
SUBSTITUTE SENATE BILL 5750

State of Washington

58th Legislature

2003 Regular Session

By Senate Committee on Parks, Fish & Wildlife (originally sponsored by Senators Esser, Oke, T. Sheldon, Hale and Swecker; by request of Commissioner of Public Lands)

READ FIRST TIME 03/05/03.

1 AN ACT Relating to the creation of the legacy trust for recreation
2 and conservation; amending RCW 43.30.115, 79.66.070, and 82.29A.040;
3 reenacting and amending RCW 84.33.140 and 84.34.108; adding a new
4 chapter to Title 79 RCW; repealing RCW 84.33.120; and declaring an
5 emergency.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that the state of
8 Washington is endowed with a richness of federally granted state trust
9 lands given to our state at its creation. This legacy provides a
10 perpetual source of revenue set aside in trust to support education and
11 public facilities. These state trust lands, as well as state forest
12 lands, may also provide for other public benefits. These may include
13 economic, environmental, or social benefits, including public
14 recreation, that arise coincidentally with ownership of a large public
15 land base. Further, the legislature has established that it is the
16 policy of the state to secure for present and future generations the
17 benefits of a system of natural areas and conservation areas providing
18 for a variety of public purposes including scientific research,

1 ecological protection, outstanding scenery, and low impact public
2 recreation.

3 The legislature further finds that use and enjoyment of these lands
4 for recreation and conservation purposes is extensive and growing; that
5 the quality of recreational experience, safety of the public, upkeep of
6 the trails and facilities, and protection of the lands from ecological
7 impacts may be in jeopardy; and that funding to support these
8 recreation and natural area purposes has been declining in both real
9 and per user terms.

10 The legislature further finds that the land endowment concept is as
11 relevant today as it was at statehood; that substantial revenue can be
12 perpetually earned from sustainable management of the resources on
13 these lands; and that the creation of a new trust modeled on a durable
14 concept and managed for the public to produce revenue is a viable and
15 logical approach to funding support for recreation and natural areas.

16 Therefore, it is the intent of this act to establish the legacy
17 trust for recreation and conservation, for the sole purpose of
18 generating a stable, long-term revenue source to support recreational
19 access and use on state-owned lands, and maintenance of designated
20 natural areas and conservation areas, and where consistent with this
21 purpose, to help retain working commercial forest land in the legacy
22 trust as a vital component of Washington state's landscape.

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

25 (1) "Conservation areas" has the same meaning as "natural resources
26 conservation area" as defined in RCW 79.71.030.

27 (2) "Department" means the department of natural resources.

28 (3) "Legacy trust" means the legacy trust for recreation and
29 conservation created in section 3 of this act.

30 (4) "Natural areas" has the same meaning as defined in RCW
31 79.70.020.

32 (5) "State-owned lands" include all lands belonging to or held in
33 trust by the state that are managed by the department.

34 NEW SECTION. **Sec. 3.** The legacy trust for recreation and
35 conservation is created as a trust. The legacy trust is composed of
36 lands, and improvements thereon, suitable for sustainable commercial

1 forest management, commercial agriculture, or other commercial or
2 industrial purposes. The legacy trust must be managed in trust to
3 provide financial support for the management of public recreational
4 access and use on state-owned lands, as well as management and
5 protection of areas created under chapters 79.70 and 79.71 RCW and
6 managed by the department.

7 NEW SECTION. **Sec. 4.** (1) The department is authorized to acquire,
8 by purchase, gift, donation, grant, transfer, or other means, except
9 eminent domain, fee interest or partial interest in lands or other real
10 property suitable for management as part of the legacy trust, or lands
11 or other real property whose acquisition can benefit the legacy trust.

12 (2) The department is authorized to receive funds for purposes of
13 establishing the legacy trust from grants, gifts, bequests, or loans,
14 whether public or private, as well as from legislative appropriation.
15 All of the funds must be placed in the legacy and park land trust
16 revolving fund created in RCW 43.30.115.

