

HOUSE BILL REPORT

SSB 5108

As Reported by House Committee On:
Agriculture & Natural Resources
Appropriations

Title: An act relating to farmland preservation.

Brief Description: Creating the office of farmland preservation.

Sponsors: Senate Committee on Agriculture & Rural Economic Development (originally sponsored by Senators Haugen, Rasmussen, Jacobsen, Shin, Spanel, Swecker, Brandland, Hatfield and Parlette).

Brief History:

Committee Activity:

Agriculture & Natural Resources: 3/21/07, 3/26/07 [DPA];
Appropriations: 3/31/07 [DPA(AGNR)].

**Brief Summary of Substitute Bill
(As Amended by House Committee)**

- Creates the Office of Farmland Preservation in the State Conservation Commission and establishes a Farmland Preservation Task Force.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Majority Report: Do pass as amended. Signed by 14 members: Representatives B. Sullivan, Chair; Blake, Vice Chair; Kretz, Ranking Minority Member; Warnick, Assistant Ranking Minority Member; Dickerson, Eickmeyer, Grant, Hailey, Kagi, Lantz, McCoy, Newhouse, Strow and VanDeWege.

Minority Report: Do not pass. Signed by 1 member: Representative Orcutt.

Staff: Meg Van Schoorl (786-7105).

Background:

State Conservation Commission

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The State Conservation Commission (Commission) established in Chapter 89.08 RCW is charged with a number of powers and duties related to the conservation of renewable natural resources, including:

- assisting Conservation District (District) supervisors to carry out powers and programs;
- keeping them informed about other Districts' activities and experience and facilitating interchange and cooperation;
- securing cooperation and assistance of public and private agencies with Districts, and reviewing agreements between Districts and other entities;
- recommending legislative funding for the Commission and Districts, administering associated legal provisions, and advising Districts on conformance with laws and regulations;
- distributing funds, property, and services to Districts received from any source, subject to applicable conditions; and
- coordinating planning, programs, and activities with other agencies involved with conservation of renewable natural resources.

Agricultural Conservation Easements Program (Chapter 89.08.530 and .540 RCW)

In 2002, the Legislature created the Agricultural Conservation Easements Program (Program) to "facilitate the use of federal funds, ease the burdens of local governments launching similar programs at the local level, and help local governments fight the conversion of agricultural lands they have not otherwise protected through their planning processes." The Commission is required to manage the Program, and is authorized to receive and expend public and private gifts, grants, or endowments for the benefit of the Program. An Agricultural Conservation Easements Account (Account) was created in the State Treasury to receive such gifts, grants and endowments, and expenditures from the Account may only be made to purchase easements under the Program. The Commission must report to the Legislature on an ongoing basis regarding potential funding sources and recommendations for changes to existing funding. To date, the Account has not been funded.

Summary of Amended Bill:

An Office of Farmland Preservation (Office) is created within the Commission, with staff support by the Commission. The Farmland Preservation Task Force (Task Force) is also established, staffed by the Commission, and directed to meet at least twice yearly. Members are entitled to travel cost reimbursement. The Task Force terminates on January 1, 2011, and has the following membership provisions:

# REPRESENTING	APPOINTING AUTHORITY	OTHER REQUIREMENTS
VOTING MEMBERS		

6	Farmer, one from each of six regions delineated by the Commission	Governor, from nominees by recognized agricultural organizations	At least two representatives must be under age 45. At least one must be a commercial livestock producer.
1	State Conservation Commission	Commission Chair	
1	Department of Agriculture	Department Director	
1	Counties in eastern Washington	Washington State Association of Counties	
1	Counties in western Washington	Washington State Association of Counties	
2	Senate - one from each major political caucus	Senate President	
2	House - one from each major political caucus	House Speaker	
1	Governor's office	Governor	
1	Conservation Districts	State Association of Conservation Districts	

NON-VOTING MEMBERS (PARTICIPATION TO BE REQUESTED)

