
ENGROSSED SUBSTITUTE SENATE BILL 5481

State of Washington 52nd Legislature 1991 Regular Session

By Senate Committee on Agriculture & Water Resources (originally sponsored by Senators Sellar and McMullen).

Read first time February 28, 1991.

1 AN ACT Relating to open spaces; amending RCW 84.34.020, 84.34.035,
2 84.34.037, 84.34.050, 84.34.060, 84.34.065, 84.34.070, 84.34.108,
3 84.34.145, 84.34.150, 84.34.155, 84.34.160, 84.34.320, and 84.34.360;
4 adding new sections to chapter 84.34 RCW; and providing an effective
5 date.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 84.34.020 and 1988 c 253 s 3 are each amended to read
8 as follows:

9 As used in this chapter, unless a different meaning is required by
10 the context:

11 (1) "Open space land" means (a) any land area so designated by an
12 official comprehensive land use plan adopted by any city or county and
13 zoned accordingly or (b) any land area, the preservation of which in
14 its present use would (i) conserve and enhance natural or scenic
15 resources, or (ii) protect streams or water supply, (iii) promote

1 conservation of soils, wetlands, beaches or tidal marshes, or (iv)
2 enhance the value to the public of abutting or neighboring parks,
3 forests, wildlife preserves, nature reservations or sanctuaries or
4 other open space, or (v) enhance recreation opportunities, or (vi)
5 preserve historic sites, or (vii) retain in its natural state tracts of
6 land not less than five acres situated in an urban area and open to
7 public use on such conditions as may be reasonably required by the
8 legislative body granting the open space classification.

9 (2) "Farm and agricultural land" means either (a) any parcel of
10 land ((in any)) that is twenty or more acres or multiple parcels of
11 land that are contiguous ((ownership of)) and totals twenty or more
12 acres (i) devoted primarily to ((the production of livestock or
13 agricultural commodities for commercial)) agricultural purposes, or
14 (ii) enrolled in the federal conservation reserve program or its
15 successor administered by the United States department of agriculture;
16 (b) any parcel of land that is five acres or more but less than twenty
17 acres devoted primarily to agricultural ((uses)) purposes, which has
18 produced a gross income from ((agricultural uses equivalent to)) such
19 purposes of (i) as of the effective date of this act, one hundred
20 dollars or more for all parcels of land that are classified under this
21 subsection or all parcels of land for which an application for
22 classification under this subsection is made with the granting
23 authority prior to January 1, 1992, and (ii) on or after January 1,
24 1992, two hundred dollars or more, per acre per year for three of the
25 five calendar years preceding the date of application for
26 classification under this chapter; or (c) any parcel of land of less
27 than five acres devoted primarily to agricultural ((uses)) purposes
28 which has produced a gross income of (i) as of the effective date of
29 this act, one thousand dollars or more for all parcels of land that are
30 classified under this subsection or all parcels of land for which an

1 application for classification under this subsection is made with the
2 granting authority prior to January 1, 1992, and (ii) on or after
3 January 1, 1992, fifteen hundred dollars or more, per year for three of
4 the five calendar years preceding the date of application for
5 classification under this chapter. Parcels of land that fall within
6 the gross income limits of (2)(b)(i) and (2)(c)(i) of this section
7 shall, upon any transfer of the property excluding transfers between
8 spouses upon death of a spouse, be subject to the limits of (2)(b)(ii)
9 and (2)(c)(ii) of this section. Agricultural lands shall also include
10 ((farm woodlots of less than twenty and more than five acres)) such
11 incidental uses as are compatible with agricultural purposes provided
12 such incidental use does not exceed twenty percent of the classified
13 land and the land on which appurtenances necessary to the production,
14 preparation or sale of the agricultural products exist in conjunction
15 with the lands producing such products. Agricultural lands shall also
16 include any parcel of land of one to five acres, which is not
17 contiguous, but which otherwise constitutes an integral part of farming
18 operations being conducted on land qualifying under this section as
19 "farm and agricultural lands". The land on which housing for employees
20 and the principal place of residence of the owner of land classified
21 pursuant to RCW 84.34.020(2)(a) is sited shall be classified as farm
22 and agricultural land if: The housing or residence is on or contiguous
23 to the classified parcel; and the use of the housing or the residence
24 by the owner is integral to the use of the classified land for
25 agricultural purposes.

