
HOUSE BILL 1111

State of Washington 63rd Legislature 2013 Regular Session

By Representatives Taylor, Overstreet, Short, and Shea

Read first time 01/16/13. Referred to Committee on Capital Budget.

1 AN ACT Relating to managing the real property assets of the state;
2 amending RCW 77.12.210, 79A.05.175, 79.11.010, and 79.11.090; adding a
3 new section to chapter 79.02 RCW; adding a new section to chapter 79.11
4 RCW; adding a new section to chapter 43.33A RCW; and adding a new
5 section to chapter 8.04 RCW.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 77.12.210 and 2009 c 333 s 33 are each amended to read
8 as follows:

9 (1) The director shall maintain and manage real or personal
10 property owned, leased, or held by the department and shall control the
11 construction of buildings, structures, and improvements in or on the
12 property. The director may adopt rules for the operation and
13 maintenance of the property.

14 (2) The commission may authorize the director to sell, lease,
15 convey, or grant concessions upon real or personal property under the
16 control of the department. This includes the authority to sell timber,
17 gravel, sand, and other materials or products from real property held
18 by the department, and to sell or lease the department's real or
19 personal property or grant concessions or rights-of-way for roads or

1 utilities in the property. Oil and gas resources owned by the state
2 which lie below lands owned, leased, or held by the department shall be
3 offered for lease by the commissioner of public lands pursuant to
4 chapter 79.14 RCW with the proceeds being deposited in the state
5 wildlife account created in RCW 77.12.170(~~(:—PROVIDED, That)~~).
6 However, the commissioner of public lands shall condition such leases
7 at the request of the department to protect wildlife and its habitat.

8 (3) The department must give consideration to economic development
9 opportunities for any real property under its control that provide
10 benefits to the department, the state, or for the local community where
11 the property is situated when deciding how to most advantageously use
12 the property.

13 (4) If the commission determines that real or personal property
14 held by the department cannot be used advantageously by the department
15 or in the furtherance of local, regional, or statewide economic
16 development, the director may dispose of that property if it is in the
17 public interest and if disposal is consistent with the provisions of an
18 economic development plan developed by the department for the parcel.

19 (5) If the state acquired real property with use limited to
20 specific purposes, the director may negotiate terms for the return of
21 the property to the donor or grantor. Other real property shall be
22 sold to the highest bidder at public auction. After appraisal, notice
23 of the auction shall be published at least once a week for two
24 successive weeks in a newspaper of general circulation within the
25 county where the property is located at least twenty days prior to
26 sale.

27 (6) Proceeds from the sales shall be deposited in the state
28 wildlife account created in RCW 77.12.170.

29 **Sec. 2.** RCW 79A.05.175 and 2007 c 145 s 1 are each amended to read
30 as follows:

31 (1) The commission must give consideration to economic development
32 opportunities for any real property under its control that provide
33 benefits to the commission, the state, or for the local community where
34 the property is situated when deciding how to most advantageously use
35 the property.

36 (2) Whenever the commission finds that any land under its control
37 cannot advantageously be used for park purposes or in the furtherance

1 of local, regional, or statewide economic development, it is authorized
2 to dispose of such land by the method provided in this section or by
3 the method provided in RCW 79A.05.170 if disposal is consistent with
4 the provisions of an economic development plan developed by the
5 department for the parcel.

6 (3) If (~~such~~) lands identified for disposal are school or other
7 grant lands, control (~~thereof~~) of the lands shall be relinquished by
8 resolution of the commission to the proper state officials. If
9 (~~such~~) lands identified for disposal were acquired under restrictive
10 conveyances by which the state may hold them only so long as they are
11 used for park purposes, they may be returned to the donor or grantors
12 by the commission. All other (~~such~~) lands identified for disposal
13 may be either sold by the commission to the highest bidder or exchanged
14 for other lands of equal value by the commission, and all conveyance
15 documents shall be executed by the governor.

16 (4) All (~~such~~) exchanges shall be accompanied by a transfer fee,
17 to be set by the commission and paid by the other party to the
18 transfer(~~if such~~). The fee shall be paid into the parkland
19 acquisition account established under RCW 79A.05.170.

