

---

SENATE BILL 6456

---

State of Washington

54th Legislature

1996 Regular Session

By Senators Fraser, Swecker, Rasmussen, Haugen, Winsley, Franklin, McAuliffe and Kohl; by request of Governor Lowry

Read first time 01/15/96. Referred to Committee on Ecology & Parks.

1 AN ACT Relating to creating a property tax credit as an incentive  
2 for the improvement and restoration of streams, rivers, and riparian  
3 areas; adding a new chapter to Title 84 RCW; adding a new section to  
4 chapter 89.08 RCW; providing an effective date; and providing an  
5 expiration date.

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

7 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

8 (a) Cooperative partnerships formed by governmental agencies and  
9 private landowners can provide needed improvement to and restoration of  
10 streams, rivers, and riparian areas;

11 (b) Improving and restoring the habitat of streams, rivers, and  
12 riparian areas will:

13 (i) Benefit the aquatic and wildlife species in the state;

14 (ii) Improve water quality for all water resource users;

15 (iii) Reduce damage to property that often accompanies flooding;

16 and

17 (iv) Potentially improve the availability of water for all users;

18 and

1 (c) Some salmonid stocks within the state of Washington have  
2 declined at an accelerated rate during the past few years and improving  
3 and restoring the habitat of streams, rivers, and riparian areas upon  
4 which spawning salmonid stocks depend for survival will help to reverse  
5 this decline.

6 (2) It is the intent of the legislature that a program be created  
7 to improve and restore the habitat of aquatic and wildlife species of  
8 streams, rivers, and riparian areas located on privately owned land and  
9 that owners of land abutting streams and rivers be allowed a credit  
10 against the state portion of property taxes levied on such land for  
11 expenditures made to improve, restore, rebuild, or rehabilitate the  
12 habitat of streams, rivers, and riparian areas.

13 NEW SECTION. **Sec. 2.** The definitions in this section apply  
14 throughout this chapter unless the context clearly requires otherwise.

15 (1) "Conservation commission" and "state conservation commission"  
16 mean the agency created in accordance with RCW 89.08.030.

17 (2) "Conservation district" means a governmental subdivision of  
18 this state and a public body corporate and politic, organized in  
19 accordance with chapter 89.08 RCW.

20 (3) "Fish and wildlife" means the Washington department of fish and  
21 wildlife.

22 (4) "Improvement or restoration" and "improve or restore" mean  
23 expenditures made to improve, restore, rebuild, or rehabilitate the  
24 water quality and quantity, wildlife habitat, and aquatic habitat of  
25 streams, rivers, or riparian areas in the state.

26 (5) "Owner" means the party or parties having the fee interest in  
27 land, except that where land is subject to real estate contract,  
28 "owner" means the contract vendee.

29 (6) "Riparian" means areas next to streams or rivers that are  
30 capable of supporting plant and animal species that require more  
31 moisture than the plant and animal communities growing on adjacent  
32 uplands. Riparian areas are adjacent to streams and rivers where  
33 specific measures are needed to protect aquatic and wildlife habitat  
34 needs and watershed.

35 (7) "Salmonid" means a fish of the family salmonidae. Fish in this  
36 family include salmon, steelhead, trout, char, whitefish, and grayling.

37 (8) "Watershed" means a geographic region within which water drains  
38 into a particular river, stream, or body of water identified and

1 numbered as state of Washington water resource inventory areas under  
2 RCW 43.27A.130 and defined by WAC 173-500-040 as existing on the  
3 effective date of this act.

4 NEW SECTION. **Sec. 3.** (1) An owner of land shall be allowed a  
5 credit against the state portion of property taxes levied on land  
6 abutting a stream, river, or riparian area if the land falls within one  
7 of the categories set forth in section 4 of this act and the following  
8 conditions have been met:

9 (a) A conservation district has determined that certain  
10 improvements or restorations are necessary to improve or restore the  
11 habitat of the stream, river, or riparian area;

12 (b) A conservation district has prepared a management plan  
13 detailing the required improvements or restorations;

14 (c) The improvements or restorations to the habitat of the stream,  
15 river, or riparian area detailed in the management plan would be  
16 required to be made by a governmental agency, as resources are  
17 available, if the owner does not make the required improvements or  
18 restorations;

19 (d) The owner has completed the required improvements or  
20 restorations in accordance with the management plan and has provided a  
21 conservation district with all receipts for work and materials  
22 associated with the improvements or restorations;

23 (e) A conservation district has inspected the improvements or  
24 restorations and has determined that the improvements or restorations  
25 required by the management plan have been satisfactorily completed; and

26 (f) A conservation district has provided the owner with a credit  
27 voucher certifying that the owner has completed improvements or  
28 restorations to the portion of his or her land abutting a stream,  
29 river, or riparian area and certifying the total amount of money spent  
30 by the owner in this effort.

31 (2) To receive this credit the owner must submit the credit voucher  
32 received from a conservation district for improvements or restorations  
33 to the treasurer of the county in which the improved or restored  
34 stream, river, or riparian area is located. The treasurer shall treat  
35 this credit voucher in the same manner as a monetary payment of  
36 property taxes.

