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**Agriculture & Natural  
Resources Committee**

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**HB 1803**

**Brief Description:** Creating the legacy trust for recreation and conservation.

**Sponsors:** Representatives Linville, Rockefeller, Anderson, Delvin, McDermott, McIntire, Woods and Simpson; by request of Commissioner of Public Lands.

**Brief Summary of Bill**

- Creates and directs the management of the Legacy Trust for Recreation and Conservation.
- Requires certain state-owned lands to provide counties with a payment in lieu of property taxes.
- Creates two new appropriated accounts.

**Hearing Date:** 2/21/03

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

**Background:**

The Department of Natural Resources (DNR) manages state land for a number of different purposes. Some land must be managed to generate revenue for named beneficiaries. The DNR is also charged with the responsibility of managing aquatic lands, Natural Area Preserves and Natural Resource Conservation Areas.

The Legislature has directed the DNR to manage state lands for multiple uses, including recreation, when those uses do not conflict with the management goals of the land. Public uses of state land include camp sites, picnic areas, trails, and educational and scientific research areas.

**Summary of Bill:**

## Trust Creation and Management

A new state lands trust, the Legacy Trust for Recreation and Conservation (Legacy Trust) is created for the DNR to manage. The Legacy Trust may be composed of lands that are suitable for sustainable commercial forest management, commercial agriculture, or any other commercial or industrial purpose. Management of the Legacy Trust must provide financial support for public recreational access, use of state-owned lands, and the management and protection of Natural Area Preserves and Natural Resource Conservation Areas. Only the state Attorney General may enforce the rights of the public to secure the proper administration of the Legacy Trust.

The DNR is directed to manage the Legacy Trust in the same manner that it manages other state lands. This includes the authority to sell valuable materials, enter into leases with other parties, enter into land exchanges or real property direct transfers, or sell properties held in the Legacy Trust. The Board of Natural Resources (Board) must approve all land sales, and the sale revenue must be used to acquire replacement real property.

The Legacy Trust Management Account (Management Account) and the Legacy Recreation and Conservation Trust Account (Trust Account) is created in the State Treasury. Up to 30 percent of all revenue generated from Legacy Trust lands is directed to be deposited into the Management Account. These funds may be used for the management of Legacy Trust lands and reimbursement to other accounts that may have contributed to Legacy Trust lands.

The revenue from Legacy Trust lands that is not deposited into the Management Account is directed to the Trust Account. Funds in the Trust Account may only be used for the support and management of recreation, natural areas, and conservation areas on state-owned lands. Any extra revenue generated by the Legacy Trust not needed for use by the DNR may be spent by the Legislature for similar purposes.

## Land Acquisition and Tax Issues

The DNR is authorized to acquire land for the Legacy Trust through most standard methods, except for eminent domain. Acceptable land acquisition methods include purchase, gift, donation, and transfer. Property can be accepted in fee, or a partial interest, and the property acquired may be subject to encumbrances. The Board must approve all property acquisitions, and any urban acquisitions may not become final until the Land Bank Technical Advisory Committee has been asked for advice.

Any funds received by the DNR on behalf of the Legacy Trust, including gifts, loans, and legislative appropriations, must be deposited into the unappropriated Park Land Trust Revolving Fund, which is now titled the Legacy and Park Land Trust Revolving Fund (Revolving Fund). The money in this fund may be used to assemble the land base for the Legacy Trust.

If the assembly of the Legacy Trust land base includes the acquisition of property from private landowners, the revolving fund will be used to provide the local county a payment in lieu of property taxes that is the same amount that the owner would pay to the county if it had been retained in private ownership. Counties receiving a payment in lieu property taxes

are not authorized to issue a leasehold tax for that parcel.

Designated and classified forest land that is transferred or sold in fee to the DNR for the Legacy Trust, and no longer qualifies for designation or classification, does not have to pay fees and taxes.

### Planning

Before asking the Legislature for an appropriation from the Trust Account, the DNR must develop a six-year expenditure strategy. This strategy must prioritize expenditures, including the operation, maintenance, and capital upgrades for dispersed recreational activities, maintenance and stewardship of natural areas and conservation areas, public education, and law enforcement. This strategy must be updated every two years.

**Appropriation:** None.

**Fiscal Note:** Requested on February 11, 2003.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.