
ENGROSSED SUBSTITUTE HOUSE BILL 2928

State of Washington

52nd Legislature

1992 Regular Session

By House Committee on Revenue (originally sponsored by Representatives Fraser, Wynne, Belcher, Morris, Wang, Dellwo, Scott and Jones)

Read first time 02/07/92.

1 AN ACT Relating to open spaces; amending RCW 84.33.120, 84.33.140,
2 84.33.145, 84.34.020, 84.34.035, 84.34.037, 84.34.050, 84.34.060,
3 84.34.065, 84.34.070, 84.34.080, 84.34.108, 84.34.145, 84.34.150,
4 84.34.155, 84.34.160, 84.34.320, and 84.34.360; adding new sections to
5 chapter 84.34 RCW; and providing an effective date.

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

7 **Sec. 1.** RCW 84.33.120 and 1986 c 238 s 1 are each amended to read
8 as follows:

9 (1) In preparing the assessment rolls as of January 1, 1982, for
10 taxes payable in 1983 and each January 1st thereafter, the assessor
11 shall list each parcel of forest land at a value with respect to the
12 grade and class provided in this subsection and adjusted as provided in
13 subsection (2) of this section and shall compute the assessed value of
14 the land by using the same assessment ratio he or she applies generally

1 in computing the assessed value of other property in his or her county.

2 Values for the several grades of bare forest land shall be as follows.

3	LAND	OPERABILITY	VALUES
4	GRADE	CLASS	PER ACRE
5	-----		
6		1	\$141
7	1	2	136
8		3	131
9		4	95
10	-----		
11		1	118
12	2	2	114
13		3	110
14		4	80
15	-----		
16		1	93
17	3	2	90
18		3	87
19		4	66
20	-----		
21		1	70
22	4	2	68
23		3	66
24		4	52
25	-----		
26		1	51
27	5	2	48
28		3	46
29		4	31

1	-----		
2		1	26
3	6	2	25
4		3	25
5		4	23
6	-----		
7		1	12
8	7	2	12
9		3	11
10		4	11
11	-----		
12	8		1
13	-----		

14 (2) On or before December 31, 1981, the department shall adjust, by
15 rule under chapter 34.05 RCW, the forest land values contained in
16 subsection (1) of this section in accordance with this subsection, and
17 shall certify these adjusted values to the county assessor for his or
18 her use in preparing the assessment rolls as of January 1, 1982. For
19 the adjustment to be made on or before December 31, 1981, for use in
20 the 1982 assessment year, the department shall:

21 (a) Divide the aggregate value of all timber harvested within the
22 state between July 1, 1976, and June 30, 1981, by the aggregate harvest
23 volume for the same period, as determined from the harvester excise tax
24 returns filed with the department under RCW 82.04.291 and 84.33.071;
25 and

26 (b) Divide the aggregate value of all timber harvested within the
27 state between July 1, 1975, and June 30, 1980, by the aggregate harvest
28 volume for the same period, as determined from the harvester excise tax

1 returns filed with the department under RCW 82.04.291 and 84.33.071;
2 and

3 (c) Adjust the forest land values contained in subsection (1) of
4 this section by a percentage equal to one-half of the percentage change
5 in the average values of harvested timber reflected by comparing the
6 resultant values calculated under (a) and (b) of this subsection.

7 For the adjustments to be made on or before December 31, 1982, and
8 each succeeding year thereafter, the same procedure shall be followed
9 as described in this subsection utilizing harvester excise tax returns
10 filed under RCW 82.04.291 and this chapter except that this adjustment
11 shall be made to the prior year's adjusted value, and the five-year
12 periods for calculating average harvested timber values shall be
13 successively one year more recent.

14 (3) In preparing the assessment roll for 1972 and each year
15 thereafter, the assessor shall enter as the true and fair value of each
16 parcel of forest land the appropriate grade value certified to him or
17 her by the department of revenue, and he or she shall compute the
18 assessed value of such land by using the same assessment ratio he or
19 she applies generally in computing the assessed value of other property
20 in his or her county. In preparing the assessment roll for 1975 and
21 each year thereafter, the assessor shall assess and value as classified
22 forest land all forest land that is not then designated pursuant to RCW
23 84.33.120(4) or 84.33.130 and shall make a notation of such
24 classification upon the assessment and tax rolls. On or before January
25 15 of the first year in which such notation is made, the assessor shall
26 mail notice by certified mail to the owner that such land has been
27 classified as forest land and is subject to the compensating tax
28 imposed by this section. If the owner desires not to have such land
29 assessed and valued as classified forest land, he or she shall give the
30 assessor written notice thereof on or before March 31 of such year and

1 the assessor shall remove from the assessment and tax rolls the
2 classification notation entered pursuant to this subsection, and shall
3 thereafter assess and value such land in the manner provided by law
4 other than this chapter 84.33 RCW.

5 (4) In any year commencing with 1972, an owner of land which is
6 assessed and valued by the assessor other than pursuant to the
7 procedures set forth in RCW 84.33.110 and this section, and which has,
8 in the immediately preceding year, been assessed and valued by the
9 assessor as forest land, may appeal to the county board of equalization
10 by filing an application with the board in the manner prescribed in
11 subsection (2) of RCW 84.33.130. The county board shall afford the
12 applicant an opportunity to be heard if the application so requests and
13 shall act upon the application in the manner prescribed in subsection
14 (3) of RCW 84.33.130.

