

1997 Act 27 provided DNR with the authority to provide grants for up to 80% of the costs of developing recreational boating facilities (and up to 90% if the sponsor conducts a boating safety program) if the project is deemed to be of regional or

statewide importance by the Waterways Commission. Under administrative rule, "statewide significance" would be determined by the Waterways Commission based on the following criteria. For projects located on lakes or flowages, all of the following criteria must be met: (a) the lake must be at least 1,000 surface acres in size, or the project must be located on Lake Superior or Lake Michigan; (b) the site must have (or will have as a result of the project) a boat launching facility protected by a breakwater structure; and (c) the project must be located on a lake or flowage that has the minimum number of car-trailer unit parking spaces (or will have the minimum number of

spaces as a result of the project) required under administrative rule NR 1.91. For projects located on rivers, the project must meet all of the following criteria: (a) it must be located on the Mississippi River; (b) it must provide motorized boating access to a river at a site that is more than 10 miles from another motorized boating access site; and (c) the project must provide a minimum 15 car-trailer unit parking spaces at the site.

The following restrictions apply to the distribution of grants: (a) no more than 10% of state funding may be expended for feasibility studies in any year, and no more than 1% may be provided for any one feasibility study; (b) at least 40% of state funding must be expended for Great Lakes projects, 40% must be expended for inland lakes projects and 20% may be expended for projects deemed necessary by the Waterways Commission without regard to location; and (c) no state funds may be used for the acquisition of land or for the construction of berths.

Under administrative rule NR 51, if, by the date of the grant award, a project sponsor fails to establish boat launch fees as a method to pay for maintenance of existing landings under the sponsor's jurisdiction, the Waterways Commission may reduce that grant award by a percentage to be determined by the Commission during each grant cycle, not to exceed 25% of the total grant award amount. The statutes limit boat launching fees to a "reasonable fee," set in administrative rule NR 1.91(11) as a maximum base fee equal to the daily park admission fee (currently \$7) plus additional fees for attendants on-duty, toilet facilities and larger boats (from 20% to 60%). A season pass may not exceed 10 times the daily launch fee and nonresident fees, if charged, may not exceed 150% of municipal resident fees.

2005 Act 25 reduced the amount appropriated for recreational boating aids from \$4.5 million in 2004-05 to \$3.1 million annually beginning in 2006-07, while providing an additional \$1 million for invasive species control grants. 2007 Act 20

transferred \$2.5 million beginning in 2008-09 of water resources SEG from recreational boating project aids to the distribution of grants for the control of aquatic invasive species. This amount was replaced by stewardship program bonding of \$2.5 million annually beginning in 2008-09.

2013 Act 20 directed DNR to provide a \$200,000 grant to the Southeastern Wisconsin Fox River Commission, in fiscal year 2013-14 (*See "Grants to NCOs"*). In fiscal year 2013-14, \$2,919,700 (including \$2.5 million in stewardship program bonding, and \$419,700 in water resources account SEG) was awarded for recreational boating grants including the \$200,000 grant provided to the Southeastern Wisconsin Fox River Commission.

**Lake, River, and Invasive Species Management.** The water resources account supports 18.5 Department staff who are responsible for surface water monitoring and water resources management and oversee the state's aquatic invasive species program. Funding is used to conduct diagnostic studies, support demonstration projects and develop and distribute information on lakes and river management to lake districts and waterfront property owners. Staff also provide technical and educational assistance to local governments, including public inland lake rehabilitation districts and lake and river associations. Funds are also used for monitoring aquatic invasive species, public education and boat inspection efforts, and for research related to the control of invasive animal and plant species. In 2014-15, \$2,988,400 is appropriated for lake, river, and invasive species management.

**Lake Protection Grant Program.** Under 1999 Act 9, funding for lake management and classification grants was merged with lake planning grants to form the consolidated lake protection grant program.

Lake protection grants may be awarded for a variety of purposes, including management pro-



jects that will improve or protect the quality of water in lakes, flowages, or natural lake ecosystems. A grant for a lake management project may be made for up to 75% of the cost of the project, up to \$200,000 per grant. Counties, municipalities, non-profit conservation organizations, qualified lake associations, town sanitary districts, certain school districts, and public inland lake protection and rehabilitation districts are all eligible to apply for grants for lake management projects. Eligible activities include: (a) the purchase of land or conservation easements (if the purchase will substantially contribute to the protection or improvement of a lake or natural lake ecosystem's water quality); (b) wetland restoration; (c) restoration of shoreline habitat; (d) development of local regulations or ordinances that will protect or improve the water quality of a lake or natural lake ecosystem; and (e) an activity that is approved by DNR, and that is needed to implement a recommendation made as a result of a plan to improve or protect the quality of water in a lake or natural lake ecosystem. By administrative rule, the minimum allowable membership fee for a qualified lake association is \$5 annually, and the maximum is \$50 annually.

Lake protection grants may also include lake classification activities for: (a) lake classification project grants of up to \$50,000 per county for up to 75% of the costs for the development and implementation of lake classification and subsequent protection programs; and (b) lake classification technical assistance grants of up to \$200,000 each to nonprofit corporations to provide educational and technical assistance to local units of government and lake management organizations that will participate in a lake classification project. Since fiscal year 1998-99, this has primarily included one contract for \$200,000 awarded annually to Wisconsin Lakes.

In addition, DNR may distribute grants for lake planning projects. Examples of eligible activities include data collection, mapping, water quality assessment, nonpoint source pollution evaluation,

management strategy development and other projects that would provide baseline information on the status of lakes. 2011 Act 32 increased the maximum lake planning grant award from \$10,000 to \$25,000 per grant. In addition, the Act reduced the maximum share of state funding from 75% of project costs to 67% of project costs. Further, the Act specifies that lake planning grants may not exceed \$50,000 per fiscal year (two \$25,000 grants) for lake planning projects on any one lake.

**Aquatic Invasive Species Grants.** DNR administers a financial assistance program which awards cost-sharing grants to local units of government and other entities for up to 75% of the costs of projects to prevent or control aquatic invasive species, and for education and inspection programs at boat landings. 2007 Act 20 deleted a requirement that projects be awarded only to local government units. This action made any public or private entity eligible for a state grant. In 2014-15, \$4,029,100 is appropriated for aquatic invasive species grants.

**Lake Monitoring.** Section 261.68 of the statutes allows DNR to award contracts to public groups or individuals for the creation and support of a statewide lake monitoring network. The total amount of the contract(s) may not exceed 10 percent of the total amount appropriated for the lake protection grant program and aquatic invasive species grants. Since 2003, the Department has awarded the primary contract to the University of Wisconsin Extension to be used for the Citizen Lakes Monitoring Network.

**River Protection Grant Program.** A river protection grant program was created in 1999 Act 9 and was split-funded from the non-point account and the water resources account. 2003 Act 33 eliminated the contribution from the non-point account, and increased funding from the water resources account by the same amount. \$289,500 has been appropriated annually since 2011-12. Any unencumbered funding in the river protection

grants appropriation at the end of each fiscal year is transferred to the lake protection grant appropriation.

DNR distributes river protection grants to improve or protect the quality of water in rivers, streams and flowages. These grants are limited to 75% of project costs, up to \$50,000 per grant for management projects and \$10,000 per grant for planning projects. Eligible grant recipients include counties, cities, towns, villages, qualified lake or river associations, town sanitary districts, public inland lake districts, nonprofit conservation organizations and other local governmental units that are established for the purpose of lake or river management. Grants under this program may be used for activities that contribute to the protection or improvement of a river's water quality or its natural ecosystem. Eligible management activities include: (a) purchase of land or conservation easements; (b) restoration of wetlands, in-stream, or shoreline habitat; (c) development of local regulations or ordinances; (d) installation of pollution control practices; and (e) other activities as determined by DNR. Eligible planning activities include: (a) data collection; (b) assessments of water quality, fish, aquatic life, and habitat; (c) assessments of the uses of a river and surrounding land; (d) non-point source pollution evaluation; (e) programs and materials to assist in forming river management organizations; and (f) informational or educational materials that address protection of rivers, their uses, and improvements to river habitat.

**Dam Safety and Wetland Mapping Program.** DNR prepares and maintains maps of wetland areas throughout the state in order to better protect wetland resources and provide information to individuals seeking permits that may impact these areas. Wetland areas too small to classify and delineate are identified as point symbols on the maps. Counties, cities, and villages set minimum shoreland wetland zoning ordinances based on the Wisconsin Wetland Inventory maps.

There are approximately 3,900 dams located on waterways in Wisconsin. Of these, approximately 1,030 are classified as large dams. 2009 Act 28 made a number of changes to dam inspection requirements including a change to the definition of a large dam. A dam is considered a large dam if it: (a) has a structural height of 25 feet or more that can impound more than 15 acre-feet of water (same as prior law), or (b) has a structural height of six feet and impounds 50 acre-feet "or more" of water. Prior to 2009, DNR was required to inspect large dams at least once every 10 years. DNR is now required to classify each dam in the state as high hazard - a large dam the failure of which would probably cause loss of human life; significant hazard - a large dam the failure of which would probably cause significant property damage but would probably not cause loss of human life; or low hazard- a large dam the failure of which would probably not cause significant property damage or loss of human life. DNR is required to inspect each high hazard dam and each significant hazard dam at least once every ten years. In addition, an owner of a large dam is required to hire a professional engineer to inspect the dam as follows: for a high hazard dam - four times between each inspection by DNR; for a significant hazard dam- at least two times between each DNR inspection, and for a low hazard dam- at least once every 10 years. Owners are also required to submit a report to the Department detailing the inspection results within 90 days of inspection. The dam inspection requirements do not apply to a dam that is inspected periodically by or under the supervision of a federal agency in a manner which is acceptable to DNR (such as federally-regulated hydroelectric dams) and if the results of each inspection are made available to the Department.

**Dam Safety Debt Service.** Since the 1989-91 biennium, DNR has administered the municipal dam safety grant program under s. 31.385 of the statutes. The program provides matching grants to counties, cities, villages, towns and public inland lake protection and rehabilitation districts for the

repair, reconstruction, or removal of municipal dams. To qualify for a grant, the locality must own a dam that has been inspected by DNR and be under a DNR directive to repair or remove the dam. Dam safety grants may also be awarded to remove abandoned dams or to any dam owner to voluntarily remove their dam. A total of \$24.1 million in bonding revenues for dam safety grants has been authorized by the Legislature for this program, including \$4 million in each of the last three biennia.

Debt retirement costs on \$17.5 million (73%) of program bonds are funded with general purpose revenues. The debt service on the remaining \$6.6 million (27%) is funded from the water resources account.

Grants for dam repair and reconstruction may be provided for up to 50% of the first \$400,000 in project costs and up to 25% of the next \$800,000 in project costs (\$400,000 maximum grant award for a \$1.2 million project). 2011 Act 32 removed a six-month time limit in which municipalities were required to request grant funding after receiving inspection directives or administrative orders from DNR. Dam owners are still required to be under an administrative order or inspection directive in order to be eligible for a dam safety grant.

Utilizing the \$20.1 million in bonding revenues authorized by the Legislature up to and including the \$4 million authorized in 2011 Act 32, the program funded the repair or reconstruction of 102 municipally owned dams and the removal of 43 small, abandoned, or municipally owned dams. Using the \$4 million authorized in 2013 Act 20, as of November, 2014, the Department had awarded, or had pending, 21 grants for the repair or reconstruction of municipal dams, and had awarded two dam removal grants, for an estimated total cost of \$3.9 million.

DNR is required to keep an inventory of all dams requiring a dam safety project and provide notice to the owner of a dam that is included in the

inventory, and DNR is required to establish a notice and hearing process for a dam owner to object to the inclusion of the owner's dam on the inventory list.

In addition, 2011 Act 32 specified that DNR set aside not less than \$6,000,000 in existing bonding revenue, from the land acquisition sub-program of the Warren Knowles Gaylord Nelson Stewardship program for dam safety grants to counties. Debt service on stewardship program bonds is primarily paid with GPR, although forestry account SEG also contributes. The grants may only be awarded for a county-owned dam that is under an order by DNR for maintenance, modification, abandonment or removal as of July 1, 2011. Further, the Act specifies that these grants may be provided for up to 25% of eligible project costs, with a maximum grant award of \$2,500,000 (\$10,000,000 project). Of this amount, as of November, 2014, DNR had awarded a total of \$991,800 to Vernon County, with an additional grant for an estimated total state cost of \$375,000 to Vernon County pending. In addition, the Department indicated that a grant to Milwaukee County for the Estabrook Dam for an estimated state cost of \$1.5 million and a grant to Racine County for the Waterford Dam for an estimated state cost of \$55,000 (pending a verification of ownership) was also pending.

**Public Health -- Water Monitoring.** 2005 Act 25 created an annual appropriation to support public health activities in the Integrated Science Services Bureau relating to surface water quality.

**State Boat Access Sites.** The Department is budgeted water resources account funds in two appropriations for state-owned facilities. DNR is appropriated \$277,200 annually to fund the development of state-owned boating facilities, of which at least \$92,400 must be used for facilities located in a sixteen-county region in southeastern Wisconsin.

**Water Resources Law Enforcement.** Begin-

ning in 2003-04, 2.2 conservation warden positions were transferred from GPR to water resources account SEG. This transfer was based on DNR enforcement activity reports that indicated an equivalent number of enforcement hours were devoted to water resource protection efforts (such as public and private water supply and polluted water run-off enforcement).

**Resource Inventory.** The Department maintains an aquatic and terrestrial resources inventory in order to better catalog natural resources statewide, and integrate knowledge gained from the inventory in statewide planning efforts to better protect the available resources.