26 (3) "Timber land" means any parcel of land ((in any)) that is five
27 or more acres or multiple parcels of land that are contiguous
28 ((ownership of)) and totals five or more acres which is devoted
29 primarily to the growth and harvest of forest crops ((and which is not
30 classified as reforestation land pursuant to chapter 84.28 RCW)) for

1 commercial purposes and for which a timber management plan has been
2 filed with (a) an application for classification pursuant to this
3 chapter or (b) a real estate excise tax affidavit. Timber land means
4 the land only.

5 (4) "Current" or "currently" means as of the date on which property
6 is to be listed and valued by the ((county)) assessor.

7 (5) "Owner" means the party or parties having the fee interest in
8 land, except that where land is subject to real estate contract "owner"
9 shall mean the contract vendee.

10 (6) "Contiguous" means land adjoining and touching other property
11 held by the same ownership. Land divided by a public road, but
12 otherwise an integral part of a farming operation, shall be considered
13 contiguous.

14 (7) "Granting authority" means the appropriate agency or official
15 who acts on an application for classification of land pursuant to this
16 chapter.

17 (8) "Agricultural purposes" means the lawful, commercial use on a
18 continuous basis, prior to and subsequent to application for
19 classification, by:

20 (a) Raising, harvesting, and selling lawful crops;

21 (b) Feeding, breeding, managing, and selling of livestock, poultry,
22 fur-bearing animals, or honey bees, or products thereof;

23 (c) Dairying or selling of dairy products;

24 (d) Animal husbandry;

25 (e) Aquaculture;

26 (f) Horticulture;

27 (g) Christmas tree plantations or other short rotation high yield
28 forest products;

29 (h) Participation in a government-funded crop reduction program,
30 acreage set-aside program, or other government agriculture program; or

1 (i) Other activities as defined by rule following consultation with
2 the advisory committee as established in section 15 of this act.

3 **Sec. 2.** RCW 84.34.035 and 1973 1st ex.s. c 212 s 4 are each
4 amended to read as follows:

5 The assessor shall act upon the application for current use
6 classification of farm and agricultural lands under ~~((subsection (2)~~
7 ~~of))~~ RCW 84.34.020(2), with due regard to all relevant evidence. The
8 application shall be deemed to have been approved unless, prior to the
9 first day of May of the year after such application was mailed or
10 delivered to the assessor, ~~((he))~~ the assessor shall notify the
11 applicant in writing of the extent to which the application is denied.
12 An owner who receives notice that his or her application has been
13 denied may appeal such denial to the ~~((county legislative authority))~~
14 board of equalization in the county where the property in question is
15 located. Within ten days following approval of the application, the
16 assessor shall submit notification of such approval to the county
17 auditor for recording in the place and manner provided for the public
18 recording of state tax liens on real property. The assessor shall
19 retain a copy of all applications.

20 The assessor shall, as to any such land, make a notation each year
21 on the assessment list and the tax roll of the assessed value of such
22 land for the use for which it is classified in addition to the assessed
23 value of such land were it not so classified.

24 ~~((The assessor shall also file notice of both such values with the~~
25 ~~county treasurer, who shall record such notice in the place and manner~~
26 ~~provided for recording delinquent taxes.))~~

27 **Sec. 3.** RCW 84.34.037 and 1985 c 393 s 1 are each amended to read
28 as follows:

1 Applications for classification under RCW 84.34.020 (~~(subsection)~~)
2 (1) (~~(or (3))~~) shall be made to the county legislative authority. An
3 application made for classification of land under RCW 84.34.020
4 (~~(subsection)~~) (1)(b)(~~(, or (3))~~) which is in an area subject to a
5 comprehensive plan shall be acted upon in the same manner in which an
6 amendment to the comprehensive plan is processed. Application made for
7 classification of land which is in an area not subject to a
8 comprehensive plan shall be acted upon after a public hearing and after
9 notice of the hearing shall have been given by one publication in a
10 newspaper of general circulation in the area at least ten days before
11 the hearing: PROVIDED, That applications for classification of land in
12 an incorporated area shall be acted upon by a (~~(determining)~~) granting
13 authority composed of three members of the county legislative body and
14 three members of the city legislative body in which the land is
15 located.

