
SENATE BILL 5538

State of Washington

57th Legislature

2001 Regular Session

By Senators Haugen and Jacobsen

Read first time 01/25/2001. Referred to Committee on Natural Resources, Parks & Shorelines.

1 AN ACT Relating to the trust land transfer program; adding new
2 sections to chapter 79.08 RCW; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that since 1989 a
5 trust land transfer program has been maintained through successive
6 biennial budget legislation. This program has provided an innovative
7 means to protect state trust lands that have significant natural, park,
8 and recreational benefits, and provide important aquifer recharge and
9 other environmental benefits. At the same time this program both
10 provides immediate revenue for school construction and acquires other
11 lands to place into trust status to improve revenues to the trust in
12 the future. Specifically, this program has three components:

13 (1) It provides revenue for the trusts by depositing the timber
14 value of the transfer properties into the trust accounts;

15 (2) It provides funding to replace the transferred lands with land
16 of equal value that has better income-producing potential for trust
17 beneficiaries; and

18 (3) It transfers the protected lands to more appropriate management
19 and ownership to emphasize natural, park, water supply protection, and

1 other purposes. Since 1989 the legislature has provided a total of
2 three hundred seventy-two million dollars to fund trust land transfers,
3 of which two hundred thirty-seven million dollars has been allocated to
4 school construction funding and the balance to the purchase of
5 replacement lands for the school trusts.

6 The legislature further finds that this program may be strengthened
7 by providing guidance for developing priority parcels for trust land
8 transfers, providing criteria to guide development of priority
9 proposals, for providing greater public involvement in the program, and
10 by authorizing the program in statute.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 79.08 RCW
12 to read as follows:

13 (1) The trust land transfer program is established within the
14 department of natural resources. Consistent with the requirements of
15 section 3 of this act, the board of natural resources must adopt
16 procedures for the department of natural resources to identify,
17 evaluate, and submit to the board a priority list of trust lands
18 appropriate for funding under the program. The board of natural
19 resources must adopt criteria for evaluating trust lands appropriate
20 for funding, which should include consideration of:

21 (a) Increasing the ability of the trust to produce revenue for its
22 beneficiaries;

23 (b) Lands on which revenue generating capacity is constrained by
24 local, state, or federal law; and

25 (c) Lands that provide significant value for purposes other than
26 maximizing revenue from timber harvest, such as uses for parks and
27 recreation, natural areas conservation, fish and wildlife habitat
28 conservation, scenic enjoyment, and protection of water supplies and
29 water quality.

30 The board of natural resources' evaluation criteria must place a
31 high priority upon lands on islands that provide a significant recharge
32 function to sole source aquifers relied upon for drinking water
33 purposes.

34 (2) By July 1st of each even-numbered year, the department of
35 natural resources must develop a prioritized list of properties
36 eligible for trust land transfer. The list shall rank the projects in
37 order of priority, and clearly identify the reasons each property is
38 being recommended for transfer, the proposed use of each property, and

1 the proposed receiving agency. The list must be submitted to the board
2 of natural resources for its review and consideration, and be provided
3 to members of the public requesting such information, as well as each
4 city or county in which listed trust lands are located.

5 (3) The board of natural resources must schedule one or more public
6 meetings in which citizens may provide their comments on the ranked
7 list and upon other trust lands that may be recommended for
8 consideration.

9 (4) By September 15th of each even-numbered year, the board of
10 natural resources must recommend to the governor a prioritized list of
11 properties eligible for trust land transfer. The board's
12 recommendations must also be submitted to the standing capital budget
13 committees of the senate and the house of representatives.

14 NEW SECTION. **Sec. 3.** A new section is added to chapter 79.08 RCW
15 to read as follows:

16 (1) Property transferred under the trust land transfer program
17 created in section 2 of this act must be appraised and transferred at
18 fair market value. The proceeds of the sale or transfer attributed to
19 timber value must be deposited by the department of natural resources
20 in the same manner as timber revenues from other trust lands, except
21 that no deductions may be made for the resource management cost account
22 under RCW 79.64.040 unless the transfer is of a lease or easement
23 interest. The proceeds of the sales attributed to land value must be
24 deposited into the natural resources real property replacement account
25 under RCW 43.30.265. These funds must be expended by the department of
26 natural resources to acquire replacement real property of equal value
27 to be managed as trust land for the trust under which the transferred
28 land was managed.

29 (2) Trust land transfers may be accomplished either by a transfer
30 of the fee interest in the land or by conveying a lease, easement, or
31 other interest that restricts timber harvest on transferred properties
32 for a minimum of thirty years.

33 (3) Prior to the transfer of lands, the receiving agency must
34 demonstrate the ability to manage the transfer lands according to state
35 and local laws regarding public safety, weed and fire control, and
36 other applicable public land management requirements. Trust land
37 transfers must be accomplished in cooperation with receiving agencies.

1 (4) The department of natural resources may not expend funds or
2 otherwise financially obligate funds for trust land transfers until the
3 legislature has appropriated funds for a specific list of projects.

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