

Chapter 79.17 RCW
LAND TRANSFERS

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PART 1
EXCHANGES

- RCW 79.17.010 Exchange of state lands—Purposes—Conditions.** (1)
The department, with the approval of the board, may exchange any state land and any timber thereon for any land of equal value in order to:
- (a) Facilitate the marketing of forest products of state lands;
 - (b) Consolidate and block-up state lands;

(c) Acquire lands having commercial recreational leasing potential;

(d) Acquire county-owned lands;

(e) Acquire urban property which has greater income potential or which could be more efficiently managed by the department in exchange for state urban lands as defined in RCW 79.19.100; or

(f) Acquire any other lands when such exchange is determined by the board to be in the best interest of the trust for which the state land is held.

(2) Land exchanged under this section shall not be used to reduce the publicly owned forestland base.

(3) The board shall determine that each land exchange is in the best interest of the trust for which the land is held prior to authorizing the land exchange.

(4) (a) During the biennium ending June 30, 2013, for the purposes of maintaining working farm and forest landscapes or acquiring natural resource lands at risk of development, the department, with approval of the board of natural resources, may exchange any state land and any timber thereon for any land and proceeds of equal value, when it can be demonstrated that the trust fiduciary obligations can be better fulfilled after an exchange is completed. Proceeds may be in the form of cash or services in order to achieve the purposes established in this section. Any cash received as part of an exchange transaction shall be deposited in the resource management cost account to pay for administrative expenses incurred in carrying out an exchange transaction. These administrative expenses include road maintenance and abandonment expenses. The amount of proceeds received from the exchange partner may not exceed five percent of the total value of the exchange. The receipt of proceeds shall not change the character of the transaction from an exchange to a sale.

(b) During the biennium ending June 30, 2015, for the purposes of maintaining working farm and forest landscapes or acquiring natural resource lands at risk of development, the department, with approval of the board of natural resources, may exchange any state land and any timber thereon for any land and proceeds of equal value, when it can be demonstrated that the trust fiduciary obligations can be better fulfilled after an exchange is completed. Proceeds may be in the form of cash or services in order to achieve the purposes established in this section. Any cash received as part of an exchange transaction shall be deposited in the resource management cost account to pay for administrative expenses incurred in carrying out an exchange transaction. These administrative expenses include road maintenance and abandonment expenses. The amount of proceeds received from the exchange partner may not exceed five percent of the total value of the exchange. The receipt of proceeds shall not change the character of the transaction from an exchange to a sale.

(5) Prior to executing an exchange under this section, and in addition to the public notice requirements set forth in RCW 79.17.050, the department shall consult with legislative members, other state and federal agencies, local governments, tribes, local stakeholders, conservation groups, and any other interested parties to identify and address cultural resource issues and the potential of the state lands proposed for exchange to be used for open space, park, school, or critical habitat purposes. [2013 2nd sp.s. c 19 s 7034; 2012 2nd sp.s. c 2 s 6006; 2009 c 497 s 6024; 2008 c 328 s 6012. Prior: 2003 1st sp.s. c 25 s 939; 2003 c 334 s 452; 1987 c 113 s 1; 1983 c 261 s

1; 1973 1st ex.s. c 50 s 2; 1961 c 77 s 4; 1957 c 290 s 1. Formerly RCW 79.08.180.]

Effective date—2013 2nd sp.s. c 19: See note following RCW 43.34.080.

Effective date—2012 2nd sp.s. c 2: See note following RCW 43.155.050.

Effective date—2009 c 497: See note following RCW 28B.15.210.

Part headings not law—Severability—Effective date—2008 c 328: See notes following RCW 43.155.050.

Severability—Effective date—2003 1st sp.s. c 25: See notes following RCW 19.28.351.

Intent—2003 c 334: See note following RCW 79.02.010.

Exchange to block up holdings: RCW 79.17.020, 79.17.060.

RCW 79.17.020 Exchange of lands to consolidate and block up holdings or obtain lands having commercial recreational leasing potential—Board's authority to exchange state forestland—Consultation with interested parties. (1) The board of county commissioners of any county and/or the mayor and city council or city commission of any city or town and/or the board shall have authority to exchange, each with the other, or with the federal forest service, the federal government or any proper agency thereof and/or with any private landowner, county land of any character, land owned by municipalities of any character, and state forestland owned by the state under the jurisdiction of the department, for real property of equal value for the purpose of consolidating and blocking up the respective landholdings of any county, municipality, the federal government, or the state of Washington or for the purpose of obtaining lands having commercial recreational leasing potential. The board shall also have the authority to exchange state forestland for the purpose of obtaining land with greater natural resource or income-producing potential, when in the best interest of the state or affected trust. State forestland exchanged under this section may not be used to reduce the publicly owned forestland base.

