

State of Misconsin 2017 - 2018 LEGISLATURE

 $LRB-1803/1 \\ EHS/EVM/ZDW/MDK:jld$

2017 ASSEMBLY BILL 338

May 19, 2017 - Introduced by Representatives August, Felzkowski, Sanfelippo, Spiros, Tusler, Kuglitsch, Murphy, Schraa, R. Brooks, Hutton and Knodl, cosponsored by Senators Nass, Tiffany, Feyen, Craig and Lemahieu. Referred to Committee on State Affairs.

AN ACT to repeal 24.09 (2), 24.11 (1) (c), 24.59 (3), 24.605 and 24.61 (2) (cm); to 1 2 renumber 24.09 (1) (b) and 24.09 (1) (c); to renumber and amend 24.09 (1) 3 (a), 24.09 (1) (bm) and 24.09 (1) (d); **to amend** 20.285 (1) (rm) (title), 20.507 (1) (h), 20.866 (2) (ta), 23.0917 (3) (br) 2., 23.0917 (3) (bt) 2., 24.01 (1), 24.01 (4), 4 5 24.01 (5), 24.01 (7), 24.01 (9), 24.01 (10), 24.09 (title), 24.10 (1), 24.10 (2), 24.59 6 (1), 36.49 (title) and 36.49 (3); and **to create** 23.0917 (3) (br) 3., 23.0917 (3) (bt) 3., 23.0917 (3) (bu), 23.0917 (3) (dm) 9., 23.1989, 28.12, 36.49 (4) and 59.52 (6) 7 8 (f) of the statutes; **relating to:** sale of public lands owned by the Board of 9 Commissioners of Public Lands to the state; county management of certain 10 state lands; merit scholarships for certain University of Wisconsin System students; the obligation of moneys for land acquisition under the Warren 11

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Knowles-Gaylord Nelson Stewardship 2000 Program; and making an appropriation (at the request of the state treasurer).

Analysis by the Legislative Reference Bureau

This bill allows the Board of Commissioners of Public Lands to sell all properties under its jurisdiction to the state and, if BCPL does so, requires the Department of Natural Resources to purchase those lands under the Warren Knowles-Gaylord Nelson Stewardship 2000 Program. The bill also allows counties to elect to manage these lands. The bill reduces the amounts DNR must set aside under the land acquisition subprogram of the stewardship program for DNR to acquire land and to provide grants to counties and for grants to nonprofit conservation organizations. The bill also requires the Board of Regents of the University of Wisconsin System to award merit scholarships to certain students.

Sale of public lands. Under current law, BCPL manages the common school fund, the normal school fund, the university fund, and the agricultural college fund (trust funds). The trust funds were established from the proceeds of the sale of most of the land granted to this state by the federal government at the time of statehood. BCPL manages the remaining lands granted by the federal government to this state and also administers a state trust fund loan program under which it makes loans, from moneys belonging to the trust funds, to school districts, local governments, and certain other public entities for certain public purposes.

Under this bill, if BCPL determines that the sale of all lands under its jurisdiction will not breach its duty as trustee, BCPL may sell all properties under its jurisdiction to the state. If BCPL sells this property, the bill requires DNR to purchase it and to pay for the purchase in annual installments.

Under current law, the state may incur public debt for certain conservation activities under the stewardship program, which is administered by DNR. The state may bond for various conservation activities under the program, one of which is land acquisition. This bill requires DNR, beginning in fiscal year 2017–18 and ending in fiscal year 2026–27, to set aside \$10,000,000 each fiscal year under the stewardship program, which may be obligated for the purpose of making the annual installment payments for the purchase of BCPL land. Under the bill, DNR is required to use those amounts to make installment payments of no more than \$10,000,000 each fiscal year until the total amount paid equals the appraised value of the land, except no payments may be made after fiscal year 2026–27.

Beginning in fiscal year 2017–18 and ending in fiscal year 2019–20, this bill reduces from \$9,000,000 to \$2,000,000 the amount that may be obligated for DNR land acquisition and for grants to counties for land acquisition, and reduces from \$7,000,000 to \$4,000,000 the amount that may be obligated as grants to nonprofit conservation organizations for land acquisition.

