

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
- boat registration
- all-terrain vehicle
- snowmobile
- endangered resources
- natural resources magazine

This paper contains information on revenue sources for each account and the appropriations provided for specific programs during the 2011-13 biennium. The estimated 2011-13 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 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 2011-13 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 2012-13 fiscal year are primarily based on revenues over the previous several fiscal years. These revenue estimates may be modified 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, trap, 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 2011-12, agent commissions totaled approximately \$3.5 million. In 2012-13, approximately \$2.9 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 goods stores, and chain stores (such as Wal-Mart and Mills Fleet Farm). By license year 2012, the number of independent ALIS agents decreased to 1,331. Currently, there are 317 different licenses and approvals issued through ALIS. In addition to these, 17 Lac du Flambeau licenses and approvals are offered. During license year 2011 (April, 2011, through March, 2012) in over 2.5 million transactions, approximately 5.2 million licenses were sold through ALIS to approximately 1.7 million customers. Approximately \$70 million in revenue was collected in license year 2011 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 licenses 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 2011-12 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 speci-

fied 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. In addition, active duty military who were residents at the time of their enlistment are also eligible for resident-priced licenses.

In addition, 2011 Act 168 requires DNR to issue certain hunting, trapping, and fishing approvals at a reduced fee to persons who have not been issued that type of approval or a conservation patron or sports license, in the 10 years before the license application. The act also requires DNR to develop an incentive program for recruiting first-time hunters, trappers, and anglers. For residents, the fee for the reduced fee licenses is \$5 each (including the issuing fee) and for non-residents, the fee is one-half the regular fee, rounded up to the nearest dollar. These first-time buyer licenses went on sale through the ALIS system on April 17, 2012. Table 1 shows the fees for licenses for

Table 1: Fees for Qualifying First Time Licenses Under 2011 Act 168

| | Statutory Fee | Issuing Fee | Wildlife Damage Surcharge | Total Fee for Non-First-Time Licenses | Total Fee For First-Time Licenses | Number of First Time Licenses Sold April 17, 2012, through June 30, 2012 |
|---------------------|---------------|-------------|---------------------------|---------------------------------------|-----------------------------------|--|
| Resident | | | | | | |
| Small Game | \$15.25 | \$0.75 | \$2 | \$18 | \$5 | 384 |
| Senior Small Game | 6.25 | 0.75 | 2 | 9 | 5 | 50 |
| Youth Small Game | 6.25 | 0.75 | 2 | 9 | 5 | 113 |
| Deer | 21.25 | 0.75 | 2 | 24 | 5 | 133 |
| Youth Deer | 17.25 | 0.75 | 2 | 20 | 5 | 16 |
| Class B Bear | 11.25 | 0.75 | 2 | 14 | 5 | 326 |
| Archery | 21.25 | 0.75 | 2 | 24 | 5 | 172 |
| Youth Archery | 17.25 | 0.75 | 2 | 20 | 5 | 21 |
| Wild Turkey | 12.25 | 0.75 | 2 | 15 | 5 | 2,059 |
| Annual Fishing | 19.25 | 0.75 | 0 | 20 | 5 | 32,437 |
| Trapping | 19.25 | 0.75 | 0 | 20 | 5 | 17 |
| Non Resident | | | | | | |
| Annual Small Game | \$82.25 | \$0.75 | \$2 | \$83 | \$42.75 | 23 |
| Deer | 157.25 | 0.75 | 2 | 158 | 79.75 | 41 |
| Class B Bear | 107.25 | 0.75 | 2 | 108 | 54.75 | 12 |
| Archery | 157.25 | 0.75 | 2 | 158 | 79.75 | 17 |
| Fur-Bearing Animal | 157.25 | 0.75 | 2 | 158 | 79.75 | 10 |
| Wild Turkey | 57.25 | 0.75 | 2 | 58 | 29.75 | 250 |
| Annual Fishing | 49.25 | 0.75 | 0 | 50 | 25.75 | 12,701 |
| Trapping | 149.25 | 0.75 | 0 | 150 | 75.75 | 2 |

non-first-time buyers, as well as the license fees for qualifying first-time buyers, and the number of licenses sold from April 17, 2012, through June 30, 2012. The wildlife damage surcharge is not applied to the first-time licenses.

2011 Act 168 also created an annual disabled veteran recreation card (\$7) which entitles the holder to the privileges under a resident small game hunting license and a resident fishing license (prior to the act, a disabled fishing license was available for \$7 and a disabled veteran fishing license was available for \$3, but there was no disabled small game license). The act requires DNR to issue a card to any resident who produces evidence that shows he or she is a veteran, as defined under federal law, and is receiving certain disability compensation benefits. The act also clarifies that a person holding a card is not required to pay a vehicle admission fee for admission to state parks or an admission fee for Heritage Hill State Park or any state trail. The act also created a Class D disabled hunting permit that may be issued to any person with an amputation, or permanent substantial loss of function, of one or both arms, one or both hands, or one or both shoulders.

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). The act also specified that a person who holds a one-day fishing license and wants to purchase a resident or non-resident annual fishing license, may 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 (resulting in a reduced fee of \$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 conservation 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 firearm deer hunting licenses. Beginning April 1, 2003, a junior sports and junior conservation patron license are also available, for a reduced fee, to individuals between the ages of 12 and 17 years of age, which confer the same privileges of a regular conservation patron or sports license. Major licenses and fees are shown in Appendix II.

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 provided 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. Additionally,

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, 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. In addition, 2011 Act 168 created a resident trapping license for persons under age 16 for a fee of \$10.

The Department 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. Some of these fees are waived for holders of the conservation patron 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. The permit application fee for an elk license, should an elk hunt be held, and for the wolf harvest license created by 2011 Act 169 is \$10.

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, captive wild animal farm approvals and licenses for wild rice harvesting and dealing. In addition, a DNR environmental permit may be required for certain fish farming operations (the Department of

Agriculture, Trade and Consumer Protection (DATCP) is responsible for the annual registration of fish farms, fish import permits for live fish and eggs, and fish health issues).

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.

Prior to 2011 Act 50, there were 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 populations 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. In 2012, there were 56 regular units. In 50 of these units, a limited number of additional antlerless bonus tags were available for \$12. Due to a reduced deer population, six regular units were subject to a "zero antlerless quota" (designated as bucks only) during the 2012 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 2012, there were 44 herd control units (approximately one-third fewer than in 2011). While in some past seasons, an unlimited number of antlerless herd control carcass tags were available in these units; in 2012, there were a limited number available for \$2 at any DNR license sales location.

The earn-a-buck season structure is a more restrictive season structure. This structure was utilized only if a deer management unit 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 was 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 included antlerless deer carcass tags and additional antlerless-only hunts in October and December. 2011 Act 50 prohibits earn-a-buck, specifying that DNR may not "require a person who holds a license that authorizes the hunting of deer to take an antlerless deer before the person may take the person's first antlered deer under that license". The act also prohibits DNR from establishing an early fall gun deer hunt, with the exception of early youth mentorship hunts and an early fall hunt in the CWD management zone if enacted through emergency rule (which requires approval by the Natural Resources Board and the Governor).

Similar to 2011, in 2012, hunters in the CWD deer management zone could again harvest either a buck or doe as their first deer, but were required to take an antlerless deer before taking a second buck, a regulation known as "bonus buck". After a reduction in the antlerless deer harvest in 2011 in the CWD zone, DNR wildlife managers recommended the return of a four-day antlerless deer hunt in the CWD zone. As required by Act 50, the Natural Resources Board approved an emergency rule that would authorize the four-day October hunt for fall 2012 at the April, 2012, Board meeting. However, the Governor did not approve the rule.

Additionally, in 2012, a two-day statewide either sex gun deer hunt was held October 6 and 7 for youth ages 12 to 15 who had successfully completed a hunter education program and possessed 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 harvesting one buck per gun buck deer carcass tag plus additional antlerless deer tag valid for the management unit where the youth was hunting. In fiscal year 2011-12, 12,321 mentored gun deer hunting licenses were sold to 10 and 11 year olds.

Prior to 2011 Act 168, hunting or trapping in a state park, or a state fish hatchery, was generally prohibited, unless DNR had authorized the hunting of a particular type of game in a state park or portion of a state park, by administrative rule. 2011 Act 168 requires that, effective January 1, 2013, state parks must be open to hunting, fishing, and trapping. However, the act authorizes DNR to prohibit hunting, fishing, or trapping in a state park or a portion of a state park if the area is: (a) within 100 yards of a designated use area; or (b) if the Natural Resources Board determines that prohibiting hunting, fishing, or trapping is necessary to protect public safety or to protect a unique plant or animal (the act requires four or more Board members to concur in that determination). The Bureau of Parks appointed a State Park Ad Hoc Committee on Act 168 which met in May, 2012, and September, 2012, to prepare an Act 168 implementation plan for the parks program. The Committee was made up of 17 DNR staff including park superintendents/managers, wildlife supervisors, park rangers, a trails coordinator, and a wildlife policy coordinator, among others. As part of the implementation effort, district park supervisors met with property managers to determine opportunities for hunting, fishing, and trapping in their respective parks. The Department proposed a hunting and trapping season from October 15 through the Thursday prior to Memorial Day in designated areas (DNR staff developed maps of each parks property outlining where hunting and trapping would be allowed). DNR conducted public listening sessions regarding the Department's implementation plan in October and November, 2012, in five locations around the state. The implementation plan was presented to the Natural

Resources Board in December, 2012. After hearing additional public testimony, the Board voted to allow firearms hunting and trapping on portions of most state park and trail properties from November 15 through December 15, and for the first three spring turkey hunting periods (generally in April), with archery hunting for deer allowed from November 15 through the end of the season in early January. Maps will be available at each property, and on the Department's website, showing the areas open to hunting and trapping.

A total of 347,711 deer, including over 150,000 bucks and approximately 197,000 antlerless deer, were registered by hunters during the fall 2011 deer hunting seasons (compared to a 2010 total of 336,871).

Elk Hunting

Under 2001 Act 109, DNR was provided the authority to establish an elk hunting season. 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. A limited bull-elk season would be considered when population levels reach at least 200.

Twenty-five elk were initially introduced near Clam Lake in 1995. Over the 2012 calving period (late May through late June), the herd grew from an estimated 154 animals to approximately 177. However, the elk herd that survives the winter has remained at just over 150 for the past two years. The DNR overwinter population goal for the Clam Lake herd is 1,400. 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), with a \$10 processing (application) fee. The processing 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.

If the number of applications for an elk license exceeds the available number of permits, successful applications would be chosen on a random basis. Non-residents would be eligible to receive 5% of elk hunting licenses remaining after 100 tags were provided to residents. Elk populations within the Clam Lake herd are not expected to reach sufficient levels to support a very limited hunting season until at least fall 2013.

In December, 2012, the Natural Resources Board approved a Wisconsin elk herd dispersal and expansion plan aimed at increasing genetic diversity in the existing herd, expanding the range for the existing herd, and introducing a new herd in the Black River State Forest in Jackson County. The plan includes importing a minimum of 275 elk with different genetic backgrounds than the existing herd (likely from a growing elk herd in Kentucky); adding at least 200 of the imported elk to the Clam Lake herd; expanding the Clam Lake herd range by 508 square miles; and releasing at least 75 of the imported elk to establish a new elk herd in the Black River State Forest in Jackson County, northeast of La Crosse. The new Black River elk herd range would cover about 320 square miles, and the plan sets a population goal for the Black River herd of 390 elk, with a limited, bull-only hunting season authorized once the population reaches 150. According to the Department, importing the 275 elk would take approximately three to five years, at an estimated cost of \$480,000 to \$560,000.

Wolf Hunting

2011 Act 169 created a wolf harvesting license with an application fee of \$10 and a license fee of \$100 for residents and \$500 for non-residents. The act specifies that, if the wolf is not listed on the U.S. list of endangered or threatened species or the Wisconsin list of endangered and threatened species, DNR must allow and regulate the hunting and trapping of wolves, implement a wolf management plan, and may limit the number of wolf hunters and trappers and the number of wolves that may be taken by issuing wolf harvesting li-

censes. The act specifies the process by which these licenses will be issued, requiring that, if the number of qualified applications for wolf harvesting licenses exceeds the number of licenses that are available, DNR must issue 50 percent of the licenses by selecting applicants at random, and 50 percent based on a cumulative preference system. The act also requires DNR to hold a single season for both hunting and trapping wolves that begins on October 15th of each year and ends on the last day of February of the following year, beginning with October 15, 2012. DNR reported that Wisconsin had an estimated population of 815 to 880 wolves in late winter 2011, with a goal of 350 wolves outside American Indian reservations. Under emergency rule revisions to NR 10 in July, 2012, the Department set a total quota of 201 wolves to be harvested during the 2012-13 season, with specific quotas in each of six DNR-established zones. Zones where wolf depredations had been highest were assigned the highest quotas, and DNR has the authority to issue an emergency closure in any zone that reaches its quota. Over 20,000 applications were received for the 1,160 harvest permits authorized by DNR for a non-tribal harvest goal of 116 (a 85 wolf harvest goal was allocated to the tribes in the ceded territories). Revenues from the wolf application fees and harvest licenses are deposited to a DNR continuing appropriation to be used for the administration of a wolf depredation program. DNR may use all or a part of any revenues remaining after depredation payments for management and control of the wolf population in the following fiscal year.

Under 2011 Act 169, a wolf harvesting license authorizes the hunting of wolves using dogs to track or trail wolves, subject to certain restrictions. However, on August 31, 2012, the Dane County Circuit Court issued a temporary injunction blocking wolf hunters from using dogs or training dogs to hunt wolves while he considered a lawsuit brought by a group of humane societies against the DNR. As a result of this ruling, the Department advised the public that the use of dogs for

tracking and trailing of wolves is not authorized when hunting wolves under a wolf harvesting license. Also, the Department stated that the use of dogs for training to track or trail free ranging wolves is not currently authorized. However, as this is a temporary injunction, the prohibition on the use of dogs for wolf hunting and training could be lifted at a future date.

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, which created Chapter 169 of the statutes, the authority to license, regulate, and inspect all of the state's approximately 500 captive deer and elk farms (including approximately 322 whitetail deer herds in 2012), 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.

Annual captive wildlife registration fees are \$162.50 for a herd of 15 or fewer deer, and \$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, DATCP regulates about 66 farm-raised deer hunting preserves. Hunting preserves must pay a \$500 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.

Table 2: 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 reserve 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

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 2 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:

- 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. 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 major hunting and fishing fees and total sales in fiscal year 2011-12.

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. 2011 Act 168 reduced the minimum age for a person to obtain a sturgeon spearing license from age 14 to age 12. A person need not hold a valid fishing license to be issued 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 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 specified 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 2011-12, contributions of \$79,700 were deposited in the fish and wildlife account.

