

SENATE BILL REPORT

SB 5385

As Reported By Senate Committee On:
Natural Resources & Parks, February 21, 1997

Title: An act relating to eliminating the pooling of the resource management cost account and removing reference to agricultural college lands.

Brief Description: Eliminating pooling of the resource management cost account and removing reference to agricultural college lands.

Sponsors: Senators Oke and Prentice; by request of Commissioner of Public Lands and Department of Natural Resources.

Brief History:

Committee Activity: Natural Resources & Parks: 2/11/97, 2/21/97 [DPS].

SENATE COMMITTEE ON NATURAL RESOURCES & PARKS

Majority Report: That Substitute Senate Bill No. 5385 be substituted therefor, and the substitute bill do pass.

Signed by Senators Oke, Chair; Rossi, Vice Chair; Hargrove, Jacobsen, Morton, Prentice, Roach, Snyder, Spanel, Stevens and Swecker.

Staff: Vic Moon (786-7469)

Background: The Legislature has established the resource management cost account statute (RCW 79.64.030) and has given the department authority to place monies into that account. The Legislature allowed pooling of funds placed in that account, and the account has direct reference to the agricultural college trust lands. An Attorney General's Opinion issued on August 1, 1996 (AGO 1996 No. 11) said that the pooling of funds violates trust principles and that the Morrill Act relating to management fees from agricultural college trusts cannot be collected.

Summary of Substitute Bill: The resource management cost account is changed so that agricultural college lands are not included in the account. Monies may not be pooled in the account but must be accounted for on a trust-by-trust basis.

Substitute Bill Compared to Original Bill: Additional statutes are amended to provide consistency throughout Title 79.

Appropriation: None.

Fiscal Note: Requested on February 5, 1997.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: Pooling of trust accounts violates the duties of a trustee. The Agriculture College trust lands grant does not allow for management fee deduction.

Testimony Against: None.

Testified: PRO: Larry Ganders, Washington State University; Kaleen Cottingham, Dept. of Natural Resources; Pat McLain, Dept. of Natural Resources.