

HOUSE BILL REPORT

HB 1411

As Reported by House Committee On:
Local Government

Title: An act relating to using revenues under the county conservation futures levy.

Brief Description: Using revenues under the county conservation futures levy.

Sponsors: Representatives Fromhold, Wallace, Kenney, Moeller, Boldt and Sullivan.

Brief History:

Committee Activity:

Local Government: 2/5/03, 3/5/03 [DPS].

Brief Summary of Substitute Bill

- Increases the allowable levy for county conservation futures from 6.25 cents to 10 cents per \$1,000 of assessed valuation.
- Requires funds collected from this levy to be used for maintaining and operating property acquired with the funds.
- Imposes limits on the use of levy funds for maintaining and operating park and recreational facilities.
- Requires the board of county commissioners or county legislative authority in counties with more than 100,000 residents to develop a process to eventually distribute conservation futures levy funds throughout the county.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Romero, Chair; Upthegrove, Vice Chair; Jarrett, Assistant Ranking Minority Member; Berkey, Clibborn and Ericksen.

Minority Report: Do not pass. Signed by 4 members: Representatives Schindler, Ranking Minority Member; Ahern, Mielke and Moeller.

Staff: Ethan Moreno (786-7386).

Background:

Since 1971 statute has provided a method by which designated entities may acquire and conserve selected open space land, farm and agricultural land, and timberland for public use or enjoyment. Counties, cities, towns, metropolitan park districts, metropolitan municipal corporations, and nonprofit preservation and conservancy corporations meeting statutory requirements may acquire full or partial interests in lands by purchase, gift or other prescribed method. "Conservation futures" are future development rights in perpetuity of selected lands.

Counties may levy a tax of up to 6.25 cents per \$1,000 of assessed valuation of all taxable property in the county for the purpose of acquiring conservation futures and other related rights and interests in real property. The Department of Revenue has indicated that 13 counties currently use this levy authority. County legislative authorities may also establish a conservation futures fund, which may be used solely to acquire conservation futures and other rights and interests in real property pursuant to statutory requirements.

Summary of Substitute Bill:

The allowable county levy rate for conservation futures is increased from 6.25 cents to 10 cents per \$1,000 of assessed valuation. All rights or interests in real property acquired with conservation futures levy funds must be located within the assessing county. In addition to acquisition, levy funds collected must be used for maintaining and operating property acquired with conservation futures funds. No more than 2 cents per \$1,000 of assessed valuation collected above the current rate, however, may be used for maintenance and operation of parks and recreational facilities. In addition, conservation futures funds may not be used to supplant existing maintenance and operation funding. County commissioners or county legislative authorities in counties with more than 100,000 residents are required to develop a process to eventually distribute conservation futures levy funds throughout the county. Counties are also encouraged to use some conservation futures funds for salmon restoration purposes.

Substitute Bill Compared to Original Bill:

The provision limiting the amount of conservation futures levy funds used for maintenance and operation of parks and recreational facilities to 10 percent or less of the amount collected in the preceding year is removed. The substitute bill limits the amount of revenue that may be used for maintenance and operation of parks and recreational facilities to 2 cents per \$1,000 of assessed valuation collected in excess of the current maximum levy rate of 6.25 cents per \$1,000 of assessed valuation. Additionally, the substitute bill requires the board of county commissioners or county legislative authority in counties with more than 100,000 residents to develop a process to eventually distribute conservation futures levy funds throughout the county.

Appropriation: None.

Fiscal Note: Requested on January 31, 2003.

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

Testimony For: This bill has been designed to meet objections raised during the previous two sessions. This bill provides a good balance between the [sponsor's] original intent, the evolving needs of counties, and the concerns of communities and Realtors. The Clark County conservation futures program has been very successful and beneficial throughout the county. Most of the land acquired through conservation futures is land that would not have been suitable for residential development. This bill gives counties greater spending flexibility with the levy funds. The conservation futures program has also been successful in Kitsap County.

(In support with concerns) Conservation property owners are poor neighbors because of minimal property maintenance to the acquired properties. Conservation property owners should be forced to maintain the acquired properties. The 10 percent maintenance and operations provision should be increased to 20 percent.

Testimony Against: This bill will have dramatic consequences for affordable housing in the state by reducing the amount of available land. Reducing the land supply through additional acquisition for conservation may diminish opportunities for affordable housing. Urban growth boundaries in the Clark County area have already increased housing costs. The land acquired through conservation programs is also removed from the tax rolls.

Testified: Sharon Wylie, Clark County; Mark Brown, City of Vancouver; Debra Latham, Washington State Association of Counties; and Mike Ryherd City of Bremerton.

(In support with concerns) Mike Angell, Okanogan County Farm Bureau; and Bob Playfair, Stevens County Farm Bureau.

(Opposed) Trent Matson, Building Industry Association of Washington.