1	Federal Natural Resources Conservation Service	State Conservationist	Knowledge of federal agricultural land retention programs and funding sources.
1	Department of Community, Trade and Economic Development	Department Director	Technical Expertise

The Office of Farmland Preservation is authorized to:

- advise and assist the Commission in implementing the Program, including the merits of leasing or purchasing agricultural conservation easements for a fixed term as well as in perpetuity;
- develop recommendations for the funding level and the use of the Account, with guidance from the Task Force;
- provide an analysis of major factors that have led to past declines in amount and use of agricultural lands and that will likely affect their future retention and economic viability, with input from the Task Force;
- develop model programs and tools, including economic incentives for landowners, to retain agricultural land for agricultural production, with guidance from the Task Force;
- provide technical assistance, a grant process, and an eligibility certification process for localities developing programs and tools to retain agricultural land for agricultural production;
- begin to develop a program to assist in transition of farmland and related businesses from one generation to the next, and provide analysis and recommendations for continued program development and implementation; and
- serve as a clearinghouse for incentive programs related to conservation programs and assist agricultural landowners to secure financial assistance to implement conservation easements and other projects.

Moneys in the Account may be used to purchase easements in perpetuity or to purchase or lease easements for a fixed term.

Amended Bill Compared to Substitute Bill:

The Office may include in its advice to the Commission the merits of leasing or purchasing agricultural conservation easements for a fixed term as well as purchasing easements in perpetuity. The Office may develop recommendations for the use of the Account. "Economic" viability is added to the analysis of factors affecting past declines and future retention of agricultural lands. Loss of profitability and productivity, water availability and quality, and restrictions on agricultural land use are added to the factors to be analyzed. Development of model programs and tools includes innovative economic incentives for landowners. Moneys in the Account and expenditures from the Account are authorized to be used to purchase easements in perpetuity or to purchase or lease easements for a fixed term.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Thousands of acres of agricultural lands have been lost across the state. Lands are being threatened by urban sprawl and development pressures. It is important to stem the tide of vanishing farmland to be able to pass it on to succeeding generations. Keeping farmland in production is critical for food security and for its multiplier effects that retain and strengthen other existing businesses. It is important to analyze the socio-economic, regulatory, and environmental pressures that cause farmers to stop farming. Creating an Office in the non-regulatory Commission will be a great resource and an additional tool to assist farmers. Because their programs are non-regulatory and their supervisors and staff are members of the community, conservation districts play a trusted liaison role between farmers, agencies, other landowners, and citizens. The Task Force will be made up of farmers. The Account should also be funded, but the tools that will be developed through the Office and the Task Force encompass more than the Account. The Office and Task Force will be focal points for collecting and vetting good ideas, however none of us thinks this is the only solution to keeping farms viable. To be successful, the Office and Task Force should take a comprehensive view of the issues. Potential tools should be voluntary and incentive-based.

(Opposed) This bill creates another agency and artificially locks up affordable, buildable land. We do not agree with granting conservation easements in perpetuity.

Persons Testifying: (In support) Senator Haugen, prime sponsor; Craig Nelson, Okanogan County Conservation District; Albert Roberts; Alan Stromberger, Lincoln County Conservation District; Lynn Bahrych, Washington Conservation Commission; Kaleen Cottingham, Futurewise; Don Stuart, American Farmland Trust; Dan Wood, Washington Farm Bureau; and Carolyn Kelly, Skagit County Conservation District.

(Opposed) Andrew Cook, Building Industry Association of Washington.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Agriculture & Natural Resources. Signed by 30 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Haler, Assistant Ranking Minority Member; Anderson, Buri, Chandler, Cody, Conway, Darneille, Ericks, Fromhold, Grant, Haigh, Hunt, Hunter, Kagi, Kenney, Kessler, Kretz, Linville, McDermott, McIntire, Morrell, Pettigrew, Priest, Schual-Berke, Seaquist and P. Sullivan.

Minority Report: Do not pass. Signed by 1 member: Representative Dunn.

Staff: Alicia Dunkin (786-7178).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Agriculture & Natural Resources:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.