

# HOUSE BILL REPORT

## HB 1585

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### As Reported by House Committee On: Transportation

**Title:** An act relating to providing a right of first repurchase for surplus transportation property.

**Brief Description:** Providing a right of first repurchase for surplus transportation property.

**Sponsors:** Representatives Young, Shea, Scott, G. Hunt, Taylor and Santos.

#### **Brief History:**

##### **Committee Activity:**

Transportation: 2/16/15, 2/24/15 [DP], 2/4/16 [DPS].

#### **Brief Summary of Substitute Bill**

- Provides a right of repurchase, subject to certain restrictions, to property owners whose properties were originally acquired through condemnation by the Washington State Department of Transportation and are later declared surplus properties.

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### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 23 members: Representatives Clibborn, Chair; Farrell, Vice Chair; Fey, Vice Chair; Moscoso, Vice Chair; Orcutt, Ranking Minority Member; Hargrove, Assistant Ranking Minority Member; Harmsworth, Assistant Ranking Minority Member; Bergquist, Gregerson, Hayes, Hickel, Kochmar, McBride, Morris, Ortiz-Self, Pike, Riccelli, Rossetti, Sells, Shea, Stambaugh, Tarleton and Young.

**Staff:** Jennifer Harris (786-7143).

#### **Background:**

When the Washington State Department of Transportation (WSDOT) determines that land it owns is no longer required for transportation purposes, and if it would be in the public interest to do so, the WSDOT may sell or exchange the property. This sale is made through a public auction (with appropriate notice given) or through the solicitation of written bids. The

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WSDOT may also sell the property for fair market value to: (1) another state agency; (2) the city or county in which the property is located; (3) any other municipal corporation; (4) regional transit authorities; (5) the former owner from whom the state acquired the property; (6) the tenant of residential property; (7) an abutting private land owner, under certain circumstances; (8) any other owner of real property acquired for transportation purposes; (9) certain nonprofit organizations dedicated to affordable housing; or (10) a federally recognized Indian tribe within whose reservation boundary the property is located.

Proceeds received from a sale of the WSDOT-owned property that is no longer needed for highway or transportation purposes are deposited into the Motor Vehicle Fund.

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**Summary of Substitute Bill:**

A former property owner whose property or interest in a property was originally acquired through condemnation within the previous 10 years by the WSDOT has a right of repurchase for that property if the WSDOT determines that the property is no longer necessary for a transportation purpose. A former property owner is defined as the person or entity from whom the WSDOT acquired title.

The WSDOT is required to mail notice at least 90 days prior to the planned sale of property to the former owner's last known address or forwarding address, which must be the correct address in order for the right of repurchase to survive. If the former owner notifies the WSDOT within 30 days of the date of the notice of the former owner's intent to repurchase the property, the WSDOT must sell the property to the former owner at fair market value without listing the property for sale to other owners. If the former owner does not provide timely notice of intent to repurchase or the sale to the former owner is not completed within six months of the notice provided by the former owner, the right of repurchase is extinguished.

**Substitute Bill Compared to Original Bill:**

The substitute bill updates the underlying RCW section to reflect current law and removes the emergency clause.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

See House Bill Report in the 2015 Legislative Session.

**Persons Testifying:** See House Bill Report in the 2015 Legislative Session.

**Persons Signed In To Testify But Not Testifying:** None.