

**Chapter 79.19 RCW**  
**LAND BANK**

**Sections**

- 79.19.010 Legislative finding.
- 79.19.020 Land bank—Created—Purchase of property authorized.
- 79.19.030 Exchange or sale of property held in land bank.
- 79.19.040 Management of property held in land bank.
- 79.19.050 Use of income from the sale of property.
- 79.19.060 Reimbursement for costs and expenses.
- 79.19.080 Identification of trust lands expected to convert to commercial, residential, or industrial uses—Hearing—Notice—Designation as urban lands.
- 79.19.090 Exchange of urban land for land bank land—Notification of affected public agencies.
- 79.19.100 Urban lands—Cooperative planning, development.
- 79.19.110 Lands for commercial, industrial, or residential use—Payment of in-lieu of property tax—Distribution.
- 79.19.120 Land bank account.
- 79.19.901 Effective date—1984 c 222.

**RCW 79.19.010 Legislative finding.** The legislature finds that from time to time it may be desirable for the department to sell state lands which have low potential for natural resource management or low income-generating potential or which, because of geographic location or other factors, are inefficient for the department to manage. However, it is also important to acquire lands for long-term management to replace those sold so that the publicly owned land base will not be depleted and the publicly owned forestland base will not be reduced. The purpose of this chapter is to provide a means to facilitate such sales and purchases so that the diversity of public uses on the trust lands will be maintained. In making the determinations, the department shall comply with local land use plans and applicable growth management principles. [2003 c 334 s 525; 1984 c 222 s 1; 1977 ex.s. c 109 s 1. Formerly RCW 79.66.010.]

**Intent—2003 c 334:** See note following RCW 79.02.010.

**RCW 79.19.020 Land bank—Created—Purchase of property authorized.** The department, with the approval of the board, may purchase property at fair market value to be held in a land bank, which is hereby created within the department. Property so purchased shall be property which would be desirable for addition to the public lands of the state because of the potential for natural resource or income production of the property. [2023 c 383 s 9; 2003 c 334 s 526; 1984 c 222 s 2; 1977 ex.s. c 109 s 2. Formerly RCW 79.66.020.]

**Findings—2023 c 383:** See note following RCW 79.17.300.

**Intent—2003 c 334:** See note following RCW 79.02.010.

**RCW 79.19.030 Exchange or sale of property held in land bank.**

The department, with the approval of the board, may:

(1) Exchange property held in the land bank for any other lands of equal value administered by the department, including state lands and state forestlands;

(2) Exchange property held in the land bank for property of equal or greater value which is owned publicly or privately, and which has greater potential for natural resource or income production or which could be more efficiently managed by the department, however, no power of eminent domain is hereby granted to the department;

(3) Except as provided in subsection (4) of this section, sell property that has been exchanged into and is held in the land bank as provided under RCW 79.11.340 without any requirement of platting and use the proceeds to acquire property for the land bank which has greater potential for natural resource or income production or which would be more efficiently managed by the department; and

(4) If a department lessee owns and resides in a house located on land that has been exchanged into and is held in the land bank, sell the land directly to the lessee for the appraised fair market value of the land and use the proceeds of the sale as provided in subsection

(3) of this section. If the lessee does not purchase the land for the appraised fair market value, the department shall sell the land as provided under subsection (3) of this section. [2023 c 383 s 10; 2004 c 199 s 215; 2003 c 334 s 527; 1984 c 222 s 3; 1977 ex.s. c 109 s 3. Formerly RCW 79.66.030.]

**Findings—2023 c 383:** See note following RCW 79.17.300.

**Part headings not law—2004 c 199:** See note following RCW 79.02.010.

**Intent—2003 c 334:** See note following RCW 79.02.010.

**RCW 79.19.040 Management of property held in land bank.** The department may manage the property held in the land bank as provided in RCW 79.10.030. However, the properties or interest in such properties shall not be withdrawn, exchanged, transferred, or sold without first obtaining payment of the fair market value of the property or interest therein or obtaining property of equal value in exchange. [2003 c 334 s 528; 1984 c 222 s 4; 1977 ex.s. c 109 s 4. Formerly RCW 79.66.040.]

**Intent—2003 c 334:** See note following RCW 79.02.010.

**RCW 79.19.050 Use of income from the sale of property.** Income from the sale of property in the land bank shall be deposited in the land bank account created in RCW 79.19.120 and may be used to acquire property under RCW 79.19.020. [2023 c 383 s 13; 2003 c 334 s 529; 1984 c 222 s 5; 1977 ex.s. c 109 s 5. Formerly RCW 79.66.050.]

**Findings—2023 c 383:** See note following RCW 79.17.300.

**Intent—2003 c 334:** See note following RCW 79.02.010.

*Forest development account: RCW 79.64.100.*

*Resource management cost account: RCW 79.64.020.*

**RCW 79.19.060 Reimbursement for costs and expenses.** The department shall be reimbursed for actual costs and expenses incurred in managing and administering the land bank program under this chapter from the forest development account or the resource management cost account in an amount not to exceed the limits provided in RCW 79.64.040. Reimbursement from proceeds of sales shall be limited to marketing costs provided in RCW 79.10.030. [2003 c 334 s 530; 1984 c 222 s 6. Formerly RCW 79.66.060.]

