(2) Reimbursement shall not be made if otherwise provided pursuant to other provisions of state law.

NEW SECTION. Sec. 5. Sections 1 through 4 of this act shall be added to chapter 72.06 RCW.

Passed the House March 21, 1979. Passed the Senate April 18, 1979. Approved by the Governor April 30, 1979. Filed in Office of Secretary of State April 30, 1979.

## CHAPTER 109

## [Substitute Senate Bill No. 2058] PUBLIC LANDS—SALE OR LEASE

AN ACT Relating to public lands; amending section 9, chapter 255, Laws of 1927 and RCW 79.01.036; amending section 22, chapter 255, Laws of 1927 as last amended by section 4, chapter 163, Laws of 1967 and RCW 79.01.088; amending section 23, chapter 255, Laws of 1927 as last amended by section 3, chapter 78, Laws of 1967 ex. sess. and RCW 79-.01.092; amending section 24, chapter 255, Laws of 1927 as last amended by section 1, chapter 200, Laws of 1971 ex. sess. and RCW 79.01.096; amending section 34, chapter 255, Laws of 1927 as amended by section 14, chapter 257, Laws of 1959 and RCW 79-.01.136; amending section 35, chapter 255, Laws of 1927 and RCW 79.01.140; amending section 37, chapter 255, Laws of 1927 as amended by section 1, chapter 57, Laws of 1935 and RCW 79.01.148; amending section 59, chapter 255, Laws of 1927 as last amended by section 27, chapter 257, Laws of 1959 and RCW 79.01.236; amending section 61, chapter 255, Laws of 1927 as last amended by section 1, chapter 46, Laws of 1969 ex. sess. and RCW 79.01.244; amending section 62, chapter 255, Laws of 1927 and RCW 79.01.248; amending section 63, chapter 255, Laws of 1927 and RCW 79.01.252; amending section 64, chapter 255, Laws of 1927 and RCW 79.01.256; amending section 65, chapter 255, Laws of 1927 and RCW 79.01.260; amending section 66, chapter 255, Laws of 1927 and RCW 79.01.264; amending section 67, chapter 255, Laws of 1927 as amended by section 1, chapter 139, Laws of 1933 and RCW 79.01.268; amending section 190, chapter 255, Laws of 1927 as amended by section 1, chapter 153, Laws of 1959 and RCW 79.01.720; amending section 191, chapter 255, Laws of 1927 and RCW 79.01.724; amending section 1, chapter 203, Laws of 1949 as amended by section 10, chapter 73, Laws of 1961 and RCW 79.12.570; amending section 2, chapter 324, Laws of 1955 and RCW 79.28.080; adding new sections to chapter 255, Laws of 1927 and to chapter 79.01 RCW; repealing section 68, chapter 255, Laws of 1927, section 30, chapter 257, Laws of 1959 and RCW 79.01.272; repealing section 69, chapter 255, Laws of 1927, section 31, chapter 257, Laws of 1959 and RCW 79.01.276; repealing section 70, chapter 255, Laws of 1927 and RCW 79.01.280; repealing section 72, chapter 255, Laws of 1927, section 33, chapter 257, Laws of 1959 and RCW 79.01.288; repealing section 36, chapter 255, Laws of 1927 and RCW 79.01.144; repealing section 2, chapter 203, Laws of 1949 and RCW 79.12.580; repealing section 3, chapter 203, Laws of 1949 and RCW 79.12.590; repealing section 3, chapter 85, Laws of 1923 and RCW 79.28.060; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 9, chapter 255, Laws of 1927 and RCW 79.01.036 are each amended to read as follows:

Whenever used in this chapter the term "improvements" when referring to public lands belonging to the state shall mean anything considered a fixture in law placed upon or attached to such lands((, or any change made in their previous condition)) that has ((added)) changed the value ((to)) of the

lands or any changes in the previous condition of the fixtures that changes the value of the land.

