

SHB 1586 - S COMM AMD

By Committee on Transportation

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

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 47.76
4 RCW to read as follows:

5 (1) The department must transfer, at no cost, to the Port of
6 Royal Slope the Royal Slope railroad right-of-way, and any materials,
7 equipment, and supplies purchased as a part of the Royal Slope
8 rehabilitation project (L1000053).

9 (2) The Port of Royal Slope must maintain the Royal Slope
10 railroad right-of-way and contract with an operator to provide
11 service.

12 (3)(a) If the Port of Royal Slope is unable to secure an operator
13 for any continuous five-year period, the right-of-way and any
14 materials, equipment, and remaining supplies revert to the
15 department.

16 (b) If ownership of the right-of-way reverts to the department
17 under this subsection, the property must be in at least substantially
18 the same condition as when the right-of-way was initially transferred
19 under this section.

20 (4) Any operator agreement entered into under this section must
21 not limit the state's ability to enter into a franchise agreement on
22 the rail line. If the state enters into such a franchise agreement,
23 the agreement must allow any person operating on that rail line
24 pursuant to a valid contract to continue to operate under the terms
25 of the contract.

26 **Sec. 2.** RCW 47.76.290 and 2011 c 161 s 2 are each amended to
27 read as follows:

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

1 the property at fair market value, except as provided in section 1 of
2 this act, to any of the following governmental entities or persons:

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

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

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

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

23 (iii) Any other state agency;

24 (iv) The city or county in which the real property is situated;

25 (v) Any other municipal corporation; or

26 (vi) The former owner, heir, or successor of the real property
27 from whom the real property was acquired.

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

37 (3) Notice of intention to sell under this section shall be given
38 by publication in one or more newspapers of general circulation in
39 the area in which the property is situated not less than thirty days
40 prior to the intended date of sale.

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

6 (5) Conveyances made under this section shall be by deed executed
7 by the secretary of transportation and shall be duly acknowledged.

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

16 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
17 preservation of the public peace, health, or safety, or support of
18 the state government and its existing public institutions, and takes
19 effect immediately."

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20 On page 1, line 1 of the title, after "railroad;" strike the
21 remainder of the title and insert "amending RCW 47.76.290; adding a
22 new section to chapter 47.76 RCW; and declaring an emergency."

EFFECT: Makes technical corrections, including correcting the
codification direction for section 1.

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