HB 1430 - S COMM AMD

By Committee on Agriculture, Water, Natural Resources & Parks

ADOPTED 02/25/2022

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "Sec. 1. RCW 79.13.060 and 2016 c 109 s 3 are each amended to 4 read as follows:
- 5 (1) State lands may be leased not to exceed ten years with the following exceptions:
 - (a) The lands may be leased for agricultural purposes not to exceed twenty-five years, except:
- 9 (i) Leases that authorize tree fruit or grape production may be 10 for up to fifty-five years;
- 11 (ii) Share crop leases may not exceed ten years;
- 12 (b) The lands may be leased for commercial, industrial, business, 13 or recreational purposes not to exceed fifty-five years, except:
- (i) Leases for commercial, industrial, or business purposes may
 extend to 99 years;
- (ii) All leases for commercial, industrial, or business purposes
 that extend beyond 55 years must provide for periodic rental
 reevaluation and adjustment, except leases with rentals based on a
 percentage of income;
- 20 <u>(iii) All leases for commercial, industrial, or business purposes</u>
 21 <u>that extend terms beyond 55 years must be reported to the office of</u>
 22 financial management and the appropriate committees of the
- 22 <u>financial management and the appropriate committees of the</u>
- 23 <u>legislature within 30 days of the date of execution of the lease. The</u> 24 report must include a financial analysis that justifies the financial
- Of herefit for the added town and the arbeitall for any addition with a
- 25 benefit for the added term and the schedule for periodic rental
- 26 <u>adjustments</u>;

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- (c) The lands may be leased for public school, college, or university purposes not to exceed seventy-five years;
- 29 (d) The lands may be leased for residential purposes not to 30 exceed ninety-nine years; and
- 31 (e) The lands and development rights on state lands held for the 32 benefit of the common schools may be leased to public agencies, as

- defined in RCW 79.17.200, not to exceed ninety-nine years. The leases may include provisions for renewal of lease terms.
 - (2) No lessee of state lands may remain in possession of the land after the termination or expiration of the lease without the written consent of the department.
 - (a) The department may authorize a lease extension for a specific period beyond the term of the lease for cropping improvements for the purpose of crop rotation. These improvements shall be deemed authorized improvements under RCW 79.13.030.
 - (b) Upon expiration of the lease term, the department may allow the lessee to continue to hold the land for a period not exceeding one year upon such rent, terms, and conditions as the department may prescribe, if the leased land is not otherwise utilized.
 - (c) Upon expiration of the one-year lease extension, the department may issue a temporary permit to the lessee upon terms and conditions it prescribes if the department has not yet determined the disposition of the land for other purposes.
 - (d) The temporary permit shall not extend beyond a five-year period.
 - (3) If during the term of the lease of any state lands for agricultural, grazing, commercial, residential, business, or recreational purposes, in the opinion of the department it is in the best interest of the state so to do, the department may, on the application of the lessee and in agreement with the lessee, alter and amend the terms and conditions of the lease. The sum total of the original lease term and any extension thereof shall not exceed the limits provided in this section.
- 28 (4) The department must include in the text of any grazing leases 29 language that explains the right of access, and associated assumption 30 of liability, created in RCW 76.04.021."

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- On page 1, line 2 of the title, after "resources;" strike the remainder of the title and insert "and amending RCW 79.13.060."
 - EFFECT: Provides that all commercial, industrial, or business purpose leases that extend beyond 55 years must provide for periodic Code Rev/ML:eab

 2 S-4728.1/22

rental reevaluation and adjustment, except leases with rentals based on a percentage of income. Requires commercial, industrial, or business purpose leases that extend beyond 55 years be reported to the Office of Financial Management and the appropriate committees of the Legislature within 30 days of the date of execution of the lease. Requires the report to include a financial analysis that justifies the financial benefit for the added term and the schedule for periodic rental adjustments.

--- END ---