
HOUSE BILL 3189

State of Washington 58th Legislature 2004 Regular Session

By Representatives Dunshee, Priest and Anderson

Read first time 02/05/2004. Referred to Committee on Capital Budget.

1 AN ACT Relating to expanding the criteria for habitat conservation
2 programs; amending RCW 79A.15.010, 79A.15.030, 79A.15.040, 79A.15.050,
3 79A.15.060, 79A.15.070, 79A.15.080, and 84.33.140; reenacting and
4 amending RCW 43.84.092 and 43.84.092; adding new sections to chapter
5 79A.15 RCW; adding a new section to chapter 79.70 RCW; adding a new
6 section to chapter 79.71 RCW; providing effective dates; and providing
7 an expiration date.

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

9 **Sec. 1.** RCW 79A.15.010 and 1990 1st ex.s. c 14 s 2 are each
10 amended to read as follows:

11 The definitions set forth in this section apply throughout this
12 chapter.

13 (1) "Acquisition" means the purchase on a willing seller basis of
14 fee or less than fee interests in real property. These interests
15 include, but are not limited to, options, rights of first refusal,
16 conservation easements, leases, and mineral rights.

17 (2) "Committee" means the interagency committee for outdoor
18 recreation.

1 (3) "Critical habitat" means lands important for the protection,
2 management, or public enjoyment of certain wildlife species or groups
3 of species, including, but not limited to, wintering range for deer,
4 elk, and other species, waterfowl and upland bird habitat, fish
5 habitat, and habitat for endangered, threatened, or sensitive species.

6 (4) "Farmlands" means any land defined as "farm and agricultural
7 land" in RCW 84.34.020(2).

8 (5) "Local agencies" means a city, county, town, federally
9 recognized Indian tribe, special purpose district, port district, or
10 other political subdivision of the state providing services to less
11 than the entire state.

12 ((+5)) (6) "Natural areas" means areas that have, to a significant
13 degree, retained their natural character and are important in
14 preserving rare or vanishing flora, fauna, geological, natural
15 historical, or similar features of scientific or educational value.

16 ((+6)) (7) "Riparian habitat" means land adjacent to water bodies,
17 as well as submerged land such as streambeds, which can provide
18 functional habitat for salmonids and other fish and wildlife species.
19 Riparian habitat includes, but is not limited to, shorelines and near-
20 shore marine habitat, estuaries, lakes, wetlands, streams, and rivers.

21 (8) "Special needs populations" means physically restricted people
22 or people of limited means.

23 ((+7)) (9) "State agencies" means the state parks and recreation
24 commission, the department of natural resources, the department of
25 general administration, and the department of fish and wildlife.

26 (10) "Trails" means public ways constructed for and open to
27 pedestrians, equestrians, or bicyclists, or any combination thereof,
28 other than a sidewalk constructed as a part of a city street or county
29 road for exclusive use of pedestrians.

30 ((+8)) (11) "Urban wildlife habitat" means lands that provide
31 habitat important to wildlife in proximity to a metropolitan area.

32 ((+9)) (12) "Water access" means boat or foot access to marine
33 waters, lakes, rivers, or streams.

34 **Sec. 2.** RCW 79A.15.030 and 2000 c 11 s 66 are each amended to read
35 as follows:

36 (1) Moneys appropriated for this chapter shall be divided ((equally

1 ~~between the habitat conservation and outdoor recreation accounts and~~
2 ~~shall be used exclusively for the purposes specified in this chapter))~~
3 as follows:

4 (a) Appropriations for a biennium of forty million dollars or less
5 must be allocated equally between the habitat conservation account and
6 the outdoor recreation account.

7 (b) If appropriations for a biennium total more than forty million
8 dollars, the money must be allocated as follows: (i) Twenty million
9 dollars to the habitat conservation account and twenty million dollars
10 to the outdoor recreation account; (ii) any remaining amounts must be
11 allocated as follows: (A) Thirty percent to the habitat conservation
12 account; (B) thirty percent to the outdoor recreation account; (C)
13 thirty percent to the riparian protection account; and (D) ten percent
14 to the farmlands preservation account.

15 (2) Except as otherwise provided in this act, moneys deposited in
16 these accounts shall be invested as authorized for other state funds,
17 and any earnings on them shall be credited to the respective account.

18 (3) All moneys deposited in the habitat conservation ~~((and))~~,
19 outdoor recreation, riparian protection, and farmlands preservation
20 accounts shall be allocated as provided under RCW 79A.15.040 ~~((and))~~,
21 79A.15.050, and sections 5 and 6 of this act as grants to state or
22 local agencies for acquisition, development, and renovation within the
23 jurisdiction of those agencies, subject to legislative appropriation.
24 The committee may use or permit the use of any funds appropriated for
25 this chapter as matching funds where federal, local, or other funds are
26 made available for projects within the purposes of this chapter.

27 (4) Projects receiving grants under this chapter that are developed
28 or otherwise accessible for public recreational uses shall be available
29 to the public ~~((on a nondiscriminatory basis))~~.

30 (5) The committee may make grants to an eligible project from
31 ~~((both))~~ the habitat conservation ~~((and))~~, outdoor recreation, riparian
32 protection, and farmlands preservation accounts and any one or more of
33 the applicable categories under such accounts described in RCW
34 79A.15.040 ~~((and))~~, 79A.15.050, and sections 5 and 6 of this act.

35 (6) The committee may accept private donations to the habitat
36 conservation account, the outdoor recreation account, the riparian
37 protection account, and the farmlands preservation account for the
38 purposes specified in this chapter.

1 (7) The committee may apply up to three percent of the funds
2 appropriated for this chapter for the administration of the programs
3 and purposes specified in this chapter.

4 **Sec. 3.** RCW 79A.15.040 and 1999 c 379 s 917 are each amended to
5 read as follows:

6 (1) Moneys appropriated for this chapter to the habitat
7 conservation account shall be distributed in the following way:

8 (a) Not less than (~~(thirty-five)~~) forty-five percent for the
9 acquisition and development of critical habitat;

10 (b) Not less than (~~(twenty)~~) thirty percent for the acquisition and
11 development of natural areas;

12 (c) Not less than (~~(fifteen)~~) twenty percent for the acquisition
13 and development of urban wildlife habitat; and

14 (d) The remaining amount shall be considered unallocated and shall
15 be used by the committee to fund high priority acquisition and
16 development needs for critical habitat, natural areas, and urban
17 wildlife habitat. (~~(During the fiscal biennium ending June 30, 2001,~~
18 ~~the remaining amount reappropriated from the fiscal biennium ending~~
19 ~~June 30, 1999, may be allocated for matching grants for riparian zone~~
20 ~~habitat protection projects that implement watershed plans under the~~
21 ~~program established in section 329(6), chapter 235, Laws of 1997.))~~

22 (2) In distributing these funds, the committee retains discretion
23 to meet the most pressing needs for critical habitat, natural areas,
24 and urban wildlife habitat, and is not required to meet the percentages
25 described in subsection (1) of this section in any one biennium.