Voluntary Contribution for the Natural Resources Foundation of Wisconsin. 2011 Act 148 specifies that any person purchasing a hunting or fishing license, permit, stamp, or tag, a recreational vehicle registration (Boat, ATV, UTV, or Snowmobile) or a park vehicle admission, may also elect to make a voluntary contribution of at least \$2 to the Natural Resources Foundation of Wisconsin (NRF) to be used for an endowment program to support habitat management activities on land owned or managed by the state. The NRF is a 501(c)(3) publicly supported non-profit conservation organization governed by a board of private citizens. According to their mission statement, the NRF was formed in 1986 to boost private sector investment and involvement in state-managed natural resources; waters, lands, and

wildlife. The Act requires donations to be deposited in an appropriation in the fish and wildlife account from which DNR will make annual payments to the NRF under a memorandum of understanding (MOU). Further, the Act specifies that the MOU outline the types of activities the NRF will support under the endowment, how the funds will be managed, and, if the NRF makes grants under the endowment program, the methods used to award the grants. Beginning in May, 2012, the Department began working with the Natural Resources Foundation regarding implementation of the donation and the details of the MOU. The MOU and scoping statement are scheduled to be presented to the Natural Resources Board in December, 2012, with training of vendors and staff to begin in January. Final implementation of the donation is scheduled to take place in March, 2013, to coincide with the Milwaukee Journal Sentinel Milwaukee Sportshow. Therefore, donation revenues are not expected before late fiscal year 2012-13.

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 \$2,299,400 in 2011-12.

Also, revenue from the \$12 (\$20 nonresident) bonus deer permit is used to fund wildlife damage programs. Resident and nonresident bonus deer permits generated \$832,700 during 2011-12, for total wildlife damage revenues of approximately \$3.1 million.

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 3 lists fish and wildlife account revenue in the 2011-13 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.

Table 3: Fish and Wildlife Account Revenue

| Revenue Sources | 2011-12 Actual | 2012-13 Estimate | 2011-12 % if total |
|---|-------------------|---------------------|-----------------------|
| Resident Hunting Licenses | \$20,989,100 | \$20,755,000 | 27.6% |
| Nonresident Hunting Licenses | 7,169,600 | 7,200,000 | 9.4 |
| Duplicate Hunting | 58,000 | 60,000 | 0.1 |
| Hunting Stamps | 1,281,200 | 1,285,000 | 1.7 |
| Resident Fishing Licenses | 15,427,500 | 14,500,000 | 20.3 |
| Nonresident Fishing Licenses | 10,447,200 | 9,400,000 | 13.7 |
| Two-Day Great Lakes | 586,600 | 600,000 | 0.8 |
| Duplicate Fishing | 86,600 | 80,000 | 0.1 |
| Fishing Stamps | 3,078,200 | 3,120,000 | 4.0 |
| Combination Licenses | 9,403,800 | 9,400,000 | 12.4 |
| Permit Application Fee | 902,700 | 900,000 | 1.2 |
| Other Licenses and Permits | 415,700 | 400,000 | 0.5 |
| Timber Sales | 2,751,700 | 3,000,000 | 3.6 |
| Handling Fees | 117,100 | 120,000 | 0.2 |
| Education and Safety (Hunter Education) | 179,000 | 180,000 | 0.2 |
| ALIS Transaction Fees | -1,234,100 | -1,250,000 | -1.6 |
| Tribal Gaming Transfer | 3,000,000 | 3,000,000 | 3.9 |
| All Other | <u>1,375,200</u> | <u>1,350,000</u> | <u>1.8</u> |
| Total | \$76,035,100 | \$74,100,000 | 100.0% |

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 sport fishing and commercial fishing industry and assessing the impact of Native Americans exercising treaty rights. In addition, DNR is responsible for Great Lakes fish management activities in Wisconsin waters of the Great Lakes.

Fish propagation and stocking involves raising and distributing fish to enhance fishing in areas where natural reproduction is insufficient. DNR utilizes 17 facilities for fish propagation and stocking activities including eight cold-water (trout and salmon) facilities, three cool-water fa-

cilities (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. As of July, 2012, two facilities were closed due to continued staff vacancies. During fiscal year 2011-12, DNR estimates it stocked inland streams and the Great Lakes with approximately four million cold-water fish. In addition, inland lakes were stocked with approximately 8.6 million cool (sometimes referred to as warm) water fish. Cool/warm water fish stocks larger than fry (such as fingerling, yearling, and adult) included approximately 2.8 million walleye, 237,000 northern pike, 125,900 muskellunge, 111,000 largemouth bass, and 27,400 lake sturgeon. The Department's fish propagation facilities are identified in Table 4.

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 2011-12, DNR's wardens recorded 221,100 hours for enforcement work related to public safety and fish and game and issued 5,093 citations. Activities include enforcement of hunting and fishing regulations, hunter education programs, commercial fish and game activities, and treaty enforcement issues.

Table 4: Wisconsin's Fish Propagation Facilities

| | County | Brood Stock | Hatching Facilities | Fish Rearing |
|-----------------------------------|-----------|---------------------------------|---------------------|--------------|
| Cold-Water Facilities | | | | |
| Bayfield (Les Voigt) | Bayfield | | x | x |
| Brule | 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 |
| Cool/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 | | | |

*Temporarily closed.

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 54,000 game farm pheasants for stocking on public hunting grounds in fall 2012. Of the revenue generated by the sale of the pheasant stamp, 60% is statutorily designated to be used for pheasant stocking and propagation and 40% for wild pheasant restoration. In 2012, the state provided approx-

imately 35,100 day-old rooster chicks to 33 conservation and sports clubs in 20 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.

Deer Management. 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.

On October 1, 2011, DNR entered into a Memorandum of Understanding (MOU) with the Department of Administration (DOA) to cover expenditures associated with a deer trustee, Dr. James C. Kroll, and two other deer management experts, David C. Guynn, Jr. and Gary L. Alt, for a study of white-tailed deer management in Wisconsin. Under the MOU, DNR authorized DOA to "transfer the actual cost of retaining an independent expert, and for the actual cost of any expenses arising out of the contract, up to \$130,000, from an appropriation to be determined by the Department of Natural Resources." The MOU expired on August 1, 2012. Through July 1, 2012, DNR had expended \$60,000 from fish and wildlife SEG for costs associated with the contract for the deer trustee and associates. Further, DNR had expended an additional \$2,400 fish and wildlife SEG for

existing DNR staff salary, fringe, and travel associated with the deer trustee's work. DNR budgeted \$125,000 for the deer trustee for fiscal year 2011-12, and anticipates an additional \$5,000 to be transferred to DOA in fiscal year 2013 to finish out the contract.

Under the MOU, the deer trustee and associates, (Kroll), conducted a study of deer management by DNR which included reviewing materials provided by DNR, conducting meetings with DNR, stakeholder groups, other state agencies associated with natural resources, the Great Lakes Indian Fish and Wildlife Commission (GLIFWC), and the general public. In July, 2012, Kroll released a report entitled, "Final Report and Recommendations By Wisconsin White-Tailed Deer Trustee and Review Committee". Overall, the report encouraged DNR to increase public involvement in deer management, particularly by landowners, hunters, and Tribes. The report made a number of recommendations including recommendations related to: (a) deer population management; (b) hunting regulations and seasons; (c) predator management; (d) chronic wasting disease management (discussed later); (e) development of a Deer Management Assistance Program (DMAP); as well as recommendations related to DNR research topics (including deer habitat, forest health, and public opinion) and technological needs (the report recommended a statewide geospatial information system be developed in Wisconsin to aid in land management).

With regard to deer population management, the Kroll report recommended DNR limit the use of SAK population models to monitoring deer population size and trends at the state level, rather than at the deer management unit (DMU) level. They also recommended reducing the number of DMUs. In addition, rather than reporting numeric population goals and estimates of deer abundance at the DMU level, the report recommended moving to a system where deer management goals are expressed as a range of acceptable conditions across a set of criteria (e.g. harvest success or har-

vest levels, crop damage claims, deer vehicle collisions, forest regeneration success, etc.) within each DMU. The population goals would be expressed as either to increase, stabilize, or decrease deer population density as measured by these criteria. Kroll also recommended revising the Wisconsin Deer Management Plan at least every five years.

With regard to hunting regulations, the Kroll report recommended simplifying the regulatory process by setting antlerless deer harvest goals and regulations on a three to five-year cycle, rather than annually, and basing the number of antlerless permits available on historical demand within a DMU rather than annual deer population estimates. In addition, they recommended that the price for all antlerless tags for regular and herd control units should be set at \$12 which is consistent with the current antlerless tag price in regular units (DNR currently offers a limited number of antlerless tags in herd control units for \$2). They also recommended limiting the number of antlerless deer tags that can be purchased in regular and herd control units to two to four per hunter. They recommended continuing the current buck limit of one buck per gun deer license and one buck per archery deer license and recommended continuing the "bonus buck" regulation in the CWD deer management zone where hunters may harvest either a buck or doe as their first deer, but are required to take an antlerless deer before taking a second buck. Further, the report recommended DNR consider charging a fee for antlerless tags within the CWD zone, and re-evaluate the effectiveness of the October antlerless seasons in the CWD zone.

Modernizing the current check station and paper forms used for reporting deer was also recommended. The trustee's report recommended that the mandatory registration system should be maintained during the November nine-day gun-deer season, but hunters harvesting deer outside the nine-day gun season should be allowed the option to use a system such as Telecheck or a web-based

system to register deer. Telecheck is a system used in several states, including Kentucky and Missouri, where hunters register deer, or other game (e.g. turkey) either by phone or on-line by reporting required information (such as a hunter ID number, harvest location, characteristics of the harvested animal such as age, sex, etc.), rather than in person. This would allow for a rapid assessment and reporting of deer harvest by DMU, region, and statewide.

The Kroll report also recommended continuing research regarding the impact of predation on the deer population, especially by wolves. The authors commended DNR on initiating a 2011 research study in northern and east-central Wisconsin using radio telemetry to track fawns and adult deer to evaluate deer survival and causes of deer mortality. In addition, the report recommended involving the public as much as practical with field-based research; citing the deer mortality study as an example of the success of this approach in creating public support for Department research and management activities through public involvement. Further, the trustees recommended that DNR conduct human dimensions (public opinion) research to gauge public acceptance of wolves and reaction to future management decisions. They also suggested that geospatial studies of predator distribution and densities, especially for wolves, should be developed to assess current and future issues.

In addition, the Kroll report recommended the development and implementation of a Deer Management Assistance Program (DMAP) in Wisconsin, beginning within the CWD management zone. According to the report, "the primary goal of most DMAPs is to allow landowners and hunters to work together with the state agency to manage deer on a site-specific basis". Currently, twenty states "utilize DMAPs to facilitate deer management on private lands at the local level by involving landowners and hunters". These programs vary by state, and may involve both public and private lands. Participation is voluntary and is generally open to landowners, groups of landown-

ers, or organizations such as a hunting club (some states have minimum acreage requirements). Landowners and the state agency (in this case DNR) work together to establish a goal of whether to increase, stabilize, or decrease, the deer population on the property enrolled in a DMAP. These objectives are then accomplished through the issuance of DMAP antlerless tags. The tags are valid only on the enrolled property, may not be used for antlered bucks, and are issued to the landowner who distributes them to individual hunters.

According to the Kroll report, a DMAP participant is typically required to have a written statement of objectives or a written management plan, and is required to have an initial on-site assessment of deer habitat on the property by a (DNR) wildlife biologist/technician. Further, the DMAP participant is required to collect data on all deer harvested on the property (including date and method of harvest, sex, age or mandible (jawbone), weight, antler measurements, and lactation status). The trustees recommended that Wisconsin DMAP harvest data collection requirements should, at a minimum, mimic those of deer harvest registration stations currently manned by DNR staff to ensure compatibility with existing databases. Kroll recommended that all DMAP enrollment fees and a portion of fees for DMAP antlerless tags be earmarked for the DMAP. In addition, the report suggested allocating a portion of the DMAP antlerless tag revenues to the wildlife damage program.

Further, the report suggested DNR hire a Deer Management Assistance Coordinator, someone who: (a) has considerable experience with DMAP or related programs; (b) is well-respected in both the science and public communities; (c) possesses high-level communication skills; and (d) is highly motivated to work with the public. Kroll also recommended that DNR wildlife biologists/technicians' job descriptions be updated to include responsibilities for working with the public and stakeholders in matters related to DMAP and landowner/stakeholder management plan development.

In addition to the DMAP, the Kroll report recommended establishing a separate public lands antlerless permit system. According to the report, "A public lands permit system would address public and Tribal concerns about potential overharvest of antlerless deer on [public] lands, allow the DNR to affirm the value of public lands to deer hunters and Tribal hunters and respond to the impacts of changing habitat conditions due to maturing forests and focus antlerless harvest on local areas of deer overabundance, and to the possible increasing impacts of predation to deer populations on these lands."

Car-Killed Deer. DNR contracts 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. As part of overall budget reductions in most GPR appropriations, and to reflect recent expenditure levels, 2011 Act 32 reduced the appropriations for administration of the car-killed deer removal program by \$109,500 each year in the 2011-13 biennium. As a result, the program is currently funded at \$800,000 annually (\$400,000 GPR and \$400,000 SEG). In 2011-12, DNR spent \$340,100 fish and wildlife SEG on car-killed deer contracts.

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 2012-13.

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). DNR reimbursed the County \$900 for an engineering study for the shooting range project. In February, 2010, the Eau Claire County Parks and Forest Committee voted against developing a public shooting range.

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.

Venison Processing. 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 veni-

son processing donation program. In 2011-12, approximately \$11,300 was donated for this purpose. Some 129,600 pounds of meat was donated to food pantries in 57 counties from 2,879 deer harvested during the fall of 2011 (compared to 162,300 pounds from 3,606 deer the previous fall). In fiscal year 2011-12, DNR expended \$184,300 for county venison processing costs and administration of the deer donation program. In 2012-13, \$594,000 is appropriated for county venison processing costs and administration of the deer donation program.

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 wildlife damage to crops. In calendar year 2011, 70 counties participated in the programs. 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. In fiscal year 2011-12, approximately \$1,258,200 was expended for damage claims, \$976,500 for county administrative costs, and \$259,200 for abatement projects.

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 and cougar damage is also eligible for compensation under the program. However, no claims related to elk or cougar damage have been filed to date. 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 may prorate 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. Further, 2011 Act 280 specifies that the requirements to allow hunting do not apply to a person seeking wildlife damage abatement assistance or wildlife damage claim payments for damage caused by cougar.

Generally, persons receiving abatement assistance are required to follow the same standards allowing hunting as wildlife damage claim recipients. However, 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.

