

NATURAL RESOURCES BOARD AGENDA ITEM

SUBJECT: Adoption of Order FR-12-08 revising NR 47.70, pertaining to the County Forest Administration Grant program

FOR: SEPTEMBER 2008 BOARD MEETING

TO BE PRESENTED BY: Jeffrey D. Barkley

SUMMARY:

Proposed rules are attached for the revision to the county forest administration grant program (Chapter NR 47 Wis. Adm. Code). 2007 Wis. Act 20 amended s. 28.11(5m), Stats. Changes to NR 47.70 are required to implement the statutory change to the grant. The change makes eligible for cost-sharing, a county's dues to a non-profit organization that represents the collective interests of counties in the county forest program and that serves as a liaison to the Department of Natural Resources. Previously known as the County Forest Administrator Grant, this grant program provides encouragement to counties to hire professional forestry staff to manage their county forests. The previous version of this grant provided 50% cost-sharing of the salary and benefits for a professional forester in the position of county forest administrator or assistant county forest administrator. Those payments would continue under the new version of the program along with cost-sharing of the non-profit organization dues. The maximum payment for the dues portion of this grant for all participating county forests combined is \$50,000 annually.

The change to the program would further the purpose of encouraging professional management of the State's county forests and would facilitate communication with those counties through support of a non-profit agency supporting their collective interests. This non-profit entity would also serve as a liaison to the Department of natural Resources, facilitating the statutory oversight of the county forest program required of the Department of Natural Resources.

RECOMMENDATION:

LIST OF ATTACHED MATERIALS:

- | | | | | | |
|----|-------------------------------------|---|-----|-------------------------------------|----------|
| No | <input type="checkbox"/> | Fiscal Estimate Required | Yes | <input type="checkbox"/> | Attached |
| No | <input checked="" type="checkbox"/> | Environmental Assessment or Impact Statement Required | Yes | <input type="checkbox"/> | Attached |
| No | <input type="checkbox"/> | Background Memo | Yes | <input checked="" type="checkbox"/> | Attached |

APPROVED:

/s/

Bureau Director,

/s/

Administrator,

/s/

Secretary, Matt Frank

Date 7/16/08

Date 7/16/08

Date 9/04/08

Date

DATE: July 14, 2008

TO: The Natural Resources Board

FROM: Matthew Frank

SUBJECT: **Request adoption of Order #FR-12-08 concerning amendment to Subchapter VI Chapter NR47 (47.70)**

1. Why is the rule being proposed?

2007 Act 20 created ss. 28.11(5m)(am) which added language to the County Forest Administrator grant program. The grant name was changed to the County Forest Administration grant program and a provision was added that makes a county's dues to a non-profit organization that represents their collective county forest interests eligible for funding. The rule change provides for implementation of the change in the law.

2. Summary of the rules proposed for County Forest Administration Grant

The change makes eligible for cost-sharing, a county's dues to a non-profit organization that represents the collective interests of counties in the county forest program and that serves as an organizational liaison to the Department of Natural Resources. The total amount that the department may award in funding for this portion of the grant cannot exceed \$50,000 annually. The remainder of the grant is unchanged, providing for up to 50% of the cost of a county forest administrator's salary and benefits so long as the benefits don't exceed more than 40% of the salary. This grant program has been instrumental in encouraging counties to hire professionally-qualified staff to administer their county forests and has facilitated the ability of the program to become green-certified.

3. How does the proposed rule affect existing policy?

It adds a provision to the grant program but does not impact the other provisions in the grant in any way.

4. Hearing synopsis

A video conference hearing, at 3 sites (Madison, Eau Claire, Rhinelander), was held to formally request public input. In addition, the rule was posted on the administrative rules website. Two comments were received. The Wisconsin County Forests Association supported the changes as proposed. The Legislative Rules Clearinghouse proposed one word change. That change was adopted in the rule revision.

5. Changes made as a result of the feedback from the public or legislative rules clearinghouse.

In s. NR 47.70(4)(d) the word "may not" has replaced the previous wording of "cannot".

6. Small business analysis?

There are no impacts to small business.

Fiscal Estimate — 2007 Session

<input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected <input type="checkbox"/> Supplemental	LRB Number Bill Number	Amendment Number if Applicable Administrative Rule Number NR 47.70 (FR-12-08)
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Subject
 County Forest Administration Grant

Fiscal Effect

State: No State Fiscal Effect
 Indeterminate

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Increase Costs — May be possible to absorb within agency's budget.