26 (3) Only state agencies may apply for acquisition and development
27 funds for (~~(critical habitat and)~~) natural areas projects under
28 subsection (1)(~~(a)-~~) (b)(~~(7)~~) and (d) of this section.

29 (4) State and local agencies may apply for acquisition and
30 development funds for critical habitat and urban wildlife habitat
31 projects under subsection (1)(a), (c), and (d) of this section.

32 (5)(a) Any lands that have been acquired with grants under this
33 section by the department of fish and wildlife are subject to an amount
34 in lieu of real property taxes and an additional amount for control of
35 noxious weeds as determined by RCW 77.12.203.

36 (b) Any lands that have been acquired with grants under this

1 section by the department of natural resources are subject to payments
2 in the amounts required under the provisions of sections 10 and 11 of
3 this act.

4 **Sec. 4.** RCW 79A.15.050 and 2003 c 184 s 1 are each amended to read
5 as follows:

6 (1) Moneys appropriated for this chapter to the outdoor recreation
7 account shall be distributed in the following way:

8 (a) Not less than (~~twenty-five~~) thirty percent to the state parks
9 and recreation commission for the acquisition and development of state
10 parks, with at least (~~seventy-five~~) fifty percent of (~~this~~) the
11 money for acquisition costs(~~(. However, between July 27, 2003, and~~
12 ~~June 30, 2009, at least fifty percent of this money for the acquisition~~
13 ~~and development of state parks must be used for acquisition costs));~~

14 (b) Not less than (~~twenty-five~~) thirty percent for the
15 acquisition, development, and renovation of local parks, with at least
16 fifty percent of this money for acquisition costs;

17 (c) Not less than (~~fifteen~~) twenty percent for the acquisition
18 and development of trails;

19 (d) Not less than (~~ten~~) fifteen percent for the acquisition and
20 development of water access sites, with at least seventy-five percent
21 of this money for acquisition costs; and

22 (e) The remaining amount shall be considered unallocated and shall
23 be distributed by the committee to state and local agencies to fund
24 high priority acquisition and development needs for parks, trails, and
25 water access sites.

26 (2) In distributing these funds, the committee retains discretion
27 to meet the most pressing needs for state and local parks, trails, and
28 water access sites, and is not required to meet the percentages
29 described in subsection (1) of this section in any one biennium.

30 (3) Only local agencies may apply for acquisition, development, or
31 renovation funds for local parks under subsection (1)(b) of this
32 section.

33 (4) Only state and local agencies may apply for funds for trails
34 under subsection (1)(c) of this section.

35 (5) Only state and local agencies may apply for funds for water
36 access sites under subsection (1)(d) of this section.

1 NEW SECTION. **Sec. 5.** A new section is added to chapter 79A.15 RCW
2 to read as follows:

3 (1) The riparian protection account is established in the state
4 treasury. The committee must administer the account in accordance with
5 chapter 79A.25 RCW and this chapter, and hold it separate and apart
6 from all other money, funds, and accounts of the committee.

7 (2) Moneys appropriated for this chapter to the riparian protection
8 account must be distributed for the acquisition and enhancement or
9 restoration of riparian habitat. All enhancement or restoration
10 projects must include the acquisition of a real property interest in
11 order to be eligible. At least fifty percent of riparian protection
12 account funds must be used for the acquisition of real property
13 interests.

14 (3) State and local agencies and lead entities under chapter 77.85
15 RCW may apply for acquisition and enhancement or restoration funds for
16 riparian habitat projects under subsection (1) of this section. Other
17 state agencies not defined in RCW 79A.15.010, such as the department of
18 transportation and the department of corrections, may enter into
19 interagency agreements with state agencies to apply in partnership for
20 funds under this section.

21 (4) The committee may adopt rules establishing acquisition policies
22 and priorities for distributions from the riparian protection account.

23 (5) Except as provided in RCW 79A.15.030(7), moneys appropriated
24 for this section may not be used by the committee to fund staff
25 positions or other overhead expenses, or by a state, regional, or local
26 agency to fund operation or maintenance of areas acquired under this
27 chapter.

28 (6) Moneys appropriated for this section may be used by grant
29 recipients for costs incidental to restoration and acquisition,
30 including, but not limited to, surveying expenses, fencing, and
31 signing.

32 (7) The committee may not approve a local project where the local
33 agency share is less than the amount to be awarded from the riparian
34 protection account. In-kind contributions, including contributions of
35 a real property interest in land may be used to satisfy the local
36 agency's share.

37 (8) State agencies receiving grants for acquisition of land under
38 this section must pay an amount in lieu of real property taxes equal to

1 the amount of tax that would be due if the land were taxable as open
2 space land under chapter 84.34 RCW, plus an additional amount for
3 control of noxious weeds equal to that which would be paid if such
4 lands were privately owned. The county assessor and county legislative
5 authority shall assist in determining the appropriate calculation of
6 the amount of tax that would be due under chapter 84.34 RCW.

7 (9) In determining acquisition priorities with respect to the
8 riparian protection account, the committee must consider, at a minimum,
9 the following criteria:

- 10 (a) Benefits to salmonids, including endangered salmonid species;
- 11 (b) Benefits to other endangered, threatened, or sensitive species;
- 12 (c) Estimated number of fish and species of fish that will benefit;
- 13 (d) Community support for the project;
- 14 (e) A recommendation as part of a limiting factors or critical
15 pathways analysis, a watershed plan or habitat conservation plan, or a
16 coordinated regionwide prioritization effort;
- 17 (f) Immediacy of threat to the site;
- 18 (g) Integration with other salmon recovery efforts;
- 19 (h) Quality of the habitat or for projects including restoration or
20 enhancement, the potential for restoring quality habitat, including
21 linkage of the site to other high quality habitat;
- 22 (i) Consistency with a local land use plan, or a regional or
23 statewide recreational or resource plan. The projects that assist in
24 the implementation of local shoreline master plans updated according to
25 RCW 90.58.080 or local comprehensive plans updated according to RCW
26 36.70A.130 must be highly considered in the process;
- 27 (j) Design and cost-effectiveness; and
- 28 (k) Educational and scientific value of the site.

29 (10) Before November 1st of each even-numbered year, the committee
30 will recommend to the governor a prioritized list of projects to be
31 funded under this section. The governor may remove projects from the
32 list recommended by the committee and will submit this amended list in
33 the capital budget request to the legislature. The list must include,
34 but not be limited to, a description of each project and any particular
35 match requirement.