Sec. 2. Section 22, chapter 255, Laws of 1927 as last amended by section 4, chapter 163, Laws of 1967 and RCW 79.01.088 are each amended to read as follows:

Any person desiring to purchase any state lands, or to purchase any tide or shore lands, or to purchase any timber, fallen timber, stone, gravel or other valuable materials situated on state, tide or shore lands, or to lease any state, tide or shore lands, or harbor areas, shall file in the office of the commissioner of public lands an application, on the proper form ((and in case of application for the purchase of lands, or for the purchase of timber, fallen timber, stone, gravel or other valuable materials, shall deposit with the application not less than ten cents per acre for the land or material applied for, but in no case less than ten dollars, and in case of application for lease for any purpose, except mining of valuable minerals or coal, or extraction of petroleum or gas, shall deposit the sum of ten dollars, which deposit shall be returned to the applicant in case the land or materials applied for is sold, or the land or area leased, when offered pursuant to the application, but in case the land or material is not sold, or the land or area not leased, by reason of the failure of the applicant to bid the appraised value, or the fixed rental thereof, when the same is offered, the deposit shall be forfeited to the state and paid into the state treasury to the credit of the general fund)) which shall be accompanied by reasonable fees to be prescribed by the board of natural resources in an amount sufficient to defray the cost of performing or otherwise providing for the processing, review, or inspection of the applications or activities permitted pursuant to the applications for each category of services performed. These fees shall be credited to the Resource Management Cost Account (RMCA) fund in the general fund.

Sec. 3. Section 23, chapter 255, Laws of 1927 as last amended by section 3, chapter 78, Laws of 1967 ex. sess. and RCW 79.01.092 are each amended to read as follows:

When in the judgment of the department of natural resources, ((a)) there is sufficient ((number of applications)) interest for the appraisement and sale, or the lease, for any lawful purpose, excepting mining of valuable minerals or coal, or extraction of petroleum or gas, of state lands, ((have been received,)) the department shall cause each tract of land ((so applied for)) to be inspected ((by one or more state land inspectors)) as to its ((character,)) topography, development potential, forestry, agricultural and grazing qualities, ((timber,)) coal, mineral, stone, gravel or other valuable material, the distance from any city or town, railroad, river, irrigation canal, ditch or other waterway, and location of utilities ((and a full report thereof to be made to the department, together with the inspector's judgment as to the present and prospective value; or rental value, as the case

may be)). In case of an application to purchase land granted to the state for educational purposes, the department shall submit ((said)) a report ((together with all other information in the records of the office of the department of natural resources concerning the land applied for,)) to the board of natural resources, which board shall fix the value per acre of each lot, block, subdivision or tract proposed to be sold in one parcel, which value shall be not less than ten dollars per acre. In case of applications to purchase state lands, other than lands granted to the state for educational purposes and capitol building lands, the department shall appraise and fix the value thereof. In case of ((applications)) interest for the lease of state lands, for any lawful purposes other than that of mining for valuable minerals or coal, or extraction of petroleum or gas, the department shall fix the rental value thereof, and ((shall fix the limit of the value of the improvements that may be placed upon said land by any lessee of the state, and may, in case the land is leased, at any time during the life of the lease, extend the limit of value of the improvements that may be placed upon the land covered by the lease, if he deems it advisable and for the best interest of the state, by written order which shall be filed with the lease in the department of natural resources, and a copy mailed to the lessee at his last known post office address, and upon the expiration of such lease the department, shall not appraise said improvements in an amount exceeding the limit so fixed by the department: PROVIDED, That the board of natural resources, in considering the management of individual tracts of state lands, shall include in their consideration of the financial benefits that may accrue to the particular beneficiary of such trust land any increased financial benefits that the beneficiary may receive from direct and indirect state and local taxes, including improvement in values resulting from private development and the local taxation benefits therefrom, if the property were to be sold into private ownership)) only improvements authorized in writing by the department of natural resources or consistent with the approved plan of development shall be placed on state lands under lease and these improvements shall become the property of the state at the expiration or termination of the lease unless otherwise agreed upon under the terms of the lease: PROVIDED, That these improvements may be required by the department of natural resources to be removed at the end of the lease term by the lessee at his expense. Any improvements placed upon any state lands without the written authority of the commissioner of public lands shall become the property of the state and be considered part of the land.

Sec. 4. Section 24, chapter 255, Laws of 1927 as last amended by section 1, chapter 200, Laws of 1971 ex. sess. and RCW 79.01.096 are each amended to read as follows:

Not more than one hundred and sixty acres of any land granted to the state by the United States shall be offered for sale in one parcel and no university lands shall be offered for sale except by legislative directive or with the consent of the board of regents of the University of Washington.