**Nonprofit Conservation Organization Aids.** Funding of \$212,400 in 2014-15 is provided from the water resources account for grants to select non-profit conservation organizations including grants to Gathering Waters and the Natural Resources Foundation (these grants are also partially funded by the forestry account) and the River Alliance of Wisconsin. (*See "Grants to NCOs" section near the end of this paper*).

**Mississippi and St. Croix River Management.** Funding (\$57,700 in 2014-15) is provided for habitat and recreational projects and for environmental and resource management studies on the Mississippi and Lower St. Croix Rivers.

**Lower Wisconsin State Riverway Board (LWSRB).** The water resources account also provides 75% of the SEG for the LWSRB, which is intended to preserve and protect the scenic beauty and natural character of the Lower Wisconsin State Riverway through controlled land use and development. The remaining 25% is funded from the forestry account.

**Fox River Navigational System Authority.** The water resources account partially funds operational and management costs for the locks and associated harbors, property, structures, and facilities on or near the Fox River between Green Bay

and Lake Winnebago. This activity is also supported from federal monies, user fees and donations. Ongoing support of \$125,400 SEG annually is provided.

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## Boat Registration Account

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Article IX of the Wisconsin Constitution specifies that the state's navigable waters "shall be common highways and forever free" to Wisconsin and U.S. citizens "without any tax, impost, or duty therefore." As a result, the use of revenue from boat registration fees has been limited to boating safety and law enforcement purposes by court interpretation of this constitutional provision.

## Revenue

The primary source of revenue deposited in the boat registration account is the registration fee collected for all motorized boats and sailboats over twelve feet in length operated on state waters. Beginning in 2000, all boat registrations are valid for a period of up to three years, beginning on April 1 of the year in which the registration is issued and ending on March 31 of the third year after issuance. Motorized boat registration fees vary according to boat length. 2007 Act 20 increased boat registration fees by approximately 15%. Further, 2009 Act 28 increased motorized boat registration fees again by approximately 15% (fees for voluntarily registered non-motorized boat registrations, fleet registrations, registration transfers, and dealer/manufacture certifications remain unchanged). As passed by the Legislature, 2009 Act 28 also would have created an annual \$15 non-resident boat sticker effective January 1, 2010. Sticker sales were estimated at 40,000 to 60,000 annually. However, the Governor item-vetoed this provision. Current boat registration fees are shown in Appendix VI.

Other sources of revenue to the boat registra-

**Table 15: Boat Registration Account Revenue**

	2013-14 Actual	2014-15 Appropriated	2013-14 % of Total
Motorized Boat Registration Under 16 ft	\$1,190,200	\$2,225,000	27.1%
Motorized Boat Registration 16 to 26 ft	2,244,000	4,000,000	51.1
Motorized Boat Registration 26 to 40 ft	132,600	205,000	3.0
Motorized Boat Registration Over 40 ft	15,100	25,000	0.3
Motorized Fleet Registrations	20,500	55,000	0.5
Other Registration Fees	214,100	275,000	4.9
Nonmotorized Boat Registrations	46,600	90,000	1.1
Boat Title and Lien Fees	182,100	225,000	4.1
Education and Safety (Boat)	33,200	20,200	0.8
Other Revenue	<u>311,500</u>	<u>279,800</u>	<u>7.1</u>
Total	\$4,389,900	\$7,400,000	100.0%

tion account include: (a) boat titling and lien fees; (b) fees paid by people enrolled in boat safety programs; and (c) 1% of the sales tax revenue the Department collects from people who have purchased boats and have not provided proof that a sales tax was paid (which is required before the boat can be registered).

Table 15 identifies revenue to the boat registration account for the 2013-15 biennium.

### Expenditures

Boating account revenues are used to fund: (a) state costs of boating law enforcement by DNR conservation wardens and of administration of boating safety programs, and (b) aids to municipalities for up to 75% of the costs of local boating law enforcement and safety programs.

#### **Boating Enforcement and Safety Training.**

The Department utilizes conservation wardens to enforce the state's boating and related safety laws. During 2013-14, permanent conservation wardens recorded 55,000 hours related to boating (including 23,800 hours of enforcement) and issued 964 citations for boating-related violations. Funds from the boat registration account also support (in conjunction with the snowmobile and ATV accounts) an integrated online boat, snowmobile, and ATV registration processing system.

The Department's safety training program disseminates boating safety information and administers a statewide program of safety courses conducted by local instructors trained, certified and supervised by DNR conservation wardens. The course material presented covers general boating laws and safety tips for the operation of all types of watercraft. Anyone born after January 1, 1989 is required to take the course and obtain a certificate in order to operate a motorized boat without the supervision of an adult. The courses are open, however, to anyone wishing to enroll. In addition to the traditional classroom courses (fee: \$10), DNR also offers online boat education courses at a cost of \$30 (DNR retains \$1 of the fee for each completed online course).

In addition, Wisconsin residents and visitors who do not already possess a valid boating safety certificate, but who wish to rent a boat or personal watercraft to operate on Wisconsin waters may obtain a temporary certificate, valid only for the year in which it is issued. Boat rental businesses provide instruction to boat renters who are required to have safety education but have not completed the standard course (rental businesses collect \$10 per student and remit \$5 per student to the Department). The temporary certificate program is also offered online (DNR retains \$1 of the \$11 fee for each online course completed). In fiscal year 2013-14, 11,377 people received certificates in

**Table 16: Boat Registration Account Expenditures**

	2013-14 Actual	2014-15 Appropriated	2013-14 % of Total	2014-15 Staff
State Boating Enforcement and Safety	2,309,900	2,887,800	45.3%	21.00
Boating Enforcement Aids	1,386,000	1,386,000	27.2	0.00
Administration and Technology Services	328,800	344,900	6.5	2.84
Customer Assistance and Employee Services	889,700	1,009,600	17.5	9.56
Resource Acquisition, Development and Maintenance	5,600	6,200	0.1	0.00
Enforcement and Science Management	81,800	93,100	1.6	0.70
Education and Safety	20,200	20,200	0.4	0.00
Handling Fees	71,700	71,700	1.4	0.00
Miscellaneous	<u>600</u>	<u>0</u>	<u>0.0</u>	<u>0.00</u>
Total	\$5,094,300	\$5,819,500	100.0%	34.10

boat safety courses including 9,215 through online courses. In addition, 2,065 people received temporary certificates for boat or personal watercraft rental including 314 through online courses.

**Boating Enforcement Aids to Municipalities.** The Department distributes aids to municipalities for the costs of local boating law enforcement, search and rescue, and safety activities. Municipalities are eligible for up to 75% of their approved costs, but aid payments are prorated if claims exceed the appropriation level. No municipality may receive aid amounting to more than 20% of the funds available. For enforcement activities that occurred in calendar year 2013, 94 municipalities received reimbursements totaling \$1,786,000 (including \$400,000 in federal funds), which represented 73% of the approximately \$2.45 million in eligible local water patrol activities. Local boat patrols logged approximately 63,300 hours and issued almost 3,900 citations.

Table 16 identifies expenditures from the boat registration account for the 2013-15 biennium.

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### All-Terrain Vehicle Account

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The Department administers a state recreational program for all-terrain vehicles (ATVs). Fur-

ther, 2011 Act 208 included the administration of the utility terrain vehicle (UTV) program under the ATV account. Generally, ATVs are smaller than UTVs, with less hauling capacity, less seating, and greater maneuverability. Currently, under s. 340.01(2g) of the statutes, an ATV is defined as "an engine-driven device which has a net weight of 900 pounds or less, which is originally manufactured with a width of 50 inches or less, which is equipped with a seat designed to be straddled by the operator and which is designed by the manufacturer to travel on three or more low-pressure tires."

On the other hand, UTVs are generally larger, wider, and heavier, often have side-by-side seating, and a large rear cargo hold, and may have truck-like cabs and seats that allow riders to sit upright, rather than straddle a seat as is common on an ATV. However, 2011 Act 208 classified what might have been considered large ATVs (vehicles with three or more wheels, a straddle seat, and a weight of 900 or more pounds) as UTVs for the purposes of Wisconsin regulation. Under the Act, DNR or a federal agency, county, or municipality may designate ATV routes and trails where UTV use is permitted or routes where it is prohibited. The Act provided that no UTV may be operated on an ATV route, trail, or corridor unless the relevant authority has designated the route, trail, or corridor as open to UTVs.

## Revenue

The main source of revenue to the ATV account is from ATV, and effective July 1, 2012, UTV, registrations. An ATV, or a UTV, may not be operated in the state unless it is registered with DNR, subject to certain exceptions. A registration fee of \$30 is assessed for an ATV or UTV public operation permit, which is valid for a two-year period (beginning on April 1 or the date of issuance or renewal and ending March 31 of the second year following the date of issuance or renewal). In addition, 2011 Act 208 required anyone registering an ATV or UTV for public use to attach his or her own plate to the rear of the vehicle and attach a registration decal, furnished by DNR, to each side of the vehicle in a clearly visible position forward of the driver. The plate must be a minimum of four inches high and a minimum of 7.5 inches wide. The fee for a private operations permit, under which an ATV or UTV may be operated on private property only, is \$15. A private operations permit is valid until the ownership of the vehicle is transferred. A person who registers an ATV or UTV for private use is required by 2011 Act 208 to attach a registration decal, furnished by DNR, to the vehicle on each side, in a clearly visible position forward of the driver. In addition, a commercial ATV and UTV registration fee of \$90 is required.

Another major source of revenue to the ATV account is the annual non-resident trail pass. 2011 Act 208 broadened this pass to cover utility terrain vehicles as well as ATVs (2007 Act 20 increased the fee for the annual sticker from \$18 to \$35). In addition, Act 208 created a five-day ATV or UTV trail pass for a fee of \$20, effective July 1, 2012. ATVs and UTVs not registered in Wisconsin are required to display a trail use sticker to use public ATV corridors. The trail pass must be attached to the ATV or UTV in a highly visible location on the forward half of the vehicle. Act 208 also changed the expiration date of the annual trail passes from June 30 to March 31 of each year. In fiscal year 2013-14, 1,171 five-day non-resident trail passes

and 12,711 annual non-resident trail passes were sold.

Revenue is also derived from a transfer of ATV fuel tax revenue to the account. The transfer is made annually, and is equal to the number of registered ATVs as of the last day of February of the previous fiscal year multiplied by the amount of motor fuel tax assessed on 25 gallons of gasoline as of that date. For 2014-15, \$1,974,000 from this transfer will be available for the ATV account, based on the number of ATVs registered for public use on February 28, 2014, and the motor fuel tax rate as of that date (255,536 ATVs x 25 gallons x 30.9¢ per gallon). In addition, beginning in fiscal year 2013-14, 2011 Act 208 created a utility terrain vehicle fuel tax transfer. The transfer is equal to the number of registered UTVs as of the last day of February of the previous fiscal year multiplied by the amount of motor fuel tax assessed on 25 gallons of gasoline as of that date. For fiscal year 2014-15, \$137,600 from this transfer will be available (17,815 UTVs x 25 gallons x 30.9¢ per gallon).

Other sources of revenue to the account include: (a) ATV and UTV safety certificate fees, and (b) 1% of the total sales tax revenue DNR collects from people who have purchased ATVs and UTVs and have not provided proof that a sales tax was paid (which is required before the vehicle can be registered).

Table 17 shows 2013-14 actual and 2014-15 estimated revenue to the all-terrain vehicle account.

## Expenditures

**State and Local ATV Trail and Project Aids.** Revenues from the ATV fuel tax transfer and a portion of ATV registration revenues are used to provide grants to towns, villages, cities, counties and federal agencies for any of the following types of ATV projects: (a) land or easement acquisition; (b) ATV facilities (such as park-

**Table 17: All-Terrain Vehicle Account Revenue**

	2013-14 Actual	2014-15 Estimate	2013-14 % of Total
ATV and UTV Registrations	\$3,856,700	\$3,800,000	60.8%
ATV Fuel Tax Transfer	1,865,000	1,974,000	29.4
UTV Fuel Tax Transfer	40,500	137,600	0.6
Non Resident Trail Pass	461,600	400,000	7.3
Late Registration Renewal fee (\$5)	59,600	60,000	0.9
Education and Safety (ATV)	20,900	22,000	0.3
Handling Fees	45,100	45,100	0.7
Other Revenue	<u>-4,200</u>	<u>1,300</u>	<u>0.0</u>
TOTAL	\$6,345,200	\$6,440,000	100.0%

ing areas, riding areas and shelters); (c) development and maintenance of ATV trails; (d) purchase of liability insurance; and (e) signs briefly explaining the law related to intoxicated operation of ATVs and UTVs. The state supports nearly 1,900 summer trail miles, and approximately 4,375 winter miles which are managed by local units of government. In 2004, DNR promulgated an administrative rule that increased its rate of reimbursement for summer ATV trail maintenance work from \$220 per mile to \$450 per mile and from \$80 per mile to \$100 per mile for winter trail miles. The reimbursement rate for summer maintenance was again increased through administrative rule NR 64 in 2012, to \$600 per mile from \$450.

In addition, the 2012 administrative rule NR 64 revisions also included the creation of a new hybrid trail + route category, also referred to as a "troute". Several existing ATV (and UTV) trails overlap existing roads. The rule defines a "hybrid trail (troute)" as "an all-terrain vehicle trail and route combination that allows all-terrain vehicles and motor vehicles to utilize the same linear surface and the combination is used as a trail connector". A trail connector is then defined as "an all-terrain vehicle trail that connects one trail to another trail or services." The rule specifies any hybrid trail that received funding prior to the effective date of the rule and is posted with signs as a hybrid trail, is eligible for the full per-mile reimbursement rates and rehabilitation costs. A separate rate is specified for hybrid trails developed on

or after the effective date of the rule of a maximum of up to 50% of the per-mile rate (not more than 50% of the per-mile rate for roads that do not benefit from the receipt of state transportation aids, and for roads maintained by recipients of transportation aids, such as towns, cities, and villages, the per-mile rate minus the amount of transportation aid received for the area of the trail (miles), for a total not to exceed 50% of the per-mile rate).