16 In determining whether an application made for classification under
17 RCW 84.34.020(~~(, subsection)~~) (1)(b)(~~(, or (3))~~) should be approved or
18 disapproved, the granting authority may take cognizance of the benefits
19 to the general welfare of preserving the current use of the property
20 which is the subject of application, and (~~(may)~~) shall consider
21 (~~(whether or not preservation of current use of the land when balanced~~
22 ~~against)~~) the resulting revenue loss or tax shift (~~(from granting)~~) and
23 whether granting the application will (1) conserve or enhance natural,
24 cultural, or scenic resources, (2) protect streams, stream corridors,
25 wetlands, natural shorelines and aquifers, (3) protect soil resources
26 and unique or critical wildlife and native plant habitat, (4) promote
27 conservation principles by example or by offering educational
28 opportunities, (5) enhance the value of abutting or neighboring parks,
29 forests, wildlife preserves, nature reservations, sanctuaries, or other
30 open spaces, (6) enhance recreation opportunities, (7) preserve

1 historic and archaeological sites, (8) affect any other factors
2 relevant in weighing benefits to the general welfare of preserving the
3 current use of the property: PROVIDED, That if a public benefit rating
4 system is adopted under RCW 84.34.055, the county legislative authority
5 shall rate property ~~((applying))~~ for which application for
6 classification has been made under RCW 84.34.020(1)(b) according to the
7 public benefit rating system in determining whether an application
8 should be approved or disapproved, but when such a system is adopted,
9 open space properties then classified under this chapter which do not
10 qualify under the system shall not be removed from classification but
11 may be rated according to the public benefit rating system: PROVIDED
12 FURTHER, That the granting authority may approve the application with
13 respect to only part of the land which is the subject of the
14 application: AND PROVIDED FURTHER, That if any part of the application
15 is denied, the applicant may withdraw the entire application: AND
16 PROVIDED FURTHER, That the granting authority in approving in part or
17 whole an application for land classified pursuant to RCW 84.34.020(1)
18 ~~((or (3)))~~ may also require that certain conditions be met, including
19 but not limited to the granting of easements: AND PROVIDED FURTHER,
20 That the granting or denial of the application for current use
21 classification is a legislative determination and shall be reviewable
22 only for arbitrary and capricious actions. ~~((The granting authority
23 may not require the granting of easements for land classified pursuant
24 to RCW 84.34.020(3).))~~

25 **Sec. 4.** RCW 84.34.050 and 1973 1st ex.s. c 212 s 6 are each
26 amended to read as follows:

27 (1) The granting authority shall immediately notify the ~~((county))~~
28 assessor and the applicant of its approval or disapproval which shall
29 in no event be more than six months from the receipt of said

1 application. No land other than farm and agricultural land shall be
2 (~~considered qualified~~) classified under this chapter until an
3 application in regard thereto has been approved by the appropriate
4 legislative authority.

5 (2) When the granting authority (~~finds that~~) classifies land
6 (~~qualifies~~) under this chapter, it shall file notice of the same with
7 the assessor within ten days. The assessor shall, as to any such land,
8 make a notation each year on the assessment list and the tax roll of
9 the assessed value of such land for the use for which it is classified
10 in addition to the assessed value of such land were it not so
11 classified.

12 (3) Within ten days following receipt of the notice from the
13 granting authority (~~that~~) of classification of such land
14 (~~qualifies~~) under this chapter, the assessor shall submit such notice
15 to the county auditor for recording in the place and manner provided
16 for the public recording of state tax liens on real property.

17 (~~(4) The assessor shall also file notice of both such value with
18 the county treasurer, who shall record such notice in the place and
19 manner provided for recording delinquent taxes.~~)

20 **Sec. 5.** RCW 84.34.060 and 1985 c 393 s 2 are each amended to read
21 as follows:

22 In determining the true and fair value of open space land and
23 timber land, which has been classified as such under the provisions of
24 this chapter, the assessor shall consider only the use to which such
25 property and improvements is currently applied and shall not consider
26 potential uses of such property. The (~~assessor shall compute the
27 assessed value of such property by using the same assessment ratio
28 which he applies generally in computing the assessed value of other
29 property: PROVIDED, That the~~) assessed valuation of open space land

1 (~~with no current use shall not be less than that which would result if~~
2 ~~it were to be assessed for agricultural uses,~~) shall not be less than
3 the minimum value per acre of classified farm and agricultural land
4 except that the assessed valuation of open space land (~~with no current~~
5 ~~use~~) may be valued based on the public benefit rating system adopted
6 under RCW 84.34.055: PROVIDED FURTHER, That timber land shall be
7 valued according to chapter 84.33 RCW.