Wolf Damage. 2011 Act 169 established a wolf harvest license, and specifies that the revenue from the licenses (\$100 resident, \$500 non-resident) and application fees (\$10) be used to administer a wolf depredation program which provides payments to persons who apply for reimbursement for damage caused by wolves to livestock, hunting dogs (other than those used in wolf hunting) and pets, and control activities conducted by the Department aimed at reducing wolf damage. However, the act specifies that these damage payments only apply if the wolf is not listed on the U.S. list of endangered and threatened species or the state list of endangered and threatened species (Wisconsin delisted the gray wolf in 2004, and as of January 27, 2012, the gray wolf is no longer a federally endangered species in Wisconsin and other parts of the western Great Lakes region). DNR is also required by the act to establish maximum damage payments depending on the type of animal affected. Further, Act 169 specifies that the payments be prorated if the amount available from wolf harvest license and application fee revenues is insufficient in a given fiscal year for making all damage payments. DNR may use any revenues remaining after damage and control payments for management and control of the wolf population in the following fiscal year. In fiscal year 2011-12, wolf damage payments from the endangered resources program totaled \$338,300.

Control of Wild Animals. The wildlife damage 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. DNR contracts with the United States Department of Agriculture's Animal Plant Health Inspection Service (APHIS) Wildlife Services to control and manage wildlife causing damage. In 2011-12, \$278,700 was expended for this purpose from wildlife damage revenues. In addition, 2011 Act 32 provided \$113,300 annually

from general fish and wildlife revenues for management of nuisance wildlife, primarily black bear and birds (such as Canada geese).

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 \$18,600 was expended under the program in 2011-12. The program is funded at \$24,700 in 2012-13.

Chronic Wasting Disease (CWD). 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. CWD has been found in 15 Wisconsin counties.

A three and a half year old doe killed in November, 2011, near Shell Lake in Washburn County tested positive for CWD. As required under s. 29.336(2)(c) of the statutes, DNR expanded the area covered under a ban on feeding and baiting of deer from 28 to 32 counties, adding the counties of Barron, Burnett, Polk, and Washburn (counties within 10 miles of the positive deer) beginning in May, 2012. In December, 2012, a deer from Racine County tested positive for CWD, the first known CWD-positive deer in the county. The three and a half year old doe was harvested by a bow hunter near Bohners Lake in the southwestern part of the county. Also in December,

2012, a three and a half year old buck harvested by a bow hunter in north-central Adams County, tested positive for CWD. This was the first known CWD-positive wild deer in Adams County and was killed about 40 miles outside the primary CWD management zone.

Out of approximately 176,477 samples from wild white-tailed deer analyzed as of December 13, 2012, 1,888 have tested CWD positive. CWD disease surveillance has been continuously conducted since 2002 in southern portions of the state, as well as periodically in other regions of the state, including two rounds of CWD surveillance in Washburn and surrounding counties, one during 2002, and another during 2007 and 2008.

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. An additional \$1,000,000 was provided in 2002-03 from the recycling fund. 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). No fish and wildlife SEG was specifically appropriated for CWD management beginning in 2009-10. Funds had been 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.

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 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 effective. 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 Wisconsin Veterinary Diagnostic Lab (WVDL) and the time required to report test results had increased. In response to the audit, DNR submitted a report to the LAB which 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) (this was prior to the discovery of a CWD-infected deer killed in Washburn County in the fall of 2011).

Further, in July, 2007, to increase communication between the Department and hunters, DNR brought together a group of 17 people, known as the CWD Stakeholder Advisory Group (SAG), 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. The group made several strategic recommendations for CWD management 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. The group also made several CWD management zone hunting season structure recommendations 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 the 2010 season structure. In addition, the 2011 season did not include any earn-a-buck regulations inside or outside the CWD zone. 2011 Act 50 prohibits earn-a-buck.

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 would 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 (examples of actions taken to meet these objectives are shown in parentheses): (a) prevent new introductions of CWD in areas where the disease is not currently believed to be present (following the discovery of a CWD positive deer in Washburn County, DNR developed a new sick deer reporting and tracking system designed to give a rapid response to the individual submitting the report as well as track disease throughout the state over time); (b) monitor for and respond to new disease locations (DNR launched a pilot project in 2011 to conduct surveillance monitoring of CWD in a more cost effective manner by using samples submitted by taxidermists; in response to the discovery of the Washburn County disease foci, DNR mobilized a local community response team including area tribal, local government, and citizen representatives tasked with developing a long term strategy for the area, and DNR conducted outreach to landowners, held public meetings, encouraged reporting of all sick deer in the area and collection of car-killed deer, and issued landowner permits to harvest deer; sharpshooting was considered but not implemented); (c) minimize geographic distribution and intensity of CWD (in April, 2011, DNR acquired the Buckhorn Flats property in Por-

tage County, an 80-acre former captive deer farm, depopulated due to CWD, in order to prevent the spread of CWD to wild deer and provide research opportunities); (d) increase public recognition and understanding of CWD risks and participation in disease control efforts (DNR contracted with Staples Marketing, LLC to conduct market research on awareness of CWD and create an outreach plan; the outreach plan entitled "Hunt.Harvest.Help" involved a web site, educational brochures, television spots, billboards, and print advertisements designed to increase awareness and knowledge of CWD and gain stakeholder feedback; DNR plans to continue the Hunt.Harvest.Help campaign for future deer seasons); (e) address the needs of DNR customers (DNR continues to sample deer within the CWD management zone, offer CWD testing to hunters, and provide carcass disposal at landfills in Dane and Rock County; in addition, public deer forums are held each spring and customers may also provide feedback via the DNR website) (f) enhance the scientific information about CWD (DNR continues to collect samples, conduct annual aerial surveys, and has collaborated with university researchers as well as conducted in-house research, and plans to continue to focus on scientific research to better understand how CWD is transmitted).

Specific strategies for meeting the objectives outlined in the 15-year CWD management plan include: 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 statewide 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 (e.g. taxidermist-provided samples); 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. However, federal funding for CWD was not available in federal fiscal year 2012. 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; DNR compiles a list of hunters who have or plan on consuming CWD positive venison and forwards this list to the State Public Health Veterinarian at DHS. In addition, DNR plans 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.

In their report on Wisconsin deer management issued in July, 2012, Dr. James C. Kroll and colleagues suggested DNR take a more passive approach to managing CWD. The authors recommended DNR develop a new sampling protocol for CWD in Wisconsin, one that focuses on detecting new cases outside the CWD zone to support detection of outbreaks and rapid response, while continuing to sample within the zone to monitor conditions over time. Further, the report recommended initially implementing a Deer Management Assistance Program (DMAP) within the CWD management zone and concluded that implementation of a DMAP in the CWD zone would improve landowner confidence in DNR field biol-

ogists and increase surveillance for clinically ill or recently dead animals, making it easier to track CWD-caused deer mortality. The Kroll report also recommended that DNR provide additional public education regarding concerns for humans of contracting a CWD variant such as Creutzfeldt-Jacob disease. The report also recommended developing a permanent source of funding, such as increased hunting license fees, to support CWD testing and reduce CWD test result waiting times. In addition, the report recommended that DNR hold an annual meeting of DMAP participants and work closely, through a local wildlife biologist, with the Conservation Congress and Tribes (when appropriate) in developing CWD-related goals and strategies at the county level. Further, the report suggested that DNR utilize human dimensions research (public opinion) to anticipate, rather than react to, issues as they arise.

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 current law, the fee for both bow and gun hunter classroom safety courses is set at \$10 by administrative rule. Instructors are 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 addition to traditional classroom courses, since fiscal year 2000-01, DNR has offered online hunter education. Currently, two online courses for participants of any age are available which meet Wisconsin hunter education requirements: (1) a Wisconsin-specific course for \$24.95 (payable when the student passes); and (2) a course offered by the International Hunter Education Association (IHEA), with no course fee. Both courses require participants to complete a field training day (generally taking approximately four to six hours) and a written and hands-on examination for an additional fee of \$10. 2011 Act 168 requires DNR to offer an online hunter education course for adults (ages 18 and older) and an online trapper education course. Further, if these courses require field testing or completion of a written test, DNR must make such testing available at each DNR service center at least once every two months. The Department began offering the adult-only online hunter education course in July, 2012 (the online courses for participants of any age also remain available). Online adult-only hunter education course participants will be required to complete a written and hands-on examination but will not be required to undergo field training. The total cost of the adult-only online course is \$34.95 which includes \$24.95 for the course materials and \$10 for the cost of the written and hands-on examination. 2011 Act 168 also authorizes a school board to award one half-credit toward high school graduation to a high school pupil who successfully completes the hunter education program, the bow hunter education program, or the trapper education program (a school board may award credit for completion of only one of these programs). In fiscal year 2011-12, 27,141 students successfully completed a hunter education course, including 1,491 through an online course. In addition, 2,424 students completed a bow hunter education course.

The Department is also 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 2011, 1,200 students completed a trapper education course. 2011 Act 168 also requires DNR to offer an online trapper education course. As of July, 2012, an online trapper education course was not available. DNR indicates that Department staff is currently revising the existing correspondence course to accommodate online users, and an online course may be available by 2013.

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. Revenue totaled \$23,100 in fiscal year 2011-12.

Stamp-Funded Programs. Recent sales and revenue amounts for fish and wildlife stamps are shown in Attachment II. 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, preserving, 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 Active Network) to operate the statewide automated license system. Under the contract, DNR pays 83¢ to Active Network for each license sold. Prior to 2007 Act 20, license fee

Table 5: Fish and Wildlife Account Expenditures

| | 2011-12 Actual | 2012-13 Appropriated | 2011-12 % of Total | 2012-13 Staff |
|--|-------------------|-------------------------|-----------------------|------------------|
| Fish and Wildlife Program Appropriations | | | | |
| Law Enforcement | \$16,554,700 | \$17,182,000 | 22.81% | 136.13 |
| Fish Management | 15,302,200 | 16,387,100 | 21.09 | 178.93 |
| Wildlife Management | 11,888,400 | 12,653,100 | 16.38 | 126.07 |
| Car-Killed Deer | 340,200 | 400,000 | 0.47 | 0.00 |
| County Conservation Aids | 142,100 | 148,500 | 0.20 | 0.00 |
| Dedicated Revenue Appropriations | | | | |
| <i>Wildlife Damage Programs:</i> | | | | |
| Wildlife Damage Claims and Abatement Program | \$2,493,900 | \$3,300,000 | 3.44% | 0.00 |
| Wolf Depredation Program | 0 | 200,000 | 0.00 | 0.00 |
| Control of Wild Animals | 278,700 | 283,600 | 0.38 | 2.00 |
| Urban Wildlife Abatement and Control Grants | 18,600 | 24,700 | 0.03 | 0.00 |
| Venison Processing | 184,300 | 594,000 | 0.25 | 0.00 |
| Venison Processing (from donations) | 0 | 14,800 | 0.00 | 0.00 |
| Chronic Wasting Disease Management | 0 | 0 | 0.00 | 0.00 |
| Education and Safety Courses | 61,500 | 123,300 | 0.08 | 0.00 |
| Trapper Education | 38,200 | 49,700 | 0.05 | 0.00 |
| Commercial Fish Protection and Great Lakes Surcharge | 12,400 | 25,000 | 0.02 | 0.00 |
| <i>Stamp Funded Programs:</i> | | | | |
| Trout Habitat Improvement | \$1,519,300 | \$1,405,500 | 2.09% | 8.09 |
| Great Lakes Trout and Salmon | 1,719,900 | 1,632,600 | 2.37 | 3.50 |
| Sturgeon Habitat | 198,100 | 199,700 | 0.27 | 0.00 |
| Sturgeon Habitat-Inland waters | 58,000 | 60,000 | 0.08 | 0.00 |
| Pheasant Restoration | 191,400 | 239,200 | 0.26 | 0.00 |
| Pheasant Stocking | 348,100 | 345,600 | 0.48 | 3.00 |
| Wetlands Habitat Improvement | 218,600 | 362,100 | 0.30 | 0.00 |
| Wild Turkey Restoration | 641,200 | 784,000 | 0.88 | 0.00 |
| Canadian Agencies Migratory Waterfowl Aids | 173,500 | 167,500 | 0.24 | 0.00 |
| ALIS Contract fees | 3,069,900 | 2,863,100 | 4.23 | 0.00 |
| Voluntary Contribution - Lake Research | 50,000 | 69,300 | 0.07 | 0.00 |
| Miscellaneous | 122,400 | 72,800 | 0.17 | 0.00 |
| Split-Funded Appropriations | | | | |
| Administration and Technology Services | \$4,690,600 | \$5,472,200 | 6.46% | 44.91 |
| Customer Assistance and Employee Services | 3,761,300 | 4,019,600.00 | 5.18 | 36.07 |
| Enforcement and Science Management | 675,300 | 586,100 | 0.93 | 4.45 |
| Land Program Management | 431,200 | 476,400 | 0.59 | 3.58 |
| Water Program Management | 44,200 | 17,100 | 0.06 | 0.00 |
| Bureau of Facilities and Lands | 3,108,700 | 3,600,700 | 4.28 | 35.21 |
| Bureau of Science Services | 807,200 | 1,409,500 | 1.11 | 9.98 |
| Bureau of Endangered Resources | 470,100 | 498,100 | 0.65 | 4.86 |
| Administrative Facility Repair and Debt Service | 1,951,800 | 2,270,000 | 2.69 | 0.00 |
| Aids in Lieu of Taxes | 302,500 | 303,900 | 0.42 | 0.00 |
| Resource Acquisition and Development | 187,600 | 271,600 | 0.26 | 0.00 |
| Taxes and Assessments | 72,600 | 154,600 | 0.10 | 0.00 |
| Rent and Property Maintenance | 318,100 | 340,500 | 0.44 | 0.00 |
| Handling Fees | <u>117,100</u> | <u>63,700</u> | <u>0.16</u> | <u>0.00</u> |
| Total | \$72,563,900 | \$79,071,200 | 100.00% | 596.77 |

revenues were deposited into the conservation fund, and the contract payments were made to the ALIS operator 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 (Active Network) is then paid the amounts due under the contract from this appropriation.

Table 5 lists the major expenditure categories funded by the fish and wildlife account and identifies 2011-12 actual expenditures and the amounts appropriated for 2012-13 for each of these categories.

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 monies 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 property 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 2011-12, the tax generated \$82.6 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 meet-

ing the goals. In its 2011 submission, DNR reported a 107,000 backlog as of December, 2010. As of July, 2012, DNR estimates the backlog of incomplete timber harvests at approximately 84,800 acres, just under 50% of the original 2005 figure. 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); difficulty accessing certain areas for harvest; marketability limitations (small acreage, limited volume, poor quality); and management delays associated with the development and revision of property master plans and coordination between Forestry and other Bureaus.

Table 6 lists the revenue to the forestry account in the 2011-13 biennium.