**Utility Terrain Vehicles Program.** Prior to 2011 Act 208, DNR had administered a UTV pilot program in consultation with the Department of Transportation. Under the pilot program, UTVs were registered in the same manner as ATVs, with all revenue collected from UTV registration fees deposited in an appropriation for administration of the UTV pilot program. The program sunset on July 1, 2012.

2011 Act 208 established a permanent method for regulating the use of UTVs and generally subjects UTVs to the same laws as ATVs. Under the Act, a UTV is defined as any of the following: (1) a motor driven device that does not meet federal motor vehicle safety standards in effect on July 1, 2012, that is not a golf cart, low-speed vehicle, dune buggy, mini-truck, or tracked vehicle, that is designed to be used primarily off of a highway, and that has, and was originally manufactured with, all of the following: (a) a net weight of less than 2,000 pounds; (b) four or more low-pressure tires; (c) a cargo box installed by the manufactur-



er; (d) a steering wheel; (e) a tail light; (f) a brake light; (g) two headlights; (h) a width of not more than 65 inches; (i) seats for at least two occupants, all of which seating is designed not to be straddled; (j) a system of seat belts, or a similar system, for restraining each occupant of the device in the event of an accident; and (k) a system of structural members designed to reduce the likelihood that an occupant would be crushed as the result of a rollover of the device; or (2) a motor driven device that has a net weight of more than 900 pounds, that is originally manufactured with a width of 50 inches or less, that is equipped with a seat designed to be straddled by the operator, and that is designed by the manufacturer to travel on three or more low-pressure tires.

**UTV Trail and Project Aids.** Under 2011 Act 208, beginning in fiscal year 2013-14, revenues from the UTV fuel tax transfer and a portion of UTV registration revenues may be used to provide grants to towns, villages, cities, counties, and federal agencies for UTV trail projects. In fiscal year 2014-15, \$233,200 (\$137,600 from the UTV fuel tax transfer and \$95,600 from UTV registration revenues) is appropriated for this purpose.

**Landowner Incentive Program.** 2007 Act 20 created an ATV landowner incentive program and redirected all non-resident trail pass revenues from the local trail aids appropriation to a continuing appropriation for landowner incentive program payments beginning in 2008-09. The program would provide grants to private landowners who permit public all-terrain vehicle corridors on their lands. Landowners may receive annual incentive payments at the following rates based on the number of days the trail was open for public use during the previous fiscal year: (a) \$25 for each mile that was open for public use for at least 60 but less than 180 days; (b) \$75 for each mile that was open for public use at least 180 days but less than 270 days; or (c) \$100 for each mile that was open for public use for 270 days or more. No landowner incentive grants were awarded in fiscal years 2008-09 through 2010-11. As a result, 2011 Act

32 lapsed \$1,299,900 from the appropriation to the balance of the segregated ATV account in 2011-12.

The appropriation is biennial, whereby the amount specified in the appropriation schedule, is the amount, from revenues from non-resident trail pass sales, which may be committed from the appropriation each biennium. Any remaining uncommitted balance at the close of the biennium, and any revenues from the annual sale of non-resident trail passes beyond the amount in the appropriation schedule, are deposited to the balance of the ATV account.

No landowner incentive grants have ever been awarded under the program. While \$405,900 is appropriated for these grants in fiscal year 2014-15, DNR indicates the Department does not plan to award any landowner incentive grants in fiscal year 2014-15, meaning the full biennial amount of \$811,800 would lapse to the balance of the ATV account at the close of fiscal year 2014-15.

**State ATV and UTV Trail Projects.** Trails that accommodate ATVs on state property, including state parks, are allocated maintenance, rehabilitation, and development funds of \$310,500 in 2014-15. Beginning in fiscal year 2013-14, \$16,900 is set aside from UTV registration fees for maintenance, rehabilitation, and development on state trails that are open to UTVs. While the state parks (and trails) system includes approximately 510 miles of ATV trails (510 miles open for winter use and 440 miles open for summer use), the state maintains approximately 223 miles, and counties maintain the remaining miles (287) through cooperative agreements. All ATV trails on state properties are currently open to UTV use except seven miles at Richard Bong State Recreational Area because they are constructed trails in a track-like setting and have not been deemed appropriate for UTV use.

**State ATV and UTV Enforcement and Safety Training.** Part of the workload of conservation

wardens is the enforcement of state ATV, and UTV, laws. During 2013-14, permanent conservation wardens recorded 15,500 hours related to ATVs and UTVs (including 6,600 hours of enforcement) and issued 502 citations for violations related to ATVs and UTVs. In addition, the Department's safety training program disseminates ATV, and beginning July 1, 2012, UTV, safety information and administers a statewide program of safety courses conducted by local instructors who are trained, certified and supervised by DNR conservation wardens. The course material presented covers general ATV and UTV laws and safety tips for the operation of all ATVs and UTVs.

**ATV Trail Safety Grant.** The ATV safety enhancement grant program was created under 2001 Act 16. Available funding is awarded in the form of a grant to a non-profit organization (currently the National Off-Highway Vehicle Insurance Services Group, Inc. or NOHVIS), to assist DNR in promoting the operation of ATVs in a safe and responsible manner.

**County Enforcement Aids.** The Department also distributes aids to counties for the costs of local patrol units charged with ATV and UTV law enforcement. Counties may receive up to 100 percent of eligible costs, but aid payments are prorated if claims exceed the appropriation level. For enforcement activities that occurred in 2012-13, 31 counties applied for reimbursements totaling \$544,300. State payments of \$495,000 in state fiscal year 2013-14 provided 90.9% of eligible costs. Local ATV patrols logged nearly 10,500 hours and issued almost 1,200 citations.

**Education and Safety.** The statutes require that no person under 12 years of age may operate an ATV, and no person under 16 years of age may operate a UTV, unless he or she holds a valid safety certificate issued by DNR, another state, or a province of Canada or unless he or she is operating the ATV or UTV for an agricultural purpose under the supervision of a person over 18 years of

age. 2011 Act 208 expanded the Department's ATV safety certification program to include instruction on UTV laws as well as ATV laws. While the courses are required for certain age groups, the courses are open to anyone wishing to enroll. In fiscal year 2013-14, 7,714 students received certificates upon successfully completing one of the ATV and UTV safety courses, including 5,502 certified through an online course. The classroom course is offered for a fee of \$10 while two online courses are available for those ages 12 and older for \$24.50 or \$29.95 (DNR retains \$1 per student for online courses).

Summaries of 2013-15 biennial expenditures from the all-terrain vehicle account are presented in Table 18.

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### Snowmobile Account

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The Department administers a snowmobile recreation program to develop and maintain a statewide system of snowmobile trails and administer and enforce snowmobile laws. Unlike the other accounts in the conservation fund, which were administratively created by the agency, the snowmobile account is statutorily designated to ensure that certain revenues are utilized for specific purposes.

The Snowmobile Recreational Council provides recommendations to DNR and elected officials on matters related to snowmobile policy. The Council consists of 15 members appointed by the Governor with the advice and consent of the Senate for staggered, three-year terms. Under statute, at least five members of the council must be from the territory north, and at least five members must be from the territory south, of a line running east and west through the southern limits of the City of Stevens Point.

**Table 18: All-Terrain Vehicle Account Expenditures**

	2013-14 Actual	2014-15 Appropriated	2013-14 % of Total	2014-15 Staff
State and Local ATV Trail and Project Aids	\$2,373,800	\$3,644,000	46.5%	0.00
UTV Program Administration	0	0	0.0	0.00
Utility Terrain Vehicle (UTV) Trail and Project Aids	52,900	233,200	1.0	0.00
Landowner Incentive Program	0	405,900	0.0	0.00
State ATV Trails	130,800	310,500	2.6	0.00
State UTV Trails	16,900	16,900	0.3	0.00
ATV and UTV Law Enforcement and Safety Training	1,211,200	1,233,700	23.7	9.00
ATV Trail Safety Grant	297,000	297,000	5.8	0.00
ATV and UTV County Enforcement Aids	495,000	495,000	9.7	0.00
Education and Safety	22,000	22,000	0.4	0.00
Administration and Technology Services	140,700	147,600	2.8	1.21
Customer Assistance and Employee Services	278,100	295,500	5.5	2.96
Enforcement and Science Management	35,000	39,900	0.7	0.30
Resource Acquisition and Development	2,400	2,600	0.0	0.00
Handling fees	45,100	45,100	0.9	0.00
Miscellaneous	500	0	0.0	0.00
Total	\$5,101,400	\$7,188,900	100.0%	13.47

## Revenue

The major source of revenue to the snowmobile account is the snowmobile fuel tax revenue transferred to the account. The formula for the snowmobile fuel tax transfer was modified by 2013 Act 32 to, beginning with the fiscal year 2013-14 transfer, include a multiplier of 1.55, rather than the prior multiplier of 1.4. An appropriation is made annually, which, beginning with the fiscal year 2013-14 transfer, equals the amount of motor fuel tax assessed on 50 gallons of gasoline as of the last day of March of the previous fiscal year multiplied by the number of registered snowmobiles as of the same date, with this result multiplied by 1.55. The transfer for 2014-15, which will be made available for trail aids under the formula, is expected to total \$5,577,400. This total is based on the number of snowmobiles registered on March 31, 2014, and the motor fuel tax rate as of that date (232,902 snowmobiles x 50 gallons per snowmobile x 30.9¢ per gallon x 1.55).

The next largest revenue source for the account is registration fees. A fee of \$30 is assessed for

each snowmobile registered for general use in Wisconsin. Through fiscal year 2014-15, the registration is valid for two years. Snowmobiles registered in other states or countries need not be registered in Wisconsin if they are in the state for a period of less than 15 consecutive days. 2013 Act 142 made a number of changes to the requirements for operating a snowmobile in Wisconsin, including lengthening the registration period from two years to three years. Effective July 1, 2015, a \$30 snowmobile registration fee is valid for three years.

In addition, other registration fees are charged for registering public use, commercial use, and antique snowmobiles. Prior to 2014, the owner of a snowmobile that had a model year of 1966 or earlier could register the snowmobile with DNR as an antique snowmobile for a one-time \$20 registration fee (the snowmobile was exempt from re-registration while under the same ownership). Effective April 10, 2014, 2013 Act 233 allows registration of snowmobiles as antique snowmobiles, if they are at least 35 years old, for an initial fee of \$20 and a renewal fee of \$5 every two years. The Act also specifies that an owner who has applied

to register a snowmobile as an antique snowmobile before April 10, 2014, is exempt from the initial registration requirement if they submit an application to renew the registration before March 1, 2015.

A nonresident snowmobile trail use sticker requirement was created in 1997 Act 27 as a new source of revenue to the snowmobile account. Snowmobiles not registered in Wisconsin are required to display a trail use sticker to use public snowmobile corridors. Prior to 2007, the fee for the annual sticker was \$18. 2007 Act 226 increased the fee to \$35 effective July 1, 2008. In fiscal year 2013-14, 23,068 trail pass stickers were sold.

Effective July 1, 2015, 2013 Act 142 requires most snowmobiles operated on a public snowmobile corridor in Wisconsin to display an annual trail use sticker issued by the Department, regardless of whether the snowmobile is registered in Wisconsin. The Act establishes two categories of fees for trail pass stickers issued in fiscal years 2015-16 through 2018-19 for snowmobiles registered in Wisconsin: (a) \$10 (including the 75¢ issuing fee) for a snowmobile that is owned by a person who is a member of a snowmobile club and the Association of Wisconsin Snowmobile Clubs (the Act defines "snowmobile club" as "an association organized in this state that is a member of the Association of Wisconsin Snowmobile Clubs, that meets at least three times per year, that

has at least 10 members, and that promotes responsible snowmobiling"; and (b) \$35 (including the 75¢ issuing fee) for a snowmobile that is owned by a person who is not a member of a snowmobile club and the Association of Wisconsin Snowmobile Clubs. Further, under the Act, there is no fee for a trail use sticker issued for a snowmobile that is registered in Wisconsin and that has a model year that is at least 30 years earlier than the year in which the trail use sticker is issued. In addition, the Act increases the fee for annual trail use stickers issued in fiscal years 2015-16 through 2018-19 to those exempt from registration (such as an owner of a snowmobile that is registered in another state or country) from \$35 to \$50.

In addition, the snowmobile program also receives revenues from: (a) registration transfer fees; (b) snowmobile safety course instruction fees; and (c) 1% of the total sales tax receipts the Department collects from people who have purchased snowmobiles and who have not provided proof that a sales tax was paid (which is required before the vehicle can be registered).

Table 19 identifies revenue to the snowmobile account.

## Expenditures

**Snowmobile Trail and Project Aids.** The Department distributes aids to participating counties for the maintenance, development, and acqui-

**Table 19: Snowmobile Account Revenue**

	2013-14 Actual	2014-15 Estimate	2013-14 % of Total
Fuel Tax Transfer	\$4,853,800	\$5,577,400	52.5%
Snowmobile Registrations	3,366,100	3,150,000	36.4
Nonresident Trail Pass	779,200	517,500	8.4
Investment Income	1,300	10,000	0.0
Registration Transfers	134,900	130,000	1.5
Education and Safety (Snowmobile)	40,700	40,500	0.4
Handling Fees	50,700	16,900	0.5
All Other Revenues	<u>12,500</u>	<u>84,700</u>	<u>0.1</u>
TOTAL	\$9,239,200	\$9,527,000	100.0%

sition of land to support approximately 18,700 miles of interconnecting snowmobile trails throughout the state. Generally, these aids are provided to counties at 100% of eligible costs. The counties either develop and maintain local trails, or, more typically, redistribute aid to local snowmobile clubs that do the maintenance and development projects. DNR also funds the maintenance and development of approximately 600 miles of snowmobile trails on state park, trail, recreation area, and forest lands.