County management of DNR land. The bill authorizes a county board to manage, maintain, and improve any of the land DNR acquires from BCPL that is located in that county. Under the bill, if the county board adopts a resolution within

six months after the effective date of this bill stating its intent to manage, maintain, and improve any such land, including a description of the land, and provides notice of the resolution to DNR, and if DNR provides notice to the county that it has acquired the land, then the county is required to, and DNR is required to allow the county to, manage, maintain, and improve the land (department land).

The bill allows a county to incorporate department land into its comprehensive county forest land use plan, if one exists, without DNR approval and allows the county to use county forest administration grants and sustainable forestry grants obtained under the county forest law for department land. The bill grants a county board many of the powers with respect to department land that a county board currently has with respect to county forests, such as regulating the use of the land by the public, establishing forest plantations, and engaging in silviculture, forest management, and timber sales. Similar to a current requirement under the county forest law, the bill requires any timber sale from department land with an estimated value of \$3,000 or more, except for timber that has been damaged by fire, snow, hail, ice, insects, disease, or wind, to be by sealed bid or public sale after fulfilling a publication requirement and allows any timber sale with an estimated value below \$3,000 to be made without prior advertising.

The bill authorizes a county board to adopt a resolution stating that the county no longer intends to manage, maintain, and improve department land and requires the county board to notify DNR of this resolution as soon as practicable after its adoption, at which point the county's responsibility to manage, maintain, and improve the land ends.

Wisconsin Merit scholarships. The bill requires the Board of Regents to award merit-based annual \$5,000 scholarships to students enrolled in two-year or four-year UW schools who have graduated from an in-state high school or been granted a high school diploma by the administrator of an in-state home-based private educational program. The scholarships are called "Wisconsin Merit scholarships." The bill requires the Board of Regents to determine student merit based on performance on standardized college entrance examinations and, if applicable, cumulative high school grade point averages. Under current law, income and interest from the normal school fund is appropriated to the Board of Regents to do the following annually: 1) make need-based grants totaling \$100,000 to students at the Nelson Institute for Environmental Studies who are members of underrepresented groups; 2) provide scholarships totaling \$100,000 to students enrolled in the sustainable management degree program through UW-Extension; and 3) award the balance to the UW-Stevens Point for environmental programs. Under the bill, the Board of Regents must provide \$200,000 annually to the UW-Stevens Point for environmental programs and award the balance in the scholarships required under the bill.

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. 20.285 (1) (rm) (title) of the statutes is amended to read:

20.285 (1) (rm) (title) Environmental program grants and scholarships; Wisconsin Merit scholarships.

Section 2. 20.507 (1) (h) of the statutes is amended to read:

20.507 (1) (h) Trust lands and investments — general program operations. The amounts in the schedule for the general program operations of the board as provided under ss. 24.04, 24.09 (1) (bm) (3), 24.53 and 24.62 (1). All amounts deducted from the gross receipts of the appropriate funds as provided under ss. 24.04, 24.09 (1) (bm) (3), 24.53 and 24.62 (1) shall be credited to this appropriation account. Notwithstanding s. 20.001 (3) (a), the unencumbered balance at the end of each fiscal year shall be transferred to the trust funds, as defined under s. 24.60 (5). The amount transferred to each trust fund, as defined under s. 24.60 (5), shall bear the same proportion to the total amount transferred to the trust funds that the gross receipts of that trust fund bears to the total gross receipts credited to this appropriation account during that fiscal year.

