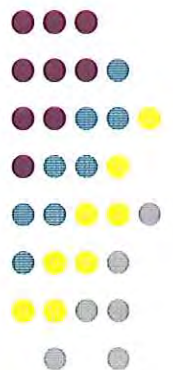




Informational Paper 63

Conservation Fund

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Conservation Fund

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Conservation Fund

Introduction

The conservation fund is a segregated (SEG) trust fund used to finance many of the state's resource management programs administered by the Department of Natural Resources (DNR). DNR programs supported by conservation fund revenues include wildlife and fish management, forestry, the state parks system, the endangered resources program, and several recreational vehicle programs. The conservation fund also supports programs and operations in other agencies, including the Lower Wisconsin State Riverway Board, the Fox River Navigational System Authority, the Kickapoo Reserve Management Board, the University of Wisconsin System, the State Historical Society and the Departments of Tourism, and Agriculture, Trade and Consumer Protection.

The conservation fund is defined under s. 25.29 of the Wisconsin Statutes. Fund revenues may only be expended under the appropriation authority provided by the Legislature. The Department cannot transfer funds between appropriations. At the end of each fiscal year, unexpended amounts in most conservation fund appropriations lapse to the balance of the fund.

State and federal law require that some types of conservation fund revenues be used exclusively for particular activities. In addition, the statutes require that all monies received through DNR resource management, enforcement and local support activities be credited to the program which generated them. Therefore, separate accounts within the conservation fund have been administratively created to facilitate its management. One account, into which snowmobile program revenues are deposited, is designated by statute. Other accounts may be referenced in statute, but are not defined.

The subdivision of the conservation fund into separate accounts differs from the practice used for most other state segregated funds. For example, the state transportation fund is not split into separate accounts. The accounts within the conservation fund enable DNR to ensure that revenues are utilized for authorized purposes. In addition, the accounts system is useful in developing budgets for each program area.

The conservation fund is divided into the following nine accounts (a tenth account, the motorcycle recreation account was eliminated on June 30, 2005):

- fish and wildlife
- forestry
- parks
- water resources
- natural resources magazine
- boat registration
- all-terrain vehicle
- snowmobile
- endangered resources

This paper contains information on revenue sources for each account and the appropriations provided for specific programs during the 2009-11 biennium. The estimated 2009-11 condition statement for the conservation fund is included as Appendix I. Descriptions of program changes resulting from recent legislation are also included.

In reviewing the revenue and expenditure data, the reader should note five points. First, although certain federal revenues received by the state are deposited in the conservation fund, these revenues are not included in discussions of revenues to each account or included in revenue totals. These estimated revenues are credited to separate federal appropriations. Second, several of the programs funded from the conservation fund also receive funding from general purpose revenue (GPR) or program revenue (PR), which are also credited to separate appropriations and are not generally discussed in this paper. Third, budgeted expenditures may exceed actual and estimated revenue amounts

for some of the accounts during the 2009-11 biennium. This can occur when an account has a positive, uncommitted balance from a previous fiscal year and part of this balance is appropriated to fund program activities in the next fiscal year. Fourth, the amounts identified as revenue estimates for the 2010-11 fiscal year are primarily based on those submitted by DNR as part of its 2009-11 biennial budget request. These revenue estimates are typically reviewed and may be modified by the Department of Administration in developing the Governor's budget and again by the Legislative Fiscal Bureau during legislative deliberation of the biennial budget. Fifth, some revenue sources and expenditure categories, such as licensing and administration, are common to more than one account in the conservation fund, and are discussed in a separate section rather than under the individual accounts.

Fish and Wildlife Account

Revenue

General Account Revenue. The primary source of revenue to the fish and wildlife account is the fees charged for hunting, fishing and special licenses and stamps. There are a wide variety of licenses authorizing residents and nonresidents to hunt and fish. Hunting and fishing licenses vary according to the type of species that may be pursued, the method of pursuit, the number of people for whom the license is valid and the time period for which the license is valid. To hunt or fish certain species (such as wild turkey or trout), a stamp must be purchased in addition to the license.

Most licenses may be purchased directly from DNR or from sales agents appointed by the Department (such as sporting goods stores, discount stores and bait shops), although certain licenses are only available through the Department. A sales agent retains 50¢ for each license and 15¢ for each stamp sold. In addition to receiving the issuance

fee, beginning in license year 2002, sales agents also retain 50¢ for each transaction provided through the Automated License Issuance System (ALIS), as well as 50¢ for each "herd control" (formerly Zone T) antlerless deer hunting permit issued. Both the issuance and transaction fees are deducted from the amount of license revenue retained by DNR. In 2009-10, agent commissions totaled approximately \$3.4 million. In 2010-11, approximately \$3.1 million is budgeted for the operation of the Automated License Issuance System.

Agents contracting with DNR to operate ALIS terminals are also authorized to collect and retain the handling fee that DNR is authorized to charge for handling costs (such as credit transaction fees, mailing and personnel costs) if the individual purchases a license using a credit card. Currently, this fee is \$3. License year 1999 (April, 1999, through March, 2000) was the ALIS system's first year of operation. Over 1,500 agents contracted with DNR to operate ALIS terminals, including gas stations, marinas, sporting good stores, and chain stores (such as Wal-Mart and Mills Fleet Farm). By license year 2010, the number of independent ALIS agents decreased to 1,321. Currently, there are 232 different licenses and approvals issued through ALIS. In addition to these, 12 Lac du Flambeau licenses and approvals are offered. During license year 2009 (April, 2009, through March, 2010), approximately 4.7 million licenses were sold through ALIS to approximately three million customers. Approximately \$75 million in revenue was collected in license year 2009 from ALIS transactions.

As a condition of receiving federal aid under the Sport Fish Restoration Act and the Pittman-Robertson Wildlife Restoration Act, federal law requires that revenues received from hunting and fishing licenses not be diverted to purposes other than administration of the state fish and wildlife agency (in Wisconsin, the Department of Natural Resources). Federal aid is apportioned to each state based on the number of paid license holders and the land and water area of the state. To have a license sale recognized in the formula for determining federal aid, the state must charge a fee

for a license sufficient to produce net income to the state after deducting reasonable costs to issue the license.

Current major recreational hunting and fishing licenses and corresponding fees are identified in Appendix II, as well as the number sold during fiscal year 2009-10 as reported by DNR's Bureau of Customer Service and Licensing. The fees include the issuing fee and the wildlife damage surcharge where applicable (the wildlife damage surcharge is applied to most hunting licenses). DNR issues certain reduced fee licenses to youths, seniors, disabled persons, and disabled veterans. While non-residents generally pay higher fees for hunting and fishing licenses, 2007 Act 51 specified that members of the armed forces and members of reserve units of the armed forces who are stationed in Wisconsin are to be charged the resident fees for hunting, trapping, and fishing licenses.

2009 Act 364 created a one-day resident fishing license with a fee of \$8 and a one-day nonresident fishing license with a fee of \$10, effective April 1, 2011. Previously, residents were limited to the purchase of an annual license or husband and wife license, and non-residents were limited to the purchase of a four-day, fifteen-day or annual individual license (annual and fifteen-day family licenses are also available). Further, the act specifies that a person who holds a one-day fishing license and wants a resident or non-resident annual fishing license, would be able to purchase the annual resident or non-resident fishing license within the same license year at a reduced fee. The reduced fee is equal to the difference between the fee for the general annual license and the fee for the one-day license (\$12 for residents, \$40 for non-residents).

Combination licenses, which provide holders the privileges of several individual licenses, are also available. These licenses include the conservation patron and sports licenses. The conservation patron license provides the holder with a number of hunting, fishing and other recreational privileges and a subscription to Wisconsin Natural Resources magazine. Most of the revenue from con-

servation patron license sales is retained in the fish and wildlife account; however, a portion of the revenue is transferred to the forestry, parks and natural resources magazine accounts of the conservation fund to reflect the revenue from the license attributable to the privileges related to those accounts. The sports license provides the holder all the privileges of the fishing license and the small game and deer hunting licenses.

In addition, a junior sports and junior conservation patron license were created under 2003 Act 33. These licenses carry the same privileges as the existing conservation and sports licenses, but are available for a reduced fee to individuals between the ages of 12 and 17 years of age.

2009 Act 39 established a hunting mentorship program for youths ages 10 to 15 (the prior minimum hunting age was 12). The act established a deer hunting license issued to 10 and 11 year olds for a reduced fee of \$7 (including the issuing fee and \$2 wildlife damage surcharge). The act specifies that youths ages 10 and 11 may hunt without obtaining a hunter safety course certificate if they hold a valid hunting license and are hunting with a qualified mentor.

Under the act, a qualified mentor must: (a) be at least 18 years of age or older, (b) be the youth's parent or guardian or be authorized by the parent or guardian to serve as a mentor; (c) be within arm's reach of the youth at all times while serving as the youth's mentor; (d) have been issued a hunter safety course certificate of accomplishment (or be exempt from this requirement) and (e) hold a current valid hunting license. The act also specifies that youths ages 12 to 15 who hold a valid deer hunting license may hunt with a qualified mentor without holding a hunter safety course certificate. Qualified adult mentors may only mentor one youth hunter who is age 10 or 11, or who has not completed a hunter safety course, at any given time. Further, the act specifies that a youth age 12 or 13 who holds a valid deer hunting license, rather than being required to be accompanied by his or her parent or guardian while hunting, may also

hunt if accompanied by a person at least 18 years of age who is designated by a parent or guardian. Youths ages 14 and 15 who hold a valid deer hunting license are required to be accompanied by a parent or guardian or person designated by a parent or guardian, or hold a hunter education course certificate.

The Department also currently charges a \$3 permit application fee for the following permits: (a) otter trapping; (b) fisher trapping; (c) Canada goose hunting; (d) wild turkey hunting; (e) sharp-tailed grouse hunting; and (f) Class A bear license. In addition, 2009 Act 28 increased the permit application fee for the bobcat hunting and trapping permit from \$3 to \$6, and provided \$30,000 annually to be used for a study of bobcat populations. Some of these fees are waived for holders of the conservation patron license.

In addition to licenses purchased primarily for recreational fish and game activities, several types of licenses are required for specialized commercial fish and game activities. These include guide and sport trolling approvals, fur dealer and taxidermist licenses, commercial fishing and clamming approvals, fish and bait dealing approvals, wild animal and natural-waters fish farming approvals and licenses for wild rice harvesting and dealing.

Deer Hunting

Each year, DNR wildlife biologists review deer harvest histories and compare them to management goals for each deer management unit to determine recommendations for the hunting season structure of the unit. The Natural Resources Board then either approves the recommendations or recommends changes to the DNR's proposals. Season structures and unit designations are then finalized at the Natural Resources Board meeting in April, and then go through the administrative rule process.

Currently, there are four types of deer season structures: regular, herd control (formerly zone-T), earn-a-buck (EAB) and chronic wasting disease (CWD). Regular units are units where deer popula-

tions are at or near the goal set in administrative rule. These units are referred to as "regular" units because the regular nine-day November gun season structure is the primary gun hunting opportunity. Due to a reduced deer population, some regular units were subject to a "zero antlerless quota" (designated as bucks only) during the 2010 hunting season.

Herd control units are units where additional gun and archer hunting of antlerless deer is necessary to reduce the deer population to a level closer to the DNR established goal. In 2010, additional four-day antlerless-only deer hunts were authorized for October and December. In addition to these antlerless hunting seasons, one free antlerless herd control deer carcass tag was issued with each Gun or Archery Deer license (two free tags with each Conservation Patron license). Additional, unlimited antlerless herd control carcass tags were also available for \$2 at any DNR license sales location for use in herd control units.

The earn-a-buck season structure is a more restrictive season structure. This structure is recommended only if a deer management unit has had at least two years of consecutive herd control, or earn-a-buck, seasons which failed to reduce the population to near goal, and if a subsequent non-EAB season is estimated to be unlikely to do so. Under earn-a-buck, a hunter must first tag an antlerless deer before being allowed to tag an antlered buck. The EAB season structure includes the antlerless deer carcass tags and the four-day October and December antlerless-only deer hunts. In 2010, there were no earn-a-buck units, except that earn-a-buck rules still applied in CWD units.

Similar to previous years, all CWD deer management units were subject to the unlimited earn-a-buck requirements for 2010. In 2008, the differentiation between the CWD "disease eradication zone" and the rest of the CWD deer management units was eliminated making hunting season structures throughout the entire CWD management zone consistent. In 2010, in addition to the antlerless-only hunts, an unlimited earn-a-buck requirement was imposed during the nine-day November

gun season, 10-day muzzleloader hunt, plus an additional 17-day "holiday gun hunt" beginning on December 24.

Additionally, in 2010, a two-day statewide either sex gun deer hunt was scheduled for October 9 and 10 for youth ages 12 to 15 who have successfully completed a hunter education program and possess a gun deer hunting license. Also, any youth ages 10 to 11, or those 12 to 15 year olds who had not completed a hunter education program, were authorized to participate in the youth hunt under the mentored hunting program. Participating youths were limited to only harvesting one buck during the youth gun deer hunt, even in the CWD zone. During the fall 2010 youth deer hunt, 11,331 mentored gun deer hunting licenses were sold to 10 and 11 year olds.

Admittance to state parks for hunting with limited \$3 permits were authorized to be sold on a first come, first served basis beginning on August 21, 2010. State parks with limited hunting access include: Brunet Island, Council Grounds, Kohler-Andrae, Rib Mountain, Lake Wissota, Perrot, High Cliff, Harrington Beach, Wildcat Mountain, Wyalusing and Peninsula. In addition, the permits were authorized to be sold in the Loew Lake Unit of the Kettle Moraine State Forest. Additionally, deer hunting in most state parks within CWD units is allowed with free unlimited access permits. A preliminary total of 218,144 deer, including 102,006 bucks and 116,138 antlerless deer, were registered by hunters during the nine-day gun deer season in November, 2010 (compared to a preliminary 2009 nine-day total of 196,688). This total does not include deer harvested during the archery and late archery, October antlerless gun deer, muzzleloader, and December antlerless gun deer seasons.

Elk Hunting

Under 2001 Act 109, DNR was provided the authority to establish an elk hunting season. A limited bull-elk season would be considered when population levels reach approximately 200. Twenty-five elk were initially introduced in 1995.

Over the 2010 calving period (late May through late June), the herd grew from an estimated 140 animals to 164. The Department was also directed by Act 109 to establish an elk hunter education course, which would be a mandatory requirement prior to participating in an elk hunt. Fees for the elk hunting licenses are currently set at \$49 for residents and \$251 for non-residents (including the issuing fee and \$2 wildlife damage surcharge).

In addition, individuals interested in purchasing an elk hunting license would be required to pay a \$10 processing fee when applying. This fee was increased from \$3 to \$10 by 2009 Act 28, with \$7 deposited in a continuing appropriation in the fish and wildlife account specifically for elk management, and the remainder deposited in the general balance of the fish and wildlife account. Successful applications would be chosen on a random basis if the number of applications exceeds the available number of permits. Non-residents would be eligible to receive 5% of elk hunting licenses remaining after 100 tags were provided to residents. As indicated, elk populations within the state are not expected to reach sufficient levels to support a very limited hunting season until at least fall 2012.

Captive Wildlife Regulation

Under s. 93.07 (10) of the statutes, the Department of Agriculture, Trade and Consumer Protection (DATCP) has the responsibility to protect the health of domestic animals of the state, including farm-raised deer, and to prevent, control, and eradicate communicable disease among these animals. Prior to 2003, DATCP registered approximately 100 deer farms with non-native species (such as red deer and sika deer) and 235 elk farms. Under 2001 Act 56, the authority to license, regulate, and inspect all of the state's approximately 537 captive deer and elk farms (including approximately 396 whitetail deer herds in 2010, and related markets and movement in the state was transferred from DNR to DATCP on January 1, 2003. Under administrative rule ATCP 10, DATCP requires all deer farms to register with the Department. Registration fees were increased begin-

ning July 1, 2009, with annual fees increasing from \$50 to \$162.50 for a herd of 15 or fewer deer, and from \$100 to \$325 for a herd of more than 15 deer. If a farmer owns more than one type of deer (red deer and whitetail deer, for example), the deer owner may choose to commingle the deer into one herd (and thereby register one herd), or separate the herds, with DATCP certification of separation required, and register multiple herds. In addition, since October 1, 2004, DATCP regulates about 64 farm-raised deer hunting preserves. Hunting preserves must pay a \$500 (increased from \$150) fee that is good for 10 years. A deer herd owner who also owns a hunting preserve is required to obtain both a deer herd and a hunting preserve license.

DNR retains responsibilities related to the inspection of fences for facilities containing farm-raised whitetail deer, and is authorized to charge an inspection fee. In addition to the deer farm fees charged by DATCP, DNR charges an inspection fee of \$50 for a fenced area under 80 acres and \$100 if the fenced area is 80 acres or more. Inspections typically occur every 10 years, and inspection certificates are valid until December 31st of the 10th year following certification. Since January 1, 2003, the captive wildlife licenses and fees shown in Table 1 have been assessed by DNR. Licenses shown in the table are valid for one year, unless otherwise indicated. Captive wild animal farm licenses are for species other than cervids (deer or elk).

Dedicated Account Revenue. Some revenue sources to the fish and wildlife account are statutorily designated for specific purposes, rather than for general fish and game activities. The main categories of dedicated revenue are: (a) hunting and fishing stamps; (b) bonus deer permit and wildlife damage surcharge revenue; and (c) handling fees.

Hunting and Fishing Stamps. In order to hunt or fish certain species, a person must purchase a stamp in addition to a license. Revenue from the sale of these stamps must be utilized exclusively for habitat and propagation projects for the benefit of the respective species. Currently, five stamps are required:

Table 1: DNR Captive Wildlife Fees

	Initial Cost	Renewal
Captive Wild Animal Farm License, Class A	\$200	\$100
Captive Wild Animal Farm License, Class B	50	25
Bird Hunting Preserve License, Class A	300	200
Bird Hunting Preserve License, Class B	200	100
Bird Dog Training License*	25	25
Bird Dog Trial License	25	25
Hound Dog Training License*	25	25
Hound Dog Trial License	25	25
Dog Club Training License	100	100
Wildlife Stocking License**	25	25
Wildlife Rehabilitation License*	Free	
Scientific Research License	25	25
Non-profit Educational Exhibition License	25	25
Non-resident Temporary Exhibition License**	50	50
Wild Fur Farm License*	50	50

*Valid for three years

**Valid for 30 days

- waterfowl
- wild turkey
- pheasant
- inland waters trout
- Great Lakes trout and salmon

2005 Act 25 created a sturgeon hook and line tag, with a fee of \$20 for residents and \$50 for nonresidents. The tag is required in addition to any other license under current law, such as a fishing license. Revenues from the sturgeon hook and line tag are used for assessing and managing lake sturgeon stock in inland waters. Act 25 also created a resident two-day inland trout fishing license (for use on inland lakes only), priced at \$14 effective March 1, 2006. Individuals on lakes with the two-day license are not required to purchase a fishing license or inland waters trout stamp to fish for lake trout. Appendix II summarizes the hunting and fishing fees and total sales in fiscal year 2009-10.

In addition to sturgeon hook and line tags, a sturgeon spearing license is also available. A non-issuance period for a sturgeon spearing license was created in 2002, from the November 1 preceding the open season until the last day of the season. The fee for a sturgeon spearing license is currently \$20 for residents and \$65 for non-residents. A person need not hold a valid fishing license to be is-

sued a sturgeon spearing license. The privileges of the sturgeon spearing license are not included for holders of conservation patron licenses. Revenues from the sale of sturgeon spearing licenses are directed toward the cost of administering the license, assessing and managing the lake sturgeon stock and fishery, and improving and maintaining lake sturgeon habitat.

Voluntary Contribution for Lake Research and Control of Aquatic Invasive Species. Any person purchasing a fishing license or applying for a boat registration, may also elect to make a voluntary contribution for lake research, specifically research conducted by DNR to determine methods for improving the quality of lakes in Wisconsin, in addition to the fishing license or boat registration fee. Prior to 2009 Act 28, the minimum contribution associated with a fishing license was \$1, while the minimum contribution associated with a boat registration was \$3. 2009 Act 28 specifies that the minimum voluntary contribution associated with both a fishing license and a boat registration is \$2 and that moneys received from the contribution, less the 50¢ retained by the sales agent, are to be used to provide grants for projects to control invasive species and for promotional activities and materials to encourage voluntary contributions as well as for research. Contributions from fishing licenses and boat registrations are deposited in the fish and wildlife account. In 2009-10, contributions of \$85,400 were deposited to the fish and wildlife account.

Bonus Deer Permit and Wildlife Damage Surcharge. A surcharge is added to most resident and nonresident hunting licenses to fund wildlife damage program activities. 2005 Act 25 increased the wildlife damage surcharge from \$1 per license to \$2 per license. The \$2 surcharge is added to the following licenses:

- resident and nonresident deer
- resident and nonresident elk
- resident and nonresident Class A bear licenses
- resident and nonresident Class B bear licenses
- resident and nonresident archer
- resident and nonresident turkey

- resident and nonresident annual small game
- resident and nonresident sports
- nonresident five-day small game
- nonresident fur-bearing animal hunting

A \$4 surcharge is included for resident and nonresident conservation patron licenses. The wildlife damage surcharge generated approximately \$2,346,600 in 2009-10.

Also, revenue from the \$12 (\$20 nonresident) bonus deer permit is used to fund wildlife damage programs. Resident and nonresident bonus deer permits generated \$1,681,900 during 2009-10, for total wildlife damage revenues of approximately \$4 million. If necessary to address a potential deficit in the wildlife damage appropriation account, 2009 Act 28 authorized DNR to transfer the amount necessary, but not to exceed \$350,000, from the recycling and renewable energy fund in 2010-11 to fund wildlife damage claim payments.

Handling Fees. In addition to the statutory fees charged for hunting and fishing licenses, DNR may collect a handling fee for the approvals that the Department itself issues. The fee cannot be more than the amounts necessary to cover the costs of issuing the licenses. The Department currently charges a \$3 handling fee for licenses ordered with a credit card by phone, over the internet, or by mail from the DNR Madison office (all licensing agents may also charge, and retain, the \$3 fee for credit card purchases).

ALIS Transaction Fees. DNR is statutorily required to pay each license sales agent 50¢ for each transaction processed through the statewide Automated License Issuance System (ALIS). The Department treats this as a reduction to revenues.

Tribal Gaming Revenue Transfer. An additional source of revenue to the fish and wildlife account began in 1999-00 with an annual transfer of \$2.5 million from tribal gaming compact revenues. This revenue is not statutorily designated for a specific purpose. The amount was increased to \$3 million annually beginning in 2003-04.

