

SHB 1861 - S COMM AMD  
By Committee on Transportation

ADOPTED 04/07/2011

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 47.76.280 and 1995 c 380 s 8 are each amended to read  
4 as follows:

5 (1) The department may sell or lease property acquired under this  
6 chapter to a county rail district established under chapter 36.60 RCW,  
7 a county, a port district, or any other public or private entity  
8 authorized to operate rail service. Any public or private entity that  
9 originally donated funds to the department under this chapter shall  
10 receive credit against the purchase price for the amount donated to the  
11 department, less management costs, in the event such public or private  
12 entity purchases the property from the department.

13 (2) If no county rail district, county, port district, or other  
14 public or private entity authorized to operate rail service purchases  
15 or leases the property within six years after its acquisition by the  
16 department, the department may sell or lease such property in the  
17 manner provided in RCW 47.76.290. Failing this, the department may  
18 sell or convey all such property in the manner provided in RCW  
19 47.76.300 or 47.76.320.

20 (3) Property acquired by the department under this chapter that is  
21 not essential for the operation of the rail service contemplated in  
22 subsections (1) and (2) of this section may be sold or leased at any  
23 time following acquisition in the manner provided in RCW 47.76.290.

24 Sec. 2. RCW 47.76.290 and 1993 c 224 s 8 are each amended to read  
25 as follows:

26 (1) If real property acquired by the department under this chapter  
27 that is essential for the operation of the rail service contemplated in  
28 RCW 47.76.280 is not sold or leased to a public or private entity  
29 authorized to operate rail service within six years of its acquisition

1 by the department, the department may sell or lease the property at  
2 fair market value to any of the following governmental entities or  
3 persons:

- 4 (a) Any other state agency;
- 5 (b) The city or county in which the property is situated;
- 6 (c) Any other municipal corporation;
- 7 (d) The former owner, heir, or successor of the property from whom  
8 the property was acquired; or
- 9 (e) Any abutting private owner or owners.

10 (2)(a) Real property acquired by the department under this chapter  
11 that is not essential for the operation of the rail service  
12 contemplated in RCW 47.76.280 may be leased or sold at fair market  
13 value, at any time following acquisition, to any entity or person in  
14 the following priority order:

15 (i) The current tenant or lessee of the real property or real  
16 property abutting the property being sold;

17 (ii) An abutting private owner, but only after each other abutting  
18 private owner, if any, as shown in the records of the county assessor,  
19 is notified in writing of the proposed sale. If more than one abutting  
20 private owner requests in writing the right to purchase the real  
21 property within fifteen days after receiving notice of the proposed  
22 sale, the real property must be sold at public auction in the manner  
23 provided in RCW 47.76.320 (2) through (4);

- 24 (iii) Any other state agency;
- 25 (iv) The city or county in which the real property is situated;
- 26 (v) Any other municipal corporation; or
- 27 (vi) The former owner, heir, or successor of the real property from  
28 whom the real property was acquired.

29 (b) If the department intends to sell or lease property under this  
30 subsection to an entity or person that is not the entity or person with  
31 the highest priority status under this subsection, the department must  
32 give written notice to each entity or person with higher priority  
33 status under this subsection that is reasonably considered to have an  
34 interest in the property. The entity with the highest priority status,  
35 willing to enter into a sale or lease at fair market value, must be  
36 given right of first refusal to buy or lease the property.

37 (3) Notice of intention to sell under this section shall be given

1 by publication in one or more newspapers of general circulation in the  
2 area in which the property is situated not less than thirty days prior  
3 to the intended date of sale.

4 ~~((+3))~~ (4) Sales to purchasers under this section may, at the  
5 department's option, be for cash or by real estate contract, except  
6 that any such property of the Palouse River and Coulee City rail lines  
7 that was purchased with bond proceeds in November 2004 may be sold only  
8 for cash at fair market value.

9 ~~((+4))~~ (5) Conveyances made under this section shall be by deed  
10 executed by the secretary of transportation and shall be duly  
11 acknowledged.

12 ~~((+5))~~ (6) All moneys received under this section shall be  
13 deposited in the essential rail ~~((banking account of the general fund))~~  
14 assistance account created in RCW 47.76.250. Any moneys deposited  
15 under this subsection from sales or leases of property that are  
16 related, in any way, to the Palouse River and Coulee City rail lines  
17 must be used and, in the case of moneys received from sales, expended  
18 within two years of receipt, only for the refurbishment or improvement  
19 of the Palouse River and Coulee City rail lines.

20 NEW SECTION. Sec. 3. A new section is added to chapter 46.68 RCW  
21 to read as follows:

22 All revenue received by the department of transportation from  
23 operating leases or other business operations on the Palouse River and  
24 Coulee City rail lines must be deposited in the essential rail  
25 assistance account created in RCW 47.76.250 and used only for the  
26 refurbishment or improvement of the Palouse River and Coulee City rail  
27 lines.

28 NEW SECTION. Sec. 4. This act is necessary for the immediate  
29 preservation of the public peace, health, or safety, or support of the  
30 state government and its existing public institutions, and takes effect  
31 immediately."

ADOPTED 04/07/2011

1        On page 1, line 2 of the title, after "properties;" strike the  
2 remainder of the title and insert "amending RCW 47.76.280 and  
3 47.76.290; adding a new section to chapter 46.68 RCW; and declaring an  
4 emergency."

EFFECT:        The notification of sale requirement to an entity or person with a higher priority on the eligible purchaser list is limited to those reasonably considered to have an interest in the property. Adds clarification to the auction process, and the account to deposit revenue from leases or other business operations on the Palouse River and Coulee City rail lines is added.

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