36 NEW SECTION. **Sec. 6.** A new section is added to chapter 79A.15 RCW
37 to read as follows:

1 (1) The farmlands preservation account is established in the state
2 treasury. The committee will administer the account in accordance with
3 chapter 79A.25 RCW and this chapter, and hold it separate and apart
4 from all other money, funds, and accounts of the committee. Moneys
5 appropriated for this chapter to the farmlands preservation account
6 must be distributed for the acquisition and preservation of farmlands
7 in order to maintain the opportunity for agricultural activity upon
8 these lands.

9 (2) Moneys appropriated for this chapter to the farmlands
10 preservation account must be distributed for the fee simple or less
11 than fee simple acquisition of farmlands, and for the enhancement or
12 restoration of ecological functions on those properties. In order for
13 a farmland preservation grant to provide for an environmental
14 enhancement or restoration project, the project must include the
15 acquisition of a real property interest in perpetuity. If a city or
16 county acquires a property through this program in fee simple, the city
17 or county shall endeavor to secure preservation of the property through
18 placing a conservation easement, or other form of deed restriction, on
19 the property that dedicates the land to agricultural use and retains
20 one or more property rights in perpetuity. Once an easement or other
21 form of deed restriction is placed on the property, the city or county
22 shall seek to sell the property, at fair market value, to a person or
23 persons who will maintain the property in agricultural production. Any
24 moneys from the sale of the property must be used either to purchase
25 interests in additional properties that meet the criteria in subsection
26 (8) of this section, or to repay the state grant that was originally
27 used to purchase the property.

28 (3) Cities and counties may apply for acquisition and enhancement
29 or restoration funds for farmland preservation projects within their
30 jurisdictions under subsection (1) of this section.

31 (4) The committee may adopt rules establishing acquisition and
32 enhancement or restoration policies and priorities for distributions
33 from the farmlands preservation account.

34 (5) Except as provided in RCW 79A.15.030(7), moneys appropriated
35 for this section may not be used by the committee to fund staff
36 positions or other overhead expenses, or by a city or county to fund
37 operation or maintenance of areas acquired under this chapter.

1 (6) Moneys appropriated for this section may be used by grant
2 recipients for costs incidental to restoration and acquisition,
3 including, but not limited to, surveying expenses, fencing, and
4 signing.

5 (7) The committee may not approve a local project where the local
6 agency's share is less than the amount to be awarded from the farmlands
7 preservation account. In-kind contributions, including contributions
8 of a real property interest in land may be used to satisfy the local
9 agency or qualified nonprofit organization's share.

10 (8) In determining the acquisition priorities, the committee must
11 consider, at a minimum, the following criteria:

12 (a) Community support for the project;

13 (b) A recommendation as part of a limiting factors or critical
14 pathways analysis, a watershed plan or habitat conservation plan, or a
15 coordinated regionwide prioritization effort;

16 (c) The likelihood of the conversion of the site to nonagricultural
17 or more highly developed usage;

18 (d) Consistency with a local land use plan, or a regional or
19 statewide recreational or resource plan. The projects that assist in
20 the implementation of local shoreline master plans updated according to
21 RCW 90.58.080 or local comprehensive plans updated according to RCW
22 36.70A.130 must be highly considered in the process;

23 (e) Benefits to salmonids;

24 (f) Benefits to other fish and wildlife habitat;

25 (g) Integration with recovery efforts for endangered, threatened,
26 or sensitive species;

27 (h) The viability of the site for continued agricultural
28 production, including, but not limited to:

29 (i) Soil types;

30 (ii) On-site production and support facilities such as barns,
31 irrigation systems, crop processing and storage facilities, wells,
32 housing, livestock sheds, and other farming infrastructure;

33 (iii) Suitability for producing different types or varieties of
34 crops;

35 (iv) Farm-to-market access;

36 (v) Water availability; and

37 (i) Other community values provided by the property when used as
38 agricultural land, including, but not limited to:

- 1 (i) Viewshed;
- 2 (ii) Aquifer recharge;
- 3 (iii) Occasional or periodic collector for storm water runoff;
- 4 (iv) Agricultural sector job creation;
- 5 (v) Migratory bird habitat and forage area; and
- 6 (vi) Educational and curriculum potential.

7 (9) In allotting funds for environmental enhancement or restoration
8 projects, the committee will require the projects to meet the following
9 criteria:

10 (a) Enhancement or restoration projects must further the ecological
11 functions of the farmlands;

12 (b) The projects, such as fencing, bridging watercourses,
13 replanting native vegetation, replacing culverts, clearing of
14 waterways, etc., must be less than fifty percent of the acquisition
15 cost of the project including any in-kind contribution by any party;

16 (c) The projects should be based on accepted methods of achieving
17 beneficial enhancement or restoration results; and

18 (d) The projects should enhance the viability of the preserved
19 farmland to provide agricultural production while conforming to any
20 legal requirements for habitat protection.

21 (10) Before November 1st of each even-numbered year, the committee
22 will recommend to the governor a prioritized list of all projects to be
23 funded under this section. The governor may remove projects from the
24 list recommended by the committee and must submit this amended list in
25 the capital budget request to the legislature. The list must include,
26 but not be limited to, a description of each project and any particular
27 match requirement.

28 **Sec. 7.** RCW 79A.15.060 and 2000 c 11 s 67 are each amended to read
29 as follows:

30 (1) The committee may adopt rules establishing acquisition policies
31 and priorities for distributions from the habitat conservation account.

32 (2) Except as provided in RCW 79A.15.030(7), moneys appropriated
33 for this chapter may not be used by the committee to fund
34 ((additional)) staff positions or other overhead expenses, or by a
35 state, regional, or local agency to fund operation ((and)) or
36 maintenance of areas acquired under this chapter((, ~~except that the~~
37 ~~committee may use moneys appropriated for this chapter for the fiscal~~

1 ~~biennium ending June 30, 2001, for the administrative costs of~~
2 ~~implementing the pilot watershed plan implementation program~~
3 ~~established in section 329(6), chapter 235, Laws of 1997, and~~
4 ~~developing an inventory of publicly owned lands established in section~~
5 ~~329(7), chapter 235, Laws of 1997)).~~

6 (3) Moneys appropriated for this chapter may be used by grant
7 recipients for costs incidental to acquisition, including, but not
8 limited to, surveying expenses, fencing, and signing.

9 ~~((Except as provided in subsection (5) of this section,))~~ The
10 committee may not approve a local project where the local agency share
11 is less than the amount to be awarded from the habitat conservation
12 account.

