

SENATE BILL REPORT

SB 6720

As Reported By Senate Committee On:
Natural Resources, Energy & Water, February 6, 2004

Title: An act relating to a property tax exemption for certain land zoned or designated for agricultural use.

Brief Description: Providing a property tax exemption for certain land zoned or designated for agricultural use.

Sponsors: Senators Honeyford, Mulliken, Rasmussen, Sheahan, Parlette, Morton and Swecker.

Brief History:

Committee Activity: Natural Resources, Energy & Water: 2/6/04 [DPS, DNP].

SENATE COMMITTEE ON NATURAL RESOURCES, ENERGY & WATER

Majority Report: That Substitute Senate Bill No. 6720 be substituted therefor, and the substitute bill do pass.

Signed by Senators Morton, Chair; Hewitt, Vice Chair; Hale, Hargrove and Honeyford.

Minority Report: Do not pass.

Signed by Senators Doumit, Fraser and Regala.

Staff: Evan Sheffels (786-7486)

Background: The Growth Management Act's (GMA) resource protection provisions require all counties and cities in Washington to designate agricultural lands of long-term commercial significance if such lands are not already characterized by urban growth. This requirement also applies to cities and counties not otherwise planning under GMA. For counties and cities planning under GMA, such resource lands must generally be conserved and protected through development regulations and comprehensive plans.

Washington's water right forfeiture statutes provide for water right relinquishment when a person abandons or voluntarily fails, for five or more consecutive years, to beneficially use water without a sufficient excuse for the non-use. Relinquished water reverts to the state. Intent to abandon, or clear evidence of such intent, is required under the common law theory of abandonment. Intent to abandon is not required under Washington's forfeiture statutes.

Summary of Substitute Bill: Where real property is and remains zoned or designated for agricultural use by a local government, and an agricultural purpose water right for that land is found to be relinquished or abandoned, the portion of that real property used for an agricultural purpose is exempt from taxes levied for collection in 2005 and thereafter, or until a new water right is issued.

Substitute Bill Compared to Original Bill: Language was added to clarify that the portion of property exempt from tax is limited to property used for an agricultural purpose, for as long

as it is zoned or designated for agricultural use, or until a new water right is issued. References to 90.03 and 90.44 RCW were deleted.

Appropriation: None.

Fiscal Note: Requested on February 4, 2004.

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

Testimony For: None.

Testimony Against: None.

Testified: No one.