Any land granted to the state by the United States may be sold or leased for any lawful purpose in such minimum ((areas)) acreage as may be fixed by the department of natural resources.

Except as otherwise provided in RCW 79.01.770, upon the application of a school district or any institution of higher education for the purchase or lease of lands granted to the state by the United States, the department of natural resources may offer such land for sale or lease to such school district or institution of higher education in such ((maximum)) acreage as it may determine, consideration being given upon application of a school district to school site criteria established by the state board of education: PROVID-ED, That in the event the department thereafter proposes to offer such land for sale or lease at public auction such school district or institution of higher education shall have a preference right for six months from notice of such proposal to purchase or lease such land at the appraised value determined by the board of natural resources.

((Land granted to the)) State lands shall not be leased for a longer period than ten years: PROVIDED, That such lands may be leased for the purpose of prospecting for, developing and producing oil, gas and other hydrocarbon substances or for the mining of coal subject to the provisions of chapter 79.14 RCW and RCW 79.01.692((: PROVIDED FURTHER, That)). Such lands may be leased for agricultural purposes for any period not to exceed twenty-five years((: PROVIDED FURTHER, That)). Such lands may be leased for public school, college or university purposes for any period not exceeding seventy-five years((: PROVIDED FURTHER, That)). Such lands may be leased for commercial, ((residential)) industrial, business, or recreational purposes for any period not exceeding fifty-five years((: AND, PROVIDED FURTHER, That, as to lands under lease on July 30, 1967 for commercial, residential, business or recreational purposes for a period of not to exceed twenty years, the lessee shall have an option for a new lease for such lands for an additional period not exceeding thirtyfive years, the terms and conditions of said new lease to be fixed by the department: AND, PROVIDED FURTHER, That)). Such lands may be leased for residential purposes for any period not to exceed ninety-nine years. If during the term of the lease of any state lands for 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 such lease ((as to the types and conditions of commercial, residential, business or recreational enterprises conducted on such leased premises and the rent to be paid)). The sum total of the original lease term and any extension thereof shall not exceed the limits provided herein.

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Sec. 5. Section 34, chapter 255, Laws of 1927 as amended by section 14, chapter 257, Laws of 1959 and RCW 79.01.136 are each amended to read as follows:

Before any state lands are offered for sale, or ((before any state lands are offered for lease, the commissioner of public lands shall separately appraise all improvements situated thereon at the time of the appraisement of the land, at such sum as the improvements add to the value of the land for the purpose of selling the same, and shall also appraise all damages and waste committed or suffered upon such lands by the cutting or removal of timber, or the removal of stone, gravel or other valuable material, by the person or persons owning such improvements, or their assignors, and the damages so found shall be deducted from the appraised value of the improvements, and the balance, after deducting such damages and waste, shall be the value of the improvements upon the land, and every such appraisement shall be recorded in the office of the commissioner of public lands, but nothing herein shall be construed as affecting the right of the state to receive the full value of the land)) lease, or are assigned, the department of natural resources may establish the fair market value of those authorized improvements not owned by the state. In the event that agreement cannot be reached between the state and the lessee on the fair market value, such valuation shall be submitted to a review board of appraisers. The board shall be as follows: One member to be selected by the lessee and his expense shall be borne by the lessee; one member selected by the state and his expense shall be borne by the state; these members so selected shall mutually select a third member and his expenses shall be shared equally by the lessee and the state. The majority decision of this appraisal review board shall be binding on both parties. For this purpose "fair market value" is defined as: The highest price in terms of money which a property will bring in a competitive and open market under all conditions of a fair sale, the buyer and seller, each prudently knowledgeable and assuming the price is not affected by undue stimulus. All damages and wastes committed upon such lands and other obligations due from the lessee shall be deducted from the appraised value of the improvements: PROVIDED, That the department of natural resources on behalf of the respective trust may purchase at fair market value those improvements if it appears to be in the best interest of the state from the RMCA of the general fund.

