

HOUSE BILL REPORT

SB 6523

As Reported by House Committee On:
State Government & Tribal Affairs
Capital Budget

Title: An act relating to resident curators of state properties.

Brief Description: Concerning resident curators of state properties.

Sponsors: Senators Honeyford and Fraser.

Brief History:

Committee Activity:

State Government & Tribal Affairs: 2/20/12 [DP];
Capital Budget: 2/23/12 [DPA].

**Brief Summary of Bill
(As Amended by Committee)**

- Authorizes a state agency that has the authority to lease state-owned properties to private parties to negotiate a lease at a rate that is less than fair market value, provided the terms of the lessee's occupancy of the property includes a written agreement to restore, maintain, rehabilitate, or improve the leased property.
- Requires that if the property is listed, or is eligible to be listed, on the National Register of Historic Places, the Washington Heritage Register, or a local historic register, the leasing agency must consult with the Department of Archaeology and Historic Preservation and all work performed on the property must comply with the Department of Interior standards for rehabilitation of historic properties.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL AFFAIRS

Majority Report: Do pass. Signed by 11 members: Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander, Condotta, Darneille, Dunshee, Hurst, McCoy and Miloscia.

Staff: Thamas Osborn (786-7129).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Background:

The Department of Enterprise Services manages more than 750 leases for nearly 11 million square feet of office, warehouse, and other space, worth nearly \$180 million in annual rent payments. This represents about half of all state leases. State law grants some agencies the authority to manage their own leases.

The Department of Archaeology and Historic Preservation (DAHP), under the direction of the State Historic Preservation Officer, has responsibilities under both federal and state law. Under the National Historic Preservation Act of 1966, the DAHP must be consulted with respect to the impacts federal undertakings have on historic and cultural properties. This process includes arriving at agreements with proponents of a project in order for them to obtain federal approval. Other federal responsibilities of the DAHP include administering the State Historic Preservation Program and assisting local governments to become eligible for federal grant money. The DAHP is also responsible for nominating historic places to the state and national historic registers, maintaining an inventory of historic properties and archaeological sites, maintaining a computerized mapping system, and engaging in educational outreach.

The Washington Heritage Register is an official listing of historically significant sites and properties found throughout the state. The list is maintained by the DAHP and includes districts, sites, buildings, structures, and objects that have been identified and documented as being significant in local or state history, architecture, archaeology, engineering, or culture.

Summary of Bill:

A state agency that has the authority to lease state-owned properties to private parties may negotiate a lease at a rate that is less than fair market value, provided the terms of the lessee's occupancy of the property includes a written agreement to restore, maintain, rehabilitate, or improve the leased property. No improvements to the property may be made without the approval of the leasing agency.

If the property is listed, or is eligible to be listed, on the National Register of Historic Places, the Washington Heritage Register, or a local historic register, the agency must consult with the DAHP and all work performed on the property must comply with the Department of Interior standards for rehabilitation of historic properties.

Appropriation: None.**Fiscal Note:** Available.**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) None.

(Opposed) None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass as amended. Signed by 10 members: Representatives Dunshee, Chair; Ormsby, Vice Chair; Warnick, Ranking Minority Member; Zeiger, Assistant Ranking Minority Member; Asay, Jinkins, Lytton, Pearson, Smith and Tharinger.

Minority Report: Do not pass. Signed by 1 member: Representative Wylie.

Staff: Steve Masse (786-7115).

Summary of Recommendation of Committee On Capital Budget Compared to Recommendation of Committee On State Government & Tribal Affairs:

The amended bill authorizes a state agency that has the authority to lease state-owned properties to private parties to negotiate a lease at a rate that is less than fair market value, provided the terms of the lessee's occupancy of the property includes a written agreement to restore, maintain, rehabilitate, or improve the leased property. The amended bill requires that the value of the improvement be part of the lease agreement. The amended bill requires that if the property is listed, or is eligible to be listed, on the National Register of Historic Places, the Washington Heritage Register, or a local historic register, the leasing agency must consult with the Department of Archaeology and Historic Preservation and all work performed on the property must comply with the Department of Interior standards for rehabilitation of historic properties.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) Maintaining state historical structures is difficult; this provides a mechanism to help the state repair historically significant structures.

(Opposed) None.

Persons Testifying: Senator Honeyford, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.