SENATE BILL REPORT SB 5259

As of February 14, 2019

Title: An act relating to encouraging the success of agriculture on agricultural land.

Brief Description: Encouraging the success of agriculture on agricultural land.

Sponsors: Senators Zeiger, Warnick, Van De Wege, Fortunato and Takko.

Brief History:

Committee Activity: Local Government: 1/24/19, 1/31/19 [DPS-WM].

Ways & Means: 2/12/19.

Brief Summary of First Substitute Bill

- Allows consideration of innovative zoning techniques and other measures to encourage the success of the agricultural economy regardless of urban growth area boundaries.
- Removes a provision requiring nonagricultural accessory uses and activities to be located within areas already development for buildings and residential uses on agricultural land.
- Adds measures related to permitting efficiencies that counties and cities may consider to encourage agricultural business.
- Authorizes the Department of Commerce to provide financial assistance to jurisdictions regarding measures encouraging the success of agricultural on agricultural land.
- Resets the date to join the Voluntary Stewardship Program to July 1, 2020.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: That Substitute Senate Bill No. 5259 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Honeyford and Liias.

Staff: Bonnie Kim (786-7316)

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.

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SENATE COMMITTEE ON WAYS & MEANS

Staff: Jed Herman (786-7346)

Background: Growth Management Act. The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. The GMA sets forth three broad planning obligations for those counties and cities who plan fully under the GMA:

- the county legislative authority must adopt a countywide planning policy;
- the county, and the cities within the county, must designate critical areas, agricultural lands, forestlands, and mineral resource lands, and adopt development regulations accordingly; and
- the county must designate and take other actions related to Urban Growth Areas (UGAs).

Jurisdictions that fully plan under the GMA must adopt development regulations to assure the conservation of designated natural resource lands of long-term commercial significance. These same jurisdictions must also adopt comprehensive land-use plans to express the general land-use policies of the county or city, and development regulations to implement those plans.

Comprehensive plans must include specific planning elements, each of which is a subset of the plan. The rural element of a comprehensive plan must include measures that apply to rural development and protect the rural character of the area by, in part, protecting against conflicts with the use of designated agricultural, forest, and mineral resource lands.

<u>Innovative Zoning Techniques.</u> Counties and cities may consider Innovative Zoning Techniques (IZTs) to conserve agricultural lands and encourage the agricultural economy. Allowable methods include agricultural zoning limiting density, cluster zoning, large lot zoning, quarter/quarter zoning, and sliding scale zoning.

Agricultural Accessory Uses. Counties and cities have authority to limit or exclude allowable accessory uses on agricultural lands. Allowable agricultural accessory uses and activities include those related to storage and distribution. Nonagricultural accessories and uses are allowed if they are consistent with the size, scale, and intensity of the existing agricultural use of the property and existing buildings onsite. Generally, nonagricultural accessories may not extend beyond areas already developed for buildings and may not otherwise convert more than one acre of agricultural land to nonagricultural use.

<u>Voluntary Stewardship Program.</u> The Voluntary Stewardship Program (VSP) was created in 2011 and allows participating counties to develop local work plans that use voluntary and incentive-based tools, as an alternative to regulation, to protect critical areas and agricultural lands. Counties had to opt in by early 2012, and 27 counties chose to participate.

Counties participating in VSP create a work plan that is approved by the Washington State Conservation Commission and then implement the plan by recruiting local landowners to participate in incentive-based stewardship activities. Counties report their progress to the Conservation Commission.

Summary of Bill (First Substitute): <u>Natural Resources Industries.</u> A provision noting that encouraging the conservation of productive agricultural lands requires local governments to have a regulatory strategy that allows agricultural landowners to successfully engage in agriculture is added to the goals of comprehensive plans.

<u>Agricultural Lands of Long-Term Commercial Significance.</u> Counties and cities planning under the GMA may consider the use of IZTs and other criteria related to accessories regardless of whether the land at issue lies within a UGA.

A provision limiting nonagricultural accessory uses and activities to areas already developed for buildings and residential uses on agricultural land is removed.

Counties and cities may also consider the following measures regarding agricultural lands:

- consolidating multiple permit requirements to create a more efficient permitting system;
- reducing the amount of time required for permit review;
- expanding opportunities for county or city employees to provide technical assistance to landowners who request assistance; and
- increasing coordination among counties or cities and other agencies to avoid duplication of work during permit review.

The Department of Commerce is given authority to provide financial assistance to jurisdictions planning under the GMA to promote IZTs and other measures as amended in the bill.

<u>Voluntary Stewardship Program.</u> The date to join the VSP is reset from January 2012 to July 1, 2020.

EFFECT OF CHANGES MADE BY LOCAL GOVERNMENT COMMITTEE (First Substitute):

- Removes a provision that would have added a new measure allowing counties and cities to exempt agricultural lands from requirements deemed unnecessary.
- Restores the prohibition on converting more than one acre of agricultural land for nonagricultural accessory uses.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Original Bill (Local Government): The committee recommended a different version of the bill than what was heard. PRO: Puyallup Valley farmers feel they are threatened by rising costs, growing density and difficult permitting processes. The Legislature and local governments have recognized the value of

farm land and but have done too little to preserve the viability of farming. Our small farm is struggling to put in a well because the difficult permitting process. We do not need financial help but need help easing the regulatory process. Farmers in urban counties are struggling because they are unable diversify their business which is critical to maintain economic viability.

CON: The Building Industry Association of Washington would also like permit streamlining, particularly in a UGA. Industry should be treated equally. The removal of the provision disallowing conversion of more than one acre agricultural land will result in the wholesale loss of agricultural land. There may not be any connection to agricultural use for new development. Exempting or streamlining certain permitting systems may endanger critical areas.

Persons Testifying (Local Government): PRO: Senator Hans Zeiger, Prime Sponsor; Timothy Richter; Tom Davis, Washington Farm Bureau.

CON: Jan Himebaugh, Building Industry Association of Washington; Bryce Yadon, Futurewise.

Persons Signed In To Testify But Not Testifying (Local Government): No one.

Staff Summary of Public Testimony on First Substitute (Ways & Means): PRO: Farmers are facing an ever-increasing amount of costs and uncertainties. This bill provides new opportunities for local government help local farmers with some of those problems. We must not zone agriculture out of business.

OTHER: The Voluntary Stewardship Program currently lacks the funding to carry out the provisions of this bill.

Persons Testifying (Ways & Means): PRO: Senator Hans Zeiger, Prime Sponsor; Jerome O'Leary, Pierce County Agricultural Advisory Committee.

OTHER: Alison Halpern, Washington State Conservation Commission.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.

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