HOUSE BILL REPORT HB 2509

As Reported by House Committee On: Ecology & Parks Capital Budget

Title: An act relating to the acquisition of aquatic lands by the department of natural resources.

Brief Description: Authorizing the department of natural resources to purchase aquatic lands.

Sponsors: Representatives Rolfes and Upthegrove.

Brief History:

Committee Activity:

Ecology & Parks: 1/15/08, 1/22/08 [DPS]; Capital Budget: 2/4/08, 2/12/08 [DPS(EPAR)].

Brief Summary of Substitute Bill

- Authorizes the Department of Natural Resources (DNR) to purchase aquatic lands.
- Changes the due process that the DNR must engage in before accepting gifts of aquatic lands.

HOUSE COMMITTEE ON ECOLOGY & PARKS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Upthegrove, Chair; Rolfes, Vice Chair; Sump, Ranking Minority Member; Dickerson, Dunshee, Eickmeyer and O'Brien.

Minority Report: Do not pass. Signed by 2 members: Representatives Kristiansen and Pearson.

Staff: Jason Callahan (786-7117).

Background:

The Legislature has delegated to the Department of Natural Resources (DNR) the responsibility for managing the state's nearly 2.4 million acres of aquatic lands for the benefit

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of the public. The management of aquatic lands must support a balance of goals, including the encouragement of public access, the fostering of water-dependent uses, the utilization of renewable resources, and the generation of revenue. Revenues generated from the state's aquatic lands are generally directed to be used for public benefits, such as shoreline access, environmental protection, and recreational opportunities. Under current law, the DNR may lease aquatic lands, and exchange state-owned aquatic lands for privately owned lands.

The DNR may also accept gifts of aquatic lands, which become part of the state's aquatic land base. No individual aquatic parcel may be accepted as a gift by the DNR until certain steps of due diligence are completed. These include the preparation of an appraisal of the land's value, the finalization of an environmental site assessment, the examination and approval of the property's title report by the Office of the Attorney General (OAG), and the submission of the appraisal, site assessment, and title report to the Board of Natural Resources.

Summary of Substitute Bill:

The DNR is authorized to purchase aquatic lands, including any adjacent uplands, from a willing seller. The authority to purchase aquatic lands is only available if the proposed purpose would further one of a set list of values. These values include the enhancement of public uses or access, habitat conservation, or habitat restoration. Prior to purchasing a parcel of aquatic lands, the DNR must hold at least one public meeting in the local community where input and comments of the restoration or conservation plan developed for the parcel can be received.

All purchased aquatic lands must be managed by the DNR as part of its state-owned aquatic land base, but may not be leased to a private person or organization unless the lease is limited to the activities on the parcel at the time of purchase or the lease advances habitat conservation or restoration. Any grant money received by the DNR for the purchase of aquatic lands must be placed in the Natural Resources Real Property Replacement Account. The required due diligence on the part of the DNR is changed for both aquatic land purchases and gift receipts. These changes include allowing an estimate of the land's value instead of an appraisal, a risk assessment screening instead of an environmental risk analysis, and the examination of the chain of title by the OAG instead of a full property report.

Substitute Bill Compared to Original Bill:

The substitute bill specifies that purchased lands are to be managed as tidelands or shore lands, directs any grants received to purchase lands to be placed in the Natural Resources Real Property Replacement Account, allows newly purchased lands to be leased for restoration or conservation purposes, requires a community meeting prior to purchasing a parcel of land, and specifies that land can only be purchased from a willing seller.

Appropriation: None.

House Bill Report

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) The state previously sold many of its aquatic lands to private ownership, so today the public owns only 30 percent of the tidelands and 70 percent of shorelines. The past sale of aquatic lands has resulted in a patchwork of ownership creating difficulty in maximizing the many public benefits that aquatic lands can provide. The current inability to purchase back aquatic lands makes it difficult to block up ownership parcels in order to benefit the public.

(Opposed) None.

Persons Testifying: Representative Rolfes, prime sponsor; Fran McNair, Department of Natural Resources; and Bruce Wishart, People for Puget Sound.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The substitute bill by Committee on Ecology & Parks be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Fromhold, Chair; Ormsby, Vice Chair; Schual-Berke, Vice Chair; McDonald, Ranking Minority Member; Appleton, Blake, Chase, Dunshee, Eickmeyer, Flannigan, Hankins, Hasegawa, Kelley, Pedersen, Sells, Smith and Upthegrove.

Minority Report: Do not pass. Signed by 5 members: Representatives Newhouse, Assistant Ranking Minority Member; McCune, Orcutt, Pearson and Skinner.

Staff: Nona Snell (786-7153).

Summary of Recommendation of Committee On Capital Budget Compared to Recommendation of Committee On Ecology & Parks:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) The current inability of the Department of Natural Resources (DNR) to purchase aquatic lands makes it difficult to block up ownership parcels for the public's benefit. Purchasing aquatic lands will enhance the DNR's land management.

(Opposed) None.

Persons Testifying: Representative Rolfes, prime sponsor; and Fran McNair, Department of Natural Resources.

Persons Signed In To Testify But Not Testifying: None.