

Senator Christine Rolfes, Chair Senator Mark Mullet, Vice Chair, Capital Senator Mark Schoesler, Ranking Member, Capital Senator Ann Rivers, Asst. Ranking Member, Capital Senator Judy Warnick, Asst. Ranking Member, Capital **Senate Ways & Means Committee** 311 J.A. Cherberg Building P.O. Box 40482 Olympia, WA 98504-0482

Representative Steve Tharinger, Chair Representative Lisa Callan, Vice Chair Representative David Hackney, Vice Chair Representative Mike Steele, Ranking Min. Member Representative Peter Abbarno, Asst. Ranking Min. Member Representative Bryan Sandlin, Asst. Ranking Min. Member **House Capital Budget Committee** John L. O'Brien Building P.O. Box 40600 Olympia, WA 98504-0600

Dear Capital Budget Leaders:

The 55 undersigned conservation, recreation, and wildlife organizations strongly urge the legislature to fully fund \$25 million in the capital budget for 10 projects in DNR's Trust Land Transfer program (TLT). TLT is a land management tool that upgrades state assets and transfers land to communities for conservation and recreation when the land doesn't fit DNR's mission of generating non-tax revenue for trust beneficiaries. Revitalizing Trust Land Transfer is a major priority for Commissioner of Public Lands Hillary Franz as she recognizes its value to the state. We encourage the legislature to make it a priority as well.

Support for a New & Revitalized Trust Land Transfer

Since its inception in 1989, the TLT program has preserved more than 125,000 acres of state trust land for fish and wildlife habitat, recreation, education, and other community uses. Some of the state's most treasured places like Mt. Si, Blanchard Mountain, and Deception Pass State Park have benefitted from TLT. The Trust Land Transfer program is consistent and complementary with DNR's broader efforts to generate revenue to trust beneficiaries. Compensation for trust land transfers are reinvested often to purchase more productive lands that sustain or improve potential economic future returns for schools and local governments. The legislature has historically shown strong support for this conservation tool, investing over \$880 million in TLT over 30 years.

Interest in TLT as a tool for improving access to public land dwindled in the last decade. However, after hearing strong interest from communities who wanted to continue using TLT to protect special places, the legislature asked DNR to convene a work group to modernize the program in the 2021 capital budget¹ and to continue that work in the 2022 operating budget². The legislature recognized that Trust Land Transfer had great potential but also some shortcomings that needed to be addressed.

We fully support DNR's new vision for Trust Land Transfer in HB 1460/SB 5372. DNR has proposed extensive new transparency measures and significant public input into a new TLT project selection process, similar to what is used by the state Recreation and Conservation Office (RCO). Further, DNR is seeking additional flexibility to use TLT for more types of state trust lands, allowing all trusts and non-forested land to also be considered for TLT. Passage of HB 1460/SB 5372 and full funding for the 10 projects under consideration would represent the full revitalization of the Trust Land Transfer program.

Support Commissioner Franz's \$25 million Request as a First Step Toward Revitalizing TLT

The 10 TLT projects identified by DNR are in the best interest of the trust and the state. For each of the projects under consideration, DNR conducted a robust and transparent "best interest of the trust" analysis which determined they make financial sense for beneficiaries. They are not projects where the public simply wants to stop logging of public land. They are parcels that DNR has deemed as "under-performing" – meaning they have low-income generating potential or are inefficient for DNR to manage due to geographic location or other factors. The projects have been approved by both DNR and the Board of Natural Resources because they deliver value to the state, primarily beneficiaries, but also local communities & the timber industry.

The 10 projects represent a diverse array of state trust lands that are better off outside of revenue-generating status and were previously submitted to the legislature for consideration. If funded by the legislature, they will create green spaces supporting recreation, conservation of wildlife habitat, research opportunities and educational enrichment on more than 6,000 acres in 10 different counties located in 8 different legislative districts. The projects have widespread support from the public as indicated by the organizations listed below and the 605 people who signed in pro in on the SB5372 hearing in the Senate Agriculture, Water, Natural Resources, & Parks Committee on January 26.

Project & priority rank	Recipient	LD	County	Acres	Est. Value
1. Eglon	Kitsap County	23 rd	Kitsap	707	\$7,300,000
2. Devils Lake	DNR – Natural Areas	24 th	Jefferson	415	\$5,200,000
3. Upper Dry Gulch	DNR – Natural Areas	12 th	Chelan	2662	\$3,100,000
4. Chapman Lake	WDFW	9 th	Spokane	542	\$1,000,000
5. Morning Star	DNR - Natural Areas	12 th	Snohomish	1,071	\$3,550,000
6. West Tiger	DNR - Natural Areas	5 th	King	99	\$750,000
7. Lake Spokane CG	State Parks	7 th	Stevens	305	\$2,000,000
8. Blakely Island	San Juan County	40 th	San Juan	184	\$1,500,000
9. Moses Lake Sand Dunes	Grant County	13 th	Grant	648	\$500,000
10. Rustler's Gulch	WDFW	7 th	Pend Oreille	40	\$125,000
TOTALS:				6,673	\$25,125,000

Please Discontinue the 80/20 Rule

In addition, to other reforms identified in HB 1460/SB 5372, we recommend the legislature end the 80/20 rule to allow more funding for replacement land. Historically, TLT's capital budget proviso generally required 80% of the appropriation to be directly passed through to the K-12 school construction fund. Only 20% of the appropriation was then available to purchase replacement land. This contributed to the view by some that Trust Land Transfers diminished the size of the state trust. While TLT has conserved approximately 125,000 acres, legislative funding under the 80/20

¹ 2021-2023 Capital Budget: Section 3333 of SHB 1080

² 2021-2023 Supplemental Operating Budget: Section 310(46) of ESSB 5693

rule was only sufficient to purchase 55,000 acres of replacement land. Ending the 80/20 rule in the capital budget would allow more reinvestment in more productive lands supporting trust beneficiaries over the long term.

