
SUBSTITUTE SENATE BILL 6774

State of Washington

54th Legislature

1996 Regular Session

By Senate Committee on Natural Resources (originally sponsored by Senators Drew, Hargrove, Oke, Snyder, Rinehart, Loveland, McDonald, Spanel and Fraser)

Read first time 02/23/96.

1 AN ACT Relating to the trust land transfer program; and adding a
2 new chapter to Title 79 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** It is the intent of the legislature to
5 ensure a public process and clear guidelines for the trust land
6 transfer program. Since 1989, the trust land transfer program has
7 provided an innovative way to infuse money into the public school
8 construction account, protect properties with significant natural,
9 park, or recreational attributes, transfer ownership of trust lands
10 that cannot be managed effectively for revenue production, and acquire
11 replacement trust properties better suited to produce revenue for the
12 trusts. The program:

13 (1) Provides revenue for the construction of public schools by
14 depositing the timber value of the transfer properties into the common
15 school construction account, while not actually harvesting the timber;

16 (2) Deposits into the natural resources real property replacement
17 account the proceeds associated with the land value that are then used
18 to purchase replacement properties that have better revenue production
19 potential for common school trust beneficiaries; and

1 (3) Transfers to more appropriate ownership common school trust
2 lands with very significant natural, park, or recreational attributes,
3 that are difficult to manage for revenue production.

4 NEW SECTION. **Sec. 2.** The board of natural resources shall develop
5 criteria to remove lands from trust status and to implement this
6 chapter and shall periodically review, and if appropriate, revise these
7 criteria. The primary consideration in determining suitability of
8 lands to be transferred under the criteria is increasing the ability of
9 the trust to produce revenue for its beneficiaries. The criteria shall
10 be submitted to the appropriate standing committees of the legislature
11 for their review by August 15, 1996.

12 Following legislative review, the board of natural resources shall
13 hold public hearings throughout the state on the criteria. The
14 criteria shall be adopted by the board of natural resources by rule by
15 December 31, 1996.

16 There are two major categories of lands that may be removed from
17 trust:

18 (1) Lands that cannot be economically harvested:

19 (a) That timber on lands to be transferred shall be difficult to
20 harvest due to economic considerations; and

21 (b) Lands constrained by environmental mandates under state or
22 federal law.

23 (2) Lands that are difficult to manage for revenue production
24 because of significant values such as recreation, scenic
25 considerations, conservation, or fish or wildlife habitat.

26 NEW SECTION. **Sec. 3.** The department of natural resources must
27 establish two lists of properties that are eligible for transfer under
28 the criteria for removing lands from trust under section 2 of this act.
29 There must be a clear identification of the reasons each property is
30 being considered for transfer. The department of natural resources
31 must set up a property selection process. The department of natural
32 resources must develop a prioritized list of properties that the
33 receiving agencies may choose from. The receiving agencies may only
34 choose potential transfer properties from the lists.

35 The department of natural resources shall establish the following
36 lists:

37 (1) Lands that cannot be economically harvested; and

1 (2) Lands that are difficult to manage for revenue production
2 because of significant values.

3 NEW SECTION. **Sec. 4.** The department of natural resources shall
4 attempt to maintain a minimum aggregate ratio of approximately eighty-
5 five to fifteen timber-to-land value in the transactions authorized by
6 this chapter. If the aggregate value of timber-to-land varies by more
7 than plus or minus five percent of that ratio, individual land
8 transfers may be dropped in order to maintain the approximate ratio.
9 Intergrant exchanges between common school and other trust lands of
10 equal value may occur if the exchange is in the interest of each trust,
11 as determined by the board of natural resources.

12 NEW SECTION. **Sec. 5.** There must be a determination as to which
13 public entity receives the transfer property. Eligible entities are
14 state parks, the department of fish and wildlife, the department of
15 natural resources, local agencies, and appropriate federal agencies.
16 A process for including local and federal agencies should be developed
17 and encouraged as a means to maximize public recreation and
18 conservation and to include agencies that may have better means of
19 addressing the ongoing maintenance and operation needs of the property
20 once it is removed from trust status.

21 The receiving entity should demonstrate the ability to manage the
22 property according to state and local weed, fire, and safety criteria.

23 NEW SECTION. **Sec. 6.** (1) The land and timber covered by this
24 chapter shall be appraised and purchased at full market value.

25 (2) The proceeds of the sales attributed to timber value shall be
26 deposited by the department of natural resources in the same manner as
27 timber revenues from other common school trust lands except that no
28 deductions shall be made for the resource management cost account under
29 RCW 79.64.040.

30 (3) The proceeds of the sales attributed to land value shall be
31 deposited into the natural resources real property replacement account
32 authorized by RCW 43.30.265. These funds shall be used by the
33 department of natural resources to acquire replacement land with an
34 emphasis on timberland of equal value to be managed as common school
35 trust land.

1 (4) All reasonable costs incurred by the department of natural
2 resources to implement this chapter, including all costs of acquiring
3 real property to replace the trust lands transferred, are authorized to
4 be paid from appropriations implementing this chapter.

5 (5) The department of natural resources shall develop standards to
6 implement section 5 of this act.

7 NEW SECTION. **Sec. 7.** The department of natural resources shall
8 appoint an advisory committee within thirty days of the effective date
9 of this chapter. The department of natural resources shall work
10 regularly with the advisory committee on the trust land transfer
11 program. The advisory committee shall include a representative for
12 each of the following:

13 (1) The common school trust;

14 (2) The county governments of timber counties located in eastern
15 Washington;

16 (3) The county governments of timber counties located in western
17 Washington;

18 (4) The parks and recreation commission; and

19 (5) The department of fish and wildlife.

20 NEW SECTION. **Sec. 8.** The criteria required under this chapter
21 shall be used for the evaluation of lands and resources. By November
22 1st of each year, the department of natural resources, after approval
23 by the board of natural resources, shall submit a list of any trust
24 land transfer property requests to the legislature for its
25 consideration in the capital budget.

26 NEW SECTION. **Sec. 9.** The department of natural resources must
27 hold a public hearing in an area impacted by the land transfer. Prior
28 notice must be given by the department of natural resources to abutting
29 landowners or lessees concerning all transfers covered by this chapter.

30 NEW SECTION. **Sec. 10.** (1) Each county commissioner of a county or
31 member of a county legislative authority with public land or timber
32 that is affected by a proposed change in status of land or timber must
33 be notified.

1 (2) Public land or timber transfers covered by this chapter must be
2 carried out in cooperation with other interested state, local, and
3 federal agencies.

4 NEW SECTION. **Sec. 11.** Except for section 6 of this act, this
5 chapter shall not apply to trust lands approved prior to July 1, 1996,
6 by the legislature for transfer.

7 NEW SECTION. **Sec. 12.** Sections 1 through 11 of this act shall
8 constitute a new chapter in Title 79 RCW.

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