(2) Prior to executing an exchange under this section, and in addition to the public notice requirements set forth in RCW 79.17.050, the department shall consult with legislative members, other state and federal agencies, local governments, federally recognized Indian tribes, local stakeholders, conservation groups, and any other interested parties to identify and address cultural resource issues, and the potential of the state lands proposed for exchange to be used for open space, park, school, or critical habitat purposes. [2023 c 383 s 4; 2013 2nd sp.s. c 19 s 7035; 2012 2nd sp.s. c 2 s 6007; 2009 c 497 s 6025; 2008 c 328 s 6013. Prior: 2003 1st sp.s. c 25 s 937; 2003 c 334 s 209; 1973 1st ex.s. c 50 s 1; 1961 c 77 s 1; 1937 c 77 s 1; RRS s 5812-3e. Formerly RCW 76.12.050.]

Findings—2023 c 383: See note following RCW 79.17.300.

Effective date—2013 2nd sp.s. c 19: See note following RCW 43.34.080.

Effective date—2012 2nd sp.s. c 2: See note following RCW 43.155.050.

Effective date—2009 c 497: See note following RCW 28B.15.210.

Part headings not law—Severability—Effective date—2008 c 328: See notes following RCW 43.155.050.

Severability—Effective date—2003 1st sp.s. c 25: See notes following RCW 19.28.351.

Intent—2003 c 334: See note following RCW 79.02.010.

RCW 79.17.030 University demonstration forest and experiment station. For the purpose of securing an area suitable for a demonstration forest and forest experiment station for the University of Washington authority is hereby granted the board of regents of the University of Washington and the department with the approval of the board, acting with the advice and approval of the attorney general, to exchange all or any portion of the granted lands of the University of Washington assigned for the support of said university by section 9 of chapter 122 of the act of March 14, 1893, enacted by the legislature of Washington, being entitled, "An act providing for the location, construction and maintenance of the University of Washington, and making an appropriation therefor, and declaring an emergency," for all or any portion of such lands as may be acquired by the state under and by virtue of chapter 102, Laws of 1913, being: "An act relating to lands granted to the state for common schools and for educational, penal, reformatory, charitable, capitol buildings and other purposes providing for the completion of such grants and the relinquishment of certain granted lands; and making an appropriation," approved March 18, 1913, by exchange with the United States in the Pilchuck-Sultan-Wallace watersheds included within the present boundaries of the Snoqualmie national forest. The board of regents and department with the advice and approval required by this section are hereby authorized to execute such agreements, writings, or relinquishments as are necessary or proper for the purpose of carrying said exchange into effect and such agreements or other writings to be executed in duplicate, one to be filed with the department and one to be delivered to the board of regents. The exchange shall be made upon the basis of equal values to be determined by careful valuation of the areas to be exchanged. [2003 c 334 s 446; 1917 c 66 s 1; RRS s 7848. Formerly RCW 79.08.070.]

Reviser's note: 1893 c 122 s 9 referred to herein reads as follows: "That 100,000 acres of the lands granted by section 17 of the enabling act, approved February 22, 1889, for state, charitable, educational, penal and reformatory institutions are hereby assigned for the support of the University of Washington."

Intent—2003 c 334: See note following RCW 79.02.010.

RCW 79.17.040 Exchange of property acquired as administrative sites—Purposes. The department may exchange surplus real property previously acquired by the department as administrative sites. The property may be exchanged for any public or private real property of equal value, to preserve archaeological sites on trust lands, to acquire land to be held in natural preserves, to maintain habitats for endangered species, or to acquire or enhance sites to be dedicated for recreational purposes. [2003 c 334 s 453; 1979 c 24 s 1. Formerly RCW 79.08.250.]

Intent—2003 c 334: See note following RCW 79.02.010.

