

# HOUSE BILL REPORT

## SSB 6090

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### As Reported By House Committee On:

Appropriations

**Title:** An act relating to funding management of agricultural college lands.

**Brief Description:** Modifying provisions that relate to the management and administration of agricultural college lands.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senator Loveland).

### Brief History:

#### Committee Activity:

Appropriations: 4/20/99 [DP].

#### Brief Summary of Substitute Bill

- Prohibits the deduction of revenues to pay for costs incurred in managing agricultural college trust lands.
- Creates the agricultural college trust management account.

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### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass. Signed by 31 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Alexander, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican Vice Chair; Barlean; Benson; Boldt; Carlson; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Tokuda and Wensman.

**Staff:** Jeff Olsen (786-7157).

### Background:

The Department of Natural Resources manages approximately 2.3 million acres of land known as enabling act trust lands. The lands are managed in trust for public

educational and institutional beneficiaries. Revenues are generated from timber sales, leases, sale of materials, and interest income, and they are redirected in the capital budget back to the specific trust beneficiary.

The department receives up to 25 percent of the trust revenues to pay for the management costs of these lands. The revenues are deposited into the resource management cost account (RMCA). In 1993, the Legislature enacted a law that allows for the pooling of funds within this account. In 1996, the Legislature asked the Attorney General to render an opinion clarifying the authority and responsibilities of the state in managing lands that the state holds in trust for the common schools, universities, and other purposes. The opinion concluded that there must be a separate accounting of each individual trust's revenues and expenses.

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**Summary of Bill:**

Income from the agricultural college trust lands is no longer deposited in the resource management cost account, and no portion of the income may be deducted for management costs. A new account, the agricultural college trust management account, is created for the purposes of making appropriations for the management costs of the agricultural college trust lands. The account consists of such funds as the Legislature appropriates or deposits to the account.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill contains an emergency clause and takes effect on July 1, 1999.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** None.