8 **Sec. 6.** RCW 84.34.065 and 1989 c 378 s 11 are each amended to read
9 as follows:

10 The true and fair value of farm and agricultural land shall be
11 determined by consideration of the earning or productive capacity of
12 comparable lands from crops grown most typically in the area averaged
13 over not less than five years, capitalized at indicative rates. The
14 earning or productive capacity of farm and agricultural lands shall be
15 the "net cash rental", capitalized at a "rate of interest" charged on
16 long term loans secured by a mortgage on farm or agricultural land plus
17 a component for property taxes.

18 For the purposes of the above computation:

19 (1) The term "net cash rental" shall mean the average rental paid
20 on an annual basis, in cash (~~or its equivalent~~), for the land being
21 appraised and other farm and agricultural land of similar quality and
22 similarly situated that is available for lease for a period of at least
23 three years to any reliable person without unreasonable restrictions on
24 its use for production of agricultural crops. There shall be allowed
25 as a deduction from the rental received or computed any costs of crop
26 production charged against the landlord if the costs are such as are
27 customarily paid by a landlord. If "net cash rental" data is not
28 available, the earning or productive capacity of farm and agricultural
29 lands shall be determined by the cash value of typical or usual crops

1 grown on land of similar quality and similarly situated averaged over
2 not less than five years. Standard costs of production shall be
3 allowed as a deduction from the cash value of the crops.

4 The current "net cash rental" or "earning capacity" shall be
5 determined by the assessor with the advice of the advisory committee as
6 provided in RCW 84.34.145, and through a continuing (~~study within his~~
7 ~~office~~) internal study, assisted by studies of the department of
8 revenue. This net cash rental figure as it applies to any farm and
9 agricultural land may be challenged before the same boards or
10 authorities as would be the case with regard to assessed values on
11 general property.

12 (2) The term "rate of interest" shall mean the rate of interest
13 charged by the farm credit administration and other large financial
14 institutions regularly making loans secured by farm and agricultural
15 lands through mortgages or similar legal instruments, averaged over the
16 immediate past five years.

17 The "rate of interest" shall be determined annually by (~~adoption~~
18 ~~of~~) a rule adopted by the (~~revenue~~) department of (~~the state of~~
19 ~~Washington,~~) revenue and such rule shall be published in the state
20 register not later than January 1 of each year for use in that
21 assessment year. The (~~determination of the revenue~~) department of
22 revenue determination may be appealed to the state board of tax appeals
23 within thirty days after the date of publication by any owner of farm
24 or agricultural land or the assessor of any county containing farm and
25 agricultural land.

26 (3) The "component for property taxes" shall be a (~~percentage~~
27 ~~equal to the estimated mileage rate times the legal assessment ratio~~)
28 figure obtained by dividing the assessed value of all property in the
29 county into the property taxes levied within the county in the year

1 preceding the assessment and multiplying the quotient obtained by one
2 hundred.

3 **Sec. 7.** RCW 84.34.070 and 1984 c 111 s 2 are each amended to read
4 as follows:

5 When land has once been classified under this chapter, it shall
6 remain under such classification and shall not be applied to other use
7 except a transfer between classifications under RCW 84.34.020 (1), (2),
8 and (3), or between lands classified or designated pursuant to chapter
9 84.33 RCW and RCW 84.34.020 for at least ten years from the date of
10 classification and shall continue under such classification until and
11 unless withdrawn from classification after notice of request for
12 withdrawal shall be made by the owner. During any year after eight
13 years of the initial ten-year classification period have elapsed,
14 notice of request for withdrawal of all or a portion of the land(~~(~~
15 ~~which shall be irrevocable~~~~)~~) may be given by the owner to the
16 ((county)) assessor or assessors of the county or counties in which
17 such land is situated. Any notice of request for withdrawal shall be
18 irrevocable. In the event that a portion of a parcel is removed from
19 classification, the remaining portion must meet the same requirements
20 as did the entire parcel when such land was originally granted
21 classification pursuant to this chapter unless the size of the
22 remaining parcel has a different income criteria. Within seven days
23 the ((county)) assessor shall transmit one copy of such notice to the
24 legislative body which originally approved the application. The
25 ((county)) assessor or assessors, as the case may be, shall, when two
26 assessment years have elapsed following the date of receipt of such
27 notice, withdraw such land from such classification and the land shall
28 be subject to the additional tax due under RCW 84.34.108 (3) (a) and
29 (b): PROVIDED, That agreement to tax according to use shall not be

1 considered to be a contract and can be abrogated at any time by the
2 legislature in which event no additional tax or penalty shall be
3 imposed.