RCW 79.17.050 Public notice—News release—Hearing. Before a proposed exchange is presented to the board involving an exchange of any lands under the administrative control of the department, the department shall hold a public hearing on the proposal in the county where the state-owned land or the greatest proportion thereof is located. Ten days but not more than twenty-five days prior to such hearing, the department shall publish a paid public notice of reasonable size in display advertising form, setting forth the date, time, and place of the hearing, at least once in one or more daily newspapers of general circulation in the county and at least once in one or more weekly newspapers circulated in the area where the state-owned land is located. A news release pertaining to the hearing shall be disseminated among printed and electronic media in the area where the state-owned land is located. The public notice and news release also shall identify lands involved in the proposed exchange and describe the purposes of the exchange and proposed use of the lands involved. A summary of the testimony presented at the hearings shall be prepared for the board's consideration when reviewing the department's exchange proposal. If there is a failure to substantially comply with the procedures set forth in this section, then the exchange agreement shall be subject to being declared invalid by a court. Any such suit must be brought within one year from the date of the exchange agreement. [2003 c 334 s 445; 1979 c 54 s 1; 1975 1st ex.s. c 107 s 2. Formerly RCW 79.08.015.]

Intent—2003 c 334: See note following RCW 79.02.010.

*Exchange of state land by parks and recreation commission, procedure:
RCW 79A.05.180.*

RCW 79.17.060 Exchange of lands to consolidate and block up holdings—Agreements and deeds by commissioner. The commissioner shall, with the advice and approval of the attorney general, execute such agreements, writings, or relinquishments and certify to the governor such deeds as are necessary or proper to complete an exchange. [2003 c 334 s 210; 1961 c 77 s 2; 1937 c 77 s 2; RRS s 5812-3f. Formerly RCW 76.12.060.]

Intent—2003 c 334: See note following RCW 79.02.010.

RCW 79.17.070 Exchange of lands to consolidate and block up holdings—Lands acquired are subject to same laws and administered for same fund as lands exchanged. Lands acquired by the state of Washington as the result of any exchange shall be held and administered for the benefit of the same fund and subject to the same laws as were the lands exchanged therefor. [2003 c 334 s 211; 1961 c 77 s 3. Formerly RCW 76.12.065.]

Intent—2003 c 334: See note following RCW 79.02.010.

PART 2
PURCHASE OR LEASE OF LAND
BY SCHOOL DISTRICTS AND
INSTITUTIONS OF HIGHER EDUCATION

RCW 79.17.100 Application by school district. Except as otherwise provided in RCW 79.17.110, upon the application of a school district or any institution of higher education for the purchase or lease of lands granted to the state by the United States, the department may offer such land for sale or lease to such school district or institution of higher education in such acreage as it may determine, consideration being given upon application of a school district to school site criteria established by the superintendent of public instruction. However, in the event the department thereafter proposes to offer such land for sale or lease at public auction, such school district or institution of higher education shall have a preference right for six months from notice of such proposal to purchase or lease such land at the appraised value determined by the board. [2006 c 263 s 333; 2003 c 334 s 322.]

Findings—Purpose—Part headings not law—2006 c 263: See notes following RCW 28A.150.230.

Intent—2003 c 334: See note following RCW 79.02.010.

RCW 79.17.110 School districts—Purchase of leased lands with improvements. Notwithstanding the provisions of RCW 79.11.010 or any other provision of law, any school district or institution of higher education leasing land granted to the state by the United States and on which land such district or institution has placed improvements as defined in RCW 79.02.010 shall be afforded the opportunity by the department at any time to purchase such land, excepting land over which the department retains management responsibilities, for the purposes of schoolhouse construction and/or necessary supporting facilities or structures at the appraised value thereof less the value that any improvements thereon added to the value of the land itself at the time of the sale thereof. [2003 c 334 s 437; 1985 c 200 s 1; 1982 1st ex.s. c 31 s 1; 1980 c 115 s 8; 1971 ex.s. c 200 s 2. Formerly RCW 79.01.770.]

Intent—2003 c 334: See note following RCW 79.02.010.

Severability—1980 c 115: See note following RCW 28A.335.090.

Severability—1971 ex.s. c 200: See note following RCW 79.11.010.

RCW 79.17.120 School districts—Purchases from school construction fund. The purchases authorized under RCW 79.17.110 shall be classified as for the construction of common *A.525.200 school [common school] plant facilities under RCW 28A.525.010 through 28A.525.200 and shall be payable out of the common school construction fund as otherwise provided for in RCW 28A.515.320 if the school district involved was under emergency school construction classification as established by the superintendent of public instruction at any time during the period of its lease of state lands. [2015 1st sp.s. c 4 s 52; 2006 c 263 s 334; 2003 c 334 s 438; 1990 c 33 s 596; 1971 ex.s. c 200 s 3. Formerly RCW 79.01.774.]

***Reviser's note:** The added text "A.525.200" was a typographical error.

Findings—Purpose—Part headings not law—2006 c 263: See notes following RCW 28A.150.230.