15 (5) Land that has been assessed and valued as classified forest
16 land as of any year commencing with 1975 assessment year or earlier
17 shall continue to be so assessed and valued until removal of
18 classification by the assessor only upon the occurrence of one of the
19 following events:

20 (a) Receipt of notice from the owner to remove such land from
21 classification as forest land;

22 (b) Sale or transfer to an ownership making such land exempt from
23 ad valorem taxation;

24 (c) Determination by the assessor, after giving the owner written
25 notice and an opportunity to be heard, that, because of actions taken
26 by the owner, such land is no longer primarily devoted to and used for
27 growing and harvesting timber;

28 (d) Determination that a higher and better use exists for such land
29 than growing and harvesting timber after giving the owner written
30 notice and an opportunity to be heard;

1 (e) Sale or transfer of all or a portion of such land to a new
2 owner, unless the new owner has signed a notice of forest land
3 classification continuance except transfer to an owner who is an heir
4 or devisee of a deceased owner, shall not, by itself, result in removal
5 of classification. The signed notice of continuance shall be attached
6 to the real estate excise tax affidavit provided for in RCW 82.45.120,
7 as now or hereafter amended. The notice of continuance shall be on a
8 form prepared by the department of revenue. If the notice of
9 continuance is not signed by the new owner and attached to the real
10 estate excise tax affidavit, all compensating taxes calculated pursuant
11 to subsection (7) of this section shall become due and payable by the
12 seller or transferor at time of sale. The county auditor shall not
13 accept an instrument of conveyance of classified forest land for filing
14 or recording unless the new owner has signed the notice of continuance
15 or the compensating tax has been paid. The seller, transferor, or new
16 owner may appeal the new assessed valuation calculated under subsection
17 (7) of this section to the county board of equalization. Jurisdiction
18 is hereby conferred on the county board of equalization to hear these
19 appeals.

20 The assessor shall remove classification pursuant to subsections
21 (c) or (d) above prior to September 30 of the year prior to the
22 assessment year for which termination of classification is to be
23 effective. Removal of classification as forest land upon occurrence of
24 subsection (a), (b), (d), or (e) above shall apply only to the land
25 affected, and upon occurrence of subsection (c) shall apply only to the
26 actual area of land no longer primarily devoted to and used for growing
27 and harvesting timber: PROVIDED, That any remaining classified forest
28 land meets necessary definitions of forest land pursuant to RCW
29 84.33.100 as now or hereafter amended.

1 (6) Within thirty days after such removal of classification as
2 forest land, the assessor shall notify the owner in writing setting
3 forth the reasons for such removal. The owner of such land shall
4 thereupon have the right to apply for designation of such land as
5 forest land pursuant to subsection (4) of this section or RCW
6 84.33.130. The seller, transferor, or owner may appeal such removal to
7 the county board of equalization.

8 (7) Unless the owner successfully applies for designation of such
9 land or unless the removal is reversed on appeal, notation of removal
10 from classification shall immediately be made upon the assessment and
11 tax rolls, and commencing on January 1 of the year following the year
12 in which the assessor made such notation, such land shall be assessed
13 on the same basis as real property is assessed generally in that
14 county. Except as provided in subsections (5)(e) and (9) of this
15 section and unless the assessor shall not have mailed notice of
16 classification pursuant to subsection (3) of this section, a
17 compensating tax shall be imposed which shall be due and payable to the
18 county treasurer thirty days after the owner is notified of the amount
19 of the compensating tax. As soon as possible, the assessor shall
20 compute the amount of such compensating tax and mail notice to the
21 owner of the amount thereof and the date on which payment is due. The
22 amount of such compensating tax shall be equal to:

23 (a) The difference, if any, between the amount of tax last levied
24 on such land as forest land and an amount equal to the new assessed
25 valuation of such land multiplied by the dollar rate of the last levy
26 extended against such land, multiplied by

27 (b) A number, in no event greater than ten, equal to the number of
28 years, commencing with assessment year 1975, for which such land was
29 assessed and valued as forest land.

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

13 (9) The compensating tax specified in subsection (7) of this
14 section shall not be imposed if the removal of classification as forest
15 land pursuant to subsection (5) of this section resulted solely from:

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

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

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

23 ~~(d)))~~ A donation of development rights, or the right to harvest
24 timber, to a government agency or organization qualified under RCW
25 84.34.210 and 64.04.130 for the purposes enumerated in those sections
26 or the sale or transfer of fee title to a governmental entity or
27 nonprofit nature conservancy corporation, as defined in RCW 64.04.130,
28 exclusively for the protection and conservation of lands recommended
29 for state natural area preserve purposes by the natural heritage
30 council and natural heritage plan as defined in chapter 79.70 RCW:

1 PROVIDED, That at such time as the land is not used for the purposes
2 enumerated, the compensating tax specified in subsection (7) of this
3 section shall be imposed upon the current owner.

4 (10) With respect to any land that has been designated prior to May
5 6, 1974, pursuant to RCW 84.33.120(4) or 84.33.130, the assessor may,
6 prior to January 1, 1975, on his or her own motion or pursuant to
7 petition by the owner, change, without imposition of the compensating
8 tax provided under RCW 84.33.140, the status of such designated land to
9 classified forest land.

10 **Sec. 2.** RCW 84.33.140 and 1986 c 238 s 2 are each amended to read
11 as follows:

12 (1) When land has been designated as forest land pursuant to RCW
13 84.33.120(4) or 84.33.130, a notation of such designation shall be made
14 each year upon the assessment and tax rolls, a copy of the notice of
15 approval together with the legal description or assessor's tax lot
16 numbers for such land shall, at the expense of the applicant, be filed
17 by the assessor in the same manner as deeds are recorded, and such land
18 shall be graded and valued pursuant to RCW 84.33.110 and 84.33.120
19 until removal of such designation by the assessor upon occurrence of
20 any of the following:

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

22 (b) Sale or transfer to an ownership making such land exempt from
23 ad valorem taxation;

24 (c) Sale or transfer of all or a portion of such land to a new
25 owner, unless the new owner has signed a notice of forest land
26 designation continuance except transfer to an owner who is an heir or
27 devisee of a deceased owner, shall not, by itself, result in removal of
28 classification. The signed notice of continuance shall be attached to
29 the real estate excise tax affidavit provided for in RCW 82.45.120, as