4 **Sec. 8.** RCW 84.34.108 and 1989 c 378 s 35 are each amended to read
5 as follows:

6 (1) When land has once been classified under this chapter, a
7 notation of such ~~((designation))~~ classification shall be made each year
8 upon the assessment and tax rolls and such land shall be valued
9 pursuant to RCW 84.34.060 or 84.34.065 until removal of all or a
10 portion of such ~~((designation))~~ classification by the assessor upon
11 occurrence of any of the following:

12 (a) Receipt of notice from the owner to remove all or a portion of
13 such ~~((designation))~~ classification;

14 (b) Sale or transfer to an ownership, except a transfer caused by
15 a loan default to a governmental agency that intends to resell the
16 property to be continued in the same use, making all or a portion of
17 such land exempt from ad valorem taxation;

18 (c) Sale or transfer of all or a portion of such land to a new
19 owner, unless the new owner has signed a notice of classification
20 continuance. The signed notice of continuance shall be attached to the
21 real estate excise tax affidavit provided for in RCW 82.45.120, as now
22 or hereafter amended. The notice of continuance shall be on a form
23 prepared by the department of revenue. If the notice of continuance is
24 not signed by the new owner and attached to the real estate excise tax
25 affidavit, all additional taxes calculated pursuant to subsection (3)
26 of this section shall become due and payable by the seller or
27 transferor at time of sale. The county auditor shall not accept an
28 instrument of conveyance of classified land for filing or recording
29 unless the new owner has signed the notice of continuance or the

1 additional tax has been paid. The seller, transferor, or new owner may
2 appeal the new assessed valuation calculated under subsection (3) of
3 this section to the county board of equalization. Jurisdiction is
4 hereby conferred on the county board of equalization to hear these
5 appeals;

6 (d) Determination by the assessor, after giving the owner written
7 notice and an opportunity to be heard, that all or a portion of such
8 land ((is)) no longer ((primarily devoted to and used for the purposes
9 under which it was granted classification)) meets the criteria for
10 classification under this chapter. The criteria for classification
11 pursuant to this chapter continue to apply after classification has
12 been granted.

13 The granting authority, upon request of an assessor, shall provide
14 reasonable assistance to the assessor in making a determination whether
15 such land continues to meet the qualifications of RCW 84.34.020 (1) or
16 (3). The assistance shall be provided within thirty days of receipt of
17 the request.

18 (2) Within thirty days after such removal of all or a portion of
19 such land from current use classification, the assessor shall notify
20 the owner in writing, setting forth the reasons for such removal. The
21 seller, transferor, or owner may appeal such removal to the county
22 board of equalization.

23 (3) Unless the removal is reversed on appeal, the assessor shall
24 revalue the affected land with reference to full market value on the
25 date of removal from classification. Both the assessed valuation
26 before and after the removal of classification shall be listed and
27 taxes shall be allocated according to that part of the year to which
28 each assessed valuation applies. Except as provided in subsection (5)
29 of this section, an additional tax shall be imposed which shall be due
30 and payable to the county treasurer thirty days after the owner is

1 notified of the amount of the additional tax. As soon as possible, the
2 assessor shall compute the amount of such an additional tax and the
3 treasurer shall mail notice to the owner of the amount thereof and the
4 date on which payment is due. The amount of such additional tax shall
5 be equal to:

6 (a) The difference between the property tax paid as "open space
7 land", "farm and agricultural land", or "timber land" and the amount of
8 property tax otherwise due and payable for the seven years last past
9 had the land not been so classified; plus

10 (b) Interest upon the amounts of such additional tax paid at the
11 same statutory rate charged on delinquent property taxes from the dates
12 on which such additional tax could have been paid without penalty if
13 the land had been assessed at a value without regard to this chapter;
14 and

15 (c) A penalty at the same percentage as provided in RCW 84.34.080.

16 (4) Additional tax, together with applicable interest (~~thereon~~)
17 and penalty, shall become a lien on such land which shall attach at the
18 time such land is removed from (~~current-use~~) classification under
19 this chapter and shall have priority to and shall be fully paid and
20 satisfied before any recognizance, mortgage, judgment, debt, obligation
21 or responsibility to or with which such land may become charged or
22 liable. Such lien may be foreclosed upon expiration of the same period
23 after delinquency and in the same manner provided by law for
24 foreclosure of liens for delinquent real property taxes as provided in
25 RCW 84.64.050 now or as hereafter amended. Any additional tax unpaid
26 on its due date shall thereupon become delinquent. From the date of
27 delinquency until paid, interest shall be charged at the same rate
28 applied by law to delinquent ad valorem property taxes.

