

SENATE BILL REPORT

HB 2310

As Reported By Senate Committee On:
Natural Resources, Parks & Shorelines, February 21, 2002

Title: An act relating to the highest responsible bidder for sales of valuable materials from state-owned aquatic lands.

Brief Description: Determining a "highest responsible bidder" for valuable materials on state-owned lands.

Sponsors: Representatives Jackley, Sump, Doumit, Rockefeller and Eickmeyer; by request of Department of Natural Resources.

Brief History:

Committee Activity: Natural Resources, Parks & Shorelines: 2/20/02, 2/21/02 [DPA].

SENATE COMMITTEE ON NATURAL RESOURCES, PARKS & SHORELINES

Majority Report: Do pass as amended.

Signed by Senators Jacobsen, Chair; Poulsen, Vice Chair; Hargrove, McDonald, Morton, Oke, Snyder, Spanel and Stevens.

Staff: Kari Guy (786-7437)

Background: The Department of Natural Resources manages all state-owned aquatic lands, and oversees the sale of geoducks and other valuable materials from these lands. Geoduck harvest areas are determined in cooperation with the Department of Fish and Wildlife and tribal co-managers, and harvest contracts are auctioned by the Department of Natural Resources to the highest responsible bidder.

The Department of Natural Resources may consider a number of factors in addition to price when awarding geoduck harvest contracts, including the financial ability of the bidder to perform the contract and any past criminal convictions of the bidder. However, the department does not have explicit authority to include a prior failure to complete a sale as grounds for rejecting a bid. Sales that are not completed can cause delays in harvest and increased expense to the department before the sale can be offered again.

Summary of Amended Bill: When determining the highest responsible bidder for a sale of valuable materials from state-owned aquatic lands, the Department of Natural Resources may consider whether the bidder was the highest bidder on a sale within the past five years, but failed to complete the sale. Sales offered prior to January 1, 2002 cannot be considered.

Amended Bill Compared to Original Bill: The ability to look at sale completion is prospective only.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: The Department of Natural Resources has lost significant revenue from failed geoduck sales. This will provide a deterrent and ensure that people who offer bids are able to complete the sale.

Testimony Against: None.

Testified: Fran McNair, DNR (pro).