1 now or hereafter amended. The notice of continuance shall be on a form
2 prepared by the department of revenue. If the notice of continuance is
3 not signed by the new owner and attached to the real estate excise tax
4 affidavit, all compensating taxes calculated pursuant to subsection (3)
5 of this section shall become due and payable by the seller or
6 transferor at time of sale. The county auditor shall not accept an
7 instrument of conveyance of designated forest land for filing or
8 recording unless the new owner has signed the notice of continuance or
9 the compensating tax has been paid. The seller, transferor, or new
10 owner may appeal the new assessed valuation calculated under subsection
11 (3) of this section to the county board of equalization. Jurisdiction
12 is hereby conferred on the county board of equalization to hear these
13 appeals;

14 (d) Determination by the assessor, after giving the owner written
15 notice and an opportunity to be heard, that (i) such land is no longer
16 primarily devoted to and used for growing and harvesting timber, (ii)
17 such owner has failed to comply with a final administrative or judicial
18 order with respect to a violation of the restocking, forest management,
19 fire protection, insect and disease control and forest debris
20 provisions of Title 76 RCW or any applicable regulations thereunder, or
21 (iii) restocking has not occurred to the extent or within the time
22 specified in the application for designation of such land.

23 Removal of designation upon occurrence of any of subsections (a)
24 through (c) above shall apply only to the land affected, and upon
25 occurrence of subsection (d) shall apply only to the actual area of
26 land no longer primarily devoted to and used for growing and harvesting
27 timber, without regard to other land that may have been included in the
28 same application and approval for designation: PROVIDED, That any
29 remaining designated forest land meets necessary definitions of forest
30 land pursuant to RCW 84.33.100 as now or hereafter amended.

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

5 (3) Unless the removal is reversed on appeal a copy of the notice
6 of removal with notation of the action, if any, upon appeal, together
7 with the legal description or assessor's tax lot numbers for the land
8 removed from designation shall, at the expense of the applicant, be
9 filed by the assessor in the same manner as deeds are recorded, and
10 commencing on January 1 of the year following the year in which the
11 assessor mailed such notice, such land shall be assessed on the same
12 basis as real property is assessed generally in that county. Except as
13 provided in subsection (5) of this section, a compensating tax shall be
14 imposed which shall be due and payable to the county treasurer thirty
15 days after the owner is notified of the amount of the compensating tax.
16 As soon as possible, the assessor shall compute the amount of such
17 compensating tax and mail notice to the owner of the amount thereof and
18 the date on which payment is due. The amount of such compensating tax
19 shall be equal to:

20 (a) The difference between the amount of tax last levied on such
21 land as forest land and an amount equal to the new assessed valuation
22 of such land multiplied by the dollar rate of the last levy extended
23 against such land, multiplied by

24 (b) A number, in no event greater than ten, equal to the number of
25 years for which such land was designated as forest land.

26 (4) Compensating tax, together with applicable interest thereon,
27 shall become a lien on such land which shall attach at the time such
28 land is removed from designation as forest land and shall have priority
29 to and shall be fully paid and satisfied before any recognizance,
30 mortgage, judgment, debt, obligation or responsibility to or with which

1 such land may become charged or liable. Such lien may be foreclosed
2 upon expiration of the same period after delinquency and in the same
3 manner provided by law for foreclosure of liens for delinquent real
4 property taxes as provided in RCW 84.64.050. Any compensating tax
5 unpaid on its due date shall thereupon become delinquent. From the
6 date of delinquency until paid, interest shall be charged at the same
7 rate applied by law to delinquent ad valorem property taxes.

8 (5) The compensating tax specified in subsection (3) of this
9 section shall not be imposed if the removal of designation pursuant to
10 subsection (1) of this section resulted solely from:

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

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

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

18 ~~(d))~~) A donation of development rights, or the right to harvest
19 timber, to a government agency or organization qualified under RCW
20 84.34.210 and 64.04.130 for the purposes enumerated in those sections
21 or the sale or transfer of fee title to a governmental entity or
22 nonprofit nature conservancy corporation, as defined in RCW 64.04.130,
23 exclusively for the protection and conservation of lands recommended
24 for state natural area preserve purposes by the natural heritage
25 council and natural heritage plan as defined in chapter 79.70 RCW:
26 PROVIDED, That at such time as the land is not used for the purposes
27 enumerated, the compensating tax specified in subsection (3) of this
28 section shall be imposed upon the current owner.

1 **Sec. 3.** RCW 84.33.145 and 1986 c 315 s 3 are each amended to read
2 as follows:

3 (1) If no later than thirty days after removal of classification or
4 designation the owner applies for classification under RCW 84.34.020
5 (1), (2), or (3), then the classified or designated forest land shall
6 not be considered removed from classification or designation for
7 purposes of the compensating tax under RCW 84.33.120 or 84.33.140 until
8 the application for current use classification under RCW 84.34.030 is
9 denied or the property is removed from designation under RCW 84.34.108.
10 Upon removal from designation under RCW 84.34.108, the amount of
11 compensating tax due under this chapter shall be equal to:

12 (a) The difference, if any, between the amount of tax last levied
13 on such land as forest land and an amount equal to the new assessed
14 valuation of such land when removed from designation under RCW
15 84.34.108 multiplied by the dollar rate of the last levy extended
16 against such land, multiplied by

17 (b) A number equal to:

18 (i) The number of years the land was classified or designated under
19 this chapter, if the total number of years the land was classified or
20 designated under this chapter and classified under chapter 84.34 RCW is
21 less than ten; or

22 (ii) Ten minus the number of years the land was classified under
23 chapter 84.34 RCW, if the total number of years the land was classified
24 or designated under this chapter and classified under chapter 84.34 RCW
25 is at least ten.