Sec. 6. Section 35, chapter 255, Laws of 1927 and RCW 79.01.140 are each amended to read as follows:

No lessee of state lands shall remain in possession of said lands((, or the improvements thereon,)) after the termination or expiration of his lease, without the written consent of the commissioner of public lands, and then only upon such terms and conditions as such written consent shall prescribe((. At any time within sixty days after the termination or expiration of any such lease the owner of said improvements shall be entitled to remove

such thereof as can be removed without injury to the land)): PROVIDED, That the department of natural resources may authorize for a specific period beyond the term of the lease cropping improvements for the purpose of crop rotation which shall be deemed authorized improvements.

Sec. 7. Section 37, chapter 255, Laws of 1927 as amended by section 1, chapter 57, Laws of 1935 and RCW 79.01.148 are each amended to read as follows:

If the purchaser of state lands be not the owner of the authorized improvements thereon, he shall deposit with the ((officer)) auctioneer making the sale, at the time of the sale, the appraised value of such improvements, and ((if it be found by the commissioner of public lands that the owner of such improvements was not holding adversely to the state at the time of the making thereof, or that said improvements were placed upon the land in good faith by a lessee of the state whose lease had not been canceled or become subject to cancellation for any cause, or that such improvements were placed upon the land by mistake, then)) the commissioner shall pay to the owner of said improvements the sum so deposited((, but if it be found that such improvements were made by persons holding or claiming adversely to the state, or by persons without license or lease from the state, or by a lessee or contract holder who had not complied with the terms of his lease or contract, or by a lessee or other person with intent to defraud the state or the intending purchaser of the land from the state, then the sum so deposited shall be paid into the state treasury to be placed to the credit of the fund into which the proceeds derived from the sale of the land should be paid)): PROVIDED, That when the improvements are owned by the state in accordance with the provisions of this ((section)) chapter or have been acquired by the state by escheat or operation of law ((in accordance with the provisions of RCW 43.12.100,)) the purchaser may, in case of sale, pay for such improvements in equal annual installments at the same time, and with the same rate of interest on deferred payments, as the installments of the purchase price of the land are paid, and under such rules and regulations regarding use and care of said improvements as may be fixed by the commissioner of public lands.

Sec. 8. Section 59, chapter 255, Laws of 1927 as last amended by section 27, chapter 257, Laws of 1959 and RCW 79.01.236 are each amended to read as follows:

Whenever the holder of a contract of purchase of any state lands, or of any tide or shore lands, or the holder of any lease of any such lands, except for mining of valuable minerals, or coal, or extraction of petroleum or gas, shall surrender the same to the commissioner with the request to have it divided into two or more contracts, or leases, the commissioner may divide the same and issue new contracts, or leases, but no new contract, or lease, shall issue while there is due and unpaid any interest, rental, or taxes or assessments on the land held under such contract or lease, nor in any case where

the commissioner is of the opinion that the state's security would be impaired or endangered by the proposed division. For all such new contracts, or leases, a fee ((of five dollars)) as determined by the board of natural resources for each new contract((7)) or lease((7)) issued, shall be paid by the applicant and such fee shall be paid into the state treasury ((with other fees of the office)) to the RMCA in the general fund.

- Sec. 9. Section 61, chapter 255, Laws of 1927 as last amended by section 1, chapter 46, Laws of 1969 ex. sess. and RCW 79.01.244 are each amended to read as follows:
- (((1) The department of natural resources shall be authorized to lease to the highest bidder at public auction, any state lands, for any lawful purpose, except mining of valuable minerals or coal or extraction of petroleum or gas, but such lands shall not be leased for less than the appraised rental value thereof, nor shall agricultural lands be leased for less than fifty cents per acre.
- (2))) All state lands hereafter leased for grazing or agricultural purposes shall be open and available to the public for purposes of hunting and fishing unless closed to public entry because of fire hazard or unless the department of natural resources gives prior written approval and the area is lawfully posted by lessee to prohibit hunting and fishing thereon in order to prevent damage to crops or other land cover, to improvements on the land, to livestock, to the lessee, or to the general public, or closure is necessary to avoid undue interference with carrying forward a departmental or agency program. In the event any such lands are so posted it shall be unlawful for any person to hunt or fish on any such posted lands.
- (((3))) The department of natural resources shall insert the provisions of ((subsection (2) of)) this section in all grazing and agricultural leases hereafter issued.
- (((4) In judging the best and highest bid from lease proposals for recreational use of state owned land, the department of natural resources may seek and favor proposals providing for a public use of the leased premises that will provide comparable rental income to the state.))