Table 2: Fish and Wildlife Account Revenue

Revenue Sources	2009-10 Actual	2010-11 Estimate	2009-10 % of Total
Resident Hunting Licenses	\$21,755,800	\$21,750,000	28.1%
Nonresident Hunting Licenses	7,623,200	7,625,000	9.8
Duplicate Hunting	58,000	60,000	0.1
Hunting Stamps	1,377,600	1,400,000	1.8
Resident Fishing Licenses	14,997,000	15,000,000	19.3
Nonresident Fishing Licenses	10,602,000	10,500,000	13.7
Daily/Two-Day Great Lakes	621,300	625,000	0.8
Duplicate Fishing	84,000	85,000	0.1
Fishing Stamps	2,954,400	2,950,000	3.8
Combination Licenses	10,156,700	10,000,000	13.1
Permit Application Fee	974,600	975,000	1.3
Other Licenses and Permits	481,000	480,000	0.6
Timber Sales	2,522,200	2,500,000	3.3
Handling Fees	67,600	37,900	0.1
Education and Safety (Hunter Education)	190,300	230,500	0.2
ALIS Transaction Fees	-1,286,000	-1,285,000	-1.7
Tribal Gaming Transfer	3,000,000	3,000,000	3.9
All Other	<u>1,351,500</u>	<u>1,700,000</u>	<u>1.7</u>
Total	\$77,531,200	\$77,633,400	100.0%

Table 2 lists fish and wildlife account revenue in the 2009-11 biennium.

Expenditures

General Account Expenditures. Fish and wildlife account revenues that are not statutorily designated for specific purposes are used to support the fish and wildlife management and law enforcement functions of the Department.

Fish Management. The Bureau of Fisheries Management and Habitat Protection undertakes various activities related to monitoring, maintaining and enhancing aquatic ecosystems and sport and commercial fisheries. Assessment and habitat protection surveys are conducted to identify critical areas where fish habitat is deteriorating or fish populations are declining. Surveys yield data relating to fish population structure and harvests, which are used in preparing environmental impact statements, developing regulations for the commercial fishing industry and assessing the impact of Native Americans exercising treaty rights. In addition, DNR is responsible for Great Lakes fish management activities.

Fish propagation and stocking involves raising and distributing fish to enhance fishing in areas where natural reproduction is insufficient. This function utilizes eight cold-water (trout and salmon) facilities, three warm-water facilities (primarily for walleye, muskellunge and bass), three dual-purpose hatcheries, and three spawning facilities where eggs from feral trout and salmon are collected. In addition, DNR complements these facilities with additional rearing ponds located throughout the state. During fiscal year 2009-10, DNR estimates it stocked inland streams and the Great Lakes with five million cold-water fish. In addition, inland lakes were stocked with approximately 9.7 million warm-water fish. Warm water fish stocks larger than fry (such as fingerling, yearling, and adult) included approximately 3.5 million walleye, 135,500 northern pike, 82,900 muskellunge, and 4,700 lake sturgeon. The Department's fish propagation facilities are identified in Table 3.

Table 3: Wisconsin's Fish Propagation Facilities

	County	Brood Stock	Hatching Facilities	Fish Rearing
Cold-Water Facilities				
Les Voigt	Bayfield		x	x
Brule River	Douglas			x
Lakewood	Oconto			x
Langlade	Langlade			x
Nevin	Dane	x	x	x
Osceola	Polk	x	x	x
St. Croix Falls	Polk	x	x	x
Thunder River	Marinette			x
Warm-Water Facilities				
Oehmcke	Oneida		x	x
Thompson	Washburn		x	x
Western District	Various	x	x	x
Dual-Purpose Facilities				
Kettle Moraine Springs	Sheboygan	x	x	x
Lake Mills	Jefferson		x	x
Wild Rose	Waushara	x	x	x
Spawning Facilities				
Besadny	Kewaunee		<i>feral trout & salmon</i>	
Root River	Racine		<i>egg collection</i>	
Strawberry Creek	Door			

Law Enforcement. DNR's responsibilities include the investigation and enforcement of laws relating to fish and wildlife, recreational vehicles, environmental protection, water regulation, and shoreland zoning. These activities are performed primarily by conservation wardens whose enforcement authority varies depending on the type, location and severity of the violation. Conservation wardens share responsibilities with park superintendents and forest rangers for public conduct on state lands. When requested, wardens may assist local police and are authorized to respond when any crime is committed in their presence.

In 2009-10, DNR's wardens recorded 250,400 hours for enforcement work related to public safety and fish and game and issued 6,486 citations. Activities include enforcement of hunting and fishing regulations, hunter education programs, commercial fish and game activities, treaty enforcement issues, and car-killed deer contracts.

Wildlife Management. The Bureau of Wildlife Management works to protect and manage the wildlife populations and habitats of the state and promotes wildlife appreciation and recreational opportunities. Wildlife biologists and technicians manage and regulate various species, including deer, bear, geese, turkey, and waterfowl. Wildlife personnel also assist in the management of wildlife on private lands and take part in wildlife-related educational efforts. Urban wildlife, captive wildlife, and wildlife rehabilitation issues are also handled by the Bureau.

DNR also operates the state game farm at Poynette, which raised approximately 51,000 game farm pheasants for stocking on public hunting grounds in 2010. Of the revenue generated by the sale of the pheasant stamp, beginning March 1, 2006, 60% is statutorily designated to be used for pheasant stocking and propagation and 40% for wild pheasant restoration. In 2010, the state provided approximately 37,300 day-old rooster chicks to 44 conservation and sports clubs in 24 counties under cooperative agreements. The wild pheasant restoration program revenues are used to develop,

manage, restore, and maintain the wild pheasant population in the state.

In 2000, in an effort to more effectively manage the state's growing white-tail deer population, the Department, together with the Conservation Congress (a non-profit conservation organization), undertook an extensive public input initiative called "Deer 2000 and Beyond". The purpose of this initiative was to generate public input, which would guide DNR's budget recommendations for changes in hunting seasons, determinations of quotas, and regulation of hunting practices (such as baiting and feeding). Although many of the recommendations were not implemented due, in part, to the discovery of CWD in 2002, one of the major recommendations was that DNR commission an audit of the Department's sex-age-kill (SAK) deer population estimate model.

In 2006, a group of nationally recognized statisticians, scientists, and big game experts conducted such an audit. The audit used computer simulations, demographic modeling, literature reviews, and surveys to evaluate the sex-age-kill model of estimating deer populations as applied in Wisconsin. The final report concluded that Wisconsin's deer management program is the most comprehensive out of 21 other states surveyed-- Wisconsin collects the most demographic deer information on an annual basis. Further, the audit found several positive results of using the sex-age-kill model in Wisconsin: (a) the model is reasonably effective at estimating the deer population immediately prior to the upcoming hunting season; (b) the model is not very sensitive to changes in the female deer harvest (meaning the estimate remains accurate despite changes in the female deer harvest); (c) when the population does not increase or decrease in size and the distribution of deer ages is stable, there is only minor bias in the overall population estimates. However, the audit also found that the SAK model appears to be very sensitive to sudden changes in the male harvest rate. The audit noted that this means the SAK estimates would be particularly responsive to changes in deer hunting regulations that would affect the male harvest rate

(for example, earn-a-buck). The audit made several recommendations regarding DNR's SAK population estimates including: (a) the buck recovery rate (proportion of adult male mortality due to harvest) should be estimated through field studies involving radiotelemetry studies under diverse deer densities, hunter density, number of days hunted, percentage of land accessible to hunters, and weather conditions prior to and during the hunting season; and (b) SAK deer population estimates should not be reported as density; instead, deer abundance should be reported as total numbers. The audit reviewed seven alternative methods to the SAK model and found that six of the methods were unlikely to provide more accurate estimates than the SAK model. The report recommended that the statistical age-at-harvest approach could be useful for estimating deer population in Wisconsin, but that the SAK model does provide a cost-effective method for population estimation.

Car-Killed Deer. The state appropriated \$1,019,000 in 2010-11 to contract for the removal and disposal of car-killed deer from state highways. Beginning with 1997 Act 27, 50% of these funds are from the fish and wildlife account and 50% are from GPR. The Governor's 2009-11 budget bill would have provided 50% of the funding for car-killed deer contracts from the segregated transportation fund rather than from GPR. However, 2009 Act 28, the biennial budget act, maintained the current 50% conservation fund and 50% GPR split. In 2009-10, DNR spent \$391,400 fish and wildlife SEG on its contracts to remove approximately 23,000 car-killed deer.

County Conservation Aids. Under this program, counties and tribal governing bodies may apply for grants of up to 50% of the costs of county fish and game management projects. Eligible game projects include game food seeding, browse improvement cutting, prescribed burning, and the creation of game cover brush piles, impoundments and nature trails. Examples of eligible fish management projects include lake and stream improvements, rough fish control, construction of fish shelters, and streamside fencing. Funding of

\$148,500 is provided in 2010-11. 2009 Act 28 provided an additional \$50,000 in 2009-10 and directed DNR to provide this amount to Eau Claire County for the development of a public shooting range on county property (no local match was required).

Dedicated Account Expenditures. Dedicated revenues support habitat and monitoring efforts for particular species, wildlife damage programs and license handling and issuance.

Wildlife Damage Programs. Prior to 1999, revenue from the wildlife damage surcharge and bonus deer permits was statutorily directed to be expended on three programs related to wildlife damage: (a) the wildlife damage claims and abatement program; (b) control of wild animals; and (c) the urban wildlife abatement and control grant program. The 1999-01 biennial budget included a provision that allowed DNR to use funds from the wildlife damage program to pay participating counties for the processing of venison that was donated to food pantries or charitable organizations during a deer herd control season established to abate deer damage. Current law specifies that if the total amount of damage claimed is greater than available revenues, after paying for administration and urban abatement, venison processing, and wildlife control activities, the Department is first required to prorate agricultural damage claim payments. If necessary, DNR is directed to prorate venison processing payments if funding is not available to fully reimburse counties. In fiscal year 2010-11, \$594,000 is appropriated for venison processing costs. As of December, 2010, approximately 141,000 pounds of meat was donated to food pantries in 61 counties from 3,155 deer harvested during the fall of 2010 (compared to 176,000 pounds from 3,920 deer the previous fall).

Under 2001 Act 16, a monetary donation program was created, allowing any applicant for a deer, bear, turkey, or small game hunting license to elect to make a voluntary contribution of at least \$1 to be used for the venison processing donation program. In 2009-10, approximately \$12,500 was donated for this purpose.

Wildlife Damage Claims and Abatement Programs. These programs provide landowners in participating counties with financial assistance to implement projects to reduce crop damage and partially reimburse losses incurred from crop damage. Counties may participate in the wildlife damage abatement program, which emphasizes damage prevention but provides no payments for damages incurred, or they may participate in both the wildlife damage abatement and the wildlife damage claims programs. Counties may also decide not to administer either program.

Under these programs, DNR assists participating counties in developing and reviewing administrative plans. The state fully funds DNR-approved county administrative costs. Approved abatement projects are eligible for state funding of up to 75% of costs, with the remaining share paid by the landowner. Landowners in counties that administer both the abatement and damage claims programs are eligible to file claims for damage to agricultural crops, harvested crops, orchard trees, nursery stock, beehives or livestock if the damage is caused by deer, bear, geese or turkey. Elk damage is also eligible for compensation under the program. However, no claims related to elk damage have been filed as of December, 2010. Damage caused by sandhill cranes would also be statutorily included, if a hunting season were established.

2009 Act 28 made a number of changes to wildlife damage claims payments to address a potential deficit in the wildlife damage appropriation. The act increased the deductible for each wildlife damage claim from \$250 to \$500. If a claim is more than \$500, but not more than \$5,250, the claimant is paid 100% of the claim. If a claim is greater than \$5,250, a claimant can receive 80% of the amount of the claim up to the statutory maximum. However, Act 28 reduced the maximum amount paid per claim from \$15,000 to \$10,000. If the total amount of damage claimed is greater than available revenue after paying for administration and abatement, the Department prorates claim payments.

A person receiving a wildlife damage claim

payment is required to permit hunting of the type of wild animals causing the damage on that land during the appropriate open hunting season. However, a hunter must first notify the landowner of his or her intent to hunt on the land, and a landowner may deny a hunter access to land for reasonable cause related to certain safety and property-related concerns. In addition, a landowner may deny a hunter access if at least two hunters per 40 acres of eligible land are present on the land when the hunter notifies the landowner that he or she intends to hunt on the land.

Prior to 2005 Act 82, persons receiving abatement assistance were required to follow the same standards allowing hunting as wildlife damage claim recipients. However, under the act, a person who receives wildlife damage abatement assistance is not required to open their land to hunting if they are issued a shooting permit for deer causing damage; that permit is the only abatement measure the person receives; and, the person waives any eligibility to receive a wildlife damage claim payment for damage caused by deer.

In calendar year 2009, 70 counties participated in the programs. During that year, approximately \$1,011,000 was expended for county administrative costs, \$368,800 for abatement projects, and \$1,223,900 for damage claims using wildlife damage revenues. In fiscal year 2009-10, DNR also spent \$192,000 for costs associated with processing venison from its wildlife management general operations segregated (SEG) appropriation. Expenditures were made from the wildlife management appropriation in order to prevent a structural imbalance in the wildlife damage account.

Control of Wild Animals. The surcharge revenue is also used for the Department's costs of removing wild animals that cause damage, and responding to complaints about wild animals, or their structures, which are causing a nuisance.

Further, 2005 Act 287 directs the Department to, in cooperation with federal agencies, administer a program to control and manage double-crested

cormorants (nesting primarily in Green Bay) in order to reduce wildlife damage caused by these birds. No appropriation specifically for this purpose was made by the act.

Urban Wildlife Abatement and Control Grants. Urban communities can apply to DNR for matching grants of up to \$5,000 for planning wildlife abatement projects and for wildlife control efforts. The program provides up to 50% of project costs and is funded at \$24,700 in 2010-11.

Chronic Wasting Disease (CWD) Management. Between 1999 and 2001, DNR tested over 1,000 deer throughout the state for CWD. However, no positive samples were identified prior to the 2001 gun deer season. In that year, three bucks harvested from deer management unit 70A (which includes portions of Dane and Iowa Counties) tested positive for the disease. Out of approximately 165,920 samples from wild white-tailed deer as of December, 2010, 1,417 have tested CWD positive. CWD disease surveillance has been continuously conducted since 2002 in southern portions of the state, as well as periodically statewide. CWD has been found in 12 southern Wisconsin counties, and the current CWD management zone encompasses all the known locations of CWD test-positive free ranging deer.

One-time funding of \$3,344,000 in 2002-03 was provided from the available balance of the wildlife damage program for efforts relating to CWD management in the state deer herd. An additional \$1,000,000 was provided in 2002-03 from the recycling fund under provisions of 2001 Act 108. Funds were provided for herd monitoring and sampling, law enforcement and wildlife management staff costs, equipment, supplies, travel, education efforts, limited-term employees and overtime costs as well as for a veterinarian, public information officer, and data manager position. In addition, DNR was directed to provide funds to the Wisconsin veterinary diagnostic lab (WVDL) for CWD testing and could provide DATCP with funds to buy-out captive deer herds for CWD testing, support DATCP CWD-related staff, and to publicize

CWD control efforts to deer farmers and processors. Under 2003 Act 33, funding of \$1,954,700 was provided in 2003-04 (\$1,594,700 from the wildlife damage revenue appropriation and \$360,000 FED) and \$1,465,800 was provided in 2004-05 (also from wildlife damage). Under 2005 Act 25, ongoing funding of \$1,476,000 was provided annually for CWD control efforts (1,076,000 from wildlife damage and 400,000 from general fish and wildlife SEG). 2007 Act 20 deleted wildlife damage funding for CWD and specified that the \$400,000 provided from general fish and wildlife SEG be one-time in the 2007-09 biennium. Therefore, no fish and wildlife SEG was specifically appropriated for CWD management beginning in 2009-10.

2005 Act 286 allows DNR to promulgate rules regarding the transportation and disposal of deer carcasses in order to control the spread of Chronic Wasting Disease (CWD). The Act also allows DNR and the Department of Agriculture Trade and Consumer Protection (DATCP) to enter into agreements with landfills, meat processing facilities, or wastewater treatment facilities to indemnify them for damages resulting from the processing or disposal of cervids carrying CWD. A sum sufficient GPR appropriation was created to pay indemnities. The act also requires individuals to provide DNR with a tissue sample of an animal if that sample is needed to determine the extent of a disease in wild animals. Further, the Act allows DNR to exempt deer hunters in CWD zones from the requirement to have a valid deer hunting license. Currently, DNR has indemnification agreements with Dane and Rock Counties which allow DNR to place untested deer carcasses from the CWD zone in a county landfill.

In November, 2006, the Legislative Audit Bureau (LAB) released a report regarding the efforts to eradicate Chronic Wasting Disease (CWD) in Wisconsin. The audit found that, of the \$32.3 million spent by state agencies through June 30, 2006 to address CWD, \$20.1 million, or 62%, had been provided from the fish and wildlife account of the conservation fund. The report concluded that DNR's efforts to eradicate CWD had not been effec-

tive. Specifically, the Audit Bureau noted that the number of deer killed in CWD zones had declined, the CWD infection rate had not declined in the DNR established "core area" (a 210 square mile area in the western disease eradication zone where the majority of infected deer have been found); and, the estimated post-hunt number of deer in CWD zones had increased.

The LAB also reported that the number of CWD tests being performed by the UW Veterinary Diagnostic Laboratory and the time required to report test results had increased. The LAB recommended that the Diagnostic Laboratory and DNR report to the Joint Legislative Audit Committee by April 15, 2007, on several CWD related items including: the time required to notify hunters of CWD test results for the 2006 hunting season, how changes in hunting rules in CWD zones affected the number of deer killed in these zones during the 2006 hunting season; whether testing performed on deer from the 2006 hunting season indicates any changes in the spread of CWD; and plans to improve communication with hunters and strategies to be used to reduce CWD-related costs. The Department submitted such a report in April, 2007. In response to the audit the report included the following: (a) the time required to notify hunters of CWD test results decreased from 2002 to 2006; (b) the adoption of an either sex hunt in 2006 rather than an earn-a-buck season resulted in a decrease in the number of antlerless deer killed during the 2006 season; (c) DNR sharpshooting and trapping efforts were more successful in 2006 (more deer killed in less time) [Sharpshooting efforts resulted in 978 deer shot in the CWD zones from January through March, 2007; of which 26 deer tested positive for CWD]; and, (d) no positive CWD test results had been found outside the CWD zones (in wild deer populations).

Further, to increase communication between the Department and hunters, DNR brought together a group of 17 people including landowners, hunters, representatives of hunting and conservation organizations and food pantry programs, and one DNR staff member to offer recommendations regarding future CWD management practices for

consideration by DNR and the Natural Resources Board. Each member of this group, known as the CWD Stakeholder Advisory Group (SAG), was responsible for creating opportunities for public involvement through their social and business networks. Many members wrote articles or contributed to websites. In addition, all of the SAG meetings were open to the public. The group made several strategic recommendations for the management of CWD including: recognize that CWD management is a statewide issue, expand the food pantry program statewide; continue to incorporate private and public concerns in policy decisions; promote wider use of venison; and study and formulate programs that will assist Wisconsin citizens in coping with CWD and disease management. In addition, the group made several recommendations regarding the hunting season structure in the CWD zone, including: a one-year reprieve from earn-a-buck requirements in the zone; eliminate the October gun season except the October youth hunt; and create a holiday hunt. Some of these recommendations (such as the holiday hunt) were incorporated into subsequent hunting season structures.

In September, 2010, DNR presented a revised draft of the Department's CWD management plan to the Natural Resources Board. The plan now spans 15 years, from 2010-2025. As stated in the 10-year plan released in 2008, DNR has concluded that the Department must accept a CWD endemic area in southern Wisconsin and focus CWD control efforts on limiting CWD to that area of the state. This represents a departure from the Department's initial goal of complete eradication of CWD from Wisconsin. Under the plan, the fall 2009 season structure will serve as the basic season structure for all units in the CWD management zone, with an evaluation of the effectiveness of the structure after the 2015 and 2020 seasons.

The Department's key objectives of its CWD 15-year management plan include the following: (a) prevent new introductions of CWD in areas where the disease is not currently believed to be present; (b) monitor for and respond to new disease locations; (c) minimize geographic distribution and

intensity of CWD; (d) increase public recognition and understanding of CWD risks and participation in disease control efforts; (e) address the needs of DNR customers; and (f) enhance the scientific information about CWD. In addition to implementing the fall 2009 season structure as the basic season structure, the management plan includes a number of other specific management and monitoring actions DNR plans to take to meet these objectives including: issuing post-hunting season landowner hunting permits in the CWD management zone; providing hunters with the opportunity to have their deer tested for CWD; conducting limited sharpshooting on public lands and private lands where permission can be obtained, focused in areas of new infections along the periphery of the known CWD distribution to control the spread of the disease; cooperating with community organizations, food pantries and meat processors in the CWD management zone to provide hunters with options for donating deer; pursuing a state-wide ban on the feeding and baiting of deer to reduce the risk of transmission of CWD or other diseases; and conducting surveillance outside the CWD management zone in areas where the disease is not known to exist using less costly approaches to detection surveillance; and support and encourage the proper disposal of deer carcasses from areas inside and outside of Wisconsin where CWD has been detected to minimize disease transmission risk.

In addition, the Department plans to work jointly with DATCP to secure federal funding to reduce the number of animals escaping from captive cervid farms, increase compliance with monitoring, testing, record keeping, and cervid movement regulations, and expeditiously depopulate, secure, and decontaminate cervid farms containing CWD-positive animals. The Department also plans to continue to cooperate with the Department of Health Services to maintain a registry of persons known to have consumed venison from CWD positive deer, and to cooperate with Indian tribes to develop action plans for the management of CWD on reservation lands or ceded territories. DNR will also continue to seek new funding to support CWD research.

Education and Safety and Trapper Education.

The Department is required to establish hunter education and bow hunter education courses. Both courses provide instruction to students in the responsibilities of hunters to: (1) wildlife, the environment, landowners, and others; (2) how to recognize threatened and endangered species; and (3) the principles of wildlife management and conservation. Under 2001 Act 16, the student fee requirement for both bow and gun hunter safety courses was eliminated. However, 2005 Act 25 restored the fee (currently set at \$10 by administrative rule) and specified that instructors would be allowed to retain up to \$5 per student for costs associated with offering the class and remit the remaining fees to DNR (to be deposited in the fish and wildlife account of the conservation fund; the boat registration account, ATV account, and snowmobile accounts also are allocated a portion of this appropriation corresponding to the revenue from safety course fees in those areas). The hunter education program addresses safety in handling firearms and bows used in hunting, while the bow hunter education program covers only hunting with bows and arrows. With certain exceptions, no person born on or after January 1, 1973, can obtain a hunting license unless the person is issued a certificate of accomplishment from the appropriate program. In fiscal year 2010, 26,542 students successfully completed a hunter education course, and another 2,511 students completed a bow hunter education course. In addition, the Department is required to establish a trapper education program. The trapper education course provides instruction in: trapping history in wildlife conservation; principles of wildlife management; furbearer management; biology and disease; trapping laws and ethics; trap preparation, adjustment setting and safety; humane trapping methods; and pelt preparation, skinning, grading, and marketing. Under current law, instructors may retain up to 50% of the instruction fee set by DNR in administrative rule (currently \$12 per student) and remit the remaining portion of the fee to DNR. In calendar year 2009, 1,109 students completed a trapper education course.

