# HOUSE BILL REPORT SB 5201

### As Reported by House Committee On:

Rural Development, Agriculture & Natural Resources

Title: AN ACT Related to department of natural resources' timber and land sales.

Brief Description: Concerning department of natural resources' timber and land sales.

Sponsors: Senators Van De Wege and Das; by request of Department of Natural Resources.

### **Brief History:**

### **Committee Activity:**

Rural Development, Agriculture & Natural Resources: 3/12/21, 3/19/21 [DPA].

# Brief Summary of Bill (As Amended By Committee)

• Modifies the manner in which the Department of Natural Resources is required to publicize and conduct certain sales of land and valuable materials.

# HOUSE COMMITTEE ON RURAL DEVELOPMENT, AGRICULTURE & NATURAL RESOURCES

**Majority Report:** Do pass as amended. Signed by 14 members: Representatives Chapman, Chair; Shewmake, Vice Chair; Chandler, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Fitzgibbon, Klicker, Kloba, Lekanoff, McEntire, Morgan, Orcutt, Ramos, Schmick and Springer.

Staff: Robert Hatfield (786-7117).

### **Background:**

The Department of Natural Resources (DNR) manages a number of different categories of

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land on behalf of the State of Washington, each for a specific purpose and under different management requirements. The DNR manages approximately 3 million acres of federally granted trust lands that provide revenue for grade schools, state universities, buildings on the capitol campus, and correctional facilities. The DNR also manages more than 600,000 acres of state forest lands, which were acquired primarily through tax foreclosures in the 1920s and 1930s, and to a lesser extent through purchases by the state or gifts to the state. State forest lands are managed for the benefit of the counties in which the lands are located.

The DNR has the authority to sell timber and other valuable resources from state lands. Most sales conducted by the DNR must be done at public auction to the highest bidder. Before land or valuable materials can be sold, the DNR must give notice of the sale, advertise in the newspaper of general circulation located nearest to the property from which the materials are to be sold, and by publishing lists in pamphlet form.

## Summary of Amended Bill:

The list of lands and the appraised value thereof that the Department of Natural Resources (DNR) must produce for all land sales no longer needs to be in pamphlet form. The list no longer needs to be maintained for distribution in the DNR's Olympia office.

The requirement that sales of valuable materials take place either at the DNR's applicable regional office or on county property of the county in which the valuable materials are located is changed, to a requirement that such sales take place either at the DNR's applicable region headquarters or at an alternate location designated by the DNR.

The manner in which the DNR must publicize the sale of valuable materials valued at \$250,000 or less is modified to allow the DNR to publicize such sales through the DNR's website or through other methods deemed most practical by the DNR. The DNR is no longer required to publicize such sales at the DNR's Olympia office or at the office of the county auditor of the county in which the materials are located. The DNR is no longer required to print a paper copy of the list of all valuable materials on public lands to be sold.

A sale of valuable materials that has been offered, but for which no bids have been received, may be reoffered consistent with existing statutory requirements.

Notice of the sale of lands managed by the DNR no longer has to be posted in conspicuous places in the DNR's Olympia office, but instead must be posted on the DNR's public website.

The DNR is authorized to use a licensed auctioneer to sell certain lands without having to first try to auction them off itself.

For the sale of state lands, the sale may take place at either the applicable DNR region

headquarters or at an alternate location designated by the DNR, as opposed to the DNR's regional office and on county property designated by the county in which the lands are located.

## Amended Bill Compared to Original Bill:

Provisions are added related to the sale of lands managed by the Department of Natural Resources (DNR), including:

- notice of the sale of lands managed by the DNR no longer has to be posted in conspicuous places in the DNR's Olympia office, but instead must be posted on the DNR's public website;
- the DNR is authorized to use a licensed auctioneer to sell certain lands without having to first try to auction them off itself; and
- for the sale of state lands, the sale may take place at either the applicable DNR region headquarters or at an alternate location designated by the DNR, as opposed to the DNR's regional office and on county property designated by the county in which the lands are located.

Appropriation: None.

Fiscal Note: Available.

**Effective Date of Amended 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 bill is intended to help the Department of Natural Resources (DNR) be more efficient in doing its land and timber sales. The bill is a result of a process improvement exercise that the DNR has conducted. The bill applies primarily to lowervalue timber sales of \$250,000 or less. Existing law requires those sales to be advertised in local papers, and this change allows those sales to be publicized in other, more efficient ways.

The bill authorizes the flexibility to conduct an auction at other locations when necessary; this need arose last year when the DNR had to cancel a sale because of a positive COVID-19 test at the original auction location.

People do not come to the DNR's Olympia headquarters office to get the pamphlet of timber sales, so this is a requirement that can be eliminated. The DNR will still provide that list at regional offices, which is where people go for information on those sales. Auction information is also all on the Internet, which is where the majority of purchasers and members of the public go for information about sales.

(Opposed) None.

Persons Testifying: Duane Emmons, Department of Natural Resources.

Persons Signed In To Testify But Not Testifying: None.