20 (5) The commission may accept sealed bids, electronic bids, or oral
21 bids at auction. Bids on all sales shall be solicited at least twenty
22 days in advance of the sale date by an advertisement appearing at least
23 once a week for two consecutive weeks in a newspaper of general
24 circulation in the county in which the land to be sold is located. If
25 the commission feels that no bid received adequately reflects the fair
26 value of the land to be sold, it may reject all bids, and may call for
27 new bids. All proceeds derived from the sale of (~~such~~) park property
28 shall be paid into the park land acquisition account.

29 (6) All land considered for exchange shall be evaluated by the
30 commission to determine its adaptability to park usage and for economic
31 development uses. The equal value of all lands exchanged shall first
32 be determined by the appraisals to the satisfaction of the commission.
33 No sale or exchange of state park lands shall be made without the
34 unanimous consent of the commission.

35 NEW SECTION. Sec. 3. A new section is added to chapter 79.02 RCW
36 under the subchapter heading "PART 1 GENERAL PROVISIONS" to read as
37 follows:

1 The board must, when not in conflict with its fiduciary duties,
2 give consideration to economic development opportunities for any public
3 lands under its control that provide benefits to the state land trust
4 beneficiaries, the department, the state, or for the local community
5 where the property is situated when deciding how to most advantageously
6 manage property.

7 NEW SECTION. **Sec. 4.** A new section is added to chapter 79.11 RCW
8 under the subchapter heading "PART 1 SALES PROCEDURES" to read as
9 follows:

10 (1) The department shall develop and the board shall implement a
11 plan to divest the state by December 31, 2023, of all state lands and
12 state forest lands that are not being actively used for forestry and
13 all lands under state title condemned under section 6 of this act.

14 (2) In implementing the divestiture plan required under this
15 section, the department shall ensure that the lands sold receive fair
16 market value from private sector purchasers under the provisions of
17 this chapter.

18 (3) Any trust beneficiary affected by the divestiture of state
19 lands or state forest lands under this section must be made whole by
20 the provisions of the divestiture plan. The final proceeds of land
21 sales conducted pursuant to the divestiture plan must be transmitted to
22 the state investment board created in chapter 43.33A RCW to be managed
23 in an investment trust for the affected beneficiaries.

24 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.33A RCW
25 to read as follows:

26 The state investment board must work closely with the board of
27 natural resources to implement the state land divestiture plan required
28 under section 4 of this act and ensure that revenue produced from the
29 ensuing land sales are accounted for and managed according to the
30 fiduciary duty of the state with regard to the trust beneficiaries that
31 are affected by the sales.

32 NEW SECTION. **Sec. 6.** A new section is added to chapter 8.04 RCW
33 to read as follows:

34 (1) The attorney general is authorized and empowered to condemn

1 land owned by the federal government on the effective date of this
2 section that is forested or available for active forestry uses.

3 (2)(a) Land acquired by the state under this section must be made
4 available for sale to private landowners for active forestry uses under
5 section 4 of this act; and

6 (b) The acquisition and sale of land condemned under this section
7 are deemed to be for a state purpose and public use.

8 **Sec. 7.** RCW 79.11.010 and 2003 c 334 s 321 are each amended to
9 read as follows:

10 (1) Except as provided in section 4 of this act, not more than one
11 hundred and sixty acres of any land granted to the state by the United
12 States shall be offered for sale in one parcel and no university lands
13 shall be offered for sale except by legislative directive or with the
14 consent of the board of regents of the University of Washington.

15 (2) Any land granted to the state by the United States may be sold
16 for any lawful purpose in such minimum acreage as may be fixed by the
17 department or the legislature.

18 **Sec. 8.** RCW 79.11.090 and 2003 c 334 s 352 are each amended to
19 read as follows:

20 (1) Except as provided in RCW 79.11.340, all sales of land under
21 this chapter shall be at public auction, to the highest bidder, on the
22 terms prescribed by law and as specified in the notice provided under
23 RCW 79.11.120, and no land shall be sold for less than its appraised
24 value.

25 (2) In implementing the divestiture plan required in section 4 of
26 this act, the board shall ensure that land sales are awarded to the
27 highest private sector bidder.

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