Commercial Fish Propagation and Great Lakes Protection Surcharge. 2005 Act 288 created a commercial fish protection surcharge where, if a court imposes a fine or forfeiture for the unlawful killing, catching, taking, transporting, sale or possession of Great Lakes fish in violation of s. 29.971 of the statutes, the court may impose a commercial fish protection surcharge in the following amount: (a) for any commercial fish, as determined by DNR, an amount equal to the average wholesale value of the fish on the date of the violation; or (b) for salmon, trout, and noncommercial game fish, an amount equal to the corresponding wild animal protection surcharge under s. 29.983 of the statutes (the amount ranges from \$8.75 to \$43.75 depending on the species of fish). In addition, the act created a Great Lakes resource surcharge where, if a court imposes a fine or forfeiture for a violation of s. 29.503 involving Great Lakes fish or a violation of s. 29.514 or 29.519 involving sport trolling or commercial fishing in outlying waters, the court shall impose a Great Lakes resource surcharge equal to 75 percent of the amount of the fine or forfeiture. Revenue from these surcharges is directed to an appropriation in the fish and wildlife account of the conservation fund to be used for research relating to Great Lakes fish.

Stamp-Funded Programs. All of the money from the sale of turkey stamps is statutorily required to be used for developing, managing, preserving, restoring and maintaining the wild turkey population in the state.

Beginning March 1, 2006, 40% of the revenues generated by the sale of pheasant stamps must be used for developing, managing, preserving, restoring, and maintaining the wild pheasant population in the state, and 60% is used to raise and stock pheasants on DNR lands.

Two-thirds of the revenue from the waterfowl stamp is to be used for developing, managing, pre-

serving, restoring, and maintaining Wisconsin wetland habitat for producing waterfowl; the other third is contributed to governmental or nonprofit agencies in Canada for the propagation, management, and control of migratory waterfowl for the Mississippi flyway.

Funds from the inland trout stamp are used to improve and maintain trout habitat and conduct trout surveys in inland trout waters. In addition to stamp revenue, 2005 Act 25 specifies that one-half of the revenues generated by the sale of the inland lake trout fishing license be used for improving and maintaining trout habitat in inland waters, and for conducting trout surveys. Revenue from the Great Lakes trout and salmon stamp can be used to supplement and enhance the existing trout and salmon rearing and stocking program in outlying waters.

ALIS Contract Fees. DNR contracts with a third party (currently Central Bank Trust) to operate the statewide automated license system. Under the contract, DNR pays 83¢ to Central Bank Trust for each license sold. Prior to 2007 Act 20, license fee revenues were deposited into the conservation fund, and the contract payments were made to Central Bank Trust from an appropriation related to general operations of the Customer Assistance and Employee Services Division. The act created a continuing appropriation in the fish and wildlife account into which the contract fee for each license sold that is owed to the ALIS operator is deposited. The ALIS operator (Central Bank Trust) is then paid the amounts due under the contract from this appropriation.

Table 4 lists the major expenditure categories funded by the fish and wildlife account and identifies 2009-10 actual expenditures and the amounts appropriated for 2010-11 for each of these categories.

Table 4: Fish and Wildlife Account Expenditures

	2009-10 Actual	2010-11 Appropriated	2009-10 % of Total	2010-11 Staff
Fish and Wildlife Program Appropriations				
Law Enforcement	\$17,196,700	\$16,965,800	22.39%	137.13
Fish Management	16,133,000	16,695,200	21.00	187.93
Wildlife Management	11,932,600	12,256,900	15.53	126.07
Car-Killed Deer	391,400	509,500	0.51	0.00
County Conservation Aids	158,900	148,500	0.21	0.00
Dedicated Revenue Appropriations				
<i>Wildlife Damage Programs:</i>				
Wildlife Damage Claims and Abatement Program	\$2,418,200	\$3,650,000	3.15%	0.00
Control of Wild Animals	192,000	278,000	0.25	2.00
Urban Wildlife Abatement and Control Grants	22,900	24,700	0.03	0.00
Venison Processing	0	594,000	0.00	0.00
Venison Processing (from donations)	0	14,800	0.00	0.00
Chronic Wasting Disease Management	0	0	0.00	0.00
Trapper Education	46,200	48,600	0.06	0.00
Commercial Fish Protection and Great Lake Surcharge	0	5,500	0.00	0.00
<i>Stamp Funded Programs:</i>				
Trout Habitat Improvement	\$1,651,900	\$1,295,600	2.15%	9.34
Great Lakes Trout and Salmon	2,240,600	1,262,500	2.92	4.50
Sturgeon Habitat	151,700	137,300	0.20	0.00
Sturgeon Habitat-Inland waters	75,700	135,900	0.10	0.00
Pheasant Restoration	225,200	203,800	0.29	0.00
Pheasant Stocking	364,500	264,100	0.47	3.00
Wetlands Habitat Improvement	461,300	341,400	0.60	0.00
Wild Turkey Restoration	823,800	760,000	1.07	0.00
Canadian Agencies Migratory Waterfowl Aids	187,500	167,500	0.24	0.00
<i>Other:</i>				
ALIS Contract fees	\$3,030,700	\$2,863,100	3.95%	0.00
Miscellaneous	172,700	106,000	0.22	0.00
Split-Funded Appropriations				
Administration and Technology Services	\$4,935,800	\$5,517,000	6.43%	45.64
Customer Assistance and Licensing	4,900,200	4,015,500	6.38	35.56
Enforcement and Science Management	538,300	578,000	0.70	4.46
Land Program Management	412,100	440,900	0.54	3.40
Water Program Management	30,200	17,100	0.04	0.00
Bureau of Facilities and Lands	3,635,100	3,556,200	4.73	35.57
Bureau of Science Services	1,027,800	1,366,000	1.34	10.31
Bureau of Endangered Resources	403,300	478,900	0.52	4.84
Administrative Facility Repair and Debt Service	1,744,400	2,498,400	2.27	0.00
Aids in Lieu of Taxes	299,100	300,500	0.39	0.00
Resource Acquisition and Development	433,800	327,300	0.56	0.00
Education and Safety Courses	189,100	230,500	0.25	0.00
Taxes and Assessments	47,700	112,600	0.06	0.00
Rent and Property Maintenance	278,600	289,300	0.36	0.00
Handling Fees	67,600	37,900	0.09	0.00
Total	\$76,820,700	\$78,494,800	100.00%	610.00

Administrative Funding Limit. Beginning in 1999-00 DNR is prohibited from expending more than 16% of funding from the fish and wildlife account in any fiscal year for administrative purposes. The 16% limit is statutorily defined to include DNR administrative and support services as well as division administration.

In June, 2006, the Legislative Audit Bureau released an audit concerning DNR fish and wildlife funding. The report analyzed revenues, expenditures, and staffing levels for DNR's fish and wildlife related activities in 2004-05. The LAB found that DNR's statutorily defined administrative costs were 11.1% in 2004-05, below the 16% limit (the statutory calculation of administrative costs does not include bureau administration and licensing costs). They also found that user fees funded \$68.2 million (56.7%) of DNR's total \$120.2 million in fish and wildlife expenditures. Other revenues included federal funds, bonding, GPR and program revenues. Further, the LAB found that 97.6% of user fee-funded expenditures provided some benefit to hunters and anglers. Of total fish and wildlife spending in 2004-05, 52.7% supported resource management and education, and 30.4% supported habitat development and land acquisition. The LAB recommended that the Department limit the use of generalized time accounting codes to track staff time, and increase project-planning efforts.

Split-Funded Appropriations. Functions that are funded by several conservation fund accounts are described under the "General Conservation Fund" section near the end of this paper.

Forestry Account

Revenue

Article VIII, Section 10, of the Wisconsin Constitution allows the state to appropriate moneys for the purpose of acquiring, preserving and developing the forests of the state through a tax on property not to exceed 0.2 mill (20¢ per \$1,000 of prop-

erty value). This tax is frequently referred to as the "forestry mill tax" and is the only property tax levied by the state. The rate of the mill tax, which is established in statute, was set at 0.2 mill in 1937 and did not change until 2005.

Revenue to the forestry account of the conservation fund from the mill tax increased an average 7.4% per year from 1970-71 to 2004-05. 2005 Act 25 limited the forestry mill tax levy to an annual increase of no more than 2.6% for the next three years. The act also specifies that the mill rate determined by the Department of Revenue for the property tax assessment as of January 1, 2007 (mill tax revenue received in the forestry account in 2007-08), would be the rate of the tax imposed for all subsequent years. The rate is now 0.1697 (16.97¢ per \$1,000 of property value).

The tax is collected with other property taxes on a calendar-year basis and is calculated by using each county's total equalized property value, as determined by the Department of Revenue, for the previous year. For 2009-10, the tax generated \$86.9 million, which is 81.6% of the total revenue that was credited to the forestry account in that fiscal year. Statutorily, at least 12% of the revenue generated by the tax must be used to acquire and develop forests within a sixteen-county region southeast of a line running generally from Rock to Outagamie to Manitowoc Counties.

Other sources of revenue to the forestry account include: (a) revenues from the sale of timber on state forest lands; (b) revenues from the sale of stock from the state's tree nurseries; (c) camping and entrance fees at state forests; (d) severance and withdrawal payments from timber harvests on cooperatively-managed county forests and on privately-owned land entered under the forest crop law and managed forest law programs; (e) closed acre fees under the managed forest law program; and (f) a portion of the revenue from the sale of the conservation patron licenses, to reflect the fact that license holders are granted admission to state forests at no additional charge as part of the license.

The 2005-07 budget directed DNR to prioritize reducing the backlog of incomplete timber harvests (approximately 170,000 acres) and forest inventory work on state-owned land. Further, 2005 Act 166 required DNR to set annual allowable timber harvest goals for all forested state properties, and to report biennially (by January 1 of each odd-numbered year) on its progress in meeting the goals. As of December, 2010, DNR estimates the backlog of incomplete timber harvests at approximately 127,000 acres. DNR indicates the backlog is due to a variety of factors including difficulty establishing timber harvests on properties with seasonal restrictions (e.g. parks properties where timber harvests could interfere with recreational users and forested wetlands where weather conditions often prevent adequate ground freezing required for harvest) and management delays associated with the development and revision of property master plans.

Table 5 lists the revenue to the forestry account in the 2009-11 biennium.

Table 5: Forestry Account Revenue

	Actual 2009-10	Estimate 2010-11	2009-10 % of Total
Mill Tax	\$86,895,400	\$84,157,900	81.6%
Timber Sales	6,844,300	7,100,000	6.4
Nurseries	2,170,300	2,200,000	2.0
Forest Tax Law	4,335,500	4,350,000	4.1
Campsite Fees	2,019,400	2,000,000	1.9
Admission Stickers	2,621,300	2,600,000	2.5
Sales and Services	311,500	300,000	0.3
Conservation Patron Allocation	188,000	200,000	0.2
All Other Revenue	<u>1,106,600</u>	<u>1,200,000</u>	<u>1.0</u>
Total	\$106,492,300	\$104,107,900	100.0%

Expenditures

Forestry account revenues are used to fund several forestry programs and related administrative activities. 1999 Act 9 created a Division of Forestry within DNR (previously Forestry had been a bureau within the Land Division).

State Forest Operations. The DNR is statutorily required to practice "sustainable forestry" and use it to assure state forests are managed to provide a full range of benefits, including soil protection, public hunting, protection of water quality, production of recurring forest products, outdoor recreation, native biological diversity, aquatic and terrestrial wildlife, and aesthetics.

In 2003, the Governor directed DNR to explore forestry certification in response to a growing demand for certified wood from purchasers of Wisconsin timber products. Forest certification is a process in which a forest landowner undergoes an audit of their forest practices by a third party. If the third party determines that the landowner's forest practices meet the third party's definition of long-term sustainability, then that party will "certify" that the forest is well managed. Wood products originating from that forest can be marketed as having been grown and harvested in a "sustainable" manner, which provides biological, social, and economic benefits. In 2004, 517,700 acres of State Forests were dual-certified by the Sustainable Forest Initiative (SFI) and the Forest Stewardship Council (FSC). Third party auditors conduct annual reviews of these forests. Approximately 2.4 million acres of County Forests were also certified in 2004 by the SFI program and in 2005 by the FSC program. Additionally, 2.2 million acres of private forest lands enrolled under the managed forest law (MFL) program have received American Tree Farm certification and FSC certification.

In July 2007, DNR began a scoping assessment and audit to evaluate the practicality of adding an additional one million acres in DNR-owned forested lands to the State Forest certification. The final audit concluded in summer 2008. The audit recommended that DNR pursue certification of all DNR land by the Sustainable Forest Initiative (SFI) and the Forest Stewardship Council (FSC). Under 2005 Act 25, \$483,100 is provided annually to acquire and maintain sustainable forest certification for state and county forests and for private forest land enrolled under the MFL program. Funds were

provided for registration and audit requirements (\$83,100), continuous monitoring to maintain certification (\$300,000) and to adequately maintain trails and logging roads (\$100,000). 2009 Act 28 provided an additional \$80,000 in 2009-10 and \$60,000 annually beginning in 2010-11 for forest certification expenses including surveillance audits, accreditation fees, and tree farm certification fees. Costs vary by year depending on the type of certification as some types of forest certification require more regular audits than others.

The Department operates state forests under two separate administrative structures. Northern state forest properties are operated by DNR's forestry staff in a manner that generally focuses on the enhancement of their timber resources but also emphasizes recreational use. The seven southern

forest properties are operated by state parks personnel and managed in a manner that gives priority to their recreational value.

Table 6 identifies the eight largest northern forest properties and all southern state forests and the acreage of these properties as of December 1, 2010.

In addition to the state-owned forests, DNR holds easements on approximately 129,500 acres of forest land, including lands acquired with the assistance of the federal Forest Legacy Program. As part of the 1990 Farm Bill, Congress created the Forest Legacy Program to identify and protect environmentally important private forestlands threatened with conversion to non-forest uses - such as subdivision for residential or commercial

Table 6: Wisconsin's State Forests

	Counties	Acreage
Northern Forests		
Northern Highland	Iron, Vilas	171,741
Flambeau River	Ashland, Price, Rusk, Sawyer	89,281
Black River	Jackson	68,087
American Legion	Oneida, Vilas	59,387
Brule River	Douglas	47,237
Governor Knowles	Burnett, Polk	20,403
Peshigo River	Marinette, Oconto	11,550
Coulee Experimental Forest	La Crosse	<u>2,972</u>
Subtotal Northern Forests		470,658
Southern Forests		
Kettle Moraine-Northern Unit	Fond du Lac, Sheboygan, Washington	29,814
Kettle Moraine-Southern Unit	Jefferson, Walworth, Waukesha	21,371
Point Beach	Manitowoc	2,942
Kettle Moraine-Loew Lake	Washington	1,086
Kettle Moraine-Lapham Peak	Waukesha	1,006
Kettle Moraine-Pike Lake	Washington	752
Kettle Moraine-Mukwonago River	Walworth, Waukesha	970
Havenwood Forest Preserve	Milwaukee	<u>237</u>
Subtotal Southern Forests		58,178
Other Properties*		2,980
Total		532,409
Easement lands (includes Forest Legacy program)		129,533

*Other properties include demonstration forests, nurseries, state owned islands, and the sustainable forest education center.

development. To help maintain the integrity and traditional uses of private forest-lands, the Forest Legacy Program promotes the use of conservation easements. Under a conservation easement, development rights may be purchased from landowners to prevent development and subdivision, to require specific land practices (such as maintaining certain parcels as productive forest land), and to ensure public recreational access. Generally, easements are purchased in perpetuity and remain attached to the deed regardless of any change in the property's ownership. For example, as part of the Wild Rivers and Forest Legacy project, DNR received \$4.6 million in federal forest legacy funding to acquire conservation easements on 14,600 acres (in addition to the approximately 44,000 easement and 5,600 fee title acres acquired in 2006 with state funds). The nearly 65,000 acre area includes more than 48 lakes and ponds, and more than 70 miles of rivers and streams. It is a working forest that also provides habitat for migratory waterfowl, trout, and other wildlife. The property offers a variety of recreational opportunities including hiking, hunting, fishing, kayaking, cross-country skiing and snowmobiling.

The Department operates three tree nurseries (Hayward, Boscobel and Wisconsin Rapids) which produce and distribute seedlings (trees and wildlife shrubs) used for reforestation and conservation purposes. Each year, the nursery distributes between 14 million and 20 million seedlings. Nursery stock is sold at prices that reflect costs to administer the forest nursery program and, with the exception of seedlings distributed to pupils for Arbor Day activities, may not be used for ornamental or landscaping purposes. The surcharge on the sale of nursery stock was increased from 2¢ to 3¢ per seedling beginning in 2002-03. Proceeds from the surcharge are dedicated to forestry public education and awareness programs, and divided evenly between an appropriation supporting a DNR contract with the University of Wisconsin – Stevens Point for the development of a kindergarten through twelfth grade forestry education curriculum and an appropriation that supports public education and forestry awareness efforts.

The Department has broad authority in the prevention, detection and suppression of forest fires. DNR utilizes funding to establish and maintain lookout towers, ranger stations and fire suppression and communications equipment and for fire law education and enforcement activities. The Department's forest fire control program takes primary responsibility for forest fires on public and private lands in most northern and many southern counties. 2007 Act 20 provided \$690,600 in 2007-08 and \$936,700 in 2008-09 (including \$546,100 in one-time funding) from the forestry account for fire detection and suppression efforts. These funds support emergency LTE firefighters, training, and equipment during the spring fire season. Additionally, funding was provided for master lease payments supporting the purchase of base station radio tower repeaters. Repeaters boost a radio signal and then re-send it allowing the signal to reach a much wider area. The base stations make up the Department's public safety communications network and are used primarily for forest fire detection and control. 2009 Act 28 provided \$230,000 in 2009-10 for the final payment of the radio tower repeater master lease. The forest fire control program also provides cooperative services to towns in those southern counties where wooded lands are more scattered.

Department foresters assist private landowners and county foresters in a variety of management activities, including the development of management plans and marketing strategies and the demonstration of pest control techniques. Of the estimated 16 million acres of forest land in the state, about 68% are privately-owned, while an additional 15% are part of forest properties owned by county and municipal governments.

Section 23.22 of the statutes requires DNR to establish a statewide program to control invasive species and to report annually on the program. The 2007-09 budget provided \$50,000 annually from the forestry account for technology to detect and monitor the emerald ash borer, a non-native insect that is threatening ash trees in Great Lakes states. In addition to the \$50,000 provided by Act 20, DNR's

Division of Forestry has reallocated \$150,000 annually, with a three-quarter time position beginning in 2006-07, from funding provided for gypsy moth control to the emerald ash borer effort. The emerald ash borer was first found in southeastern Wisconsin in 2008.

Under 2001 Act 16, \$400,000 was provided on a one-time basis from the forestry account to begin planning for a facility to promote public awareness of sustainable forestry and its benefits. 2005 Act 25 provided \$150,000 in 2005-06 and \$165,000 beginning in 2006-07 from the forestry account to plan for, and begin operating, such a facility on 67 acres of land that the state purchased from Milwaukee County on the former Milwaukee County grounds. The funding has been used to hire planning consultants and provide staff support for the formation of a nonprofit organization, The Forest Exploration Center, Inc., which will continue the project planning, coordinate the fundraising campaign for construction of the facility, and conduct the forestry education programming and operation of the facility. Groundbreaking for the forestry center is not expected before 2015.

Stewardship Debt Service. 1997 Act 27 provided \$8.7 million in funding from the forestry account in each year of the 1997-99 biennium for payment of principal and interest related to the acquisition and development of state forest and nursery properties under the Warren Knowles-Gaylord Nelson stewardship program. Debt service for the stewardship program had been primarily funded from general purpose revenue (GPR). This provision sunset on June 30, 1999. However, each of the next three biennial budgets allocated from \$3 million to \$10 million forestry SEG each year on a "one-time" basis for stewardship debt service.

In addition, 2005 Act 25 provided \$14.1 million in 2005-06 and \$13.5 million annually beginning in 2006-07 from the forestry account. Act 25 removed the provision requiring these forestry payments to be on a one-time basis, thereby making the 2006-07 appropriation ongoing. Further, 2007 Act 5 provided an additional \$10.6 million in 2006-07 (for a total of

\$24.1 million) from the forestry account for stewardship debt service payments (\$13.5 million was provided annually beginning in 2007-08). 2009 Act 28 provides an additional \$5 million forestry SEG in 2009-10 (for a total of \$18.5 million) and \$2.5 million in 2010-11 (for a total of \$16 million) and reduces the amount provided from GPR by the same amount. However, the additional \$2.5 million 2010-11 payment is specified as a one-time payment, meaning it will be removed from base level funding as a standard budget adjustment in 2011-13 (payments from the forestry account for stewardship debt service would return to \$13.5 million annually beginning in 2011-12).

Aids in Lieu of Property Taxes. Since 1992, when DNR acquires land, the Department pays aids in lieu of property taxes on the land to the city, village or town in which the land is located in an amount equal to the tax that would be due on the estimated value of the property at the time it was purchased (generally the purchase price), adjusted annually to reflect changes in the equalized valuation of all land, excluding improvements, in the taxation district. The municipality then pays each taxing jurisdiction (including the county and school district) a proportionate share of the payment, based on its levy. Prior to 2003, aids in lieu payments were made entirely from a sum sufficient, GPR appropriation. However, the 2003-05 biennial budget provided \$1 million in 2003-04 and \$2 million in 2004-05 from the forestry account of the conservation fund for these payments. Statutory language specifies that the first draw for aids in lieu of property tax payments be taken from the forestry account appropriation. The 2005-07 biennial budget act provided \$4,000,000 SEG annually, beginning in 2005-06, from the forestry account for this purpose. In the 2009-11 biennium, \$3,960,000 SEG each year is provided.

Forest Crop Law and Managed Forest Law Programs. The forest crop law (FCL) and the managed forest law (MFL) programs are designed to encourage landowners to manage private forest lands for the production of future forest crops for commercial use through sound forestry practices. Land enrolled under these programs is exempt

from property taxes. Instead, landowners make payments to municipalities (which in turn pay a portion to the counties) in amounts determined by the date the land is entered into these programs. DNR distributes state aids to the municipalities in which the land designated as forest crop law and managed forest law is located.

Forest Crop Law Program. In return for the property tax benefit, property owners with land enrolled in FCL must comply with certain forestry practices and must allow hunting and fishing on all of the designated land. In addition, the landowner pays the town 10¢ per acre for land entered prior to January 1, 1972. On land entered since 1972, owners paid 83¢ per acre through 2002. The rate was adjusted to \$1.66 per acre for 2003 payments and is adjusted every tenth year thereafter. Certain special classes pay 20¢ per acre. In addition, DNR receives severance taxes on timber harvested on the land and withdrawal penalties for land taken out of the program under certain conditions. The revenue from the taxes and penalties is divided between the Department and the municipality and county in which the land is located.