26 (2) Nothing in this section authorizes the continued classification
27 or designation under this chapter or defers or reduces the compensating
28 tax imposed upon forest land not transferred to classification under
29 subsection (1) of this section which does not meet the necessary

1 definitions of forest land under RCW 84.33.100. Nothing in this
2 section affects the additional tax imposed under RCW 84.34.108.

3 **Sec. 4.** RCW 84.34.020 and 1988 c 253 s 3 are each amended to read
4 as follows:

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

7 (1) "Open space land" means (a) any land area so designated by an
8 official comprehensive land use plan adopted by any city or county and
9 zoned accordingly or (b) any land area, the preservation of which in
10 its present use would (i) conserve and enhance natural or scenic
11 resources, or (ii) protect streams or water supply, or (iii) promote
12 conservation of soils, wetlands, beaches or tidal marshes, or (iv)
13 enhance the value to the public of abutting or neighboring parks,
14 forests, wildlife preserves, nature reservations or sanctuaries or
15 other open space, or (v) enhance recreation opportunities, or (vi)
16 preserve historic sites, or (vii) preserve visual quality along
17 highway, road, and street corridors or scenic vistas, or (viii) retain
18 in its natural state tracts of land not less than ((five)) one
19 acre((s)) situated in an urban area and open to public use on such
20 conditions as may be reasonably required by the legislative body
21 granting the open space classification, or (c) any land meeting the
22 definition of farm and agricultural conservation land under subsection
23 (8) of this section. As a condition of granting open space
24 classification, the legislative body may not require public access on
25 land classified under (b)(iii) of this subsection for the purpose of
26 promoting conservation of wetlands.

27 (2) "Farm and agricultural land" means either (a) any parcel of
28 land ((in any)) that is twenty or more acres or multiple parcels of
29 land that are contiguous ((ownership of)) and total twenty or more

1 acres (i) devoted primarily to the production of livestock or
2 agricultural commodities for commercial purposes, ~~((or))~~ (ii) enrolled
3 in the federal conservation reserve program or its successor
4 administered by the United States department of agriculture, or (iii)
5 other similar commercial activities as may be established by rule
6 following consultation with the advisory committee established in
7 section 19 of this act; (b) any parcel of land that is five acres or
8 more but less than twenty acres devoted primarily to agricultural uses,
9 which has produced a gross income from agricultural uses equivalent to,
10 as of the effective date of this act, (i) one hundred dollars or more
11 per acre per year for three of the five calendar years preceding the
12 date of application for classification under this chapter for all
13 parcels of land that are classified under this subsection or all
14 parcels of land for which an application for classification under this
15 subsection is made with the granting authority prior to January 1,
16 1993, and (ii) on or after January 1, 1993, two hundred dollars or more
17 per acre per year for three of the five calendar years preceding the
18 date of application for classification under this chapter; ~~((or))~~ (c)
19 any parcel of land of less than five acres devoted primarily to
20 agricultural uses which has produced a gross income as of the effective
21 date of this act, of (i) one thousand dollars or more per year for
22 three of the five calendar years preceding the date of application for
23 classification under this chapter for all parcels of land that are
24 classified under this subsection or all parcels of land for which an
25 application for classification under this subsection is made with the
26 granting authority prior to January 1, 1993, and (ii) on or after
27 January 1, 1993, fifteen hundred dollars or more per year for three of
28 the five calendar years preceding the date of application for
29 classification under this chapter. Parcels of land described in (b)(i)
30 and (c)(i) of this subsection shall, upon any transfer of the property

1 excluding a transfer to a surviving spouse, be subject to the limits of
2 (b)(ii) and (c)(ii) of this subsection. Agricultural lands shall also
3 include ((farm woodlots of less than twenty and more than five acres))
4 such incidental uses as are compatible with agricultural purposes,
5 including wetlands preservation, provided such incidental use does not
6 exceed twenty percent of the classified land and the land on which
7 appurtenances necessary to the production, preparation, or sale of the
8 agricultural products exist in conjunction with the lands producing
9 such products. Agricultural lands shall also include any parcel of
10 land of one to five acres, which is not contiguous, but which otherwise
11 constitutes an integral part of farming operations being conducted on
12 land qualifying under this section as "farm and agricultural lands"; or
13 (d) the land on which housing for employees and the principal place of
14 residence of the farm operator or owner of land classified pursuant to
15 (a) of this subsection is sited if: The housing or residence is on or
16 contiguous to the classified parcel; and the use of the housing or the
17 residence is integral to the use of the classified land for
18 agricultural purposes.

19 (3) "Timber land" means any parcel of land ((in any)) that is five
20 or more acres or multiple parcels of land that are contiguous
21 ((ownership of)) and total five or more acres which is or are devoted
22 primarily to the growth and harvest of forest crops ((and which is not
23 classified as reforestation land pursuant to chapter 84.28 RCW)) for
24 commercial purposes. A timber management plan shall be filed with the
25 county legislative authority at the time (a) an application is made for
26 classification as timber land pursuant to this chapter or (b) when a
27 sale or transfer of timber land occurs and a notice of classification
28 continuance is signed. Timber land means the land only.

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

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

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

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

11 (8) "Farm and agricultural conservation land" means either:

12 (a) Land that was previously classified under subsection (2) of
13 this section, that no longer meets the criteria of subsection (2) of
14 this section, and that is reclassified under subsection (1) of this
15 section; or

16 (b) Land that is traditional farmland that is not classified under
17 chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a
18 use inconsistent with agricultural uses, and that has a high potential
19 for returning to commercial agriculture.

