

CERTIFICATION OF ENROLLMENT

SENATE BILL 5722

Chapter 64, Laws of 1991
(partial veto)

52nd Legislature
1991 Regular Session

NATURAL RESOURCES DEPARTMENT--INTEREST RATES

EFFECTIVE DATE: 7/28/91

Passed by the Senate March 13, 1991
Yeas 44 Nays 0

JOEL PRITCHARD
President of the Senate

Passed by the House April 19, 1991
Yeas 97 Nays 0

JOE KING
**Speaker of the
House of Representatives**

Approved May 3, 1991, with
the exception of sections
3 and 4, which are vetoed.

BOOTH GARDNER
Governor of the State of Washington

CERTIFICATE

I, Gordon Golob, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5722** as passed by the Senate and the House of Representatives on the dates hereon set forth.

GORDON A. GOLOB
Secretary

FILED

May 3, 1991 - 10:00 a.m.

**Secretary of State
State of Washington**

SENATE BILL 5722

Passed Legislature - 1991 Regular Session

State of Washington 52nd Legislature 1991 Regular Session

By Senators Oke and Owen; by request of Department of Natural Resources.

Read first time February 18, 1991. Referred to Committee on Environment & Natural Resources.

1 AN ACT Relating to interest rates for the department of natural
2 resources; amending RCW 79.90.520, 79.90.535, and 76.04.620; and
3 reenacting and amending RCW 76.04.630.

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

5 **Sec. 1.** RCW 79.90.520 and 1984 c 221 s 15 are each amended to read
6 as follows:

7 The manager shall, by rule, provide for an administrative review of
8 any aquatic land rent proposed to be charged. The rules shall require
9 that the lessee or applicant for release file a request for review
10 within thirty days after the manager has notified the lessee or
11 applicant of the rent due. For leases issued by the department, the
12 final authority for the review rests with the board of natural
13 resources. For leases managed under RCW 79.90.475, the final authority
14 for the review rests with the appropriate port commission. If the
15 request for review is made within thirty days after the manager's final

1 determination as to the rental, the lessee may pay rent at the
2 preceding year's rate pending completion of the review, and shall pay
3 any additional rent or be entitled to a refund, with interest thirty
4 days after announcement of the decision. The interest rate shall be
5 (~~the average rate of return for the prior calendar year on~~
6 ~~conventional real property mortgages as reported by the federal home~~
7 ~~loan bank board~~) fixed, from time to time, by rule adopted by the
8 board of natural resources and shall not be less than six percent per
9 annum. Nothing in this section abrogates the right of an aggrieved
10 party to pursue legal remedies (~~including those under chapter 34.05~~
11 ~~RCW~~). For purposes of this section, "manager" is the department
12 except where state-owned aquatic lands are managed by a port district,
13 in which case "manager" is the port district.

14 **Sec. 2.** RCW 79.90.535 and 1984 c 221 s 18 are each amended to read
15 as follows:

16 (~~The lessee shall pay interest at the rate of one percent per~~
17 ~~month on rent or other sums owing to the department commencing thirty~~
18 ~~days after the date each rent or other sum is due and payable, unless~~
19 ~~there is review pending under RCW 79.90.520~~) The interest rate and all
20 interest rate guidelines shall be fixed, from time to time, by rule
21 adopted by the board of natural resources and shall not be less than
22 six percent per annum.

24 ***Sec. 3.** RCW 76.04.620 and 1986 c 100 s 36 are each amended to read
25 as follows:

26 *Biennial general fund appropriations to the department of natural*
27 *resources normally provide funds for the purpose of paying the*
28 *emergency fire costs and expenses incurred and/or approved by the*
29 *department in forest fire suppression or in reacting to any potential*

1 forest fire situation. When a determination is made that the fire
2 started in the course of or as a result of a landowner operation,
3 moneys expended from such appropriations in the suppression of the fire
4 shall be recovered from the landowner contingency forest fire
5 suppression account. The department shall transmit to the state
6 treasurer for deposit in the general fund any such moneys which are
7 later recovered. Moneys recovered during the biennium in which they
8 are expended may be spent for purposes set forth in this section during
9 the same biennium, without reappropriation. Loans between the general
10 fund and the landowner contingency forest fire suppression account are
11 authorized for emergency fire suppression. The loans shall not exceed
12 the amount appropriated for emergency forest fire suppression costs and
13 shall bear interest at the ~~((then current rate of interest as
14 determined by the state treasurer))~~ rate determined for interfund loans
15 under RCW 79.64.030.

16 *Sec. 3 was vetoed, see message at end of chapter.