On January 1, 1986, new entries into FCL were eliminated, although existing FCL orders will remain in effect until their expiration. The last FCL order expires in 2035. Landowners with land enrolled in the FCL program may convert their land to the managed forest law program when their FCL order expires. Early conversion into MFL is also available for a non-refundable application fee of \$20.

Managed Forest Law Program. 1985 Act 29 created the managed forest law program, a landowner incentive program which provides a property tax exemption for lands enrolled in the program in exchange for a commitment to sound management of private forest lands. Under the MFL program, an owner of 10 or more contiguous acres of productive forest land (at least 80% of the parcel is capable of producing at least 20 cubic feet of sellable timber per acre per year) can petition DNR to enroll land in the MFL program. If the petition and corre-

sponding forest management plan is approved, DNR issues an order designating the land as MFL for a period of 25 or 50 years. The landowner is required to follow the approved management plan throughout the period of the MFL order. If a landowner fails to follow the management plan, then DNR may withdraw the land from the program, and the landowner is subject to a withdrawal penalty. All MFL applications including conversion and renewal applications are subject to a \$20 non-refundable application recording fee.

2009 Act 365 makes several changes to the MFL program, including technical language changes such as substituting the words "application" and "applicant" for "petition" and "petitioner" throughout the MFL statutes and several other changes related to DNR's administration of the MFL program. The act simplifies the deadlines by which DNR must act on an application for enrollment in the MFL program. Under prior law, the deadlines varied depending on the size of the parcel and whether a forestry management plan accompanied the application. 2009 Act 365 specifies that, except for applications transferring forest cropland into MFL (which DNR must approve or deny within three years), for applications received by DNR on or before June 1 of any year, DNR is required to approve or deny the application before the following November 21. In addition, the act specifies that applications for renewals of MFL orders must be filed by the June 1 before expiration of the MFL order (rather than March 31 under prior law).

Prior to 2009 Act 365, a petition for enrollment in the MFL program could be accompanied by a proposed forestry management plan; or, if a proposed management plan was not submitted with the petition, the petition was required to include a request that DNR prepare a management plan, though DNR could decline to prepare the plan. If DNR prepared the plan, the Department could charge a "plan preparation" fee, established annually in administrative rule, to prepare the plan. If DNR declined to prepare the plan, a landowner was required to contract with an independent plan writer certified by DNR to prepare the plan. The

qualifications required to become a certified independent plan writer are specified in administrative rule.

Act 365 generally requires an applicant to submit a management plan prepared by a certified independent plan writer with an application for enrollment in the MFL program. Under the act, if a forestry management plan is not filed with the application, the application must contain a request that DNR prepare the plan. DNR may decline to prepare the plan, unless the Department determines that the applicant is unable to have a certified independent plan writer prepare the plan. The act requires DNR to promulgate administrative rules establishing the criteria that an applicant must meet in order for the Department to determine that the applicant is unable to have an independent plan writer prepare the management plan. If DNR makes such a determination, the Department may prepare the plan, or may contract with an independent certified plan writer to prepare the plan.

If DNR prepares the plan, the Department may charge a plan preparation fee, renamed a "management plan" fee by 2009 Act 365. The fee is based on a formula comprised of the average of the cost data supplied by independent certified plan writers for MFL plan preparations completed in the previous year (June 1 through May 31) and consists of a base rate plus a cost per acre rate. The rate established in July, 2009, for entries effective January 1, 2011 is a base rate of \$466 plus \$7.09 per acre. Certified plan writers are required to supply the cost data as part of their certification maintenance requirements. The fee is charged in addition to any recording or other fee required under current law. 2009 Act 365 clarifies that a plan is exempt from the management plan fee if it is prepared or completed by a certified independent plan writer instead of by the Department. The first \$280 of each fee collected for the preparation of a management plan is deposited in the existing continuing appropriation for contracting for forestry management plans. Any additional funds are deposited in the forestry account and are available for general appropriation.

Like the forest crop law program, land enrolled under the MFL program is exempt from property taxes. In exchange for this benefit, landowners must manage their forestland according to the approved forestry management plan and must make annual acreage share payments to municipalities (which in turn pay 20% to the counties) in amounts determined by the date the land was entered into the program. The initial acreage share payment was 74¢ per acre through 1992, with the rate adjusted in 1992 and every five years thereafter for land enrolled prior to 2004.

For land enrolled after April 28, 2004, 2003 Act 228 created a separate MFL acreage share payment rate. Under the act, the acreage share payment is equal to 5% of the average statewide property tax per acre of property assessed as productive forest land. The act specified that the rate be initially calculated in 2004 and recalculated in 2007 and every five years thereafter, by the Department of Revenue, using the statewide average equalized value per acre for undeveloped land and the statewide average property tax rate, net of the school levy credit (this tax rate includes taxes levied in towns, villages, and cities, even though most productive forest land is in towns). Current rates, recalculated in 2007 and first effective January 1, 2008 for payments for the 2008 tax year due January 31, 2009, are 67¢ per acre for lands entered into the program from 1987 through 2004 and \$1.67 per acre for lands entered after 2004. Revenues from these payments are divided between local units of government (80%) and counties (20%). In addition, DNR pays the municipality 20¢ per year for each MFL acre in the municipality, of which the municipality keeps 80% and sends 20% to the county.

Under the MFL program, a landowner has the option of closing a maximum of 160 acres per municipality to public access if an additional fee is paid for each acre closed to public access (2003 Act 228 increased the amount of allowable closed acres from 80 to 160). For each acre of land closed to the public (for land entered after 2004) the additional payment is equal to 20% of the average statewide property tax per acre of property assessed as pro-

ductive forest land. The fee currently is 90¢ per acre for lands entered into the program between 1987 and 2004, and \$6.67 per acre for lands entered after 2004 (for a total annual per acre fee of \$8.34). The rates were adjusted in 2007 (using 2006 equalized property values) effective January 1, 2008, and will be adjusted every fifth year thereafter, using a formula that accounts for changes in the average statewide property tax for undeveloped lands. These figures are based on a statewide average equalized value per acre of \$1,927 and a 2006 (payable in 2007) statewide average net tax rate (including taxes levied in towns, villages, and cities) of \$33.34 per \$1,000 of value. Revenues from closed-acreage payments are deposited as general revenues to the forestry account.

Land designated as managed forest law is prohibited from being developed for commercial recreation, for industry, or for any other use determined by DNR to be incompatible with the practice of forestry. However, prior to 2007 Act 20, the ability of a landowner to close up to 160 acres of land enrolled in MFL to the public had allowed some landowners with large acreages enrolled in MFL to close most of their lands by subdividing ownerships. The landowners then leased the MFL property to individuals willing to pay a fee for hunting on the lands. Act 20 specified that owners of land designated as managed forest law may not enter into a lease or other agreement for consideration (compensation) permitting persons to engage in recreational activities on the land. Further, the act specified that all leases of MFL land were invalid as of January 1, 2008. The act defined recreational activities as hunting, fishing, hiking, sightseeing, cross-country skiing, horseback riding, and rental of cabins. Under the act, this restriction does not apply to reasonable membership fees charged by a non-profit entity if approved by DNR.

In 2009, Tigerton Lumber Co., an MFL program participant engaged in leasing of MFL lands, filed a lawsuit against the state (including the Department of Revenue and Department of Natural Resources). Tigerton claimed that the MFL program involves a contractual relationship between DNR and pro-

gram participants and that 2007 Act 20 involved an unconstitutional "impairment" of that contract and of Tigerton's contracts with lessees. Further, Tigerton claimed that the Act 20 restriction on leasing on MFL lands resulted in a "taking" of Tigerton's property, in violation of the takings clause of the Fifth Amendment. The Dane County Circuit Court ruled that the MFL program is not a contractual relationship between MFL participants and DNR and that Act 20 therefore, did not impair a contract between DNR and Tigerton and there was no "taking" as a result of the invalidation of leases by Act 20. However, the court found that the provision of Act 20 which retroactively invalidated Tigerton's leases as of January 1, 2008, was an unconstitutional impairment of contract, and that any leases that Tigerton had in place as of that date must be allowed to continue.

In addition to the acreage share and closed acre payments, landowners must pay a yield (severance) tax of 5% of the timber harvested on MFL land. The municipality retains 80% of the payment and sends 20% to the county. However, lands enrolled in the MFL program after April 28, 2004, which were not previously enrolled in the FCL or MFL program or would be added to an existing MFL order, are exempt from yield taxes for the first five years of their MFL order.

DNR approval is required before an owner may cut timber on MFL land (except timber cut for use as fuel in a landowner's home). A landowner must submit a notice of intent to cut timber on MFL enrolled land to DNR 30 days prior to cutting. 2009 Act 365 specified that in addition to the prior law requirement that the cutting conform to the forestry management plan, the proposed cutting must also be "consistent with sound forestry practices" in order to be approved by DNR.

The Department uses stumpage values (value of timber based on recent timber sales) to calculate the yield tax due on timber harvested on MFL enrolled land. Prior to 2009 Act 365, DNR was required to annually promulgate an administrative rule establishing a reasonable stumpage value for

the merchantable timber grown in the municipalities in which MFL land is located. The act removes the requirement that stumpage values be established in administrative rule and would allow DNR to establish timber stumpage values that are reflective of more current timber sale data. As with prior law, stumpage values are effective November 1 of each year.

With certain exceptions, if land is withdrawn from the MFL program before the expiration of the MFL order, the landowner must pay a withdrawal fee and withdrawal taxes. The withdrawal fee of \$300 is deposited in the forestry account. The withdrawal taxes due (calculated by the Department of Revenue) are generally the higher of either: (a) the MFL owner's past tax liability (calculated using the assessed value of the property and net tax rate in the municipality in the year prior to withdrawal multiplied by the years the land was designated as MFL); or (b) five percent of the stumpage value of merchantable timber on the land (less any acreage share and yield taxes paid by the owner). DNR remits all withdrawal taxes to the municipality where the land is located and the municipality retains 80% of the payment and remits 20% to the county.

2009 Act 365 requires the Department of Revenue (DOR), with the assistance of DNR, to, upon request of an owner of MFL land, prepare an estimate of the amount of withdrawal tax that would be assessed if DNR were to issue an order to withdraw the land from the MFL program. The act establishes a fee that DOR will charge for the withdrawal tax estimate of either \$100 or \$5 per acre, whichever is greater. The withdrawal tax estimate requirements first apply to notifications of investigations for withdrawing managed forest land that are issued beginning on September 1, 2010.

In addition, 2009 Act 365 specifies that when land enrolled in MFL is transferred, the transferee is required to file a transfer report with DNR and pay a \$100 transfer fee, which is deposited in the forestry account. Further, the act requires a person who is selling land currently enrolled in the MFL

program which will remain subject to an MFL order after the sale to disclose this information to a prospective buyer. The written disclosure must be made by the seller within 10 days after acceptance of a contract of sale or option contract and must include an explanation that terms of MFL orders are for 25 or 50 years, that the division of forestry in the Department of Natural Resources monitors management plan compliance under the MFL program and provide information on how to contact the division of forestry. In addition, the disclosure is required to contain the following statement, "Changes you make to a property that is subject to an order designating it as managed forest land, or to its use, may jeopardize your benefits under the program or may cause the property to be withdrawn from the program and may result in the assessment of penalties."

FCL and MFL Aids. Annually, the Department makes payments to each county that has more than 40,000 acres within its boundaries that are entered on the tax roll as FCL or MFL. The amount paid to each county is equal to the number of FCL and MFL acres in the county divided by the total number of FCL and MFL acres that are within the boundaries of counties that are eligible for payments, multiplied by the amount appropriated for these payments. In 2010-11, \$1,237,500 is appropriated for these payments.

County Forest, FCL and MFL Aids. Annually, DNR pays each town treasurer 30 cents for each acre of land entered in the county forest program in the previous year. The Department also pays towns and villages 20 cents for each acre enrolled in FCL and MFL. A municipality must submit 20 percent of all moneys received for FCL and MFL acreage to the county treasury.

County Forest Loans. A county may receive from the state noninterest-bearing loans to be used for the acquisition, development, preservation and maintenance of county forest lands, with a maximum loan of 50 cents per acre of county forest land. If the amounts appropriated for these loans are not sufficient to pay all of the amounts ap-

proved by DNR, the Department provides funding to eligible counties on a prorated basis.

Land Acquisition for Outdoor Activities Grant Program. 2007 Act 20 provided \$1,000,000 annually beginning in 2008-09 in a continuing appropriation from the forestry account for a land acquisition for outdoor activities grant program. The program would have provided grants to cities, villages, towns, counties, non-profit conservation organizations, and to DNR for the purpose of acquiring easements or purchasing land for approved outdoor recreational activities including hunting, fishing, hiking, sightseeing, cross-country skiing, and other purposes compatible with these purposes. 2009 Act 28 eliminated the funding for the program during the 2007-09 biennium and lapsed \$1 million in unspent funds from the program to the balance of the forestry account. However, the statutory authority for the program remains.

County Forest Project Loans. The Department may allot additional interest free forestry aid loans on a project basis to individual counties to permit the counties to undertake meritorious and economically productive forestry operations, including land acquisition. These additional aids may not be used for the construction of recreational facilities or for fish and game management projects.

Urban Forestry Grants. Under the urban forestry grant program, the Department awards grants to cities, villages, towns, counties, tribal governments and non-profit organizations for up to 50 percent of the cost of various projects, including tree management plans, tree inventories, brush residue projects, the development of tree management ordinances, tree disease evaluation, public education relating to trees in urban areas and other related projects. Under administrative rule, the minimum grant is \$1,000 and the maximum grant is \$25,000. In addition, 2007 Act 13 specified that DNR may also award grants under the urban forestry grant program to counties, cities, villages, towns, nonprofit organizations, and tribal governments for the costs of removing, saving, and replacing trees that have been damaged by catastro-

phic storm events in urban areas. To be eligible for a grant, the damage must have occurred in an area for which the governor has declared a state of emergency due to a catastrophic storm event. Act 13 exempts grant recipients from having to pay any portion of the costs in order to receive a grant. DNR is required to notify each grant applicant within 60 days after the application is submitted as to whether the application was approved or denied. The Governor's 2009-11 proposed budget would have eliminated funding for the urban forestry grant program of \$529,900 annually. However, the Legislature, through 2009 Act 28, provided annual funding of \$524,600 for the urban forestry grant program, and created a biennial appropriation specifically for urban forestry grants.

County Forest Grants. Beginning in 2001-02, \$200,000 was provided annually to establish a grant program to increase the implementation of sustainable forestry practices on county forest land. This annual amount was increased by \$50,000 to \$250,000 beginning in 2005-06. Currently, \$247,500 is available for county forest grants in 2010-11.

County Forest Administrator Grants. Prior to 1997, DNR provided grants to counties with county forest land for up to 50% of the salary of a county forest administrator or assistant county forest administrator. In 1997, grant eligibility was expanded to include 50% of the fringe benefit cost of a forest administrator or assistant forest administrator, with a maximum eligible fringe rate of 40% of salary. 2007 Act 20 expanded the eligible uses of county forest administrator grants to include up to 50% of a county's dues to a non-for-profit organization that provides leadership, counsel, and continuity to a county forest administrator and their respective forestry committee and also functions as an organizational liaison to DNR. Total grant awards may not exceed \$50,000 annually. Funding is \$1,329,400 in 2010-11.

Forestry Management Plan Contracts. Beginning in 2001-02, funding from the forestry account has been made available to contract with consultant foresters to prepare MFL plans for new program enrol-

lees. 2003 Act 228 created a continuing appropriation within the forestry account to receive MFL application fees for proposals that are submitted without timber management plans, with all revenues collected to be used by DNR to contract with consultant foresters to prepare MFL plans. Consultant forester contracts are budgeted at \$316,800 in 2010-11.

Fish, Wildlife and Forestry Recreation Aids. Counties may apply for grants for the development of wildlife habitat in county forests. These projects are limited to those designed to benefit wildlife and the natural environment. County funding for habitat projects is limited to 10¢ for each acre registered as county forest land; however, funds that remain unallocated as of March 31 of each year may be allotted to any county (as long as the total received does not exceed 20¢ per acre registered as county forest). Counties are required to complete a comprehensive county forest land use plan as part of the application process.

Recording Fees. A \$20 application, conversion, or transfer fee is dedicated to pay the register of deeds any recording fees related to notices of order under MFL. If the revenues from the MFL fees are not sufficient to pay the recording fees, the balance would be paid from the forestry general operations appropriation. Further, DNR may increase the fee, by rule, to cover actual costs.

Reforestation. Forestry account funding is appropriated for reforestation activities on state forests and nursery properties.

Wisconsin Private Forest Landowner Grants. Beginning in 1997-98, \$1,000,000 was appropriated annually for a program to award grants for the costs of developing and implementing forest stewardship management plans by owners of 500 acres or less of nonindustrial private forest land in the state (the Wisconsin Private Forest Landowner Grant Program (WFLGP)). This amount was increased to \$1,250,000 annually in 2001-02. In 2010-11, \$1,147,900 is appropriated for the program.

Under statute, management plans are required to

contain practices that protect and enhance: (a) soil and water quality; (b) endangered, threatened or rare forest communities; (c) sustainable forestry; (d) habitat for fish and wildlife; and (e) the recreational, aesthetic and environmental benefits that the forest land provides. Under administrative rule, grants are to be given for not less than 50%, but not more than 65% of eligible costs, with a maximum grant amount of \$10,000. DNR gives preference to projects that are directed to accomplish one or more of the following: (a) establish or reestablish forests through regeneration; (b) improve forest stand productivity, vigor, health or value; (c) encourage sustainability; (d) provide protection of soil and water resources; (e) include additional land under written forest stewardship management plans; (f) provide protection and enhancement of riparian areas and wetlands; (g) provide protection and enhancement of terrestrial wildlife habitat; or (h) provide endangered, threatened, or rare species habitat enhancement and natural community habitat maintenance and enhancement. In addition, 2007 Act 20 provided \$60,000 annually beginning in 2008-09 under WFLGP for grants to groups of interested parties for invasive plant projects in weed management areas (as defined by DNR rule). Under the act, the groups must consist of landowners who each own less than 500 acres of nonindustrial private forest land.

Forest Fire Protection Grants. 1997 Act 27 created a pilot program with \$525,000 annually to award grants for up to 50% of the costs of purchasing fire resistant clothing and fire suppression supplies, equipment and vehicles. Funds are available to cities, villages, towns, counties and fire suppression organizations that enter into a written agreement to assist DNR in the suppression of forest fires when requested. The program was authorized on a two-year demonstration basis with a June 30, 1999, sunset. The 1999-01 biennial budget deleted the sunset provision and allocated \$198,000 annually from the forestry account, with \$327,000 in federal funds to continue grant levels of \$525,000 annually.

An additional \$250,000 was provided annually under 2001 Act 16, increasing funds available be-

ginning in 2002-03 to \$775,000 (\$448,000 in forestry SEG and \$327,000 FED). In addition, Act 16 expanded allowable uses of the grant to include fire prevention materials and fire suppression training. In 2009-11, the Governor's budget recommended eliminating the \$448,000 in forestry SEG available for forest fire protection grants. However, the Legislature, through 2009 Act 28, provided \$170,000 forestry SEG to maintain the grant program. Approximately \$674,000 annually is currently available for the program (\$170,000 SEG and \$504,000 FED).

Plum City/ Union Fire Protection Grant Earmark. 2009 Act 28 provides an additional \$108,000 in forestry SEG in 2009-10 for forest fire protection grants (for a total of \$278,000 available in 2009-10) and directs DNR to provide this amount to the Village of Plum City in Pierce County for the Plum City-Township of Union Fire Department. No match is required by the act, and the village is not required to have entered an agreement with the Department to assist DNR in the suppression of forest fires. The Department encumbered \$108,000 for the grant in fiscal year 2009-10 and the grant was closed out in August, 2010 (fiscal year 2010-11).

Assistance for Nonprofit and Private Conservation

Urban Land Conservation. 1999 Act 9 provided \$75,000 (reduced to \$74,200 by 2009 Act 28) annually from the forestry account to provide a grant to a non-stock, non-profit corporation organized for urban land conservation purposes. The corporation must provide \$25,000 in matching funds and submit an annual report to DNR and the Legislature detailing the activities for which the grant was expended. The grant may be used by the corporation for urban forest protection, water resource enhancement, or other urban open space objectives. Other goals that grant recipients are expected to meet include providing technical assistance to interested groups, conducting conferences, assisting community groups, and preparing annual reports detailing their progress. Since 2008, the grant has

been awarded to the River Revitalization Foundation in Milwaukee. The Foundation's mission is to establish a parkway for public access, walkways, recreation and education bordering the Milwaukee, Menomonee and Kinnickinnic Rivers, to use the rivers to revitalize surrounding neighborhoods, and to improve water quality.

Ice Age Trail Grant. Also established under 1999 Act 9 was a \$75,000 (reduced to \$74,200 by 2009 Act 28) annual grant from the forestry account to a non-stock, non-profit corporation organized for the purposes of establishing, maintaining, and promoting the Ice Age Trail. The corporation must provide \$25,000 in matching funds and submit an annual report to DNR and the Legislature detailing the activities for which the grant was expended. Grant recipients are further directed to support the work of volunteers who develop, maintain and promote the trail; to build partnerships for the trail with local units of government and non-profit organizations; promote the protection of a corridor for the trail through the acquisition of land and interests in land; strengthen community support for the trail by involving volunteers and interest groups; and promote tourism related to the trail. In addition, the corporation is required to submit an annual report detailing the purposes for which the grant was expended. The grant has been awarded to the Ice Age Trail Alliance (formerly the Ice Age Park and Trail Foundation) each year. The Trail Foundation is a Milwaukee-based volunteer organization with chapters in 30 counties in Wisconsin.

[Grants to Gathering Waters and the Natural Resource Foundation are also partially funded from the forestry account (\$79,200 in 2009-10), and are described under water resources account expenditures.]

Forestry Public Education and Curriculum Development. Revenues from a 3¢ per seedling surcharge assessed on all seedlings sold at DNR tree nurseries is divided evenly between forestry public education and awareness programs and an appropriation supporting a DNR contract with the University of Wisconsin - Stevens Point for the de-

velopment of a kindergarten through twelfth grade forestry education curriculum. Each purpose is budgeted at \$198,000 in 2010-11.

Forestry Education and Professional Development. 2005 Act 25 created an annual forestry account appropriation with ongoing funding beginning in 2006-07 of \$150,000 annually to provide grants of up to 50% for individuals pursuing master logger certification through the Wisconsin Professional Loggers Association. 2009 Act 28 expands the scope of the grant program to include grants for up to 50% of the cost of receiving safety training. Currently, \$148,500 annually is available for these grants.