Yes No

Decrease Costs

Local: No Local Government Costs
 Indeterminate

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected
 GPR FED PRO PRS SEG SEG-S

Affected Chapter 20 Appropriations
 s. 20.370(5)(bw)

Assumptions Used in Arriving at Fiscal Estimate

Section 4

The existing non-profit organization representing the collective county forests is the Wisconsin County Forests Association (WCFA). Their existing dues structure for participating counties is \$1000 plus an acreage assessment of \$.047/acre entered into the county forest program as defined in s. 28.11 Wis. Stats. Currently all twenty-nine counties participate with a total acreage of 2,358,185 acres. Total dues equate to \$139,835 annually. Section 28.11(5m)(am) Wis. Stats. authorizes up to a 50% grant for this portion of the administration grant program, not to exceed \$50,000 annually. At the current dues structure, 50% of the total dues is \$69,918 which exceeds the maximum \$50,000 allotted for this portion of the grant. A pro-rate of this portion of the grant would need to be applied to each county.

Assumptions:

- *The WCFA will continue to function as the non-profit organization representing the collective County Forests.
- *Future dues to WCFA will not go down.
- *The maximum of \$50,000 will be required to fund this portion of the grant in the future.

Long-Range Fiscal Implications

\$50,000 annually

Prepared By:	Telephone No.	Agency
Joe Polasek	266-2794	Department of Natural Resources
Authorized Signature	Telephone No.	Date (mm/dd/ccyy)
	266-2794	

Fiscal Estimate — 2007 Session

Page 2 Assumptions Narrative Continued

LRB Number	Amendment Number if Applicable
Bill Number	Administrative Rule Number

Assumptions Used in Arriving at Fiscal Estimate – Continued

Fiscal Estimate Worksheet — 2007 Session
 Detailed Estimate of Annual Fiscal Effect

Original Updated
 Corrected Supplemental

LRB Number	Amendment Number if Applicable
Bill Number	Administrative Rule Number NR 47.70 (FR-12-08)

Subject
 County Forest Administration Grant

One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
 None

Annualized Costs:		Annualized Fiscal Impact on State Funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations — Salaries and Fringes		\$	\$ -
(FTE Position Changes)		(FTE)	(- FTE)
State Operations — Other Costs			-
Local Assistance			-
Aids to Individuals or Organizations		50,000	-
Total State Costs by Category		\$	\$ -
B. State Costs by Source of Funds		Increased Costs	Decreased Costs
GPR		\$	\$ -
FED			-
PRO/PRS			-
SEG/SEG-S		50,000	-
State Revenues	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Revenue	Decreased Revenue
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
Total State Revenues		\$	\$ -

Net Annualized Fiscal Impact

	<u>State</u>	<u>Local</u>
Net Change in Costs	\$ 50,000	\$
Net Change in Revenues	\$	\$ 50,000

Prepared By: Joe Polasek	Telephone No. 266-2794	Agency Department of Natural Resources
Authorized Signature	Telephone No. 266-2794	Date (mm/dd/ccyy) 03-20-2008

ORDER OF THE STATE OF WISCONSIN NATURAL RESOURCES BOARD
RENUMBERING, AMENDING AND CREATING RULES

The State of Wisconsin Natural Resources Board proposes an order to renumber NR 47.70(4)(d) and (e); to amend NR 47.70(title), (1), (3)(a) and (c) and (4)(c), (e) and (f)2; and to create NR 47.70(2)(i) and (4)(d) relating to the county forest administration grant program

FR-12-08

Summary Prepared by the Department of Natural Resources

1. **Statutes interpreted:** Section 28.11(5m)(am), Stats., as created by 2007 Wis. Act 20.
2. **Statutory authority:** Sections 227.11(2)(a), Stats.
3. **Explanation of agency authority:** Section 28.11(5m) gives authority to the Department to make grants to counties having lands entered in the county forest program to fund 50% of the cost of a county forest administrator or assistant county forest administrator. The statute also directs the Department to fund up to 50% of a county's dues to a non-profit agency that provides leadership and counsel to county forest administrators and serves as an organizational liaison to the Department.
4. **Related statute or rule:** Section 28.11(1), 28.11(2), and 28.11(4) Stats. provide for the purpose, definition, entry and management of county lands in the county forest program.
5. **Plain language analysis:**
Encouraging counties to hire professional foresters has long been a focus of the Department. Earlier versions of this grant program have been in operation since 1994. Prior to that, DNR cost-shared administrator positions were on staff in seven counties. The objective of this grant program will continue to be to promote and encourage the Counties to employ forestry professionals in the management of their forests. The rule revision will rename the grant program (formerly the County Forest Administrator Grant). The name change was made to accommodate the new opportunity for a county to receive up to 50% grant funding for dues they pay towards a not-for-profit organization that provides leadership and counsel to county forest administrators and functions as an organizational liaison to the Department. This change will continue to promote the professionalism of the individual counties and provide efficiencies to the Department in interacting with the county forests. The non-profit group currently providing this leadership is the Wisconsin County Forests Association (WCFA). Prior grant funding for salary / benefits of a professional forester in the role of county forest administrator will continue under the new format.
6. **Summary of and comparison with existing or proposed federal legislation:**
There is no comparable federal legislation.
7. **Comparison with rules in adjacent states:** Both Minnesota and Michigan have county forests however they are structured entirely differently than Wisconsin's. They have no similar grant programs. Illinois does not have a county forest program.
8. **Summary of factual data and analytical methodologies:** The non-profit organization currently providing leadership to the individual counties is the Wisconsin County Forests Association, Inc. (WCFA). Their current dues structure for member counties is \$1000 per county plus an assessment