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

Table 6: Forestry Account Revenue

| | Actual 2011-12 | Estimate 2012-13 | 2011-12 % of Total |
|--------------------------------|-------------------|---------------------|-----------------------|
| Mill Tax | \$82,655,000 | \$79,950,000 | 81.6% |
| Timber Sales | 6,431,600 | 6,500,000 | 6.4 |
| Nurseries | 1,425,500 | 1,500,000 | 1.4 |
| Forest Tax Law | 4,388,600 | 5,100,000 | 4.3 |
| Campsite Fees | 2,439,600 | 2,275,000 | 2.4 |
| Admission Stickers | 2,656,300 | 2,600,000 | 2.6 |
| Sales and Services | 158,700 | 300,000 | 0.2 |
| Conservation Patron Allocation | 244,000 | 250,000 | 0.2 |
| All Other Revenue | <u>856,000</u> | <u>600,000</u> | <u>0.8</u> |
| Total | \$101,255,300 | \$99,075,000 | 100.0% |

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). As of July, 2012, approximately 1.1 million acres of additional DNR-owned forest lands were certified by the FSC. 2005 Act 25, provided \$483,100 annually to acquire and maintain sustainable forest certification for state and county forests and for private forest land enrolled under the MFL pro-

gram. 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 7 identifies the eight largest northern forest properties and all southern state forests and the acreage of these properties as of July 1, 2012.

In addition to the acreage owned in fee title or held in easement which is included in a state forest, DNR holds easements on approximately 192,501 acres of other forest land, including lands acquired with the assistance of the federal Forest Legacy Program. This total includes the acquisition of phase one of the Brule-St. Croix Legacy Forest easement on 44,670 acres utilizing up to \$11,295,400 from the stewardship program, approved by the Joint Committee on Finance in June, 2012. 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 development. To help maintain the integrity and traditional uses of private forestlands, the Forest Legacy Program promotes the use of conservation easements. Under a conserva-

Table 7: Wisconsin's State Forests

| | Counties | Acreage |
|---|------------------------------------|--------------|
| Northern Forests | | |
| Northern Highland | Iron, Vilas | 172,173 |
| Flambeau River | Ashland, Price, Rusk, Sawyer | 90,196 |
| Black River | Clark, Jackson | 68,390 |
| American Legion | Oneida | 59,457 |
| Brule River | Douglas | 47,380 |
| Governor Knowles | Burnett, Polk | 20,528 |
| Peshtigo River | Marinette, Oconto | 11,551 |
| Coulee Experimental Forest | La Crosse | <u>2,972</u> |
| Subtotal Northern Forests | | 472,647 |
| Southern Forests | | |
| Kettle Moraine-Northern Unit | Fond du Lac, Sheboygan, Washington | 29,814 |
| Kettle Moraine-Southern Unit | Jefferson, Walworth, Waukesha | 22,123 |
| 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 | 911 |
| Havenwood Forest Preserve | Milwaukee | <u>237</u> |
| Subtotal Southern Forests | | 58,871 |
| Other Properties* | | 3,156 |
| Total | | 534,674 |
| Other easement lands (includes Forest Legacy program) | | 192,501 |

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

tion 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. Previous uses of this federal funding include the Wild Rivers and Forest Legacy project, for which 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 mi-

gratory 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 nurseries distributes between 6 million and 10 million seedlings. However, seedling production at the Hayward Nursery is scheduled to end at the close of fiscal year 2012-13, at which point the existing nursery stock will be processed and available for customers. Nursery stock is sold at prices that reflect costs to administer the forest nursery program and, with the exception of seedlings distributed to pu-

pils for Arbor Day activities, may not be used for ornamental or landscaping purposes. A surcharge on the sale of nursery stock was increased from 2¢ to 3¢ per seedling beginning in 2002. Proceeds from the surcharge are dedicated to forestry public education and awareness programs.

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. The forest fire control program also provides cooperative services to towns in those southern counties where wooded lands are more scattered. In addition, the Department also relies on local fire departments, as needed, for additional wildland fire suppression support. Under a Memorandum of Understanding (MOU), DNR reimburses each local fire department for their fire suppression efforts according to rates established in the MOU. 2011 Act 32 provided \$92,800 SEG annually to allow DNR to increase the firefighter labor rate from \$8.55 to \$10 per hour (a level comparable to the federal wildland firefighter rate) and increased the reimbursement for use of fire trucks from \$50 to \$75 per hour.

Department foresters assist private landowners and county foresters in a variety of sustainable forestry management activities including the development of management plans and marketing strategies and how to address forest health issues. Of the estimated 17 million acres of forest land in the state, about 70% 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 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. Currently 15 counties are under a quarantine restricting ash timber sale and movement including: Brown, Crawford, Fond du Lac, Kenosha, La Crosse, Milwaukee, Racine, Rock, Sheboygan, Ozaukee, Trempealeau, Vernon, Walworth, Washington, and Waukesha counties.

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 in ongoing funding beginning in 2006-07 from the forestry account. 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 provided 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 reduced the amount provided from GPR by the same amount. However, the additional \$2.5 million 2010-11 payment was specified as a one-time payment. The payment from the forestry account for stewardship debt service returned 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. 2011 Act 32 specifies that, for lands purchased after July 1, 2011, the aids in lieu formula is adjusted so that estimated value means either the lower of the equalized value of the property in the year prior to purchase by DNR or the purchase price (instead of the purchase price, as under prior law). In cases where the property had been previously tax exempt, the calculation would be the lower of either: (a) the purchase price; or (b) the last recorded equalized value, or a payment of \$10 per acre, whichever

amount was greater.

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 provided \$4,000,000 SEG annually, beginning in 2005-06, from the forestry account for this purpose. 2011 Act 32 provided \$4,843,000 SEG in 2011-12 and \$5,470,000 SEG in 2012-13.

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 \$2.52 per acre for 2013 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 \$30.

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 corresponding 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 \$30 non-refundable application recording fee.

2009 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 (whereas under prior law, DNR prepared many management plans and a landowner hired a certified independent plan writer if DNR chose not to prepare the plan). Under the act, if a forestry management plan is not filed with the application, the applica-

tion 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 management plan preparation fee. 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). The rate established in July, 2012, for entries effective January 1, 2014, is \$13.92 per acre. For entries effective January 1, 2013, the rate was \$13.47 per acre. Previously, DNR had charged a base rate plus a per acre rate; for example, for entries effective January 1, 2012, the fee was equal to a base rate of \$470 plus \$6.73 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. The first \$280 of each fee collected for the preparation of a management plan is deposited in a 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 en-

tered 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 were recalculated in 2012, and were effective January 1, 2013 for payments for the 2013 tax year due January 31, 2014. The new rate is 79¢ per acre for lands entered through 2004 and \$2.14 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 productive forest land (based on the 2011-12 average of \$42.70 per acre). The fee currently is \$1.08 per acre for lands entered into the program between 1987 and 2004, and \$8.54 per acre for lands entered after 2004 (for a total annual per acre fee of \$10.68). The rates were adjusted in 2012 (using 2011 equalized property values for

taxes payable in 2012) effective January 1, 2013, and will be adjusted every fifth year thereafter, using a formula that accounts for changes in the average statewide property tax for undeveloped lands. 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 program 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 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 continue until the expiration date of the contract.

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 (based on average price of species harvested). 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 removed the requirement that stumpage values be established in administrative rule and allows DNR to establish timber stumpage values that are reflec-

tive 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.

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 Forest-

ry 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 2012-13, \$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 approved by DNR, the Department provides funding to eligible counties on a prorated basis.

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 catastrophic 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 disaster 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 Sustainable Forestry Grants and County Forest Administrator Grants. 2009 Act 28 specified that the appropriation for county sustainable forestry grants and county forest adminis-

trator grants be a biennial appropriation. 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 sustainable forestry grants in 2012-13.

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 of \$1,329,400 is available in 2012-13.

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 enrollees. 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 2012-13.

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; howev-

er, 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 \$30 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 2012-13, \$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. Subsequent budget acts eliminated the sunset and provided additional funding. 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. 2011 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 \$497,000 annually is currently available for the program (\$170,000 SEG and \$327,000 FED).

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 orga-

nized 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 Alliance is a Milwaukee-based volunteer organization with chapters in

30 counties in Wisconsin.

[Grants to Gathering Waters and the Natural Resources Foundation are also partially funded from the forestry account (\$79,200 from the forestry account in 2011-12), and are described under water resources account expenditures.]

Forestry Public Education and Curriculum Development. Prior to 2011 Act 32, revenues from a 3¢ per seedling surcharge assessed on all seedlings sold at DNR tree nurseries were intended to be divided evenly between two appropriations. The appropriations included: (a) an appropriation for a DNR program related to educating the public about sustainable forestry; and (b) an appropriation which provided funding for the Learning Experiences and Activities in Forestry (LEAF) program administered by the Wisconsin Center for Environmental Education at the University of Wisconsin- Stevens Point. The LEAF program develops a kindergarten through twelfth grade sustainable forestry education curriculum. In practice, DNR treated these appropriations as general forestry account draws, and the state (DNR and UW) provided \$350,000 for the LEAF program in 2010-11. 2011 Act 32 conformed these appropriations to the DNR practice by deleting the DNR appropriation related to sustainable forestry education and providing \$350,000 annually for the LEAF program. Under the act, revenues from the 3¢ seedling surcharge are deposited to the balance of the forestry account, and \$350,000 annually is provided from the forestry account for the UW-Stevens Point LEAF program.

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 plan administration and implementation. 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 2011-12, the Department received approximately \$11,500 in 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. 2011 Act 32 provides \$550,000 annually in the state forests operations appropriation for timber regeneration and requires DNR to establish a program allowing cooperating foresters to assist the state in the regeneration of harvested areas on state lands, to meet the annual allowable timber harvest established under s. 28.025 of the statutes. The rule is required to include provisions authorizing the Department to contract with cooperating foresters and private

contractors for the purpose of artificial and natural forest regeneration including site preparation, invasive species control, and tree planting.

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 \$1.57 million is budgeted in 2012-13 for these purposes.

University of Wisconsin System. 1997 Act 27 appropriated \$200,000 annually for the Wisconsin Environmental Education Board (WEEB) 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. In 2010-11, WEEB provided \$200,000 in funding to the Learning Experiences and Activities in Forestry (LEAF) program administered by UW-Stevens Point. To reflect the consolidation of the LEAF program under a DNR forestry education appropriation, 2011 Act 32 deleted \$200,000 annually from the appropriation, leaving

\$200,000 annually available for WEEB 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 (\$83,300 is budgeted for this purpose in 2012-13).

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 8 lists the expenditures from the forestry account for the 2011-13 biennium.

Table 8: Forestry Account Expenditures

| | 2011-12 Actual | 2012-13 Appropriated | 2011-12 % of Total | 2012-13 Staff |
|--|---------------------|-------------------------|-----------------------|------------------|
| Forestry Program Appropriations | | | | |
| State Forestry Operations | \$46,971,500 | \$51,242,200 | 47.79% | 461.08 |
| Southern Forest Operations | 5,362,700 | 5,322,900 | 5.46 | 43.25 |
| Stewardship Debt Service | 13,500,000 | 13,500,000 | 13.73 | 0.00 |
| FCL and MFL Aids | 1,237,500 | 1,237,500 | 1.26 | 0.00 |
| County Forest, FCL, and MFL Aids | 1,382,900 | 1,416,400 | 1.41 | 0.00 |
| County Forest Loans | 257,200 | 616,200 | 0.26 | 0.00 |
| County Forest Project Loans | 0 | 396,000 | 0.00 | 0.00 |
| County Forest Loan Severance Payments | 54,400 | 100,000 | 0.06 | 0.00 |
| County Project Loans Severance Payments | 190,000 | 350,000 | 0.19 | 0.00 |
| County Sustainable Forestry Grants and County Forest Administrator Grants | 1,503,500 | 1,576,900 | 1.53 | 0.00 |
| Urban Forestry Grants | 319,400 | 524,600 | 0.32 | 0.00 |
| Forestry Management Plan Contracts | 5,000 | 316,800 | 0.01 | 0.00 |
| Fish, Wildlife, and Forestry Recreation Aids | 118,400 | 112,200 | 0.12 | 0.00 |
| Recording Fees | 89,100 | 89,100 | 0.09 | 0.00 |
| Fire Emergency Other States | 0 | 0 | 0.00 | 0.00 |
| Reforestation | 52,400 | 100,500 | 0.05 | 0.00 |
| Wisconsin Private Forest Landowner Grants | 981,700 | 1,147,900 | 1.00 | 0.00 |
| Forest Fire Protection Grants | 170,000 | 170,000 | 0.17 | 0.00 |
| Assistance for NCOs and Private Conservation | 224,100 | 227,600 | 0.23 | 0.00 |
| Forestry Public Education Curriculum-UW Stevens Point | 239,900 | 350,000 | 0.24 | 0.00 |
| Parks and Forests Campground Reservations | 291,100 | 291,400 | 0.30 | 0.00 |
| Forestry Education and Professional Development | 26,900 | 148,500 | 0.03 | 0.00 |
| Karner Blue Butterfly Habitat Conservation Plan Fees | 0 | 9,900 | 0.00 | 0.00 |
| Cooperating Foresters | 34,400 | 0 | 0.03 | 0.00 |
| Split-Funded Appropriations | | | | |
| Administration and Technology Services | 7,110,900 | 8,091,800 | 7.23 | 66.40 |
| Customer Assistance and Employee Services | 3,142,900 | 3,145,400 | 3.20 | 27.39 |
| Land Program Management | 121,500 | 134,300 | 0.12 | 1.01 |
| Bureau of Facilities and Lands | 2,832,900 | 3,281,200 | 2.88 | 32.09 |
| Bureau of Science Services | 438,700 | 766,000 | 0.45 | 5.42 |
| Bureau of Endangered Resources | 255,500 | 270,700 | 0.26 | 2.64 |
| Administrative Facility Repair and Debt Service | 2,142,500 | 2,491,900 | 2.18 | 0.00 |
| Aids in Lieu of Taxes | 5,295,000 | 5,924,100 | 5.39 | 0.00 |
| Resource Acquisition and Development | 759,600 | 930,000 | 0.77 | 0.00 |
| Rent and Property Maintenance | 143,400 | 135,200 | 0.15 | 0.00 |
| Taxes and Assessments | 14,600 | 31,000 | 0.01 | 0.00 |
| Miscellaneous | 49,900 | 0 | 0.05 | 0.00 |
| Other Agency Appropriations | | | | |
| Agriculture, Trade, and Consumer Protection | 1,614,900 | 1,570,600 | 1.64 | 9.75 |
| State Historical Society- Northern Great Lakes Museum | 60,300 | 47,200 | 0.06 | 1.00 |
| University of Wisconsin System-Forestry Cooperatives, Paper Science | 133,200 | 133,300 | 0.14 | 1.00 |
| University of Wisconsin System- WEEB | 353,300 | 200,000 | 0.36 | 0.00 |
| Kickapoo Reserve Management Board | 760,000 | 776,300 | 0.77 | 3.00 |
| Lower Wisconsin State Riverway Board | <u>49,000</u> | <u>50,600</u> | <u>0.05</u> | <u>0.50</u> |
| Total | \$98,290,200 | \$107,226,200 | 100.00% | 654.53 |

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, a disabled veteran 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.) 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.

