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**Ecology & Parks Committee**

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**HB 3171**

**Brief Description:** Clarifying interests in certain state lands.

**Sponsors:** Representatives Upthegrove, Williams, Rolfes, Nelson, Cody, Dunshee, Lantz and Simpson.

**Brief Summary of Bill**

- Prohibits the Department of Natural Resources from leasing any state-owned aquatic lands located within the Maury Island Aquatic Reserve until a Washington appellate court enters a judgement as to who owns the proper title to the sand, gravel, and rock resources located on identified parcels of Maury Island.

**Hearing Date:** 1/30/08

**Staff:** Jason Callahan (786-7117).

**Background:**

Management and Sale of State Trust Lands

The Board of Natural Resources has been delegated the responsibility to direct the management of state lands that are held in trust for identified trust beneficiaries. Beneficiaries of these land trusts include the state's public schools and higher education institutions. Revenue earned through land management activities conducted by the Department of Natural Resources (DNR) benefits the identified trust beneficiary for the land.

Although the current laws regarding the sale of state trust lands have been significantly altered over the years, many aspects of land sales that occurred in the past are affected by the state law that was in place at the time of the actual transaction. One such former state law involved required mineral reservations attached to state land sales.

In the past, all land sales offered by the DNR were required to have a mineral reservation with exact language specified by the Legislature. This language required the DNR to reserve from the

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property rights conveyed "all oils, gases, coal, ores, minerals, and fossils of every name, kind or description, and which may be in or upon said lands".

This language was incorporated in the deeds executed during the time that the law was in effect, including parcels of former state lands located on Maury Island. There has not been a binding judicial determination interpreting whether the language of the mineral reservation retained in state ownership sand and gravel resources located on the land, or whether the sand and gravel resources were transferred to the buyer.

#### Management of State-Owned Aquatic Lands

The Legislature has delegated to the DNR the responsibility of managing the state's nearly 2.4 million acres of aquatic lands for the benefit of the public. The management of aquatic lands must support a balance of goals, including the encouragement of public access, the fostering of water-dependent uses, the utilization of renewable resources, and the generation of revenue. Revenues generated from the state's aquatic lands are generally directed to be used for public benefits, such as shoreline access, environmental protection, and recreational opportunities, but unlike trust lands, the land is not held in trust for a specific beneficiary.

#### The Maury Island Aquatic Reserve

The Maury Island Aquatic Reserve was created in 2004 by the Commissioner of Public Lands (Commissioner), and includes the bedlands and tidelands surrounding Maury Island and Quartermaster Harbor. In the order establishing the aquatic reserve, the Commissioner identified unique and significant natural values of the impacted aquatic lands and withdrew the lands from general leasing.

#### **Summary of Bill:**

The DNR is prohibited from leasing any state-owned aquatic lands located within the Maury Island Aquatic Reserve until a Washington appellate court enters a judgement as to who owns the proper title to the sand, gravel, and rock resources located on identified parcels of Maury Island. The prohibition on leasing applies only to leases for industrial uses or for the transportation of materials from a surface mine or other mining operation.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.