17 (3) All acquisitions of real property for the legacy trust must be
18 approved by the board of natural resources. In counties with a
19 population of less than two hundred thousand the department shall
20 review opportunities for acquisition of land or other real property
21 that is in public ownership. Only if no publicly owned land or real
22 property is available in such county that is suitable for inclusion in
23 the legacy trust may the board of natural resources approve the
24 purchase of private land, and in no case may the purchase of private
25 land result in a net loss of land in private ownership in such a
26 county, considering department transactions in that county over the
27 prior five years. Prior to approving acquisitions involving urban
28 property, the board shall seek advice from the land bank technical
29 advisory committee established in RCW 79.66.070.

30 (4) In addition to land acquisition, the department may enter into
31 agreements with the department of fish and wildlife and the state parks
32 and recreation commission to assume management responsibility of
33 certain undeveloped lands owned by those agencies, for the purposes of
34 the legacy trust. The agreements must specify the percentage of
35 revenue from management of department of fish and wildlife or state
36 parks and recreation commission lands that will be provided to the

1 landowner. The remaining revenues must be allocated according to
2 sections 13 and 14 of this act.

3 **Sec. 5.** RCW 43.30.115 and 2000 c 148 s 4 are each amended to read
4 as follows:

5 The legacy and park land trust revolving fund is to be utilized by
6 the department of natural resources for the exclusive purpose of
7 acquiring real property, including all reasonable costs associated with
8 these acquisitions, in order to assemble the land base for the legacy
9 trust for recreation and conservation created in section 3 of this act,
10 or as a replacement for the property transferred to the state parks and
11 recreation commission, as directed by the legislature in order to
12 maintain the land base of the affected trusts or under RCW 76.12.125.
13 Proceeds received under section 4 of this act, or from transfers of
14 real property to the state parks and recreation commission, or other
15 proceeds identified from transfers of real property as directed by the
16 legislature shall be deposited in this fund. Disbursement from the
17 legacy and park land trust revolving fund to acquire (~~replacement~~)
18 real property shall be on the authorization of the department of
19 natural resources. In order to maintain an effective expenditure and
20 revenue control, the legacy and park land trust revolving fund is
21 subject in all respects to chapter 43.88 RCW, but no appropriation is
22 required to permit expenditures and payment of obligations from the
23 fund.

24 **Sec. 6.** RCW 79.66.070 and 1984 c 222 s 7 are each amended to read
25 as follows:

26 (1) There is created a land bank technical advisory committee,
27 consisting of three members. Membership shall consist of: One member
28 qualified by experience and training in matters pertaining to land use
29 planning and real estate appointed by the commissioner of public lands,
30 one member qualified by experience and training in public trust matters
31 appointed by the superintendent of public instruction, and one member
32 qualified by experience and training in financial matters appointed by
33 the state treasurer.

34 (2) The technical advisory committee shall provide professional
35 advice and counsel to the board of natural resources regarding land

1 bank sales, purchases, (~~and~~) exchanges involving urban property, and
2 regarding acquisitions involving urban property for the legacy trust
3 for recreation and conservation created in section 3 of this act.

4 (3) Members of the technical advisory committee shall be appointed
5 for five-year terms and shall serve until a successor is appointed. In
6 the case of a vacancy the vacancy shall be filled by the appointing
7 authority. The initial term of the appointee of the commissioner shall
8 expire in three years. The initial term of the appointee of the
9 superintendent shall expire in four years. The initial term of the
10 appointee of the treasurer shall expire in five years. All terms
11 expire December 31st.

12 (4) Members of the technical advisory committee shall be reimbursed
13 for travel expenses incurred in the performance of their duties under
14 RCW 43.03.050 and 43.03.060.

15 NEW SECTION. **Sec. 7.** The state attorney general, as
16 representative of the public and particularly those individuals who may
17 be benefited from the legacy trust, has the exclusive authority to
18 enforce the rights of the public to secure the proper administration of
19 the legacy trust.

20 NEW SECTION. **Sec. 8.** (1) The department shall manage the legacy
21 trust in the same manner as state lands, as the term "state lands" is
22 defined in RCW 79.01.004. The valuable materials thereon may be sold
23 or the land may be leased in the same manner and for the same purposes
24 as is authorized for state lands, if the department finds such sale or
25 lease to be in the best interests of the legacy trust and approves the
26 terms and conditions thereof.

