

HOUSE BILL REPORT

HB 1820

As Reported by House Committee On:

Environment

Finance

Title: An act relating to the maintenance and operations of parks and recreational land acquired through the conservation futures program.

Brief Description: Concerning the maintenance and operations of parks and recreational land acquired through the conservation futures program.

Sponsors: Representatives Volz, Tharinger, Senn, McCaslin, Koster, Haler, Shea, Irwin and Holy.

Brief History:

Committee Activity:

Environment: 2/7/17, 2/14/17 [DPS];

Finance: 2/21/17, 2/23/17 [DPS(ENVI)].

Brief Summary of Substitute Bill

- Raises the 15 percent cap on the use of conservation futures tax revenue for acquired land operation and maintenance to a maximum of 25 percent of revenues collected during the previous calendar year, under certain conditions.
- Specifies that operation and maintenance expenditures of conservation futures tax revenues may only be used for real property acquired under the conservation futures program.

HOUSE COMMITTEE ON ENVIRONMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Fitzgibbon, Chair; Peterson, Vice Chair; Taylor, Ranking Minority Member; Maycumber, Assistant Ranking Minority Member; Dye, Fey, Kagi and McBride.

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

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.

Staff: Jacob Lipson (786-7196).

Background:

To conserve open space, agricultural, and timber lands for public use or enjoyment, counties, cities, and certain other local governments and nonprofit organizations may acquire private land outright, lease private land, or acquire easements or development rights on private land that limit use of the land. These acquisitions are made through negotiated purchases or donations, not eminent domain. The development rights acquired under this process are called "conservation futures." Property owners whose conservation futures are held by another party may continue to use the open space, timber, or farm and agricultural land in accordance with any terms established by the conservation futures acquisition agreement.

Counties may levy a property tax of up to \$0.0625 per \$1,000 of assessed valuation to generate funds to acquire conservation futures or the title to open space, timber, and farm and agricultural lands. The decision to levy this countywide property tax is made by a county legislative authority, which may be either a board of county commissioners or a county council. At least 13 Washington counties have opted to impose the tax, including Clark, Ferry, Island, Jefferson, King, Kitsap, Pierce, San Juan, Skagit, Snohomish, Spokane, Thurston, and Whatcom counties.

The development rights or properties acquired with the use of the property tax revenues must be located within the acquiring county. Counties must also determine whether real property acquisitions would reduce the development capacity to accommodate planned housing and employment growth, and must take reasonable measures to increase development capacity in response to the loss of capacity attributable to conservation futures acquisitions.

Counties may allocate the property taxes to be used for the acquisition of conservation futures and properties into a separate conservation futures fund. Up to 15 percent of the conservation futures property taxes collected in the preceding year may be used for park and recreational land operations and maintenance (O&M). Money from conservation future funds that is spent on park and recreational land O&M may not be used to supplant existing O&M funding.

Summary of Substitute Bill:

For certain counties, the 15 percent cap on the use of conservation futures tax revenue for park and recreational land O&M is raised to a 25 percent cap on the amount that may be spent on O&M of acquired land. In order for a county to be eligible to use 25 percent of conservation futures tax revenue on acquired land operation and maintenance, the county must:

- have rights and interests in more than 400 acres of property acquired through the conservation futures program; and
- have collected a conservation futures property tax for 20 or more years.

The O&M expenditures of conservation futures revenues in counties subject to the 25 percent O&M expenditure cap may not supplant existing O&M funding.

The lands on which O&M conservation futures money may be spent is specified to be limited to real property acquired under the conservation futures program.

Substitute Bill Compared to Original Bill:

The substitute bill requires that revenues from conservation futures taxes imposed by counties may only be used for the O&M of real property acquired under the conservation futures program, rather than for parks and recreational lands. The O&M expenditures of conservation futures revenues in counties subject to the 25 percent O&M expenditure cap may not supplant existing O&M funding.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Recreational lands require a variety of O&M activities, including trail development, noxious weed control, signage, and improving access to purchased properties. Investments in these properties will improve boat launch, fishing, and hunting opportunities. In order to make purchased properties usable by the public, ongoing investments in properties are necessary. Over time, as the conservation futures program has matured, fewer dollars per acre have remained available for counties to use on operations and maintenance because of the 15 percent cap in state law. The bill should retain and extend the provision in existing law that requires operation and maintenance money from conservation futures taxes to not supplant operation and maintenance money from other county sources.

(Opposed) None.

Persons Testifying: Representative Volz, prime sponsor; Doug Chase, Spokane County Parks, Recreation, and Golf; and Bill Clarke, Trust for Public Land.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON FINANCE

Majority Report: The substitute bill by Committee on Environment be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Lytton, Chair; Frame, Vice Chair; Nealey, Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Condotta, Dolan, Pollet, Springer, Stokesbary, Wilcox and Wylie.

Staff: Richelle Geiger (786-7139).

Summary of Recommendation of Committee On Finance Compared to Recommendation of Committee On Environment:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill would provide flexibility within existing funding mechanisms for assets the county has already bought through the Conservation Future Fund. Clark and Spokane counties have been so successful using the Conservation Futures program that the 15 percent expenditure cap is not enough to keep up with maintenance and operation (M&O) needs. This jeopardizes the continuation of the program in these two counties. Counties do not want to purchase land unless they can maintain it. The M&O funds are currently spent on things like safety considerations, gates, trail maps, and habitat restoration. By increasing the cap to 25 percent, the counties can continue investing in these types of projects. There are proper protections in the bill with the nonsupplant language.

(Opposed) None.

Persons Testifying: Mike Burgess, Spokane and Clark Counties.

Persons Signed In To Testify But Not Testifying: None.