

CERTIFICATION OF ENROLLMENT  
ENGROSSED SUBSTITUTE HOUSE BILL 2928

Chapter 69, Laws of 1992  
(partial veto)

52nd Legislature  
1992 Regular Session

OPEN SPACE TAXATION--ADMINISTRATION AND CLASSIFICATION REVISIONS

EFFECTIVE DATE: 1/1/93

Passed by the House March 7, 1992  
Yeas 96 Nays 0

JOE KING  
**Speaker of the  
House of Representatives**

Passed by the Senate March 5, 1992  
Yeas 48 Nays 0

JOEL PRITCHARD  
**President of the Senate**

Approved March 26, 1992, with the  
exception of section 19, which is  
vetoed.

BOOTH GARDNER  
**Governor of the State of Washington**

CERTIFICATE

I, Alan Thompson, Chief Clerk of the  
House of Representatives of the State  
of Washington, do hereby certify that  
the attached is ENGROSSED SUBSTITUTE  
HOUSE BILL 2928 as passed by the House  
of Representatives and the Senate on  
the dates hereon set forth.

ALAN THOMPSON  
**Chief Clerk**

FILED  
March 26, 1992 - 12:24 p.m.

**Secretary of State  
State of Washington**

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ENGROSSED SUBSTITUTE HOUSE BILL 2928

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AS AMENDED BY THE SENATE

Passed Legislature - 1992 Regular Session

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-(3)))~~  
23 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) preserve visual quality along highway, road, and  
25 street corridors or scenic vistas, (ix) affect any other factors  
26 relevant in weighing benefits to the general welfare of preserving the  
27 current use of the property(~~(: PROVIDED, That)~~); and

28 (c) Whether granting the application for land applying under RCW  
29 84.34.020(1)(c) will (i) either preserve land previously classified  
30 under RCW 84.34.020(2) or preserve land that is traditional farmland

1 and not classified under chapter 84.33 or 84.34 RCW, (ii) preserve land  
2 with a potential for returning to commercial agriculture, and (iii)  
3 affect any other factors relevant in weighing benefits to the general  
4 welfare of preserving the current use of property.

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

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

27 (5) The granting or denial of the application for current use  
28 classification or reclassification is a legislative determination and  
29 shall be reviewable only for arbitrary and capricious actions. ((The

1 ~~granting authority may not require the granting of easements for land~~  
2 ~~classified pursuant to RCW 84.34.020(3).)~~

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

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

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

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

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

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

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

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

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

1 serve the residence. This shall not be interpreted to require the  
2 assessor to list improvements to the land with the value of the land.

3 For the purposes of the above computation:

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

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

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



1 The "rate of interest" shall be determined annually by (~~adoption~~  
2 of)) a rule adopted by the (~~revenue~~) department of (~~the state of~~  
3 ~~Washington,~~) revenue and such rule shall be published in the state  
4 register not later than January 1 of each year for use in that  
5 assessment year. The (~~determination of the revenue~~) department of  
6 revenue determination may be appealed to the state board of tax appeals  
7 within thirty days after the date of publication by any owner of farm  
8 or agricultural land or the assessor of any county containing farm and  
9 agricultural land.

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

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

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

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

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

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

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

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

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

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

29 (4) The income criteria for land classified under RCW 84.34.020(2)  
30 (b) and (c) may be deferred for land being reclassified from land

1 classified under RCW 84.34.020 (1)(c) or (3), or chapter 84.33 RCW into  
2 RCW 84.34.020(2) (b) or (c) for a period of up to five years from the  
3 date of reclassification.

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

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

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

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

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

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

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

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

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

25 (d) Determination by the assessor, after giving the owner written  
26 notice and an opportunity to be heard, that all or a portion of such  
27 land ((is)) no longer ((~~primarily devoted to and used for the purposes~~  
28 ~~under which it was granted classification~~)) meets the criteria for  
29 classification under this chapter. The criteria for classification

1 pursuant to this chapter continue to apply after classification has  
2 been granted.

3 The granting authority, upon request of an assessor, shall provide  
4 reasonable assistance to the assessor in making a determination whether  
5 such land continues to meet the qualifications of RCW 84.34.020 (1) or  
6 (3). The assistance shall be provided within thirty days of receipt of  
7 the request.

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

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

28 (a) The amount of additional tax shall be equal to the difference  
29 between the property tax paid as "open space land", "farm and  
30 agricultural land", or "timber land" and the amount of property tax

1 otherwise due and payable for the seven years last past had the land  
2 not been so classified; (~~plus~~)

3 (b) The amount of applicable interest shall be equal to the  
4 interest upon the amounts of such additional tax paid at the same  
5 statutory rate charged on delinquent property taxes from the dates on  
6 which such additional tax could have been paid without penalty if the  
7 land had been assessed at a value without regard to this chapter.

8 (c) The amount of the penalty shall be as provided in RCW  
9 84.34.080. The penalty shall not be imposed if the removal satisfies  
10 the conditions of RCW 84.34.070.

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

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

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

1 (b)(i) A taking through the exercise of the power of eminent  
2 domain, or (ii) sale or transfer to an entity having the power of  
3 eminent domain in anticipation of the exercise of such power, said  
4 entity having manifested its intent in writing or by other official  
5 action;

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

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

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

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

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

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

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

27 The county legislative authority shall appoint a five member  
28 committee representing the active farming community within the county  
29 to serve in an advisory capacity to the ~~((county))~~ assessor in

1 implementing assessment guidelines as established by the department of  
2 revenue for the assessment of open space, farms and agricultural lands,  
3 and timber lands classified pursuant to this 1973 amendatory act.

