

SENATE BILL REPORT

SB 6147

As of January 23, 2004

Title: An act relating to transferring federally granted higher education trust lands to other public uses.

Brief Description: Providing for transferring federally granted higher education trust lands to other public uses.

Sponsors: Senator Jacobsen.

Brief History:

Committee Activity: Higher Education: 1/26/04.

SENATE COMMITTEE ON HIGHER EDUCATION

Staff: Heather Lewis-Lechner (786-7448)

Background: Washington was admitted as a state in 1889 and with statehood came land grants from the federal government. These grants include the scientific school and agricultural college trusts, the management of which benefits Washington State University; the normal school trusts which benefits Central Washington University, Eastern Washington University, Western Washington University, and The Evergreen State College; and the university trust which benefits the University of Washington. Over three million acres were transferred or promised to Washington in original grant lands. Washington has kept most of its grant lands to generate income.

Under the Washington State Constitution "all public lands granted to the state are held in trust for all the people" and only minimal sales of trust lands are allowed. No restrictions, however, are placed on leasing trust lands or selling trust land resources, such as timber and minerals. This ability to lease or sell resources is a means of generating income for the beneficiaries of the trust, the citizens of Washington. The income currently goes to specific public purposes including construction of schools, college or university buildings, prisons, institutions, and Capitol buildings.

In 1957, the Department of Natural Resources (DNR) was created by the Legislature. The purpose of DNR is to adopt policies to achieve the maximum effective development and use of trust lands based on sound management principles. DNR manages more than five million acres of state-owned land, including grant lands. DNR is allowed to exchange, transfer, acquire and replace trust lands.

Summary of Bill: DNR must transfer from trust status certain listed higher education trust lands of a specified value by June 30, 2005. The lands to be transferred must be appraised and transferred at a fair market value and the value of the land and resources transferred is deposited into the appropriate permanent fund managed by the State Investment Board.

Any reasonable costs incurred by DNR in implementing this transfer may be paid out of the appropriations established in the bill. Examples of reasonable costs are included.

Trust lands transferred under this act are managed as other state lands for sustainable commercial forestry and multiple use of lands. Multiple use of lands includes the lease of the land or the sale of valuable land resources from the land.

Any moneys derived from the lease of this transferred land or from the sale of the valuable resources from the land is distributed in the following way: 25 percent is placed in the forest development account and 75 percent is distributed to the state general fund.

Appropriation: One hundred million dollars, or as much of that as is necessary, is appropriated from the Gardner-Evans higher education construction account to DNR for the purpose of this act.

Fiscal Note: Requested on January 20, 2004.

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