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 (which were last increased under 2005 Act 25) 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 rules 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. 2011 Act 32 provided \$2.5 million in additional parks account SEG and deleted \$2.5 million GPR, in 2011-12 only, associated with 23.0 positions for parks operations. Base funding for 2012-13 was not affected. Under the act, approximately 15% of the state park budget for operations is GPR-supported in 2011-12 and 29% (approximately the same level as in 2010-11) is GPR-supported in 2012-13 (71% parks SEG-supported).

Table 9 identifies the segregated revenue to the parks account in the 2011-13 biennium.

Expenditures

Currently, DNR park staff operate 74 recreational properties open to the public, including 46 state parks, 14 state trails (another 25 trails are state owned, but locally operated and maintained), two national scenic trails, eight southern forests and four recreation areas (a fifth recreation area, Capital Springs is owned by the state but primarily operated by Dane County, and 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 state 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 2011-12.

Table 9: Parks Account Revenue

| | Actual 2011-12 | Estimate 2012-13 | 2011-12 % of Total |
|--------------------------------|-------------------|---------------------|-----------------------|
| Park Stickers | \$7,374,000 | \$6,800,000 | 44.7% |
| Campsite Fees | 5,721,900 | 5,600,000 | 34.7 |
| Campsite Reservations Vendor | 880,100 | 850,000 | 5.3 |
| Conservation Patron Allocation | 705,000 | 700,000 | 4.3 |
| Golf Fees | 109,900 | 150,000 | 0.7 |
| Trail User Fees | 805,800 | 850,000 | 4.9 |
| Rents, Sales, and Services | 329,500 | 325,000 | 2.0 |
| Timber Sales | 194,500 | 100,000 | 1.2 |
| All Other Revenue | <u>392,600</u> | <u>200,000</u> | <u>2.4</u> |
| Total | \$16,513,300 | \$15,575,000 | 100.0% |

The state park system properties contain 5,065 campsites (including currently planned sites and 1,098 southern forest 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) 1,750 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, Active Network, to manage the campground reservation system. Active Network 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 \$8.70 of every \$9.70 to Active Network 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 cre-

ated 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. Revenues totaled approximately \$25,700 in 2011-12.

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 2012-13) is also provided for general program operations in the Department of Tourism.

Table 10 identifies expenditures from the parks account for the 2011-13 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. 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. In 2012-13, DNR is expecting \$13,198,600 to be transferred to the water resources account under this formula (610,199 motorboats x 50 gallons per motorboat x 30.9¢ per gallon x 1.4). Table 11 identifies 2011-12 and 2012-13 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

Table 10: Parks Account Expenditures

| | 2011-12 Actual | 2012-13 Appropriated | 2011-12 % of Total | 2012-13 Staff |
|---|-------------------|-------------------------|-----------------------|------------------|
| Parks and Recreation Program Operations | \$13,320,000 | \$11,824,000 | 77.65% | 93.77 |
| Campground Reservation Fees | 885,700 | 958,600 | 5.16 | 0.00 |
| Parks Interpretive Fees | 16,600 | 0 | 0.10 | 0.00 |
| Split-Funded Appropriations | | | | |
| Administration and Technology Services | \$1,122,800 | \$1,024,900 | 6.55% | 8.41 |
| Customer Assistance and Employee Services | 346,000 | 310,500 | 2.02 | 2.27 |
| Land Program Management | 409,700 | 452,600 | 2.39 | 3.41 |
| Bureau of Facilities and Lands | 458,900 | 531,600 | 2.68 | 5.20 |
| Administrative Facility Repair and Debt Service | 300,600 | 349,600 | 1.75 | 0.00 |
| Aids in Lieu of Taxes | 21,900 | 22,000 | 0.13 | 0.00 |
| Resource Acquisition and Development | 24,700 | 40,700 | 0.14 | 0.00 |
| Taxes and Assessments | 52,300 | 111,400 | 0.30 | 0.00 |
| Rent and Property Maintenance | 175,400 | 192,900 | 1.02 | 0.00 |
| Miscellaneous | 7,100 | 0 | 0.04 | |
| Tourism Appropriation | <u>12,100</u> | <u>12,100</u> | <u>0.07</u> | <u>0.00</u> |
| Total | \$17,153,800 | \$15,830,900 | 100.00% | 113.06 |

management activities and grant programs; (c) dam inspection and safety; and (d) through fiscal year 2011-12, a portion of the 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, 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.

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 qualified sponsor.

A recreational boating project 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 facilities), 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

Table 11: Water Resources Account Revenue and Expenditures

| | 2011-12 Actual | 2012-13 Appropriated | 2011-12 % of Total | 2012-13 Staff |
|---|---------------------|-------------------------|-----------------------|------------------|
| Fuel Tax Transfer | \$12,924,100 | \$13,198,600 | 99.84% | |
| Investment and Other Income | <u>20,400</u> | <u>20,000</u> | <u>0.16</u> | |
| Total Revenue | \$12,944,500 | \$13,218,600 | 100.00% | |
| Recreational Boating Projects* | \$812,300 | \$400,000 | 6.30% | 0.00 |
| Lake, River and Invasive Species Management* | 2,634,900 | 3,079,100 | 20.45 | 18.50 |
| Lake Protection Grant Program* | 2,675,300 | 2,452,600 | 20.76 | 0.00 |
| Aquatic Invasive Species Grants* | 3,385,700 | 4,029,100 | 26.28 | 0.00 |
| River Protection Grant Program* | 312,800 | 289,500 | 2.43 | 0.00 |
| Dam Safety and Wetland Mapping* | 542,100 | 673,400 | 4.21 | 6.00 |
| Dam Safety Debt Service | 458,400 | 515,600 | 3.56 | 0.00 |
| Public Health - Water Monitoring* | 14,900 | 24,700 | 0.12 | 0.00 |
| State Boat Access Sites* | 382,000 | 184,800 | 2.96 | 0.00 |
| State Boat Access Sites to Southeastern Lakes* | 97,500 | 92,400 | 0.76 | 0.00 |
| Water Resources Enforcement* | 207,300 | 189,100 | 1.61 | 2.20 |
| Resource Inventory* | 121,600 | 121,600 | 0.94 | 0.00 |
| Nonprofit Conservation Organization Aids* | 146,700 | 143,200 | 1.14 | 0.00 |
| Nonprofit River Protection Grant Program* | 69,200 | 69,200 | 0.54 | 0.00 |
| Mississippi St. Croix River Management* | 2,000 | 57,700 | 0.02 | 0.00 |
| Miscellaneous | 5,600 | 0 | 0.04 | 0.00 |
| Split-Funded Appropriations | | | | |
| Administration and Technology Services* | \$376,600 | \$439,400 | 2.92% | 3.61 |
| Customer Assistance and Employee Services* | 345,700 | 346,100 | 2.68 | 3.51 |
| Water Program Management* | 5,700 | 2,200 | 0.04 | 0.00 |
| Enforcement and Science Management* | 10,900 | 9,500 | 0.08 | 0.07 |
| Resource Acquisition Development and Maintenance* | 4,800 | 8,800 | 0.04 | 0.00 |
| Other Agency Appropriations | | | | |
| Lower Wisconsin State Riverway Board | \$147,100 | \$152,000 | 1.14% | 1.50 |
| Fox River Navigational System Authority | <u>125,400</u> | <u>125,400</u> | <u>0.97</u> | <u>0.00</u> |
| Total Expenditures | \$12,884,600 | \$13,405,400 | 100.00% | 35.39 |

*2011 Act 32 reduced expenditure authority in these appropriations to address an ongoing structural imbalance in the water resources account.

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 administrative rule 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.

2005 Act 25 reduced the amount appropriated for 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 beginning 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 2011-12, \$2,483,200 in stewardship program bonding (BR) was obligated 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). DNR was required to provide \$400,000 annually from the recreational boating aids appropriation to the Fox River Navigational System Authority for seven years from 2005-06 through 2011-12.

2011 Act 32 directed DNR to provide a grant of \$200,000 SEG during the 2011-13 biennium from recreational boating project aids to the Southeastern Wisconsin Fox River Commission (due to the commitment of \$400,000 to the Fox River Navigational System Authority through fiscal year 2011-12 the grant was awarded in fiscal year 2012-13). The grant was provided to support activities consistent with the organization's implementation plan, including: (a) initiating and

coordinating surveys and research projects relating to the Southeastern Wisconsin Fox River Basin; (b) acting as a liaison between federal, state, and local agencies, and other organizations involved in protecting, rehabilitating, and managing water resources; and (c) providing public information relating to the Southeastern Wisconsin Fox River. The Commission was created in 1997 in order to address water resource concerns within the river system. The fiscal year 2012-13 amount brought to \$1,275,000 the total amount provided to the commission from the water resources account since its creation.

Lake, River, and Invasive Species Management. The water resources account supports 18.5 Department staff who are responsible for surface water monitoring and water resources management and oversee the state's aquatic invasive species program. 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. Staff also provide technical and educational assistance to local governments, including public inland lake rehabilitation districts and lake and river associations. Funds are also 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 2012-13, \$3,079,100 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 program.

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 each 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. Since fiscal year 1998-99, this has primarily included one contract for \$200,000 awarded annually to Wisconsin Lakes (an additional award of \$20,000 was provided in 2011 to the Wisconsin County Code Administrators for developing a lake classification guidance document for counties; and, in 2012, a \$20,000 award was provided to the Wisconsin Wetland Association for evaluating and comparing wetland protection provisions of county lake classification systems). Formerly known as the Wisconsin Association of Lakes, Wisconsin Lakes is, according to its mission statement, a

statewide nonprofit organization dedicated to conserving, enhancing, and restoring Wisconsin's lakes by fostering responsible lake stewardship and by promoting effective, beneficial environmental public policy.

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 projects that would provide baseline information on the status of lakes. 2011 Act 32 increased the maximum lake planning grant award from \$10,000 to \$25,000 per grant. In addition, the act reduced the maximum share of state funding from 75% of project costs to 67% of project costs. Further, the act specifies that lake planning grants may not exceed \$50,000 per fiscal year (two \$25,000 grants) for lake planning projects on any one lake.

Aquatic Invasive Species Grants. DNR administers a financial assistance program which awards cost-sharing grants to local units of government and other entities for up to 75% of the costs of projects to prevent or control aquatic invasive species, and for education and inspection programs at boat landings. 2007 Act 20 created an appropriation solely dedicated to providing these grants (funding had previously been provided under the lake protection grant program appropriation). Further, the act deleted a requirement that projects be awarded only to local government units. This action made any public or private entity eligible for a state grant. Also, as mentioned previously, 2009 Act 28 specified 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 2012-13 \$4,029,100 is appropriated for aquatic invasive species grants.

Lake Monitoring. Section 261.68 of the statutes allows DNR to award contracts to public

groups or individuals for the creation and support of a statewide lake monitoring network. The total amount of the contract(s) may not exceed 10 percent of the total amount appropriated for the lake protection grant program and aquatic invasive species grants (which were previously under one appropriation). Since 2003, the Department has awarded the primary contract to the University of Wisconsin Extension to be used for the Citizen Lakes Monitoring Network (CLMN). The funding is used to train and support over 1,000 citizen volunteers in the identification and monitoring of aquatic invasive species. In 2011-12 CLMN awards totaled \$573,700 (\$241,400 from lake protection grants and \$332,300 from the aquatic invasive species grant program).

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. 2011 Act 32 reduced the appropriation to \$289,500 annually. 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 throughout the state in order to better protect wetland resources and provide information to individuals seeking permits that may impact these areas. Wetland areas too small to classify and delineate are identified as point symbols on the maps. Counties, cities, and villages set minimum shoreland wetland zoning ordinances based on the Wisconsin Wetland Inventory maps.

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 Act 28, DNR was required to inspect large dams at least once every 10 years. DNR is now 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. DNR is required to inspect each high hazard dam and each significant hazard dam at least once every ten years. In addition, an owner of a large dam is required 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 the Department detailing the inspection results within 90 days of inspection. 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 DNR (such as federally-regulated hydroelectric dams) and if the results of each inspection are made available to the Department.

Dam Safety Debt Service. Since the 1989-91 biennium, DNR has administered the municipal dam safety grant program under s. 31.385 of the statutes. The 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. Dam safety grants may also be awarded to remove abandoned dams or to any dam owner to voluntarily remove their dam. Including \$4 million authorized by 2009 Act 28 and \$4 million authorized by 2011 Act 32, a total of \$20.1 million in bonding revenues for dam safety grants has been authorized by the Legislature for this program.

Debt retirement costs on \$13.5 million (67%) of program bonds are funded with general purpose revenues. The debt service on the remaining \$6.6 million (33%) is funded from the water resources account.

Grants for dam repair and reconstruction 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). 2009 Act 28 earmarked \$477,000 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. 2011 Act 32 removed a six-month time limit in which municipalities were required to request grant funding after receiving inspection directives or administrative orders from DNR. Dam owners are still required to be under an administrative order or inspection directive in order to be eligible for a dam safety grant.

Utilizing the \$16.1 million in bonding revenues authorized by the Legislature up to and including the \$4 million authorized in 2009 Act 28, the program funded the repair or reconstruction of 87 municipally owned dams and the removal of 31 small, abandoned, or municipally owned dams. Using the \$4 million authorized in 2011 Act 32, as of July 1, 2012, the Department had awarded 15 grants for the repair or reconstruction of municipal dams and nine dam removal grants for an estimated total cost of \$3,757,500.

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.

In addition, 2011 Act 32 specifies that DNR set aside not less than \$6,000,000 in existing bonding revenue, from the land acquisition sub-program of the Warren Knowles Gaylord Nelson Stewardship program for dam safety grants to

counties. Debt service on stewardship program bonds is primarily paid with GPR, though forestry account SEG also contributes. The grants may only be awarded for a county-owned dam that is under an order by DNR for maintenance, modification, abandonment or removal as of July 1, 2011. Further, the act specifies that these grants may be provided for up to 25% of eligible project costs, with a maximum grant award of \$2,500,000 (\$10,000,000 project). Of this amount, as of July 1, 2012, DNR has awarded a total of \$362,500 to Vernon County. The Department indicates that Milwaukee and Racine County are also eligible for grants under this subsection.

Public Health-- Water Monitoring. 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 (\$24,700 annually) was transferred from the Aquatic and Terrestrial Resources program.

State Boat Access Sites. The Department is budgeted water resources account funds in two appropriations for state-owned facilities. 2011 Act 32 reduced expenditure authority in these appropriations as part of a plan to address an ongoing structural imbalance in the water resources account. Under 2011 Act 32, DNR is appropriated \$277,200 annually to fund the development of state-owned boating facilities, of which at least \$92,400 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).

Aquatic and Terrestrial Resource Inventory. The Department maintains an aquatic and terrestrial 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.

Nonprofit Conservation Organization Aids. 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 required 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.