Karner Blue Butterfly Habitat. 2007 Act 20 created an appropriation within the forestry account for the deposit of money received from fees paid by partners in the Karner blue butterfly habitat conservation plan as well as money received from gifts, grants, and bequests to the plan to be used for administration and implementation of the plan. DNR administers the Karner blue butterfly habitat conservation plan under an agreement with the U.S. Fish and Wildlife Service. The plan allows Wisconsin land owners to manage land occupied by the federally endangered Karner blue butterfly, provided they follow certain guidelines to protect the species. Certain landowners whose land includes Karner blue butterfly habitat or whose management activities interfere with butterfly habitat are required to participate in the plan, while other landowners are encouraged to participate on a voluntary basis. Initial partners in the plan did not pay a participation fee; however, new partners in the plan, such as utility companies and large private landowners, must pay a one-time entry fee of \$2,550. In fiscal year 2009-10, the Department did not receive any revenue from Karner blue butterfly gifts and fees.

Cooperating Foresters. 2005 Act 166 directed DNR to establish a program allowing cooperating foresters to assist the state in the harvesting and selling of timber from state forest lands and authorizing cooperating foresters to receive a portion of the proceeds received from each sale. 2007 Act

20 created a continuing appropriation in the forestry account into which the portion of the proceeds from timber sales on state forest lands that DNR pays to a cooperating forester is credited to make the required payments.

Split-Funded Appropriations. Functions that are funded by several conservation fund accounts are described under the "General Conservation Fund" section near the end of this paper.

Department of Agriculture, Trade, and Consumer Protection (DATCP). The forestry account provides funding for the gypsy moth program in DATCP. Gypsy moth control and monitoring programs have been conducted since 1971 in a cooperative effort between DATCP, DNR, the United States Department of Agriculture, local governments and private businesses. The gypsy moth is a leaf-eating pest of trees and shrubs. As a result, gypsy moth infestations can affect the forest products industry, the tourist industry and property values. DATCP also received funding from the forestry account for plant protection activities, including nursery regulation and control of plant pests. Approximately \$1.55 million is budgeted in 2010-11 for these purposes.

University of Wisconsin System. 1997 Act 27 appropriated \$200,000 annually for the Wisconsin Environmental Education Board for grants for forestry-related environmental education programs. This amount was increased to \$400,000 annually under 2001 Act 16. The Board, a part of the University of Wisconsin System, is responsible for identifying needs and establishing priorities for environmental education in public schools. GPR and environmental fund revenues are also used to fund a portion of the grants. Up to 5% of the amount appropriated from the forestry account may be used for the costs of administering the grants.

Under 1999 Act 9, \$50,000 is provided annually to the University of Wisconsin – Madison Center for Cooperatives to award grants to persons in order to form forestry cooperatives that consist primarily of private, non-industrial forest owners. Further, 2005 Act 25 provided \$78,000 annually

with 1.0 position beginning in 2005-06 for the University of Wisconsin-Stevens Point paper science program.

State Historical Society. Funding has been provided since 1997 for a position for interpretative programming at the Northern Great Lakes Visitor Center near Ashland in Bayfield County.

Kickapoo Reserve Management Board. Operations of the Kickapoo Reserve Management Board have been funded from the forestry account since 1997. The eleven-member Board is administratively attached to the Department of Tourism, and sets policy and manages the 8,600 acre Reserve in Vernon County acquired from the federal government adjacent to the Kickapoo River to preserve and enhance its unique environmental, scenic and cultural features, to provide facilities for the use of visitors and to promote the reserve as a recreational site. The forestry account also funds aids in lieu of property taxes payments to local governments for Reserve property.

Lower Wisconsin State Riverway Board (LWSRB). The forestry account funds 25% of the operating costs of The Lower Wisconsin State Riverway Board (the remaining 75% in SEG funding comes from the water resources account). The nine-member board is administratively attached to the Department of Tourism and is intended to preserve and protect the scenic beauty and natural character of the Lower Wisconsin State Riverway through controlled land use and development.

Table 7 lists the expenditures from the forestry account for the 2009-11 biennium.

Parks Account

Revenue

Parks account revenues are generated primarily by motor vehicle admission fees to state parks and camping site fees. As shown in Appendix III, motor vehicle admission fees are higher for out-of-state than in-state vehicles. The annual admission fee for a second vehicle is one-half the regular price, if an individual or a member of the household owns a vehicle with a current annual admission sticker. No admission fee is required for any vehicle that transports a person with a senior citizen recreation card or a conservation patron license. (The senior citizen recreation card has not been available since 1991; however, it continues to convey lifetime privileges to the holder as long as the holder possesses the card and remains a resident.) In addition, 2007 Act 165 specified that no admission fee may be charged for entry to any state park or to any state trail by residents who are veterans with a 70 percent or greater military-related disability and residents who were prisoners of war. Prior to 2007, an admission fee exemption existed for motor vehicles transporting students from public or private schools and home-based private educational programs to an outdoor academic class. 2007 Act 20 expanded the provision to include students from a Wisconsin accredited college or university course.

1997 Act 27 altered the fee structure for motor vehicle admission stickers. That act maintained all prior fees, but created an issuing fee within the overall price (50¢ for annual stickers and 15¢ for daily stickers) to allow the sale of park stickers through the Department's automated license issuance system. Current fees were enacted under 2005 Act 25 and are shown in Table 8.

Table 7 : Forestry Account Expenditures

	2009-10 Actual	2010-11 Appropriated	2009-10 % of Total	2010-11 Staff
Forestry Program Appropriations				
State Forestry Operations	\$48,881,500	\$51,210,600	45.78%	464.08
Southern Forest Operations	5,175,700	5,274,500	4.85	45.75
Stewardship Debt service	18,500,000	16,000,000	17.33	0.00
FCL and MFL Aids	1,237,500	1,237,500	1.16	0.00
County Forest FCL and MFL	1,368,000	1,416,400	1.28	0.00
Forestry Outdoor Activity Grants	0	0	0.00	0.00
County Forest Loans	386,800	616,200	0.36	0.00
County Forest Project Loans	500,800	396,000	0.47	0.00
County Forest Loan Severance Payments	0	100,000	0.00	0.00
County Project Loans Severance Payments	60,800	350,000	0.06	0.00
County Sustainable Forestry Grants and County Forest Administrator Grants	1,983,800	1,576,900	1.86%	0.00
Urban Forestry Grants	49,900	524,600	0.05	0.00
Forestry Management Plan Contracts	23,400	316,800	0.02	0.00
Fish, Wildlife and Forestry Recreation Aids	118,200	112,200	0.11	0.00
Recording Fees	45,600	89,100	0.04	0.00
Fire Emergency Other States	36,400	0	0.03	0.00
Reforestation	56,100	100,500	0.05	0.00
Wisconsin Private Forest Landowner Grants	882,800	1,147,900	0.83	0.00
Forest Fire Protection Grants	179,800	170,000	0.17	0.00
Assistance for NCOs and Private Conservation	221,200	227,600	0.21	0.00
Forestry Public Education	350,000	198,000	0.33	0.00
Forestry Public Education Curriculum-UW Stevens Point	0	198,000	0.00	0.00
Parks and Forests Campground Reservations	282,200	250,000	0.26	0.00
Forestry Education and Professional Development	202,000	148,500	0.19	0.00
Karner Blue Butterfly Habitat Conservation Plan Fees	0	9,900	0.00	0.00
Cooperating Foresters	59,400	0	0.06	0.00
Split-Funded Appropriations				
Administration and Technology Services	\$7,298,600	\$8,158,100	6.84%	67.47
Customer Assistance and Licensing	3,719,800	3,187,400	3.48	27.63
Land Program Management	125,700	134,500	0.12	1.04
Bureau of Facilities and Lands	3,313,400	3,241,500	3.10	32.42
Bureau of Science Services	557,800	741,400	0.52	5.59
Bureau of Endangered Resources	221,000	262,400	0.21	2.66
Administrative Facility Repair and Debt Service	1,914,900	2,742,500	1.79	0.00
Aids in Lieu of Taxes	4,415,300	4,417,400	4.14	0.00
Resource Acquisition and Development	1,459,800	878,500	1.37	0.00
Rent and Property Maintenance	145,300	186,700	0.14	0.00
Taxes and Assessments	17,700	41,800	0.02	0.00
Miscellaneous	49,100	0	0.05	0.00
Other Agency Appropriations				
Agriculture, Trade, and Consumer Protection	\$1,586,000	\$1,547,800	1.49%	9.75
State Historical Society- Northern Great Lakes Museum	48,900	43,500	0.05	1.00
University of Wisconsin System	469,800	529,900	0.44	1.00
Kickapoo Reserve Management Board	774,800	819,400	0.73	3.00
Lower Wisconsin State Riverway Board	<u>47,400</u>	<u>50,700</u>	<u>0.04</u>	<u>0.50</u>
Total	\$106,767,100	\$108,654,700	100.00%	661.89

Table 8: State Park and Forest Admittance Fees

	2005 Fee	Current Fee	Increase Amount	Increase Percent
Resident annual	\$20	\$25	\$5	25%
Senior citizen annual	10	10	0	0
Additional annual*	10	12.50	2.50	25
Resident daily	5	7	2	40
Non-resident annual	30	35	5	17
Additional non-resident annual*	15	17.50	2.50	17
Non-resident daily	10	10	0	0

*Issues to an individual for a second vehicle if a full-price annual sticker has already been purchased.

Revenue to the parks account is also derived from other charges, such as camping reservations, trail use fees, golfing at Peninsula State Park and swimming at Blue Mounds State Park. In addition, a portion of the revenue from the sale of patron licenses is deposited in the parks account to reflect the parks-related privileges granted to patron license holders (annual park admission sticker, trail pass and Heritage Hill State Park admission).

Camping site fees are also a primary source of revenue to the account. Although minimum fees are established by statute, DNR may designate, by rule, properties to which higher fees apply based, in part, on local market conditions, the types of conveniences offered at the campground, and the level of use. Site fees for nonresidents are higher than the site fees for residents. 2005 Act 25 increased minimum camping site fees by \$2 (camping site fees went into effect July 27, 2005). Appendix III identifies vehicle admission fees and minimum camping fees assessed for use of state park and forest properties.

While the minimum camping fees are established in statute, several administrative rule changes related to camping and parks fees occurred in 2005. The rule changes included increased fees for renting park shelters, picnic shelters with electricity, and enclosed picnic shelters. In addition, DNR also increased the camping fees at eight of its high-use properties (Devil's Lake, Kohler-Andrae, Mirror Lake, Peninsula, Big Bay, Willow River, Hartman

Creek, and Point Beach) by \$3 per night from Memorial Day through Labor Day and on weekends in September and October. These rule changes (and corresponding fee changes) were effective August 1, 2005.

In 2008, several additional changes to administrative rule affected the price of camping in various state parks as well as increased the price of the annual state trail pass from \$15 to \$20. Through these administrative rule changes, effective January 1, 2008, the rule permitting an additional camping fee of \$3.00 based on local market conditions was amended to eliminate fee differences based on time of year (meaning the high-use properties are now eligible to charge an additional \$3.00 per night at all times), and seven additional parks were added to the previous eight parks where fees were raised by \$3 per night to reflect market conditions including: Copper Falls, Council Grounds, Governor Dodge, High Cliff, Newport, Pattison, and Potawatomi. Additionally, the rule allowing DNR to charge additional "weekend and holiday" family camping fees for Type A and B campgrounds in the state parks or southern state forests and the Clear Lake, Crystal, Firefly Lake, and Muskie Lake campgrounds in the Northern Highland-American Legion state forest, was amended to read "additional family camping fees" meaning the additional fees could be charged on a year-round basis (rather than solely on weekends and holidays). Also, Castle Mound campground at the Black River State Forest was added to the list of campgrounds subject to the potential for an increased fee on an annual basis. Additionally, teepees and yurts were added to the list of reservable parks facilities, and reservation periods are now aligned with family camping reservation periods allowing the public to reserve picnic areas, shelters, auditoriums, amphitheaters, teepees and yurts up to 11 months in advance.

1995 Act 27 eliminated the requirement that state park operations be funded equally from the parks account and the general fund. Base funding for state park operations in 2010-11 includes approximately 70% segregated revenues from the parks account and 30% GPR.

Table 9: Parks Account Revenue

	Actual 2009-10	Estimate 2010-11	2009-10 % of Total
Park Stickers	\$6,964,200	\$6,800,000	44.0%
Campsite Fees	5,656,400	5,750,000	35.7
Campsite Reservations			
Vendor	858,400	860,000	5.4
Conservation Patron			
Allocation	529,600	525,000	3.3
Golf Fees	170,000	170,000	1.1
Trail User Fees	904,700	850,000	5.7
Rents, Sales, and Services	326,800	325,000	2.1
Timber Sales	86,100	100,000	0.5
All Other Revenue	<u>326,700</u>	<u>351,100</u>	<u>2.1</u>
Total	\$15,822,900	\$15,730,100	100.0%

Table 9 identifies the segregated revenue to the parks account in the 2009-11 biennium.

Expenditures

Currently, DNR park staff operate 76 recreational properties open to the public, including 46 state parks, 15 state trails (another 22 trails are state owned, but locally operated and maintained), two national scenic trails, eight southern forests and five recreation areas (a sixth recreation area, Fisher Creek is owned by the state but operated by Manitowoc County). Appendix IV lists the state parks and recreation areas operated by parks staff. In addition, some properties are owned by the state and operated by local units of government (such as Copper Culture State Park) or nonprofit organizations (such as Heritage Hill State Park). Also, some properties have been designated by the Natural Resources Board, but are not developed or are under development and property operation remains largely unfunded with only limited services provided. Management of properties can also change over time. For example, under 1999 Act 9, the management of the Wisconsin Dells State Natural Area was transferred from the Bureau of Endangered Resources to the Bureau of Parks and Recreation. Parks and southern forests received an estimated 14.4 million visits in fiscal year 2009-10.

The state park system properties contain 5,125

campsites, 1,420 acres of picnic areas and 32 properties with beaches totaling approximately 20 miles in length. The state recreation system also includes an extensive network of trails, some of which are multiple-use including approximately (a) 1,800 miles of hiking trails; (b) 1,100 miles of snowmobile trails; (c) 1,100 miles of bicycle trails (including 400 miles of off-road mountain bike trails); (d) 700 miles of groomed cross-country ski trails; (e) 600 miles of bridle trails; (f) 600 miles of wheelchair-accessible trails; (g) 400 miles of ATV trails; and (h) over 200 miles of nature trails.

The operating costs for the parks system include staff costs for: (a) park managers, who supervise the daily operation of state parks; (b) park rangers, who are primarily responsible for enforcement and skilled maintenance activities; (c) park naturalists, who develop and present the educational programs offered at the parks; (d) visitor services staff; (e) maintenance personnel; and (f) a position for an outdoor skills program targeted to urban families and other non-traditional outdoor recreation groups. Limited-term and seasonal employees are utilized extensively in the state park system.

Under section 27.01 of the statutes, DNR retains \$1 of each camping reservation fee collected by a private vendor. DNR contracts with a private company, ReserveAmerica, a subsidiary of Ticketmaster, Inc, to manage the campground reservation system. ReserveAmerica collects all of the reservation fees and the general campsite fees and then remits the revenue from these fees to DNR, where they are deposited in the parks account. The Department then returns \$9 of every \$10 to ReserveAmerica from an appropriation in the parks account.

Current law authorizes DNR to charge fees, in addition to vehicle admission fees, for special programs and events in state parks. 2007 Act 20 created a SEG continuing appropriation into which revenue from educational and interpretive programs in state parks is credited, to be used for costs associated with those programs.

Table 10: Parks Account Expenditures

	2009-10 Actual	2010-11 Appropriated	2009-10 % of Total	2010-11 Staff
Parks and Recreation Program Operations	\$11,201,600	\$11,764,100	75.24%	101.78
Campground Reservation Fees	867,000	900,000	5.82	0.00
Parks Interpretive Fees	1,100	0	0.01	0.00
Split-Funded Appropriations				
Administration and Technology Services	\$924,400	\$1,033,300	6.21%	8.55
Customer Assistance and Licensing	354,700	317,700	2.38	2.37
Land Program Management	433,100	463,500	2.91	3.56
Bureau of Facilities and Lands	532,700	521,100	3.58	5.21
Administrative Facility Repair and Debt Service	268,700	384,800	1.80	0.00
Aids in Lieu of Taxes	22,100	22,100	0.15	0.00
Resource Acquisition and Development	39,100	38,600	0.26	0.00
Taxes and Assessments	60,400	142,600	0.41	0.00
Rent and Property Maintenance	163,300	162,300	1.10	0.00
Miscellaneous	7,600	0	0.05	0.00
Tourism Appropriation	<u>12,100</u>	<u>12,100</u>	<u>0.08</u>	<u>0.00</u>
Total	\$14,887,900	\$15,762,200	100.00%	121.48

Split-Funded Appropriations. Functions that are funded by several conservation fund accounts are described under the "General Conservation Fund" section near the end of this paper.

Parks account funding (\$12,100 in 2010-11) is also provided for general program operations in the Department of Tourism

Table 10 identifies expenditures from the parks account for the 2009-11 biennium.

Water Resources Account

Revenue

The main source of revenue to the water resources account, created in 1987 Act 27, is an annual transfer of motorboat fuel tax revenue into the account. Except for fiscal years 2007-08, 2008-09, and 2009-10, the amount of the transfer each fiscal year is calculated by multiplying the motor fuel tax on 50 gallons of gasoline on April 1 of the previous fiscal year by the number of motorboats

registered as of January 1 of the previous fiscal year, and then multiplying this result by 1.4. For fiscal years 2007-08, 2008-09, and 2009-10, 2007 Act 204 specified that the payment is calculated by multiplying the motor fuel tax paid on 50.5 gallons on April 1 of the previous fiscal years rather than the tax paid on 50 gallons. In 2010-11, DNR is expecting \$13,168,600 to be transferred to the water resources account under this formula (608,812 motorboats x 50 gallons per motorboat x 30.9¢ per gallon x 1.4). Table 11 identifies 2009-10 and 2010-11 revenues and expenditures from the water resources account.

Expenditures

Funding from the water resources account is used to support: (a) development of state and local recreational boating facilities; (b) lake and river management activities and grant programs; (c) dam inspection and safety; and (d) operational management of the Fox River locks system.

Recreational Boating Projects. Under this program, the Department provides grants to municipalities, counties, town sanitary districts, public inland lake protection and rehabilitation districts,

Table 11: Water Resources Account Revenue and Expenditures

	2009-10 Actual	2010-11 Appropriated	2009-10 % of Total	2010-11 Staff
Fuel Tax Transfer	\$13,472,700	\$13,168,600	99.20%	
Investment and Other Income	<u>108,200</u>	<u>100,000</u>	<u>0.80</u>	
Total Revenue	\$13,580,900	\$13,268,600	100.00%	
Recreational Boating Projects	\$1,412,500	\$400,000*	11.17%	0.00
Lake, River and Invasive Species Management	2,787,000	3,219,300	22.04	19.50
Lake Protection Grant Program	2,838,500	2,648,600*	22.45	0.00
Aquatic Invasive Species Grants	2,355,300	4,257,000	18.63	0.00
River Protection Grant Program	386,700	289,500	3.06	0.00
Dam Safety and Wetland Mapping	638,500	617,400	5.05	6.00
Dam Safety Debt Service	469,600	532,200	3.71	0.00
Public Health	14,700	24,700	0.12	0.00
State Boat Access Sites	125,000	198,000*	0.99	0.00
State Boat Access Sites to Southeastern Lakes	0	99,000*	0.00	0.00
Water Resources Enforcement	186,400	193,400	1.47	2.20
Resource Inventory	128,500	128,500	1.02	0.00
Assistance for Private Conservation Activity	141,100	153,400*	1.12	0.00
Nonprofit River Protection Grant Program	97,100	74,200*	0.77	0.00
Mississippi St. Croix River Management	13,500	61,900*	0.11	0.00
Miscellaneous	2,900	0	0.02	0.00
Split-Funded Appropriations				
Administration and Technology Services	\$396,400	\$443,000	3.13%	3.66
Customer Assistance and Licensing	364,500	337,800	2.88	3.41
Water Program Management	3,800	2,200	0.03	0.00
Enforcement and Science Management	8,600	9,200	0.07	0.07
Resource Acquisition, Development and Maintenance	6,500	8,300*	0.05	0.00
Other Agency Appropriations				
Lower Wisconsin State Riverway Board	\$142,200	\$152,000	1.12%	1.50
Fox River Navigational System Authority	<u>125,400</u>	<u>125,400</u>	<u>0.99</u>	<u>0.00</u>
Total Expenditures	\$12,644,700	\$13,975,000	100.00%	36.34

*2009 Act 28 directed DNR to lapse funds from these appropriations in 2010-11 to the balance of the water resources account to address a structural imbalance.

qualified lake associations, the Milwaukee River Revitalization Council, and the Lower Wisconsin State Riverway Board for up to 50% of the costs of developing recreational boating facilities approved by the Waterways Commission. A grant may be used to support up to 60% of project costs if the sponsor conducts a boating safety enforcement and education program approved by DNR. Feasibility studies, which are eligible for state cost-sharing, must be completed for any project before it is assigned to a priority list. Grants are available for recreational boating projects that include providing public access (boat ramps and related parking fa-

cilities), navigational aids or markers, dredging, weed removal, and capital equipment used for trash or debris removal.

1997 Act 27 provided DNR with the authority to provide grants for up to 80% of the costs of developing recreational boating facilities (and up to 90% if the sponsor conducts a boating safety program) if the project is deemed to be of regional or statewide importance by the Waterways Commission. Under administrative rule, "statewide significance" would be determined by the Waterways Commission based on the following criteria.

For projects located on lakes or flowages, all of the following criteria must be met: (a) the lake must be at least 1,000 surface acres in size, or the project must be located on Lake Superior or Lake Michigan; (b) the site must have (or will have as a result of the project) a boat launching facility protected by a breakwater structure; and (c) the project must be located on a lake or flowage that has the minimum number of car-trailer unit parking spaces (or will have the minimum number of spaces as a result of the project) required under s. NR 1.91. For projects located on rivers, the project must meet all of the following criteria: (a) it must be located on the Mississippi River; (b) it must provide motorized boating access to a river at a site that is more than 10 miles from another motorized boating access site; and (c) the project must provide a minimum 15 car-trailer unit parking spaces at the site.

The following restrictions apply to the distribution of grants: (a) no more than 10% of state funding may be expended for feasibility studies in any year, and no more than 1% may be provided for any one feasibility study; (b) at least 40% of state funding must be expended for Great Lakes projects, 40% must be expended for inland lakes projects and 20% may be expended for projects deemed necessary by the Waterways Commission without regard to location; and (c) no state funds may be used for the acquisition of land or for the construction of berths.

The Waterways Commission is a five-member board appointed by the Governor with the advice and consent of the Senate for staggered, five-year terms. The Commission is attached to DNR and is comprised of the following members: (a) one resident of the Lake Superior area; (b) one resident of the Lake Michigan area; (c) one resident of the Mississippi River area; (d) one resident of the Lake Winnebago watershed area; and (e) one resident from the inland area of the state. Each member must be able to assess the recreational water use problems in his or her geographical area of the state. The Waterways Commission approves recreational boating projects found to be feasible and supported by the local unit of government or quali-

fied sponsor.