Intent—2003 c 334: See note following RCW 79.02.010.

Purpose—Statutory references—Severability—1990 c 33: See RCW 28A.900.100 through 28A.900.102.

Severability—1971 ex.s. c 200: See note following RCW 79.11.010.

RCW 79.17.130 School districts—Extension of contract period. In those cases where the purchases, as authorized by RCW 79.17.110 and 79.17.120, have been made on a ten year contract, the board, if it deems it in the best interest of the state, may extend the term of any such contract to not to exceed an additional ten years under such terms and conditions as the board may determine. [2003 c 334 s 439; 1971 ex.s. c 200 s 4. Formerly RCW 79.01.778.]

Intent—2003 c 334: See note following RCW 79.02.010.

Severability—1971 ex.s. c 200: See note following RCW 79.11.010.

RCW 79.17.140 School districts—Reversion, when. Notwithstanding any other provisions of law, annually the board shall determine if lands purchased or leased by school districts or institutions of higher education under the provisions of RCW *79.11.010 and 79.17.110 are being used for school sites. If such land has not been used for school sites for a period of seven years the title to such land shall revert to the original trust for which it was held. [2003 c 334 s 440; 1971 ex.s. c 200 s 5. Formerly RCW 79.01.780.]

***Reviser's note:** The reference to RCW 79.11.010 appears to be erroneous. A reference to RCW 79.17.100 was apparently intended.

Intent—2003 c 334: See note following RCW 79.02.010.

Severability—1971 ex.s. c 200: See note following RCW 79.11.010.

PART 3
LAND TRANSFER

RCW 79.17.200 Real property—Transfer or disposal without public auction. (1) For the purposes of this section, "public agency" means any agency, political subdivision, or unit of local government of this state including, but not limited to, municipal corporations, quasi-municipal corporations, special purpose districts, and local service districts; any agency of the state government; any agency of the United States; and any Indian tribe recognized as such by the federal government.

(2) With the approval of the board of natural resources, the department of natural resources may directly transfer or dispose of real property, without public auction, in the following circumstances:

- (a) Transfers in lieu of condemnations;
- (b) Transfers to public agencies; and
- (c) Transfers to resolve trespass and property ownership

disputes.

(3) Real property to be transferred or disposed of under this section shall be transferred or disposed of only after appraisal and for at least fair market value, and only if such transaction is in the best interest of the state or affected trust. [1992 c 167 s 2. Formerly RCW 79.01.009.]

RCW 79.17.210 Real property asset base—Natural resources real property replacement account. (1) The legislature finds that the department has a need to maintain the real property asset base it manages and needs an accounting mechanism to complete transactions without reducing the real property asset base.

(2) The natural resources real property replacement account is created in the state treasury. This account shall consist of funds, including the value of land, timber, other valuable materials, and improvements owned by the state, transferred or paid for the disposal or transfer of real property by the department under RCW 79.17.200 and the transfer of state lands or state forestlands into community forest trust lands under RCW 79.155.040. The funds in this account shall be used solely for the acquisition of replacement real property and may be spent only when, and as, authorized by legislative appropriation. [2023 c 383 s 5; 2018 c 298 s 7005; 2013 2nd sp.s. c 19 s 7041; 2011 c 216 s 13; 2003 c 334 s 118; 1992 c 167 s 1. Formerly RCW 43.30.265.]

Findings—2023 c 383: See note following RCW 79.17.300.

Effective date—2018 c 298: "Except for section 7018 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [March 27, 2018]." [2018 c 298 s 7020.]

Effective date—2013 2nd sp.s. c 19: See note following RCW 43.34.080.

Intent—2003 c 334: See note following RCW 79.02.010.

RCW 79.17.220 Notification requirements. Actions under this chapter are subject to the notification requirements of RCW 43.17.400. [2007 c 62 s 4.]

Finding—Intent—Severability—2007 c 62: See notes following RCW 43.17.400.

PART 4
TRUST LAND TRANSFER PROGRAM

RCW 79.17.300 Trust land transfer program. (1) The department is authorized to create and manage a trust land transfer program. Real property available for the trust land transfer program is economically underperforming state land and state forestland with high ecological or public benefit and deemed appropriate for state parks, fish and wildlife habitats, natural area preserves, natural resources conservation areas, community forests, recreation, or other public purposes.

(2) Underperforming state land and state forestland is land that the department determines has limited potential to generate income in the reasonably foreseeable future due to physical, legal, access, or other constraints. The department may use the real property transfer authorities under this chapter and chapter 79.22 RCW, as appropriate, to complete transfers under the trust land transfer program.

