

HOUSE BILL REPORT

HB 2625

As Reported By House Committee On:

Natural Resources

Title: An act relating to the sale of specific lands for the purposes of resolving trespass on state forest lands.

Brief Description: Allowing the disposition of state forest lands without public auction.

Sponsors: Representatives Regala, Pennington, Anderson, Dunshee and Stensen; by request of Commissioner of Public Lands.

Brief History:

Committee Activity:

Natural Resources: 1/25/00, 2/3/00 [DPS].

Brief Summary of Substitute Bill

- Allows the Department of Natural Resources to dispose of parcels of land that are up to 10 acres or less or that have a value of \$25,000 or less in order to resolve trespass or property boundary disputes.
- Allows the Department of Natural Resources to acquire state forest board lands at fair market value, rather than at statutorily established prices.

HOUSE COMMITTEE ON NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Buck, Republican Co-Chair; Regala, Democratic Co-Chair; Anderson, Democratic Vice Chair; Sump, Republican Vice Chair; Clements; Eickmeyer; Ericksen; Pennington; Rockefeller and Stensen.

Staff: Josh Weiss (786-7129).

Background:

The Department of Natural Resources manages approximately 620,000 acres of forest board transfer trust and forest board purchase lands. Transfer trust lands were logged

forest lands that appeared on county tax foreclosure inventories. They were transferred to the state and are now managed for the benefit of the counties they are located in. Purchase lands were logged forest lands purchased by the state to maintain a long-term forest resource base. After management expenses, the income from purchase lands is split between the counties they are located in, and the state general fund for the support of common schools. Together the forest board transfer trust lands and forest board purchase lands are referred to as the "forest board" lands, which are distinguished from the federal trust lands the department also manages.

The department may dispose of trust lands in order to resolve trespass and property ownership disputes when it is in the best interest of the state, for fair market value, and after an appraisal.

There is no expedited method to dispose of forest board lands to resolve trespass and property ownership disputes. Forest board lands are specifically reserved from sale. These lands may be exchanged for other land, but only to consolidate the holdings of the state, county, municipality, or federal government. Forest board lands may be "transferred back to the county in which they are located, but only for public park purposes."

The department can acquire forest board lands, but may not pay more than \$2 per acre for lands that are devoid of forests, or \$6 per acre for lands that are forested. The department is required when purchasing such lands to designate the land with a distinctive name or number.

Summary of Substitute Bill:

The department may dispose of forest board lands in order to resolve trespass and property ownership disputes when it is in the best interest of the state for fair market value, and after an appraisal. Such disposal may only occur if the lands consist of no more than 10 contiguous acres or less, or are valued at \$25,000 or less. The proceeds from any disposal must be deposited into the park land trust revolving fund to fund the purchase of replacement land within the same county.

The department is allowed to acquire forest board lands for no more than fair market value, and provisions restricting the maximum price per acre are removed. Provisions requiring the department to designate forest board lands with a distinctive name or number are also removed.

Substitute Bill Compared to Original Bill: The substitute bill allows the department to acquire forest board lands for no more than fair market value, and removes provisions restricting the maximum price per acre. The substitute bill also removes provisions

requiring the department to designate forest board lands with a distinctive name or number.

Appropriation: None.

Fiscal Note: Requested on January 19, 2000.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: This is a department request bill. It would allow the department to resolve trespass issues that occur at no fault of the private landowner. Many adjacent landowners build homes without checking the property boundaries. There are 86 known trespasses on department-owned land. Fifty percent of these are on forest board lands. The size of these trespasses are usually pretty small, but in one instance was as large as an entire township. Forest board lands are prohibited from sale, and the department has been known to exchange the land for other land, and then sell the property after it is not in forest board land ownership.

Testimony Against: None.

Testified: Kaleen Cottingham, Department of Natural Resources.