The amount was reduced to \$148,500 (with \$111,400 water resources account and \$37,100 forestry account) by 2009 Act 28, and DNR re-

duced the grant to \$138,300 (with \$101,200 water resources account and \$37,100 forestry account) beginning in 2011-12. In addition, 2009 Act 28 requires the board of directors of the corporation receiving the award to, to the greatest extent practicable, represent all geographic areas of the state. The corporation is also directed to assist nonprofit 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 2011-12.

The 1999-01 biennial budget provided an annual grant of \$85,000 split funded evenly between the forestry and water resources account of the conservation fund (2009 Act 28 reduced the amount available for the grant to \$84,100, with \$42,000 coming from water resources and \$42,100 from the forestry account) 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. 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.

Nonprofit River Protection Grant Program.

The 1999-01 biennial budget provided \$75,000 annually (reduced to \$74,200 by 2009 Act 28, and further reduced to \$69,200 by 2011 Act 32) for one or more contracts to non-stock, nonprofit 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 2011-12 to the River Alliance of Wisconsin.

Mississippi and St. Croix River Management. Funding (\$57,700 in 2012-13) is provided for habitat 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 partially funds 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. Ongoing support of \$125,400 SEG annually

is provided.

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 agreed to provide an additional \$5.5 million in funding that would be matched by state and local funds. A one-time state funding match consisted 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, with 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 item-vetoed this provision. Current 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 of a minimum of \$2 for invasive species control activities and lake research. Moneys received from the contribution, less the 50¢ retained by the sales agent, are 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

Table 12: Boat Registration Account Revenue

| | 2011-12 Actual | 2012-13 Estimate | 2011-12 % of Total |
|---------------------------------|-------------------|---------------------|-----------------------|
| Motorized Boat Reg, Under 16 ft | \$2,225,300 | \$2,600,000 | 30.1% |
| Motorized Boat Reg, 16 to 26 ft | 4,080,200 | 4,100,000 | 55.1 |
| Motorized Boat Reg, 26 to 40 ft | 205,700 | 220,000 | 2.8 |
| Motorized Boat Reg, Over 40 ft | 23,700 | 20,000 | 0.3 |
| Motorized Fleet Registrations | 55,300 | 75,000 | 0.7 |
| Other Registration Fees | 281,500 | 270,000 | 3.8 |
| Nonmotorized Boat Registrations | 87,900 | 95,000 | 1.2 |
| Boat Title and Lien Fees | 232,300 | 205,000 | 3.1 |
| Education and Safety (Boat) | 26,100 | 35,000 | 0.4 |
| Other Revenue | <u>187,300</u> | <u>280,000</u> | <u>2.5</u> |
| Total | \$7,405,300 | \$7,900,000 | 100.0% |

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 2011-13 biennium.

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 2011-12, conservation wardens recorded 53,100 hours on this activity and issued 1,267 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 adminis-

ters 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 addition to the traditional classroom courses (fee: \$10), DNR also offers online boat education courses at a cost of \$30. In fiscal year 2011-12, 10,536 people received certificates in boat safety courses including 7,658 through online courses (DNR retains \$1 of the fee for each completed online course).

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 2011, 99 municipalities received reimbursements totaling

Table 13: Boat Registration Account Expenditures

| | 2011-12 Actual | 2012-13 Appropriated | 2012-13 Staff |
|---|-------------------|-------------------------|------------------|
| State Boating Enforcement and Safety | \$2,904,000 | \$2,951,100 | 21.00 |
| Boating Enforcement Aids | 1,386,000 | 1,386,000 | 0.00 |
| Administration and Technology Services | 295,500 | 333,900 | 2.74 |
| Customer Assistance and Employee Services | 951,700 | 1,053,800 | 10.21 |
| Resource Acquisition, Development and Maintenance | 3,800 | 6,900 | 0.00 |
| Enforcement and Science Management | 104,200 | 90,400 | 0.69 |
| Education and Safety | 10,100 | 20,300 | 0.00 |
| Handling Fees | 89,000 | 48,400 | 0.00 |
| Miscellaneous | <u>4,400</u> | <u>0</u> | <u>0.00</u> |
| Total | \$5,748,700 | \$5,890,800 | 34.64 |

\$1,786,000 (including \$400,000 in federal funds), which represented 68% of the approximately \$2.6 million in eligible local water patrol activities.

Table 13 identifies expenditures from the boat registration account for the 2011-13 biennium.

All-Terrain Vehicle Account

The Department administers a state recreational program for all-terrain vehicles (ATVs). Further, 2011 Act 208 includes the administration of the utility terrain vehicle (UTV) program under the ATV account. Generally, ATVs are smaller than UTVs, with less hauling capacity, less seating, and greater maneuverability. Currently, under s. 340.01(2g) of the statutes, an ATV is defined as "an engine-driven device which has a net weight of 900 pounds or less, which is originally manufactured with a width of 50 inches or less, which is equipped with a seat designed to be straddled by the operator and which is designed by the manufacturer to travel on three or more low-pressure tires."

On the other hand, UTVs are generally larger, wider, and heavier, often have side-by-side seating, and a large rear cargo hold, and may have truck-like cabs and seats that allow riders to sit

upright, rather than straddle a seat as is common on an ATV. However, 2011 Act 208 classifies what might have been considered large ATVs (vehicles with three or more wheels, a straddle seat, and a weight of 900 or more pounds) as UTVs for the purposes of Wisconsin regulation. Under the act, DNR or a federal agency, county, or municipality may designate ATV routes and trails where UTV use is permitted or routes where it is prohibited. The act provides that no UTV may be operated on an ATV route, trail, or corridor unless the relevant authority has designated the route, trail, or corridor as open to UTVs.

Revenue

The main source of revenue to the ATV account is from ATV, and effective July 1, 2012, UTV, registrations. An ATV, or a UTV, may not be operated in the state unless it is registered with DNR, subject to certain exceptions. A registration fee of \$30 is assessed for an ATV or UTV public operation permit, which is valid for a two-year period (beginning on April 1 or the date of issuance or renewal and ending March 31 of the second year following the date of issuance or renewal). In addition, 2011 Act 208 requires anyone registering an ATV or UTV for public use to attach his or her own plate to the rear of the vehicle and attach a registration decal, furnished by DNR, to each side of the vehicle in a clearly visible position forward of the driver. The plate must be a

minimum of four inches high and a minimum of 7.5 inches wide. The fee for a private operations permit, under which an ATV or UTV may be operated on private property only, is \$15. A private operations permit is valid until the ownership of the vehicle is transferred. A person who registers an ATV or UTV for private use is required by 2011 Act 208 to attach a registration decal, furnished by DNR, to the vehicle on each side, in a clearly visible position forward of the driver. In addition, a commercial ATV and UTV registration fee of \$90 is required.

Another major source of revenue to the ATV account is the annual non-resident trail pass. 2011 Act 208 broadened this pass to cover utility terrain vehicles as well as ATVs (2007 Act 20 increased the fee for the annual sticker from \$18 to \$35). In addition, Act 208 created a five-day ATV or UTV trail pass for a fee of \$20, effective July 1, 2012. ATVs and UTVs not registered in Wisconsin are required to display a trail use sticker to use public ATV corridors. 2011 Act 208 requires that the trail pass be attached to the ATV or UTV in a highly visible location on the forward half of the vehicle. Act 208 also changed the expiration date of the annual trail passes from June 30 to March 31 of each year. In fiscal year 2011-12, approximately 11,650 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 is equal to 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 2012-13, \$1,842,700 from this transfer will be available for the ATV account, based on the number of ATVs registered for public use on February 29, 2012, and the motor fuel tax rate as of that date (238,536 ATVs x 25 gallons x 30.9¢ per gallon). In addition, beginning in fiscal year 2013-14, 2011 Act 208 created a utility terrain vehicle fuel tax transfer. The transfer is equal to the number of registered UTVs 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.

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

Table 14 shows 2011-12 actual and 2012-13 estimated revenue to the all-terrain vehicle account.

Table 14: All-Terrain Vehicle Account Revenue

| | 2011-12 Actual | 2012-13 Estimate | 2011-12 % of Total |
|-------------------------------------|-------------------|---------------------|-----------------------|
| ATV and UTV Registrations | \$4,009,300 | \$4,260,000 | 63.4% |
| Fuel Tax Transfer | 1,859,900 | 1,842,700 | 29.4 |
| Non Resident Trail Pass | 400,900 | 400,000 | 6.3 |
| Late Registration Renewal fee (\$5) | 0 | 100,000 | 0.0 |
| Education and Safety (ATV) | 17,200 | 52,200 | 0.3 |
| Handling Fees | 43,200 | 23,500 | 0.7 |
| ALIS Transaction Fees | -12,900 | -4,000 | -0.1 |
| Other Revenue | <u>8,500</u> | <u>9,000</u> | <u>0.1</u> |
| Total | \$6,326,100 | \$6,683,400 | 100.0% |

Expenditures

Local ATV Trail and Project Aids. Revenues from the ATV fuel tax transfer and a portion of ATV registration revenues are used to provide grants to towns, villages, cities, counties and federal agencies 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 and UTVs. The state supports approximately 1,400 summer trail miles, and almost 4,000 winter miles which are managed by local units of government. 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. The reimbursement rate for summer maintenance was again increased through administrative rule NR 64 in 2012, to \$600 per mile from \$450.

In addition, the 2012 administrative rule NR 64 revisions also included the creation of a new hybrid trail + route category, also referred to as a "troute". Several existing ATV (and UTV) trails overlap existing roads. The rule defines a "hybrid trail (troute)" as "an all-terrain vehicle trail and route combination that allows all-terrain vehicles and motor vehicles to utilize the same linear surface and the combination is used as a trail connector". A trail connector is then defined as "an all-terrain vehicle trail that connects one trail to another trail or services." The rule specifies any hybrid trail that received funding prior to the effective date of the rule and is posted with signs as a hybrid trail, is eligible for the full per-mile reimbursement rates and rehabilitation costs, and specifies a separate rate for hybrid trails developed on or after the effective date of the rule of a maximum of up to 50% of the per-mile rate (not more than 50% of the per-mile rate for roads that do not benefit from the receipt of state transportation

aids, and for roads maintained by recipients of transportation aids, e.g. towns, cities, and villages, the per-mile rate minus the amount of transportation aid received for the area of the trail (miles), for a total not to exceed 50% of the per-mile rate).

Utility Terrain Vehicles Program. Prior to the 2011 Act 208, DNR had administered a UTV pilot program in consultation with the Department of Transportation. Under the pilot program, UTVs were registered in the same manner as ATVs, with all revenue collected from UTV registration fees deposited in an appropriation for administration of the UTV pilot program. The program sunset on July 1, 2012. Under 2011 Act 208, all revenue collected from UTV registration fees in fiscal year 2012-13 is deposited in an appropriation for administration of the UTV program. This appropriation expires at the end of fiscal year 2012-13.

2011 Act 208 establishes a permanent method for regulating the use of UTVs and generally subjects UTVs to the same laws as ATVs. The act defines a UTV as any of the following: (1) a motor driven device that does not meet federal motor vehicle safety standards in effect on July 1, 2012, that is not a golf cart, low-speed vehicle, dune buggy, mini-truck, or tracked vehicle, that is designed to be used primarily off of a highway, and that has, and was originally manufactured with, all of the following: (a) a net weight of less than 2,000 pounds; (b) four or more low-pressure tires; (c) a cargo box installed by the manufacturer; (d) a steering wheel; (e) a tail light; (f) a brake light; (g) two headlights; (h) a width of not more than 65 inches; (i) seats for at least two occupants, all of which seating is designed not to be straddled; (j) a system of seat belts, or a similar system, for restraining each occupant of the device in the event of an accident; and (k) a system of structural members designed to reduce the likelihood that an occupant would be crushed as the result of a rollover of the device; or (2) a motor driven device that has a net weight of more than 900 pounds, that is originally manufactured with a width of 50 inches or less, that is equipped with a seat designed to be

straddled by the operator, and that is designed by the manufacturer to travel on three or more low-pressure tires.

UTV Trail and Project Aids. Under 2011 Act 208, beginning in fiscal year 2013-14, revenues from the UTV fuel tax transfer and a portion of UTV registration revenues may be used to provide grants to towns, villages, cities, counties, and federal agencies for UTV trail projects.

Landowner Incentive Program. 2007 Act 20 created an ATV landowner incentive program and redirected all non-resident trail pass revenues from the local trail aids appropriation to a continuing appropriation for landowner incentive program payments beginning in 2008-09. The program would provide grants to private landowners who permit public all-terrain vehicle corridors on their lands. Landowners may 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: (a) \$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 through 2010-11. As a result, 2011 Act 32 lapsed \$1,299,900 from the appropriation to the balance of the segregated ATV account in 2011-12. The Act also converted the appropriation to biennial, whereby the amount specified in the appropriation schedule, is the amount, from revenues from non-resident trail pass sales, which may be committed from the appropriation each biennia. Any remaining uncommitted balance at the close of the biennium, and any revenues from the annual sale of non-resident trail passes beyond the amount in the appropriation schedule, would be deposited to the balance of the ATV account. No landowner incentive grants were awarded in fiscal year 2011-12. While \$405,900 is appropriated for these grants in fiscal year 2012-13, DNR indicates

the Department does not plan to award any landowner incentive grants in fiscal year 2012-13.

State Trail Projects. Trails that accommodate ATVs on state property, including state parks, are allocated maintenance, rehabilitation, and development funds of \$310,500 in 2012-13. While the state parks (and trails) system includes approximately 400 miles of ATV trails, the state maintains approximately 150 miles, and counties maintain the remaining 250 miles through cooperative agreements. DNR indicates that approximately 325 of the 400 miles of ATV trails are open for UTV use as of July, 2012. According to the Department, the decision to prohibit UTV use on a trail involves many factors; for instance, some trails are not open to UTVs because they are not wide enough to accommodate the vehicles, while other trails may have too large a volume of ATV traffic and allowing additional vehicles would increase the wear and tear on the trail. Beginning in fiscal year 2013-14, an amount specified in the appropriation schedule will be set aside from UTV registration fees for maintenance, rehabilitation, and development on state trails that are open to UTVs.

State ATV and UTV Enforcement and Safety Training. Part of the workload of conservation wardens is the enforcement of state ATV, and UTV, laws. During 2011-12, wardens recorded 12,800 hours on this activity and issued 553 citations for violations related to ATVs. In addition, the Department's safety training program disseminates ATV, and beginning July 1, 2012, UTV, 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 and UTV laws and safety tips for the operation of all ATVs and UTVs.