County expenditures eligible for state aid (listed in priority order) are as follows: (a) maintenance of existing approved trails, up to a maximum of \$250 per mile per year; (b) club signing programs; (c) bridge rehabilitation; (d) municipal route signing; (e) trail rehabilitation; and (f) development of new trails.

In addition, a county or snowmobile club contracting with DNR for work on a state property is eligible for supplemental trail aid payments up to a total of \$750 per mile, if actual eligible costs exceed the maximum of \$250 per mile for basic trail aids. Of the costs incurred, actual trail grooming costs must exceed \$150 per mile per year. Since fiscal year 1991-92, supplemental trail aids have been funded from the 40% multiplier to the snowmobile fuel tax transfer formula (increased to 55% beginning in 2013-14). Further, \$32 from each non-resident trail pass sticker sold in the prior year is also made available for this purpose. Under 2013 Act 142, for fiscal years 2016-17 to 2019-20, DNR is to credit \$47 from each nonresident annual trail use sticker to the supplemental trail aids appropriation. If the supplemental aid payable to counties exceeds funding available from these two sources, the Department may either prorate payments and/or request that the Joint Committee on Finance take action to transfer funding from basic snowmobile trail aids for supplemental payments.

Table 20 shows supplemental trail aid payments from the 2004-05 snowmobile season

**Table 20: Supplemental Snowmobile Trail Maintenance Payments**

Snowmobile Season	Total Request	Total Payment	Percent of Request Paid
2004-05	\$1,978,800	\$1,854,200	94.0%
2005-06*	1,942,200	1,942,200	100.0
2006-07	1,068,800	1,068,800	100.0
2007-08*	3,856,100	2,395,700	62.0
2008-09*	2,648,100	2,254,700	85.0
2009-10*	2,798,100	2,318,600	83.0
2010-11	3,551,600	2,165,800	61.0
2011-12**	1,028,800	1,028,800	100.0
2012-13	3,185,500	2,515,600	79.0
2013-14***	4,496,800	3,015,400	67.1

\*Payments for these seasons were supplemented through action by the Joint Committee on Finance.

\*\*Includes \$11,400 in payments for 10-11 season.

\*\*\*Estimate. Payment includes \$300,000 which requires Joint Committee on Finance action.

through the 2013-14 season. The table shows the total eligible amount requested by counties, the amount paid in supplemental aids, and the level of proration. Supplemental payments for a snowmobile season are paid in the following fiscal year.

**County Enforcement Aids.** The Department provides aids to counties for up to 100% of eligible county costs of enforcing snowmobile laws. Aid payments are prorated if claims exceed the appropriation level. For enforcement activities that occurred over the winter of 2012-13, 47 counties requested reimbursements totaling \$649,800. State reimbursement of \$396,000 represented 70% of the eligible costs of their local snowmobile patrol activities. These requests were reimbursed in state fiscal year 2013-14. Local snowmobile patrols logged approximately 10,000 hours and issued nearly 1,400 citations.

**State Snowmobile Trails and Areas.** Funding is provided annually for the development and maintenance of snowmobile trails on state properties, including \$211,200 in 2014-15.

**Snowmobile Enforcement and Safety.** DNR is responsible for state enforcement of snowmobile laws by DNR conservation wardens and co-

ordination of snowmobile safety programs. In addition to the snowmobile SEG, DNR is provided almost \$1.2 million annually with 9.0 positions from tribal gaming compact program revenues for snowmobile enforcement. In 2013-14, the Department's permanent conservation wardens recorded 19,100 hours related to snowmobiles (including 10,100 hours of enforcement) and issued 546 snowmobile citations.

Snowmobile SEG funding is provided for safety training and fatality reporting, overtime funding for conservation wardens on the traveling Snowmobile Accident Reduction Team (SART) and overtime hours for locally-stationed wardens, travel and supply costs, and additional costs associated with enforcement of intoxicated snowmobiling laws (including lab tests and medical examination costs).

**Education and Safety.** The Department is responsible for coordinating snowmobile safety courses taught by instructors certified by DNR. Any person born after January 1, 1985, must hold a valid snowmobile safety certificate in order to operate a snowmobile. In fiscal year 2013-14, 10,569 people received certificates upon successfully completing one of the snowmobiling safety courses, with 4,972 of those certified through an online course. Two online courses are offered, for

a fee of \$15 or \$29.95, for those ages 16 and older (DNR retains \$1 for each successfully completed online course).

Table 21 identifies expenditures from the snowmobile account for the 2013-15 biennium.

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### Endangered Resources Account

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The endangered resources account primarily funds DNR activities related to endangered, and threatened plant and animal species, as well as for certain non-game species. In June, 2013, DNR renamed the Endangered Resources Bureau the Natural Heritage Conservation (NHC) Bureau to reflect a broader perspective of the work the Bureau undertakes which includes work on non-listed bird and mammal species. The NHC Bureau aims to identify, protect and manage native plant and animal species, natural communities and other natural features as well as to enhance and restore populations and habitats of rare or endangered species. Additionally, program staff works to promote the knowledge, appreciation and stewardship of Wisconsin's native species and ecosystems for present and future generations.

**Table 21: Snowmobile Account Expenditures**

	2013-14 Actual	2014-15 Appropriated	2013-14 % of Total	2014-15 Staff
Local Snowmobile Trail and Project Aids	\$7,565,900	\$8,290,500	85.8%	0.00
Snowmobile Aids Administration	181,600	190,400	2.1	1.50
County Enforcement Aids	396,000	396,000	4.5	0.00
State Snowmobile Trails and Areas	155,200	211,200	1.8	0.00
Snowmobile Enforcement and Safety	123,400	123,400	1.4	0.00
Administration and Technology Services	23,700	24,900	0.3	0.20
Customer Assistance and Employee Services	277,800	320,000	3.2	3.05
Education and Safety	40,500	40,500	0.5	0.00
Handling Fees	50,700	50,700	0.6	0.00
Miscellaneous	<u>900</u>	<u>500</u>	<u>0.0</u>	<u>0.00</u>
<b>Total</b>	<b>\$8,815,700</b>	<b>\$9,648,100</b>	<b>100.0%</b>	<b>4.75</b>

## Revenue

A voluntary income tax check-off program was created in 1983 to support DNR's endangered resources protection program. Individual income taxpayers can donate a portion of their tax refund or, if taxes are due, include an additional amount with their tax payment for the endangered resources program. Beginning with tax year 2001, corporate income taxpayers are also allowed to participate in the check-off program. After deducting the costs it incurs for collecting the donated amounts, the Department of Revenue forwards the check-off revenue to DNR for deposit in the conservation fund.

For fiscal year 2013-14, 10,227 returns included the endangered resources checkoff for a total of \$222,600, with an average donation of \$21.77 per return. After deducting Department of Revenue administrative expenditures, DNR received \$217,600 in 2013-14.

1993 Act 415 created an endangered resources license plate (depicting a timber wolf and rising moon) that became available starting January 1, 1995. The \$25 additional annual fee required to buy the plate is credited to the account. In 2013-14, the original endangered resources license plates generated \$293,100 (11,724 registered wolf license plates), bringing the total revenue generated by wolf plate sales since their introduction to nearly \$9.6 million.

2009 Act 28 created a second endangered resources license plate, effective January 1, 2010. The fee for the second license plate, which depicts a badger, is also \$25 and is also credited to the endangered resources account. In fiscal year 2013-14, 3,013 badger plates were issued generating \$75,300 in revenue to the endangered resources account; this brought the total revenue to the endangered resources account from badger plate sales since their introduction to \$219,400.

Check-off revenues and other donations are statutorily matched up to \$500,000 annually from

general purpose revenues (GPR).

Other revenue to the account includes private donations, the sale of resident wild ginseng harvest and Class A resident wild ginseng dealer licenses, sale of wild rice harvesting permits, and revenue from timber harvests in state natural areas.

## Expenditures

The endangered resources account supports efforts regarding the inventory of endangered, threatened and certain non-game species and natural communities, determinations on the status of native plants, coordinating research, surveys, and habitat projects and managing state natural areas. Examples of these projects include implementing a habitat conservation plan for the Karner Blue butterfly, implementation of the endangered species act, and the development and implementation of plans to protect and manage Wisconsin's biological diversity, monitoring nesting boxes for peregrine falcons, managing state natural areas, and the collection of monitoring data. Also, DNR has successfully reintroduced trumpeter swans to Wisconsin, and the bald eagle was removed from the state's endangered species list in 1997.

In March, 2014, white-nose syndrome (WNS), a disease that affects hibernating bats, was confirmed in a site in Grant County. According to the United States Geological Survey (USGS), the disease has killed millions of bats in 25 states and five Canadian provinces since the winter of 2007-08. The discovery in Wisconsin has accelerated the monitoring need and information gathering efforts of the Wisconsin Bat Program (WBP). WBP staff work with cave and mine landowners to conserve and manage important bat habitats. WBP coordinates with landowners and volunteers across the state to monitor summer bat colonies and complete bat acoustic surveys. In 2014, DNR staff surveyed 120 caves and mines statewide. In addition, with the help of more than 1,000 volunteers, they conducted close to 300 acoustic surveys and monitored over 50 roosting sites for bat

health, habitat and population distributions.

Under a cooperative agreement with the Department of Transportation, DNR provides transportation "liaisons" throughout the state who perform environmental reviews (erosion, waterway and wetland regulations, and environmental assessments, as needed) of state roadway projects in the DNR regions. The liaisons also act as a single point of contact for local governments conducting transportation projects. In addition, the agreement provides program revenue funding for 1.0 conservation biologist position which provides support to DOT by analyzing the impacts to rare and endangered species of DOT projects (up to \$127,500 under the fiscal year 2014-15 agreement).

Funds from tribal gaming program revenue and the fish and wildlife account are allocated to fund a wildlife biologist position for work related to the reintroduction of the whooping crane to Wisconsin. Wildlife officials on the Joint U.S./Canada Whooping Crane Recovery Team designated central Wisconsin (initially Necedah National Wildlife Refuge, but expanded to include Horicon National Wildlife Refuge and White River Marsh State Wildlife Area) to be the sites for reintroduction of a migratory flock of the endangered whooping crane to eastern North America. Releases of whooping cranes, either those led by ultralight planes or those released into the presence of adult whooping cranes, or both, has been completed each year since the fall of 2001.

**Endangered Resources Damage Payments.**

Section 71.10(4)(a)(2) of the statutes defines the activities of the DNR endangered resources program as including "providing for wildlife damage control or the payment of claims for damage associated with endangered or threatened species". Prior to April, 2012, s. 71.10(5)(am) specified that damage caused by gray wolves remains eligible for control and damage payments under the endangered resources program, regardless of whether gray wolves are listed as an endangered or threatened species. Wisconsin delisted the gray wolf in 2004, and as of January 27, 2012, the gray wolf is no longer a federally endangered species in Wisconsin and other parts of the western Great Lakes region. Under 2011 Act 169, beginning in fiscal year 2012-13, as long as wolves are not listed on the U.S. list of endangered and threatened species or the Wisconsin list of endangered and threatened species, wolf damage payments will be made from revenues from wolf harvest licenses (\$49 resident, \$251 non-resident) and application fees, rather than from endangered resources program appropriations. According to the Department, in fiscal year 2013-14, there were no damage claims paid due to damage by endangered species.

Table 22 identifies 2013-14 and 2014-15 revenue to, and expenditures from, the endangered resources account.

**Table 22: Endangered Resources Account**

	2013-14 Actual	2014-15 Estimate	2013-14 % of Total	2014-15 Staff
Revenue:				
License Plate Sales	\$368,400	\$365,000	29.4%	
Income Tax Check-off	217,600	200,000	17.4	
Other Revenue	<u>667,800</u>	<u>650,000</u>	<u>53.3</u>	
Total Revenue	\$1,253,800	\$1,215,000	100.0%	
Expenditures	\$1,117,300	\$1,197,000		11.0



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## Natural Resources Magazine Account

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### Revenue

The statutes authorize the Department to issue and distribute a magazine containing information on resource management and related subjects. The direct costs of the agency's bi-monthly publication, Wisconsin Natural Resources, are entirely funded from subscription, single copy and insert sales. The magazine carries no advertisements. The current subscription rates (including an annual \$1 shipping and handling fee) are \$8.97 for one year, \$15.97 for two years and \$21.97 for three years. The retail price of the magazine is \$3 per issue. The rates are intended to recover the magazine's production costs.

Conservation patron license holders receive an annual subscription to the magazine as part of the license. A portion of the revenue from the sale of patron licenses is deposited in the natural resources magazine account to reflect the number of subscriptions attributable to patron license holders.

Approximately 87,000 people subscribe to the magazine (including 42,500 conservation patron subscriptions). In addition, a small number of single copies are available at retail stores.

### Expenditures

Account revenues support 3.5 positions within

the agency's Office of Communication, who are responsible for producing the magazine. In addition, revenues are also used to fund the printing and distribution of Wisconsin Natural Resources. Articles and photographs that appear in the magazine are contributed by DNR employees and persons outside of the agency, who do not receive cash compensation for their submissions.

Table 23 identifies revenue to and expenditures from the magazine account for the 2013-15 biennium.

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## Motorcycle Recreation Account

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The motorcycle recreation program was eliminated by 2005 Act 25 which required that any remaining balance as of July 1, 2005 in the motorcycle account (\$86,500) be transferred to an appropriation supporting the development of ATV off-road trail projects in the ATV account.

