

HOUSE BILL REPORT

SHB 2338

As Amended by the Senate

Title: An act relating to disposal of real property.

Brief Description: Allowing the parks and recreation commission to dispose of certain real property without an auction.

Sponsors: By House Committee on Natural Resources (originally sponsored by Representatives Alexander, Regala, Haigh, Ruderman and Parlette; by request of Parks and Recreation Commission).

Brief History:

Committee Activity:

Natural Resources: 1/21/00, 1/28/00 [DPS].

Floor Activity:

Passed House: 2/3/00, 95-0.

Senate Amended.

Passed Senate: 3/1/00, 43-0.

Brief Summary of Substitute Bill

· Authorizes the Parks and Recreation Commission to dispose of up to 10 acres of land without an auction in order to resolve trespass and property boundary disputes with adjacent private property owners.

HOUSE COMMITTEE ON NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Buck, Republican Co-Chair; Regala, Democratic Co-Chair; Anderson, Democratic Vice Chair; Sump, Republican Vice Chair; G. Chandler; Clements; Doumit; Eickmeyer; Ericksen; Pennington; Rockefeller and Stensen.

Staff: Josh Weiss (786-7129).

Background:

There are two available methods for the disposal of surplus park lands. The Parks and Recreation Commission may either sell property to the highest bidder, or may exchange the land for another parcel. There is no expedited method for the disposal of property in order to resolve property disputes.

The option of selling property requires a sealed bidding process. Bids must be solicited through a newspaper advertisement at least 20 days in advance of the sale. If the commission feels that none of the bids reflect the fair value of the land, it may reject the bids and call for new bids. Sale of land requires the unanimous consent of the commission. Proceeds from the sale of such lands are deposited into the park land acquisition account, which funds the purchase of replacement land.

In order to exchange property, the commission must determine whether the land being offered for exchange is adaptable to park usage and whether the parcels are of equal value. The parcels must be appraised in order to ensure that they are of equal value. Prior to exchanging land, the commission must hold a public hearing on the proposed exchange. A land exchange may be challenged in court if the established notice and hearing procedures are not followed. Land exchanges must also be approved by the unanimous consent of the commission.

Summary of Bill:

The commission is authorized to dispose of up to ten contiguous acres of land without an auction in order to resolve trespass property ownership disputes, and boundary adjustments with adjacent private property owners. Such disposal may only occur after an appraisal, for at least fair market value, and when disposal is in the best interest of the state.

EFFECT OF SENATE AMENDMENT(S): The amended bill requires the commission to cooperate with potential purchasers to find a mutually agreeable sales price. The determination of fair market value may include the use of separate appraisals. Proceeds must go into the park land acquisition account. The amended bill requires that disposal may only occur upon the unanimous consent of the commission.

The amended bill provides a public notice and hearing procedure that must be followed prior to the disposal of property. Failure to comply with these provisions is subject to being declared invalid by a court.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: (Original bill) This is a good housekeeping bill that allows the commission to resolve property disputes in an efficient manner. The intent is to address small parcels where there is a boundary dispute of some kind. The commission is asking for authority to be expedient, efficient, and a friendly neighbor. The Department of Natural Resources, Department of Fish and Wildlife, and Department of Transportation all have this ability. There are about 250 parcels of land across the state managed by the commission, which creates lots of property boundaries. There are some instances of inadvertent trespass. Current law prohibits the commission to sell this land without a public auction. Neighbors are worried that if an auction was required, they would be out-bid and would lose the land their houses are on. An amendment to limit the size of parcels eligible to be sold would clean up concerns with the bill.

Testimony Against: None.

Testified: Representative Gary Alexander, prime sponsor; Rex Derr, Washington Parks and Recreation Commission; and Glen Hudson, Washington Association of Realtors.