Section 3. 20.866 (2) (ta) of the statutes is amended to read:

20.866 **(2)** (ta) Natural resources; Warren Knowles-Gaylord Nelson stewardship 2000 program. From the capital improvement fund a sum sufficient for the Warren Knowles-Gaylord Nelson stewardship 2000 program under s. 23.0917. The state may contract public debt in an amount not to exceed \$1,046,250,000 \$1,116,250,000 for this program. Except as provided in s. 23.0917 (4g) (b), (4m) (k),

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1 (5), (5g), and (5m), the amounts obligated, as defined in s. 23.0917 (1) (e), under this $\mathbf{2}$ paragraph may not exceed \$46,000,000 in fiscal year 2000-01, may not exceed 3 \$46,000,000 in fiscal year 2001-02, may not exceed \$60,000,000 in each fiscal year 4 beginning with fiscal year 2002-03 and ending with fiscal year 2009-10, may not 5 exceed \$86,000,000 in fiscal year 2010-11, may not exceed \$60,000,000 in fiscal year 6 2011-12, may not exceed \$60,000,000 in fiscal year 2012-13, may not exceed 7 \$47,500,000 in fiscal year 2013-14, may not exceed \$54,500,000 in fiscal year 8 2014-15, and may not exceed \$33,250,000 in each fiscal year beginning with 2015-16 9 and ending with fiscal year 2019-20, and may not exceed \$10,000,000 in each fiscal 10 year beginning with 2020-21 and ending with fiscal year 2026-27. 11 **Section 4.** 23.0917 (3) (br) 2. of the statutes is amended to read: 12 23.0917 (3) (br) 2. For each fiscal year beginning with 2015-16 and ending with 13 2019-20 2016-17, \$7,000,000. 14 **Section 5.** 23.0917 (3) (br) 3. of the statutes is created to read: 15 23.0917 (3) (br) 3. For each fiscal year beginning with 2017-18 and ending with 16 2019-20, \$4,000,000. 17 **Section 6.** 23.0917 (3) (bt) 2. of the statutes is amended to read: 18 23.0917 (3) (bt) 2. For each fiscal year beginning with 2015–16 and ending with 19 fiscal year 2019-20 2016-17, \$9,000,000. 20 **Section 7.** 23.0917 (3) (bt) 3. of the statutes is created to read: 2123.0917 (3) (bt) 3. For each fiscal year beginning with 2017-18 and ending with 22 fiscal year 2019-20, \$2,000,000. 23 **Section 8.** 23.0917 (3) (bu) of the statutes is created to read:

23.0917 (3) (bu) In obligating moneys under the subprogram for land

acquisition, the department shall set aside \$10,000,000 for each fiscal year

beginning with 2017–18 and ending with 2026–27 to be obligated only for the department to make installment payments for the purchase of land under s. 23.1989.

Section 9. 23.0917 (3) (dm) 9. of the statutes is created to read:

23.0917 (3) (dm) 9. For each fiscal year beginning with 2020-21 and ending with fiscal year 2026-27, \$10,000,000.

Section 10. 23.1989 of the statutes is created to read:

- 23.1989 Acquisition of certain public lands. (1) Beginning in fiscal year 2017–18 and ending in fiscal year 2026–27, from the appropriation under s. 20.866 (2) (ta), the department shall set aside \$10,000,000 in each fiscal year that may be obligated only to make installment payments for the purchase of land from the board of commissioners of public lands under s. 24.59 (1). For purposes of s. 23.0917, moneys provided from the appropriation under s. 20.866 (2) (ta) shall be treated as moneys obligated under the subprogram under s. 23.0917 (3).
- (1m) Subject to subs. (2) to (4), if the board of commissioners of public lands sells land under s. 24.59 (1), the department shall purchase the land. The department shall pay for the land purchased under this subsection in installments, as provided in subs. (2) to (4).
- (2) Notwithstanding s. 24.11 (1) (b) and except as provided in sub. (4), the department shall make installment payments of \$10,000,000 in each fiscal year beginning in fiscal year 2017–18 until the total amount paid under this subsection equals the value of the land established under s. 24.59 (2), except that payments may not be made after the fiscal year 2026–27.
- (3) In the fiscal year in which a final installment payment of not more than \$10,000,000 is due, from the appropriation under s. 20.866 (2) (ta), the department