Between 1981 and 2005, the only revenue source to the motorcycle account was the investment income earned on the account's cash balance. Prior to 1981, the account was also funded by a \$2 surcharge on motorcycle registrations.

DNR had provided aids to municipalities and federal agencies for the acquisition, development, operation and maintenance of off-the-road motor-

**Table 23: Natural Resources Magazine Account**

	2013-14 Actual	2014-15 Estimate	2013-14% of Total	2014-15 Staff
Revenue				
Magazine Subscriptions	\$350,700	\$350,000	42.70%	
Conservation Patron Allocation	372,800	370,000	45.39	
Insert Sales and Other Revenue	<u>97,900</u>	<u>95,000</u>	<u>11.92</u>	
Total	\$821,400	\$815,000	100.00%	
Expenditures	\$799,400	\$650,000	3.50	3.00

cycle trails and facilities. In addition, DNR funded development and maintenance activities for existing off-the-road trails at the Richard Bong Recreation Area (Kenosha County) and the Black River State Forest (Jackson County).

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### Grants to NCOs

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There are several Department of Natural Resources (DNR) grants statutorily directed to non-profit conservation organizations (NCOs) primarily using the segregated conservation fund. These grants have often been provided to NCOs to assist the Department or other NCOs for a variety of conservation-related efforts. In most cases, conservation fund SEG and other funds have been provided to the same groups for many years. The grants are described below and summarized in Table 24. The table shows 2012-13 and 2013-14 grants awarded to NCOs and amounts appropriated for these grants in fiscal year 2014-15 under the biennial budget act. As some of these grants are competitive, grant recipients could differ in 2014-15.

### Lake Monitoring

Under the lake protection and the invasive species grant programs, DNR may award contracts to public groups or individuals for the creation and support of a statewide lake monitoring network. The statutes specify that the total amount of lake monitoring contracts for each fiscal year may not exceed 10 percent of the total amount appropriated for the lake protection and invasive species grant programs (\$6,481,700 in fiscal year 2014-15). Since 2003, the Department has awarded the primary contract to the University of Wisconsin Extension to be used for the Citizen Lakes Monitoring Network (CLMN). The funding is used to train and support over 1,000 citizen volunteers in the identification and monitoring of aquatic invasive species. In 2013-14, CLMN awards totaled

\$579,700 from water resources account SEG, including \$344,600 from the aquatic invasive species grant program and \$235,100 from the lake protection grant program.

### Sporting Heritage

As passed by the Legislature, 2013 Assembly Bill 40 would have directed the Department of Natural Resources (DNR) to provide \$500,000 during the 2013-15 biennium [including providing \$200,000 GPR in fiscal year 2013-14, and allocating \$225,000 in federal Pittman-Robertson funds, to the extent allowed under federal law, with a \$75,000 federally required match (likely from fish and wildlife account SEG) in fiscal year 2014-15] to a non-profit organization established in Wisconsin for outdoor education, recruitment, and retention of sportsmen and sportswomen. Further, the bill would have designated \$450,000 in each subsequent biennium for the grant to be from federal Pittman-Robertson funds and federal Sport Fish Restoration funds, to the extent allowed under federal law, and specified that the recipient must provide a \$150,000 project match (the 25% of project costs required under the federal programs).

Due, in part, to concerns over allowable uses of federal fish and wildlife funds, the Governor item-vetoed the provision to delete the requirement that, if allowed, some portion of the funding come from certain federal funds. Under 2013 Act 20, section 29.605 of the statutes requires DNR to provide a Wisconsin non-profit organization meeting the specified criteria a grant of \$500,000 during the 2013-15 biennium, including providing \$200,000 GPR on a one-time basis in 2013-14, and \$300,000 from an unspecified source in 2014-15. Each subsequent biennium (beginning with the 2015-17 biennium), DNR must provide a grant of \$450,000 from an unspecified source, with the recipient required to provide \$150,000 in matching funds.

The statutes specify that the Wisconsin non-

**Table 24: Grants to Select Nonprofit Conservation Organizations**

Grant Recipient	Statutory Section	Awarded 2012-13	Awarded 2013-14	Budgeted 2014-15	Source
Lake Monitoring	281.68(1t)	\$498,200	\$579,700	\$648,100*	Water Resources SEG
Sporting Heritage	29.605	N.A.	0	300,000	GPR/unspecified
Great Lakes Timber Professionals Association & Wisconsin County Forests Association	26.105	0	300,000	300,000	Forestry SEG
National Off-Highway Insurance Insurance Services Group (NOHVIS)	23.33(5m)	297,000	297,000	297,000	All-Terrain Vehicle SEG
Wisconsin Lakes	281.69(1r)	200,000	200,000	200,000	Water Resources SEG
Great Lakes Timber Professionals Association - Master Loggers	26.39(7)	26,300	69,600	148,500	Forestry SEG
Gathering Waters, Inc.	23.0955	138,300	138,300	138,300	Water Resources/Forestry SEG
Natural Resources Foundation	23.0956	84,100	84,100	84,100	Water Resources/Forestry SEG
River Revitalization Foundation/Baird Creek Preservation Foundation	23.0957	74,200	74,200	74,200	Forestry SEG
Ice Age Trail Alliance	23.295	74,200	74,200	74,200	Forestry SEG
River Alliance of Wisconsin	281.72	69,200	69,200	69,200	Water Resources/Forestry SEG
Northern Great Lakes Center	20.245(1)(y)	55,000	61,100	50,200	Forestry SEG
County Forests Association	28.11(5m)	50,000	50,000	50,000	Forestry SEG
Wild Rivers Interpretive Center	30.255	22,800	22,800	22,800	GPR
Southeastern WI Fox River Commission	20.370(5)(cq)	<u>200,000</u>	<u>200,000</u>	<u>0</u>	Water Resources SEG
<b>Total</b>		<b>\$1,789,300</b>	<b>\$2,220,200</b>	<b>\$2,456,600</b>	

\*Under section 281.68(2)(b) of the statutes, DNR may provide up to this amount for lake monitoring contracts.

profit organization receiving the grant meet all of the following criteria: (a) has an existing relationship with a nationally-recognized organization with proven and successful firearms safety education programs that will allow it to host shooting events; (b) teaches courses including firearm safety and training, shooting skills, and outdoor education using a nationally recognized curriculum; (c) has a relationship with a nationally-recognized shooting expert; (d) can match mentors with new hunters by recruiting and maintaining a database of volunteers; (e) is not an affiliate of a national federation or organization; and (f) is able to ensure the maintenance or improvement of Wisconsin's position in the nation for outdoor heritage recruitment and retention by providing sporting education and programming throughout the state.

In addition, the grant must be utilized to preserve and protect Wisconsin's hunting, fishing, trapping, and shooting traditions. 2013 Act 20 further specifies that 2013-15 applications be submitted to DNR within 30 days following the effective

date of the act (by August 1, 2013). In addition, it creates a committee to review the grant applications consisting of five members, including three members appointed by the chair of the Sporting Heritage Council, and the chairs of the Assembly and Senate committees responsible for natural resources. The Act requires the committee to review grant applications for the 2013-15 biennium and submit a report of their recommendations to the DNR Secretary within 50 days following the effective date of the Act (August 21, 2013), and directs the DNR Secretary to award the grant within 60 days following the effective date of the Act (by August 31, 2013). In subsequent biennia, the statutes specify that the \$450,000 grant be awarded within 30 days following the effective date of the biennial budget act and that the recipient provide a \$150,000 project match.

The advisory committee met on August 29, 2013, and recommended awarding the grant to the only applicant, United Sportsmen of Wisconsin, by a vote of 4 to 1. The DNR Secretary awarded

the grant on August 29, 2013. On September 5, 2013, the Governor announced the grant award had been cancelled, following various media reports, including that United Sportsmen had not received non-profit status under the federal tax code. To date, no grant has been awarded for the 2013-15 biennium. The Department has not indicated what the process will be for awarding the grant in subsequent biennia.

### **Great Lakes Timber Professionals Association and Wisconsin County Forests Association**

The 2013-15 budget also directs DNR to provide a grant of \$300,000 in fiscal year 2013-14 and \$300,000 in fiscal year 2014-15 in one-time funding from the forestry account of the conservation fund to the Great Lakes Timber Professionals Association (GLTPA) and the Wisconsin County Forests Association (WCFA) for a comprehensive study of DNR forestry practices and forest fire prevention practices. As required under Act 20, the GLTPA and WCFA submitted a plan, prepared jointly, on how the grant funds would be expended to the Joint Committee on Finance for review, with grant funds released upon approval by the Committee under a 14-day passive review process. The study plan was submitted on December 27, 2013, and approved through the 14-day passive review process on January 21, 2014. Upon completion of the study, the GLTPA and the WCFA are required to submit a report of the study results to DNR, the Wisconsin Council on Forestry, and the appropriate standing committees of the Legislature.

The Great Lakes Timber Professionals Association (GLTPA) is a non-profit under section 501(c)(6) of the Internal Revenue Code (IRC) which represents members in Wisconsin and Michigan including loggers, truckers, sawmills, paper manufacturers, private and commercial forest landowners, forestry professionals and outdoor recreational enthusiasts. Their mission statement is "to lead the forest products industry in sustainable forest management through advocacy, profes-

sionalism, service to members, education and training". The Wisconsin County Forests Association was incorporated in 1968 as a non-stock, non-profit corporation organized under Chapter 181 of the statutes. The primary purpose of the WCFA is to provide a forum for the consideration of problems and policies of concern to the forestry committees of the county boards of each county in the state responsible for managing county forests under s. 28.10 and Chapter 77 of the statutes.

According to the plan, the goal of the study, referred to as "Wisconsin's Forestry Practices Study", is to obtain research results to help guide decisions and policy development for investment in forest-based manufacturing industries in Wisconsin, while ensuring that social and ecological benefits provided by Wisconsin's forests remain viable for future generations. The plan states that the study will address how Wisconsin can continue to provide sustainably grown wood fiber to support competitive wood-using industries. The GLTPA and the WCFA intend to utilize the National Council for Air and Stream Improvement (NCASI) to serve as general contractor for the forestry practices study. (NCASI is a non-profit organization under section 501(c)(6) of the IRC. The research institute was formed in 1943 by a consortium of pulp and paper companies.) The plan states that NCASI will subcontract with qualified organizations, such as universities, forestry consulting firms and other qualified non-profits, for several research projects, as part of the study, with the goal of completing all study-related work by January, 2016.

The GLTPA and WCFA submitted a report to the Joint Committee on Finance on November 17, 2014, providing an update on the status of Wisconsin's Forestry Practices Study. According to the report, as of September, 2014, \$114,000 had been committed for study projects and \$25,000 for project management, leaving grant funds of \$461,000 remaining to be committed. The report highlighted two projects, the "Wood Supply Chain Component Cost Analysis: A Comparison of WI

and U.S. Regional Cost" (conducted by Forest2Market Inc., located in Charlotte, North Carolina, and Steigerwaldt Land Services, Inc., located in Tomahawk, WI) and "Wisconsin Wood Supply Assessment" (conducted by a team of researchers from Virginia Tech and the University of Wisconsin-Stevens Point) which the report indicated are scheduled to be completed by January, 2015, and September, 2015, respectively. The report also noted that the GLTPA/WCFA sponsored a forest-based manufacturing industry stakeholder workshop in July, 2014, where participants identified five economically burdensome categories including: (a) seasonal harvesting restrictions; (b) Managed Forest Law (MFL) administration; (c) general harvesting restrictions; (d) forest certification; and (d) permits. The input received at the workshop was incorporated into a request for additional proposals under the Wisconsin's Forestry Practices Study to solicit proposals related to timber harvesting restrictions.

#### **National Off-Highway Vehicle Insurance Services Group (NOHVIS)**

The all-terrain vehicle (ATV) safety enhancement grant program was created under 2001 Act 16. Available funding is awarded in the form of a grant to a non-profit organization. The statutes require that the organization be a nonstock corporation organized in Wisconsin that promotes the operation of ATVs in a manner that is safe and responsible, that does not harm the environment, and that does not conflict with the laws, rules, and departmental policies that relate to the operation of ATVs. Additionally, the interest of the organization must be limited to the recreational operation of ATVs on ATV trails or other areas that are off the highways. The organization also must have a board of directors that has a majority of members who are representatives of ATV clubs. The organization is required to use the grant money to support the ATV safety enhancement program. No match is required.

Each year, the grant has been provided to the

National Off-Highway Vehicle Insurance Services Group, Inc. NOHVIS assists DNR by promoting the operation of ATVs in a safe and responsible manner, recruiting and training volunteer ATV safety instructors and "trail ambassadors," and improving relationships with groups that promote recreational ATV operation.

#### **Wisconsin Lakes**

Under the lake protection grant program, since fiscal year 1998-99, DNR has primarily awarded one lake classification technical assistance contract for \$200,000 water resources account SEG annually to Wisconsin Lakes. Formerly known as the Wisconsin Association of Lakes, Wisconsin Lakes is, according to its mission statement, a statewide nonprofit organization dedicated to conserving, enhancing, and restoring Wisconsin's lakes by fostering responsible lake stewardship and by promoting effective, beneficial environmental public policy.

#### **Great Lakes Timber Professionals Association-Master Loggers and Logger Safety**

2005 Act 25 created an annual forestry account appropriation with ongoing funding beginning in 2006-07 of \$150,000 annually to provide grants of up to 50% of the cost of certification for individuals pursuing master logger certification through the Great Lakes Timber Professionals Association (GLTPA) (formerly the Wisconsin Professional Loggers Association, which merged with the GLTPA in 2011). 2009 Act 28 expanded the scope of the grant program to include grants for up to 50% of the cost of receiving safety training. Currently, \$148,500 annually is available for these grants. Reimbursement is provided to GLTPA for up to 50% of eligible certification or training costs.

