

government and its existing public institutions, and shall take effect immediately.

Passed the House February 15, 1982.

Passed the Senate March 11, 1982.

Approved by the Governor April 1, 1982.

Filed in Office of Secretary of State April 1, 1982.

CHAPTER 173

[Substitute House Bill No. 419]

REFORESTATION—NOTICE OF OBLIGATION

AN ACT Relating to reforestation; amending section 7, chapter 137, Laws of 1974 ex. sess. as amended by section 4, chapter 200, Laws of 1975 1st ex. sess. and RCW 76.09.070; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 7, chapter 137, Laws of 1974 ex. sess. as amended by section 4, chapter 200, Laws of 1975 1st ex. sess. and RCW 76.09.070 are each amended to read as follows:

After the completion of a logging operation, satisfactory reforestation as defined by the rules and regulations promulgated by the board shall be completed within three years: PROVIDED, That a longer period may be authorized if seed or seedlings are not available: PROVIDED FURTHER, That a period of up to five years may be allowed where a natural regeneration plan is approved by the department. Upon the completion of a reforestation operation a report on such operation shall be filed with the department of natural resources. Within twelve months of receipt of such a report the department shall inspect the reforestation operation, and shall determine either that the reforestation operation has been properly completed or that further reforestation and inspection is necessary.

Satisfactory reforestation is the obligation of the owner of the land as defined by forest practices regulations, except the owner of perpetual rights to cut timber owned separately from the land is responsible for satisfactory reforestation. The reforestation obligation shall become the obligation of a new owner if the land or perpetual timber rights are sold or otherwise transferred.

Prior to the sale or transfer of land or perpetual timber rights subject to a reforestation obligation, the seller shall notify the buyer of the existence and nature of the obligation and the buyer shall sign a notice of reforestation obligation indicating the buyer's knowledge thereof. The notice shall be on a form prepared by the department and shall be sent to the department by the seller at the time of sale or transfer of the land or perpetual timber rights. If the seller fails to notify the buyer about the reforestation obligation, the seller shall pay the buyer's costs related to reforestation, including all legal costs which include reasonable attorneys' fees, incurred by the

buyer in enforcing the reforestation obligation against the seller. Failure by the seller to send the required notice to the department at the time of sale shall be prima facie evidence, in an action by the buyer against the seller for costs related to reforestation, that the seller did not notify the buyer of the reforestation obligation prior to sale.

The forest practices regulations may provide alternatives to or limitations on the applicability of reforestation requirements with respect to forest lands being converted in whole or in part to another use which is compatible with timber growing. The forest practices regulations may identify classifications and/or areas of forest land that have the likelihood of future conversion to urban development within a ten year period. The reforestation requirements may be modified or eliminated on such lands: PROVIDED, That such identification and/or such conversion to urban development must be consistent with any local or regional land use plans or ordinances.

NEW SECTION. Sec. 2. This act shall take effect July 1, 1982.

Passed the House March 9, 1982.

Passed the Senate March 7, 1982.

Approved by the Governor April 1, 1982.

Filed in Office of Secretary of State April 1, 1982.

CHAPTER 174

[Substitute House Bill No. 313]

BUSINESS INVENTORIES—TAXATION

AN ACT Relating to revenue and taxation; and amending section 4, chapter 169, Laws of 1974 ex. sess. as amended by section 8, chapter 291, Laws of 1975 1st ex. sess. and RCW 82.04.443.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 4, chapter 169, Laws of 1974 ex. sess. as amended by section 8, chapter 291, Laws of 1975 1st ex. sess. and RCW 82.04.443 are each amended to read as follows:

For the purposes of this chapter:

"Business inventories" means all livestock and means personal property not under lease or rental, acquired or produced solely for the purpose of sale or lease, or for the purpose of consuming such property in producing for sale or lease a new article of tangible personal property of which such property becomes an ingredient or component. Business inventories shall not mean personal property acquired or produced for the purpose of lease or rental if such property was leased or rented at any time during the calendar year immediately preceding the year of assessment and was not thereafter remanufactured, nor shall it include property held within the normal course of business for lease or rental for periods of less than thirty days. It shall include inventories of finished goods and work in process. For purposes of