In short, TLT addresses many of the issues legislators hear about including a healthy economy, strong rural communities, outdoor recreation, clean water, wildlife and salmon habitat, working forests and more. TLT improves access to open space where it's needed most – near rapidly urbanizing communities. The program:

- Prevents the loss of working forests by providing a funding source to purchase private forestlands at risk of conversion.
- Gives the public a say in the future of public lands. TLT allows DNR to work with local communities to find solutions while staying true to its mandate of generating non-tax revenue for beneficiaries.
- Provides the only tool DNR has to transfer trust lands for conservation or for local communities uses.
- Offers a solution to upgrade state trust assets; it's a key recommendation from the <u>2021 Trust Land</u> <u>Performance Assessment</u>

Please fully fund TLT at \$25 million in the Capital Budget.

Sincerely,

Tom Uniack Executive Director Washington Wild

Phil Fenner President North Cascades Conservation Council

Mike Town Chair, State Lands Committee Washington Chapter of the Sierra Club

Robert Kaye Conservation Chair North Cascades Audubon Society (Bellingham)

Matt Perkins President and Founder Washington Climbers Coalition

Megan Birzell Washington State Director The Wilderness Society

J Michelle Swope Washington State Coordinator Native Fish Society

Amy Brockhaus Deputy Director Mountains to Sound Greenway Trust

Gabe Epperson, MPA Executive Director Whatcom Land Trust (Bellingham) Timothy Manns Conservation Chair Skagit Audubon Society (Mount Vernon)

Betsy Robblee Conservation & Advocacy Director The Mountaineers

Patricia Jones Executive Director Olympic Forest Coalition (Quilcene)

Joseph Bogaard Executive Director Save Our Wild Salmon Coalition

Steve Erikson Litigation Coordinator Whidbey Environmental Action Network (Langley)

Larry Lober President Greater Bellingham Running Club (Bellingham)

Andrea Imler Advocacy Director Washington Trails Association

Rick McGuire President Alpine Lakes Protection Society

Justin Allegro Policy Director The Nature Conservancy Vanessa Kritzer Executive Director Washington Association of Land Trusts

Ashley Short Policy Manager Cascade Forest Conservancy (Vancouver)

Peter Bahls Executive Director Northwest Watershed Institute (Port Townsend)

Sarah Brooks Executive Director Methow Conservancy (Winthrop)

Kathleen S. Gobush, PhD Northwest Director Defenders of Wildlife

Mark Boyar President MidFORC Coalition

Ryan Talbott Pacific Northwest Conservation Advocate WildEarth Guardians

Eddie Espinosa Director, Community Programs American Alpine Club

John Bridge President Olympic Park Advocates (Sequim)

Trish Rolfe Executive Director Center for Environmental Law & Policy

Bill Derry President Pilchuck Audubon Society (Everett)

Thomas O'Keefe, PhD Pacific Northwest Stewardship Director American Whitewater

Arthur (R.D.) Grunbaum President Friends of Grays Harbor (Westport) Taylor Robertson Marketing & Sales Director Werner Paddles (Monroe)

Jesse Swedlund President Paddle Trails Canoe Club

Janet Strong President Grays Harbor Audubon Society (Westport)

Carol Price Co-President Kitsap Environmental Coalition (Hansville)

Michael Nash Owner Hard Core Paddles (Gold Bar)

Yvonne Kraus Executive Director Evergreen Mountain Bike Alliance

Irene Nash President Sky Valley Future (Gold Bar)

Travis Merrigan Co-Founder GRAYL

Sarah Dyrdahl Northwest Regional Director American Rivers

Jennie Goldberg Director League of Northwest Whitewater Racers

Michael Morrison Board Chair Pacific Rivers

Michelle Connor President & CEO Forterra

Steve Aguilu Past President Wenatchee Valley Fly Fishers (Wenatchee) Bill Taylor Executive Management Team Taylor Shellfish (Shelton)

Renée C Paradis Board Member Washington Kayak Club

Rachel Baker Forest Program Director Washington Conservation Action

Susan Chatlos Susor President Friends of Heybrook Ridge (Index)

Hilary Eisen Policy Director Winter Wildlands Alliance

Gina Claeys Conservation Chair Spokane Mountaineers (Spokane) Dan Streiffert Conservation Chair Rainier Audubon Society (Auburn)

Stephen Kropp Founder & Director Legacy Forest Defense Coalition (Tacoma)

Cameron Lankhaar Co-chair WA Chapter of Backcountry Hunters & Anglers

Nathan Daniel Executive Director Great Peninsula Conservancy (Bremerton)

Arthur Campbell President North Central Washington Audubon Society (Wenatchee)