13 ~~((During the fiscal biennium ending June 30, 2001, the~~
14 ~~committee may approve a riparian zone habitat protection project~~
15 ~~established in section 329(6), chapter 235, Laws of 1997, where the~~
16 ~~local agency share is less than the amount to be awarded from the~~
17 ~~habitat conservation account.~~

18 ~~(6))~~ In determining acquisition priorities with respect to the
19 habitat conservation account, the committee shall consider, at a
20 minimum, the following criteria:

21 (a) For critical habitat and natural areas proposals:

22 (i) Community support for the project;

23 (ii) Recommendations as part of a limiting factors or critical
24 pathways analysis, a watershed plan or habitat conservation plan, or a
25 coordinated regionwide prioritization effort;

26 ~~(iii)~~ (iii) Immediacy of threat to the site;

27 ~~((iii))~~ (iv) Uniqueness of the site;

28 ~~((iv))~~ (v) Diversity of species using the site;

29 ~~((v))~~ (vi) Quality of the habitat;

30 ~~((vi))~~ (vii) Long-term viability of the site;

31 ~~((vii))~~ (viii) Presence of endangered, threatened, or sensitive
32 species;

33 ~~((viii))~~ (ix) Enhancement of existing public property;

34 ~~((ix))~~ (x) Consistency with a local land use plan, or a regional
35 or statewide recreational or resource plan, including projects that
36 assist in the implementation of local shoreline master plans updated
37 according to RCW 90.58.080 or local comprehensive plans updated
38 according to RCW 36.70A.130; ~~((and~~

1 ~~(x)~~) (xi) Educational and scientific value of the site;
2 (xii) Integration with recovery efforts for endangered, threatened,
3 or sensitive species;
4 (xiii) For critical habitat proposals by local agencies, the
5 statewide significance of the site.

6 (b) For urban wildlife habitat proposals, in addition to the
7 criteria of (a) of this subsection:

- 8 (i) Population of, and distance from, the nearest urban area;
9 (ii) Proximity to other wildlife habitat;
10 (iii) Potential for public use; and
11 (iv) Potential for use by special needs populations.

12 ~~((7))~~ (6) Before ~~((October))~~ November 1st of each even-numbered
13 year, the committee shall recommend to the governor a prioritized list
14 of state agency projects to be funded under RCW 79A.15.040(1) (a), (b),
15 and (c). The governor may remove projects from the list recommended by
16 the committee and shall submit this amended list in the capital budget
17 request to the legislature. The list shall include, but not be limited
18 to, a description of each project; and shall describe for each project
19 any anticipated restrictions upon recreational activities allowed prior
20 to the project.

21 ~~((8))~~ (7) Before ~~((October))~~ November 1st of each even-numbered
22 year, the committee shall recommend to the governor a prioritized list
23 of all local projects to be funded under RCW 79A.15.040(1) (a) and (c).
24 The governor may remove projects from the list recommended by the
25 committee and shall submit this amended list in the capital budget
26 request to the legislature. The list shall include, but not be limited
27 to, a description of each project and any particular match requirement,
28 and describe for each project any anticipated restrictions upon
29 recreational activities allowed prior to the project.

30 **Sec. 8.** RCW 79A.15.070 and 2000 c 11 s 68 are each amended to read
31 as follows:

32 (1) In determining which state parks proposals and local parks
33 proposals to fund, the committee shall use existing policies and
34 priorities.

35 (2) Except as provided in RCW 79A.15.030(7), moneys appropriated
36 for this chapter may not be used by the committee to fund
37 ~~((additional))~~ staff or other overhead expenses, or by a state,

1 regional, or local agency to fund operation (~~and~~) or maintenance of
2 areas acquired under this chapter(~~, except that the committee may use~~
3 ~~moneys appropriated for this chapter for the fiscal biennium ending~~
4 ~~June 30, 2001, for the administrative costs of implementing the pilot~~
5 ~~watershed plan implementation program established in section 329(6),~~
6 ~~chapter 235, Laws of 1997, and developing an inventory of publicly~~
7 ~~owned lands established in section 329(7), chapter 235, Laws of 1997)).~~

8 (3) Moneys appropriated for this chapter may be used by grant
9 recipients for costs incidental to acquisition and development,
10 including, but not limited to, surveying expenses, fencing, and
11 signing.

12 (4) The committee may not approve a project of a local agency where
13 the share contributed by the local agency is less than the amount to be
14 awarded from the outdoor recreation account.

15 (5) The committee may adopt rules establishing acquisition policies
16 and priorities for the acquisition and development of trails and water
17 access sites to be financed from moneys in the outdoor recreation
18 account.

19 (6) In determining the acquisition and development priorities, the
20 committee shall consider, at a minimum, the following criteria:

21 (a) For trails proposals:

22 (i) Community support for the project;

23 (ii) Immediacy of threat to the site;

24 (iii) Linkage between communities;

25 (iv) Linkage between trails;

26 (v) Existing or potential usage;

27 (vi) Consistency with (~~an existing~~) a local land use plan, or a
28 regional or statewide recreational or resource plan, including projects
29 that assist in the implementation of local shoreline master plans
30 updated according to RCW 90.58.080 or local comprehensive plans updated
31 according to RCW 36.70A.130;

32 (vii) Availability of water access or views;

33 (viii) Enhancement of wildlife habitat; and

34 (ix) Scenic values of the site.

35 (b) For water access proposals:

36 (i) Community support for the project;

37 (ii) Distance from similar water access opportunities;

38 (iii) Immediacy of threat to the site;

1 (iv) Diversity of possible recreational uses; (~~and~~)
2 (v) Public demand in the area; and
3 (vi) Consistency with a local land use plan, or a regional or
4 statewide recreational or resource plan, including projects that assist
5 in the implementation of local shoreline master plans updated according
6 to RCW 90.58.080 or local comprehensive plans updated according to RCW
7 36.70A.130.

8 (7) Before (~~October~~) November 1st of each even-numbered year, the
9 committee shall recommend to the governor a prioritized list of state
10 agency projects to be funded under RCW 79A.15.050(1) (a), (c), and (d).
11 The governor may remove projects from the list recommended by the
12 committee and shall submit this amended list in the capital budget
13 request to the legislature. The list shall include, but not be limited
14 to, a description of each project; and shall describe for each project
15 any anticipated restrictions upon recreational activities allowed prior
16 to the project.

17 (8) Before (~~October~~) November 1st of each even-numbered year, the
18 committee shall recommend to the governor a prioritized list of all
19 local projects to be funded under RCW 79A.15.050(1) (b), (c), and (d).
20 The governor may remove projects from the list recommended by the
21 committee and shall submit this amended list in the capital budget
22 request to the legislature. The list shall include, but not be limited
23 to, a description of each project and any particular match requirement,
24 and describe for each project any anticipated restrictions upon
25 recreational activities allowed prior to the project.

26 **Sec. 9.** RCW 79A.15.080 and 1990 1st ex.s. c 14 s 9 are each
27 amended to read as follows:

28 The committee shall not sign contracts or otherwise financially
29 obligate funds from the habitat conservation account (~~or~~), the
30 outdoor recreation account, the riparian protection account, or the
31 farmlands preservation account as provided in this chapter before the
32 legislature has appropriated funds for a specific list of projects.
33 The legislature may remove projects from the list recommended by the
34 governor.