27 (2) The department may exchange or directly transfer real property
28 held in the legacy trust in the same manner and for the same purposes
29 as state lands under chapter 79.01 RCW or RCW 79.08.180 (1) through
30 (6). Legacy trust lands, once acquired, may be sold for any lawful
31 purpose and in any parcel size with the approval of the board of
32 natural resources. Sales must be either at public auction or by sealed
33 bid, and no land may be sold for less than its appraised value. Any
34 funds received as part of such an exchange, transfer, or sale, after
35 deduction for reasonable costs associated with these transactions, must

1 be placed in the legacy and park land trust revolving fund created in
2 RCW 43.30.115 and used to acquire replacement real property for the
3 legacy trust.

4 (3) Nothing in this section prevents the department from acquiring
5 real property subject to encumbrances, if the board of natural
6 resources finds that this is in the best interests of the legacy trust.
7 Nothing in this section prevents the department from placing or
8 accepting restrictions on the deeds of lands acquired for the legacy
9 trust, when consistent with the purpose of the legacy trust, so as to
10 perpetuate sustainable commercial forest management on lands
11 susceptible to conversion to nonforestry uses.

12 NEW SECTION. **Sec. 9.** Notwithstanding RCW 84.36.010 or other
13 statutes to the contrary, the department shall pay from the legacy
14 recreation and conservation trust account, created in section 14 of
15 this act, by April 30th of each year, on legacy trust lands acquired
16 from private landowners in each county, an amount in lieu of real
17 property taxes equal to that amount paid on similar parcels of land
18 taxable under Title 84 RCW.

19 **Sec. 10.** RCW 82.29A.040 and 1975-'76 2nd ex.s. c 61 s 4 are each
20 amended to read as follows:

21 The legislative body of any county or city is hereby authorized to
22 levy and collect a leasehold excise tax on the act or privilege of
23 occupying or using publicly owned real or personal property through a
24 leasehold interest in publicly owned property within the territorial
25 limits of such county or city. The tax levied by a county under
26 authority of this section shall not exceed six percent and the tax
27 levied by a city shall not exceed four percent of taxable rent:
28 PROVIDED, That any county ordinance levying such tax shall contain a
29 provision allowing a credit against the county tax for the full amount
30 of any city tax imposed upon the same taxable event. Further, no tax
31 may be levied under this section on property acquired as part of the
32 legacy trust for recreation and conservation under chapter 79.-- RCW
33 (sections 1 through 4, 7 through 9, 13 through 17, and 20 of this act)
34 for which payments in lieu of property taxes are made.

35 The department of revenue shall perform the collection of such
36 taxes on behalf of such county or city.

1 **Sec. 11.** RCW 84.33.140 and 2001 c 305 s 2, 2001 c 249 s 3, and
2 2001 c 185 s 5 are each reenacted and amended to read as follows:

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

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

LAND	OPERABILITY	VALUES
GRADE	CLASS	PER ACRE
	1	\$234
1	2	229
	3	217
	4	157
	1	198
2	2	190
	3	183
	4	132
	1	154
3	2	149
	3	148
	4	113
	1	117
4	2	114
	3	113
	4	86
	1	85

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 (6) Land shall not be removed from designation if there is a
12 governmental restriction that prohibits, in whole or in part, the
13 harvesting of timber from the owner's designated forest land. If only
14 a portion of the parcel is impacted by governmental restrictions of
15 this nature, the restrictions cannot be used as a basis to remove the
16 remainder of the forest land from designation under this chapter. For
17 the purposes of this section, "governmental restrictions" includes:
18 (a) Any law, regulation, rule, ordinance, program, or other action
19 adopted or taken by a federal, state, county, city, or other
20 governmental entity; or (b) the land's zoning or its presence within an
21 urban growth area designated under RCW 36.70A.110.

