# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Technology & Economic Development Committee**

### **HB 1001**

**Brief Description**: Concerning utility easements on state-owned aquatic lands.

**Sponsors**: Representatives Morris, Smith, Tarleton, Haler and Doglio.

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

- Extends the expiration date for the fee structure established for easements of state-owned aquatic lands for local public utility lines owned by nongovernmental entities from July 1, 2017 to July 1, 2030.
- Requires legislative review of the granting of easements on state-owned aquatic lands for local public utility lines owned by nongovernmental entities every four years beginning December 31, 2021.

**Hearing Date**: 1/12/17

Staff: Nikkole Hughes (786-7156).

#### **Background:**

The Department of Natural Resources (DNR) is responsible for managing state-owned aquatic lands to provide a balance of public benefits to the state. State-owned aquatic lands include all tidelands, shorelands, harbor areas, beds of navigable waters, and waterways owned by the state and administered by the DNR or managed by a port district. Management of state-owned aquatic lands must, at a minimum, encourage direct public use and access, foster water-dependent uses, ensure environmental protection, and utilize renewable resources.

Among the water-dependent uses fostered by the DNR's management of state-owned aquatic lands is the use of those lands for public utility lines. "Public utility lines" means pipes, conduits, and similar facilities for distribution of water, electricity, natural gas, telephone, other electronic communication, and sewers.

House Bill Analysis - 1 - HB 1001

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The use of state-owned aquatic lands for local public utility lines owned by a nongovernmental entity is granted in the form of an easement. Until July 1, 2017, the charge for the term of an easement is determined as follows:

- \$5,000 for individual easement crossings that are no longer than one mile in length;
- \$12,500 for individual easement crossings that are more than one mile but less than five miles in length; or
- \$20,000 dollars for individual easement crossings that are five miles or more in length.

The charge for easements must be adjusted annually by the rate of yearly increase in the most recently published consumer price index-all urban consumers (CPI-U) for the Seattle-Everett Standard Metropolitan Statistical Area (SMSA), over the consumer price index for the preceding year for the state of Washington, as compiled by the U.S. Bureau of Labor Statistics.

With the exception of the revenue portion reserved for the DNR's management costs, revenue generated from the state's aquatic land management activities is deposited in the Aquatic Lands Enhancement Account (ALEA), and is generally directed to be used for public benefits, such as shoreline access, environmental protection, and recreational opportunities.

By December 31, 2016, the Legislature must review the granting of easements on state-owned aquatic lands for local public utility lines owned by nongovernmental entities. The Legislature's review must include a determination of whether all applications for easements are processed within 120 days for normal processing of applications and 60 days for expedited processing of applications, and whether the granting of easements generates reasonable income for the ALEA.

#### **Summary of Bill:**

The fee structure for easements of state-owned aquatic lands for local public utility lines owned by nongovernmental entities remains in effect until July 1, 2030.

The charge for easements must be adjusted annually by the rate of yearly change in the most recently published Seattle-Tacoma-Bremerton consumer price index-all urban consumers (CPI-U), over the consumer price index for the same period of the preceding year for the state of Washington, as compiled by the U.S. Bureau of Labor Statistics.

Beginning December 31, 2021, the Legislature must review the granting of easements on stateowned aquatic lands for local public utility lines owned by nongovernmental entities every four years.

**Appropriation**: None.

**Fiscal Note**: Requested on January 6, 2017.

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