20 **Sec. 5.** RCW 84.34.035 and 1973 1st ex.s. c 212 s 4 are each
21 amended to read as follows:

22 The assessor shall act upon the application for current use
23 classification of farm and agricultural lands under ~~((subsection (2)~~
24 ~~of))~~ RCW 84.34.020(2), with due regard to all relevant evidence. The
25 application shall be deemed to have been approved unless, prior to the
26 first day of May of the year after such application was mailed or
27 delivered to the assessor, ~~((he))~~ the assessor shall notify the
28 applicant in writing of the extent to which the application is denied.
29 An owner who receives notice that his or her application has been

1 denied may appeal such denial to the ~~((county legislative authority))~~
2 board of equalization in the county where the property is located. The
3 appeal shall be filed in accordance with RCW 84.40.038, within thirty
4 days after the mailing of the notice of denial. Within ten days
5 following approval of the application, the assessor shall submit
6 notification of such approval to the county auditor for recording in
7 the place and manner provided for the public recording of state tax
8 liens on real property. The assessor shall retain a copy of all
9 applications.

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

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

17 **Sec. 6.** RCW 84.34.037 and 1985 c 393 s 1 are each amended to read
18 as follows:

19 (1) Applications for classification or reclassification under RCW
20 84.34.020 ~~((subsection))~~ (1) ~~((or-(3)))~~ shall be made to the county
21 legislative authority. An application made for classification or
22 reclassification of land under RCW 84.34.020 ~~((subsection))~~ (1)(b)~~((or-~~
23 ~~or-(3)))~~ and (c) which is in an area subject to a comprehensive plan
24 shall be acted upon in the same manner in which an amendment to the
25 comprehensive plan is processed. Application made for classification
26 of land which is in an area not subject to a comprehensive plan shall
27 be acted upon after a public hearing and after notice of the hearing
28 shall have been given by one publication in a newspaper of general
29 circulation in the area at least ten days before the hearing:

1 PROVIDED, That applications for classification of land in an
2 incorporated area shall be acted upon by a (~~determining~~) granting
3 authority composed of three members of the county legislative body and
4 three members of the city legislative body in which the land is
5 located.

6 (2) In determining whether an application made for classification
7 or reclassification under RCW 84.34.020(~~(, subsection)~~) (1)(b)(~~, or~~
8 ~~(3)~~) and (c) should be approved or disapproved, the granting authority
9 may take cognizance of the benefits to the general welfare of
10 preserving the current use of the property which is the subject of
11 application, and (~~may~~) shall consider (~~whether or not preservation~~
12 ~~of current use of the land when balanced against~~):

13 (a) The resulting revenue loss or tax shift (~~from granting~~);

14 (b) Whether granting the application for land applying under RCW
15 84.34.020(1)(b) will (~~(+1)~~) (i) conserve or enhance natural, cultural,
16 or scenic resources, (~~(+2)~~) (ii) protect streams, stream corridors,
17 wetlands, natural shorelines and aquifers, (~~(+3)~~) (iii) protect soil
18 resources and unique or critical wildlife and native plant habitat,
19 (~~(+4)~~) (iv) promote conservation principles by example or by offering
20 educational opportunities, (~~(+5)~~) (v) enhance the value of abutting or
21 neighboring parks, forests, wildlife preserves, nature reservations,
22 sanctuaries, or other open spaces, (~~(+6)~~) (vi) enhance recreation
23 opportunities, (~~(+7)~~) (vii) preserve historic and archaeological
24 sites, (~~(+8)~~) (viii) affect any other factors relevant in weighing
25 benefits to the general welfare of preserving the current use of the
26 property(~~(: PROVIDED, That)~~); and

27 (c) Whether granting the application for land applying under RCW
28 84.34.020(1)(c) will (i) either preserve land previously classified
29 under RCW 84.34.020(2) or preserve land that is traditional farmland
30 and not classified under chapter 84.33 or 84.34 RCW, (ii) preserve land

1 with a potential for returning to commercial agriculture, and (iii)
2 affect any other factors relevant in weighing benefits to the general
3 welfare of preserving the current use of property.

4 (3) If a public benefit rating system is adopted under RCW
5 84.34.055, the county legislative authority shall rate property
6 (~~applying~~) for which application for classification has been made
7 under RCW 84.34.020 (1)(b) and (c) according to the public benefit
8 rating system in determining whether an application should be approved
9 or disapproved, but when such a system is adopted, open space
10 properties then classified under this chapter which do not qualify
11 under the system shall not be removed from classification but may be
12 rated according to the public benefit rating system(~~—PROVIDED~~
13 ~~FURTHER, That~~)).

14 (4) The granting authority may approve the application with respect
15 to only part of the land which is the subject of the application(~~—~~
16 ~~AND PROVIDED FURTHER, That~~)). If any part of the application is
17 denied, the applicant may withdraw the entire application(~~—AND~~
18 ~~PROVIDED FURTHER, That~~)). The granting authority in approving in part
19 or whole an application for land classified or reclassified pursuant to
20 RCW 84.34.020(1) (~~or (3)~~) may also require that certain conditions be
21 met, including but not limited to the granting of easements(~~—AND~~
22 ~~PROVIDED FURTHER, That~~)). As a condition of granting open space
23 classification, the legislative body may not require public access on
24 land classified under RCW 84.34.020 (1)(b)(iii) for the purpose of
25 promoting conservation of wetlands.

26 (5) The granting or denial of the application for current use
27 classification or reclassification is a legislative determination and
28 shall be reviewable only for arbitrary and capricious actions. (~~The~~
29 ~~granting authority may not require the granting of easements for land~~
30 ~~classified pursuant to RCW 84.34.020(3).~~))

1 **Sec. 7.** RCW 84.34.050 and 1973 1st ex.s. c 212 s 6 are each
2 amended to read as follows:

3 (1) The granting authority shall immediately notify the ((county))
4 assessor and the applicant of its approval or disapproval which shall
5 in no event be more than six months from the receipt of said
6 application. No land other than farm and agricultural land shall be
7 ((considered qualified)) classified under this chapter until an
8 application in regard thereto has been approved by the appropriate
9 legislative authority.

