
HOUSE BILL 2036

State of Washington

56th Legislature

1999 Regular Session

By Representatives H. Sommers, Buck, Lantz, Regala, Anderson, Ogden and Rockefeller; by request of Commissioner of Public Lands and Superintendent of Public Instruction

Read first time 02/15/1999. Referred to Committee on Appropriations.

1 AN ACT Relating to funding management of the common school trust
2 lands; amending RCW 79.64.020, 79.64.030, and 79.64.040; making
3 appropriations; and declaring an emergency.

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

5 **Sec. 1.** RCW 79.64.020 and 1993 c 460 s 1 are each amended to read
6 as follows:

7 A resource management cost account in the state treasury is hereby
8 created to be used solely for the purpose of defraying the costs and
9 expenses necessarily incurred by the department in managing and
10 administering public lands and the making and administering of leases,
11 sales, contracts, licenses, permits, easements, and rights of way as
12 authorized under the provisions of this title. Appropriations from the
13 account to the department shall be expended for no other purposes.
14 Funds in the account may be appropriated or transferred by the
15 legislature for the benefit of ((all of)) the trust((s)) from which the
16 funds were derived.

17 **Sec. 2.** RCW 79.64.030 and 1993 c 460 s 2 are each amended to read
18 as follows:

1 Funds in the account derived from the gross proceeds of leases,
2 sales, contracts, licenses, permits, easements, and rights of way
3 issued by the department and affecting school lands, university lands,
4 agricultural college lands, scientific school lands, normal school
5 lands, capitol building lands, or institutional lands (~~shall~~) may be
6 pooled and expended by the department solely for the purpose of
7 defraying the costs and expenses necessarily incurred in managing and
8 administering (~~all of~~) the trust lands enumerated in this section.
9 If it is determined that it is in the best interests of the trusts
10 involved, such funds may be (~~used for~~) loaned for use in paying
11 similar costs and expenses incurred in managing and administering
12 another trust's or other lands managed by the department provided that
13 such (~~expenditures that have been or may be made on such other lands~~)
14 loan shall be repaid to the resource management cost account together
15 with interest at a rate and time determined by the board of natural
16 resources.

17 An accounting shall be made annually of the accrued expenditures
18 from (~~the pooled~~) any trust funds in the account. In the event the
19 accounting determines that expenditures have been made from moneys
20 derived from (~~trust~~) one trust's lands for the benefit of another
21 trust or other lands, such expenditure shall be considered a debt and
22 an encumbrance against the property benefited, including property held
23 under chapter 76.12 RCW. The results of the accounting shall be
24 reported to the legislature at the next regular session. The state
25 treasurer is authorized, upon request of the department, to transfer
26 funds between the forest development account and the resource
27 management cost account solely for purpose of repaying loans pursuant
28 to this section.

29 **Sec. 3.** RCW 79.64.040 and 1981 2nd ex.s. c 4 s 3 are each amended
30 to read as follows:

31 The board shall determine the amount deemed necessary in order to
32 achieve the purposes of this chapter and shall provide by rule for the
33 deduction of this amount from the gross proceeds of all leases, sales,
34 contracts, licenses, permits, easements, and rights of way issued by
35 the department and affecting public lands. Moneys received as deposits
36 from successful bidders, advance payments, and security under RCW
37 79.01.132 and 79.01.204 prior to December 1, 1981, which have not been
38 subjected to deduction under this section are not subject to deduction

1 under this section. Except as otherwise provided in this section, the
2 deductions authorized under this section shall in no event exceed
3 twenty-five percent of the total sum received by the department in
4 connection with any one transaction pertaining to public lands other
5 than second class tide and shore lands and the beds of navigable
6 waters, and fifty percent of the total gross proceeds received by the
7 department pertaining to second class tide and shore lands and the beds
8 of navigable waters.

9 For the period beginning July 1, 1999, and ending June 30, 2003,
10 the board may temporarily increase the deduction for the management of
11 the common school trust lands within the resource management cost
12 account to thirty-five percent if the board finds that prudent
13 management of common school trust lands could not otherwise occur
14 during that period without drawing on funds in the account derived from
15 other federally granted trust lands, and the board determines that it
16 is in the best interest of the trust involved to temporarily increase
17 the deduction.

18 NEW SECTION. Sec. 4. (1) The sum of five million dollars, or as
19 much thereof as may be necessary, is appropriated for the fiscal year
20 ending June 30, 2000, from the general fund to the resource management
21 cost account for management of the common school trust lands.

22 (2) The sum of five million dollars, or as much thereof as may be
23 necessary, is appropriated for the fiscal year ending June 30, 2001,
24 from the general fund to the resource management cost account for
25 management of the common school trust lands.

26 NEW SECTION. Sec. 5. If the funding appropriated under section 4
27 of this act is not enacted into law by June 30, 1999, this act is null
28 and void.

29 NEW SECTION. Sec. 6. This act is necessary for the immediate
30 preservation of the public peace, health, or safety, or support of the
31 state government and its existing public institutions, and takes effect
32 immediately.

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