

### Fiscal Estimate - 2005 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>05-1032/1</b>	<b>Introduction Number</b> <b>AB-7</b>	
<b>Subject</b> Acreage requirement under managed forest land program		
<b>Fiscal Effect</b>		
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Appropriations  <input type="checkbox"/> Decrease Existing Appropriations  <input type="checkbox"/> Create New Appropriations                 </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Existing Revenues  <input type="checkbox"/> Decrease Existing Revenues                 </div> <div style="width: 30%;"> <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget  <div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> Yes      <input type="checkbox"/> No                     </div> <input type="checkbox"/> Decrease Costs                 </div> </div>		
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;">                 1. <input type="checkbox"/> Increase Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                  2. <input type="checkbox"/> Decrease Costs  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory             </div> <div style="width: 30%;">                 3. <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                  4. <input type="checkbox"/> Decrease Revenue  <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory             </div> <div style="width: 30%;">                 5. Types of Local Government Units Affected  <input checked="" type="checkbox"/> Towns    <input checked="" type="checkbox"/> Village    <input checked="" type="checkbox"/> Cities  <input checked="" type="checkbox"/> Counties    <input type="checkbox"/> Others  <input checked="" type="checkbox"/> School Districts    <input checked="" type="checkbox"/> WTCS Districts             </div> </div>		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS s. 20.370 (5) (bv)		
<b>Agency/Prepared By</b> DOR/ Daniel Huegel (608) 266-5705	<b>Authorized Signature</b> Blair Kruger (608) 266-1310	<b>Date</b> 2/4/2005

**Fiscal Estimate Narratives**  
**DOR 2/4/2005**

LRB Number	<b>05-1032/1</b>	Introduction Number	<b>AB-7</b>	Estimate Type	<b>Original</b>
<b>Subject</b>					
Acreage requirement under managed forest land program					

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, a parcel of land is eligible for designation as managed forest land if it meets certain requirements. One requirement is that the parcel must contain at least ten contiguous acres of land in a single municipality. Under the bill, the ten contiguous acres could be in two or more municipalities.

The bill may increase the number of acres eligible for designation as managed forest land. The Department of Revenue does not have information which would permit a reasonable estimate of how many additional acres would be so designated.

**State Fiscal Effect:**

An owner of land designated as managed forest land is required to permit public access to the land for hunting and other recreational purposes. However, he or she may close up to 160 acres to public access. Annually, for land designated as managed forest land after April 28, 2004 and closed to public access, the owner must pay a fee of \$5.82 per acre for deposit in the state conservation fund. If the bill increases the number acres of managed forest land closed to public access, state revenues will increase.

Annually, the Department of Natural Resources (DNR) pays \$0.20 per acre to municipalities where land designated as managed forest land is located. If the bill increases the number of acres designated as managed forest land, total payments by DNR to municipalities will increase.

**Local Fiscal Effect**

The municipality retains 80% of the \$0.20 per acre payment from the DNR and remits the remaining 20% to the county. Annually, on land designated as managed forest land after April 28, 2004, the owner must pay a fee of \$1.46 per acre to the municipality where the land is located. The municipality retains 80% of the payment and remits the remaining 20% to the county. If the bill increases the number of acres of managed forest land, revenues to municipalities and counties will increase.

Land designated as managed forest land is exempt from local property taxes. If the bill increases the number of acres of designated as managed forest land, property taxes will be shifted from owners of designated managed forest land to all other property tax owners.

**Long-Range Fiscal Implications**