

HOUSE BILL ANALYSIS

SSB 5651

Title: An act relating to timber sales.

Brief Description: Requiring a purchaser of timber by contract to provide proof of payment of all taxes before release of a performance bond.

Sponsors: Senate Committee on Natural Resources, Parks & Recreation (originally sponsored by Senators Winsley and Loveland).

HOUSE COMMITTEE ON NATURAL RESOURCES

Meeting Date: March 24, 1999.

Bill Analysis Prepared by: Carole Richmond, Analyst (786-7114)

Background: The Department of Natural Resources sells a variety of resources from state trust lands, including timber, stone, and gravel. Sales contracts define the terms of payment and schedules for removal of the resources. Initial deposits for the materials are required of the successful bidder at public auction. The initial deposit must be maintained until all contract obligations of the purchaser have been satisfied. Before any removal of timber or other material from state lands, the department may require advance payment from the purchaser, which is equal to or exceeds the value of the resources to be removed.

Summary of Bill: When the department sells timber by contract that includes a performance bond, the department must require proof that all taxes owed by the purchaser have been paid before releasing the bond. Thirty days after taxes have been paid by a timber purchaser, the county treasurer is required to provide certified evidence of payment, including the sales contract number.

Appropriation: None.

Fiscal Note: None requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

