

# Treasurer Adamczyk: BCPL must buy land if it sells land

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MADISON... State Treasurer Matt Adamczyk announced his opposition to current state law that requires the Board of Commissioners of Public Lands (BCPL) to purchase new land if it sells land currently held by the BCPL.

Over the last decade the BCPL staff has advised BCPL Commissioners to buy timberlands in Northern Wisconsin, which then took private lands off the tax rolls. Land bank purchases were done in opposition to the simple constitutional mission of the BCPL, which is to sell land and use the proceeds to benefit K-12 schools and the UW System.

When the land bank bill was passed it contained a serious flaw. The flaw requires all sale proceeds of BCPL land in Wisconsin be put into a segregated account to only be used to purchase new land. Currently, these funds total about \$2.25 million and make virtually no interest in a state checking account.

“The land bank law is a terrible law,” said Adamczyk. “Our constitutional mission at the BCPL is to sell land, not buy new land. The BCPL should not be forced to buy new lands. If a buyer purchased \$20 million worth of BCPL lands, the money would be required to sit in an account until used to buy new land. I do not support this and will never vote to buy any new land. Government entities already own about 20% of all land in Wisconsin—that is enough.”

In the past, the staff at the BCPL pushed the BCPL Board to buy timberlands instead of simply investing the proceeds from land sales into the BCPL trust portfolio of

loans and bonds. For example, in 2009, former Attorney General Van Hollen asked the logical question as to why the BCPL Board was being asked to buy an isolated chunk of land instead of making an investment in state loans. He was told by staff that land bank requires them to buy new land and cannot be used for any other investments.

When the BCPL buys land, its beneficiaries make nothing as BCPL staff costs exceed revenues from timber land management. In comparison, BCPL loans and bonds are very inexpensive to manage and have returned about four percent annually over the last decade.

“Right now the BCPL has about \$2.25 million sitting in a checking account making no interest when it could be invested earning more money for public education,” said Adamczyk. “For this reason, I will be advocating for a change in state law to end the requirement to buy new lands, a provision that I believe goes directly against our constitutional mission of selling all our lands.”