

# **Trust Land Transfer Revitalization**









## What is Trust Land Transfer?

Initiated in 1989 and revitalized in 2022, Trust Land Transfer (TLT) is an innovative program for the Washington State Legislature, through the Department of Natural Resources (DNR), to address several trust land management needs:

- Transfer economically under-performing state trust lands to a receiving agency and acquire legislative funding to purchase real property placement lands with higher long-term income producing potential; and
- Conserve lands that have high ecological values and public benefits.

Through a legislative appropriation, TLT enables DNR to keep special places in public ownership while also improving the revenue-generating capacity of the trust lands portfolio.

### What is Trust Land Transfer Revitalization?

In its 2021 session, the Washington State Legislature passed a budget proviso focused on strengthening and improving the TLT program with the help of a work group (Supplemental House Budget [SHB] 1080 Sec. 3333). DNR completed this work in two phases with two different work groups. Work groups included representatives of trust beneficiaries, conservation groups, tribes, the timber industry, and public agencies that will receive transferred parcels. Revitalizing this tool was one of the recommendations of the 2021 <a href="Trust Lands Performance Assessment">Trust Lands Performance Assessment</a>.

### Over 100,000

Acres of state trust lands transferred to public agencies and a tribe

### Over 50,000

Acres of replacement land purchased

#### 15 Percent

**Percentage (by area)** of the Washington state parks system that came from TLT

43

Number of DNRmanaged natural areas that owe their existence to TLT, in full or in part.

DNR

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<u>Click here</u> to learn more about TLT revitalization

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# **Major Changes to TLT**

DNR and the Phase 1 and 2 work groups made **fundamental changes to TLT** that will make it far more **open**, **transparent**, **and effective** at meeting today's land management challenges. For example, DNR and the work groups develop an **improved and well-documented analysis** to ensure that each proposed transfer is in the best interests of the trust beneficiaries. DNR also will establish an **external advisory committee**, who will score eligible transfers according to standardized prioritization criteria. DNR will use these scores to create a **prioritized list of transfers**. Following are highlights of other major changes to TLT.

### **80:20 Requirement Discontinued**

DNR and the work groups eliminated the requirement that the timber value on all proposed transfers, combined, is at least 80 percent of the total land value of those parcels. Eliminating this requirement **enables DNR to transfer non-forested or sparsely forested parcels**, which makes this tool more effective at managing the state trust lands portfolio.

### **Program Expanded to All Trusts**

The TLT program has been **opened to all trusts, including State Forestlands**, to make the tool more flexible and effective. Previously, TLT was effectively limited to lands within the Common School Trust, as any lands outside of this trust had to undergo an inter-trust exchange prior to transfer.

### **More Funding Directed to Replacement Land Purchases**

In the past, the timber value of each transferred parcel was directed to the Common School Construction Account as a one-time payment, leaving only the remaining land value available to purchase replacement lands. This requirement has made replacement land purchases very difficult. Under the revitalized TLT program, the entire land value of federally granted lands, including the value of timber and other valuable materials and state-owned improvements on the land, will be available for the purchase of replacement land. For State Forestlands, counties have the flexibility to request up to 100 percent of the proceeds from the timber and other valuable materials as a one-time payment, subject to approval by the Board of Natural Resources.

### **Program Established in State Statute**

Previously, TLT was authorized each biennium through provisos in the state Capital Budget. In 2023, the Washington State Legislature passed <u>Substitute House Bill 1460</u>, which establishes the TLT program in state statute. Having the program in statute will provide long-term stability.

#### **Contact**