SENATE BILL REPORT SB 5378

As Reported By Senate Committee On: Natural Resources, Ocean & Recreation, February 23, 2005 Ways & Means, March 7, 2005

Title: An act relating to operation and maintenance of open space, agricultural, and timber lands acquired through the conservation futures program.

Brief Description: Allowing counties to increase funding for properties acquired through conservation futures.

Sponsors: Senators Pridemore, Swecker, Jacobsen, Kastama, Thibaudeau, Haugen, Regala, Benson, Fraser, Delvin, Oke, Spanel, Rockefeller and Kline.

Brief History:

Committee Activity: Natural Resources, Ocean & Recreation: 2/10/05, 2/23/05 [DPS-WM]. Ways & Means: 3/7/05 [w/oRec, DNP, w/oRec].

SENATE COMMITTEE ON NATURAL RESOURCES, OCEAN & RECREATION

Majority Report: That Substitute Senate Bill No. 5378 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Jacobsen, Chair; Doumit, Vice Chair; Fraser, Spanel and Swecker.

Staff: Curt Gavigan (786-7437)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That it be referred without recommendation.

Signed by Senators Prentice, Chair; Fraser, Vice Chair; Doumit, Vice Chair; Fairley, Kohl-Welles, Pridemore, Rasmussen, Regala, Rockefeller and Thibeaudeau.

Minority Report: Do not pass.

Signed by Senators Zarelli, Ranking Minority Member; Brandland, Hewitt, Pflug, Roach and Schoesler.

Minority Report: That it be referred without recommendation.

Signed by Senator Parlette.

Staff: Terry Wilson (786-7433)

Background: The conservation futures tax is a local option property tax assessed at the county level, at a maximum rate of 6.25 cents per \$1,000 of assessed value. Revenue from the tax may be used to purchase or acquire development rights for open space, agricultural, and timber lands. The tax was enacted to help fund the preservation of such lands in light of increasing urban and metropolitan development.

Senate Bill Report - 1 - SB 5378

In 2001, the State Parks and Outdoor Recreation Funding Task Force recommended that counties be given the option of using a portion of the conservation futures tax revenue for operation and maintenance of properties acquired.

Summary of Substitute Bill: The maximum rate of the conservation futures levy is increased to 12.5 cents per \$1,000 of assessed value. Revenues may be used for maintenance and operation of property acquired. Up to 25 percent of the revenues may be used for maintenance and operation of parks and recreational facilities. Revenues may not be used to supplant existing sources of maintenance and operation funding. Counties are encouraged to use conservation futures for salmon preservation purposes. Also, counties with populations exceeding 100,000 must develop a process to ensure that the tax is distributed throughout the county.

Substitute Bill Compared to Original Bill: The substitute bill clarifies that revenues from conservation futures may not be used to supplant existing "sources of" maintenance and operation funding, added the use for salmon preservation purposes, and requires counties with populations exceeding 100,000 to ensure distribution of revenues throughout the county.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Testimony For (Natural Resources, Ocean & Recreation): Increasing options for local park and recreation operation and maintenance funding was recommended by a 2001 state task force. Allowing conservation futures funds to be used for operation and maintenance would be a local option that would allow counties to gain open space and properly maintain that space. Currently, many counties have the funds to acquire lands, but do not have the means to maintain those lands. There were concerns, however, that the tax rate of up to 12.5 cents and use of up to 25 percent of tax revenues for operation and maintenance costs would be a bit excessive.

Testimony Against (Natural Resources, Ocean & Recreation): None.

Who Testified (Natural Resources, Ocean & Recreation): PRO: Pat Powell, Whidbey Camano Land Trust; Vern Veysey, Association of Washington Realtors; Craig Larson, Washington Recreation and Park Association; Sharon Wylie, Clark County; Paul Parker, Washington State Association of Counties; Dave Williams, Association of Washington Cities. Testimony For (Ways & Means): None.

Testimony Against (Ways & Means): None.

Who Testified (Ways & Means): No one.