shall set aside an amount that shall be obligated only to make the final payment to
acquire land from the board of commissioners of public lands under s. $24.59\ (1)$.
(4) In the fiscal year described in sub. (3), the department shall make an
installment payment equal to the amount remaining to make the final payment to
acquire land from the board of commissioners of public lands under s. $24.59\ (1)$.
(5) If the department acquires land under sub. (1m), the department shall, as
soon as practicable, notify all counties from which the department has received
notification of a resolution adopted under s. 59.52 (6) (f). Beginning on the date that
a county receives this notice from the department, the department shall allow the
county to conduct all activities under s. 28.12 necessary to manage, maintain, and
improve the land described in the county's resolution under s. $59.52\ (6)\ (f)$ until the
county board adopts a resolution under s. 28.12 (7).
Section 11. 24.01 (1) of the statutes is amended to read:
24.01 (1) "Agricultural college lands" embraces all lands granted to the state
by an act of congress entitled "An act donating public lands to the several states and
territories which may provide colleges for the benefit of agriculture and the mechanic
arts," approved July 2, 1862, as well as any land received under s. $24.09 \ (1) \ (bm) \ (3)$
in exchange for such land.
Section 12. 24.01 (4) of the statutes is amended to read:
24.01 (4) "Marathon County lands" embraces all lands acquired by the state
pursuant to chapter 22 of the general laws of 1867, as well as any land received under
s. 24.09 (1) (bm) (3) in exchange for such land.

SECTION 13. 24.01 (5) of the statutes is amended to read:

24.01 (5) "Normal school lands" embraces all parcels of said "swamp lands"

which the legislature has declared or otherwise decided, or may hereafter declare or

to read:

otherwise decide, were not or are not needed for the drainage or reclamation of the
same or other lands, as well as any land received under s. 24.09 (1) (bm) (3) in
exchange for such land.
Section 14. 24.01 (7) of the statutes is amended to read:
24.01 (7) "School lands" embraces all lands made a part of "the school fund" by
article X, section 2, of the constitution, as well as any land received under s. 24.09
(1) (bm) (3) in exchange for such land.
Section 15. 24.01 (9) of the statutes is amended to read:
24.01 (9) "Swamp lands" embraces all lands which have been or may be
transferred to the state pursuant to an act of congress entitled "An act to enable the
state of Arkansas and other states to reclaim the swamp lands within their limits,"
approved September 28, 1850, or pursuant to an act of congress entitled "An act for
the relief of purchasers and locators of swamp and overflowed lands," approved
March 2, 1855, as well as any land received under s. 24.09 (1) (bm) (3) in exchange
for such land.
Section 16. 24.01 (10) of the statutes is amended to read:
24.01 (10) "University lands" embraces all lands the proceeds of which are
denominated "the university fund" by article X, section 6, of the constitution, as well
as any land received under s. 24.09 (1) (bm) (3) in exchange for such land.
Section 17. 24.09 (title) of the statutes is amended to read:
24.09 (title) Procedure before sale or exchange; withdrawal; resale.
SECTION 18. 24.09 (1) (a) of the statutes is renumbered 24.09 (1) and amended

24.09 (1) Except as provided under par. (c) sub. (4), the board may not sell or exchange any public lands which were not appraised or appraised under s. 24.08.

1	Except as provided under pars. (b), (bm) and (c) subs. (2m), (3), and (4), the board may
2	not sell or exchange any public lands except at public auction or by sealed bid.
3	Section 19. 24.09 (1) (b) of the statutes is renumbered 24.09 (2m).
4	Section 20. 24.09 (1) (bm) of the statutes is renumbered 24.09 (3) and amended
5	to read:
6	24.09 (3) The board may exchange part or all of any parcel of public lands for
7	any other land of approximately equal value if the board determines that the
8	exchange will contribute to the consolidation or completion of a block of land
9	enhance conservation of lands or otherwise be in the public interest. Under this
10	paragraph subsection, an exchange is of "approximately equal value" if the difference
11	in value between the more highly valued land and the less highly valued land does
12	not exceed 10 percent of the value of the more highly valued land. All expenses
13	necessarily incurred in making an exchange under this paragraph <u>subsection</u> shall
14	be deducted from the gross receipts of the fund to which the proceeds of the sale of
15	the exchanged land will be added.
16	Section 21. 24.09 (1) (c) of the statutes is renumbered 24.09 (4).
17	Section 22. 24.09 (1) (d) of the statutes is renumbered 24.09 (5) and amended
18	to read:
19	24.09 (5) All sales other than sales under par. (b) or (c) sub. (2m) or (4) shall
20	be made at the times and public places by sealed bid or public sale as the board
21	designates. Prior to any sale, the board shall publish a class 3 notice, under ch. 985
22	specifying the time and place and describing the lands to be sold in a newspaper
23	published in the county where the lands are situated.
24	Section 23. 24.09 (2) of the statutes is repealed.

