

SENATE BILL REPORT

HB 2601

As of February 28, 2020

Title: An act relating to the authority of the parks and recreation commission to approve leases.

Brief Description: Concerning the authority of the parks and recreation commission to approve leases.

Sponsors: Representatives Tharinger, Barkis, Leavitt and Ryu; by request of Parks and Recreation Commission.

Brief History: Passed House: 2/18/20, 93-3.

Committee Activity: Agriculture, Water, Natural Resources & Parks: 2/25/20, 2/25/20 [DP-WM].

Ways & Means: 2/28/20.

Brief Summary of Bill

- Increases the maximum lease term for state parks properties from 50 to 80 years.
- Removes the requirement for unanimous State Parks Commission (Commission) approval of long-term leases and requires approval by at least four of the seven members of the Commission.

SENATE COMMITTEE ON AGRICULTURE, WATER, NATURAL RESOURCES & PARKS

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Van De Wege, Chair; Salomon, Vice Chair; Warnick, Ranking Member; Honeyford, McCoy, Rolfes and Short.

Staff: Jeff Olsen (786-7428)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Jed Herman (786-7346)

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 Commission consists of seven members appointed by the Governor with the advice and consent of the Senate. A majority of Commission members constitute a quorum for the transaction of business. Under the Commission's procedural rules, a majority vote of the Commissioners present is required to pass an item brought to vote unless the law requires a unanimous vote. By statute, several Commission decisions require unanimous votes including leases in excess of 20 years, land sales or exchanges, and the disposal of real property to resolve boundary and ownership issues with adjacent landowners.

The Commission has broad authority over the management of state parks, including the power to grant concessions and leases in state parks. Except for a lease up to 62 years at Saint Edward Park, the maximum lease term under current law is 50 years, and any lease of more than 20 years requires a unanimous vote of the Commission. With an affirmative vote of at least five members, the Commission may enter into a lease for up to 62 years for property at Saint Edward Park.

Summary of Bill: The maximum lease term for state park properties is increased from 50 to 80 years. The requirement for unanimous approval by Commission members of property leases exceeding 20 years is changed to an approval requiring at least four Commission members.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony (Agriculture, Water, Natural Resources & Parks): PRO: This is agency request legislation to help State Parks manage one of the oldest and most diverse park systems in the nation. State Parks has been successful in working with private partners at Saint Edwards and Fort Worden, and the current 50 year lease restriction can be a challenge. No other Governor appointed board requires unanimous approval for decisions. By modifying the requirement for an unanimous vote of the Commission, it will help State Parks find additional opportunities for partnerships. At Saint Edwards State Park, the private partner invested \$42 million, to improve the park. The State Parks system has a \$1 billion maintenance backlog.

Persons Testifying (Agriculture, Water, Natural Resources & Parks): PRO: Mark Brown, Commissioner, Washington State Parks and Recreation Commission; Owen Rowe, Political and Government Affairs Director, Washington Parks and Recreation Commission.

Persons Signed In To Testify But Not Testifying (Agriculture, Water, Natural Resources & Parks): No one.

Staff Summary of Public Testimony (Ways & Means): PRO: The bill is agency request and is needed to better support State Park system by bringing in public/private partnerships. State Parks has a quarter of all the state-owned buildings. Just one lease can bring in as

much as \$42 million. The expanded lease term is needed to help private investors make a return on their investment.

Persons Testifying (Ways & Means): PRO: Mark Brown, Commissioner, Washington State Parks and Recreation Commission; Owen Rowe, Governmental Affairs Director, Washington State Parks and Recreation Commission.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.