#### **Gathering Waters**

Annually since 1996-97, DNR has provided a grant to a Wisconsin-based non-stock, nonprofit

corporation. The nonprofit conservation organization (as described in section 501(c)(3) or (4) of the IRC) must meet all of the following requirements to be eligible for the grant: (a) have an exemption from the federal income tax; (b) provide support to nonprofit conservation organizations (NCOs); (c) have a board of directors that has a majority of members who are representatives of NCOs; and (d) provide \$25,000 to be used with the grant.

A grant of \$75,000 from the water resources account (motorboat gas tax transfer) of the conservation fund was awarded to Gathering Waters, Inc. beginning in 1996-97 (the group has received the grant every year since). According to their mission statement, Gathering Waters is formed to serve as an informational clearinghouse and technical assistance center to aid individuals and NCOs in preserving, protecting, and enhancing the ecological integrity of Wisconsin's land and water. The 1999-01 biennial budget increased the amount available for the grant to \$150,000 annually, and required the corporation to submit an annual report to DNR and the appropriate standing committees of the Legislature detailing the activities for which the grant was expended. The amount was reduced to \$148,500 by 2009 Act 28.

DNR further reduced the grant to \$138,300 (with \$101,200 water resources account and \$37,100 forestry account) beginning in 2011-12. In addition, 2009 Act 28 requires the board of directors of the corporation receiving the award to, to the greatest extent practicable, represent all geographic areas of the state. The corporation is also directed to assist non-profit conservation organizations (NCOs) in acquiring and managing property for conservation purposes, and to acquire a property for conservation purposes where no other NCO exists that is willing or capable to purchase or manage this property. The grant was again awarded to Gathering Waters for 2013-14.

### **National Resources Foundation**

The 1999-01 biennial budget provided \$85,000

SEG annually (reduced to \$84,100 by 2009 Act 28) beginning in 2000-01 split-funded evenly between the forestry and water resources account of the conservation fund for a non-stock, nonprofit corporation that meets the following requirements: (a) the criteria under section 501(c)(3) or (4) of the IRC; (b) is organized in the state; (c) is exempt from taxation under section 501 of the IRC; and (d) is created to accept and utilize private contributions made to protect and enhance the state's natural resources. No match is required.

In each year, the grant has been awarded to the Natural Resources Foundation of Wisconsin. According to their mission statement, The Natural Resources Foundation was founded in 1986 to create opportunities for people concerned about Wisconsin's lands, waters, and wildlife, to increase their understanding and appreciation of these natural resources, to support state and local conservation programs, and to establish conservation endowments.

### **River Revitalization Foundation**

Since 1999 the forestry account provides grant funding to a federally tax-exempt non-stock, nonprofit corporation as described in section 501(c)(3) or (4) of the IRC and organized for urban land conservation purposes. To be eligible to receive the grant the corporation must provide \$25,000 in matching funds and submit an annual report to DNR and the Legislature detailing the activities for which the grant was expended. The grant may be used by the corporation for urban forest protection, water resource enhancement, or other urban open space objectives.

The grant was awarded to the Center for Resilient Cities (formerly the Urban Open Space Foundation) each year through fiscal year 2006-07. In fiscal years 2007-08 through fiscal year 2012-13, the grant was awarded to the River Revitalization Foundation (of Milwaukee). The foundation was established in 1994 to improve the environmental quality and to establish public access, walkways,

recreation and education bordering the Milwaukee, Menomonee, and Kinnickinnic Rivers. In fiscal year 2013-14, the grant was awarded to the Baird Creek Preservation Foundation. The Foundation was established in 1997, and its mission is to assist the City of Green Bay in acquiring land in the Baird Creek Parkway and to enhance the parkway's value as an ecological, recreational, and educational resource for northeastern Wisconsin.

### **Ice Age Trail Alliance**

The forestry account also supports an annual grant to a federally tax-exempt non-stock, non-profit corporation as described in section 501(c)(3) or (4) of the IRC and organized for the purposes of establishing, maintaining, and promoting the Ice Age Trail. The corporation must provide \$25,000 in matching funds and submit an annual report to DNR and the Legislature detailing the activities for which the grant was expended. Grant recipients are further directed to support the work of volunteers who develop, maintain, and promote the trail; to build partnerships for the trail with local units of government and nonprofit organizations; promote the protection of a corridor for the trail through the acquisition of land and interests in land; strengthen community support for the trail by involving volunteers and interest groups; and promote tourism related to the trail.

The grant has been awarded to the Ice Age Trail Alliance (formerly the Ice Age Park and Trail Foundation) each year. The Ice Age Trail Alliance is a volunteer organization with headquarters in Cross Plains and volunteer chapters in 21 Wisconsin counties whose mission is to create, support and protect the thousand mile Ice Age National Scenic Trail. The trail route passes through 30 counties in Wisconsin.

### **River Alliance**

The 1999-01 biennial budget provided funds for one or more contracts to federally tax-exempt non-stock, nonprofit corporations as described in

section 501(c)(3) or (4) of the IRC and that provide organizational and technical assistance to community-based river protection groups. The corporation is expected to provide support to nonprofit conservation organizations; maintain a board of directors, the majority of whom are representatives from nonprofit conservation organizations; and contribute \$1 for each \$3 in state grant funds. The corporation is further required to assist in the establishment of nonprofit conservation organizations and provide technical assistance to these groups, as well as conduct conferences on these topics.

Each year, one contract has been awarded to the River Alliance of Wisconsin. According to their mission statement, the River Alliance advocates for the protection, enhancement, and preservation of Wisconsin's rivers and watersheds.

### **Northern Great Lakes Visitor Center**

While not budgeted in DNR, since 1997 forestry account SEG has been provided to the State Historical Society for 1.0 position for interpretive programming at the Northern Great Lakes Visitor Center near Ashland in Bayfield County. The Center's mission is to help people connect with the historic, cultural, and natural resources of the Great Lakes Region through customer-based information, services, and educational programs. Partners in the Center include the U.S. Forest Service, National Park Service, U.S. Fish and Wildlife Service, the Wisconsin Historical Society, the Friends of the Center Alliance, and UW-Extension.

### **County Forests Association**

2007 Act 20 expanded the eligible uses of county forest administrator grants to include up to 50% of a county's dues to a nonprofit organization that provides leadership, counsel, and continuity to a county forest administrator and their respective forestry committee and also functions as an organizational liaison to DNR. Total grant awards

may not exceed \$50,000 annually. Since fiscal year 2007-08, \$50,000 forestry SEG annually has been provided to counties for dues paid to the Wisconsin County Forests Association.

### **Wild Rivers Interpretive Center**

Since 2007-08, DNR has been directed to provide a grant annually to the Florence Wild Rivers Interpretive Center to be used for park and recreational uses, forestry education, and tourist information provided by the center and for its operational costs. The Center opened in 1992 and, in addition to the interpretive center, currently provides space for the Florence County Forestry and Parks Department, Wisconsin Department of Natural Resources, U.S. Forest Service, UW-Extension and Wisconsin Division of Motor Vehicles. \$22,800 GPR annually is appropriated. No match is specified.

### **Southeastern Wisconsin Fox River Commission**

The 2013-15 budget directs DNR to provide a grant for \$200,000 in 2013-14 from the recreational boating aids grant program to the Southeastern Wisconsin Fox River Commission to support ongoing activities consistent with the organization's implementation plan, including: (a) initiating and coordinating surveys and research projects relating to the Southeastern Wisconsin Fox River Basin; (b) acting as a liaison between federal, state, and local agencies, and other organizations involved in protecting, rehabilitating, and managing water resources; and (c) providing public information relating to the Southeastern Wisconsin Fox River. No match is specified.

The Southeastern Wisconsin Fox River Commission was created in 1997 in order to address water resource concerns within the river system. The \$200,000 provided in 2013-14 brings to \$1,475,000 the total amount provided to the Commission from the water resources account since its creation (including \$200,000 in 2012-13 under the previous budget act).

### **MacKenzie Environmental Education Center Operations**

In addition to the grants shown in Table 24, a related item is the operation of the MacKenzie Environmental Education Center (MEEC) in Poynette, in Columbia County. The Center provides educational programming on a variety of outdoor skills and environmental topics. DNR owns the MEEC facility and grounds and through June, 2006, operated the Center (the state game farm also shares the use of the approximately 620-acre parcel). In November, 2005, DNR, the Wisconsin Wildlife Federation (WWF), and the Friends of Mackenzie signed a lease agreement, with the WWF taking responsibility for operating the Center as of July 1, 2006.

The WWF is a non-profit, tax-exempt organization whose mission is "to engage in conservation education and to advocate for sound conservation policy". WWF operated the MEEC through December, 2013. The 2013-15 budget act directs DNR to expend \$239,000 SEG in fiscal year 2013-14 from existing funds for the continuation of school-based environmental education services at the MEEC from August 15, 2013, through August 15, 2014. In fiscal year 2013-14, DNR provided \$123,000 conservation fund SEG to WWF for operation of the MEEC through December, 2013. (DNR provided approximately \$239,000 in funds to WWF for operation of the MEEC in fiscal year 2012-13).

The Department began operating the Center again beginning on January 1, 2014. DNR introduced an outdoor skills curriculum in 2014 including "learn to hunt" classes, orienteering courses, geocaching, species identification, tree identification, and maple syrup making demonstrations. According to the Department, \$526,600 was spent in fiscal year 2013-14 for MEEC operations (including the \$123,000 provided to WWF for their operation of the center through December, 2013). This included \$485,400 from chargebacks from Department programs, and \$41,200 from program



**Table 25: DNR MacKenzie Center Operations Fiscal Year 2013-14 and 2014-15**

	2013-14 Actual	2014-15 Budgeted
Chargebacks by Division:		
Land	\$98,400	\$139,500
Forestry	55,800	79,000
Air, Waste, Remediation and Redevelopment (AWaRE)	29,500	41,800
Enforcement and Science	55,800	79,000
Water	55,800	79,000
Customer Assistance and Employee Services (CAES)	<u>190,100</u>	<u>46,500</u>
Subtotal Chargebacks	\$485,400	\$464,800
Program Revenue (MEEC program fees)	<u>41,200</u>	<u>104,000</u>
Total Expenditures	\$526,600	\$568,800

revenue from educational programming fees at MacKenzie (and from charges for overnight stays and maple syrup demonstrations). DNR indicates that the chargebacks were allocated by Division after taking into account the programming available at the MEEC and the perceived benefit to programs of the MEEC.

DNR reports that in fiscal year 2013-14, approximately \$422,800 of expenditures for MacKenzie Center operations came from conservation fund SEG. Table 25 shows the amounts expended for the operation of the MEEC in fiscal year 2013-14 including the chargebacks by Division and the amount budgeted for fiscal year 2014-15 operations. The Department indicates that they recently began a year-long strategic and business planning process for the property and they expect to continue to operate the MEEC in future years.

In addition, 2013 Act 20 also requires DOA to conduct a thorough review of the status and condition of the buildings, structures, and animal enclosures at the MacKenzie Environmental Education Center. DOA contracted with INSPEC, Inc., an independent engineering/architectural firm to undertake the study. The study was required to include a description of the maintenance and repairs that are necessary for the buildings, structures, and animal enclosures, as well as an estimate of the cost of any necessary repairs or maintenance.

DOA is also required to submit a report detailing the findings of the study to the Joint Committee on Finance within 90 days of completion of the study, but not later than June 1, 2014.

DOA submitted the report on October 21, 2014. INSPEC identified an estimated total cost of approximately \$4.3 million for maintenance and repair at the MEEC, as shown in Table 26. Construction costs of approximately \$3.4 million include the following: (a) \$2,017,500 for infrastructure, including \$1,680,000 for pavement and \$337,500 for retaining walls; (b) \$469,400 for administrative buildings, including providing a secondary means of egress for the administrative offices structure and upgrades to other facilities including plumbing, electrical, and heating, ventilating, and air conditioning (HVAC) systems upgrades, roofing, new handrails, window and door replacements, masonry work, and bringing all bathrooms into compliance with the Americans with Disabilities Act (ADA); (c) \$688,800 for educational buildings, upgrades to multipurpose, dorm, museum and other facilities including plumbing, electrical, and HVAC system upgrades, bringing all bathrooms into ADA compliance, roofing, siding, and insulation; (d) \$173,100 for operational buildings and structure upgrades, including roofing, painting, window replacement, and masonry repairs; (e)

**Table 26: MacKenzie Center Maintenance and Repair Cost Estimates**

Infrastructure	\$2,017,500
Administrative Buildings	469,400
Educational Buildings	688,800
Operational Buildings and Structures	173,100
Animal Shelters and Enclosures	<u>46,500</u>
Subtotal Construction Costs	\$3,395,300
Design and Other Fees	391,100
Project Management Fee	149,400
Contingency	<u>339,500</u>
Subtotal Other Costs	\$880,000
Total	\$4,275,300

\$46,500 for animal shelters/enclosures, including \$5,000 for roof repairs for the bison shelter, \$40,500 for re-roofing, framing, and painting work on 13 wildlife enclosures and \$1,000 for fencing (the report concluded that the deer shelter did not require repair).

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**General Conservation Fund**

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**Revenue**

All of the accounts in the conservation fund receive investment income earned on the balance of the overall fund. DNR uses the monthly cash balance in each account of the conservation fund to distribute investment income to each of the accounts. The amount of investment income that is credited to each account is determined by the percentage that the cash balance of an individual account is of the overall cash balance in the conservation fund at the end of a given month. In addition, revenue from hunter, boat, ATV, and snowmobile safety course fees and handling fees associated with license issuance are deposited in the conservation fund.