NEW SECTION. Sec. 10. There is added to chapter 255, Laws of 1927 and to chapter 79.01 RCW a new section to read as follows:

(1) Subject to other provisions of this chapter and subject to regulations promulgated by the board of natural resources, the department may lease state lands for such purpose or purposes as it deems advisable, including, but not limited to, commercial, industrial, residential, agricultural, and recreational purposes in order to obtain a fair market rental return to the state or the appropriate constitutional or statutory trust. Every lease issued by the department, shall contain: (a) The specific use or uses to which the land is to be employed; (b) the improvements required: PROVIDED, That a minimum reasonable time be allowed for the completion of the improvements;

- (c) the rent as established shall be payable in advance in quarterly, semiannual, or annual payments, as determined by the department or as agreed upon by the lessee and the department of natural resources; (d) such other terms and conditions as the department deems advisable, subject to review by the board of natural resources, to more nearly effectuate the purposes of the state Constitution and of this chapter.
- (2) The department may authorize the use of state land by lease at state auction for initial leases or by negotiation for existing leases. Notice of intent to lease by negotiation shall be published in at least two newspapers of general circulation in the area in which the land which is to be the subject of negotiation is located within the thirty days immediately preceding commencement of negotiations.
- (3) Any person, firm or corporation desiring to lease any state lands for any purpose not prohibited by law, may make application to the department, describing the lands sought to be leased on forms to be provided by the department.
- (4) Notwithstanding any provision in this chapter to the contrary, in leases for residential purposes, the board of natural resources may waive or modify any conditions of the lease if the waiver or modification is necessary to enable any federal agency or lending institution authorized to do business in this state or elsewhere in the United States to participate in any loan secured by a security interest in a leasehold interest.
- (5) Upon expiration of the lease term, if the leased land is not otherwise utilized, 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. Upon the expiration of the one year extension, if the department has not yet decided upon the disposition of the land for other purposes, the department may issue a temporary permit to the lessee upon such terms and conditions as it may prescribe. The temporary permit, if issued, may not extend beyond a five year period.
- Sec. 11. Section 62, chapter 255, Laws of 1927 and RCW 79.01.248 are each amended to read as follows:
- When ((in the judgment of the commissioner of public lands a sufficient number of applications for leases as provided in the preceding section, have been received from any one county, the commissioner shall certify a list of such lands so applied for, and any other lands he may deem advisable to offer for lease at the same time, to the auditor of the county in which such lands are situated, and fix the time and place when and where)) the department of natural resources shall have decided to lease any state lands at public auction it shall be the duty of the department to fix the date, place, and time when such lands shall be offered for lease((, and describe the character of the lands)).
- Sec. 12. Section 63, chapter 255, Laws of 1927 and RCW 79.01.252 are each amended to read as follows:

((Upon the receipt of any certified list of lands offered for lease, the county auditor shall post said list for a period of thirty days prior to the date of leasing,)) The department shall give thirty days notice of the public auction leasing by posting in some conspicuous place in ((his office, and elsewhere in the county, as the commissioner of public lands may direct, and on the day and at the place fixed by the commissioner, shall offer the lands described in the list, in separate tracts as directed by the commissioner, for lease)) the county auditor's office, the office of the commissioner of public lands and the area headquarters of the department of natural resources administering such lease, and in at least two newspapers of general circulation in the area in which the leasing shall occur. The notice shall specify the place and time of auction, the appraised value thereof, and describe each parcel to be leased, and the terms and conditions of the lease.

The leasing shall be conducted under the direction of the commissioner of public lands by his authorized representative, or by the auditor for the county in which the land to be leased is located. The commissioner's representative and the county auditor are hereinafter referred to as auctioneers.

The commissioner of public lands is authorized to expend an amount necessary in additional advertising of such lease as he shall determine to be for the best interest of the state.