2005 Act 25 reduced the amount appropriated for the recreational boating aids from \$4.5 million in 2004-05 to \$3.1 million annually beginning in 2006-07, while providing an additional \$1 million for invasive species control grants. 2007 Act 20 transferred \$1.5 million in 2007-08 and \$2.5 million in 2008-09 of water resources SEG from recreational boating project aids to the distribution of grants for the control of aquatic invasive species. This amount was replaced by stewardship program bonding of \$1.5 million in 2007-08 and \$2.5 million annually beginning in 2008-09. In fiscal year 2009-10, \$1,424,800 in stewardship program bonding (BR) was expended for recreational boating projects. Beginning in 2009-10, \$2.9 million annually is available for recreational boating aids (\$400,000 water resources SEG and \$2.5 million stewardship BR).

Lake, River, and Invasive Species Management. The water resources account supports 19.5 Department staff who oversee the state's aquatic invasive species program and provide technical and educational assistance to local governments, including public inland lake rehabilitation districts and lake and river associations. Funds are used for monitoring aquatic invasive species, public education and boat inspection efforts, and for research related to the control of invasive animal and plant species. In addition, funding is used to conduct diagnostic studies, support demonstration projects and develop and distribute information on lakes and river management to lake districts and waterfront property owners. Further, 2007 Act 204 provided \$130,000 in this appropriation on a one-time basis in fiscal year 2007-08 to be used for administration of activities associated with permits for piers, wharves, and related structures. In 2009-10, \$3,219,300 is appropriated for lake, river, and invasive species management.

Lake Protection Grant Program. Under 1999 Act 9, funding for lake management and classification grants was merged with lake planning grants to form the consolidated lake protection grant pro-

gram.

Lake protection grants may be awarded for a variety of purposes, including management projects that will improve or protect the quality of water in lakes, flowages, or natural lake ecosystems. A grant for a lake management project may be made for up to 75% of the cost of the project up to \$200,000 per grant. Counties, municipalities, non-profit conservation organizations, qualified lake associations, town sanitary districts, certain school districts, and public inland lake protection and rehabilitation districts are all eligible to apply for grants for lake management projects. Eligible activities include: (a) the purchase of land or conservation easements (if the purchase will substantially contribute to the protection or improvement of a lake or natural lake ecosystem's water quality); (b) wetland restoration; (c) restoration of shoreline habitat; (d) development of local regulations or ordinances that will protect or improve the water quality of a lake or natural lake ecosystem; and (e) an activity that is approved by the DNR, and that is needed to implement a recommendation made as a result of a plan to improve or protect the quality of water in a lake or natural lake ecosystem. By administrative rule, the minimum allowable membership fee for a qualified lake association is \$5 annually, and the maximum is \$50 annually.

Lake protection grants may also include lake classification activities for: (a) lake classification project grants of up to \$50,000 per county for up to 75% of the costs for the development and implementation of lake classification and subsequent protection programs; and (b) lake classification technical assistance grants of up to \$200,000 to nonprofit corporations to provide educational and technical assistance to local units of government and lake management organizations that will participate in a lake classification project.

In addition, DNR may distribute grants for lake planning projects. Examples of eligible activities include data collection, mapping, water quality assessment, nonpoint source pollution evaluation, management strategy development and other pro-

jects that would provide baseline information on the status of lakes. Grants may support up to 75% of the project costs, with a maximum award of \$10,000.

Under 2003 Act 33, funding for the lake protection grant program was increased by \$500,000 annually. In addition, the Department was directed to provide at least \$500,000 annually for grants to local units of government for up to 50% of the costs of projects to prevent or control aquatic invasive species, and for education and inspection programs at boat landings. 2005 Act 25 increased the funding for the lake protection grant program to \$3,175,400 in 2005-06 and to \$3,675,400 in 2006-07. In addition, the Act provided that \$1,000,000 in 2005-06 and \$1,500,000 annually beginning in 2006-07, be made available for cost-sharing grants to local governments for the control of invasive species that are aquatic species. 2007 Act 20 transferred base level funding of \$1,500,000 annually from the lake protection grant appropriation to a biennial appropriation solely for the distribution of grants for the control of aquatic invasive species.

Aquatic Invasive Species Grants. DNR administers a financial assistance program which awards cost-sharing grants for projects to control invasive species. As mentioned above, 2007 Act 20 created an appropriation solely dedicated to providing these grants. In addition, the act increased the state cost-sharing grant (from 50%) to up to 75% of the costs of projects to control aquatic invasive species. Further, the act deleted a restriction that projects be awarded to local government units. This action makes any public or private entity eligible for a state grant. The act brought total available funding under the aquatic invasive species grants program to \$3.3 million in 2007-08 and \$4.3 million annually beginning in 2008-09. Also, as mentioned previously, 2009 Act 28 specifies that voluntary contributions (a minimum of \$2 in addition to a boat registration or fishing license) previously dedicated primarily to research, may also be used to provide aquatic invasive species control grants. In 2010-11 \$4,257,000 is appropriated for aquatic invasive species grants.

River Protection Grant Program. A river protection grant program was created in 1999 Act 9 and was split-funded from the non-point account and the water resources account. 2003 Act 33 eliminated the contribution from the non-point account, and increased funding from the water resources account by the same amount to maintain funding of \$292,400 annually for the program. In 2009-10, \$289,500 is appropriated for river protection grants. Any unencumbered funding in the river protection grants appropriation at the end of each fiscal year is transferred to the lake protection grant appropriation.

DNR distributes river protection grants to improve or protect the quality of water in rivers, streams and flowages. These grants are limited to 75% of project costs, up to \$50,000 per grant for management projects and \$10,000 per grant for planning projects. Eligible grant recipients include counties, cities, towns, villages, qualified lake or river associations, town sanitary districts, public inland lake districts, nonprofit conservation organizations and other local governmental units that are established for the purpose of lake or river management. Grants under this program may be used for activities that contribute to the protection or improvement of a river's water quality or its natural ecosystem. Eligible management activities include: (a) purchase of land or conservation easements; (b) restoration of wetlands, in-stream, or shoreline habitat; (c) development of local regulations or ordinances; (d) installation of pollution control practices; and (e) other activities as determined by DNR. Eligible planning activities include: (a) data collection; (b) assessments of water quality, fish, aquatic life, and habitat; (c) assessments of the uses of a river and surrounding land; (d) non-point source pollution evaluation; (e) programs and materials to assist in forming river management organizations; and (f) informational or educational materials that address protection of rivers, their uses, and improvements to river habitat.

Dam Safety and Wetland Mapping Program. DNR prepares and maintains maps of wetland

areas measuring five acres or larger throughout the state in order to better protect wetland resources and provide information to individuals seeking permits that may impact these areas.

There are approximately 3,800 dams located on waterways in Wisconsin. Of these, approximately 1,160 are classified as large dams. 2009 Act 28 made a number of changes to dam inspection requirements including a change to the definition of a large dam. Under Act 28, a dam is considered a large dam if it: (a) has a structural height of 25 feet or more that can impound more than 15 acre-feet of water (same as prior law), or (b) has a structural height of six feet and impounds 50 acre-feet "or more" of water. Prior to the act, DNR was required to inspect large dams at least once every 10 years. Under the act, DNR is required to classify each dam in the state as high hazard - a large dam the failure of which would probably cause loss of human life; significant hazard - a large dam the failure of which would probably cause significant property damage but would probably not cause loss of human life; or low hazard- a large dam the failure of which would probably not cause significant property damage or loss of human life. The act requires DNR to inspect each high hazard dam and each significant hazard dam at least once every ten years. In addition, the act requires an owner of a large dam to hire a professional engineer to inspect the dam as follows: for a high hazard dam - four times between each inspection by DNR; for a significant hazard dam- at least two times between each DNR inspection, and for a low hazard dam- at least once every ten years. Owners are also required to submit a report to DNR detailing the inspection results within 90 days of inspection. The act also specifies that the dam inspection requirements do not apply to a dam that is inspected periodically by or under the supervision of a federal agency in a manner which is acceptable to the Department (such as federally-regulated hydroelectric dams) and if the results of each inspection are made available to the Department.

Dam Safety Debt Service. In addition to conducting dam inspections, DNR administers the mu-

municipal dam safety grant program. The Legislature created the municipal dam safety program in the 1989-91 biennial budget. This program provides matching grants to counties, cities, villages, towns and public inland lake protection and rehabilitation districts for the repair, reconstruction, or removal of municipal dams. To qualify for a grant, the locality must own a dam that has been inspected by DNR and be under a DNR directive to repair or remove the dam. DNR is required to keep an inventory of all dams requiring a dam safety project and provide notice to the owner of a dam that is included in the inventory, and DNR is required to establish a notice and hearing process for a dam owner to object to the inclusion of the owner's dam on the inventory list. Prior to 2009 Act 28, a total of \$12.1 million in bonding revenues had been authorized for the program, and the program provided 50% matching grants with a limit of \$200,000 per project. Between 1991 and 2008, 90 dam repair and reconstruction projects were completed, three abandoned dams were removed, and seven small dams were removed through dam safety grants. Through 2008, approximately \$11,486,700 had been spent for the program (leaving \$0.6 million in bonding available). Since 2008, DNR has awarded 11 grants utilizing approximately \$505,000 of the approximately \$600,000 in remaining dam safety grant bonding.

2009 Act 28 provides an additional \$4,000,000 in general obligation bonding authority for the dam safety grant program. In addition, the act specifies that grants for dam repair and reconstruction grants, may be provided for up to 50% of the first \$400,000 in project costs and up to 25% of the next \$800,000 in project costs (\$400,000 maximum grant award for a \$1.2 million project). The act also earmarked \$477,000 from the dam safety grant program for the following dam safety projects and did not require the recipients to provide a local match: (a) \$150,000 to Adams County for a dam safety project at Easton Dam; (b) \$150,000 to the City of Stanley in Chippewa county for a dam safety project at Stanley Dam; (c) \$150,000 to the City of Montello for a dam safety project at Montello Dam; and (d) \$27,000 to Eau Claire County for three dam safety projects. Of the \$4 million in bonding authorized by 2009 Act

28 for the dam safety grant program, \$3.46 million was utilized for 15 municipal dam grants, and \$477,000 was used for the four earmarks required by Act 28.

Debt retirement costs on \$9.5 million (60%) of program bonds is funded with general purpose revenues. The debt service on the remaining \$6.6 million (40%) is funded from the water resources account.

Public Health. 2005 Act 25 created an annual appropriation to support public health activities in the Integrated Science Services Bureau relating to surface water quality. Funding for the activities (\$25,000 annually) was transferred from the Aquatic and Terrestrial Resources program.

State Boat Access Sites. The Department is budgeted water resources account funds for state-owned facilities. DNR is appropriated \$300,000 annually to fund the development of state-owned boating facilities, of which at least \$100,000 must be used for facilities located in a sixteen-county region in southeastern Wisconsin.

Water Resources Law Enforcement. Beginning in 2003-04, 2.2 conservation warden positions were transferred from GPR to water resources account SEG. This transfer was based on DNR enforcement activity reports that indicated an equivalent number of enforcement hours were devoted to water resource protection efforts (such as public and private water supply and polluted water run-off enforcement).

Resource Inventory. The Department maintains an aquatic and natural resources inventory in order to better catalog natural resources statewide, and integrate knowledge gained from the inventory in statewide planning efforts to better protect the available resources.

Assistance for Private Conservation Activity. The Department may provide an annual grant to a Wisconsin-based nonstock, nonprofit corporation. The nonprofit corporation is required to meet all of the following requirements to be eligible for the

grant: (a) have an exemption from the federal income tax; (b) provide support to non-profit conservation organizations (NCOs); (c) have a board of directors that has a majority of members who are representatives of NCOs; and (d) provide \$25,000 to be used with the grant.

Beginning in 1996-97, a grant of \$75,000 from the water resources account has been awarded to Gathering Waters, Inc. According to their mission statement, Gathering Waters is formed to serve as an informational clearinghouse and technical assistance center to aid individuals and NCOs in preserving, protecting and enhancing the ecological integrity of Wisconsin's land and water. In accordance with statute, the group: (a) assists in establishing new NCOs; (b) sponsors conferences and other educational programs; (c) publishes a newsletter; and (d) provides technical assistance on such issues as incorporation, organizational development, real estate transactions and land protection options.

The 1999-01 biennial budget increased the amount available for the grant to \$150,000 annually (with \$112,500 funded from water resources and \$37,500 from the forestry account) and requires the corporation to submit an annual report to the DNR and the appropriate standing committees of the Legislature detailing the activities for which the grant was expended. This amount was reduced to \$148,500 (with \$111,400 water resources account and \$37,100 forestry account) by 2009 Act 28. In addition, the board of directors of the corporation receiving the award is expected to, to the greatest extent practicable, represent all geographic areas of the state. The corporation is also directed to assist non-profit conservation organizations (NCOs) in acquiring and managing property for conservation purposes, and to acquire a property for conservation purposes where no other NCO exists that is willing or capable to purchase or manage this property. The grant was again awarded to Gathering Waters for 2009-10.

In addition, the 1999-01 biennial budget provided \$75,000 annually (reduced to \$74,200 by 2009

Act 28) for one or more contracts to non-stock, non-profit corporations that provide organizational and technical assistance to community-based river protection groups. The corporation is expected to provide support to nonprofit conservation organizations; maintain a board of directors, the majority of which are representatives from nonprofit conservation organizations; and contribute \$1 for each \$3 in state grant funds. The corporation is further required to assist in the establishment of nonprofit conservation organizations and provide technical assistance to these groups, as well as conducting conferences on these topics. One contract was awarded in 2009-10 to the River Alliance of Wisconsin.

The 1999-01 biennial budget also provided an annual grant of \$85,000 split funded evenly between the forestry and water resources account of the conservation fund for a non-stock, non-profit corporation that meets the following requirements: (a) the criteria under section 501(c)(3) or (4) of the Internal Revenue Code; (b) is organized in the state; (c) is exempt from taxation under section 501 (a) of the Internal Revenue Code; and (d) is created to accept and utilize private contributions made to protect and enhance the state's natural resources. It further specified that the corporation receiving the grant must use it to do the following: (a) encourage private corporations and entities to undertake activities, including the contribution of money, that encourage management and restoration of the state's endangered wild animals, wild plants, and natural communities; (b) encourage these same entities to engage in land management practices that protect and preserve natural resources; and (c) provide grants to non-profit and other groups to encourage education, restoration, and management activities to enhance the state's natural resources. In each year, the grant has been awarded to the Natural Resources Foundation of Wisconsin (NRF). The Natural Resources Foundation was formed in 1986 as a fundraising entity to work with the DNR as a conduit for private contributions to the agency.

Mississippi and St. Croix River Management. Funding (\$61,900 in 2010-11) is provided for habi-

tat and recreational projects and for environmental and resource management studies on the Mississippi and Lower St. Croix Rivers.

Lower Wisconsin State Riverway Board (LWSRB). The water resources account also provides 75% of the SEG for the LWSRB, which is intended to preserve and protect the scenic beauty and natural character of the Lower Wisconsin State Riverway through controlled land use and development. The remaining 25% is funded from the forestry account.

Fox River Navigational System Authority. The water resources account is used to partially fund operational and management costs for the locks and associated harbors, property, structures, and facilities on or near the Fox River between Green Bay and Lake Winnebago. This activity is also supported from federal monies, user fees and donations.

In September, 2000, Governor Thompson signed an agreement with the United States Army Corps of Engineers to transfer ownership of the Fox River Locks from the federal government to the state, with the state assuming responsibility to manage and rehabilitate the 17 locks. 2001 Act 16 created the Fox River Navigational System Authority for the purpose of assuming responsibility for management, operations and rehabilitation of the locks upon transfer from the federal government to the state. On September 17, 2004, the locks were officially transferred from the federal government to the state, and the Authority entered into a lease agreement with the Department of Administration to assume management and operational responsibility for the locks. Prior to this agreement, DNR was responsible for the seasonal operation of the three working locks.

As part of the transfer agreement, the Army Corps of Engineers provided the state with \$11.8 million for rehabilitation and repair of the Fox locks, and has agreed to provide an additional \$5.5 million in funding that would be matched by state and local funds. The state funding would consist of

\$2.8 million in water resources account SEG (in seven annual installments of \$400,000 starting in 2005-06, through 2011-12) from the recreational boating project aids appropriation, and at least \$2.75 million in local contributions from private businesses, individuals and others.

Boat Registration Account

Article IX of the Wisconsin Constitution specifies that the state's navigable waters "shall be common highways and forever free" to Wisconsin and U.S. citizens "without any tax, impost, or duty therefore." As a result, the use of revenue from boat registration fees has been limited to boating safety and law enforcement purposes by court interpretation of this constitutional provision.

Revenue

The primary source of revenue deposited in the boat registration account is the registration fee collected for all motorized boats and sailboats over twelve feet in length operated on state waters. Beginning in 2000, all boat registrations are valid for a period of up to three years, beginning on April 1 of the year in which the registration is issued and ending on March 31 of the third year after issuance. Motorized boat registration fees vary according to boat length. 2007 Act 20 increased boat registration fees by approximately 15%. Further, 2009 Act 28 increased motorized boat registration fees again by approximately 15% (fees for voluntarily registered non-motorized boat registrations, fleet registrations, registration transfers, and dealer/ manufacturer certifications remain unchanged). As passed by the Legislature, 2009 Act 28 also would have created an annual non-resident boat sticker effective January 1, 2010 with a fee of \$15. Sticker sales were estimated at 40,000 to 60,000 annually. However, the Governor vetoed this provision. Current and prior boat registration fees are shown in Appendix V.

In addition to the required boat registration fees, a person may elect to make a voluntary contribution to be used for lake research. Prior to 2009 Act 28, the minimum contribution associated with a boat registration was \$3, while the minimum associated with a fishing license was \$1. 2009 Act 28 specifies that the minimum voluntary contribution associated with both a fishing license and a boat registration is \$2 and that moneys received from the contribution, less the 50¢ retained by the sales agent, are to be used to provide grants for projects to control invasive species and for promotional activities and materials to encourage voluntary contributions as well as for research. Contributions from fishing licenses and boat registrations are deposited in the fish and wildlife account.

Other sources of revenue to the boat registration account include: (a) boat titling and lien fees; (b) fees paid by people enrolled in boat safety programs; and (c) 1% of the sales tax revenue the Department collects from people who have purchased boats and have not provided proof that a sales tax was paid (which is required before the boat can be registered).

Table 12 identifies revenue to the boat registration account for the 2009-11 biennium.

Table 12: Boat Registration Account Revenue

	2009-10 Actual	2010-11 Estimate	2009-10 % of Total
Motorized Boat Reg. Under 16 ft	\$2,594,000	\$1,075,000	32.9%
Motorized Boat Reg. 16 to 26 ft	4,111,300	1,800,000	52.1
Motorized Boat Reg. 26 to 40 ft	217,200	105,000	2.8
Motorized Boat Reg. Over 40 ft	20,400	10,000	0.3
Motorized Fleet Registrations	73,600	30,000	0.9
Other Registration Fees	270,600	200,000	3.4
Nonmotorized Boat Registrations	94,300	45,000	1.2
Boat Title and Lien Fees	204,200	50,000	2.6
Education and Safety (Boat)	33,000	33,000	0.4
Other Revenue	<u>270,600</u>	<u>267,000</u>	<u>3.4</u>
Total	\$7,889,200	\$3,615,000	100.0%

* Revenues from several years of sales tax collections on boat purchases were transferred to the Department of Revenue in 2007-08.

Expenditures

Boating account revenues are used to fund: (a) state costs of boating law enforcement by DNR conservation wardens and of administration of boating safety programs, and (b) aids to municipalities for up to 75% of the costs of local boating law enforcement and safety programs.

Boating Enforcement and Safety Training. The Department utilizes conservation wardens to enforce the state's boating and related safety laws. During 2009-10, conservation wardens recorded 57,700 hours on this activity and issued 4,364 citations for boating-related violations. Funds from the boat registration account also support (in conjunction with the snowmobile and ATV accounts) an integrated on-line boat, snowmobile, and ATV registration processing system.

The Department's safety training program disseminates boating safety information and administers a statewide program of safety courses conducted by local instructors trained, certified and supervised by DNR conservation wardens. The course material presented covers general boating laws and safety tips for the operation of all types of watercraft. Under 2005 Act 356, anyone born after January 1, 1989 is required to take the course and obtain a certificate in order to operate a motorized boat without the supervision of an adult. The courses are open, however, to anyone wishing to enroll. In fiscal year 2010, 11,024 people received certificates in boat safety courses offered throughout the state.

Boating Enforcement Aids to Municipalities. The Department distributes aids to municipalities for the costs of local boating law enforcement, search and rescue, and safety activities. Municipalities are eligible for up to 75% of their approved costs, but aid payments are prorated if claims exceed the appropriation level. No municipality may receive aid amounting to more than 20% of the funds available. For enforcement activities that occurred in calendar year 2009, 97 municipalities received reim-

Table 13: Boat Registration Account Expenditures

	Actual 2009-10	Appropriated 2010-11	2009-10 % of Total	2010-11 Staff
State Boating Enforcement and Safety	\$2,686,600	\$2,861,700	45.53%	21.00
Boating Enforcement Aids	1,386,000	1,386,000	23.49	0.00
Administration and Technology Services	301,100	336,600	5.10	2.78
Customer Assistance and Licensing	1,313,600	1,026,700	22.26	9.73
Resource Acquisition, Development and Maintenance	4,900	6,300	0.08	0.00
Enforcement and Science Management	81,800	87,900	1.39	0.68
Education and Safety	33,000	40,200	0.56	0.00
Handling Fees	92,900	52,200	1.57	0.00
Miscellaneous	<u>400</u>	<u>0</u>	<u>0.01</u>	<u>0.00</u>
Total	\$5,900,500	\$5,797,600	100.00%	34.19

bursments totaling \$1,876,000 (including \$400,000 in federal funds), which represented 71% of the almost \$2.5 million in eligible local water patrol activities.

Table 13 identifies expenditures from the boat registration account for the 2009-11 biennium.

All-Terrain Vehicle Account

The Department administers a state recreational program for all-terrain vehicles (ATVs).

Revenue

The main source of revenue to the ATV account is from ATV registrations. An ATV may not be operated in the state unless it is registered with DNR, subject to certain exceptions. Fees for ATV registrations were increased in April, 2004, under 2003 Act 251. This was the first ATV registration fee increase since the program was created as part of the 1985-87 biennial budget act. A fee of \$30 (increased from \$12 under Act 251) is assessed for a public operation permit, which is valid for a two-year period. The fee for a private operations permit, under which an ATV may be operated on private property only, was increased to \$15 (from \$6). A private operations permit is valid until the ownership of the vehicle is transferred. In addition, a commercial

ATV registration fee of \$90 (increased from \$36) is required.

