

HOUSE JOINT RESOLUTION 1

Proposed Constitutional Amendment

Official ballot title:*

TAXATION BASED ON ACTUAL USE

Shall Article VII of the State Constitution be amended by adding a section authorizing the legislature to provide that farms, agricultural lands, standing timber and timberlands, and other open space lands used for recreation or enjoyment of their scenic or natural beauty, shall be valued for purposes of taxation on the basis of the use to which such property currently is being applied, rather than on the highest and best use?

Vote cast by members of the 1967 Legislature on final passage:
HOUSE: (99 members) Yeas, 84; Nays 9; Absent or not voting, 6.
SENATE: (49 members) Yeas, 44; Nays, 0; Absent or not voting, 5.

*Ballot Title as issued by the Attorney General:

Statement FOR

HJR 1 will help stop the runaway loss of open spaces, farms, and forests

At an alarming rate, the Evergreen State is losing its precious open spaces to urban sprawl. Lands best suited for farming, forestry, and recreation are falling victim to the relentless push of industry and subdivisions. For example, if present trends continue, it is forecast by the Puget Sound Governmental Conference that by 1985 there will be no farmland left in Snohomish, King, Pierce, and Kitsap counties. We will have created a vast sea of asphalt, buildings, and smokestacks, unbroken by green open spaces.

Washington's open space lands are being taxed out of existence

Many owners of farm, forest, and open space lands are being forced to sell their property for other uses. Why? Because of skyrocketing property taxes. The Washington State Constitution requires county assessors to rely on local sales prices as the main indicator of "market value". Thus, a few high-priced land sales often tend to force up assessments on surrounding land still in production. Since forestry and farming can't produce enough income to meet the resulting confiscatory taxes, more precious open space land is sold to the speculative purchaser. He may simply hold the land until property values spiral even higher. Speculation only hastens disorderly development and more unplanned urban sprawl.

HJR 1 will allow property to be taxed according to its use

HJR 1, an amendment to the Constitution, was passed overwhelmingly by the 1967 Legislature, (Senate 44-0, House 84-9). It will allow our law-

makers to establish a rational system of taxing open space lands—according to their current use. This will prevent them from being prematurely forced out of bona fide agricultural, forestry, and recreation uses.

The "open space" amendment will benefit all Washington citizens, by helping to:

1. Preserve "green belts" needed for beauty and contrast in the urban landscape.
2. Prevent further loss of irreplaceable farm topsoil in our fertile river valleys.
3. Retain areas needed for outdoor recreation. Washington's recreation demand will increase threefold in twenty years.
4. Protect a \$3.8 billion annual income and payroll in our farm, food, and forest industries.

Laws similar to HJR 1 have been passed by 13 other states. HJR 1 is supported by scores of Washington groups. Preserve our open spaces—vote YES HJR 1.

Committee appointed to compose statement FOR House Joint Resolution No. 1:

WILLIAM A. GISSBERG, State Senator; SLADE GORTON, State Representative; STEWART BLEDSOE, State Representative.

Advisory Committee: MEL AMMERMAN, President, Washington State Farm Bureau Federation; JOHN A. BIGGS, Director, Washington State Department of Game; JAMES R. ELLIS, President, Forward Thrust, Seattle; MRS. J. GORDON GOSE, Past President, National Council of State Garden Clubs; A. LARS NELSON, Master, Washington State Grange.

*Explanatory comment issued by the
Attorney General as required by law*

The Law as it now exists:

Under the present state constitution and pertinent legislative enactments, all real property is valued for purposes of taxation on the basis of its true and fair value in money, which is determined by the "highest and best use" to which the property could be applied, without regard to its present actual use. The term "highest and best use" is defined by a Department of Revenue regulation to mean the most profitable, likely use to which a property can be put.

Effect of House Joint Resolution No. 1 if approved into Law:

The proposed constitutional amendment would authorize the legislature to provide by law, subject to such conditions as it may enact, that certain real property shall be valued for taxation purposes in terms of its present actual use rather than its highest and best use. Types of property which

would be eligible for such treatment are (a) farms, agricultural lands, standing timber and timber lands, and (b) other open space lands which are used for recreation or for enjoyment of their scenic or natural beauty.

Note: Complete text of House Joint Resolution No. 1 appears on Page 51.

Statement AGAINST

This is a calculated effort by the major timber companies to shift the burden of real estate taxes to other types of property. This is not long range planning for "Open Space" since property so designated would remain so only so long as the timber companies wanted to take advantage of the tax benefit.

The landowner or timber company could sell after 5 years or convert to another use—with that the "Open Space" is gone.

Another insidious result would be to retard the development of property. The lower tax would reduce the owner's incentive to develop the property to a higher and better use.

School districts and local governments could suffer substantial loss from this tax dodge.

If you vote for this constitutional change, you are voting blind since no implementing legislation has been agreed upon by the legislators, who have debated the subject for almost two years.