1 (5) The additional tax specified in subsection (3) of this section
2 shall not be imposed if the removal of (~~designation~~) classification
3 pursuant to subsection (1) of this section resulted solely from:

4 (a) Transfer to a government entity in exchange for other land
5 located within the state of Washington;

6 (b) (i) A taking through the exercise of the power of eminent
7 domain, or (ii) sale or transfer to an entity having the power of
8 eminent domain in anticipation of the exercise of such power, said
9 entity having manifested its intent in writing or by other official
10 action;

11 (c) Sale or transfer of land within two years after the death of
12 the owner of at least a fifty percent interest in such land;

13 (d) A natural disaster such as a flood, windstorm, earthquake, or
14 other such calamity rather than by virtue of the act of the landowner
15 changing the use of such property;

16 (e) Official action by an agency of the United States or the state
17 of Washington or by the county or city within which the land is located
18 which disallows the present use of such land;

19 (f) Transfer of land to a church (~~and~~) when such land would
20 qualify for (~~property tax~~) exemption pursuant to RCW 84.36.020; or

21 (g) Acquisition of property interests by state agencies or agencies
22 or organizations qualified under RCW 84.34.210 and 64.04.130 for the
23 purposes enumerated in those sections: PROVIDED, That at such time as
24 these property interests are not used for the purposes enumerated in
25 RCW 84.34.210 and 64.04.130 the additional tax specified in subsection
26 (3) of this section shall be imposed.

27 **Sec. 9.** RCW 84.34.145 and 1973 1st ex.s. c 212 s 11 are each
28 amended to read as follows:

1 The county legislative authority shall appoint a five member
2 committee representing the active farming community within the county
3 to serve in an advisory capacity to the ((county)) assessor in
4 implementing assessment guidelines as established by the department of
5 revenue for the assessment of open space, farms and agricultural lands,
6 and timber lands classified pursuant to this 1973 amendatory act.

7 **Sec. 10.** RCW 84.34.150 and 1973 1st ex.s. c 212 s 15 are each
8 amended to read as follows:

9 Land classified under the provisions of chapter 84.34 RCW prior to
10 July 16, 1973 which meets the ((definition of farm and agricultural
11 land)) criteria for classification under the provisions of this 1973
12 amendatory act, ((upon request for such change made by the owner to the
13 county assessor, shall be)) is hereby reclassified ((by the county
14 assessor)) under the provisions of this 1973 amendatory act. This
15 change in classification shall be made without additional tax, penalty,
16 or other requirements: PROVIDED, That subsequent to such
17 reclassification, the land shall be fully subject to the provisions of
18 chapter 84.34 RCW((, as now or hereafter amended)). A condition
19 imposed by a granting authority prior to July 16, 1973, upon land
20 classified pursuant to RCW 84.34.020 (1) or (3) shall remain in effect
21 during the classification.

22 **Sec. 11.** RCW 84.34.155 and 1973 1st ex.s. c 212 s 19 are each
23 amended to read as follows:

24 Land classified under the provisions of chapter 84.34 RCW as timber
25 land which meets the definition of forest land under the provisions of
26 chapter 84.33 RCW, upon request for such change made by the owner to
27 the ((county assessor)) granting authority, shall be reclassified by
28 the ((county)) assessor under the provisions of chapter 84.33 RCW.

1 This change in classification shall be made without additional tax,
2 penalty, or other requirements set forth in chapter 84.34 RCW:
3 PROVIDED, That subsequent to such reclassification, the land shall be
4 fully subject to the provisions of chapter 84.33 RCW, as now or
5 hereafter amended.

6 **Sec. 12.** RCW 84.34.160 and 1973 1st ex.s. c 212 s 18 are each
7 amended to read as follows:

8 The department of revenue and each ~~((local assessor))~~ granting
9 authority is hereby directed to publicize the qualifications and manner
10 of making applications for ~~((current use))~~ classification. Whenever
11 possible notice of the qualifications, method of making applications,
12 and availability of further information on current use classification
13 shall be included ~~((with the second half property tax statements for~~
14 ~~1973, and thereafter, shall be included))~~ with every notice of change
15 in valuation ~~((of unplatted lands))~~.

