

HOUSE BILL REPORT

HB 2667

As Reported by House Committee On:

Environment
Capital Budget

Title: An act relating to concerning administrative processes of the state parks and recreation commission that require a majority vote of the commission.

Brief Description: Concerning administrative processes of the state parks and recreation commission that require a majority vote of the commission.

Sponsors: Representatives Farrell, Holy, Pollet, Shea, Nealey, Walsh, Scott, Kagi, Senn, Johnson and Short.

Brief History:

Committee Activity:

Environment: 1/26/16, 2/1/16 [DPS];
Capital Budget: 2/8/16 [DP2S(w/o sub ENVI)].

Brief Summary of Second Substitute Bill

- Requires at least four of the seven members of the Parks and Recreation Commission (Commission) to support a proposal in order for the Commission to act on that proposal for parks with deferred maintenance estimated at \$10 million in counties with a population more than 1 million people.
- Extends the maximum length of property leases by the Commission from 50 years to 80 years for parks with deferred maintenance estimated at \$10 million in counties with a population more than 1 million people.
- Requires the Commission to consider likely substantial effects of concessions on park management, the local community, existing park users, and habitat, and to provide an opportunity for public comment on any likely substantial effects.

HOUSE COMMITTEE ON ENVIRONMENT

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Fitzgibbon, Chair; Peterson, Vice Chair; Farrell, Fey, Goodman and McBride.

Minority Report: Do not pass. Signed by 5 members: Representatives Shea, Ranking Minority Member; Short, Assistant Ranking Minority Member; Dye, Pike and Taylor.

Staff: Jacob Lipson (786-7196).

Background:

The State Parks and Recreation Commission (Commission) manages a system of over 100 parks with a variety of facilities, historic buildings, and recreation programs. The state parks system is administered by a seven-member citizen commission appointed by the Governor, with one commissioner appointed as the Commission chair. The Commission hires a director, who reports to the Commission, and the director then manages day-to-day state parks operations. Commissioners serve six-year terms, with any vacancies to be filled by gubernatorial appointments.

For most committee business, a quorum of four Commission members must be present. Certain items of committee business, such as obtaining or leasing lands for the state parks system, including through condemnation, require a majority vote of the Commission. However, unanimous consent of the Commission is required in order for a lease of state parks land for a period of longer than 20 years, and in order to sell or exchange state park land.

Commission leases and concessions must be renegotiated at five-year intervals. Concessions may not impede free access to a park's scenic attractions. Leases are limited to a maximum of 50 years. The Commission may sell or exchange land that it determines cannot be advantageously used for park purposes. When disposing of gifted state parks lands, the Commission may return the lands to the donor; otherwise, state parks lands are auctioned to the highest bidder, if a bid is made that exceeds fair value, or exchanged for lands of equal value.

The State Environmental Policy Act (SEPA) establishes a review process for state and local governments to identify environmental impacts that may result from government decisions. The Commission has adopted rules requiring all Commission actions to be subject to SEPA review. Under SEPA rules that the Commission has adopted, the Commission provides public notice at certain stages in the SEPA environmental review process, including when a draft environmental impact statement is issued or if an action is determined to not have significant adverse environmental impacts.

Summary of Substitute Bill:

In order to conduct Commission business, a quorum of four members must be present, and at least four members must vote in favor of any proposal in order for the proposal to be

approved. However, the Commission may adopt rules to specify that more than four members of the Commission are required for proposal approval.

Unanimous Commission consent is no longer required in order to issue leases longer than 20 years or to sell or exchange lands.

The Commission may enter into leases of up to 80 years. The issuance, amendment, or modification of a lease exceeding 20 years must receive a majority vote of the Commission after the lease proposal's SEPA analysis has undergone public review and comment. Lease terms must be reviewed at least every five years, and modified at the Commission's discretion to reflect changed market conditions.

Prior to granting a concession, the Commission must consider likely substantial effects on park management, the local community, wildlife and natural habitat, and potential displacement of existing park users, and to provide a public comment opportunity on concessions deemed likely to have substantial effects. Concessionaires must operate consistently with the Commission's adopted rules and policies on environmental protection and the management of natural resources, cultural resources, and real estate.

Substitute Bill Compared to Original Bill:

Prior to granting a concession, the Commission must consider likely substantial effects on park management, the local community, wildlife and natural habitat, and potential displacement of existing park users, and to provide a public comment opportunity on concessions deemed likely to have substantial effects. Concessionaires must operate consistently with the Commission's adopted rules and policies on environmental protection and the management of natural resources, cultural resources, and real estate.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill gives the Commission flexibility to manage state parks in a financially independent manner, in line with the Legislature's previous budgetary direction. This bill will facilitate partnerships with the private sector, by encouraging redevelopment of decaying park structures with expensive deferred maintenance. If the leasing flexibility in this bill is not granted by the Legislature, the redevelopment of the seminary at St. Edwards State Park will not occur. The restrictions on the sale and leasing of state parks lands are above and beyond any requirements that the state places on other agencies, its universities, or any other public entities that manage real estate. Requiring the unanimous consent of the Commission

may put Commissioners in the uncomfortable position of choosing between voting against their conscience or voting so as to thwart the will of the majority.

(Opposed) It makes sense to require most Commission decisions to be supported by a simple majority, but sales of state parks lands should still require a unanimous majority. State parks leadership and staff are temporary, and decisions to sell state parks lands should need to clear a high bar. It is not a bad thing for the state to be outliers in requiring unanimous consent to sell parkland.

Persons Testifying: (In support) Representative Farrell, prime sponsor; Representative Holy; Daniel Farber and Mark Brown, Washington State Parks and Recreation Commission; David Baker, City of Kenmore; Doug Levy, Washington Recreation and Park Association; and Chris Moore, Washington Trust for Historic Preservation.

(Opposed) Stet Palmer and Patrick Wadsworth, Friends of Schafer and Lake Sylvia State Parks.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Environment. Signed by 8 members: Representatives Tharinger, Chair; Stanford, Vice Chair; DeBolt, Ranking Minority Member; Smith, Assistant Ranking Minority Member; Kilduff, Kochmar, Peterson and Riccelli.

Staff: Steve Masse (786-7115).

Summary of Recommendation of Committee On Capital Budget Compared to Recommendation of Committee On Environment:

Leases are approved only for 50 years rather than 80 years, except for parks with deferred maintenance estimated at \$10 million in counties with a population more than 1 million people. Instead of all parks properties that are listed on the National Historic Register requiring only four votes by the State Parks and Recreation Commission (Commission) for approval, the second substitute refers to parks with deferred maintenance estimated at \$10 million in counties with a population more than 1 million people.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Second Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The Commission has limited funding sources and is finding alternative resources including public-private partnerships. About half of the State Parks make up a \$450 million maintenance backlog. When developers are interested in partnering with State Parks there is more flexibility for different funding opportunities.

(Opposed) None.

Persons Testifying: Representative Farrell, prime sponsor; Daniel Farber, Washington State Parks; and David Baker, City of Kenmore.

Persons Signed In To Testify But Not Testifying: None.