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

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

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

25 **Sec. 8.** RCW 84.34.060 and 1985 c 393 s 2 are each amended to read
26 as follows:

27 In determining the true and fair value of open space land and
28 timber land, which has been classified as such under the provisions of
29 this chapter, the assessor shall consider only the use to which such

1 property and improvements is currently applied and shall not consider
2 potential uses of such property. The (~~assessor shall compute the~~
3 ~~assessed value of such property by using the same assessment ratio~~
4 ~~which he applies generally in computing the assessed value of other~~
5 ~~property: PROVIDED, That the~~) assessed valuation of open space land
6 (~~with no current use shall not be less than that which would result if~~
7 ~~it were to be assessed for agricultural uses,~~) shall not be less than
8 the minimum value per acre of classified farm and agricultural land
9 except that the assessed valuation of open space land (~~with no current~~
10 ~~use~~) may be valued based on the public benefit rating system adopted
11 under RCW 84.34.055: PROVIDED FURTHER, That timber land shall be
12 valued according to chapter 84.33 RCW.

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

15 The true and fair value of farm and agricultural land shall be
16 determined by consideration of the earning or productive capacity of
17 comparable lands from crops grown most typically in the area averaged
18 over not less than five years, capitalized at indicative rates. The
19 earning or productive capacity of farm and agricultural lands shall be
20 the "net cash rental", capitalized at a "rate of interest" charged on
21 long term loans secured by a mortgage on farm or agricultural land plus
22 a component for property taxes. The current use value of land under
23 RCW 84.34.020(2)(d) shall be established as: The prior year's average
24 value of open space farm and agricultural land used in the county plus
25 the value of land improvements such as septic, water, and power used to
26 serve the residence. This shall not be interpreted to require the
27 assessor to list improvements to the land with the value of the land.

28 For the purposes of the above computation:

1 (1) The term "net cash rental" shall mean the average rental paid
2 on an annual basis, in cash (~~or its equivalent~~), for the land being
3 appraised and other farm and agricultural land of similar quality and
4 similarly situated that is available for lease for a period of at least
5 three years to any reliable person without unreasonable restrictions on
6 its use for production of agricultural crops. There shall be allowed
7 as a deduction from the rental received or computed any costs of crop
8 production charged against the landlord if the costs are such as are
9 customarily paid by a landlord. If "net cash rental" data is not
10 available, the earning or productive capacity of farm and agricultural
11 lands shall be determined by the cash value of typical or usual crops
12 grown on land of similar quality and similarly situated averaged over
13 not less than five years. Standard costs of production shall be
14 allowed as a deduction from the cash value of the crops.

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

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

28 The "rate of interest" shall be determined annually by (~~adoption~~
29 ~~of~~) a rule adopted by the (~~revenue~~) department of (~~the state of~~
30 ~~Washington,~~) revenue and such rule shall be published in the state

1 register not later than January 1 of each year for use in that
2 assessment year. The ~~((determination of the revenue))~~ department of revenue determination may be appealed to the state board of tax appeals
3 within thirty days after the date of publication by any owner of farm
4 or agricultural land or the assessor of any county containing farm and
5 agricultural land.

7 (3) The "component for property taxes" shall be a ~~((percentage
8 equal to the estimated mileage rate times the legal assessment ratio))~~
9 figure obtained by dividing the assessed value of all property in the
10 county into the property taxes levied within the county in the year
11 preceding the assessment and multiplying the quotient obtained by one
12 hundred.

13 **Sec. 10.** RCW 84.34.070 and 1984 c 111 s 2 are each amended to read
14 as follows:

15 (1) When land has once been classified under this chapter, it shall
16 remain under such classification and shall not be applied to other use
17 except ~~((a transfer between classifications under RCW 84.34.020 (2) and
18 (3)))~~ as provided by subsection (2) of this section for at least ten
19 years from the date of classification and shall continue under such
20 classification until and unless withdrawn from classification after
21 notice of request for withdrawal shall be made by the owner. During
22 any year after eight years of the initial ten-year classification
23 period have elapsed, notice of request for withdrawal of all or a
24 portion of the land~~((, which shall be irrevocable,))~~ may be given by
25 the owner to the ~~((county))~~ assessor or assessors of the county or
26 counties in which such land is situated. In the event that a portion
27 of a parcel is removed from classification, the remaining portion must
28 meet the same requirements as did the entire parcel when such land was
29 originally granted classification pursuant to this chapter unless the

1 remaining parcel has different income criteria. Within seven days the
2 ~~((county))~~ assessor shall transmit one copy of such notice to the
3 legislative body which originally approved the application. The
4 ~~((county))~~ assessor or assessors, as the case may be, shall, when two
5 assessment years have elapsed following the date of receipt of such
6 notice, withdraw such land from such classification and the land shall
7 be subject to the additional tax and applicable interest due under RCW
8 84.34.108(~~(:— PROVIDED, That))~~). Agreement to tax according to use
9 shall not be considered to be a contract and can be abrogated at any
10 time by the legislature in which event no additional tax or penalty
11 shall be imposed.

12 (2) The following reclassifications are not considered withdrawals
13 or removals and are not subject to additional tax under RCW 84.34.108:

14 (a) Reclassification between lands under RCW 84.34.020 (2) and (3);

15 (b) Reclassification of land classified under RCW 84.34.020 (2) or
16 (3) or chapter 84.33 RCW to open space land under RCW 84.34.020(1);

17 (c) Reclassification of land classified under RCW 84.34.020(2) or
18 (3) to forest land classified under chapter 84.33 RCW; and

19 (d) Reclassification of land classified as open space land under
20 RCW 84.34.020(1)(c) and reclassified to farm and agricultural land
21 under RCW 84.34.020(2) if the land had been previously classified as
22 farm and agricultural land under RCW 84.34.020(2).

