

# FINAL BILL REPORT

## SSB 5862

---

---

C 250 L 01  
Synopsis as Enacted

**Brief Description:** Streamlining the process of selling valuable materials from state lands.

**Sponsors:** Senate Committee on Natural Resources, Parks & Shorelines (originally sponsored by Senators T. Sheldon, Oke and Jacobsen; by request of Department of Natural Resources).

**Senate Committee on Natural Resources, Parks & Shorelines**  
**Senate Committee on Ways & Means**  
**House Committee on Natural Resources**  
**House Committee on Appropriations**

**Background:** In 1982, the Legislature developed specific authority for the Department of Natural Resources to sell valuable materials on trust lands. Valuable materials include timber, stone, gravel and any other material on public lands. The statute has not been updated to allow modern business practices and to allow a streamlined valuable material sales process.

**Summary:** The Board of Natural Resources is given authority to establish minimum appraisal values for valuable material sale for materials on public trust lands. The department is given authority to require deposits to ensure that contract obligations are carried out. Electronic transfer of funds and a more modern system for contracting for valuable material sales is created. The department may require performance securities to guarantee compliance with the contract requirements. The department may advertise for the sale of materials, but such information in the notice of sale does not constitute a warranty that the purchaser will receive the stated values, volumes or acreage. All purchasers are expected to make their own measurements, evaluations and appraisals of valuable materials prior to consummating a contract. The department is given authority to cancel any portion of a contract that cannot be performed due to circumstances beyond the department's control or to substitute materials from another site.

The Commissioner of Public Lands may publish information in pamphlet form or on other forms such as the internet to increase the number of prospective buyers. In the event of fraud or misrepresentation of a contract, the transferred property or lease must be surrendered to the Department of Natural Resources. The term "appraisal" is defined to mean the estimate of market value of the land or valuable material to be sold.

**Votes on Final Passage:**

Senate	47	0	
House	95	0	(House amended)
Senate	48	0	(Senate concurred)

**Effective:** July 22, 2001