16 **Sec. 13.** RCW 84.34.320 and 1979 c 84 s 3 are each amended to read
17 as follows:

18 Any land classified as farm and agricultural land ~~((which is~~
19 ~~designated for current use classification))~~ pursuant to chapter 84.34
20 RCW at the earlier of the times the legislative authority of a local
21 government adopts a resolution, ordinance, or legislative act (1) to
22 create a local improvement district, in which such land is included or
23 would have been included but for such classification ~~((designation))~~,
24 or (2) to approve or confirm a final special benefit assessment roll
25 relating to a sanitary and/or storm sewerage system, domestic water
26 supply and/or distribution system, or road construction and/or
27 improvement, which roll would have included such land but for such
28 classification ~~((designation))~~, shall be exempt from special benefit

1 assessments or charges in lieu of assessment for such purposes as long
2 as that land remains in such classification, except as otherwise
3 provided in RCW 84.34.360.

4 Whenever a local government creates a local improvement district,
5 the levying, collection and enforcement of assessments shall be in the
6 manner and subject to the same procedures and limitations as are
7 provided pursuant to the law concerning the initiation and formation of
8 local improvement districts for the particular local government.
9 Notice of the creation of a local improvement district that includes
10 farm and agricultural land shall be filed with the county assessor and
11 the legislative authority of the county in which such land is located.
12 The ((county)) assessor, upon receiving notice of the creation of such
13 a local improvement district, shall send a notice to the owner of the
14 farm and agricultural lands listed on the tax rolls of the applicable
15 county treasurer of: (1) the creation of the local improvement
16 district; (2) the exemption of that land from special benefit
17 assessments; (3) the fact that the farm and agricultural land may
18 become subject to the special benefit assessments if the owner waives
19 the exemption by filing a notarized document with the governing body of
20 the local government creating the local improvement district before the
21 confirmation of the final special benefit assessment roll; and (4) the
22 potential liability, pursuant to RCW 84.34.330, if the exemption is not
23 waived and the land is subsequently removed from the farm and
24 agricultural land status. When a local government approves and
25 confirms a special benefit assessment roll, from which farm and
26 agricultural land has been exempted pursuant to this section, it shall
27 file a notice of such action with the ((county)) assessor and the
28 legislative authority of the county in which such land is located and
29 with the treasurer of that local government, which notice shall
30 describe the action taken, the type of improvement involved, the land

1 exempted, and the amount of the special benefit assessment which would
2 have been levied against the land if it had not been exempted. The
3 filing of such notice with the ((county)) assessor and the treasurer of
4 that local government shall constitute constructive notice to a
5 purchaser or encumbrancer of the affected land, and every person whose
6 conveyance or encumbrance is subsequently executed or subsequently
7 recorded, that such exempt land is subject to the charges provided in
8 RCW 84.34.330 and 84.34.340 if such land is withdrawn or removed from
9 its current use classification as farm and agricultural land.

10 The owner of the land exempted from special benefit assessments
11 pursuant to this section may waive that exemption by filing a notarized
12 document to that effect with the legislative authority of the local
13 government upon receiving notice from said local government concerning
14 the assessment roll hearing and before the local government confirms
15 the final special benefit assessment roll. A copy of that waiver shall
16 be filed by the local government with the ((county)) assessor, but the
17 failure of such filing shall not affect the waiver.

18 Except to the extent provided in RCW 84.34.360, the local
19 government shall have no duty to furnish service from the improvement
20 financed by the special benefit assessment to such exempted land.

21 **Sec. 14.** RCW 84.34.360 and 1979 c 84 s 7 are each amended to read
22 as follows:

23 (~~Within ninety days after June 7, 1979,~~) The department of
24 revenue shall adopt rules it shall deem necessary to implement RCW
25 84.34.300 through 84.34.380 which shall include, but not be limited to,
26 procedures to determine the extent to which a portion of the land
27 otherwise exempt may be subject to a special benefit assessment for the
28 actual connection to the domestic water system or sewerage facilities,
29 and further to determine the extent to which all or a portion of such

1 land may be subject to a special benefit assessment for access to the
2 road improvement in relation to its value as farm and agricultural land
3 as distinguished from its value under more intensive uses. The
4 provision for limited special benefit assessments shall not relieve
5 such land from liability for the amounts provided in RCW 84.34.330 and
6 84.34.340 when such land is withdrawn or removed from its current use
7 classification as farm and agricultural land.