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

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

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

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



1 to such reclassification, the land shall be fully subject to the  
2 provisions of chapter 84.33 RCW, as now or hereafter amended.

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

5 The department of revenue and each ~~((local assessor))~~ granting  
6 authority is hereby directed to publicize the qualifications and manner  
7 of making applications for ~~((current use))~~ classification. ~~((Whenever~~  
8 ~~possible))~~ Notice of the qualifications, method of making applications,  
9 and availability of further information on current use classification  
10 shall be included ~~((with the second half property tax statements for~~  
11 ~~1973, and thereafter, shall be included))~~ with every notice of change  
12 in valuation ~~((of unplatted lands))~~.

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

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

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

1 that local government shall constitute constructive notice to a  
2 purchaser or encumbrancer of the affected land, and every person whose  
3 conveyance or encumbrance is subsequently executed or subsequently  
4 recorded, that such exempt land is subject to the charges provided in  
5 RCW 84.34.330 and 84.34.340 if such land is withdrawn or removed from  
6 its current use classification as farm and agricultural land.

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

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

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

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

1 provision for limited special benefit assessments shall not relieve  
2 such land from liability for the amounts provided in RCW 84.34.330 and  
3 84.34.340 when such land is withdrawn or removed from its current use  
4 classification as farm and agricultural land.

5 **\*NEW SECTION.** *Sec. 19.* A new section is added to chapter 84.34 RCW  
6 to read as follows:

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

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

23 *\*Sec. 19 was vetoed, see message at end of chapter.*

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

26 An application for current use classification under RCW  
27 84.34.020(3) shall be made to the county legislative authority.

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

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

6 (b) The date or dates of acquisition of the land;

7 (c) A brief description of the timber on the land, or if the timber  
8 has been harvested, the owner's plan for restocking;

9 (d) Whether there is a forest management plan for the land;

10 (e) If so, the nature and extent of implementation of the plan;

11 (f) Whether the land is used for grazing;

12 (g) Whether the land has been subdivided or a plat filed with  
13 respect to the land;

14 (h) Whether the land and the applicant are in compliance with the  
15 restocking, forest management, fire protection, insect and disease  
16 control, weed control, and forest debris provisions of Title 76 RCW or  
17 applicable rules under Title 76 RCW;

18 (i) Whether the land is subject to forest fire protection  
19 assessments pursuant to RCW 76.04.610;

20 (j) Whether the land is subject to a lease, option, or other right  
21 that permits it to be used for a purpose other than growing and  
22 harvesting timber;

23 (k) A summary of the past experience and activity of the applicant  
24 in growing and harvesting timber;

25 (l) A summary of current and continuing activity of the applicant  
26 in growing and harvesting timber;

27 (m) A statement that the applicant is aware of the potential tax  
28 liability involved when the land ceases to be classified as timber  
29 land.

1 (2) An application made for classification of land under RCW  
2 84.34.020(3) shall be acted upon after a public hearing and after  
3 notice of the hearing is given by one publication in a newspaper of  
4 general circulation in the area at least ten days before the hearing.  
5 Application for classification of land in an incorporated area shall be  
6 acted upon by a granting authority composed of three members of the  
7 county legislative body and three members of the city legislative body  
8 in which the land is located.

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

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

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

28 (c) The land abuts a body of salt water and lies between the line  
29 of ordinary high tide and a line paralleling the ordinary high tide

1 line and two hundred feet horizontally landward from the high tide  
2 line.

3 The granting authority may approve the application with respect to  
4 only part of the land that is described in the application, and if any  
5 part of the application is denied, the applicant may withdraw the  
6 entire application. The granting authority, in approving in part or  
7 whole an application for land classified pursuant to RCW 84.34.020(3),  
8 may also require that certain conditions be met.

9 Granting or denial of an application for current use classification  
10 is a legislative determination and shall be reviewable only for  
11 arbitrary and capricious actions. The granting authority may not  
12 require the granting of easements for land classified pursuant to RCW  
13 84.34.020(3).

14 The granting authority shall approve or disapprove an application  
15 made under this section within six months following the date the  
16 application is received.

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

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

26 This section expires on December 31, 1995.

27 NEW SECTION. **Sec. 22.** This act shall take effect January 1,  
28 1993.

Passed the House March 7, 1992.  
Passed the Senate March 5, 1992.  
Approved by the Governor March 26, 1992, with the exception of  
certain items which were vetoed.  
Filed in Office of Secretary of State March 26, 1992.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to section 19,  
Engrossed Substitute House Bill No. 2928 entitled:

"AN ACT Relating to open spaces."

Engrossed Substitute House Bill No. 2928 modifies and improves the administration of open space taxation programs. Section 19 requires the creation of an advisory committee to recommend changes to rules implementing open space taxation laws, including an expansion of land uses consistent with classification as farm and agricultural land open space. The committee is to be composed of county assessors, agricultural and forestry interests, natural resource protection interests, and members of the public. Although I concur with the need to involve affected parties in the implementation of state and local programs, I do not support such advisory committees being established by statute. I encourage the Director of the Department of Revenue to use existing authority to establish a broad based open space advisory committee composed not only of the members identified in section 19, but additional members representing conservation interests.

For this reason, I have vetoed section 19 of Engrossed Substitute House Bill No. 2928.

With the exception of section 19, Engrossed Substitute House Bill No. 2928 is approved."