

HOUSE BILL REPORT

HB 2395

As Passed House:

April 16, 2007

Title: An act relating to leasing state lands and development rights on state lands to public agencies.

Brief Description: Regarding leasing and development rights on state lands.

Sponsors: By Representatives Fromhold, McDonald and Morrell.

Brief History:

Committee Activity:

Capital Budget: 3/29/07, 3/30/07 [DP].

Floor Activity:

Passed House: 4/16/07, 93-0.

Brief Summary of Bill

- Allows the Department of Natural Resources to lease state land, and development rights on state land, held for the benefit of common schools to public agencies for terms not to exceed 99 years.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 17 members: Representatives Fromhold, Chair; Ormsby, Vice Chair; Schual-Berke, Vice Chair; McDonald, Ranking Minority Member; Newhouse, Assistant Ranking Minority Member; Blake, Dunshee, Flannigan, Goodman, Hasegawa, Kelley, McCune, Orcutt, Pearson, Pedersen, Sells and Upthegrove.

Minority Report: Without recommendation. Signed by 2 members: Representatives Hankins and Skinner.

Staff: Nona Snell (786-7153).

Background:

Upon Washington's admission to the United States in 1889, the federal government provided it with approximately 3.2 million acres of land to support public institutions, including

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common schools, public buildings, and higher education. Washington has retained the majority of these granted lands and now manages about 2.25 million federally granted acres. The state also manages approximately 626,000 acres of state forest lands, beneficiaries of which include counties and junior taxing districts.

The Department of Natural Resources (DNR) manages these trust lands for the state. They generate revenue through the sales of timber and forest products and through leases.

The DNR has the authority to lease state lands for purposes including commercial, industrial, residential, agricultural, and recreational uses in order to obtain a fair market rental return to the state or appropriate trust. The length of the lease is dependent upon its purpose.

Summary of Bill:

The DNR may lease land and development rights on state lands held for the benefit of the common schools to public agencies for terms not to exceed 99 years. The DNR may enter into leases with public agencies through negotiations, which may allow for a lump sum payment for the entire lease term at the beginning of the lease. The leases may include provisions for renewal.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) The bill works for the Department of Natural Resources, and they appreciate the opportunity to give their input on the bill. The bill relieves concerns raised with regard to HB 2382, and makes improvements to that bill.

(Opposed) None.

Persons Testifying: Bob Van Schoorl, Department of Natural Resources; and Bill Robinson, The Nature Conservancy.

Persons Signed In To Testify But Not Testifying: None.