When leases are auctioned by the county auditor the auction shall take place in the county where the state land to be leased is situated at such place as specified in the notice. All other leases shall be held at the departmental area office having jurisdiction over the leases. Auction shall be conducted between the hours of ten o'clock in the morning and four o'clock in the afternoon. All leasing at public auction shall be by oral or by sealed bid to the highest bidder on the terms prescribed by law and as specified in the notice hereinbefore provided, and no state land shall be leased for less than the appraised value.

Sec. 13. Section 64, chapter 255, Laws of 1927 and RCW 79.01.256 are each amended to read as follows:

The person or persons to whom any lease of <u>state</u> lands is awarded, shall pay to the ((county auditor)) <u>auctioneer</u> in cash or by certified check or accepted draft on any bank in this state, the ((first year's)) rental in accordance with his bid, and thereafter all rentals shall be paid ((annually)) in advance to the commissioner of public lands.

Sec. 14. Section 65, chapter 255, Laws of 1927 and RCW 79.01.260 are each amended to read as follows:

((When any state lands shall have been leased by the county auditor of any county, the auditor shall at once certify a list of such lands to the commissioner of public lands, giving the name of each lessee, his post office address, the term of the lease, the lease price per annum, the amount paid on the lease, and any other information required by the commissioner of public lands, and shall forward to the commissioner one)) When any state lands

have been leased, the auctioneer shall send to the commissioner such cash, certified check, draft or ((postal)) money order((, payable to the order of the commissioner of public lands, for all moneys so paid him on leases. The commissioner shall issue a receipt to the auditor for the total amount of money received, and a receipt to each lessee for the amount paid, which shall be in duplicate, the original receipt to be sent to the lessee and the duplicate thereof kept in the office of the commissioner. If the commissioner shall approve any lease he shall pay the moneys received therefor over to the state treasurer, together with a statement showing the funds to which said moneys, respectively, belong, and take his receipt therefor)) received from the successful bidder, together with any additional report of his proceedings as may be required by the commissioner.

Sec. 15. Section 66, chapter 255, Laws of 1927 and RCW 79.01.264 are each amended to read as follows:

The commissioner of public lands may reject any and all bids for leases when the interests of the state shall justify it, and in such case he shall forthwith refund to the person paying the same, any ((moneys paid,)) rental and bid deposit upon the return of receipts issued therefor. If the commissioner approve any leasing made by the ((county auditor)) auctioneer he shall proceed to issue a lease to the lessee upon a form ((to be prescribed)) approved by the attorney general. All such leases shall be in duplicate, both to be signed by the lessee, and by the commissioner of public lands on behalf of the state, with the seal of the commissioner of public lands attached thereto. The original lease shall be forwarded to the lessee and the duplicate copy kept in the office of the commissioner of public lands.

Sec. 16. Section 67, chapter 255, Laws of 1927 as amended by section 1, chapter 139, Laws of 1933 and RCW 79.01.268 are each amended to read as follows:

The commissioner of public lands shall keep a full and complete record of all leases issued under the provisions of the preceding sections and the payments made thereon((, and not more than forty nor less than thirty days before the time any rental becomes due the commissioner of public lands shall cause to be mailed to the lessee a notice stating the date upon which his rental falls due and the amount thereof)). If such rental be not paid on or before the date the same becomes due, according to the terms of the lease, the commissioner of public lands shall declare a forfeiture, cancel the lease and eject the lessee from the land: PROVIDED, That the commissioner of public lands may extend the time for payment of annual rental when, in his judgment, the interests of the state will not be prejudiced thereby.

NEW SECTION. Sec. 17. There is added to chapter 255, Laws of 1927 and to chapter 79.01 RCW a new section to read as follows:

Holders of existing leases for state lands may apply for a conversion to a new lease as authorized by this chapter within two years of the effective date of this act. The amount of time expired under any existing lease so converted shall be included in the calculation of the maximum lease term allowed in RCW 79.01.096.