1        NEW SECTION.    **Sec. 4.**    An owner of land that falls within one of  
2 the following categories may qualify for the property tax credit set  
3 forth in section 3 of this act for improvements or restorations to the  
4 habitat of streams, rivers, or riparian areas:

5        (1) Land bordering streams that are critical to the recovery of  
6 anadromous fishery stocks listed as "critical" or "depressed" in the  
7 1992 Washington State Salmon and Steelhead Stock Inventory published by  
8 the department of fisheries, the department of wildlife, and the  
9 Western Washington Treaty of Indian Tribes in March 1993;

10       (2) Land within a watershed that is listed as a priority in the  
11 Preliminary Priority Watersheds for Restoration and Conservation of  
12 Fish and Wildlife published by the department of fish and wildlife and  
13 the department of natural resources in February 1995;

14       (3) Land bordering streams, rivers, and riparian areas that do not  
15 meet water quality standards according to the May 1994 Section 303(d)  
16 list published by the department of ecology;

17       (4) Land within watersheds that have an approved watershed plan  
18 developed in accordance with chapter 90.70 RCW;

19       (5) Land abutting streams, rivers, or riparian areas impacting  
20 threatened and endangered species as listed in the federal Endangered  
21 Species Act, 16 U.S.C. Sec. 1531 et seq., as existing on the effective  
22 date of this act; or

23       (6) Land included within watershed restoration projects that have  
24 been approved in accordance with RCW 89.08.450 through 89.08.510.

25       NEW SECTION.    **Sec. 5.**    In order to qualify for the property tax  
26 credit set forth in section 3 of this act, a management plan must be  
27 developed. Conservation districts in conjunction with owners of land  
28 abutting streams, rivers, or riparian areas shall develop a management  
29 plan to improve or restore the stream, river, or riparian areas at  
30 issue using:

31       (1) Practices listed in the United States department of  
32 agriculture/natural resources conservation service's field office  
33 technical guide, as existing on the effective date of this act, for the  
34 protection or improvement of riparian areas;

35       (2) Practices listed in the December 1994 Conservation Commission  
36 report on HB 1309 Ecosystems Standards for State-Owned Agricultural and  
37 Grazing Land; or

1 (3) Practices listed in the 1995 Fish and Wildlife Priority Habitat  
2 Management Recommendations: RIPARIAN.

3 NEW SECTION. **Sec. 6.** (1) The credit authorized by this chapter  
4 shall be used as a credit against the state portion of property taxes  
5 levied on the improved or restored tax parcel in the calendar year the  
6 improvements or restorations are completed and paid for. This credit  
7 shall not be used to reduce the nonstate portion of property taxes  
8 levied against the tax parcel.

9 (2) The credit shall not exceed the amount of the state portion of  
10 property taxes levied on a parcel of land nor shall it exceed the  
11 amount of money the owner spent to improve or restore the stream,  
12 river, or riparian area.

13 (3) The credit shall be allowed only for the tax year immediately  
14 following completion of and payment for the improvements or  
15 restorations and may not be carried forward to the next tax year.

16 NEW SECTION. **Sec. 7.** (1) The total amount of credits to be  
17 allowed for the purposes in section 1 of this act shall not exceed  
18 three million dollars for the biennium ending June 30, 1997, six  
19 million dollars for fiscal year 1997-1998, and six million dollars for  
20 fiscal year 1998-1999.

21 (2) The conservation commission shall keep current the total dollar  
22 amount of credits approved and submitted to county treasurers. The  
23 commission shall suspend issuance of credit vouchers when the annual  
24 limit is reached.

25 NEW SECTION. **Sec. 8.** Any portion of the state levy reduced as a  
26 result of this chapter and section 9 of this act shall be made whole  
27 from other state revenues. This chapter and section 9 of this act  
28 shall not result in the reduction in any manner of the amount of the  
29 state school levy for support of the common schools.

30 NEW SECTION. **Sec. 9.** A new section is added to chapter 89.08 RCW  
31 to read as follows:

32 (1) Conservation districts shall monitor and provide monthly  
33 reports to the state conservation commission on the number of owners  
34 who submit applications and who are approved to participate in the  
35 improvement or restoration program set forth in section 3 of this act.

1 (2) The conservation commission shall:

2 (a) Provide grants to conservation districts to reimburse them for  
3 the technical assistance costs incurred in developing the management  
4 plans required by section 3 of this act;

5 (b) Monitor and provide to the state treasurer a total of the  
6 number and dollar amount of credit vouchers issued on a monthly basis  
7 by the conservation districts for the improvement or restoration  
8 program set forth in section 3 of this act; and

9 (c) Immediately notify all conservation districts when the annual  
10 maximum dollar amount of credit has been reached.

11 (3) The conservation commission in conjunction with the department  
12 of fish and wildlife shall submit a report to the office of the  
13 governor summarizing the progress of the program set forth in chapter  
14 84.-- RCW (sections 1 through 8 of this act) by October 1, 1997.

15 (4) The conservation commission in cooperation with the Washington  
16 department of fish and wildlife shall prepare and submit a report by  
17 October 1, 1998, to the environmental committees of the legislature and  
18 to the office of the governor summarizing the progress of the program  
19 set forth in chapter 84.-- RCW (sections 1 through 8 of this act) to  
20 date.

21 NEW SECTION. **Sec. 10.** Section 1 through 8 of this act constitute  
22 a new chapter in Title 84 RCW.

23 NEW SECTION. **Sec. 11.** This act shall take effect on July 1, 1996.

24 NEW SECTION. **Sec. 12.** This act shall expire June 30, 1999.

--- END ---