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

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

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

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

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

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

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

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

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

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

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

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

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

30 (d) The sale or transfer of fee title to the department of natural
31 resources for the legacy trust for recreation and conservation under
32 chapter 79.-- RCW (sections 1 through 4, 7 through 9, 13 through 17,
33 and 20 of this act);

34 (e) The sale or transfer of fee title to the parks and recreation
35 commission for park and recreation purposes;

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

1 ~~((f))~~ (g) The creation, sale, or transfer of forestry riparian
2 easements under RCW 76.13.120;

3 ~~((g))~~ (h) The creation, sale, or transfer of a fee interest or a
4 conservation easement for the riparian open space program under RCW
5 76.09.040;

6 ~~((h))~~ (i) The sale or transfer of land within two years after the
7 death of the owner of at least a fifty percent interest in the land if
8 the land has been assessed and valued as classified forest land,
9 designated as forest land under this chapter, or classified under
10 chapter 84.34 RCW continuously since 1993;

11 ~~((i))~~ (j) The sale or transfer of land after the death of the
12 owner of at least a fifty percent interest in the land if the land has
13 been assessed and valued as classified forest land, designated as
14 forest land under this chapter, or classified under chapter 84.34 RCW
15 continuously since 1993 and the sale or transfer takes place within two
16 years after July 22, 2001, and the death of the owner occurred after
17 January 1, 1991; or

18 ~~((j))~~ (k) The date of death shown on a death certificate is the
19 date used for the purpose of this subsection (13).

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

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

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

33 **Sec. 12.** RCW 84.34.108 and 2001 c 305 s 3, 2001 c 249 s 14, and
34 2001 c 185 s 7 are each reenacted and amended to read as follows:

35 (1) When land has once been classified under this chapter, a
36 notation of the classification shall be made each year upon the

1 assessment and tax rolls and the land shall be valued pursuant to RCW
2 84.34.060 or 84.34.065 until removal of all or a portion of the
3 classification by the assessor upon occurrence of any of the following:

4 (a) Receipt of notice from the owner to remove all or a portion of
5 the classification;

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

11 (c) Sale or transfer of all or a portion of the land to a new
12 owner, unless the new owner has signed a notice of classification
13 continuance, except transfer to an owner who is an heir or devisee of
14 a deceased owner shall not, by itself, result in removal of
15 classification. The notice of continuance shall be on a form prepared
16 by the department. If the notice of continuance is not signed by the
17 new owner and attached to the real estate excise tax affidavit, all
18 additional taxes calculated pursuant to subsection (4) of this section
19 shall become due and payable by the seller or transferor at time of
20 sale. The auditor shall not accept an instrument of conveyance of
21 classified land for filing or recording unless the new owner has signed
22 the notice of continuance or the additional tax has been paid, as
23 evidenced by the real estate excise tax stamp affixed thereto by the
24 treasurer. The seller, transferor, or new owner may appeal the new
25 assessed valuation calculated under subsection (4) of this section to
26 the county board of equalization in accordance with the provisions of
27 RCW 84.40.038. Jurisdiction is hereby conferred on the county board of
28 equalization to hear these appeals;

29 (d) Determination by the assessor, after giving the owner written
30 notice and an opportunity to be heard, that all or a portion of the
31 land no longer meets the criteria for classification under this
32 chapter. The criteria for classification pursuant to this chapter
33 continue to apply after classification has been granted.

34 The granting authority, upon request of an assessor, shall provide
35 reasonable assistance to the assessor in making a determination whether
36 the land continues to meet the qualifications of RCW 84.34.020 (1) or
37 (3). The assistance shall be provided within thirty days of receipt of
38 the request.

1 (2) Land may not be removed from classification because of:

2 (a) The creation, sale, or transfer of forestry riparian easements
3 under RCW 76.13.120; or

4 (b) The creation, sale, or transfer of a fee interest or a
5 conservation easement for the riparian open space program under RCW
6 76.09.040.

7 (3) Within thirty days after such removal of all or a portion of
8 the land from current use classification, the assessor shall notify the
9 owner in writing, setting forth the reasons for the removal. The
10 seller, transferor, or owner may appeal the removal to the county board
11 of equalization in accordance with the provisions of RCW 84.40.038.

