H-1901.2		

## SUBSTITUTE HOUSE BILL 1232

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State of Washington 61st Legislature 2009 Regular Session

By House Agriculture & Natural Resources (originally sponsored by Representatives Hinkle, Quall, Bailey, Ross, Cody, Newhouse, DeBolt, Herrera, Moeller, Nelson, Warnick, Shea, Morrell, Smith, Kristiansen, Pearson, and Schmick)

READ FIRST TIME 02/23/09.

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- AN ACT Relating to defining commercial agricultural purposes to include current farming practices and activities related to the raising, harvesting, feeding, breeding, managing, selling, care, or training of a farm product; amending RCW 84.34.020; creating a new section; and declaring an emergency.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 84.34.020 and 2005 c 57 s 1 are each amended to read 8 as follows:
- 9 As used in this chapter, unless a different meaning is required by 10 the context:
  - (1) "Open space land" means (a) any land area so designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly, or (b) any land area, the preservation of which in its present use would (i) conserve and enhance natural or scenic resources, or (ii) protect streams or water supply, or (iii) promote conservation of soils, wetlands, beaches or tidal marshes, or (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or

other open space, or (v) enhance recreation opportunities, or (vi)

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- preserve historic sites, or (vii) preserve visual quality along 1 2 highway, road, and street corridors or scenic vistas, or (viii) retain in its natural state tracts of land not less than one acre situated in 3 4 an urban area and open to public use on such conditions as may be reasonably required by the legislative body granting the open space 5 classification, or (c) any land meeting the definition of farm and 6 agricultural conservation land under subsection (8) of this section. 7 8 As a condition of granting open space classification, the legislative 9 body may not require public access on land classified under (b)(iii) of 10 this subsection for the purpose of promoting conservation of wetlands.
  - (2) "Farm and agricultural land" means:

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- (a) Any parcel of land that is twenty or more acres or multiple parcels of land that are contiguous and total twenty or more acres:
- (i) Devoted primarily to the production of livestock or agricultural commodities for commercial <u>agricultural</u> purposes;
- (ii) Enrolled in the federal conservation reserve program or its successor administered by the United States department of agriculture; or
- 19 (iii) Other similar commercial ((activities)) agricultural purposes 20 as may be established by rule;
  - (b)(i) Any parcel of land that is five acres or more but less than twenty acres devoted primarily to <u>commercial</u> agricultural ((uses)) <u>purposes</u>, which has produced a gross income from <u>commercial</u> agricultural ((uses)) <u>purposes</u> equivalent to, as of January 1, 1993:
  - (A) One hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and
  - (B) On or after January 1, 1993, two hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter;
- (ii) For the purposes of (b)(i) of this subsection, "gross income from <u>commercial</u> agricultural ((uses)) <u>purposes</u>" includes, but is not limited to, the wholesale value of agricultural products donated to nonprofit food banks or feeding programs;

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(c) Any parcel of land of less than five acres devoted primarily to <a href="mailto:commercial">commercial</a> agricultural ((uses)) purposes which has produced a gross income as of January 1, 1993, of:

- (i) One thousand dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter for all parcels of land that are classified under this subsection or all parcels of land for which an application for classification under this subsection is made with the granting authority prior to January 1, 1993; and
- (ii) On or after January 1, 1993, fifteen hundred dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter.
- Parcels of land described in (b)(i)(A) and (c)(i) of this subsection shall, upon any transfer of the property excluding a transfer to a surviving spouse, be subject to the limits of (b)(i)(B) and (c)(ii) of this subsection;
  - (d) Any lands including incidental uses as are compatible with <a href="commercial">commercial</a> agricultural purposes, including wetlands preservation, provided such incidental use does not exceed twenty percent of the classified land and the land on which appurtenances necessary to the production, preparation, or sale of the agricultural products exist in conjunction with the lands producing such products. Agricultural lands shall also include any parcel of land of one to five acres, which is not contiguous, but which otherwise constitutes an integral part of farming operations being conducted on land qualifying under this section as "farm and agricultural lands"; or
  - (e) The land on which housing for employees and the principal place of residence of the farm operator or owner of land classified pursuant to (a) of this subsection is sited if: The housing or residence is on or contiguous to the classified parcel; and the use of the housing or the residence is integral to the use of the classified land for commercial agricultural purposes.
  - (3) "Timber land" means any parcel of land that is five or more acres or multiple parcels of land that are contiguous and total five or more acres which is or are devoted primarily to the growth and harvest of timber for commercial purposes. Timber land means the land only and does not include a residential homesite. The term includes land used for incidental uses that are compatible with the growing and harvesting

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- of timber but no more than ten percent of the land may be used for such incidental uses. It also includes the land on which appurtenances necessary for the production, preparation, or sale of the timber products exist in conjunction with land producing these products.
- 5 (4) "Current" or "currently" means as of the date on which property 6 is to be listed and valued by the assessor.

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- (5) "Owner" means the party or parties having the fee interest in land, except that where land is subject to real estate contract "owner" shall mean the contract vendee.
- (6) "Contiguous" means land adjoining and touching other property held by the same ownership. Land divided by a public road, but otherwise an integral part of a farming operation, shall be considered contiguous.
- (7) "Granting authority" means the appropriate agency or official who acts on an application for classification of land pursuant to this chapter.
  - (8) "Farm and agricultural conservation land" means either:
  - (a) Land that was previously classified under subsection (2) of this section, that no longer meets the criteria of subsection (2) of this section, and that is reclassified under subsection (1) of this section; or
  - (b) Land that is traditional farmland that is not classified under chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a use inconsistent with agricultural uses, and that has a high potential for returning to commercial agriculture.
- 26 (9) "Commercial agricultural purpose" includes the commercial: 27 Raising; harvesting; feeding; breeding; managing; selling; care; or training of an agricultural product or agricultural commodity where the 28 owner or lessee intends to obtain through lawful means, a monetary 29 profit from cash income. For the purposes of this section, 30 "agricultural product" and "agricultural commodity," 31 interchangeably in this section, means those plants and animals useful 32 to humans and includes, but is not limited to, forages and sod crops, 33 dairy and dairy products, poultry and poultry products, livestock, 34 including breeding, grazing, and recreational equine use, fruits, 35 36 vegetables, flowers, seeds, grasses, freshwater fish and fish products, apiaries and apiary products, equine and other similar products, or any 37 other product which incorporates the use of food, feed, fiber, or fur, 38

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- 1 and includes cultivated land for which there has been an investment of
- 2 greater than one hundred dollars per acre for the production of an
- 3 agricultural product prior to that product being planted or reaching
- 4 <u>maturity with an expectation of harvest within fifteen years. No state</u>
- 5 agency, county, or municipality may impose definitions more restrictive
- 6 than those defined under this section.
- 7 <u>NEW SECTION.</u> **Sec. 2.** This act applies retroactively to taxes
- 8 levied for collection in 2008 as well as prospectively.
- 9 <u>NEW SECTION.</u> **Sec. 3.** If any provision of this act or its
- 10 application to any person or circumstance is held invalid, the
- 11 remainder of the act or the application of the provision to other
- 12 persons or circumstances is not affected.
- 13 <u>NEW SECTION.</u> **Sec. 4.** This act is necessary for the immediate
- 14 preservation of the public peace, health, or safety, or support of the
- 15 state government and its existing public institutions, and takes effect
- 16 immediately.

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