
**Agriculture & Ecology
Committee**

HB 2758

Brief Description: Establishing the agricultural conservation easements program.

Sponsors: Representatives Quall, Linville and Hunt.

Brief Summary of Bill

- Establishes the Agricultural Conservation Easements Program in the Department of Agriculture.
- Creates the Agricultural Conservation Easements Account in the state treasury.

Hearing Date: 2/7/02

Staff: Caroleen Dineen (786-7156).

Background:

The Department of Agriculture (Department) is the state agency performing duties and managing programs related to the production, distribution, and sale of agricultural commodities. The Department's authority in this regard includes matters such as agricultural market development for foreign and domestic markets, state and federal cooperative marketing programs, land utilization for agricultural purposes, water resources, transportation, and farm labor.

Local governments and certain public and private entities are authorized to acquire the title to or other interests in land for the purposes of protecting, improving, restoring, maintaining or conserving certain open space, farm or agricultural, and timber land for public use or enjoyment. The entities authorized to make these acquisitions include counties, cities, towns, metropolitan park districts, metropolitan municipal corporations, nonprofit historic preservation corporations, and nonprofit nature conservancy corporations or associations. These entities are specifically authorized to acquire development rights in certain open space, farm or agricultural, and timber land (conservation futures) for conservation purposes. The statutes authorizing these acquisitions include some general provisions on future uses of

property acquired for these purposes.

To fund these acquisitions, counties may impose a property tax levy against the assessed valuation of all taxable property in the county. The property tax levy amount may be no greater than \$0.0625 per \$1,000 of assessed valuation. The levy revenues may be placed in a "conservation futures fund," which may only be used to acquire rights and interests in real property.

Summary of Bill:

The agricultural conservation easements program (Program) is established in the Department of Agriculture (Department). The director of the Department (Director) must report to the Legislature the potential funding sources for purchase of agricultural conservation easements and recommend changes to existing funding authorized by the Legislature. At a minimum, the Director must consider the following potential funding sources:

- Federal funding;
- State general fund dollars;
- Management assessment on all new developments outside urban growth boundaries;
- Taxes on increases in value in real property resulting from changes in zoning, especially rezoning of farmland for rural residential or urban development;
- Direct penalties for conversion of resource lands from current use assessment; and
- A very low statewide additional real estate excise tax.

All Program funding must be deposited into the agricultural conservation easements account (Account), which is created in the state treasury. Account deposits include legislative appropriations, other sources directed by the Legislature, and gifts, grants, or endowments from public or private sources. Expenditures from the Account may be used only for the purchase of easements under the Program, and local governments and private nonprofits may be funded from the Account on a "match" or "no match" basis. Any easements purchased with Account funds run with the land.

The Director is required to manage the Program and adopt rules as needed to implement legislative intent. Legislative findings cite concerns regarding land costs and conversion of agricultural lands. Legislative intent is specified for creation of a program facilitating the use of federal funds, easing local governments' establishment of similar programs, and assisting local governments to fight conversion of agricultural lands.

Appropriation: None.

Fiscal Note: Requested on February 5, 2002.

Effective Date: Ninety days after adjournment of session in which bill is passed.