35 NEW SECTION. **Sec. 10.** A new section is added to chapter 79.70 RCW
36 to read as follows:

1 The state treasurer, on behalf of the department, must distribute
2 to counties for all lands acquired for the purposes of this chapter an
3 amount in lieu of real property taxes equal to the amount of tax that
4 would be due if the land were taxable as open space land under chapter
5 84.34 RCW, plus an additional amount equal to the amount of weed
6 control assessment that would be due if such lands were privately
7 owned. The county assessor and county legislative authority shall
8 assist in determining the appropriate calculation of the amount of tax
9 that would be due under chapter 84.34 RCW.

10 NEW SECTION. **Sec. 11.** A new section is added to chapter 79.71 RCW
11 to read as follows:

12 The state treasurer, on behalf of the department, must distribute
13 to counties for all lands acquired for the purposes of this chapter an
14 amount in lieu of real property taxes equal to the amount of tax that
15 would be due if the land were taxable as open space land under chapter
16 84.34 RCW, plus an additional amount equal to the amount of weed
17 control assessment that would be due if such lands were privately
18 owned. The county assessor and county legislative authority shall
19 assist in determining the appropriate calculation of the amount of tax
20 that would be due under chapter 84.34 RCW.

21 **Sec. 12.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, and
22 2003 c 48 s 2 are each reenacted and amended to read as follows:

23 (1) All earnings of investments of surplus balances in the state
24 treasury shall be deposited to the treasury income account, which
25 account is hereby established in the state treasury.

26 (2) The treasury income account shall be utilized to pay or receive
27 funds associated with federal programs as required by the federal cash
28 management improvement act of 1990. The treasury income account is
29 subject in all respects to chapter 43.88 RCW, but no appropriation is
30 required for refunds or allocations of interest earnings required by
31 the cash management improvement act. Refunds of interest to the
32 federal treasury required under the cash management improvement act
33 fall under RCW 43.88.180 and shall not require appropriation. The
34 office of financial management shall determine the amounts due to or
35 from the federal government pursuant to the cash management improvement
36 act. The office of financial management may direct transfers of funds

1 between accounts as deemed necessary to implement the provisions of the
2 cash management improvement act, and this subsection. Refunds or
3 allocations shall occur prior to the distributions of earnings set
4 forth in subsection (4) of this section.

5 (3) Except for the provisions of RCW 43.84.160, the treasury income
6 account may be utilized for the payment of purchased banking services
7 on behalf of treasury funds including, but not limited to, depository,
8 safekeeping, and disbursement functions for the state treasury and
9 affected state agencies. The treasury income account is subject in all
10 respects to chapter 43.88 RCW, but no appropriation is required for
11 payments to financial institutions. Payments shall occur prior to
12 distribution of earnings set forth in subsection (4) of this section.

13 (4) Monthly, the state treasurer shall distribute the earnings
14 credited to the treasury income account. The state treasurer shall
15 credit the general fund with all the earnings credited to the treasury
16 income account except:

17 (a) The following accounts and funds shall receive their
18 proportionate share of earnings based upon each account's and fund's
19 average daily balance for the period: The capitol building
20 construction account, the Cedar River channel construction and
21 operation account, the Central Washington University capital projects
22 account, the charitable, educational, penal and reformatory
23 institutions account, the common school construction fund, the county
24 criminal justice assistance account, the county sales and use tax
25 equalization account, the data processing building construction
26 account, the deferred compensation administrative account, the deferred
27 compensation principal account, the department of retirement systems
28 expense account, the drinking water assistance account, the drinking
29 water assistance administrative account, the drinking water assistance
30 repayment account, the Eastern Washington University capital projects
31 account, the education construction fund, the election account, the
32 emergency reserve fund, The Evergreen State College capital projects
33 account, the farmlands preservation account, the federal forest
34 revolving account, the habitat conservation account, the health
35 services account, the public health services account, the health system
36 capacity account, the personal health services account, the state
37 higher education construction account, the higher education
38 construction account, the highway infrastructure account, the

1 industrial insurance premium refund account, the judges' retirement
2 account, the judicial retirement administrative account, the judicial
3 retirement principal account, the local leasehold excise tax account,
4 the local real estate excise tax account, the local sales and use tax
5 account, the medical aid account, the mobile home park relocation fund,
6 the multimodal transportation account, the municipal criminal justice
7 assistance account, the municipal sales and use tax equalization
8 account, the natural resources deposit account, the outdoor recreation
9 account, the oyster reserve land account, the perpetual surveillance
10 and maintenance account, the public employees' retirement system plan
11 1 account, the public employees' retirement system combined plan 2 and
12 plan 3 account, the public facilities construction loan revolving
13 account beginning July 1, 2004, the public health supplemental account,
14 the Puyallup tribal settlement account, the regional transportation
15 investment district account, the resource management cost account, the
16 riparian protection account, the site closure account, the special
17 wildlife account, the state employees' insurance account, the state
18 employees' insurance reserve account, the state investment board
19 expense account, the state investment board commingled trust fund
20 accounts, the supplemental pension account, the Tacoma Narrows toll
21 bridge account, the teachers' retirement system plan 1 account, the
22 teachers' retirement system combined plan 2 and plan 3 account, the
23 tobacco prevention and control account, the tobacco settlement account,
24 the transportation infrastructure account, the tuition recovery trust
25 fund, the University of Washington bond retirement fund, the University
26 of Washington building account, the volunteer fire fighters' and
27 reserve officers' relief and pension principal fund, the volunteer fire
28 fighters' and reserve officers' administrative fund, the Washington
29 fruit express account, the Washington judicial retirement system
30 account, the Washington law enforcement officers' and fire fighters'
31 system plan 1 retirement account, the Washington law enforcement
32 officers' and fire fighters' system plan 2 retirement account, the
33 Washington school employees' retirement system combined plan 2 and 3
34 account, the Washington state health insurance pool account, the
35 Washington state patrol retirement account, the Washington State
36 University building account, the Washington State University bond
37 retirement fund, the water pollution control revolving fund, and the
38 Western Washington University capital projects account. Earnings

1 derived from investing balances of the agricultural permanent fund, the
2 normal school permanent fund, the permanent common school fund, the
3 scientific permanent fund, and the state university permanent fund
4 shall be allocated to their respective beneficiary accounts. All
5 earnings to be distributed under this subsection (4)(a) shall first be
6 reduced by the allocation to the state treasurer's service fund
7 pursuant to RCW 43.08.190.