2003 Act 251 also created a non-resident trail pass for all-terrain vehicles. ATVs not registered in Wisconsin are required to display an annual trail use sticker to use public ATV corridors beginning April 28, 2004. Prior to 2007 Act 20, the fee for the annual sticker was set at \$18. Act 20 increased the fee to \$35 for a non-resident trail pass for all-terrain vehicles effective July 1, 2008. Trail passes expire on June 30 of each year. In fiscal year 2009-10, 12,542 non-resident trail passes were sold.

Revenue is also derived from a transfer of ATV fuel tax revenue to the account. The transfer is made annually, and equals the number of registered ATVs as of the last day of February of the previous fiscal year multiplied by the amount of motor fuel tax assessed on 25 gallons of gasoline as of that date. For 2010-11, \$1,865,000 from this transfer will be available for the ATV account, based on the number of ATVs registered for public use on February 28, 2010, and the motor fuel tax rate as of that date (241,428 ATVs x 25 gallons x 30.9¢ per gallon).

Other sources of revenue to the account include: (a) ATV safety certificate fees, and (b) 1% of the total sales tax revenue DNR collects from people who have purchased ATVs and have not provided proof that a sales tax was paid (which is required before the vehicle can be registered).

Table 14: All-Terrain Vehicle Account Revenue

	2009-10 Actual	2010-11 Estimate	2009-10 % of Total
ATV Registrations	\$3,266,400	\$3,600,000	58.6%
Fuel Tax Transfer	1,808,200	1,865,000	32.4
Non Resident Trail Pass	432,900	435,000	7.8
Education and Safety (ATV)	24,700	25,000	0.4
Handling Fees	42,100	45,000	0.8
Other Revenue	<u>-1,200</u>	<u>5,000</u>	<u>< 0.1</u>
Total	\$5,573,100	\$5,975,000	100.0%

Table 14 shows 2009-10 actual and 2010-11 estimated revenue to the all-terrain vehicle account.

Expenditures

Local ATV Trail and Project Aids. Towns, villages, cities, counties and federal agencies can receive grant funding from the ATV account for any of the following types of ATV projects: (a) land or easement acquisition; (b) ATV facilities (such as parking areas, riding areas and shelters); (c) development and maintenance of ATV trails; (d) purchase of liability insurance; and (e) signs briefly explaining the law related to intoxicated operation of ATVs. The state supports approximately 1,400 summer trail miles, and almost 4,000 winter miles which are managed by local units of government. In addition to local aids, funding is also provided from the ATV account for the same acquisition, development and maintenance projects on state-owned ATV areas and trails. In 2004, DNR promulgated an administrative rule that increased its rate of reimbursement for summer ATV trail maintenance work from \$220 per mile to \$450 per mile and from \$80 per mile to \$100 per mile for winter trail miles.

Utility Terrain Vehicles

2007 Act 20 provided \$10,000 SEG in 2007-08 from the ATV account to provide grants (not to exceed \$2,000 to any county) to Florence, Forest, Langlade, Lincoln, Marinette, Oneida, Sawyer, and Washburn counties and to municipalities (a city, village, or town) within those counties for a pilot program to investigate the effects of using lightweight utility vehicles on trails and roadways that

are currently authorized to be used by all-terrain vehicles. The act directed DNR to administer the pilot program in consultation with the Department of Transportation (DOT). The program was scheduled to sunset on September 30, 2009. However, 2009 Act 175 repealed the lightweight utility vehicle pilot program, and created another pilot program for "utility terrain vehicles (UTV's)". Similar to the lightweight utility vehicle pilot program, DNR and DOT are required to administer the UTV pilot program and evaluate the effect of using UTVs on existing trails and roadways where ATVs are permitted to operate and submit a report to the Legislature summarizing the results of this evaluation by June 30, 2012. Under the program, DNR or a federal agency, county, or municipality that participates in the pilot program may designate all-terrain vehicle routes and trails that may be used by operators of UTVs and may designate ATV routes and trails where UTV use is prohibited. In order to operate a UTV on the designated ATV routes and trails, a UTV operator must register their vehicle with DNR. The act specifies that the UTVs be registered in the same manner as ATVs (currently a two year ATV registration is \$30). Under the act, all revenue collected from UTV registration fees is deposited in an appropriation for administration of the UTV pilot program. The program is scheduled to sunset on July 1, 2012.

Landowner Incentive Program. In addition to increasing the fee for a nonresident trail pass from \$18 to \$35, 2007 Act 20 created an ATV landowner incentive program and deposits revenues from the non-resident ATV trail pass in an appropriation to be used for the program beginning in 2008-09. Under the act, DNR awards incentive grants to private landowners who permit public all-terrain vehicle corridors on their lands. Landowners receive annual incentive payments at the following rates based on the number of days the trail was open for public use during the previous fiscal year: \$25 for each mile that was open for public use for at least 60 but less than 180 days; (b) \$75 for each mile that was open for public use at least 180 days but less than 270 days; or (c) \$100 for each mile that was open for public use for 270 days or more. No landowner incentive grants

were awarded in fiscal years 2008-09 or 2009-10, with \$405,900 appropriated for the program in 2010-11.

State Trail Projects. Trails that accommodate ATVs on state property, including parks, are allocated maintenance, rehabilitation, and development funds of \$310,500 in 2010-11. The state maintains approximately 150 miles of trails.

State Enforcement and Safety Training. Part of the workload of conservation wardens is the enforcement of state ATV laws. During 2009-10, wardens recorded 14,100 hours on this activity and issued 1,848 citations for violations related to ATVs. The Department's safety training program disseminates ATV safety information and administers a statewide program of safety courses conducted by local instructors who are trained, certified and supervised by DNR conservation wardens. The course material presented covers general ATV laws and safety tips for the operation of all ATVs.

ATV Trail Safety Grant. The ATV safety enhancement grant program was created under 2001 Act 16. Available funding is awarded in the form of a grant to a non-profit organization (currently the National Off-Highway Vehicle Insurance Services Group, Inc. or NOHVIS), to assist DNR in promoting the operation of ATVs in a safe and responsible manner, recruiting and training volunteer ATV

safety instructors and "trail ambassadors," and improving relationships with groups that promote recreational ATV operation.

County Enforcement Aids. The Department also distributes aids to counties for the costs of local patrol units charged with ATV law enforcement. Counties may receive up to 100 percent of eligible costs, but aid payments are prorated if claims exceed the appropriation level. For enforcement activities that occurred in 2009-10, 32 counties applied for reimbursements totaling \$566,300. State payments of \$495,000 in state fiscal year 2010-11 provided 87% of eligible costs. (County enforcement aids were increased from \$200,000 to \$500,000 beginning in 2007-08, but were reduced to \$495,000 annually by 2009 Act 28.)

Education and Safety. The statutes require that youth born on or after January 1, 1988 must have an ATV safety training certificate in order to operate an ATV without the supervision of an adult. The courses are open, however, to anyone wishing to enroll. In fiscal year 2009-10, 7,068 students received certificates upon successfully completing one of the ATV safety courses offered throughout the state.

Summaries of 2009-11 biennial expenditures from the all-terrain vehicle account are presented in Table 15.

Table 15: All-Terrain Vehicle Account Expenditures

	2009-10 Actual	2010-11 Appropriated	2009-10 % of Total	2010-11 Staff
State and Local ATV Trail and Project Aids	\$3,190,300	\$3,462,200	53.85%	0.00
Utility Terrain Vehicles	0	20,000	0.00	0.00
Landowner Incentive Program	0	405,900	0.00	0.00
State ATV Trails	300,000	310,500	5.06	0.00
ATV Law Enforcement and Safety Training	1,077,600	1,244,300	18.19	9.00
ATV Trail Safety Grant Program	297,000	297,000	5.01	0.00
County Enforcement aids	495,000	495,000	8.36	0.00
Education and Safety	19,200	23,400	0.32	0.00
Administration and Technology Services	128,900	144,000	2.18	1.19
Customer Assistance and Licensing	334,400	288,700	5.64	2.93
Enforcement and Science Management	35,000	37,600	0.59	0.29
Resource Acquisition and Development	2,100	2,700	0.04	0.00
Handling fees	42,100	23,600	0.71	0.00
Miscellaneous	<u>2,900</u>	<u>0</u>	<u>0.05</u>	<u>0.00</u>
Total	\$5,924,500	\$6,754,900	100.00%	13.41

Snowmobile Account

The Department administers a snowmobile recreation program to develop and maintain a state-wide system of snowmobile trails and administer and enforce snowmobile laws. Unlike the other accounts in the conservation fund, which were administratively created by the agency, the snowmobile account is statutorily designated to ensure that certain revenues are utilized for specific purposes.

The Snowmobile Recreational Council provides recommendations to DNR and elected officials on matters related to snowmobile policy. The Council consists of 15 members appointed by the Governor with the advice and consent of the Senate for staggered, three-year terms. Under statute, at least five members of the council shall be from the territory north, and at least five members shall be from the territory south, of a line running east and west through the southern limits of the City of Stevens Point.

Revenue

The major source of revenue to the snowmobile account is the snowmobile fuel tax revenue transferred to the account. An appropriation is made annually, which equals the amount of motor fuel tax assessed on 50 gallons of gasoline as of the last day of March of the previous fiscal year multiplied by the number of registered snowmobiles as of the same date, with this result multiplied by 1.4. The transfer for 2010-11, which will be made available for trail aids under the formula, is expected to total \$4,891,700. This total is based on the number of snowmobiles registered on March 31, 2010, and the motor fuel tax rate as of that date (226,152 snowmobiles x 50 gallons per snowmobile x 30.9¢ per gallon x 1.4).

The next largest revenue source for the account is registration fees. A fee of \$30 is assessed for each snowmobile registered for general use in the state. The registration is valid for two years. Snowmobiles registered in other states or countries need not be registered in Wisconsin if they are in the state for a period of less than 15 consecutive days. Other fees are charged for registering public use, commercial use and antique snowmobiles.

A nonresident snowmobile trail use sticker requirement was created in 1997 Act 27 as a new source of revenue to the snowmobile account. Snowmobiles not registered in Wisconsin are required to display an annual trail use sticker to use public snowmobile corridors. Prior to 2007 the fee for the annual sticker was \$18. 2007 Act 226 increased the fee to \$35 effective July 1, 2008. In fiscal year 2009-10, 27,411 stickers were sold.

In addition, the snowmobile program also receives revenues from: (a) registration transfer fees; (b) instruction fees paid by persons enrolled in snowmobile safety courses; and (c) 1% of the total sales tax receipts the Department collects from people who have purchased snowmobiles and who have not provided proof that a sales tax was paid (which is required before the vehicle can be registered).

Table 16 identifies revenue to the snowmobile account in 2009-10 and 2010-11.

Table 16: Snowmobile Account Revenue

	2009-10 Actual	2010-11 Estimate	2009-10 % of Total
Fuel Tax Transfer	\$4,756,600	\$4,891,700	51.8%
Snowmobile Registrations	3,154,000	3,300,000	34.4
Nonresident Trail Pass	946,000	946,000	10.3
Investment Income	6,500	10,000	0.1
Registration Transfers Education and Safety (Snowmobile)	129,500	130,000	1.4
Handling Fees	44,500	43,500	0.5
All Other Revenues	56,500	23,600	0.6
	<u>82,500</u>	<u>110,000</u>	<u>0.9</u>
Total	\$9,176,100	\$9,454,800	100.0%

Expenditures

Snowmobile Trail and Project Aids. The Department distributes aids to participating counties for the maintenance, development, and acquisition of land to support approximately 18,700 miles of interconnecting snowmobile trails throughout the state. Generally, these aids are provided to counties at 100% of eligible costs. The counties either develop and maintain local trails, or, more typically, redistribute aid to local snowmobile clubs that do the maintenance and development projects. DNR also funds the maintenance and development of approximately 700 miles of snowmobile trails on state park, trail, recreation area, and forest lands.

County expenditures eligible for state aid (listed in priority order) are as follows: (a) maintenance of existing approved trails, up to a maximum of \$250 per mile per year; (b) club signing programs; (c) bridge rehabilitation; (d) municipal route signing; (e) trail rehabilitation; and (f) development of new trails.

In addition, a county or snowmobile club contracting with DNR for work on a state property is eligible for supplemental trail aid payments up to a total of \$750 per mile, if actual eligible costs exceed the maximum of \$250 per mile for basic trail aids. Of the costs incurred, actual trail grooming costs must exceed \$150 per mile per year. Since fiscal year 1991-92, supplemental trail aids have been funded from the 40% multiplier to the snowmobile fuel tax transfer formula. Further, beginning in 2001-02, \$15 from each non-resident trail pass sticker sold in the prior year is also available for this purpose. If the supplemental aid payable to counties exceeds funding available from these two sources, the Department may either prorate payments and/or request that the Joint Committee on Finance take action to transfer funding from basic snowmobile trail aids for supplemental payments.

Table 17 provides a history of supplemental trail aid payments since the 40% multiplier was designated as a funding source. The table shows the total amount requested by counties, the amount paid in

Table 17: Supplemental Snowmobile Trail Maintenance Payments

Snowmobile Season	Total Request	Total Payment	Percent of Request Paid
1990-91	\$351,800	\$351,800	100.0%
1991-92	923,000	701,500	76.0
1992-93	983,900	724,600	74.0
1993-94	889,800	838,400	94.0
1994-95	477,700	477,700	100.0
1995-96*	1,925,500	1,116,200	58.0
1996-97*	2,130,000	1,642,300	77.0
1997-98	731,000	731,000	100.0
1998-99*	1,202,800	1,202,800	100.0
1999-00*	1,514,100	1,514,100	100.0
2000-01*	2,770,200	2,770,200	100.0
2001-02	589,200	589,200	100.0
2002-03	372,100	372,100	100.0
2003-04	2,394,000	1,915,500	80.0
2004-05	1,978,800	1,854,200	94.0
2005-06*	1,942,200	1,942,200	100.0
2006-07	1,068,800	1,068,000	100.0
2007-08*	3,856,100	2,395,700	62.0
2008-09*	2,648,100	2,254,700	85.0
2009-10*	2,798,100	2,318,600	83.0

*Payments for these seasons were supplemented through action by the Joint Committee on Finance.

supplemental aids and the level of proration. Supplemental payments for a snowmobile season are paid in the following fiscal year.

County Enforcement Aids. The Department provides aids to counties for up to 100% of eligible county costs of enforcing snowmobile laws. Aid payments are prorated if claims exceed the appropriation level. For enforcement activities that occurred over the winter of 2009-10, 44 counties requested reimbursements totaling \$527,300. State reimbursement represented 75% of the eligible costs of their local snowmobile patrol activities. These requests were reimbursed in state fiscal year 2010-11. In 2010-11, \$396,000 is available for county enforcement aids (Funding was increased from \$200,000 to \$400,000 annually beginning in 2001-02 but was decreased by 1% by 2009 Act 28).

State Snowmobile Trails and Areas. Funding is provided annually for the development and maintenance of snowmobile trails on state properties. \$209,700 is provided in 2010-11.

Table 18: Snowmobile Account Expenditures

Expenditure Categories	2009-10 Actual	2010-11 Appropriated	2009-10 % of Total	2010-11 Staff
Local Snowmobile Trail and Project Aids	\$8,349,900	\$8,208,100	85.36%	0.00
Snowmobile Aids Administration	193,700	187,400	1.98	1.50
County Enforcement Aids	396,000	396,000	4.05	0.00
State Snowmobile Trails and Areas	160,900	209,700	1.64	0.00
Snowmobile Enforcement and Safety	125,400	125,400	1.28	0.00
Administration and Technology Services	21,000	23,500	0.21	0.19
Customer Assistance and Licensing	426,500	328,300	4.36	3.13
Resource Acquisition and Development	300	400	0.00	0.00
Education and Safety	35,700	43,500	0.36	0.00
Handling Fees	69,200	38,800	0.71	0.00
Miscellaneous	<u>3,900</u>	<u>0</u>	<u>0.04</u>	<u>0.00</u>
Total	\$9,782,500	\$9,561,100	100.00%	4.82

Snowmobile Enforcement and Safety. 2009 Act 28 provided \$125,400 annually beginning in 2009-10 for increased snowmobile enforcement and accident reduction efforts. Funding is provided for safety training and fatality reporting, overtime funding for conservation wardens on the traveling Snowmobile Accident Reduction Team (SART) and overtime hours for locally-stationed wardens, travel and supply costs, and additional costs associated with enforcement of intoxicated snowmobiling laws (including lab tests and medical examination costs). In addition, in fiscal year 2009-10, Act 28 specifies that DNR provide \$10,000 to Oneida County for a rail crossing project along state highway 47.

Education and Safety. DNR is responsible for state enforcement of snowmobile laws by DNR conservation wardens and coordination of snowmobile safety programs. In 2009-10, the Department's wardens recorded 17,200 hours on this activity and issued 1,405 snowmobile citations.

The Department is also responsible for coordinating snowmobile safety courses taught by instructors certified by DNR. Any person born after January 1, 1985, must hold a valid snowmobile safety certificate in order to operate a snowmobile. In fiscal year 2009-10, 9,434 people received certificates upon successfully completing one of the snowmobiling safety courses offered throughout the state.

Table 18 identifies expenditures from the snowmobile account for the 2009-11 biennium.

Endangered Resources Account

Revenue

A voluntary income tax check-off program was created in 1983 to support DNR's endangered resources protection program. Individual income taxpayers can donate a portion of their tax refund or, if taxes are due, include an additional amount with their tax payment for the endangered resources program. Beginning with tax year 2001, corporate income taxpayers are also allowed to participate in the check-off program. After deducting the costs it incurs for collecting the donated amounts, the Department of Revenue forwards the check-off revenue to DNR for deposit in the conservation fund.

For tax year 2009, 18,484 returns included the endangered resources checkoff for a total of \$336,600, with an average donation of \$18.21 per return. After deducting Department of Revenue administrative expenditures, DNR received \$331,200 in 2009-10.

1993 Act 415 created an endangered resources license plate (depicting a timber wolf and rising moon) that became available starting January 1, 1995. The \$25 additional annual fee required to buy the plate is credited to the account. In 2009-10, the original endangered resources license plates generated \$378,800 (15,152 registered wolf license plates), bringing the total revenue generated by wolf plate sales since their introduction to nearly \$8.3 million.

2009 Act 28 created a second endangered resources license plate, effective January 1, 2010. The fee for the second license plate, which depicts a badger, is also \$25 and is also credited to the endangered resources account. The act specifies that the plate may only be issued by the Wisconsin Department of Transportation if DOT purchases the plates from the state of Minnesota. However, if the Wisconsin Department of Corrections (DOC) has flat-plate technology available for manufacturing the license plates that would produce the plates at comparable quality and cost, then Wisconsin DOT must purchase the second endangered resources license plates from the Wisconsin DOC. In fiscal year 2009-10, 1016 badger plates were issued, generating \$1,900 in revenue to the endangered resources account in fiscal year 2009-10 (\$23,500 was remitted to the Department of Transportation to cover the start-up costs).

Check-off revenues and other donations are statutorily matched up to \$500,000 annually from general purpose revenues.

Other revenue to the account includes private donations, the sale of resident wild ginseng harvest and Class A resident wild ginseng dealer licenses, sale of wild rice harvesting permits, and revenue from timber harvests in state natural areas.

Expenditures

The endangered resources account supports Bureau of Endangered Resources efforts regarding the inventory of species and natural communities, determinations on the status of native plants, coor-

inating research, surveys, and habitat projects and managing state natural areas. Examples of these projects include implementing a habitat conservation plan for the Karner Blue butterfly, devising a management plan for timber wolf in the state, implementation of the endangered species act, and the development and implementation of plans to protect and manage Wisconsin's biological diversity, monitoring nesting boxes for peregrine falcons, managing state natural areas, and the collection of monitoring data. Also, DNR has successfully reintroduced trumpeter swans to Wisconsin, and the bald eagle was removed from the state's endangered species list in 1997.

Funds from tribal gaming program revenue were allocated in the 1999-01 biennial budget to fund a 0.5 wildlife biologist position for work related to the reintroduction of the whooping crane to Wisconsin. Wildlife officials on the Joint U.S./Canada Whooping Crane Recovery Team designated central Wisconsin (in the vicinity of the Necedah National Wildlife Refuge) to be the site for reintroduction of a migratory flock of the endangered whooping crane. A migration of whooping cranes led by an ultralight aircraft from the Necedah National Wildlife Refuge to the Gulf Coast of Florida has been completed each year since the fall of 2001. Under 2001 Act 16, 0.5 position was provided from the fish and wildlife account to increase efforts related to the reintroduction of the whooping crane.

Although the agency may expend all monies it receives from the endangered resources tax check-off and sales of the endangered resources license plate, the statutes require that 3% of this amount in any fiscal year, not to exceed \$100,000, be allocated for endangered wildlife damage control and payments of claims for damage associated with endangered species. A provision in the 1999-01 biennial budget specified that damage caused by gray wolves would remain eligible for payment under the endangered resources wildlife damage program, regardless of whether gray wolves were listed as an endangered or threatened species. In 2009-10, \$129,900 was paid in damage claims, (all

of which was related to damage caused by wolves). DNR may also use its GPR appropriation for endangered resources to pay damage claims.

Table 19 identifies 2009-10 and 2010-11 revenue to, and expenditures from, the endangered resources account.

Table 19: Endangered Resources Account

Revenue	2009-10 Actual	2010-11 Estimate	2009-10 % of Total	2010-11 Staff
License Plate Sales	\$380,700	\$600,000	23.55%	
Income Tax Check-off	331,200	325,000	20.59	
Other Revenue	<u>896,800</u>	<u>900,000</u>	<u>55.86</u>	
Total	\$1,608,700	\$1,825,000	100.00%	
Expenditures	\$2,147,900	\$1,742,700		15.00

Natural Resources Magazine Account

Revenue

The statutes authorize the Department to issue and distribute a magazine containing information on resource management and related subjects. The direct costs of the agency's bi-monthly publication, Wisconsin Natural Resources, are entirely funded from subscription, single copy and reprint sales. The magazine carries no advertisements. The current subscription rates (including an annual \$1 shipping and handling fee) are \$8.97 for one year, \$15.97 for two years and \$21.97 for three years. The retail price of the magazine is \$3 per issue. The rates are intended to recover the magazine's production costs.

Conservation patron license holders receive an annual subscription to the magazine as part of the license. A portion of the revenue from the sale of patron licenses is deposited in the natural resources magazine account to reflect the number of subscriptions attributable to patron license holders.

Approximately 82,000 people subscribe to the

magazine. In addition, a small number of single copies are available at retail stores.

Expenditures

Account revenues support 3.5 positions within the agency's Bureau of Communication and Education, who are responsible for producing the magazine. In addition, revenues are also used to fund the printing and distribution of Wisconsin Natural Resources. Articles and photographs that appear in the magazine are contributed by DNR employees and persons outside of the agency, who do not receive cash compensation for their submissions.

Table 20 identifies revenue to and expenditures from the magazine account for the 2009-11 biennium.