(3) The department shall use legislative appropriations for approved trust land transfers to acquire replacement real property that will provide long-term, sustainable revenue to the trust beneficiaries or is otherwise desirable to be added to the affected trust and to pay for the department's administrative expenses to complete the transfer, including the cost of department staff time, appraisals, surveys, environmental reviews, and other similar costs of the program.

(4) Transfers funded by legislative appropriation must be at fair market value, including the value of land, timber, other valuable materials, and improvements owned by the state. The legislative appropriation must be deposited in the natural resources real property replacement account created in RCW 79.17.210 and the parkland trust revolving fund established in RCW 43.30.385, as appropriate.

(5) The department shall prioritize the acquisition of working farms and forests when acquiring replacement real property for state lands transferred under this program when it can be demonstrated that the trust fiduciary obligations can be better fulfilled with these lands. The department shall endeavor to acquire replacement real property as quickly as practicable.

(6) The department shall only submit real properties for trust land transfers to the board or legislature through the process created in RCW 79.17.310 if at least 50 percent of all previous appropriations provided after July 23, 2023, for purchase of replacement lands for the trust land transfer program have been utilized to purchase replacement trust lands. The list of properties submitted to the board or legislature for possible trust land transfers through the process

created in RCW 79.17.310 may not exceed \$30,000,000 in total property value for each year the list is submitted. [2023 c 383 s 2.]

Findings—2023 c 383: "(1) The legislature finds that some state lands and state forestlands have a low potential for natural resource management or low income-generating potential or are inefficient for the department of natural resources to manage due to geographic location or other factors.

(2) The legislature further finds that some of these lands have high ecological values and public benefits and should be maintained in public ownership as a park, open space, nature preserve, or similar designation to benefit the people of Washington.

(3) The legislature further finds that the department of natural resources needs an effective program to transfer these lands out of trust status to the natural areas program, other public agencies, or federally recognized Indian tribes, and simultaneously acquire legislative funding to acquire productive replacement lands to improve the revenue-generating performance of the state lands and state forestlands it manages.

(4) The legislature further finds that the trust land transfer program should be established within the department of natural resources with adequate funds to cover the department's expenses for administering the program and completing trust land transfers.

(5) The legislature further finds that there exists an interest by the public and trust beneficiaries that the program be well-documented and transparent, that each potential transfer be examined by the department of natural resources to ensure it is in the best interests of the trust beneficiaries, that an external advisory committee place proposed transfers into a prioritized order using standardized criteria, that the board of natural resources approve submission of the list to the legislature, and that parcels be transferred in order of priority." [2023 c 383 s 1.]

RCW 79.17.310 Administration. The department shall administer the trust land transfer program as follows:

(1) Any citizen, state and federal agencies, counties, cities, towns, federally recognized Indian tribes, nonprofit organizations, special purpose districts, public development authorities, and other political subdivisions of the state, may nominate a parcel of state land or state forestland for the trust land transfer program. The nomination must be made to the department on forms provided by the department and accompanied by the fee provided under RCW 79.02.250.

(2) The department shall perform an initial review to determine whether the transfer of a nominated parcel is in the best interest of the trust for which the land is held and whether a public agency, as defined in RCW 79.17.200, is willing to take ownership of the parcel and is capable of managing the land for the public benefit. The department may require prenomination review of parcels over 4,500 acres or parcels over an estimated appraised market value of \$15,000,000, including the value of the land, valuable materials, and improvements, if any.

(3) If the department determines through its initial review that transfer would be in the best interest of the trust for which the land is held and a public agency is willing and able to take ownership and manage the land, the department shall consult with potentially

affected federally recognized Indian tribes, consistent with the department's consultation policy to identify and address cultural resource issues.

(4) Following the department's initial review and tribal consultation, the department may submit parcels to an advisory committee that shall evaluate and prioritize nominated parcels according to criteria approved by the board, including social, ecological, economic, and other values. The advisory committee may include representatives of trust beneficiaries, public agencies, federally recognized Indian tribes, overburdened communities, and vulnerable populations as defined in chapter 70A.02 RCW, and other stakeholders as determined by the department.

(5) The department, with approval of the board, shall determine the final, prioritized list of trust land transfer parcels to submit to the legislature for funding. If a legislative appropriation includes the full fair market value for the trust land transfer parcel, and the board determines that the transfer is in the best interest of the trust for which the land is held, the department shall complete the transfer. [2023 c 383 s 3.]

Findings—2023 c 383: See note following RCW 79.17.300.