

State of Misconsin 2011 - 2012 LEGISLATURE



DOA:.....Stinebrink, BB0039 - Costs for stewardship acquisitions

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau NATURAL RESOURCES

OTHER NATURAL RESOURCES

Current law authorizes the state under the stewardship program administered by DNR to incur public debt to provide matching grants to certain governmental units and nonprofit conservation organizations to acquire land or easements for certain conservation activities. Under current law, the acquisition costs for the lands or easements to be used in calculating the amount of a grant equal the current fair market value plus any other acquisition costs, such as survey or appraisal costs, if the land has been owned by the person conveying the land for three years or more. If the land has been owned for one year or more but less than three years, the acquisition costs equal the sum of the current owner's acquisition price and an annual adjustment increase (adjusted price). If the land has been owned for less than one year, the acquisition costs equal the current owner's acquisition price.

Under this bill, the acquisition costs for land that has been owned for one year or more but less than three years equal the adjusted price or the current fair market value, whichever is lower. The acquisition costs for land that has been owned for less than one year equal the current owner's acquisition price or the current fair market value of the land, whichever is lower.

Under current law, for some but not all of these grants, at least two appraisals are required when it is necessary to determine the fair market value. Under the bill, at least two appraisals are required for all of these grants.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

Section 1. 23.0917 (7) (b) of the statutes is amended to read:

23.0917 (7) (b) For land that has been owned by the current owner for less than one year, the acquisition costs of the land shall equal the current fair market value of the land or the current owner's acquisition price, whichever is lower.

Section 2. 23.0917 (7) (c) of the statutes is renumbered 23.0917 (7) (c) (intro.) and amended to read:

23.0917 (7) (c) (intro.) For land that has been owned by the current owner for one year or more but for less than 3 years, the acquisition costs of the land shall equal the <u>lower of the following:</u>

2. The sum of the current owner's acquisition price and the annual adjustment increase.

Section 3. 23.0917 (7) (c) 1. of the statutes is created to read:

23.0917 (7) (c) 1. The current fair market value of the land.

Section 4. 23.0917 (7) (d) (intro.) of the statutes is amended to read:

23.0917 (7) (d) (intro.) For purposes of par. (c) <u>2.</u>, the annual adjustment increase shall be calculated by multiplying the <u>current</u> owner's acquisition price by 5% and by then multiplying that product by one of the following numbers:

Section 5. 23.0917 (7) (e) 1. of the statutes is amended to read:

23.0917 (7) (e) 1. For any land for which moneys are proposed to be obligated from the appropriation under s. 20.866 (2) (ta) in order to provide a grant or, state aid, or other funding to a governmental unit or nonprofit conservation organization

under s. 23.09 (19), (20), or (20m), 23.092 (4), 23.094 (3g), 23.0953, 23.096, 30.24 (2), or 30.277 or to a nonprofit conservation organization under s. 23.096, the department shall use at least 2 appraisals to determine the current fair market value of the land. The governmental unit or nonprofit conservation organization shall submit to the department one appraisal that is paid for by the governmental unit or nonprofit conservation organization. The department shall obtain its own independent appraisal. The department may also require that the governmental unit or nonprofit conservation organization submit a 3rd independent appraisal. The department shall reimburse the governmental unit or nonprofit conservation organization up to 50% of the costs of the 3rd appraisal as part of the acquisition costs of the land if the land is acquired by the governmental unit or nonprofit conservation organization with moneys obligated from the appropriation under s. 20.866 (2) (ta).

Section 6. 23.0917 (7) (e) 2. of the statutes is amended to read:

23.0917 (7) (e) 2. Subdivision 1. does not apply if the <u>current</u> fair market value of the land is estimated by the department to be \$350,000 or less.

Section 7. 23.0917 (7) (f) 2. of the statutes is amended to read:

23.0917 (7) (f) 2. For any acquisition of any land that is funded with moneys obligated from the appropriation under s. 20.866 (2) (ta), the department, within 30 days after the moneys are obligated, shall submit to the clerk and the assessor of each taxation district in which the land is located a copy of every appraisal in the department's possession that was prepared in order to determine the <u>current</u> fair market value of the land involved. An assessor who receives a copy of an appraisal under this subdivision shall consider the appraisal in valuing the land as provided under s. 70.32 (1).

Section 9335. Initial applicability; Natural Resources.

(1) Stewardship acquisition costs. The treatment of section 23.0917 (7) (b), (d) (intro.), and (e) 1. of the statutes, the renumbering and amendment of section 23.0917 (7) (c) of the statutes, and the creation of section 23.0917 (7) (c) 1. of the statutes first apply to applications for grants, state aid, or funding that are submitted to the department of natural resources on July 1, 2011, and that have not been approved or denied by the department of natural resources on or before the effective date of this subsection.

(END)