**Intent—2003 c 334:** See note following RCW 79.02.010.

**RCW 79.19.080 Identification of trust lands expected to convert to commercial, residential, or industrial uses—Hearing—Notice—Designation as urban lands.** Periodically, at intervals to be determined by the board, the department shall identify trust lands which are expected to convert to commercial, residential, or industrial uses within ten years. The department shall adhere to existing local comprehensive plans, zoning classifications, and duly adopted local policies when making this identification and determining the fair market value of the property.

The department shall hold a public hearing on the proposal in the county where the state land is located. At least fifteen days but not more than thirty days before the hearing, the department shall publish a public notice of reasonable size in display advertising form, setting forth the date, time, and place of the hearing, at least once in one or more daily newspapers of general circulation in the county and at least once in one or more weekly newspapers circulated in the area where the trust land is located. At the same time that the published notice is given, the department shall give written notice of the hearings to the departments of fish and wildlife and enterprise services, to the parks and recreation commission, and to the county, city, or town in which the property is situated. The department shall disseminate a news release pertaining to the hearing among printed and electronic media in the area where the trust land is located. The public notice and news release also shall identify trust lands in the area which are expected to convert to commercial, residential, or industrial uses within ten years.

A summary of the testimony presented at the hearings shall be prepared for the board's consideration. The board shall designate trust lands which are expected to convert to commercial, residential, or industrial uses as urban land. Descriptions of lands designated by the board shall be made available to the county and city or town in which the land is situated and for public inspection and copying at the department's administrative office in Olympia, Washington and at each area office.

The hearing and notice requirements of this section apply to those trust lands which have been identified by the department prior to July 1, 1984, as being expected to convert to commercial, residential, or industrial uses within the next ten years, and which have not been sold or exchanged prior to July 1, 1984. [2015 c 225 s

116; 2003 c 334 s 531; 1994 c 264 s 60; 1988 c 36 s 53; 1984 c 222 s 8. Formerly RCW 79.66.080.]

**Intent—2003 c 334:** See note following RCW 79.02.010.

**RCW 79.19.090 Exchange of urban land for land bank land—Notification of affected public agencies.** If the department determines to exchange urban land for land bank land, public agencies defined in RCW 79.17.200 that may benefit from owning the property shall be notified in writing of the determination. The public agencies have sixty days from the date of notice by the department to submit an application to purchase the land and shall be afforded an opportunity of up to one year, as determined by the board, to purchase the land from the land bank at fair market value directly without public auction as authorized under RCW 79.17.200. The board, if it deems it in the best interest of the state, may extend the period under terms and conditions as the board determines. If competing applications are received from governmental entities, the board shall select the application which results in the highest monetary value. [2003 c 334 s 532; 1993 c 265 s 1; 1984 c 222 s 9. Formerly RCW 79.66.090.]

**Intent—2003 c 334:** See note following RCW 79.02.010.

**RCW 79.19.100 Urban lands—Cooperative planning, development.** The purpose of this section is to foster cooperative planning among the state, the department, and local governments as to state-owned lands under the department's jurisdiction situated in urban areas. At least once a year, prior to finalizing the department's urban land leasing action plan, the department and applicable local governments shall meet to review state and local plans and to coordinate planning in areas where urban lands are located. The department and local governments may enter into formal agreements for the purpose of planning the appropriate development of these state-owned urban lands.

The department shall contact those local governments which have planning, zoning, and land-use regulation authority over areas where urban lands under its jurisdiction are located so as to facilitate these annual or other meetings.

"Urban lands" as used in this section means those areas which within ten years are expected to be intensively used for locations of buildings or structures, and usually have urban governmental services.

"Local government" as used in this section means counties, cities, and towns having planning and land-use regulation authority. [2003 c 334 s 441; 1979 ex.s. c 56 s 1. Formerly RCW 79.01.784.]

**Intent—2003 c 334:** See note following RCW 79.02.010.

**RCW 79.19.110 Lands for commercial, industrial, or residential use—Payment of in-lieu of property tax—Distribution.** Lands purchased by the department for commercial, industrial, or residential use shall be subject to payment of in-lieu of real property tax for the period in which they are held in the land bank. The in-lieu payment shall be equal to the property taxes which would otherwise be paid if the land

remained subject to the tax. Payment shall be made at the end of the calendar year to the county in which the land is located. If a parcel is not held in the land bank for the entire year, the in-lieu payment shall be reduced proportionately to reflect only that period of time in which the land was held in the land bank. The county treasurer shall distribute the in-lieu payments proportionately in accordance with RCW 84.56.230 as though such moneys were receipts from ad valorem property taxes. [2003 c 334 s 533; 1984 c 222 s 10. Formerly RCW 79.66.100.]

**Intent—2003 c 334:** See note following RCW 79.02.010.

**RCW 79.19.120 Land bank account.** The land bank account is created in the state treasury. To this account shall be deposited such funds as the legislature directs or appropriates. Expenditures from this account may be used only to acquire property under RCW 79.19.020. Expenditures from this account may be made only after appropriation. [2023 c 383 s 14.]

**Findings—2023 c 383:** See note following RCW 79.17.300.

**RCW 79.19.901 Effective date—1984 c 222.** This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1984. [1984 c 222 s 16. Formerly RCW 79.66.901.]