8 (b) The following accounts and funds shall receive eighty percent
9 of their proportionate share of earnings based upon each account's or
10 fund's average daily balance for the period: The aeronautics account,
11 the aircraft search and rescue account, the county arterial
12 preservation account, the department of licensing services account, the
13 essential rail assistance account, the ferry bond retirement fund, the
14 grade crossing protective fund, the high capacity transportation
15 account, the highway bond retirement fund, the highway safety account,
16 the motor vehicle fund, the motorcycle safety education account, the
17 pilotage account, the public transportation systems account, the Puget
18 Sound capital construction account, the Puget Sound ferry operations
19 account, the recreational vehicle account, the rural arterial trust
20 account, the safety and education account, the special category C
21 account, the state patrol highway account, the transportation 2003
22 account (nickel account), the transportation equipment fund, the
23 transportation fund, the transportation improvement account, the
24 transportation improvement board bond retirement account, and the urban
25 arterial trust account.

26 (5) In conformance with Article II, section 37 of the state
27 Constitution, no treasury accounts or funds shall be allocated earnings
28 without the specific affirmative directive of this section.

29 **Sec. 13.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, 2003
30 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to read as
31 follows:

32 (1) All earnings of investments of surplus balances in the state
33 treasury shall be deposited to the treasury income account, which
34 account is hereby established in the state treasury.

35 (2) The treasury income account shall be utilized to pay or receive
36 funds associated with federal programs as required by the federal cash
37 management improvement act of 1990. The treasury income account is

1 subject in all respects to chapter 43.88 RCW, but no appropriation is
2 required for refunds or allocations of interest earnings required by
3 the cash management improvement act. Refunds of interest to the
4 federal treasury required under the cash management improvement act
5 fall under RCW 43.88.180 and shall not require appropriation. The
6 office of financial management shall determine the amounts due to or
7 from the federal government pursuant to the cash management improvement
8 act. The office of financial management may direct transfers of funds
9 between accounts as deemed necessary to implement the provisions of the
10 cash management improvement act, and this subsection. Refunds or
11 allocations shall occur prior to the distributions of earnings set
12 forth in subsection (4) of this section.

13 (3) Except for the provisions of RCW 43.84.160, the treasury income
14 account may be utilized for the payment of purchased banking services
15 on behalf of treasury funds including, but not limited to, depository,
16 safekeeping, and disbursement functions for the state treasury and
17 affected state agencies. The treasury income account is subject in all
18 respects to chapter 43.88 RCW, but no appropriation is required for
19 payments to financial institutions. Payments shall occur prior to
20 distribution of earnings set forth in subsection (4) of this section.

21 (4) Monthly, the state treasurer shall distribute the earnings
22 credited to the treasury income account. The state treasurer shall
23 credit the general fund with all the earnings credited to the treasury
24 income account except:

25 (a) The following accounts and funds shall receive their
26 proportionate share of earnings based upon each account's and fund's
27 average daily balance for the period: The capitol building
28 construction account, the Cedar River channel construction and
29 operation account, the Central Washington University capital projects
30 account, the charitable, educational, penal and reformatory
31 institutions account, the common school construction fund, the county
32 criminal justice assistance account, the county sales and use tax
33 equalization account, the data processing building construction
34 account, the deferred compensation administrative account, the deferred
35 compensation principal account, the department of retirement systems
36 expense account, the drinking water assistance account, the drinking
37 water assistance administrative account, the drinking water assistance
38 repayment account, the Eastern Washington University capital projects

1 account, the education construction fund, the election account, the
2 emergency reserve fund, The Evergreen State College capital projects
3 account, the farmlands preservation account, the federal forest
4 revolving account, the habitat conservation account, the health
5 services account, the public health services account, the health system
6 capacity account, the personal health services account, the state
7 higher education construction account, the higher education
8 construction account, the highway infrastructure account, the
9 industrial insurance premium refund account, the judges' retirement
10 account, the judicial retirement administrative account, the judicial
11 retirement principal account, the local leasehold excise tax account,
12 the local real estate excise tax account, the local sales and use tax
13 account, the medical aid account, the mobile home park relocation fund,
14 the multimodal transportation account, the municipal criminal justice
15 assistance account, the municipal sales and use tax equalization
16 account, the natural resources deposit account, the outdoor recreation
17 account, the oyster reserve land account, the perpetual surveillance
18 and maintenance account, the public employees' retirement system plan
19 1 account, the public employees' retirement system combined plan 2 and
20 plan 3 account, the public facilities construction loan revolving
21 account beginning July 1, 2004, the public health supplemental account,
22 the public works assistance account, the Puyallup tribal settlement
23 account, the regional transportation investment district account, the
24 resource management cost account, the riparian protection account, the
25 site closure account, the special wildlife account, the state
26 employees' insurance account, the state employees' insurance reserve
27 account, the state investment board expense account, the state
28 investment board commingled trust fund accounts, the supplemental
29 pension account, the Tacoma Narrows toll bridge account, the teachers'
30 retirement system plan 1 account, the teachers' retirement system
31 combined plan 2 and plan 3 account, the tobacco prevention and control
32 account, the tobacco settlement account, the transportation
33 infrastructure account, the tuition recovery trust fund, the University
34 of Washington bond retirement fund, the University of Washington
35 building account, the volunteer fire fighters' and reserve officers'
36 relief and pension principal fund, the volunteer fire fighters' and
37 reserve officers' administrative fund, the Washington fruit express
38 account, the Washington judicial retirement system account, the

1 Washington law enforcement officers' and fire fighters' system plan 1
2 retirement account, the Washington law enforcement officers' and fire
3 fighters' system plan 2 retirement account, the Washington school
4 employees' retirement system combined plan 2 and 3 account, the
5 Washington state health insurance pool account, the Washington state
6 patrol retirement account, the Washington State University building
7 account, the Washington State University bond retirement fund, the
8 water pollution control revolving fund, and the Western Washington
9 University capital projects account. Earnings derived from investing
10 balances of the agricultural permanent fund, the normal school
11 permanent fund, the permanent common school fund, the scientific
12 permanent fund, and the state university permanent fund shall be
13 allocated to their respective beneficiary accounts. All earnings to be
14 distributed under this subsection (4)(a) shall first be reduced by the
15 allocation to the state treasurer's service fund pursuant to RCW
16 43.08.190.

17 (b) The following accounts and funds shall receive eighty percent
18 of their proportionate share of earnings based upon each account's or
19 fund's average daily balance for the period: The aeronautics account,
20 the aircraft search and rescue account, the county arterial
21 preservation account, the department of licensing services account, the
22 essential rail assistance account, the ferry bond retirement fund, the
23 grade crossing protective fund, the high capacity transportation
24 account, the highway bond retirement fund, the highway safety account,
25 the motor vehicle fund, the motorcycle safety education account, the
26 pilotage account, the public transportation systems account, the Puget
27 Sound capital construction account, the Puget Sound ferry operations
28 account, the recreational vehicle account, the rural arterial trust
29 account, the safety and education account, the special category C
30 account, the state patrol highway account, the transportation 2003
31 account (nickel account), the transportation equipment fund, the
32 transportation fund, the transportation improvement account, the
33 transportation improvement board bond retirement account, and the urban
34 arterial trust account.