Table 20: Natural Resources Magazine Account

Revenue	2009-10 Actual	2010-11 Estimate	2009-10 % of Total	2010-11 Staff
Magazine Subscriptions	\$278,200	\$280,000	44.88%	
Conservation Patron Allocation	311,300	315,000	50.22	
Reprint Sales	27,400	30,000	4.42	
Other Revenue	<u>3,000</u>	<u>3,000</u>	<u>0.48</u>	
Total	\$619,900	\$628,000	100.00%	
Expenditures	\$864,700	\$982,400	100.00%	3.50

Motorcycle Recreation Account

The motorcycle recreation program was eliminated, with 2005 Act 25 requiring that any remaining balance as of July 1, 2005 in the motorcycle account (\$86,500) be transferred to an appropriation supporting the development of ATV off-road trail projects in the ATV account.

Between 1981 and 2005, the only revenue source to the motorcycle account was the investment income earned on the account's cash balance. Prior to 1981, the account was also funded by a \$2

surcharge on motorcycle registrations.

DNR had provided aids to municipalities and federal agencies for the acquisition, development, operation and maintenance of off-the-road motorcycle trails and facilities. In addition, DNR funded development and maintenance activities for existing off-the-road trails at the Richard Bong Recreation Area (Kenosha County) and the Black River State Forest (Jackson County).

handling fees associated with license issuance are deposited in the conservation fund.

Expenditures

A number of expenditures are common to more than one account within the conservation fund. The amounts paid for these expenditures are intended to reflect the estimated share that each account's programs contribute to the overall expenditure. These expenditure categories may also receive funding from other sources, such as the general fund, environmental fund or federal revenues. For example, DNR water program management receives GPR support for 8.0 positions in addition to conservation fund SEG. These expenditure categories include: (a) administration and technology services; (b) customer assistance and licensing; (c) division management- including enforcement and science management, land program management, and water program management; (d) facilities and lands operations; (e) science services operations; (f) endangered resources operations; (g) administrative facility repair and debt service; (h) aids in lieu of taxes; (i) rent and property maintenance; (j) taxes and assessments; (k) education and safety; and (l) handling fees. Table 21 identifies 2009-10 actual expenditures and 2010-11 appropriated amounts for these split-funded expenditure categories. In 2010-11, \$50 million is budgeted for these purposes

General Conservation Fund

Revenue

All of the accounts in the conservation fund receive investment income earned on the balance of the overall fund. DNR uses the monthly cash balance in each account of the conservation fund to distribute investment income to each of the accounts. The amount of investment income that is credited to each account is determined by the percentage that the cash balance of an individual account is of the overall cash balance in the conservation fund at the end of a given month. In addition, revenue from hunter safety, boat safety, ATV safety, and snowmobile safety course fees and

Table 21: Split-Funded Appropriation Expenditures

	2009-10 Actual	2010-11 Appropriated	2009-10 % of Total	2010-11 Staff
Administration and Technology Services	\$14,006,100	\$15,655,500	28.80%	129.48
Customer Assistance and Licensing	11,413,800	9,502,100	23.47	84.76
Land Program Management	970,900	1,038,900	2.00	8.00
Enforcement and Science Management	663,700	712,700	1.36	5.50
Water Program Management	34,000	19,300	0.07	0.00
Bureau of Facilities and Lands	7,481,100	7,318,800	15.38	73.20
Bureau of Science Services	1,585,600	2,107,400	3.26	15.90
Bureau of Endangered Resources	624,400	741,300	1.28	7.50
Administrative Facility Repair and Debt Service	3,928,000	5,625,700	8.08	0.00
Aids in Lieu of Taxes	4,736,500	4,740,000	9.74	0.00
Resource Acquisition and Development	1,946,600	1,262,100	4.00	0.00
Rent and Property Maintenance	587,200	638,300	1.21	0.00
Taxes and Assessments	125,700	297,000	0.26	0.00
Education and Safety	277,000	337,600	0.57	0.00
Handling Fees	253,300	128,900	0.52	0.00
Total	\$48,633,900	\$50,125,600	100.00%	324.34

out of total conservation fund expenditures of \$241.7 million.

Administration and Technology Services.

Funding provides for the overall management and direction of the Department as well as support services utilized by all of the programs within the Department. The management component includes the Secretary of the Department, management specialists and support staff. The other support services provided include legal, financial and information technology services; budget and human resource management; and field services (such as inventory control, fleet management and procurement and aviation services). All accounts contribute to the Division of Administration and Technology services except the endangered resources and natural resources magazine accounts.

Customer Assistance and Licensing.

Funds are provided for many of the major customer service needs of DNR, including hunting and fishing license sales, recreational vehicle registrations, environmental permits, and the customer service call and dispatch center. The program also staffs communication and education initiatives (including DNR's minority internship program and the MacKenzie Environmental Center), and the administration of several of the Department's local grant programs. The Department's liaisons to the Legislature, businesses and tribal, local, and federal governments are also part of this program. Management of the DNR regional offices as well as record-keeping and internal auditing is also housed under this program.

Division Management.

The fish and wildlife, forestry and parks accounts all contribute funding to the management of the Division of Land. In addition, the fish and wildlife, water resources, boat registration, and ATV accounts contribute to the management of the Division of Enforcement and Science. The fish and wildlife and water resources accounts contribute to the management of the Division of Water. The management staff of the DNR

divisions is responsible for developing and implementing policy for their overall divisions and include the division administrators, deputy administrators, and regional management.

Bureau of Facilities and Lands.

The Bureau of Facilities and Lands in the Division of Lands is responsible for managing and maintaining the Department's administrative facilities, planning and implementing the agency's land acquisition program and capital development budget, maintaining land records and directing the payment of property taxes and aids in lieu of taxes to affected local governments. Civil engineering, construction activities and contract management for environmental remediation on DNR properties are also undertaken by this Bureau. The fish and wildlife, forestry, and parks accounts contribute funding.

Bureau of Science Services.

The Bureau of Science Services in the Division of Enforcement and Science is partially funded from the fish and wildlife and forestry accounts. The Bureau coordinates the various aspects of the Department's ecological, environmental and sociological research program. Science Services both operates research facilities and manages contracts with outside facilities. The Bureau certifies operations of environmental facilities including operators of wastewater treatment systems, water supply systems, incinerators, sanitary landfills and septage service businesses. Science Services also collects environmental fees. The Bureau also provides technical writing, editing, and publication support to other DNR program staff.

Bureau of Endangered Resources.

The fish and wildlife, forestry, and parks accounts contribute to the Bureau of Endangered Resources in the Division of Land. The Bureau works with a variety of stakeholders to identify, protect, and manage native plant and animal species. Bureau responsibilities include statewide inventory and monitoring work, research related to species and habitat analysis, and facilitating data collection through Department and citizen-based initiatives.

Administrative Facility Repair and Debt Service. Funding is budgeted to maintain DNR buildings on state-owned properties and to finance the debt service on bonds used to pay for the construction of certain buildings. All accounts contribute to administrative facility repair and maintenance except the endangered resources and natural resources magazine accounts.

Aids in Lieu of Property Taxes. DNR provides aids to cities, villages or towns in lieu of property taxes for DNR-owned land within each municipality, budgeted at \$12,980,000 in 2010-11 (\$8,240,000 GPR and \$4,740,000 SEG). Segregated funds come primarily from the forestry account, but also from the fish and wildlife and parks accounts.

Payments vary depending on when the land was purchased. The aid payment for land purchased prior to July 1, 1969, is 88¢ per acre. (Prior to 1997 Act 27, this rate was 80¢ per acre.) For land purchased after July 1, 1969, and through December 31, 1991, payments are based on the statewide average property tax rate for municipal, county and school taxes for the tax year after purchase applied to the land's assessed value. For this latter category of land, each year after the initial year the payment is reduced by 10% of the first year amount until the 10th year or until a payment of 50¢ per acre is reached.

For land the Department purchased after December 31, 1991, DNR pays each municipality an amount equal to the tax that would be due on the estimated value of the property at the time it was purchased (generally the purchase price), adjusted annually to reflect changes in the equalized valuation of all land, excluding improvements, in the taxation district. The municipality that receives the payment from DNR pays each taxing jurisdiction a proportionate share of the payment, based on its levy. From 1993-94 until 2002-03, all aids in lieu of taxes payments made for properties purchased after December 31, 1991, were supported entirely by a sum-sufficient GPR appropriation. Under 2003 Act 33, a sum certain segregated revenue appropriation from the forestry account of the conserva-

tion fund was created. Under current law, these payments are supported from both the sum sufficient GPR appropriation and the sum-certain forestry SEG appropriation, with the first draw made on forestry SEG (appropriated at \$3,960,000 in 2010-11).

Resource Acquisition and Development. Funds from the fish and wildlife, forestry, and parks accounts (\$889,100) are utilized for land acquisition, development, and improvement of fish refuges and game refuges. In addition, funds from the fish and wildlife, forestry, parks, boat registration, ATV, and snowmobile accounts (\$373,000 budgeted in 2010-11) are utilized for the acquisition, development, and construction costs of new facilities and maintenance costs of existing buildings within the respective programs. For example, funding has been used to rehabilitate fish hatcheries and renovate several DNR service centers.

Taxes and Assessments. Taxes and assessments levied against DNR are paid in part from the fish and wildlife, forestry, and parks accounts. These assessments most commonly occur when a local government undertakes an infrastructure improvement that also affects DNR property (such as the extension of sewer lines by the city of Baraboo to Devil's Lake State Park). The locality then assesses DNR some amount for the cost of the improvement.

Rent and Property Maintenance. These two continuing appropriations are supported by all revenues received for the rental of DNR property or equipment by members of the public or other agency staff. Funds are used for the maintenance or replacement of the property or equipment. This may include shared office space payments, and logging or other heavy equipment use. In 2009-10 monies were expended from the fish and wildlife, forestry, and parks accounts.

Education and Safety. Revenue from hunter safety, boat safety, ATV safety, and snowmobile safety course fees is deposited in this appropriation in the account corresponding to the safety course

(fish and wildlife, boat registration, ATV, and snowmobile accounts). Expenditures are then made from each account to support operation of the safety education courses (such as the costs of supplies, copying and instructor mileage).

Handling Fees. Revenue from a \$3 handling fee is used to cover the costs associated with issuing licenses that are requested by mail, telephone or purchased on the internet and includes credit transaction fees, mailing costs and personnel costs that are necessary to process the credit transactions.

Appendices

Following are five appendices which provide additional information about the conservation fund. Appendix I shows estimates of the overall condition statement for the conservation fund (based primarily on projections included in DNR's biennial budget request). Appendix II describes the most recent fee increases and current fees assessed for hunting and fishing licenses and permits and the total number sold during 2009-10. Appendix III identifies vehicle admission fees and camping fees assessed for state park and forest properties. State parks and recreation areas and their locations are shown in Appendix IV. Appendix V identifies the most recent fee increases and fees assessed for boat registration.

APPENDIX I

**Conservation Fund Condition Statement
2009-11 Biennium**

	Fish and Wildlife	Forestry	Parks	Water Resources	Boat Registration	All-Terrain Vehicle	Snowmobile	Endangered Resources	Natural Resources Magazine	Total Conservation Fund
2009-10 Actual										
Opening Balance	\$13,782,500	\$24,289,100	\$3,581,700	\$13,840,000	\$776,000	\$5,615,300	\$5,264,900	\$1,776,300	\$687,900	\$69,613,700
Revenue	77,531,200	106,492,300	15,822,900	13,580,900	7,889,200	5,573,100	9,176,100	1,608,700	619,900	238,294,300
Expenditures	<u>76,820,700</u>	<u>106,767,100</u>	<u>14,887,900</u>	<u>12,644,700</u>	<u>5,900,500</u>	<u>5,924,500</u>	<u>9,782,500</u>	<u>2,147,900</u>	<u>864,700</u>	<u>235,740,500</u>
Closing Cash Balance	\$14,493,000	\$24,014,300	\$4,516,700	\$14,776,200	\$2,764,700	\$5,263,900	\$4,658,500	\$1,237,100	\$443,100	\$72,167,500
2010-11 Estimate										
Opening Balance	\$14,493,000	\$24,014,300	\$4,516,700	\$14,776,200	\$2,764,700	\$5,263,900	\$4,658,500	\$1,237,100	\$443,100	\$72,167,500
Revenue	77,633,400	104,107,900	15,731,100	13,268,600	3,615,000	5,975,000	9,454,800	1,825,000	628,000	232,238,800
Expenditures	<u>78,494,800</u>	<u>108,654,700</u>	<u>15,762,200</u>	<u>13,975,000</u>	<u>5,797,600</u>	<u>6,754,900</u>	<u>9,561,100</u>	<u>1,742,700</u>	<u>982,400</u>	<u>241,725,400</u>
Closing Cash Balance	\$13,631,600	\$19,467,500	\$4,485,600	\$14,069,800	\$582,100	\$4,484,000	\$4,552,200	\$1,319,400	\$88,700	\$62,680,900
Encumbrances/Continuing*	\$10,067,700	\$10,810,500	\$559,000	\$14,392,200	\$24,700	\$4,799,600	\$4,025,300	\$933,000	\$280,000	\$45,892,000
Reserves and Lapses**	<u>-3,798,000</u>	<u>-1,614,600</u>	<u>172,300</u>	<u>-636,700</u>	<u>52,300</u>	<u>-477,800</u>	<u>5,800</u>	<u>0</u>	<u>-239,200</u>	<u>-6,535,900</u>
Total Reserved	\$6,269,700	\$9,195,900	\$731,300	\$13,755,500	\$77,000	\$4,321,800	\$4,031,100	\$933,000	\$40,800	\$39,356,100
Estimated Available Balance	\$7,361,900	\$10,271,600	\$3,754,300	\$314,300	\$505,100	\$132,200	\$521,100	\$386,400	\$47,900	\$23,324,800

*Amounts encumbered, but not yet expended, and balances in continuing appropriations that may only be used for the statutorily authorized purposes (balances are not available for general account expenditures).

**Includes health insurance reserves and amounts DNR has identified as lapsing back to the account balance due to position vacancies or other reductions in authorized expenditure levels.

APPENDIX II

Major Hunting and Fishing License Fees and Fiscal Year 2009-10 Sales

	Current Fee	2009-10 Licenses Sold
Resident Hunting		
Small Game	\$18.00	92,307
Senior Small Game	9.00	13,791
Youth Small Game	9.00	14,253
Deer	24.00	418,111
Youth Deer	20.00	60,977
10 and 11 Year Old Deer	7.00	10,270
Bonus Deer	12.00	127,291
Antlerless Herd Control	0.00	839,317
Elk	49.00	0
Class A Bear	49.00	435
Class B Bear	14.00	9,122
Archery	24.00	179,824
Youth Archery	20.00	15,609
10 and 11 Year Old Archery	7.00	1,242
Wild Turkey	15.00	125,378
Extra Turkey Tag	10.00	70,667
Trapping	20.00	4,229
Nonresident Hunting		
Annual Small Game	\$85.00	6,943
Five-day Small Game	55.00	3,875
Deer	160.00	30,139
Bonus Deer	20.00	10,595
Antlerless Herd Control	0.00	45,409
Elk	251.00	0
Class A Bear	251.00	186
Class B Bear	110.00	337
Archer	160.00	8,637
Wild Turkey	60.00	4,946
Extra Turkey Tag	15.00	2,927
Furbearing Animal	160.00	76
Hunting Stamps		
Pheasant	\$10.00	39,381
Waterfowl	7.00	56,778
Wild Turkey	5.25	117,881
Resident Fishing		
One-Day	\$8.00	N/A
Annual	20.00	530,875
Senior Annual	7.00	107,278
Youth Annual	7.00	33,028
Husband and Wife	31.00	119,872
Disabled	7.00	15,401
Disabled Veteran	3.00	3,287
Sturgeon Spearing	20.00	10,437
Sturgeon Hook and Line	20.00	722

	Current Fee	2009-10 Licenses Sold
Nonresident Fishing		
Individual:		
One-Day	\$10.00	N/A
Annual	50.00	90,501
Fifteen-day	28.00	35,624
Four-day	24.00	98,116
Family:		
Annual	65.00	34,364
Fifteen-day	40.00	17,069
Sturgeon Spearing	65.00	181
Sturgeon Hook and Line	50.00	196
Fishing Stamps		
Inland Trout	\$10.00	140,491
Great Lakes Trout and Salmon	10.00	132,425
Two Day Great Lakes Fishing	14.00	33083
Two Day Inland Lake Trout	14.00	511
Resident Multiple Licenses		
Conservation Patron	\$165.00	42,863
Junior Patron	75.00	4,116
Sports License	60.00	56,510
Junior Sports	35.00	3,032
Nonresident Multiple Licenses		
Conservation Patron	\$600.00	88
Junior Patron	77.00	656
Sports License	275.00	458
Junior Sports	36.00	3,318

Notes: Fees shown include the issuing fee, and the wildlife damage surcharge where applicable.

APPENDIX III

State Parks and Forests Recreation Fees January 1, 2011

Vehicle Admissions Fee

Resident

Annual	\$25.00
Additional Annual	12.50
Daily Auto	7.00
Daily Bus	10.00
Senior Annual	10.00
Senior Daily	3.00
One Hour Admission	5.00

Nonresident

Annual	\$35.00
Additional Annual	17.50
Daily Auto	10.00
Daily Bus	14.00
One Hour Admission	5.00

State Trail Pass

Resident or Non-Resident Annual	\$20.00
Resident or Non-Resident Daily	4.00

Campground Sites

State Parks and Southern Forests***

Resident, Per Night*	\$12.00 - 15.00
Non-Resident, Per Night*	14.00 - 17.00
Extra Charge for Electricity, Per Night	5.00
Extra Charge for Water View, Per Night	3.00

Northern Forests***

Resident, Per Night*	\$9.00 - 12.00
Non-Resident, Per Night*	11.00 - 14.00
Extra Charge for Electricity, Per Night	5.00

Reservation Fee, Per Reservation	10.00
Reservation Cancellation Fee, Per Reservation	5.00
Reservation Change fee (for changing site or dates)**	8.00

*The upper end of these ranges reflect \$3 per night higher fees for camping at the following places: Big Bay State Park; Devil's Lake State Park; Copper Falls State Park; Council Grounds State Park; Governor Dodge State Park; Hartman Creek State Park; High Cliff State Park; Kohler-Andrae State Park; Mirror Lake State Park; Newport State Park; Pattison State Park; Peninsula State Park; Point Beach State Forest; Potawatomi State Park; and Willow River State Park.

**A person may change the beginning date of their stay or shorten their stay, as long as at least one day of the stay remains the same. To extend a stay or camp at a completely different time, a person must cancel the original reservation and make a new one.

*** DNR may charge additional fees based on campground amenities.

APPENDIX IV

State Parks and Recreation Areas Operated by DNR Parks Staff

Facility	Nearby City	County
1. Amnicon Falls	Superior	Douglas
2. Aztalan	Lake Mills	Jefferson
3. Big Bay	Bayfield	Ashland
4. Big Foot Beach	Lake Geneva	Walworth
5. Blue Mound	Blue Mounds	Iowa
6. Bong, Richard SRA	Kansasville	Kenosha
7. Browntown-Cadiz Springs SRA	Monroe	Green
8. Brunet Island	Cornell	Chippewa
9. Buckhorn	Necedah	Juneau
10. Capital Springs SRA	Madison	Dane
11. Chippewa Moraine SRA	New Auburn	Chippewa
12. Copper Falls	Mellen	Ashland
13. Council Grounds	Merrill	Lincoln
14. Cross Plains	Cross Plains	Dane
15. Devil's Lake	Baraboo	Sauk
16. Governor Dodge	Dodgeville	Iowa
17. Governor Nelson	Waunakee	Dane
18. Governor Thompson	Mountain	Marinette
19. Harrington Beach	Belgium	Ozaukee
20. Hartman Creek	Waupaca	Waupaca
21. High Cliff	Menasha	Calumet
22. Hoffman Hills SRA	Menomonie	Dunn
23. Interstate	St. Croix Falls	Polk
24. Kinnickinnic	River Falls	Pierce
25. Kohler-Andrae	Sheboygan	Sheboygan
26. Lake Kegonsa	Stoughton	Dane
27. Lakeshore	Milwaukee	Milwaukee
28. Lake Wissota	Chippewa Falls	Chippewa
29. Menominee River	Niagara	Marinette
30. Merrick	Fountain City	Buffalo
31. Mill Bluff	Camp Douglas	Monroe
32. Mirror Lake	Baraboo	Sauk
33. Natural Bridge	Baraboo	Sauk
34. Nelson Dewey	Cassville	Grant
35. New Glarus Woods	New Glarus	Green
36. Newport	Ellison Bay	Door
37. Pattison	Superior	Douglas
38. Peninsula	Fish Creek	Door
39. Perrot	Trempealeau	Trempealeau
40. Potawatomi	Sturgeon Bay	Door
41. Rib Mountain	Wausau	Marathon
42. Roche-A-Cri	Friendship	Adams
43. Rock Island	Washington	Door
44. Rocky Arbor	Wisconsin Dells	Sauk
45. Straight Lake*	St. Croix Falls	Polk
46. Tower Hill	Spring Green	Iowa
47. Whitefish Dunes	Sturgeon Bay	Door
48. Wildcat Mountain	Ontario	Vernon
49. Willow River	Hudson	St. Croix
50. Wyalusing	Bagley	Grant
51. Yellowstone Lake	Blanchardville	Lafayette

SRA = State Recreation Area

*Use of Straight Lake State Park is limited to foot traffic only. Boats may be carried in for fishing.

APPENDIX V

Boat Registration Fees (Valid for Three Years)

	2008 Fee	2010 Fee	Increase	Percent Increase
Non-Motorized				
Volunteer	\$11.00	\$11.00	\$0.00	0%
Sailboat	17.00	17.00	0.00	0
Motorized				
Under 16'	19.00	22.00	3.00	16
16' to 26'	28.00	32.00	4.00	14
26' to 40'	52.00	60.00	8.00	15
Over 40'	86.00	100.00	14.00	16
Fleet				
Fleet certification fee*	\$27.00	27.00	0.00	0
Non-Motorized Fleet				
Volunteer	5.50	5.50	0.00	0
Sailboat	8.50	8.50	0.00	0
Motorized Fleet				
Under 16	9.50	11.00	1.50	16
16' to 26'	14.00	16.00	2.00	14
26' to 40'	26.00	30.00	4.00	15
Over 40'	43.00	50.00	7.00	16
Transfer Registration Fees				
Under 16	\$3.75	3.75	0.00	0
16' to 26	\$5.75	5.75	0.00	0
Dealer /manufacturer fee	\$75.00	75.00	0.00	0

Notes: An additional \$5 title fee may be received for a new or transferred boat registration. Voluntarily registered boats may include canoes, kayaks, duck skiffs and other human-powered boats. Fee increase was effective on June 30, 2009.

*The fleet certification fee is applied to people who own and register three or more boats, and is paid in addition to the per boat fee shown. The fee is also required with a renewal. As shown in the table, the per boat fleet registration fee is equal to 50% of the nonfleet registration fee.