

SENATE BILL REPORT

SB 6200

As of January 10, 2000

Title: An act relating to improving air quality through the use of tax exemptions and credits to reduce agricultural burning of cereal grains, and field and turf grass grown for seed.

Brief Description: Allowing tax credits to reduce agricultural burning.

Sponsors: Senators Eide, Morton, Jacobsen and Fraser.

Brief History:

Committee Activity: Environmental Quality & Water Resources: 1/11/2000.

SENATE COMMITTEE ON ENVIRONMENTAL QUALITY & WATER RESOURCES

Staff: Richard Ramsey (786-7412)

Background: Traditional wheat farming is characterized by practices which include frequent tilling to prepare the soil for planting. In hilly landscapes, frequent tilling can contribute to significant soil erosion which, in addition to loss of this valuable resource, impairs water quality and may harm fish and salmon habitat.

To reduce the resource loss and associated pollution, wheat farmers have employed low till- or no till- practices. However, low/no till creates a challenge for managing the stubble residue following harvest. Field burning has been employed to manage this residue. In some areas of the state, smoke from burning can impair air quality and cause acute health problems.

The Washington Association of Wheat Growers and the departments of Agriculture and Ecology have negotiated an agreement prescribing a schedule to reduce field stubble burning by 50 percent in 2006 from the 229,000 acres burned in 1998.

Summary of Bill: Wheat growers purchasing equipment for gathering and handling straw and stubble are exempt from sales and use taxes if they meet certain conditions including: they must have conducted burning under a permit in the previous five years; the majority of the tonnage handled by the equipment must be used for straw and stubble; and if they burn, repay the tax with penalty and interest.

A manufacturing plant that uses straw as a feedstock may take a credit on the business and occupation tax for manufacture of straw-based products if a schedule to reduce straw and stubble burning has been met. The schedule would reduce acreage burned by 90 percent from the 1998 acreage by 2006.

Appropriation: None.

Fiscal Note: Requested on January 3, 2000.

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