35 (5) In conformance with Article II, section 37 of the state
36 Constitution, no treasury accounts or funds shall be allocated earnings
37 without the specific affirmative directive of this section.

1 **Sec. 14.** RCW 84.33.140 and 2003 c 170 s 5 are each amended to read
2 as follows:

3 (1) When land has been designated as forest land under RCW
4 84.33.130, a notation of the designation shall be made each year upon
5 the assessment and tax rolls. A copy of the notice of approval
6 together with the legal description or assessor's parcel numbers for
7 the land shall, at the expense of the applicant, be filed by the
8 assessor in the same manner as deeds are recorded.

9 (2) In preparing the assessment roll as of January 1, 2002, for
10 taxes payable in 2003 and each January 1st thereafter, the assessor
11 shall list each parcel of designated forest land at a value with
12 respect to the grade and class provided in this subsection and adjusted
13 as provided in subsection (3) of this section. The assessor shall
14 compute the assessed value of the land using the same assessment ratio
15 applied generally in computing the assessed value of other property in
16 the county. Values for the several grades of bare forest land shall be
17 as follows:

18	LAND	OPERABILITY	VALUES
19	GRADE	CLASS	PER ACRE
20		1	\$234
21	1	2	229
22		3	217
23		4	157
24		1	198
25	2	2	190
26		3	183
27		4	132
28		1	154
29	3	2	149
30		3	148
31		4	113
32		1	117
33	4	2	114
34		3	113
35		4	86
36		1	85

1	5	2	78
2		3	77
3		4	52
4		1	43
5	6	2	39
6		3	39
7		4	37
8		1	21
9	7	2	21
10		3	20
11		4	20
12	8		1

13 (3) On or before December 31, 2001, the department shall adjust by
14 rule under chapter 34.05 RCW, the forest land values contained in
15 subsection (2) of this section in accordance with this subsection, and
16 shall certify the adjusted values to the assessor who will use these
17 values in preparing the assessment roll as of January 1, 2002. For the
18 adjustment to be made on or before December 31, 2001, for use in the
19 2002 assessment year, the department shall:

20 (a) Divide the aggregate value of all timber harvested within the
21 state between July 1, 1996, and June 30, 2001, by the aggregate harvest
22 volume for the same period, as determined from the harvester excise tax
23 returns filed with the department under RCW 84.33.074; and

24 (b) Divide the aggregate value of all timber harvested within the
25 state between July 1, 1995, and June 30, 2000, by the aggregate harvest
26 volume for the same period, as determined from the harvester excise tax
27 returns filed with the department under RCW 84.33.074; and

28 (c) Adjust the forest land values contained in subsection (2) of
29 this section by a percentage equal to one-half of the percentage change
30 in the average values of harvested timber reflected by comparing the
31 resultant values calculated under (a) and (b) of this subsection.

32 (4) For the adjustments to be made on or before December 31, 2002,
33 and each succeeding year thereafter, the same procedure described in
34 subsection (3) of this section shall be followed using harvester excise
35 tax returns filed under RCW 84.33.074. However, this adjustment shall
36 be made to the prior year's adjusted value, and the five-year periods
37 for calculating average harvested timber values shall be successively
38 one year more recent.

1 (5) Land graded, assessed, and valued as forest land shall continue
2 to be so graded, assessed, and valued until removal of designation by
3 the assessor upon the occurrence of any of the following:

4 (a) Receipt of notice from the owner to remove the designation;

5 (b) Sale or transfer to an ownership making the land exempt from ad
6 valorem taxation;

7 (c) Sale or transfer of all or a portion of the land to a new
8 owner, unless the new owner has signed a notice of forest land
9 designation continuance, except transfer to an owner who is an heir or
10 devisee of a deceased owner, shall not, by itself, result in removal of
11 designation. The signed notice of continuance shall be attached to the
12 real estate excise tax affidavit provided for in RCW 82.45.150. The
13 notice of continuance shall be on a form prepared by the department.
14 If the notice of continuance is not signed by the new owner and
15 attached to the real estate excise tax affidavit, all compensating
16 taxes calculated under subsection (11) of this section shall become due
17 and payable by the seller or transferor at time of sale. The auditor
18 shall not accept an instrument of conveyance regarding designated
19 forest land for filing or recording unless the new owner has signed the
20 notice of continuance or the compensating tax has been paid, as
21 evidenced by the real estate excise tax stamp affixed thereto by the
22 treasurer. The seller, transferor, or new owner may appeal the new
23 assessed valuation calculated under subsection (11) of this section to
24 the county board of equalization in accordance with the provisions of
25 RCW 84.40.038. Jurisdiction is hereby conferred on the county board of
26 equalization to hear these appeals;

27 (d) Determination by the assessor, after giving the owner written
28 notice and an opportunity to be heard, that:

29 (i) The land is no longer primarily devoted to and used for growing
30 and harvesting timber. However, land shall not be removed from
31 designation if a governmental agency, organization, or other recipient
32 identified in subsection (13) or (14) of this section as exempt from
33 the payment of compensating tax has manifested its intent in writing or
34 by other official action to acquire a property interest in the
35 designated forest land by means of a transaction that qualifies for an
36 exemption under subsection (13) or (14) of this section. The
37 governmental agency, organization, or recipient shall annually provide
38 the assessor of the county in which the land is located reasonable

1 evidence in writing of the intent to acquire the designated land as
2 long as the intent continues or within sixty days of a request by the
3 assessor. The assessor may not request this evidence more than once in
4 a calendar year;

5 (ii) The owner has failed to comply with a final administrative or
6 judicial order with respect to a violation of the restocking, forest
7 management, fire protection, insect and disease control, and forest
8 debris provisions of Title 76 RCW or any applicable rules under Title
9 76 RCW; or

10 (iii) Restocking has not occurred to the extent or within the time
11 specified in the application for designation of such land.

12 (6) Land shall not be removed from designation if there is a
13 governmental restriction that prohibits, in whole or in part, the owner
14 from harvesting timber from the owner's designated forest land. If
15 only a portion of the parcel is impacted by governmental restrictions
16 of this nature, the restrictions cannot be used as a basis to remove
17 the remainder of the forest land from designation under this chapter.

18 For the purposes of this section, "governmental restrictions" includes:

19 (a) Any law, regulation, rule, ordinance, program, or other action
20 adopted or taken by a federal, state, county, city, or other
21 governmental entity; or (b) the land's zoning or its presence within an
22 urban growth area designated under RCW 36.70A.110.