8 NEW SECTION. **Sec. 15.** A new section is added to chapter 84.34 RCW
9 to read as follows:

10 There is created an advisory committee to assist the department of
11 revenue in recommending changes to the rules implementing this chapter.
12 The committee shall have eight members. Four shall be assessors,
13 selected by assessors. Two assessors shall reside east of the crest of
14 the Cascade mountains. Four shall be appointed by the department and
15 shall represent a cross-section of the agricultural and forestry
16 community. Two community members shall reside east of the crest of the
17 Cascade mountains. The term of appointment for the community members
18 shall be four years.

19 The committee shall meet at least annually, and at such other times
20 as it deems necessary, to recommend adoption of new or amended
21 administrative rules and other changes as it finds appropriate.

22 NEW SECTION. **Sec. 16.** A new section is added to chapter 84.34 RCW
23 to read as follows:

24 An application for current use classification under RCW
25 84.34.020(3) shall be made to the county legislative authority.

26 (1) The application shall be made upon forms prepared by the
27 department of revenue and supplied by the granting authority and shall
28 include the following:

1 (a) A legal description of, or assessor's parcel numbers for, all
2 land the applicant desires to be classified as timber land;
3 (b) The date or dates of acquisition of the land;
4 (c) A brief description of the timber on the land, or if the timber
5 has been harvested, the owner's plan for restocking;
6 (d) Whether there is a forest management plan for the land;
7 (e) If so, the nature and extent of implementation of the plan;
8 (f) Whether the land is used for grazing;
9 (g) Whether the land has been subdivided or a plat filed with
10 respect to the land;
11 (h) Whether the land and the applicant are in compliance with the
12 restocking, forest management, fire protection, insect and disease
13 control, and forest debris provisions of Title 76 RCW or applicable
14 rules under Title 76 RCW;
15 (i) Whether the land is subject to forest fire protection
16 assessments pursuant to RCW 76.04.610;
17 (j) Whether the land is subject to a lease, option, or other right
18 that permits it to be used for a purpose other than growing and
19 harvesting timber;
20 (k) A summary of the past experience and activity of the applicant
21 in growing and harvesting timber;
22 (l) A summary of current and continuing activity of the applicant
23 in growing and harvesting timber;
24 (m) A statement that the applicant is aware of the potential tax
25 liability involved when the land ceases to be classified as timber
26 land.
27 (2) An application made for classification of land under RCW
28 84.34.020(3) shall be acted upon after a public hearing and after
29 notice of the hearing is given by one publication in a newspaper of
30 general circulation in the area at least ten days before the hearing.

1 Application for classification of land in an incorporated area shall be
2 acted upon by a granting authority composed of three members of the
3 county legislative body and three members of the city legislative body
4 in which the land is located.

5 (3) The granting authority shall act upon the application with due
6 regard to all relevant evidence and without any one or more items of
7 evidence necessarily being determinative, except that the application
8 may be denied for one of the following reasons, without regard to other
9 items:

10 (a) The land does not contain a stand of timber as defined in
11 chapter 76.09 RCW and applicable rules, except this reason shall not
12 alone be sufficient to deny the application (i) if the land has been
13 recently harvested or supports a growth of brush or noncommercial type
14 timber, and the application includes a plan for restocking within three
15 years or the longer period necessitated by unavailability of seed or
16 seedings, or (ii) if only isolated areas within the land do not meet
17 minimum standards due to rock outcroppings, swamps, unproductive soil,
18 or other natural conditions;

19 (b) The applicant, with respect to the land, has failed to comply
20 with a final administrative or judicial order with respect to a
21 violation of the restocking, forest management, fire protection, insect
22 and disease control, and forest debris provisions of Title 76 RCW or
23 applicable rules under Title 76 RCW;

24 (c) The land abuts a body of salt water and lies between the line
25 of ordinary high tide and a line paralleling the ordinary high tide
26 line and two hundred feet horizontally landward from the high tide
27 line.

28 The granting authority may approve the application with respect to
29 only part of the land that is described in the application, and if any
30 part of the application is denied, the applicant may withdraw the

1 entire application. The granting authority, in approving in part or
2 whole an application for land classified pursuant to RCW 84.34.020(3),
3 may also require that certain conditions be met.

4 Granting or denial of an application for current use classification
5 is a legislative determination and shall be reviewable only for
6 arbitrary and capricious actions. The granting authority may not
7 require the granting of easements for land classified pursuant to RCW
8 84.34.020(3).

9 The granting authority shall approve or disapprove an application
10 made under this section within six months following the date the
11 application is received.

12 NEW SECTION. **Sec. 17.** This act shall take effect January 1,
13 1992.