23 (3) Applications for reclassification shall be subject to
24 applicable provisions of RCW 84.34.037, 84.34.035, section 20 of this
25 act, and chapter 84.33 RCW.

26 (4) The income criteria for land classified under RCW 84.34.020(2)
27 (b) and (c) may be deferred for land being reclassified from land
28 classified under RCW 84.34.020 (1)(c) or (3), or chapter 84.33 RCW into
29 RCW 84.34.020(2) (b) or (c) for a period of up to five years from the
30 date of reclassification.

1 **Sec. 11.** RCW 84.34.080 and 1973 1st ex.s. c 212 s 9 are each
2 amended to read as follows:

3 When land which has been classified under this chapter as open
4 space land, farm and agricultural land, or timber land is applied to
5 some other use, except through compliance with RCW 84.34.070, or except
6 as a result solely from any one of the conditions listed in RCW
7 84.34.108(5), the owner shall within sixty days notify the county
8 assessor of such change in use and additional real property tax shall
9 be imposed upon such land in an amount equal to the sum of the
10 following:

11 (1) The total amount of the additional tax and applicable interest
12 due under RCW 84.34.108; plus

13 (2) A penalty amounting to twenty percent of the amount determined
14 in subsection (1) of this section.

15 **Sec. 12.** RCW 84.34.108 and 1989 c 378 s 35 are each amended to
16 read as follows:

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

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

25 (b) Sale or transfer to an ownership, except a transfer that
26 resulted from a default in loan payments made to or secured by a
27 governmental agency that intends to or is required by law or regulation
28 to resell the property for the same use as before, making all or a
29 portion of such land exempt from ad valorem taxation;

1 (c) Sale or transfer of all or a portion of such land to a new
2 owner, unless the new owner has signed a notice of classification
3 continuance, except transfer to an owner who is an heir or devisee of
4 a deceased owner shall not, by itself, result in removal of
5 classification. The signed notice of continuance shall be attached to
6 the real estate excise tax affidavit provided for in RCW 82.45.120, as
7 now or hereafter amended. The notice of continuance shall be on a form
8 prepared by the department of revenue. If the notice of continuance is
9 not signed by the new owner and attached to the real estate excise tax
10 affidavit, all additional taxes calculated pursuant to subsection (3)
11 of this section shall become due and payable by the seller or
12 transferor at time of sale. The county auditor shall not accept an
13 instrument of conveyance of classified land for filing or recording
14 unless the new owner has signed the notice of continuance or the
15 additional tax has been paid. The seller, transferor, or new owner may
16 appeal the new assessed valuation calculated under subsection (3) of
17 this section to the county board of equalization. Jurisdiction is
18 hereby conferred on the county board of equalization to hear these
19 appeals;

20 (d) Determination by the assessor, after giving the owner written
21 notice and an opportunity to be heard, that all or a portion of such
22 land ((is)) no longer ((~~primarily devoted to and used for the purposes~~
23 ~~under which it was granted classification~~)) meets the criteria for
24 classification under this chapter. The criteria for classification
25 pursuant to this chapter continue to apply after classification has
26 been granted.

27 The granting authority, upon request of an assessor, shall provide
28 reasonable assistance to the assessor in making a determination whether
29 such land continues to meet the qualifications of RCW 84.34.020 (1) or

1 (3). The assistance shall be provided within thirty days of receipt of
2 the request.

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

8 (3) Unless the removal is reversed on appeal, the assessor shall
9 revalue the affected land with reference to full market value on the
10 date of removal from classification. Both the assessed valuation
11 before and after the removal of classification shall be listed and
12 taxes shall be allocated according to that part of the year to which
13 each assessed valuation applies. Except as provided in subsection (5)
14 of this section, an additional tax, applicable interest, and penalty
15 shall be imposed which shall be due and payable to the county treasurer
16 thirty days after the owner is notified of the amount of the additional
17 tax. As soon as possible, the assessor shall compute the amount of
18 such an additional tax, applicable interest, and penalty and the
19 treasurer shall mail notice to the owner of the amount thereof and the
20 date on which payment is due. The amount of such additional tax
21 ((shall be equal to)), applicable interest, and penalty shall be
22 determined as follows:

23 (a) The amount of additional tax shall be equal to the difference
24 between the property tax paid as "open space land", "farm and
25 agricultural land", or "timber land" and the amount of property tax
26 otherwise due and payable for the seven years last past had the land
27 not been so classified; ((plus))

28 (b) The amount of applicable interest shall be equal to the
29 interest upon the amounts of such additional tax paid at the same
30 statutory rate charged on delinquent property taxes from the dates on

1 which such additional tax could have been paid without penalty if the
2 land had been assessed at a value without regard to this chapter.

3 (c) The amount of the penalty shall be as provided in RCW
4 84.34.080. The penalty shall not be imposed if the removal satisfies
5 the conditions of RCW 84.34.070.

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

20 (5) The additional tax, applicable interest, and penalty specified
21 in subsection (3) of this section shall not be imposed if the removal
22 of ~~((designation))~~ classification pursuant to subsection (1) of this
23 section resulted solely from:

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

26 (b)(i) A taking through the exercise of the power of eminent
27 domain, or (ii) sale or transfer to an entity having the power of
28 eminent domain in anticipation of the exercise of such power, said
29 entity having manifested its intent in writing or by other official
30 action;

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

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

6 ~~((e))~~ (d) Official action by an agency of the state of Washington
7 or by the county or city within which the land is located which
8 disallows the present use of such land;

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

12 ~~(g))~~ (f) Acquisition of property interests by state agencies or
13 agencies or organizations qualified under RCW 84.34.210 and 64.04.130
14 for the purposes enumerated in those sections: PROVIDED, That at such
15 time as these property interests are not used for the purposes
16 enumerated in RCW 84.34.210 and 64.04.130 the additional tax specified
17 in subsection (3) of this section shall be imposed; or

18 (g) Removal of land classified as farm and agricultural land under
19 RCW 84.34.020(2)(d).