18 *Sec. 4. RCW 76.04.630 and 1989 c 362 s 2 and 1989 c 175 s 162 are
19 each reenacted and amended to read as follows:

20 There is created a landowner contingency forest fire suppression
21 account which shall be a separate account in the state treasury.
22 Moneys in the account may be spent only as provided in this section.
23 Disbursements from the account shall be on authorization of the
24 commissioner of public lands or the commissioner's designee. The
25 account is subject to the allotment procedure provided under chapter
26 43.88 RCW, but no appropriation is required for disbursements.

27 The department may expend from this account such amounts as may be
28 available and as it considers appropriate for the payment of emergency
29 fire costs resulting from a participating landowner fire. The
30 department may, when moneys are available from the landowner

1 contingency forest fire suppression account, expend moneys for
2 summarily abating, isolating, or reducing an extreme fire hazard under
3 RCW 76.04.660. All moneys recovered as a result of the department's
4 actions, from the owner or person responsible, under RCW 76.04.660
5 shall be deposited in the landowner contingency forest fire suppression
6 account.

7 When a determination is made that the fire was started by other
8 than a landowner operation, moneys expended from this account in the
9 suppression of such fire shall be recovered from such general fund
10 appropriations as may be available for emergency fire suppression
11 costs. The department shall deposit in the landowner contingency
12 forest fire suppression account any moneys paid out of the account
13 which are later recovered, less reasonable costs of recovery.

14 This account shall be established and renewed by a special forest
15 fire suppression account assessment paid by participating landowners at
16 a rate to be established by the department, but not to exceed fifteen
17 cents per acre per year for such period of years as may be necessary to
18 establish and thereafter reestablish a balance in the account of three
19 million dollars. The department may establish a minimum assessment for
20 ownership parcels identified in RCW 76.04.610 as paying the minimum
21 assessment. The maximum assessment for these parcels shall not exceed
22 the fees levied on a thirty-acre parcel. There shall be no assessment
23 on each parcel of privately owned lands of less than two acres. The
24 assessments may differ to equitably distribute the assessment based on
25 emergency fire suppression cost experience necessitated by landowner
26 operations. Amounts assessed for this account shall be a lien upon the
27 forest lands with respect to which the assessment is made and may be
28 collected as directed by the department in the same manner as forest
29 protection assessments. This account shall be held by the state
30 treasurer, who is authorized to invest so much of the account as is not

1 necessary to meet current needs. Any interest earned on moneys from
2 the account shall be deposited in and remain a part of the account and
3 shall be computed as part of same in determining the balance thereof.
4 Interfund loans to and from this account are authorized at the
5 ~~((current rate of interest as determined by the state treasurer))~~ rate
6 determined for interfund loans under RCW 79.64.030, provided that the
7 effect of the loan is considered for purposes of determining the
8 assessments. Payment of emergency costs from this account shall in no
9 way restrict the right of the department to recover costs pursuant to
10 RCW 76.04.495 or other laws.

11 When the department determines that a forest fire was started in
12 the course of or as a result of a landowner operation, it shall notify
13 the forest fire advisory board of the determination. The determination
14 shall be final, unless, within ninety days of the notification, the
15 forest fire advisory board or any interested party serves a request for
16 a hearing before the department. The hearing shall constitute an
17 adjudicative proceeding under chapter 34.05 RCW, the administrative
18 procedure act, and any appeal shall be in accordance with RCW
19 34.05.510 through 34.05.598.

20 *Sec. 4 was vetoed, see message at end of chapter.

Passed the Senate March 13, 1991.

Passed the House April 19, 1991.

Approved by the Governor May 3, 1991, with the exception of certain
items which were vetoed.

Filed in Office of Secretary of State May 3, 1991.

1 Note: Governor's explanation of partial veto is as follows:

2 "I am returning herewith, without my approval as to sections 3 and
3 4, Senate Bill No. 5722 entitled:

4 "AN ACT Relating to interest rates for the department of natural
5 resources."

6 Developing a uniform interest rate policy for the Department of
7 Natural Resources is an important goal which will improve agency
8 administration and accounting. Sections 3 and 4 of this bill, however,
9 amend existing law so that the Board of Natural Resources rather than
10 the State Treasurer will determine the appropriate interest rate for

1 loans between the landowner contingency forest fire suppression account
2 and the general fund. While the Board of Natural Resources should have
3 the ability to set interest rates for trustland management funds, this
4 power should not be extended to situations which affect the General
5 Fund. For this reason, I have vetoed sections 3 and 4 of the bill.

6 With the exception of sections 3 and 4, Senate Bill No. 5722 is
7 approved."