Section 24. 24.10 (1) of the statutes is amended to read:

24.10 (1) If the sale is to be by public auction, at the time and place specified in the notice under s. 24.09 (1) (d) (5), the board shall commence the sale of the lands described in the notice and thereafter continue the same from day to day, Sundays excepted, between 9 a.m. and the setting of the sun, until all lands described in the notice have been offered. The order of the sale shall be to begin at the lowest number of the sections, townships, and ranges in each county and proceed regularly to the highest, until all then to be sold are offered for sale. Except for lands withheld from sale under s. 24.09 (2), each Each lot, tract of lands, or collection of tracts of lands to be sold shall be offered at the minimum price fixed by law and shall be cried at public auction long enough to enable every one present to bid. If the minimum price or more is bid, the lot or tract shall be struck off to the highest bidder, but if the minimum price is not bid the tract shall be set down unsold.

Section 25. 24.10 (2) of the statutes is amended to read:

24.10 (2) If the sale is to be by sealed bid, the highest bid for any lot, tract of lands, or collection of tracts of lands shall be accepted, unless the highest bid is below the minimum price fixed by law. If the highest bid is below the minimum price fixed by law, then all bids may be rejected. If all bids are rejected or if no bid is received, the board may readvertise the sale, or adjourn the sale to a definite date, or withhold the lands from sale pursuant to s. 24.09 (2).

Section 26. 24.11 (1) (c) of the statutes is repealed.

Section 27. 24.59 (1) of the statutes is amended to read:

24.59 (1) Notwithstanding ss. 24.09, 24.10, 24.15, 24.16, and 24.32, but subject to subs. sub. (2) and (3), if the board determines that the sale of all lands under its jurisdiction will not breach the board's duty as trustee, the board may sell to the state all public lands that the board identifies as available for sale to the state under its

- LRB-1803/1 EHS/EVM/ZDW/MDK:jld SECTION 27
- 1 jurisdiction on the effective date of this subsection [LRB inserts date].
- Notwithstanding s. 24.08 (4), the public lands shall be sold at the appraised value
- determined under sub. (2).

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- 4 **Section 28.** 24.59 (3) of the statutes is repealed.
- 5 **Section 29.** 24.605 of the statutes is repealed.
- **SECTION 30.** 24.61 (2) (cm) of the statutes is repealed.
- 7 **Section 31.** 28.12 of the statutes is created to read:
 - **28.12** Department land managed by a county. (1) In this section, "department land" means land that meets all of the conditions under sub. (2).
 - (2) Except as provided under sub. (6), if a county has adopted a resolution under s. 59.52 (6) (f) authorizing the county to manage, maintain, and improve land acquired by the department under s. 23.1989 and has notified the department of the resolution, and if the department notifies the county under s. 23.1989 (5) that it has acquired the land described in the resolution, then the county shall manage, maintain, and improve the land as provided under this section.
 - (3) If a county has prepared a comprehensive county forest land use plan under s. 28.11 (5), the county may incorporate department land into the plan without approval by the department. A committee designated under s. 28.11 (3) (a) has the same powers, duties, procedures, and functions with respect to department land as it has with respect to county forests, except to the extent those powers, duties, procedures, or functions conflict with the state's ownership of the land. The county may use grant money received under s. 28.11 (5m) and (5r) on department land.
 - (4) A county board of a county in which department land is located may do any of the following:

- (a) Establish regulations for the use of department land by the public and to provide penalties for their enforcement.
- (b) Appropriate funds for the development, protection, and maintenance of department land.
- (c) Enter into cooperative agreements with the department for protection of department land from fire.
 - (d) Establish aesthetic management zones along roads and waters.
- (e) Establish transplant nurseries for growing seedlings, from the state forest nurseries, to larger size for planting in department land, but no ornamental or landscape stock shall be produced in such nurseries.
- (f) Establish forest plantations and engage in silviculture, forest management, and timber sales on department land.
- (g) Engage in other projects designed to achieve optimum development of forests on department land.
- (h) Establish energy conservation projects that permit individual members of the public to remove up to 10 standard cords of wood without charge from department land for individual home heating purposes. The county board shall limit removal of wood for energy conservation projects to wood that is unsuitable for commercial sale. The county board may require a permit to remove wood for energy conservation projects and may charge a fee for the permit to administer projects established under this paragraph. A county board shall restrict participation in projects established under this paragraph to residents, as defined in s. 29.001 (69), but may not restrict participation to residents of the county. No timber sale contract is required for wood removed under this paragraph.

SECTION 31

responsibilities under this section.

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- (4m) Nothing in this section may be interpreted to infringe on any authority the state has to enter into leases or agreements to explore and prospect for ore, minerals, gas, or oil on department land, except that, if an extraction cannot be accomplished without permanently affecting the surface of the land, extraction may not commence until the county adopts a resolution under sub. (7) ending its
- (5) (a) Any timber sale from department land with an estimated value of \$3,000 or more shall be by sealed bid or public sale after publication of a classified advertisement announcing the sale in a newspaper having general circulation in the county in which the timber to be sold is located. Any timber sale with an estimated value below \$3,000 may be made without prior advertising.
- (b) Paragraph (a) does not apply to any sale of timber that has been damaged by fire, snow, hail, ice, insects, disease, or wind.
- (c) A county is not required to pay any severance share to the state or to share any revenue with the state from timber sold from department lands.
- (6) The department may construct and use forest fire lookout towers, telephone lines, and fire lanes or other forest protection structures on any lands described in par. (a) and the county may not interfere with any department activity on department land that is necessary for forest protection. The county and the department shall permit public access to department land for the purposes of hunting, fishing, hiking, sight-seeing, and cross-country skiing.
- (7) A county board may adopt a resolution stating that the county no longer intends to manage, maintain, and improve department land. As soon as practicable after adopting the resolution, the county shall provide notice of the resolution to the

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1	department. The county's responsibility to manage, maintain, and improve the land
2	ends when this notice is provided to the department.
3	SECTION 32. 36.49 (title) of the statutes is amended to read:
4	36.49 (title) Environmental program grants and scholarships;
5	<u>Wisconsin Merit scholarships</u> .
6	SECTION 33. 36.49 (3) of the statutes is amended to read:
7	36.49 (3) Award the balance Provide \$200,000 to the University of
8	Wisconsin-Stevens Point for environmental programs.
9	Section 34. 36.49 (4) of the statutes is created to read:
10	36.49 (4) Award the balance in annual scholarships called "Wisconsin Merit
11	scholarships," which shall be based only on merit to students who are enrolled in an
12	institution or college campus and who have either graduated from high school in this
13	state or been granted a high school diploma by the administrator of a home-based
14	private educational program, as defined in s. 115.001 (3g), in this state. The board
15	shall determine merit based on a performance on standardized college entrance
16	examinations and, if applicable, cumulative high school grade point averages. An
17	annual scholarship awarded to a student under this subsection shall equal \$5,000.
18	Section 35. 59.52 (6) (f) of the statutes is created to read:
19	59.52 (6) (f) Management of certain department of natural resources lands.
20	Subject to s. 28.12, manage, maintain, and improve lands located in the county that
21	are acquired by the department of natural resources under s. 23.1989. The board
22	may exercise the powers under this paragraph if all of the following apply:

1. No later than 6 months after the effective date of this subdivision [LRB

inserts date], the board adopts a resolution stating the county's intention to exercise

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the powers under this paragraph. The county shall include in the resolution a
description of the land that the county intends to manage, maintain, and improve
2. The board provides notice of the resolution under subd. 1. to the department

3. The department notifies the county that it has acquired the land under s. 23.1989.

of natural resources, including a description of the land identified in the resolution.

7 (END)