

FINAL BILL REPORT

2SSB 6156

C 185 L 98

Synopsis as Enacted

Brief Description: Studying methods for calculating water-dependent lease rates on state-owned aquatic lands.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Swecker, Fraser and Spanel; by request of Department of Natural Resources).

Senate Committee on Natural Resources & Parks

Senate Committee on Ways & Means

House Committee on Natural Resources

House Committee on Appropriations

Background: The Department of Natural Resources has been using a legislatively set lease rate formula established in the early 1980s. The initial statute was drafted in 1983 and has not been changed since that time. The present method of establishing aquatic land lease rates is based on upland values and there have been some problems with that formula. A study of how aquatic-dependent lease rates are assessed in this state and in other states is necessary.

Summary: The Legislature finds that the current method for determining water-dependent rental rates for aquatic lands may not be achieving the management goals established by the Legislature.

The Department of Natural Resources is directed to study and prepare a report to the Legislature on alternative methods for determination of rents. The report must be prepared with the assistance of appropriate outside economic expertise and stakeholder involvement. Stakeholders are listed, including private marina operators, the Northwest Marine Trade Association, the Association of Washington Cities, the Association of Washington Counties, the Washington Public Ports Association, commercial waterfront businesses other than marinas, and the Department of Natural Resources.

The report must consider the method and costs of different types of aquatic land lease rental formulas, provide information on the private industry's perspective on public land leasing, describe the public perspective on public land leasing, analyze the impact of changes in rate formulas on lease revenue, and evaluate the ease of administration of any revenue changes. The Department of Natural Resources must evaluate and report on the impacts of water-dependent rates in economically distressed counties.

The annual lease rate in effect on December 31, 1997 for leases for marina uses remains in effect until July 1, 1999.

Votes on Final Passage:

Senate	49	0	
House	97	1	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 11, 1998