12 (4) Unless the removal is reversed on appeal, the assessor shall
13 revalue the affected land with reference to its true and fair value on
14 January 1st of the year of removal from classification. Both the
15 assessed valuation before and after the removal of classification shall
16 be listed and taxes shall be allocated according to that part of the
17 year to which each assessed valuation applies. Except as provided in
18 subsection (6) of this section, an additional tax, applicable interest,
19 and penalty shall be imposed which shall be due and payable to the
20 treasurer thirty days after the owner is notified of the amount of the
21 additional tax. As soon as possible, the assessor shall compute the
22 amount of additional tax, applicable interest, and penalty and the
23 treasurer shall mail notice to the owner of the amount thereof and the
24 date on which payment is due. The amount of the additional tax,
25 applicable interest, and penalty shall be determined as follows:

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

31 (b) The amount of applicable interest shall be equal to the
32 interest upon the amounts of the additional tax paid at the same
33 statutory rate charged on delinquent property taxes from the dates on
34 which the additional tax could have been paid without penalty if the
35 land had been assessed at a value without regard to this chapter;

36 (c) The amount of the penalty shall be as provided in RCW
37 84.34.080. The penalty shall not be imposed if the removal satisfies
38 the conditions of RCW 84.34.070.

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

14 (6) The additional tax, applicable interest, and penalty specified
15 in subsection (4) of this section shall not be imposed if the removal
16 of classification pursuant to subsection (1) of this section resulted
17 solely from:

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

20 (b)(i) A taking through the exercise of the power of eminent
21 domain, or (ii) sale or transfer to an entity having the power of
22 eminent domain in anticipation of the exercise of such power, said
23 entity having manifested its intent in writing or by other official
24 action;

25 (c) A natural disaster such as a flood, windstorm, earthquake, or
26 other such calamity rather than by virtue of the act of the landowner
27 changing the use of the property;

28 (d) Official action by an agency of the state of Washington or by
29 the county or city within which the land is located which disallows the
30 present use of the land;

31 (e) Transfer of land to a church when the land would qualify for
32 exemption pursuant to RCW 84.36.020;

33 (f) Acquisition of property interests by state agencies or agencies
34 or organizations qualified under RCW 84.34.210 and 64.04.130 for the
35 purposes enumerated in those sections. At such time as these property
36 interests are not used for the purposes enumerated in RCW 84.34.210 and
37 64.04.130 the additional tax specified in subsection (4) of this
38 section shall be imposed;

1 (g) Removal of land classified as farm and agricultural land under
2 RCW 84.34.020(2)(e);

3 (h) Removal of land from classification after enactment of a
4 statutory exemption that qualifies the land for exemption and receipt
5 of notice from the owner to remove the land from classification;

6 (i) The creation, sale, or transfer of forestry riparian easements
7 under RCW 76.13.120;

8 (j) The creation, sale, or transfer of a fee interest or a
9 conservation easement for the riparian open space program under RCW
10 76.09.040;

11 (k) The sale or transfer of a fee interest to the department of
12 natural resources for the legacy trust for recreation and conservation
13 under chapter 79.-- RCW (sections 1 through 4, 7 through 9, 13 through
14 17, and 20 of this act);

15 (l) The sale or transfer of land within two years after the death
16 of the owner of at least a fifty percent interest in the land if the
17 land has been assessed and valued as classified forest land, designated
18 as forest land under chapter 84.33 RCW, or classified under this
19 chapter continuously since 1993;

20 ((+l)) (m) The sale or transfer of land after the death of the
21 owner of at least a fifty percent interest in the land if the land has
22 been assessed and valued as classified forest land, designated as
23 forest land under chapter 84.33 RCW, or classified under this chapter
24 continuously since 1993 and the sale or transfer takes place within two
25 years after July 22, 2001, and the death of the owner occurred after
26 January 1, 1991; or

27 ((+m)) (n) The date of death shown on a death certificate is the
28 date used for the purpose of this subsection (6).

29 NEW SECTION. Sec. 13. The legacy trust land management account is
30 created in the state treasury. All receipts from up to thirty percent
31 of the revenue derived from management of real property held in the
32 legacy trust, as determined by the board of natural resources, must be
33 deposited into the account. Moneys in the account may be spent only
34 after appropriation. Expenditures from the account may be used only
35 for the purposes of carrying on the management activities of the
36 department on legacy trust lands, and for reimbursement, along with

1 interest, of expenditures that have been made or may be made from the
2 resource management cost account or the forest development account.

