

NATURAL RESOURCES -- FORESTRY, PARKS, AND RECREATION

Sunset Forestry Mill Tax, Managed Forest Law Closed Acreage Fees and Severance Taxes,  
Forestry Emergency Response, Pattison Communications Tower, Forestry Audit and Report  
[LFB Papers #465 and #466]

Motion:

Move to do the following:

1. *Forestry Mill Tax* [LFB Paper #465]. Adopt Alternative 1, as modified to reflect more recent estimates of the transfer, and Alternative 5, to adopt the Governor's recommendation to sunset the forestry mill tax beginning with the January 1, 2017, property tax assessments, and instead transfer, from the general fund to the forestry account of the conservation fund, an amount equal to 0.1697 mills, for each dollar of assessed valuation of property in the state. (The transfer would be estimated at \$89,259,600 in 2017-18 and \$92,224,100 in 2018-19, an increase from the bill of \$500,300 in 2017-18 and \$528,500 in 2018-19. Alternative 5 would clarify bill provisions to specify the state forestry mill tax will not be imposed beginning with the 2017(18) property tax year.)

2. *Forestry Account Condition and Ongoing Expenditures* [LFB Paper #466]. Provide \$434,200 forestry SEG annually for forestry communications equipment and radio tower licensing, and provide \$34,000 forestry SEG annually for aerial detection of forest fires (Governor's recommendation).

3. *Managed Forest Law Closed Acreage Fees and Timber Severance Taxes.* [LFB Paper #466] Specify that managed forest law (MFL) closed acreage fee payments be retained by municipalities and counties rather than deposited in the forestry account. (Each municipal treasurer would pay 20% of each MFL closed acreage payment to the county treasurer and the remainder would be deposited in the municipal treasury.) Additionally, delete the required payments (\$6,000,000 in each of fiscal years 2017-18 and 2018-19) from the Department of Natural Resources (DNR) to municipalities containing land designated as closed under the MFL program, and amend appropriation 20.370(5)(dy) to reflect this deletion. In addition, require DNR to determine whether the amount in closed acreage fees payable to each county and municipality is less than the amount each received in severance and yield taxes in 2015, and for each county and municipality that will receive at least \$2,000 less in 2018 than it received in 2015, require DNR to pay each county and municipality an amount equal to the difference between the two amounts, no later than March 1, 2018. Provide \$114,000 forestry SEG in fiscal year 2017-18 for these payments.

4. *Forestry Emergency Reserve.* Provide \$5,000,000 forestry SEG in 2017-18 in a new continuing appropriation for response to significant fire, disease, infestation, or other natural disaster for costs not reimbursable under federal programs. Provide funds may be expended only by a

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majority vote of the Joint Committee on Finance under s. 13.10. (Reserved funds would remain in the forestry account balance and reduce the balance available for appropriation for other purposes.)

5. *Pattison Communications Tower.* Provide \$1,241,700 forestry SEG in 2017-18 in a new continuing appropriation for the construction of a communications tower at Pattison Ranger Station in Pattison State Park in the Town of Superior (Douglas County).

6. *Forestry Account Audit.* Request the Joint Audit Committee to request an audit of the forestry account of the segregated conservation fund focusing on confirming the account and its expenditures support DNR forestry activities.

7. *Council on Forestry Report.* Direct the Governor's Council on Forestry to determine the relative priority of current forestry account expenditures and submit a report with these determinations and recommendations regarding forestry account expenditures for the 2019-21 budget to the Governor, DNR, and appropriate legislative standing committees by July 1, 2018.

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Note:

[Change to Base: \$181,483,700 GPR, -\$4,707,900 SEG, -\$21,000,000 SEG-REV]

[Change to Bill: \$1,028,800 GPR, -\$5,299,300 SEG, -\$21,000,000 SEG-REV]