23 (7) The assessor shall have the option of requiring an owner of
24 forest land to file a timber management plan with the assessor upon the
25 occurrence of one of the following:

26 (a) An application for designation as forest land is submitted; or

27 (b) Designated forest land is sold or transferred and a notice of
28 continuance, described in subsection (5)(c) of this section, is signed.

29 (8) If land is removed from designation because of any of the
30 circumstances listed in subsection (5)(a) through (c) of this section,
31 the removal shall apply only to the land affected. If land is removed
32 from designation because of subsection (5)(d) of this section, the
33 removal shall apply only to the actual area of land that is no longer
34 primarily devoted to the growing and harvesting of timber, without
35 regard to any other land that may have been included in the application
36 and approved for designation, as long as the remaining designated
37 forest land meets the definition of forest land contained in RCW
38 84.33.035.

1 (9) Within thirty days after the removal of designation as forest
2 land, the assessor shall notify the owner in writing, setting forth the
3 reasons for the removal. The seller, transferor, or owner may appeal
4 the removal to the county board of equalization in accordance with the
5 provisions of RCW 84.40.038.

6 (10) Unless the removal is reversed on appeal a copy of the notice
7 of removal with a notation of the action, if any, upon appeal, together
8 with the legal description or assessor's parcel numbers for the land
9 removed from designation shall, at the expense of the applicant, be
10 filed by the assessor in the same manner as deeds are recorded and a
11 notation of removal from designation shall immediately be made upon the
12 assessment and tax rolls. The assessor shall revalue the land to be
13 removed with reference to its true and fair value as of January 1st of
14 the year of removal from designation. Both the assessed value before
15 and after the removal of designation shall be listed. Taxes based on
16 the value of the land as forest land shall be assessed and payable up
17 until the date of removal and taxes based on the true and fair value of
18 the land shall be assessed and payable from the date of removal from
19 designation.

20 (11) Except as provided in subsection (5)(c), (13), or (14) of this
21 section, a compensating tax shall be imposed on land removed from
22 designation as forest land. The compensating tax shall be due and
23 payable to the treasurer thirty days after the owner is notified of the
24 amount of this tax. As soon as possible after the land is removed from
25 designation, the assessor shall compute the amount of compensating tax
26 and mail a notice to the owner of the amount of compensating tax owed
27 and the date on which payment of this tax is due. The amount of
28 compensating tax shall be equal to the difference between the amount of
29 tax last levied on the land as designated forest land and an amount
30 equal to the new assessed value of the land multiplied by the dollar
31 rate of the last levy extended against the land, multiplied by a
32 number, in no event greater than nine, equal to the number of years for
33 which the land was designated as forest land, plus compensating taxes
34 on the land at forest land values up until the date of removal and the
35 prorated taxes on the land at true and fair value from the date of
36 removal to the end of the current tax year.

37 (12) Compensating tax, together with applicable interest thereon,
38 shall become a lien on the land which shall attach at the time the land

1 is removed from designation as forest land and shall have priority to
2 and shall be fully paid and satisfied before any recognizance,
3 mortgage, judgment, debt, obligation, or responsibility to or with
4 which the land may become charged or liable. The lien may be
5 foreclosed upon expiration of the same period after delinquency and in
6 the same manner provided by law for foreclosure of liens for delinquent
7 real property taxes as provided in RCW 84.64.050. Any compensating tax
8 unpaid on its due date shall thereupon become delinquent. From the
9 date of delinquency until paid, interest shall be charged at the same
10 rate applied by law to delinquent ad valorem property taxes.

11 (13) The compensating tax specified in subsection (11) of this
12 section shall not be imposed if the removal of designation under
13 subsection (5) of this section resulted solely from:

14 (a) Transfer to a government entity in exchange for other forest
15 land located within the state of Washington;

16 (b) A taking through the exercise of the power of eminent domain,
17 or sale or transfer to an entity having the power of eminent domain in
18 anticipation of the exercise of such power;

19 (c) A donation of fee title, development rights, or the right to
20 harvest timber, to a government agency or organization qualified under
21 RCW 84.34.210 and 64.04.130 for the purposes enumerated in those
22 sections, or the sale or transfer of fee title to a governmental entity
23 or a nonprofit nature conservancy corporation, as defined in RCW
24 64.04.130, exclusively for the protection and conservation of lands
25 recommended for state natural area preserve purposes by the natural
26 heritage council and natural heritage plan as defined in chapter 79.70
27 RCW and approved for state natural resources conservation area purposes
28 as defined in chapter 79.71 RCW. At such time as the land is not used
29 for the purposes enumerated, the compensating tax specified in
30 subsection (11) of this section shall be imposed upon the current
31 owner;

32 (d) The sale or transfer of fee title to the parks and recreation
33 commission for park and recreation purposes;

34 (e) Official action by an agency of the state of Washington or by
35 the county or city within which the land is located that disallows the
36 present use of the land;

37 (f) The creation, sale, or transfer of forestry riparian easements
38 under RCW 76.13.120;

1 (g) The creation, sale, or transfer of a fee interest or a
2 conservation easement for the riparian open space program under RCW
3 76.09.040;

4 (h) The sale or transfer of land within two years after the death
5 of the owner of at least a fifty percent interest in the land if the
6 land has been assessed and valued as classified forest land, designated
7 as forest land under this chapter, or classified under chapter 84.34
8 RCW continuously since 1993. The date of death shown on a death
9 certificate is the date used for the purposes of this subsection
10 (13)(h); or

11 (i) The sale or transfer of land after the death of the owner of at
12 least a fifty percent interest in the land if the land has been
13 assessed and valued as classified forest land, designated as forest
14 land under this chapter, or classified under chapter 84.34 RCW
15 continuously since 1993 and the sale or transfer takes place after July
16 22, 2001, and on or before July 22, 2003, and the death of the owner
17 occurred after January 1, 1991. The date of death shown on a death
18 certificate is the date used for the purposes of this subsection
19 (13)(i).

20 (14) In a county with a population of more than one million
21 inhabitants, the compensating tax specified in subsection (11) of this
22 section shall not be imposed if the removal of designation as forest
23 land under subsection (5) of this section resulted solely from:

24 (a) An action described in subsection (13) of this section; or

25 (b) A transfer of a property interest to a government entity, or to
26 a nonprofit historic preservation corporation or nonprofit nature
27 conservancy corporation, as defined in RCW 64.04.130, to protect or
28 enhance public resources, or to preserve, maintain, improve, restore,
29 limit the future use of, or otherwise to conserve for public use or
30 enjoyment, the property interest being transferred. At such time as
31 the property interest is not used for the purposes enumerated, the
32 compensating tax shall be imposed upon the current owner.

33 NEW SECTION. **Sec. 15.** (1) Sections 1 through 11 of this act take
34 effect July 1, 2005.

35 (2) Section 12 of this act expires July 1, 2005.

1 (3) Section 13 of this act takes effect July 1, 2005.

--- END ---