

# HOUSE BILL REPORT

## HB 1638

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**As Reported by House Committee On:**  
Local Government

**Title:** An act relating to designating forest lands of long-term commercial significance.

**Brief Description:** Clarifying the process for designation of forest lands of long-term commercial significance.

**Sponsors:** Representatives Upthegrove, Dickerson, Moeller, Dunshee, McCoy, B. Sullivan, Chase, Williams, Sells, Simpson, Lantz, Hunt, O'Brien and Kagi.

**Brief History:**

**Committee Activity:**

Local Government: 2/15/05, 3/1/05 [DP].

**Brief Summary of Bill**

- Enunciates a purpose for designating forest lands of long-term commercial significance (forest lands) as required by the Growth Management Act.
- Includes provisions for the designation of forest lands.

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### HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass. Signed by 4 members: Representatives Simpson, Chair; Clibborn, Vice Chair; B. Sullivan and Takko.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Schindler, Ranking Minority Member; Ahern, Assistant Ranking Minority Member; and Woods.

**Staff:** Ethan Moreno (786-7386).

**Background:**

*Growth Management Act*

Enacted in 1990 and 1991, the Growth Management Act (GMA) establishes a comprehensive land use planning framework for county and city governments in Washington. The GMA specifies numerous provisions for jurisdictions fully planning under the Act (GMA jurisdictions) and establishes a reduced number of compliance requirements for all local governments.

The GMA specifies certain designation and conservation requirements for natural resource lands. All local governments must designate, where appropriate, agricultural, forest, and mineral resource lands of long-term significance in areas not already characterized by urban growth. The GMA jurisdictions also must adopt development regulations to, in part, assure the conservation of designated forest and other natural resource lands.

"Forest land," a subset of natural resource lands, is defined by the GMA to include land primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production that has long-term commercial significance. "Long-term commercial significance" is described in the GMA to include the growing capacity, productivity, and soil composition of the land for long-term commercial production. These qualities must be weighed in consideration with the land's proximity to population areas and the possibility of more intense land uses.

In determining whether forest land is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors must be considered:

- the proximity of the land to urban, suburban, and rural settlements;
- surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses;
- long-term local economic conditions that affect the ability to manage for timber production; and
- the availability of public facilities and services conducive to conversion of forest land to other uses.

#### Taxation of Qualifying Lands

Statute includes alternate classification, assessment, and taxation schemes for certain lands. Qualifying forest lands, in lieu of property tax, are subject to a timber excise tax on the growing of trees. Qualifying agricultural, open space, and timber lands are valued by considering only their current use, pursuant to a constitutional amendment adopted in 1968.

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#### **Summary of Bill:**

Provisions regarding the designation of forest lands of long-term commercial significance (forest lands) are enunciated. The purpose of designating forest lands is to maintain the land base required for the forest products industry and to derive the economic and other benefits resulting from a viable industry.

Counties and cities have discretion to consider local factors when designating forest lands, but the local factors must be consistent with the goals and requirements of the GMA. Access to markets may be considered by counties and cities when designating forest lands. Jurisdictions designating or de-designating forest lands, however, may not predicate designation determinations upon a lack of forest products processing facilities in the county or city.

Counties and cities may require that forest lands be part of an area or tract, subject to specified criteria.

Classification of land under alternate taxation schemes for qualifying forest, agricultural, open space or timber lands must not be a determinative factor in excluding lands from designation as forest lands of long-term commercial significance.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** (In support) The objective of this bill is to improve water quality in the state. Water protection requires responsible land use management. Saving Hood Canal and Puget Sound are top legislative priorities for the environmental community in 2005. This bill is part of a package of bills. This bill will address environmental and land use issues that are leading to a decline in water quality. The package of legislation is tied together through an emphasis on conserving vegetation and forest lands, as this is critical to recovering water bodies and restoring water quality. Appropriate and timely water quality planning is needed and this bill is a step in the right direction.

Supporting and preserving forest lands is critical to maintaining water quality. This bill will help to ensure that a lack of processing facilities does not preclude a forest lands designation. This bill will also prevent jurisdictions from requiring excessively large minimum tract sizes for lands that may be designated as forest land.

(Neutral) The impacts and intent of the bill are unclear. The designation process for forest lands was largely completed years ago. This bill will raise concerns if its intent is to require jurisdictions to reconsider previously made designations. The language of the bill should be clarified and it should specify that its provisions are prospective.

**Testimony Against:** None.

**Persons Testifying:** (In support) Representative Uptegrove; Josh Baldi, Washington Environmental Council; Bruce Wishart, People for Puget Sound; Genesee Adkins, Futurewise; and Beth Dolio.

(Neutral) Bill Garvin, Washington Forest Protection Association; and Paul Parker, Washington State Association of Counties.

**Persons Signed In To Testify But Not Testifying:** None.