

HOUSE RESEARCH

Bill Summary

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Overview

This bill changes the way the sustainable forest incentive program is administered by: delegating certain duties from the commissioner of revenue to the commissioner of natural resources; imposing new notification requirements on buyers and sellers of enrolled land; imposing notification requirements on the commissioner of natural resources; requiring and enforcing the registration of forest management plans; requiring claimants to provide certifications and reports to the commissioner of natural resources; requiring communication between the department of revenue and the department of natural resources regarding the tax forfeiture of enrolled land; and providing for new penalties for removal of enrolled land.

This bill also repeals 3 sections of law regarding an obsolete method for calculating payments under the sustainable forest incentive program.

Section

- 1 Purpose.** Modifies the purpose of the sustainable forest incentive program to detail the ecological and economic benefits that accrue to the state through the maintenance of healthy forests.
- 2 Application.** Applies the definitions section to all sections of the Sustainable Forest Incentive Act.
- 3 Approved plan writers.** Clarifies which commissioner is responsible for approving plan writers due to the definitional change of “commissioner” in section 5 of this bill.

Section

- 4** **Claimant.** Requires the buyer of land enrolled in the program to notify the commissioner in writing in order to claim payments disbursed through the program. Allows only the buyer to claim payments.
- 5** **Commissioner.** Changes the definition of commissioner to reference the commissioner of natural resources instead of the commissioner of revenue.
- 6** **Forest management plan.** Clarifies which commissioner is responsible for creating a framework for forest management plans due to the definitional change of “commissioner” in section five of this bill.
- 7** **Eligibility requirements.** Requires a claimant to register the forest management plan with the commissioner of natural resources and requires the commissioner to concur that the land is qualified. Requires the commissioner to provide information on plan registration to county assessors on an annual basis.
- 8** **Annual certification.** Defines a claimant as the current record owner of a tax parcel enrolled in the sustainable forest incentive program. Requires claimants to return a certification to the commissioner of natural resources stating that the requirements for continued enrollment of land are currently being met. Also requires a claimant to provide a report on the forest management practices carried out in the enrolled land for the past year.
- 9** **Annual incentive payment; appropriation.** Requires a certification from the commissioner of natural resources to the commissioner of revenue regarding the annual incentive payment that a claimant is entitled to.
- 10** **Removal for property tax delinquency.** Clarifies which commissioner is responsible for removing property for tax delinquency due to the definitional change of “commissioner” in section 5 of this bill. Requires the commissioner of revenue to notify the commissioner of natural resources when a parcel has been removed from the program due to delinquent property taxes. Also requires the commissioner of revenue to notify the commissioner of natural resources when the parcel has been reinstated into the program.
- 11** **Withdrawal procedures.** Adds clarifying language regarding who may withdraw land from the program.
- 12** **Transfer of ownership.** Creates a new section detailing the process for transferring ownership of enrolled lands.
- Requires a seller of enrolled land to disclose information to a buyer about the penalties for non-compliance with the sustainable forest incentive program.
 - Buyer and seller notifications.
 - Requires a seller to notify a buyer if the seller transfers to the buyer all of the seller’s enrolled land. Requires a buyer to therefore notify the commissioner of natural resources of the transfer.
 - Requires the seller of enrolled land to notify the commissioner of natural resources if the seller transfers only a portion of enrolled land to the buyer or all of the seller’s enrolled land to multiple buyers.

Section

- After notification by a seller or buyer, the commissioner of natural resources is required to notify the buyer about the covenants required under the program and of the need to submit a new forest management plan within two years.
- Requires the commissioner of natural resources to terminate a buyer's enrollment in the program if the buyer does not submit a new forest management plan as required.

13 Penalties for removal.

- Clarifies that the entity to whom termination procedures is directed is the current owner of the enrolled land and not the claimant.
- Clarifies that only the non-compliant parcel is subject to termination.
- Provides that, when land is removed from the program due to the construction of a building, a penalty of 25% of the market value of the tax parcel as reclassified is imposed.
- Provides that, when land is removed from the program due to non-forestry uses, a penalty of 30% of the market value of the tax parcel as reclassified is imposed.

14 Repealer. Repeals obsolete references to the calculation of payments under the program. The current payment is \$7 per acre.