If you are concerned about the rising tax bill on your house and your personal property, vote no on HJR No. 1.

If the "Open Space" proponents are sincere and have a worthwhile program let them provide for a direct purchase program involving long term planning rather than this devious route that results in tax benefits for a

few and "Open Space" only on a temporary basis. Vote NO on HJR No. 1.

*Committee appointed to compose statement AGAINST
House Joint Resolution No. 1:*

WILBUR G. HALLAUER, State Senator; GORDON W. RICHARDSON, State Representative; PALMER BERGE, Past President, Washington Association of Realtors, Inc.

Advisory Committee: JOHN VANDERZICHT, former Director, State Parks and Recreation Commission; ROBERT L. CHASE, owner Pettit-Moory Insurance Agency; JAMES BLACK, President, Washington Association of Realtors.

district and the same political party as the legislator or partisan county elective officer whose office has been vacated, and shall be one of three persons who shall be nominated by the county central committee of that party, and in case a majority of said county commissioners do not agree upon the appointment within sixty days after the vacancy occurs, the governor shall within thirty days thereafter, and from the list of nominees provided for herein, appoint a person who shall be from the same legislative district, county or county commissioner district and of the same political party as the legislator or partisan county elective officer whose office has been vacated, and the person so appointed shall hold office until his successor is elected at the next general election, and shall have qualified: *Provided*, That in case of a vacancy occurring in the office of joint senator, or joint representative, the vacancy shall be filled from a list of three nominees selected by the state central committee, by appointment by the joint action of the boards of county commissioners of the counties composing the joint senatorial or joint representative district, the person appointed to fill the vacancy must be from the same legislative district and of the same political party as the legislator whose office has been vacated, and in case a majority of said county commissioners do not agree upon the appointment within sixty days after the vacancy occurs, the governor shall within thirty days thereafter, and from the list of nominees provided for herein, appoint a person who shall be from the same legislative district and of the same political party as the legislator whose office has been vacated.

Article XI, section 6. The board of county commissioners in each county shall fill all vacancies occurring in any [~~county,~~] township, precinct or road district office of such county by appointment, and officers thus appointed shall hold office till the next general election, and until their successors are elected and qualified.

BE IT FURTHER RESOLVED, That the secretary of state shall cause the foregoing constitutional amendments to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state.

Passed the Senate March 17, 1967. Passed the House April 18, 1967.
JOHN A. CHERBERG, DON ELDRIDGE,
President of the Senate. Speaker of the House.
EXPLANATORY COMMENT S.J.R. NO. 24:

All words in double parentheses and lined through are in our State Constitution at the present and are being taken out by this amendment. All words underscored do not appear in the State Constitution as it is now written but will be put in if this amendment is adopted.

COMPLETE TEXT OF

Proposed
Constitutional Amendment

**HOUSE JOINT
RESOLUTION**

1

Ballot Title as issued by the Attorney General:

TAXATION BASED ON ACTUAL USE

Shall Article VII of the State Constitution be amended by adding a section authorizing the legislature to provide that farms, agricultural lands, standing timber and timberlands, and other open space lands used for recreation or enjoyment of their scenic or natural beauty, shall be valued for purposes of taxation on the basis of the use to which such property currently is being applied, rather than on the highest and best use?

BE IT RESOLVED, *By the Senate and House of Representatives of the State of Washington, in Legislative Session Assembled:*

THAT, At the next general election there shall be submitted to the qualified voters of the state for their approval and ratification, or rejection, an amendment to Article VII of the Constitution of the State of Washington by adding thereto a new section to read as follows:

NEW SECTION. Article VII, section 11. Nothing in this Article VII as amended shall prevent the legislature from providing, subject to such conditions as it may enact, that the true and fair value in money (a) of farms, agricultural lands, standing timber and timberlands, and (b) of other open space lands which are used for recreation or for enjoyment of their scenic or natural beauty shall be based on the use to which such property is currently applied, and such values shall be used in computing the assessed valuation of such property in the same manner as the assessed valuation is computed for all property.

BE IT FURTHER RESOLVED, That the secretary of state shall cause the foregoing constitutional amendment to be published at least four times during the four weeks next preceding the election in every legal newspaper in the state.

Passed the House March 14, 1967. Passed the Senate April 28, 1967.
DON ELDRIDGE, JOHN A. CHERBERG,
Speaker of the House. President of the Senate.

EXPLANATORY COMMENT H.J.R. NO. 1:
All words underscored do not appear in the Constitution as it is now written but will be put in if this amendment is adopted.

COMPLETE TEXT OF

Proposed
Constitutional Amendment

**HOUSE JOINT
RESOLUTION**

13

Ballot Title as issued by the Attorney General:

**AUTHORIZING COMPENSATION
INCREASE DURING TERM**

Shall the State Constitution be amended by adding a new article permitting the compensation of all elected and appointed state,