**Expenditures**

A number of expenditures are common to more than one account within the conservation fund. The amounts paid for these expenditures are intended to reflect the estimated share that each account's programs contribute to the overall expenditure. These expenditure categories include: (a) administration and technology services; (b) customer assistance and licensing; (c) division management- including enforcement and science management, land program management, and water program management; (d) facilities and lands operations; (e) science services operations; (f) endangered resources operations; (g) administrative facility repair and debt service; (h) aids in lieu of taxes; (i) rent and property maintenance; (j) taxes and assessments; (k) education and safety; and (l) handling fees. These expenditure categories may also receive funding from other sources, such as the general fund, environmental fund or federal revenues. For example, DNR water program management receives GPR support for 8.0 positions in addition to conservation fund SEG.

Table 27 identifies 2013-14 actual expenditures and 2014-15 appropriated amounts for these split-funded expenditure categories. In 2014-15,

**Table 27: Split-Funded Appropriation Expenditures**

	2013-14 Actual	2014-15 Appropriated	2013-14 % of total	2014-15 Staff
Administration and Technology Services	\$14,810,800	\$15,534,200	30.3%	127.83
Customer Assistance and Licensing	8,926,100	9,650,800	18.3	86.41
Land Program Management	1,148,900	1,092,200	2.4	8.00
Enforcement and Science Management	644,100	732,700	1.3	5.50
Water Program Management	39,800	19,300	0.1	0.00
Bureau of Facilities and Lands	6,798,400	7,225,100	13.9	74.50
Bureau of Science Services	1,961,500	2,088,000	4.0	14.90
Endangered Resources	785,200	804,200	1.6	7.50
Administrative Facility Repair and Debt Service	2,084,900	5,058,100	4.3	0.00
Aids in Lieu of Taxes	6,246,700	6,250,000	12.8	0.00
Resource Acquisition and Development	3,726,200	3,953,200	7.6	0.00
Rent and Property Maintenance	959,100	697,600	2.0	0.00
Taxes and Assessments	112,900	297,000	0.2	0.00
Education and Safety	381,500	381,500	0.8	0.00
Handling Fees	<u>255,200</u>	<u>255,100</u>	<u>0.5</u>	<u>0.00</u>
Total	\$48,881,300	\$54,039,000	100.0%	324.64

\$54 million is budgeted for these purposes out of total authorized conservation fund expenditures of \$253 million.

**Administration and Technology Services.** Funding provides for the overall management and direction of the Department as well as support services utilized by all of the programs within the Department. The management component includes the Secretary of the Department, management specialists, and support staff. The other support services provided include legal, financial and information technology services; budget and human resource management; and field services (such as inventory control, fleet management, and procurement). All accounts contribute to the Division of Administration and Technology Services except the endangered resources and natural resources magazine accounts.

**Customer Assistance and Licensing.** Funds are provided for many of the major customer service needs of DNR, including hunting and fishing license sales, recreational vehicle registrations, environmental permits, and the customer service call and dispatch center. The program also staffs communication and education initiatives and the administration of several of the Department's local grant programs. The Department's liaisons to the Legislature, businesses and tribal, local, and federal governments are also part of this program. Management of the DNR regional offices as well as record-keeping and internal auditing is also housed under this program.

**Division Management.** The fish and wildlife, forestry and parks accounts all contribute funding to the management of the Division of Land. In addition, the fish and wildlife, water resources, boat registration, and ATV accounts contribute to the management of the Division of Enforcement and Science. The fish and wildlife and water resources accounts contribute to the management of the Division of Water. The management staff of the DNR divisions is responsible for developing and implementing policy for their overall divisions

and include the division administrators, deputy administrators, and regional management.

**Bureau of Facilities and Lands.** The Bureau of Facilities and Lands in the Division of Lands is responsible for managing and maintaining the Department's administrative facilities, planning and implementing the agency's land acquisition program and capital development budget, maintaining land records and directing the payment of property taxes and aids in lieu of taxes to affected local governments. Civil engineering, construction activities and contract management for environmental remediation on DNR properties are also undertaken by this Bureau. The fish and wildlife, forestry, and parks accounts contribute funding.

**Bureau of Science Services.** The Bureau of Science Services in the Division of Enforcement and Science is partially funded from the fish and wildlife, and forestry accounts. The Bureau coordinates the various aspects of the Department's ecological, environmental and sociological research program. Science Services both operates research facilities and manages contracts with outside facilities. The Bureau certifies operations of environmental facilities including operators of wastewater treatment systems, water supply systems, incinerators, sanitary landfills and seepage service businesses. Science Services also collects environmental fees. The Bureau also provides technical writing, editing, and publication support to other DNR program staff.

In addition, 2013 Act 20 provides \$85,000 annually beginning in 2013-14 and 1.0 project position from the water resources account for development of a remote sensing program to measure lake water quality, in-lake vegetation, and riparian development. Remote sensing primarily involves the use of satellites to relay water quality data. The remote sensing will provide DNR with water quality data on over 8,000 lakes annually, whereas previous lake monitoring efforts using field crews were limited to a small percentage of Wisconsin lakes due to cost constraints. The funding will

cover the project position as well as computer hardware and software, field activities (travel, lab costs and equipment) and review and consultation meetings with NASA scientists.

**Endangered Resources.** The fish and wildlife and forestry accounts contribute to the Natural Heritage Conservation Bureau (formerly the Endangered Resources Bureau) in the Division of Land to support the Bureau's ecological inventory and monitoring (EIM) program and management of the aquatic and terrestrial resources information system. The Bureau works with a variety of stakeholders to identify, protect, and manage native plant and animal species.

**Administrative Facility Repair and Debt Service.** Funding is budgeted to maintain DNR buildings on state-owned properties and to finance the debt service on bonds used to pay for the construction of certain buildings. All accounts contribute to administrative facility repair and maintenance except the endangered resources and natural resources magazine accounts.

**Aids in Lieu of Property Taxes.** DNR provides aids to cities, villages or towns in lieu of property taxes for DNR-owned land within each municipality, budgeted at \$14,430,000 in 2014-15 (\$8,180,000 GPR and \$6,250,000 SEG). Segregated funds come primarily from the forestry account, but also from the fish and wildlife and parks accounts.

Payments vary depending on when the land was purchased. The aid payment for land purchased prior to July 1, 1969, is 88¢ per acre. (Prior to 1997 Act 27, this rate was 80¢ per acre.) For land purchased after July 1, 1969, and through December 31, 1991, payments are based on the statewide average property tax rate for municipal, county and school taxes for the tax year after purchase applied to the land's assessed value. For this latter category of land, each year after the initial year the payment is reduced by 10% of the first year amount until the 10th year or until a payment

of 50¢ per acre is reached. These payments are budgeted at \$780,000 SEG in 2014-15.

For land the Department purchased after December 31, 1991, DNR generally pays each municipality an amount equal to the tax that would be due on the estimated value of the property at the time it was purchased, adjusted annually to reflect changes in the equalized valuation of all land, excluding improvements, in the taxation district. The municipality that receives the payment from DNR pays each taxing jurisdiction a proportionate share of the payment, based on its levy.

From 1993-94 until 2002-03, all aids in lieu of taxes payments made for properties purchased after December 31, 1991, were supported entirely by a sum-sufficient GPR appropriation. Under 2003 Act 33, a sum certain segregated revenue appropriation from the forestry account of the conservation fund was created. Under current law, these payments are supported from both the sum sufficient GPR appropriation and the sum-certain forestry SEG appropriation, with the first draw made on forestry SEG (appropriated at \$5,470,000 in 2014-15).

**Resource Acquisition and Development.** Funds from the fish and wildlife, forestry, and parks accounts (\$889,100 budgeted in 2014-15) are utilized for land acquisition, development, and improvement of fish refuges and game refuges. In addition, funds from the fish and wildlife, forestry, and parks accounts (\$2,675,200 in 2014-15) are utilized for the payment of principal and interest costs incurred in acquiring, constructing, developing, enlarging, or improving state recreation facilities and state fish hatcheries, and the fish and wildlife account (\$16,500 in 2014-15) is utilized to pay debt service for a land acquisition program that was a precursor to the Stewardship program. In addition, funds from the fish and wildlife, forestry, parks, water resources, boat registration, ATV, and snowmobile accounts (\$372,400 budgeted in 2014-15) are utilized for the acquisition, development, and construction costs of new facili-

ties and maintenance costs of existing buildings within the respective programs. For example, funding has been used to renovate several DNR service centers.

**Taxes and Assessments.** Taxes and assessments levied against DNR are paid in part from the fish and wildlife, forestry, and parks accounts. These assessments most commonly occur when a local government undertakes an infrastructure improvement that also affects DNR property (such as the extension of sewer lines by the city of Baraboo to Devil's Lake State Park). The locality then assesses DNR some amount for the cost of the improvement.

**Rent and Property Maintenance.** These two continuing appropriations are supported by all revenues received for the rental of DNR property or equipment by members of the public or other agency staff. Funds are used for the maintenance or replacement of the property or equipment. This may include shared office space payments, and logging or other heavy equipment use. In 2013-14, monies were expended from the fish and wildlife, forestry, and parks and endangered resources accounts.

**Education and Safety.** Revenue from hunter safety, boat safety, ATV safety, and snowmobile safety course fees is deposited in this appropriation in the account corresponding to the safety course (fish and wildlife, boat registration, ATV, and snowmobile accounts). Expenditures are then made from each account to support operation of the safety education courses (such as the costs of supplies, copying, and instructor mileage).

**Handling Fees.** Revenue from a \$3 handling fee is used to cover the costs associated with issuing licenses that are requested by mail, telephone or purchased on the internet and includes credit transaction fees, mailing costs and personnel costs that are necessary to process the credit transactions.

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## Non-budget Accounts

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The Department maintains several non-budget segregated revenue accounts, managed separately from the nine accounts of the conservation fund (including promotions, certain gifts and donations, and equipment pool operations). The largest of these is the equipment and vehicle pool account, made up primarily of the Department's fleet operations.

A fleet account is maintained for the purchase, use, and maintenance of cars, trucks, and heavy equipment utilized by the agency. The Department's fleet operations are managed centrally through a segregated revenue appropriation. 2013 Act 20 modifies the equipment pool operations appropriation to also specifically include the sale of, and for costs of, fire control equipment. Fleet costs including vehicle depreciation, fuel, oil, repairs, insurance, and administrative costs are charged to the appropriation, and then recovered through chargebacks to programs.

When DNR staff use a fleet vehicle, their program (such as law enforcement, wildlife management, or forestry) is charged a fleet usage rate, which they pay on a monthly or per-mile basis. Fleet rates vary depending on the vehicle class (such as car, light truck or heavy truck). Rates remained the same from calendar year 2012 through calendar year 2014. For example, the rate for a small utility vehicle was 39¢ per mile during that period.

Fiscal year 2014-15 rates were set using information from the last complete prior fiscal year of data (based on fiscal year 2012-13 costs). For example, the FY15 rate for a small utility vehicle is 43¢ per mile. The rates also take into account increases in fuel costs as well as inflation rates (based on U.S. Department of Energy estimates and the Consumer Product Index), and the fleet balance. The fleet account also receives revenue from the sale of assets (used vehicles).

The federal government allows states to recover annual costs of operating a fleet including depreciation and the gain or loss on the sale of assets. The fleet account does not recover the full costs of capital expenditures (vehicle purchases) in the year they are incurred; therefore, the account carries a cash deficit. For example, if the fleet account were to purchase a heavy truck at a cost of \$50,000, and the vehicle was projected to last for 15 years; the account would be set-up to recover the annual depreciated value of the vehicle from the programs (plus other operating costs such as maintenance and fuel costs). Therefore, under section 20.903(2)(b) of the statutes, the account is allowed to carry a cash deficit as long as the undepreciated (net book) value of fleet assets exceeds the cash deficit. Table 28 shows the con-

dition of the non-budget accounts including the fleet account.

**Table 28: Non-budget Accounts Condition**

	2013-14 Actual	2014-15 Estimated
Opening Balance	-\$21,201,500	-\$23,022,200
Revenue		
Equipment and Vehicle Pool	\$9,967,700	\$10,800,000
Promotions and Publications	94,200	95,000
Other Revenue	<u>1,270,000</u>	<u>1,205,000</u>
Total Revenue	\$11,331,900	\$12,100,000
Equipment and Vehicle Pool	\$11,814,200	\$10,800,000
Promotions and Publications	86,500	95,000
Other Expenditures	<u>1,251,900</u>	<u>1,205,000</u>
Total Expenditures	\$13,152,600	\$12,100,000
Closing Cash Balance	-\$23,022,200	-\$23,022,200

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## Appendices

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Following are five appendices which provide additional information about the conservation fund.

- Appendix I shows estimates of the overall condition statement for the conservation fund (based primarily on projections included in DNR's biennial budget request).
- Appendix II describes the most recent fee increases and current fees assessed for hunting and fishing licenses and permits and the total number sold during 2013-14.
- Appendix III describes the requirements and benefits of landowner enrollment in the DNR Deer Management Assistance Program (DMAP).
- Appendix IV identifies vehicle admission fees and camping fees assessed for state park and forest properties.
- State parks and recreation areas and their locations are shown in Appendix V.
- Appendix VI identifies the current fees assessed for boat registration.

