

***Natural Resources***

***HB 1024***

***Brief Description:*** *Increasing the growing cycle for short-rotation hardwoods for tax purposes.*

***Sponsors:*** *Representatives Doumit, G. Chandler, Linville, Sump, Quall, Clements, Schoesler, Hatfield and Grant.*

***Brief Summary of Bill***

- The definition of short-rotation hardwoods is modified to apply to hardwood trees that are cultivated by agricultural methods in growing cycles shorter than 15 years rather than 10 years.*

***Hearing Date:*** *1/24/01*

***Staff:*** *Bill Lynch (786-7092).*

***Background:***

*Short-rotation hardwoods are defined as hardwood trees, such as hybrid cottonwoods, that are cultivated by agricultural methods in growing cycles of less than ten years. These short-rotation hardwoods are grown primarily for chipping purposes, and are treated more like an agricultural crop than timber. Short-rotation hardwoods grown pursuant to agricultural methods are not considered forest trees— for application of the forest practices rules.*

*Some growers of these hardwoods have suggested that the growing cycle should be increased to accommodate variations in site productivity, and to account for wildlife damage to young plantings. If the growing cycle for short-rotation hardwoods is increased, the trees could also be used for wood products other than chips.*

*Short-rotation hardwoods are not subject to the state excise tax on harvesting timber. The land on which short-rotation hardwoods are grown is treated as agricultural land for property tax purposes, if the land was previously used in agriculture.*

***Summary of Bill:***

*The growing cycle for short-rotation hardwood trees, for purposes of being treated as an agricultural crop, is increased from ten years to fifteen years.*

***Effective Date:*** *The bill contains an emergency clause and takes effect on January 12, 2001.*

***Appropriation:*** *None.*

***Fiscal Note:*** *Requested on January 12, 2001.*