
SENATE BILL 6140

State of Washington

65th Legislature

2018 Regular Session

By Senators King, Van De Wege, and Sheldon; by request of Department of Natural Resources

Read first time 01/09/18. Referred to Committee on Agriculture, Water, Natural Resources & Parks.

1 AN ACT Relating to promoting the efficient and effective
2 management of state-managed lands; amending RCW 79.125.400,
3 79.130.020, 79.125.030, 79.11.340, and 79.17.200; and repealing RCW
4 79.125.020 and 79.125.410.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 79.125.400 and 2005 c 155 s 506 are each amended to
7 read as follows:

8 (1) (~~Upon platting and appraisal of first-class tidelands or~~
9 ~~shorelands as provided in this chapter~~) Except when the department
10 is re-releasing first-class tidelands or shorelands under subsection
11 (4) of this section, if the department deems it for the best public
12 interest to offer ((the)) first-class tidelands or shorelands for
13 lease, the department shall notify the owner of record of ((uplands))
14 the lands fronting upon the tidelands or shorelands to be offered for
15 lease ((if the upland owner is a resident of the state, or the upland
16 owner is a nonresident of the state, shall mail)) by mailing to the
17 ((upland)) land owner's last known post office address, as reflected
18 in the county records, a copy of the notice notifying the owner that
19 the state is offering the tidelands or shorelands for lease, giving a
20 description of those lands ((and the department's appraised fair
21 market value of the tidelands or shorelands for lease)), and

1 notifying the owner that the (~~upland~~) owner has a preference right
2 to apply to lease the tidelands or shorelands (~~(at the appraised~~
3 ~~value for the lease for)~~). The owner has a period of sixty days from
4 the date of service of mailing of the notice to exercise the
5 preference by applying to lease the tidelands or shorelands.

6 (2) If at the expiration of sixty days from the service or
7 mailing of the notice, as provided in subsection (1) of this section,
8 there being no conflicting applications filed, and the owner of the
9 (~~uplands~~) lands fronting upon the tidelands or shorelands offered
10 for lease, has failed to avail themselves of their preference right
11 to apply to lease (~~(or to pay to the department the appraised value~~
12 ~~for lease of the tidelands or shorelands described in the notice)~~),
13 the tidelands or shorelands may be offered for lease to any person
14 and may be leased in the manner provided for in the case of lease of
15 state-owned aquatic lands.

16 (3) If at the expiration of sixty days two or more claimants
17 asserting a preference right to lease have filed applications to
18 lease any tract, conflicting with each other, the conflict between
19 the claimants shall be equitably resolved by the department as the
20 best interests of the state require (~~(in accord with the procedures~~
21 ~~prescribed by chapter 34.05 RCW)~~). However, any contract purchaser of
22 lands or rights therein, which (~~upland~~) land qualifies the owner
23 for a preference right under this section, shall have first priority
24 for the preference right.

25 (4) At the expiration of any lease of first-class tidelands or
26 shorelands, the lessee or the lessee's successors or assigns has the
27 preference right to re-lease all or part of the area covered by the
28 original lease or any portion of the lease, if the department deems
29 it to be in the best interests of the state to re-lease the area.
30 Such a re-lease must be upon the terms and conditions as may be
31 prescribed by the department. This preference right to re-lease is
32 superior to any preference right given to the land owner fronting the
33 tidelands and shorelands under subsection (1) of this section.

34 (5) In case the fronting uplands are not improved and occupied
35 for residential purposes and the fronting land owner has not filed an
36 application for the lease of the lands, the department may lease the
37 lands to any person for booming purposes. However, failure to use for
38 booming purposes any lands leased under this section for such
39 purposes for a period of one year shall work a forfeiture of the
40 lease and the land shall revert to the state without any notice to

1 the lessee upon the entry of a declaration of forfeiture in the
2 records of the department.

3 **Sec. 2.** RCW 79.130.020 and 2005 c 155 s 602 are each amended to
4 read as follows:

5 (1) The department shall, prior to the issuance of any lease
6 under the provisions of this chapter, fix the annual ~~((rental))~~ rent
7 and prescribe the terms and conditions of the lease. However, in
8 fixing the ~~((rental))~~ rent, the department shall not take into
9 account the value of any improvements placed upon the lands by the
10 lessee.