20 **Sec. 13.** RCW 84.34.145 and 1973 1st ex.s. c 212 s 11 are each
21 amended to read as follows:

22 The county legislative authority shall appoint a five member
23 committee representing the active farming community within the county
24 to serve in an advisory capacity to the ~~((county))~~ assessor in
25 implementing assessment guidelines as established by the department of
26 revenue for the assessment of open space, farms and agricultural lands,
27 and timber lands classified pursuant to this 1973 amendatory act.

1 **Sec. 14.** RCW 84.34.150 and 1973 1st ex.s. c 212 s 15 are each
2 amended to read as follows:

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

16 **Sec. 15.** RCW 84.34.155 and 1973 1st ex.s. c 212 s 19 are each
17 amended to read as follows:

18 Land classified under the provisions of ~~((chapter 84.34 RCW as~~
19 ~~timber land))~~ RCW 84.34.020 (2) or (3) which meets the definition of
20 forest land under the provisions of chapter 84.33 RCW, upon request for
21 such change made by the owner to the ~~((county assessor))~~ granting
22 authority, shall be reclassified by the ~~((county))~~ assessor under the
23 provisions of chapter 84.33 RCW. This change in classification shall
24 be made without additional tax, applicable interest, penalty, or other
25 requirements set forth in chapter 84.34 RCW: PROVIDED, That subsequent
26 to such reclassification, the land shall be fully subject to the
27 provisions of chapter 84.33 RCW, as now or hereafter amended.

1 **Sec. 16.** RCW 84.34.160 and 1973 1st ex.s. c 212 s 18 are each
2 amended to read as follows:

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

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

13 Any land classified as farm and agricultural land ~~((which is~~
14 ~~designated for current use classification))~~ pursuant to chapter 84.34
15 RCW at the earlier of the times the legislative authority of a local
16 government adopts a resolution, ordinance, or legislative act (1) to
17 create a local improvement district, in which such land is included or
18 would have been included but for such classification ~~((designation))~~,
19 or (2) to approve or confirm a final special benefit assessment roll
20 relating to a sanitary and/or storm sewerage system, domestic water
21 supply and/or distribution system, or road construction and/or
22 improvement, which roll would have included such land but for such
23 classification ~~((designation))~~, shall be exempt from special benefit
24 assessments or charges in lieu of assessment for such purposes as long
25 as that land remains in such classification, except as otherwise
26 provided in RCW 84.34.360.

27 Whenever a local government creates a local improvement district,
28 the levying, collection and enforcement of assessments shall be in the
29 manner and subject to the same procedures and limitations as are

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

1 recorded, that such exempt land is subject to the charges provided in
2 RCW 84.34.330 and 84.34.340 if such land is withdrawn or removed from
3 its current use classification as farm and agricultural land.

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

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

15 **Sec. 18.** RCW 84.34.360 and 1979 c 84 s 7 are each amended to read
16 as follows:

17 ((Within ninety days after June 7, 1979,)) The department of
18 revenue shall adopt rules it shall deem necessary to implement RCW
19 84.34.300 through 84.34.380 which shall include, but not be limited to,
20 procedures to determine the extent to which a portion of the land
21 otherwise exempt may be subject to a special benefit assessment for the
22 actual connection to the domestic water system or sewerage facilities,
23 and further to determine the extent to which all or a portion of such
24 land may be subject to a special benefit assessment for access to the
25 road improvement in relation to its value as farm and agricultural land
26 as distinguished from its value under more intensive uses. The
27 provision for limited special benefit assessments shall not relieve
28 such land from liability for the amounts provided in RCW 84.34.330 and

1 84.34.340 when such land is withdrawn or removed from its current use
2 classification as farm and agricultural land.

3 NEW SECTION. Sec. 19. A new section is added to chapter 84.34 RCW
4 to read as follows:

5 There is created an advisory committee to assist the department of
6 revenue in recommending changes to the rules implementing this chapter.
7 The committee shall have twelve members. Four shall be assessors,
8 selected by assessors. Two assessors shall reside east of the crest of
9 the Cascade mountains. The remaining members shall be appointed by the
10 department. Two shall represent natural resource protection
11 organizations. Two shall represent the public. Four shall represent
12 a cross-section of the agricultural and forestry community. Two
13 community members shall reside east of the crest of the Cascade
14 mountains. The term of appointment for the community members, the
15 natural resource protection organization members, and the public
16 members shall be four years.

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

20 NEW SECTION. Sec. 20. A new section is added to chapter 84.34 RCW
21 to read as follows:

22 An application for current use classification under RCW
23 84.34.020(3) shall be made to the county legislative authority.

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

27 (a) A legal description of, or assessor's parcel numbers for, all
28 land the applicant desires to be classified as timber land;

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

1 county legislative body and three members of the city legislative body
2 in which the land is located.

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

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

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

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

26 The granting authority may approve the application with respect to
27 only part of the land that is described in the application, and if any
28 part of the application is denied, the applicant may withdraw the
29 entire application. The granting authority, in approving in part or

1 whole an application for land classified pursuant to RCW 84.34.020(3),
2 may also require that certain conditions be met.

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

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

11 NEW SECTION. **Sec. 21.** A new section is added to chapter 84.34 RCW
12 to read as follows:

13 If approval of an application for classification or
14 reclassification under RCW 84.34.020 (1), (2), or (3) results in the
15 incorrect classification of a parcel of land the assessor may place the
16 property in the correct classification. Such a correction shall not be
17 considered a withdrawal or removal and is not subject to additional tax
18 under RCW 84.34.108. The assessor will notify the landowner of any
19 correction of classification.

20 This section expires on December 31, 1995.

21 NEW SECTION. **Sec. 22.** This act shall take effect January 1,
22 1993.