of \$.047 per acre. Twenty-nine counties currently participate in the program with total acreage of 2,358,185. Total dues equate to \$139,835 annually. Fifty percent of that equals \$69,918 which exceeds the maximum allotted \$50,000 for this portion of the grant. Allocations for this portion of the grant will need to be prorated to each county. Fiscal impact for this grant change will be \$50,000 annually.

9. **Summary of methodologies used in support of the proposed rule:** In their support of the statutory change in Act 20, the legislature acknowledged the benefit of such a non-profit group to the department's oversight role of the county forest program. Such a group provides a point of contact for issues common to all county forests and facilitates management and oversight of the entire county forest program. It also provides leadership and counsel to forest administrators throughout Wisconsin.
 10. **Effect on small business:** This rule change will not affect small business.
 11. **Agency contact person:** Jeffrey D. Barkley, County Forest / Public Lands Specialist
Ph. 608-264-9217
e-mail: Jeffrey.barkley@wisconsin.gov
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SECTION 1. NR 47.70(title) and (1) are amended to read:

NR 47.70 (title) County forest ~~administrator~~ administration grant program (1)

PURPOSE. The purpose of this section is to establish standards and procedures for implementation of a grant program to contribute funds towards payment of the salary and fringe benefits of a professional forester in the position of administrator or assistant administrator of a county forest and also payment of a county's dues to a non-profit organization that provides leadership and counsel to a county forest administrator and serves as an organizational liaison to the department.

SECTION 2. NR 47.70(2)(i) is created to read:

NR 47.70(2)(i) "Non-profit organization" means the same as non-profit corporation, as described in s. 181.0103(17), Stats.

SECTION 3. NR 47.70(3)(a) and (c) are amended to read:

NR 47.70(3)(a) A county may apply for a grant under the county forest ~~administrator~~ administration grant program. A county shall include in an application a county board resolution authorizing the application. A county shall file the application with the department no later than January 31 of the grant year.

(c) Except as provided in par. (d) and (e), a grant shall be limited to funding annual salary and fringe benefits for a forester employed by a county and a county's annual dues to a non-profit organization representing their county forest interests.

SECTION 4. NR 47.70(4)(c) is amended to read:

NR 47.70(4)(c) Any grant funds not spent on salary or fringe benefit costs or dues to a non-profit organization representing county forest interests in the grant year shall be identified and deducted from

the next year's request. If a county does not participate or is not eligible for the grant the next year, the funds shall be returned to the department.

SECTION 5. NR 47.70(4)(d) and (e) are renumbered NR 47.70(e) and (f), and (4)(e) and (f)2., as renumbered, are amended to read:

NR 47.70(4)(e) If the total ~~amount of grants~~ grant which the counties are eligible for under this section exceeds funds available, the ~~grants~~ grant shall be prorated prior to distribution.

(f)2. The annual plan of work is consistent with the county forest ~~10-year~~ 15-year comprehensive land use plan for the county.

SECTION 6. NR 47.70(4)(d) is created to read:

NR 47.70(4)(d) The total eligible grant amount for funding of dues to a county forest non-profit organization may not exceed \$50,000 annually for all county forests collectively. If the total exceeds \$50,000, this portion of the grant will be prorated equally amongst all participating counties.

SECTION 7. EFFECTIVE DATE. The rule shall take effect the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats.

SECTION 8. BOARD ADOPTION. The rule was approved and adopted by the State of Wisconsin Natural Resources Board on _____ .

Dated at Madison, Wisconsin _____

STATE OF WISCONSIN
DEPARTMENT OF NATURAL RESOURCES

By _____
Matthew J. Frank, Secretary

(SEAL)