11 (2) No lease issued under the provisions of this chapter shall be
12 for a term longer than thirty years ~~((from the date thereof if in~~
13 ~~front of second class tidelands or shorelands; or a term longer than~~
14 ~~ten years if in front of unplatted first class tidelands or~~
15 ~~shorelands leased under the provisions of RCW 79.125.410, in which~~
16 ~~case the lease shall be subject to the same terms and conditions as~~
17 ~~provided for in the lease of the unplatted first class tidelands or~~
18 ~~shorelands))~~. Failure to use those beds leased under the provisions
19 of this chapter for booming purposes, for a period of two years shall
20 work a forfeiture of the lease and the land shall revert to the state
21 without notice to the lessee upon the entry of a declaration of
22 forfeiture in the records of the department.

23 **Sec. 3.** RCW 79.125.030 and 2005 c 155 s 502 are each amended to
24 read as follows:

25 The department may survey and plat any ~~((second class))~~ tidelands
26 and shorelands not previously platted.

27 **Sec. 4.** RCW 79.11.340 and 2003 c 334 s 399 are each amended to
28 read as follows:

29 (1) Except as provided in RCW 79.10.030(2), the department shall
30 manage and control all lands acquired by the state by escheat, deed
31 of sale, gift, devise, or under RCW 79.19.010 through 79.19.110,
32 except such lands that are conveyed or devised to the state for a
33 particular purpose.

34 (2) When the department determines to sell the lands, they
35 ~~((shall initially be))~~ must be either: (a) Offered for sale
36 ~~((either))~~ at public auction ~~((or direct sale to public agencies))~~ as
37 provided in this chapter(~~(-~~

1 ~~(3) If the lands are not sold at public auction, the department~~
2 ~~may,);~~ (b) offered for direct sale to public agencies as provided in
3 RCW 79.17.200; or (c) with approval of the board, ((market the
4 lands)) marketed through persons licensed under chapter 18.85 RCW or
5 through other commercially feasible means at a price not lower than
6 the land's appraised value.

7 ~~((4))~~ (3) Necessary marketing costs may be paid from the sale
8 proceeds. For the purpose of this subsection, necessary marketing
9 costs include reasonable costs associated with advertising the
10 property and paying commissions.

11 ~~((5))~~ (4) Proceeds of the sale shall be deposited into the
12 appropriate fund in the state treasury unless the grantor in any deed
13 or the testator in case of a devise specifies that the proceeds of
14 the sale be devoted to a particular purpose.

15 **Sec. 5.** RCW 79.17.200 and 1992 c 167 s 2 are each amended to
16 read as follows:

17 (1) For the purposes of this section, "public agency" means any
18 agency, political subdivision, or unit of local government of this
19 state including, but not limited to, municipal corporations, quasi-
20 municipal corporations, special purpose districts, and local service
21 districts; any agency of the state government; any agency of the
22 United States; and any Indian tribe recognized as such by the federal
23 government.

24 (2) With the approval of the board of natural resources, the
25 department of natural resources may directly transfer or dispose of
26 real property, without public auction, in the following
27 circumstances:

28 (a) Transfers in lieu of condemnations;

29 (b) Transfers to public agencies; ~~((and))~~

30 (c) Transfers to resolve trespass and property ownership
31 disputes; and

32 (d) Transfers of real property to a lessee that has continuously
33 leased the real property directly from the department of natural
34 resources for purposes of a home site since prior to the effective
35 date of this section. This subsection (2)(d) does not apply to
36 aquatic lands as defined by RCW 79.105.060, or to lessees that do not
37 hold a lease for the real property directly with the department of
38 natural resources.

1 (3) Real property to be transferred or disposed of under this
2 section shall be transferred or disposed of only after appraisal and
3 for at least fair market value, and only if such transaction is in
4 the best interest of the state or affected trust.

5 NEW SECTION. **Sec. 6.** The following acts or parts of acts are
6 each repealed:

7 (1) RCW 79.125.020 (First-class tidelands and shorelands to be
8 platted) and 2005 c 155 s 501 & 1982 1st ex.s. c 21 s 87; and

9 (2) RCW 79.125.410 (First-class unplatted tidelands and
10 shorelands—Lease preference right to upland owners—Lease for booming
11 purposes) and 2005 c 155 s 527 & 1982 1st ex.s. c 21 s 113.

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