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 and UTV 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 2010-11, 31 counties applied for reimbursements totaling \$528,200. State payments of \$495,000 in state fiscal year 2011-12 provided 93.7% 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 no person under 12 years of age may operate an ATV, and no person under 16 years of age may operate a UTV, unless he or she holds a valid safety certificate issued by DNR, another state, or a province of Canada or unless he or she is operating the ATV or UTV for an agricultural purpose under the supervision of a person over 18 years of age. 2011 Act 208 expanded the Department's ATV safety certification program to include instruction on UTV laws as well as ATV laws. While the courses are required for certain age groups, the courses are open to anyone wishing to enroll. In fiscal year 2011-12, 6,561 students received certificates upon successfully completing one of the ATV and UTV safety courses, including 3,920 certified through an online course. The classroom course is offered for a fee of \$10 while two online courses are available for those ages 12 and older for \$24.50 or \$29.95 (DNR retains \$1 per student for online courses).

Summaries of 2011-13 biennial expenditures from the all-terrain vehicle account are presented in Table 15.

Table 15: All-Terrain Vehicle Account Expenditures

| | 2011-12 Actual | 2012-13 Appropriated | 2011-12 % of Total | 2012-13 Staff |
|---|-------------------|-------------------------|-----------------------|------------------|
| State and Local ATV Trail and Project Aids | \$3,240,200 | \$3,512,700 | 55.69% | 0.00 |
| Utility Terrain Vehicle (UTV) Trail Aids | 0 | 0 | 0.00 | 0.00 |
| UTV Program | 0 | 60,000 | 0.00 | 0.00 |
| Landowner Incentive Program | 0 | 405,900 | 0.00 | 0.00 |
| State UTV Projects | 0 | 0 | 0.00 | 0.00 |
| State ATV Trails | 152,100 | 310,500 | 2.61 | 0.00 |
| ATV and UTV Law Enforcement and Safety Training | 1,123,200 | 1,278,800 | 19.30 | 9.00 |
| ATV Trail Safety Grant Program | 297,000 | 297,000 | 5.10 | 0.00 |
| ATV and UTV County Enforcement aids | 495,000 | 495,000 | 8.51 | 0.00 |
| Recreation Aids- UTV Project Aids | 0 | 0 | 0.00 | 0.00 |
| Education and Safety | 0 | 52,200 | 0.00 | 0.00 |
| Administration and Technology Services | 126,400 | 142,900 | 2.17 | 1.17 |
| Customer Assistance and Employee Services | 292,600 | 298,900 | 5.03 | 3.07 |
| Enforcement and Science Management | 44,700 | 38,800 | 0.77 | 0.29 |
| Resource Acquisition and Development | 1,600 | 3,000 | 0.03 | 0.00 |
| Handling fees | 43,200 | 23,500 | 0.74 | 0.00 |
| UTV Issuing and Renewal Fees | 0 | 0 | 0.00 | 0.00 |
| Miscellaneous | 2,400 | 0 | 0.04 | 0.00 |
| Total | \$5,818,400 | \$6,919,200 | 100.00% | 13.53 |

Snowmobile Account

The Department administers a snowmobile recreation program to develop and maintain a statewide 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 must be from the territory north, and at least five members must 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 2012-13, which will be made available for trail aids under the formula, is expected to total \$4,470,900. This total is based on the number of snowmobiles registered on March 31, 2012, and the motor fuel tax rate as of that date (206,698 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 Wisconsin. 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 2011-12, 14,493 trail pass stickers were sold.

In addition, the snowmobile program also receives revenues from: (a) registration transfer fees; (b) snowmobile safety course instruction fees; 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.

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

Table 16: Snowmobile Account Revenue

| | 2011-12 Actual | 2012-13 Estimate | 2011-12 % of Total |
|-----------------------------------|-------------------|---------------------|-----------------------|
| Fuel Tax Transfer | \$5,078,300 | \$4,470,900 | 60.0% |
| Snowmobile Registrations | 2,732,200 | 3,350,000 | 32.3 |
| Nonresident Trail Pass | 497,600 | 650,000 | 5.9 |
| Investment Income | 1,800 | 10,000 | 0.0 |
| Registration Transfers | 87,300 | 130,000 | 1.0 |
| Education and Safety (Snowmobile) | 32,400 | 43,500 | 0.4 |
| Handling Fees | 31,200 | 37,600 | 0.4 |
| All Other Revenues | <u>5,000</u> | <u>85,000</u> | <u>0.1</u> |
| Total | \$8,465,800 | \$8,777,000 | 100.0% |

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 was also made available for this purpose. 2011 Act 32 increased this amount from \$15 to \$32 from each non-resident trail pass sticker sold. 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

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 |
| 2010-11 | 3,551,600 | 2,165,800 | 61.0 |
| 2011-12** | 1,120,000 | 1,120,000 | 100.0 |

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

**Estimate.

the total amount requested by counties, the amount paid in 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 2010-11, 47 counties requested reimbursements totaling \$558,700. State reimbursement represented 71% of the eligible costs of their local snowmobile patrol activities. These requests were reimbursed in state fiscal year 2011-12. In 2012-13, \$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 2012-13.

Snowmobile Enforcement and Safety. 2009 Act 28 provided \$125,400 annually beginning in 2009-10 for increased snowmobile enforcement and accident reduction efforts (reduced to \$122,000 by 2011 Act 32). 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).

Education and Safety. DNR is responsible for state enforcement of snowmobile laws by DNR conservation wardens and coordination of snowmobile safety programs. In 2011-12, the Department's wardens recorded 11,700 hours on this ac-

tivity and issued 286 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 2011-12, 6,991 people received certificates upon successfully completing one of the snowmobiling safety courses, with 1,866 of those certified through an online course. Two online courses are offered, for a fee of \$15 or \$29.95, for those ages 16 and older (DNR retains \$1 for each successfully completed online course).

Table 18 identifies expenditures from the snowmobile account for the 2011-13 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 fiscal year 2011-12, 15,364 returns included the endangered resources checkoff for a total of \$290,800, with an average donation of \$18.93 per return. After deducting Department of Revenue administrative expenditures, DNR received \$285,200 in 2011-12.

Table 18: Snowmobile Account Expenditures

| Expenditure Categories | 2011-12 Actual | 2012-13 Appropriated | 2011-12 % of Total | 2012-13 Staff |
|---|-------------------|-------------------------|-----------------------|------------------|
| Local Snowmobile Trail and Project Aids | \$8,015,800 | \$7,410,100 | 86.73% | 0.00 |
| Snowmobile Aids Administration | 189,500 | 191,500 | 2.05 | 1.50 |
| County Enforcement Aids | 396,000 | 396,000 | 4.28 | 0.00 |
| State Snowmobile Trails and Areas | 155,500 | 209,700 | 1.68 | 0.00 |
| Snowmobile Enforcement and Safety | 59,000 | 122,000 | 0.64 | 0.00 |
| Administration and Technology Services | 20,600 | 23,300 | 0.22 | 0.19 |
| Customer Assistance and Employee Services | 299,900 | 338,000 | 3.24 | 3.30 |
| Resource Acquisition and Development | 300 | 500 | 0.00 | 0.00 |
| Education and Safety | 70,700 | 141,800 | 0.76 | 0.00 |
| Handling Fees | 31,200 | 16,900 | 0.34 | 0.00 |
| Miscellaneous | <u>4,000</u> | <u>0</u> | <u>0.04</u> | <u>0.00</u> |
| Total | \$9,242,500 | \$8,849,800 | 100.00% | 4.99 |

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 2011-12, the original endangered resources license plates generated \$335,400 (13,415 registered wolf license plates), bringing the total revenue generated by wolf plate sales since their introduction to nearly \$8.6 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 2011-12, 2,124 badger plates were issued generating \$53,100 in revenue to the endangered resources account in fiscal year 2011-12; this brought the total revenue to the en-

dangered resources account from badger plate sales since their introduction to \$80,800 (an additional \$23,500 was remitted to the Department of Transportation in 2009-10 for initial 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, coordinating 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, implementation of the endangered species act, and the development and implementation of plans to protect and manage Wisconsin's biological diver-

sity, 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.

Endangered Resources Damage Payments.

Section 71.10(4)(a)(2) of the statutes defines the activities of the DNR endangered resources program as including "providing for wildlife damage control or the payment of claims for damage associated with endangered or threatened species". Prior to April, 2012, s. 71.10(5)(am) specified that damage caused by gray wolves remains eligible for control and damage payments under the endangered resources program, regardless of wheth-

er gray wolves are listed as an endangered or threatened species. Wisconsin delisted the gray wolf in 2004, and as of January 27, 2012, the gray wolf is no longer a federally endangered species in Wisconsin and other parts of the western Great Lakes region. Under 2011 Act 169, beginning in fiscal year 2012-13, as long as wolves are not listed on the U.S. list of endangered and threatened species or the Wisconsin list of endangered and threatened species, wolf damage payments will be made from revenues from wolf harvest licenses (\$100 resident, \$500 non-resident) and application fees, rather than from endangered resources program appropriations.

DNR has paid wildlife damage claims for damage associated with endangered species, primarily damage associated with wolves, from certain GPR appropriations and the endangered resources account. In fiscal year 2011-12, \$338,300 was paid in damage claims, (all of which were related to damage caused by wolves). Of this amount, \$11,200 was paid from a one-time federal livestock demonstration grant, and \$125,600 GPR was transferred from unused expenditure authority in the Department's Division of Water general operations appropriation to an endangered resources GPR appropriation. In addition, DNR may also use its GPR matching appropriation for endangered resources (tax checkoff match) to pay damage claims. For 2011-12, \$194,100 of the claims was paid out of this appropriation.

Table 19 identifies 2011-12 and 2012-13 revenue to, and expenditures from, the endangered resources account.

Table 19: Endangered Resources Account

| | 2011-12 Actual | 2012-13 Estimate | 2011-12 % of Total | 2012-13 Staff |
|----------------------|-------------------|---------------------|-----------------------|------------------|
| Revenue | | | | |
| License Plate Sales | \$388,500 | \$385,000 | 32.55% | |
| Income Tax Check-off | 285,200 | 280,000 | 23.90 | |
| Other Revenue | <u>519,700</u> | <u>525,000</u> | <u>43.55</u> | |
| Total | \$1,193,400 | \$1,190,000 | 100.00% | |
| Expenditures | \$1,388,300 | \$1,494,500 | 100.00% | 12.00 |

Table 20: Natural Resources Magazine Account

| Revenue | 2011-12 Actual | 2012-13 Estimate | 2011-12 % of Total | 2012-13 Staff |
|-----------------------------------|-------------------|---------------------|-----------------------|------------------|
| Magazine Subscriptions | \$305,800 | \$275,000 | 44.01% | |
| Conservation Patron Allocation | 360,800 | 350,000 | 51.92 | |
| Reprint Sales | 28,000 | 50,000 | 4.03 | |
| Other Revenue | <u>300</u> | <u>1,500</u> | <u>0.04</u> | |
| Total | \$694,900 | \$676,500 | 100.00% | |
| Expenditures | \$662,700 | \$979,700 | 100.00% | 3.50 |

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 77,000 people subscribe to the magazine (including 40,000 conservation patron subscriptions). 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 2011-13 biennium.

Motorcycle Recreation Account

The motorcycle recreation program was eliminated by 2005 Act 25 which required 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).

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 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 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. 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.

Table 21 identifies 2011-12 actual expenditures and 2012-13 appropriated amounts for these split-funded expenditure categories. In 2012-13, \$51.3 million is budgeted for these purposes out of total authorized conservation fund expenditures of \$255.3 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). 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 and the administration of several of the Department's local grant programs. The Department's liaisons to

Table 21: Split-Funded Appropriation Expenditures

| | 2011-12 Actual | 2012-13 Appropriated | 2011-12 % of Total | 2012-13 Staff |
|---|-------------------|-------------------------|-----------------------|------------------|
| Administration and Technology Services | \$13,743,400 | \$15,528,400 | 30.32% | 127.43 |
| Customer Assistance and Licensing | 9,140,100 | 9,512,300 | 20.16 | 85.81 |
| Land Program Management | 962,400 | 1,063,300 | 2.12 | 8.00 |
| Enforcement and Science Management | 835,100 | 724,800 | 1.84 | 5.50 |
| Water Program Management | 49,900 | 19,300 | 0.11 | 0.00 |
| Bureau of Facilities and Lands | 6,400,500 | 7,413,500 | 14.12 | 72.50 |
| Bureau of Science Services | 1,245,900 | 2,175,500 | 2.75 | 15.40 |
| Bureau of Endangered Resources | 725,600 | 768,800 | 1.60 | 7.50 |
| Administrative Facility Repair and Debt Service | 4,394,900 | 5,111,500 | 9.69 | 0.00 |
| Aids in Lieu of Taxes | 5,619,400 | 6,250,000 | 12.40 | 0.00 |
| Resource Acquisition and Development | 982,400 | 1,261,500 | 2.17 | 0.00 |
| Rent and Property Maintenance | 671,000 | 699,400 | 1.48 | 0.00 |
| Taxes and Assessments | 139,500 | 297,000 | 0.31 | 0.00 |
| Education and Safety | 142,300 | 337,600 | 0.31 | 0.00 |
| Handling Fees | <u>280,500</u> | <u>152,500</u> | <u>0.62</u> | <u>0.00</u> |
| Total | \$45,332,900 | \$51,315,400 | 100.00% | 322.13 |

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 and forestry accounts contribute to the Bureau of Endangered Resources in the Divi-

sion of Land to support the Bureau's ecological inventory and monitoring (EIM) program and management of the aquatic and terrestrial resources information system. The Bureau works with a variety of stakeholders to identify, protect, and manage native plant and animal species. 2011 Act 32 specifies that under the endangered resources program, DNR may utilize funds from the Division of Land conservation fund SEG general operations appropriation [20.370(1)(mu)] only for "the ecological inventory and monitoring program and for management of the aquatic and terrestrial resources information system." The EIM program identifies, collects, and integrates data for ecosystem management into the aquatic and terrestrial resources information system (ATRI) which is utilized for environmental decision-making projects. Previously, the appropriation language was broad enough to cover any endangered resources purpose, including endangered resource (wolf) damage payments. Further, DNR had utilized this language to use allotments beyond the Bureau of Endangered Resources portion (\$768,800 annually) of this appropriation to fund wolf damage and other gray wolf management programs (\$34,800 in fiscal year 2008-09 and \$40,200 in fiscal year 2009-10).

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 \$14,390,000 in 2012-13 (\$8,140,000 GPR and \$6,250,000 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, and through June 30, 2011, 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.

2011 Act 32 modified the aids in lieu of property formula for lands purchased on or after the effective date of the act (July 1, 2011), by defining the estimated value of the property to mean the lower of the equalized value of the property in the year prior to purchase by the Department or the purchase price (instead of the purchase price, as under prior law). In cases where the property had been previously tax exempt, the calculation would be the lower of either: (a) the purchase price; or (b) the last recorded equalized value, or a payment of \$10 per acre, whichever amount was greater.

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 \$5,470,000 in 2012-13).

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, water resources, boat registration, ATV, and snowmobile accounts (\$372,400 budgeted in 2012-13) 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 2011-12 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.