Sec. 18. Section 190, chapter 255, Laws of 1927 as amended by section 1, chapter 153, Laws of 1959 and RCW 79.01.720 are each amended to read as follows:

The commissioner of public lands for services performed by him, may charge and collect ((the following fees: (1) For a copy of any record, document, or paper on file in his office, one dollar per page; (2) for affixing a certificate and seal, one dollar; (3) for each original contract of sale, lease, or bill of sale, five dollars; (4) for each deed, five dollars; (5) for issuance of each harbor area lease and approval of bond, five dollars; (6) for approval of each assignment of contract, lease, or bill of sale, five dollars; (7) for subdivision and issuance of new contracts, after the original has been entered on the records, five dollars for each contract; (8) for each right of way certificate issued, five dollars)) fees as determined by the board of natural resources for each category of services performed based on costs incurred.

Sec. 19. Section 191, chapter 255, Laws of 1927 and RCW 79.01.724 are each amended to read as follows:

The commissioner of public lands shall keep a fee book, in which shall be entered all fees received by him, with the date paid and the name of the person paying the same, and the nature of the services rendered for which the fee is charged, which book shall be verified monthly by his affidavit entered therein, and all fees collected by him shall be paid into the state treasury ((in the manner and at the time provided by law for the payment of moneys received by state officers,)) to the RMCA within the general fund and the receipt of the state treasurer taken therefor and retained in the office of the commissioner of public lands as a voucher.

Sec. 20. Section 1, chapter 203, Laws of 1949 as amended by section 10, chapter 73, Laws of 1961 and RCW 79.12.570 are each amended to read as follows:

The commissioner of public lands may lease ((agricultural school and granted)) state lands on a share crop basis. Share crop leases shall be on such terms and conditions and for such length of time, not to exceed ten years, as the commissioner may prescribe. Upon receipt of a written application to lease ((agricultural school and granted)) state lands, the commissioner shall make such investigations as he shall deem necessary and if he finds that such a lease would be advantageous to the state, he may proceed with the leasing of such lands on said basis as other state lands are leased.

Sec. 21. Section 2, chapter 324, Laws of 1955 and RCW 79.28.080 are each amended to read as follows:

In order to encourage the improvement of grazing ranges by holders of grazing permits, the land commissioner shall consider (1) extension of grazing permit periods to a maximum of ((five)) ten years, and (2) reduction of grazing fees, in situations where the permittee contributes or agrees to contribute to the improvement of the range, financially, by labor, or otherwise.

NEW SECTION. Sec. 22. There is added to chapter 255, Laws of 1927 and to chapter 79.01 RCW a new section to read as follows:

RCW 79.01.092, 79.01.096, 79.01.136, 79.01.140, 79.01.148, 79.01.244, 79.01.248, 79.01.252, 79.01.256, 79.01.260, 79.01.264, 79.01.268, 79.01.724, 79.12.570, and 79.28.080 and sections 10 and 17 of this 1979 act do not apply to state tidelands, shorelands, harbor areas, and the beds of navigable waters.

<u>NEW SECTION.</u> Sec. 23. The following acts or parts of acts are each repealed:

- (1) Section 68, chapter 255, Laws of 1927, section 30, chapter 257, Laws of 1959 and RCW 79.01.272;
- (2) Section 69, chapter 255, Laws of 1927, section 31, chapter 257, Laws of 1959 and RCW 79.01.276;
  - (3) Section 70, chapter 255, Laws of 1927 and RCW 79.01.280;
- (4) Section 72, chapter 255, Laws of 1927, section 33, chapter 257, Laws of 1959 and RCW 79.01.288;
  - (5) Section 36, chapter 255, Laws of 1927 and RCW 79.01.144;
  - (6) Section 2, chapter 203, Laws of 1949 and RCW 79.12.580;
  - (7) Section 3, chapter 203, Laws of 1949 and RCW 79.12.590; and
  - (8) Section 3, chapter 85, Laws of 1923 and RCW 79.28.060.

<u>NEW SECTION.</u> Sec. 24. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 25. The provisions of this 1979 amendatory act shall take effect September 26, 1979.

Passed the Senate April 25, 1979.

Passed the House April 23, 1979.

Approved by the Governor May 2, 1979.

Filed in Office of Secretary of State May 2, 1979.

## CHAPTER 110

[Engrossed Substitute Senate Bill No. 2197]
MILL TAILINGS LICENSING AND PERPETUAL CARE ACT OF 1979

AN ACT Relating to energy and utilities; adding a new chapter to Title 70 RCW; and prescribing an effective date.