## CERTIFICATION OF ENROLLMENT

## HOUSE BILL 1430

Chapter 194, Laws of 2022

67th Legislature 2022 Regular Session

DEPARTMENT OF NATURAL RESOURCES LAND LEASES—DURATION

EFFECTIVE DATE: June 9, 2022

Passed by the House March 8, 2022 CERTIFICATE Yeas 96 Nays 1 I, Bernard Dean, Chief Clerk of the House of Representatives of the LAURIE JINKINS State of Washington, do hereby certify that the attached is **HOUSE** Speaker of the House of BILL 1430 as passed by the House of Representatives Representatives and the Senate on the dates hereon set forth. Passed by the Senate February 25, 2022 BERNARD DEAN Yeas 47 Nays 2 Chief Clerk DENNY HECK President of the Senate Approved March 30, 2022 2:12 PM FILED

JAY INSLEE State of Washington

March 31, 2022

Governor of the State of Washington

## HOUSE BILL 1430

## AS AMENDED BY THE SENATE

Passed Legislature - 2022 Regular Session

State of Washington 67th Legislature 2021 Regular Session

By Representatives Kloba and Klicker; by request of Department of Natural Resources

- 1 AN ACT Relating to the duration of state upland leases for lands
- 2 managed by the department of natural resources; and amending RCW
- 3 79.13.060.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 79.13.060 and 2016 c 109 s 3 are each amended to 6 read as follows:
- 7 (1) State lands may be leased not to exceed ten years with the 8 following exceptions:
- 9 (a) The lands may be leased for agricultural purposes not to 10 exceed twenty-five years, except:
- 11 (i) Leases that authorize tree fruit or grape production may be 12 for up to fifty-five years;
- (ii) Share crop leases may not exceed ten years;
- 14 (b) The lands may be leased for commercial, industrial, business, 15 or recreational purposes not to exceed fifty-five years, except:
- 16 <u>(i) Leases for commercial, industrial, or business purposes may</u> 17 <u>extend to 99 years;</u>
- (ii) All leases for commercial, industrial, or business purposes
- 19 that extend beyond 55 years must provide for periodic rental
- 20 reevaluation and adjustment, except leases with rentals based on a
- 21 percentage of income;

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- (iii) All leases for commercial, industrial, or business purposes
  that extend terms beyond 55 years must 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. The
  report must include a financial analysis that justifies the financial
  benefit for the added term and the schedule for periodic rental
  adjustments;
- 8 (c) The lands may be leased for public school, college, or 9 university purposes not to exceed seventy-five years;

- (d) The lands may be leased for residential purposes not to exceed ninety-nine years; and
- (e) The lands and development rights on state lands held for the 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.
- 31 (d) The temporary permit shall not extend beyond a five-year 32 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.

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1 (4) The department must include in the text of any grazing leases 2 language that explains the right of access, and associated assumption 3 of liability, created in RCW 76.04.021.

> Passed by the House March 8, 2022. Passed by the Senate February 25, 2022. Approved by the Governor March 30, 2022. Filed in Office of Secretary of State March 31, 2022.

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