**APPENDIX I**

**Conservation Fund Condition Statement  
2013-15 Biennium**

	Fish and Wildlife	Forestry	Parks	Water Resources	Boat Registration	Snowmobile	All-Terrain Vehicle	Endangered Resources	Natural Magazine	Non-Budget Accounts***	Total Conservation Fund
<b>2013-14 Actual</b>											
Opening Balance	\$20,751,800	\$27,469,800	\$5,310,000	\$16,219,200	\$4,314,700	\$5,537,500	\$7,352,700	\$1,603,500	\$501,100	\$-21,201,500	\$67,858,800
Revenue	74,294,500	103,561,400	16,808,900	13,101,300	4,389,900	9,239,200	6,345,200	1,253,800	821,400	11,331,900	241,147,500
Expenditures	<u>72,644,900</u>	<u>104,481,100</u>	<u>15,568,300</u>	<u>12,650,200</u>	<u>5,094,300</u>	<u>8,815,700</u>	<u>5,101,400</u>	<u>1,117,300</u>	<u>799,400</u>	<u>13,152,600</u>	<u>239,425,200</u>
Closing Cash Balance	\$22,401,400	\$26,550,100	\$6,550,600	\$16,670,300	\$3,610,300	\$5,961,000	\$8,596,500	\$1,740,000	\$523,100	\$-23,022,200	\$69,581,100
<b>2014-15 Estimate</b>											
Opening Balance	\$22,401,400	\$26,550,100	\$6,550,600	\$16,670,300	\$3,610,300	\$5,961,000	\$8,596,500	\$1,740,000	\$523,100	\$-23,022,200	\$69,581,100
Revenue	74,670,000	105,850,000	16,300,000	12,903,000	7,400,000	9,527,000	6,440,000	1,215,000	815,000	12,100,000	247,220,000
Budgeted Expenditures	79,614,000	107,087,200	16,259,100	13,384,600	5,819,500	9,648,100	7,188,900	1,197,000	800,000	12,100,000	253,098,400
Reserves/Lapses*	-2,950,000	0	-275,000	-195,000	0	-388,000	-405,900	0	0	0	-4,213,900
Estimated Expenditures	<u>76,664,000</u>	<u>107,087,200</u>	<u>15,984,100</u>	<u>13,189,600</u>	<u>5,819,500</u>	<u>9,260,100</u>	<u>6,783,000</u>	<u>1,197,000</u>	<u>800,000</u>	<u>12,100,000</u>	<u>248,884,500</u>
Closing Cash Balance	\$20,407,400	\$25,312,900	\$6,866,500	\$16,383,700	\$5,190,800	\$6,227,900	\$8,253,500	\$1,758,000	\$538,100	\$-23,022,200	\$67,916,600
Encumbrances/Continuing**	\$15,655,400	\$10,592,400	\$900,300	\$14,910,700	\$38,000	\$4,502,600	\$6,413,600	\$1,742,500	\$523,100	\$151,400	\$55,430,000
Estimated Available Balance	\$4,752,000	\$14,720,500	\$5,966,200	\$1,473,000	\$5,152,800	\$1,725,300	\$1,839,900	\$15,500	\$15,000	\$-23,173,600	\$12,486,600

\*Includes health insurance reserves and amounts DNR has identified as lapsing back to the account balance due to position vacancies or other reductions in authorized expenditure levels.

\*\*Amounts encumbered, but not yet expended and balances in continuing appropriations that may only be used for the statutorily authorized purposes (balances are not available for general account expenditures).

## APPENDIX II

### Major Hunting and Fishing License Fees and Fiscal Year 2013-14 Sales

	Current Fee	2013-14 Licenses Sold
<b>Resident Hunting</b>		
Small Game	\$18.00	82,028
Senior Small Game	9.00	15,126
Youth Small Game	9.00	9,217
Deer	24.00	409,839
Youth Deer	20.00	50,530
10- and 11-Year Old Deer	7.00	14,013
Bonus Deer	12.00	84,887
Antlerless Herd Control	0.00	770,994
Elk	49.00	0
Class A Bear	49.00	8,089
Class B Bear Pursuit	14.00	6,382
Wolf	49.00	1,883
Archery	24.00	175,713
Youth Archery	20.00	11,307
10- and 11-Year Old Archery	7.00	1,617
Wild Turkey	15.00	96,485
Extra Turkey Tag	10.00	77,362
Trapping	20.00	5,698
Youth Trapping	10.00	317
<b>Nonresident Hunting</b>		
Annual Small Game	\$85.00	5,308
Five-day Small Game	55.00	2,055
Deer	160.00	25,962
Bonus Deer	20.00	5,865
Antlerless Herd Control	0.00	42,211
Elk	251.00	0
Class A Bear	251.00	249
Class B Bear Pursuit	110.00	235
Wolf	251.00	11
Archer	160.00	7,441
Wild Turkey	60.00	3,647
Extra Turkey Tag	15.00	3,566
Furbearing Animal	160.00	44
<b>Hunting Stamps</b>		
Pheasant	\$10.00	34,943
Waterfowl	7.00	58,606
Wild Turkey	5.25	104,664
<b>Resident Fishing</b>		
One-Day	\$8.00	7,683
Annual	20.00	476,753
Senior Annual	7.00	120,005
Youth Annual	7.00	33,338
Husband and Wife	31.00	109,319
Disabled	7.00	15,837
Disabled Veteran	3.00	3,927
Sturgeon Spearing	20.00	11,358
Sturgeon Hook and Line	20.00	703



	Current Fee	2013-14 Licenses Sold
<b>Nonresident Fishing</b>		
Individual:		
One-Day	\$10.00	\$60,616
Annual	50.00	73,713
Fifteen-day	28.00	23,965
Four-day	24.00	55,114
Family:		
Annual	\$65.00	31,126
Fifteen-day	40.00	14,684
Sturgeon Spearing	65.00	204
Sturgeon Hook and Line	50.00	175
<b>Fishing Stamps</b>		
Inland Trout	\$10.00	140,372
Great Lakes Trout and Salmon	10.00	129,640
Two Day Great Lakes Fishing	14.00	26,114
Two Day Inland Lake Trout	14.00	193
<b>Resident Multiple Licenses</b>		
Conservation Patron	\$165.00	42,032
Junior Patron	75.00	3,499
Sports License	60.00	48,810
Junior Sports	35.00	2,396
Disabled Veteran Recreation Card	7.00	1,110
<b>Nonresident Multiple Licenses</b>		
Conservation Patron	\$600.00	98
Junior Patron	77.00	803
Sports License	275.00	505
Junior Sports	36.00	3,314

Notes: Fees shown include the issuing fee, and the wildlife damage surcharge where applicable.

\*Class A Bear licenses are awarded through a preference point lottery system whereby an applicant can apply once each year and elect to either purchase a preference point or be included in the drawing. If the applicant is not a drawing winner, one preference point is added to the applicant's total. Either option is \$49 for residents and \$251 for non-residents.

## APPENDIX III

### Deer Management Assistance Program

Minimum Acreage Requirement	May Apply as a Group Cooperative	Fee	Resources Available	Data Required to be Collected & Reported to DNR	Voluntary Data Submitted by Participants	<u>Current Participation</u>	
						No. of Applications	No. of Landowners
<b>Level 1</b> 0	No	\$0	<p>DMAP educational resources</p> <p>Technical assistance from Department employees including Wildlife biologists and foresters</p> <p>Annual program reports</p> <p>An opportunity to attend annual workshops organized by DNR or its partners</p> <p>Assistance with individual projects that have scientific value</p> <p>Information on forming program cooperatives</p>	N/A		89	89
<b>Level 2</b> 160	Yes	\$75	<p>All benefits of Level 1, plus: One on-site consultation visit by a DNR wildlife biologist and a DNR forester</p> <p>A management plan with habitat and harvest recommendations developed individually for the enrolled property or cooperative</p> <p>Reduced price antlerless tags (if applicable to management goals)</p> <p>Property specific harvest reports</p>	Harvest Date, Firearm used, number and sex of deer harvested	Antler dimensions, lactation status, weight, wildlife observations, trail camera photos	73	171
<b>Level 3</b> 640	Yes	\$150	<p>All benefits of Levels 1 and 2, plus: Assistance with deer population monitoring</p> <p>Habitat evaluations</p> <p>Assistance with enrollment in other conservation programs</p> <p>Technical assistance and design for habitat and property management activities</p> <p>Additional site visits when needed and detailed management recommendations</p>	Same as Level 2	Same as Level 2	18	77

## APPENDIX IV

### State Parks and Forests Recreation Fees January 1, 2015

Vehicle Admissions	Fee
<b>Resident</b>	
Annual	\$25.00
Additional Annual	12.50
Daily Auto	7.00
Daily Bus	10.00
Senior Annual	10.00
Senior Daily	3.00
One Hour Admission	5.00
<b>Nonresident</b>	
Annual	\$35.00
Additional Annual	17.50
Daily Auto	10.00
Daily Bus	14.00
One Hour Admission	5.00
 State Trail Pass	
Resident or Non-Resident Annual	\$20.00
Resident or Non-Resident Daily	4.00
 Campground Sites	
<b>State Parks and Southern Forests***</b>	
Resident, Per Night*	\$12.00 - 15.00
Non-Resident, Per Night*	14.00 - 17.00
Extra Charge for Electricity, Per Night	5.00
Extra Charge for Water View, Per Night	3.00
<b>Northern Forests***</b>	
Resident, Per Night*	\$9.00 - 15.00
Non-Resident, Per Night*	11.00 - 17.00
Extra Charge for Electricity, Per Night	5.00
Reservation Fee, Per Reservation	9.70
Reservation Cancellation Fee, Per Reservation	5.00
Reservation Change fee (for changing site or dates)**	5.00

\*The upper end of these ranges reflect \$3 per night higher fees for camping at the following places: Big Bay State Park; Devil's Lake State Park; Copper Falls State Park; Council Grounds State Park; Governor Dodge State Park; Hartman Creek State Park; High Cliff State Park; Kohler-Andrae State Park; Mirror Lake State Park; Newport State Park; Pattison State Park; Northern Highlands-American Legion SF (select campgrounds); Peninsula State Park; Point Beach State Forest; Potawatomi State Park; and Willow River State Park.

\*\*A person may change the beginning date of their stay or shorten their stay, as long as at least one day of the stay remains the same. To extend a stay or camp at a completely different time, a person must cancel the original reservation and make a new one.

\*\*\* DNR may charge additional fees based on campground amenities.

## APPENDIX V

### State Parks and Recreation Areas Operated by DNR Parks Staff

Facility	Nearby City	County
1. Amnicon Falls	Superior	Douglas
2. Aztalan	Lake Mills	Jefferson
3. Big Bay	Bayfield	Ashland
4. Big Foot Beach	Lake Geneva	Walworth
5. Blue Mound	Blue Mounds	Iowa
6. Bong, Richard SRA	Kansasville	Kenosha
7. Browntown-Cadiz Springs SRA	Monroe	Green
8. Brunet Island	Cornell	Chippewa
9. Buckhorn	Necedah	Juneau
10. Chippewa Moraine SRA	New Auburn	Chippewa
11. Copper Falls	Mellen	Ashland
12. Council Grounds	Merrill	Lincoln
13. Cross Plains	Cross Plains	Dane
14. Devil's Lake	Baraboo	Sauk
15. Fenley SRA	Kieler	Grant
16. Governor Dodge	Dodgeville	Iowa
17. Governor Nelson	Wausaukee	Dane
18. Governor Thompson	Mountain	Marinette
19. Harrington Beach	Belgium	Ozaukee
20. Hartman Creek	Waupaca	Waupaca
21. High Cliff	Menasha	Calumet
22. Hoffman Hills SRA	Menomonie	Dunn
23. Interstate	St. Croix Falls	Polk
24. Kinnickinnic	River Falls	Pierce
25. Kohler-Andrae	Sheboygan	Sheboygan
26. Lake Kegonsa	Stoughton	Dane
27. Lakeshore	Milwaukee	Milwaukee
28. Lake Wissota	Chippewa Falls	Chippewa
29. Menominee River	Niagara	Marinette
30. Merrick	Fountain City	Buffalo
31. Mill Bluff	Camp Douglas	Monroe
32. Mirror Lake	Baraboo	Sauk
33. Natural Bridge	Baraboo	Sauk
34. Nelson Dewey	Cassville	Grant
35. New Glarus Woods	New Glarus	Green
36. Newport	Ellison Bay	Door
37. Pattison	Superior	Douglas
38. Peninsula	Fish Creek	Door
39. Perrot	Trempealeau	Trempealeau
40. Potawatomi	Sturgeon Bay	Door
41. Rib Mountain	Wausau	Marathon
42. Roche-A-Cri	Friendship	Adams
43. Rock Island	Washington	Door
44. Rocky Arbor	Wisconsin Dells	Sauk
45. Straight Lake*	St. Croix Falls	Polk
46. Tower Hill	Spring Green	Iowa
47. Whitefish Dunes	Sturgeon Bay	Door
48. Wildcat Mountain	Ontario	Vernon
49. Willow River	Hudson	St. Croix
50. Wyalusing	Bagley	Grant
51. Yellowstone Lake	Blanchardville	Lafayette

SRA = State Recreation Area

\*Use of Straight Lake State Park is limited to foot traffic only. Boats may be carried in for fishing.

## APPENDIX VI

### Boat Registration Fees (Valid for Three Years)

Registration	Current Fee
Non-Motorized	
Volunteer	\$11.00
Sailboat	17.00
Motorized	
Under 16'	\$22.00
16' to 26'	32.00
26' to 40'	60.00
Over 40'	100.00
Fleet	
Fleet certification fee*	\$27.00
Non-Motorized Fleet	
Volunteer	\$5.50
Sailboat	8.50
Motorized Fleet	
Under 16	\$11.00
16' to 26'	16.00
26' to 40'	30.00
Over 40'	50.00
Transfer Registration Fees	
Under 16	\$3.75
16' to 26	5.75
Dealer /manufacturer fee	\$75.00

Notes: An additional \$5 title fee is added for certain new or transferred boat registrations.  
Voluntarily registered boats may include canoes, kayaks, duck skiffs and other human-powered boats.

\*The fleet certification fee is applied to people who own and register three or more boats, and is paid in addition to the per boat fee shown. The fee is also required with a renewal. As shown in the table, the per boat fleet registration fee is equal to 50% of the nonfleet registration fee.