3 NEW SECTION. **Sec. 14.** The legacy recreation and conservation
4 trust account is created in the state treasury. All receipts from
5 moneys received for the management of real property held in the legacy
6 trust, less the money deposited in the legacy trust land management
7 account created in section 13 of this act, must be deposited into the
8 account. Moneys in the account may be spent only after appropriation.
9 Expenditures from the account may be used only for the support and
10 management of recreation, natural areas, and conservation areas on
11 state-owned lands under chapters 79.68, 79.70, and 79.71 RCW,
12 consistent with the plans developed under section 15 of this act.

13 NEW SECTION. **Sec. 15.** Prior to a legislative session in which the
14 department first requests an appropriation from the legacy recreation
15 and conservation trust account created in section 14 of this act, the
16 department shall develop a six-year expenditure strategy to guide
17 requested appropriations from the account. The expenditure strategy
18 must be developed so as to achieve the purpose of this chapter. The
19 expenditure strategy must identify and prioritize expenditures
20 including, but not limited to: (1) Operation and maintenance and
21 capital upgrade, repair, replacement, restoration, and new construction
22 of facilities, trails, and access for dispersed recreation activities;
23 (2) maintenance and stewardship of natural areas and conservation areas
24 including, but not limited to, environmental restoration, weed control,
25 facilities upgrade, repair, replacement, and new construction; and (3)
26 public education, volunteer support, and law enforcement. Expenditures
27 from the legacy recreation and conservation trust account may not be
28 used to offset expenditures necessary to cover the costs of road system
29 management attributable solely to the generation of revenue from
30 state-owned lands. However, expenditures may be made for road
31 improvements necessary for public safety or for continuation of public
32 access to state lands for recreational purposes. The department shall
33 update the expenditure strategy at least every two years. The
34 department may establish ad hoc review committees to assist in the
35 development of the expenditure strategy.

1 NEW SECTION. **Sec. 16.** No later than September 1st of any
2 even-numbered year, the department shall submit to the appropriate
3 committees of the house of representatives and senate and to the office
4 of financial management the current six-year expenditure strategy
5 prepared under section 15 of this act in support of its biennial
6 appropriation request from the legacy recreation and conservation trust
7 account created in section 14 of this act.

8 NEW SECTION. **Sec. 17.** Funds in the legacy recreation and
9 conservation trust account, created in section 14 of this act, that are
10 in excess of amounts needed in any biennium to carry out the activities
11 identified in the six-year expenditure strategy developed under section
12 15 of this act, may be appropriated by the legislature for purposes
13 similar to and consistent with the purpose of the legacy trust.

14 NEW SECTION. **Sec. 18.** Sections 1 through 4, 7 through 9, 13
15 through 17, and 20 of this act constitute a new chapter in Title 79
16 RCW.

17 NEW SECTION. **Sec. 19.** RCW 84.33.120 (Forest land valuation--
18 Assessor to list forest land at grade and class values--Computation of
19 assessed value--Adjustment of values--Certification--Use--Notice of
20 continuance--Appeals--Removal of classification--Compensating tax) and
21 2001 c 305 s 1, 2001 c 185 s 3, 1999 sp.s. c 4 s 702, 1999 c 233 s 20,
22 1997 c 299 s 1, 1995 c 330 s 1, 1992 c 69 s 1, 1986 c 238 s 1, 1984 c
23 204 s 23, 1981 c 148 s 7, 1980 c 134 s 2, 1974 ex.s. c 187 s 5, 1972
24 ex.s. c 148 s 5, & 1971 ex.s. c 294 s 12 are each repealed.

25 NEW SECTION. **Sec. 20.** If any provision of this act or its
26 application to any person or circumstance is held invalid, the
27 remainder of the act or the application of the provision to other
28 persons or circumstances is not affected.

29 NEW SECTION. **Sec. 21.** This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of the
31 state government and its existing public institutions, and takes effect

1 immediately.

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