Non-budget Accounts

The Department maintains several non-budget segregated revenue accounts, managed separately from the nine accounts of the conservation fund (including promotions, certain gifts and donations, and equipment pool operations). The largest of these is the equipment and vehicle pool account, made up primarily of the Department's fleet operations.

DNR maintains a fleet account for the purchase, use, and maintenance of cars, trucks, and heavy equipment utilized by the agency. The Department's fleet operations are managed centrally through a segregated revenue appropriation. Fleet costs including vehicle depreciation, fuel, oil, repairs, insurance, and administrative costs are charged to this appropriation, and then recovered through chargebacks to programs. When DNR staff use a fleet vehicle, their program (such as law enforcement, wildlife management, or forestry) is charged a fleet usage rate, which they pay on a monthly or per-mile basis. Fleet rates vary depending on the vehicle class (such as car, light truck or heavy truck). For example, the calendar year 2012 rate for a four-cylinder sedan was 31¢

Table 22: Non-budget Accounts Condition

| | 2011-12 Actual | 2012-13 Estimated |
|-----------------------------|-------------------|----------------------|
| Opening Balance | -\$21,561,500 | -\$20,432,500 |
| Equipment and Vehicle Pool | \$10,191,400 | \$11,350,000 |
| Promotions and Publications | 43,500 | 40,000 |
| Other Revenue | <u>1,146,300</u> | <u>1,500,000</u> |
| Total Revenue | \$11,381,200 | \$12,890,000 |
| Equipment and Vehicle Pool | \$9,168,400 | \$11,200,000 |
| Promotions and Publications | 14,100 | 15,000 |
| Other Expenditures | <u>1,069,700</u> | <u>1,550,000</u> |
| Total Expenditures | \$10,252,200 | \$12,765,000 |
| Closing Cash Balance | -\$20,432,500 | -\$20,307,500 |

per mile. Rates are formulated on an annual basis based on the most complete prior fiscal year of usage costs (for instance, the calendar year 2013 rates are based on fiscal year 2011-12 cost figures). The rates also take into account increases in fuel costs as well as inflation rates (based on U.S. Department of Energy estimates and the Consumer Product Index), and the fleet balance. The fleet account also receives revenue from the sale of assets (used vehicles).

The federal government allows states to recover annual costs of operating a fleet including depreciation and the gain or loss on the sale of assets. The fleet account does not recover the full costs of capital expenditures (vehicle purchases) in the year they are incurred; therefore, the account

carries a cash deficit. For example, if the fleet account were to purchase a heavy truck at a cost of \$50,000, and the vehicle was projected to last for 15 years; the account would be set-up to recover the annual depreciated value of the vehicle from the programs (plus other operating costs such as maintenance and fuel costs). Therefore, under section 20.903(2)(b) of the statutes, the account is allowed to carry a cash deficit as long as the undepreciated (net book) value of fleet assets exceeds the cash deficit. Table 22 shows an estimated condition of the non-budget accounts including the fleet account.

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 2011-12. 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 current fees assessed for boat registration.

APPENDIX I

Conservation Fund Condition Statement 2011-13 Biennium

| | Fish and Wildlife | Forestry | Parks | Water Resources | Boat Registration | Snowmobile | All-Terrain Vehicle | Endangered Resources | Natural Magazine | Non-Budget Accounts*** | Total Conservation Fund |
|-----------------------------|----------------------|-------------------|-------------------|--------------------|----------------------|-------------------|------------------------|-------------------------|---------------------|---------------------------|-------------------------------|
| 2011-12 Actual | | | | | | | | | | | |
| Opening Balance | \$16,723,700 | \$24,034,900 | \$4,457,500 | \$15,160,900 | \$935,300 | \$5,251,000 | \$6,224,700 | \$1,252,400 | \$410,100 | -\$21,561,500 | \$52,889,000 |
| Revenue | 76,035,100 | 101,255,300 | 16,513,300 | 12,944,500 | 7,405,300 | 8,465,800 | 6,326,100 | 1,193,400 | 694,900 | 11,381,200 | 242,214,900 |
| Expenditures | <u>72,563,900</u> | <u>98,290,200</u> | <u>17,153,800</u> | <u>12,884,600</u> | <u>5,748,700</u> | <u>9,242,500</u> | <u>5,818,400</u> | <u>1,388,300</u> | <u>662,700</u> | <u>10,252,200</u> | <u>234,005,300</u> |
| Closing Cash Balance | \$20,194,900 | \$27,000,000 | \$3,817,000 | \$15,220,800 | \$2,591,900 | \$4,474,300 | \$6,732,400 | \$1,057,500 | \$442,300 | -\$20,432,500 | \$61,098,600 |
| 2012-13 Estimate | | | | | | | | | | | |
| Opening Balance | \$20,194,900 | \$27,000,000 | \$3,817,000 | \$15,220,800 | \$2,591,900 | \$4,474,300 | \$6,732,400 | \$1,057,500 | \$442,300 | -\$20,432,500 | \$61,098,600 |
| Revenue | 74,100,000 | 99,075,000 | 15,575,000 | 13,218,600 | 7,900,000 | 8,777,000 | 6,683,400 | 1,190,000 | 676,500 | 12,890,000 | 240,085,500 |
| Budgeted Expenditures | 79,071,200 | 107,226,200 | 15,830,900 | 13,405,400 | 5,890,800 | 8,849,800 | 6,919,200 | 1,494,500 | 979,700 | 12,765,000 | 252,432,700 |
| Reserves/Lapses* | <u>-2,000,000</u> | <u>-2,100,000</u> | <u>-1,220,000</u> | <u>-235,000</u> | <u>103,900</u> | <u>-1,288,400</u> | <u>-730,900</u> | <u>0</u> | <u>-317,000</u> | <u>0</u> | <u>-7,787,400</u> |
| Estimated Expenditures | \$77,071,200 | \$105,126,200 | \$14,610,900 | \$13,170,400 | \$5,994,700 | \$7,561,400 | \$6,188,300 | \$1,494,500 | \$662,700 | \$12,765,000 | \$244,645,300 |
| Estimated Closing Cash | \$17,223,700 | \$20,948,800 | \$4,781,100 | \$15,269,000 | \$4,497,200 | \$5,689,900 | \$7,227,500 | \$753,000 | \$456,100 | -\$20,307,500 | \$56,538,800 |
| Encumbrances/Continuing** | <u>12,641,200</u> | <u>9,157,100</u> | <u>885,200</u> | <u>13,802,500</u> | <u>40,400</u> | <u>5,680,100</u> | <u>5,110,200</u> | <u>733,700</u> | <u>442,300</u> | <u>1,132,000</u> | <u>49,624,700</u> |
| Estimated Available Balance | \$4,582,500 | \$11,791,700 | \$3,895,900 | \$1,446,500 | \$4,456,800 | \$9,800 | \$2,117,300 | \$19,300 | \$13,800 | -\$21,439,500 | \$6,914,100 |

*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.

**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).

***Non-budget accounts include fleet and equipment pool operations, promotions, and certain gifts and donations.

APPENDIX II

Major Hunting and Fishing License Fees and Fiscal Year 2011-12 Sales

| | Current Fee | 2011-12 Licenses Sold |
|----------------------------|-------------|--------------------------|
| Resident Hunting | | |
| Small Game | \$18.00 | 88,686 |
| Senior Small Game | 9.00 | 14,536 |
| Youth Small Game | 9.00 | 13,663 |
| Deer | 24.00 | 417,044 |
| Youth Deer | 20.00 | 57,978 |
| 10 and 11 Year Old Deer | 7.00 | 12,321 |
| Bonus Deer | 12.00 | 66,952 |
| Antlerless Herd Control | 0.00 | 757,937 |
| Elk | 49.00 | 0 |
| Class A Bear | 49.00 | 651* |
| Class B Bear Pursuit | 14.00 | 8,183 |
| Wolf | 100.00 | -- |
| Archery | 24.00 | 184,650 |
| Youth Archery | 20.00 | 15,379 |
| 10 and 11 Year Old Archery | 7.00 | 1,505 |
| Wild Turkey | 15.00 | 112,373 |
| Extra Turkey Tag | 10.00 | 73,534 |
| Trapping | 20.00 | 5,560 |
| Youth Trapping | 10.00 | 10 |
| Nonresident Hunting | | |
| Annual Small Game | \$85.00 | 6,266 |
| Five-day Small Game | 55.00 | 3,448 |
| Deer | 160.00 | 28,647 |
| Bonus Deer | 20.00 | 3,015 |
| Antlerless Herd Control | 0.00 | 39,581 |
| Elk | 251.00 | 0 |
| Class A Bear | 251.00 | 285 |
| Class B Bear Pursuit | 110.00 | 336 |
| Wolf | 500.00 | -- |
| Archer | 160.00 | 8,730 |
| Wild Turkey | 60.00 | 4,346 |
| Extra Turkey Tag | 15.00 | 2,879 |
| Furbearing Animal | 160.00 | 78 |
| Hunting Stamps | | |
| Pheasant | \$10.00 | 34,693 |
| Waterfowl | 7.00 | 54,177 |
| Wild Turkey | 5.25 | 111,360 |
| Resident Fishing | | |
| One-Day | \$8.00 | 11,552 |
| Annual | 20.00 | 514,989 |
| Senior Annual | 7.00 | 117,971 |
| Youth Annual | 7.00 | 33,702 |
| Husband and Wife | 31.00 | 120,327 |
| Disabled | 7.00 | 16,899 |
| Disabled Veteran | 3.00 | 4,246 |
| Sturgeon Spearing | 20.00 | 11,900 |
| Sturgeon Hook and Line | 20.00 | 764 |

| | Current Fee | 2011-12 Licenses Sold |
|--------------------------------------|-------------|--------------------------|
| Nonresident Fishing | | |
| Individual: | | |
| One-Day | \$10.00 | 62,010 |
| Annual | 50.00 | 80,133 |
| Fifteen-day | 28.00 | 31,153 |
| Four-day | 24.00 | 65,647 |
| Family: | | |
| Annual | 65.00 | 33,805 |
| Fifteen-day | 40.00 | 15,963 |
| Sturgeon Spearing | 65.00 | 214 |
| Sturgeon Hook and Line | 50.00 | 140 |
| Fishing Stamps | | |
| Inland Trout | \$10.00 | 140,739 |
| Great Lakes Trout and Salmon | 10.00 | 137,044 |
| Two Day Great Lakes Fishing | 14.00 | 29,094 |
| Two Day Inland Lake Trout | 14.00 | 198 |
| Resident Multiple Licenses | | |
| Conservation Patron | \$165.00 | 40,723 |
| Junior Patron | 75.00 | 3,513 |
| Sports License | 60.00 | 54,124 |
| Junior Sports | 35.00 | 2,751 |
| Disabled Veteran Recreation Card | 7.00 | 100 |
| Nonresident Multiple Licenses | | |
| Conservation Patron | \$600.00 | 81 |
| Junior Patron | 77.00 | 840 |
| Sports License | 275.00 | 505 |
| Junior Sports | 36.00 | 3,177 |

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

*Class A Bear licenses are awarded through a preference point lottery system whereby an applicant can apply once each year and elect to either purchase a preference point or be included in the drawing. If the applicant is not a drawing winner, one preference point is added to the applicant's total. Either option is \$49 for residents and \$251 for non-residents.

APPENDIX III

State Parks and Forests Recreation Fees January 1, 2013

| 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 - 15.00 |
| Non-Resident, Per Night* | 11.00 - 17.00 |
| Extra Charge for Electricity, Per Night | 5.00 |
| Reservation Fee, Per Reservation | 9.70 |
| Reservation Cancellation Fee, Per Reservation | 5.00 |
| Reservation Change fee (for changing site or dates)** | 5.00 |

*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; Northern Highlands-American Legion SF (select campgrounds); 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. Chippewa Moraine SRA | New Auburn | Chippewa |
| 11. Copper Falls | Mellen | Ashland |
| 12. Council Grounds | Merrill | Lincoln |
| 13. Cross Plains | Cross Plains | Dane |
| 14. Devil's Lake | Baraboo | Sauk |
| 15. Governor Dodge | Dodgeville | Iowa |
| 16. Governor Nelson | Waunakee | Dane |
| 17. Governor Thompson | Mountain | Marinette |
| 18. Harrington Beach | Belgium | Ozaukee |
| 19. Hartman Creek | Waupaca | Waupaca |
| 20. High Cliff | Menasha | Calumet |
| 21. Hoffman Hills SRA | Menomonie | Dunn |
| 22. Interstate | St. Croix Falls | Polk |
| 23. Kinnickinnic | River Falls | Pierce |
| 24. Kohler-Andrae | Sheboygan | Sheboygan |
| 25. Lake Kegonsa | Stoughton | Dane |
| 26. Lakeshore | Milwaukee | Milwaukee |
| 27. Lake Wissota | Chippewa Falls | Chippewa |
| 28. Menominee River | Niagara | Marinette |
| 29. Merrick | Fountain City | Buffalo |
| 30. Mill Bluff | Camp Douglas | Monroe |
| 31. Mirror Lake | Baraboo | Sauk |
| 32. Natural Bridge | Baraboo | Sauk |
| 33. Nelson Dewey | Cassville | Grant |
| 34. New Glarus Woods | New Glarus | Green |
| 35. Newport | Ellison Bay | Door |
| 36. Pattison | Superior | Douglas |
| 37. Peninsula | Fish Creek | Door |
| 38. Perrot | Trempealeau | Trempealeau |
| 39. Potawatomi | Sturgeon Bay | Door |
| 40. Rib Mountain | Wausau | Marathon |
| 41. Roche-A-Cri | Friendship | Adams |
| 42. Rock Island | Washington | Door |
| 43. Rocky Arbor | Wisconsin Dells | Sauk |
| 44. Straight Lake* | St. Croix Falls | Polk |
| 45. Tower Hill | Spring Green | Iowa |
| 46. Whitefish Dunes | Sturgeon Bay | Door |
| 47. Wildcat Mountain | Ontario | Vernon |
| 48. Willow River | Hudson | St. Croix |
| 49. Wyalusing | Bagley | Grant |
| 50. 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)

| Registration | Current Fee |
|----------------------------|-------------|
| Non-Motorized | |
| Volunteer | \$11.00 |
| Sailboat | 17.00 |
| Motorized | |
| Under 16' | \$22.00 |
| 16' to 26' | 32.00 |
| 26' to 40' | 60.00 |
| Over 40' | 100.00 |
| Fleet | |
| Fleet certification fee* | \$27.00 |
| Non-Motorized Fleet | |
| Volunteer | \$5.50 |
| Sailboat | 8.50 |
| Motorized Fleet | |
| Under 16 | \$11.00 |
| 16' to 26' | 16.00 |
| 26' to 40' | 30.00 |
| Over 40' | 50.00 |
| Transfer Registration Fees | |
| Under 16 | \$3.75 |
| 16' to 26 | 5.75 |
| Dealer /manufacturer fee | \$75.00 |

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.