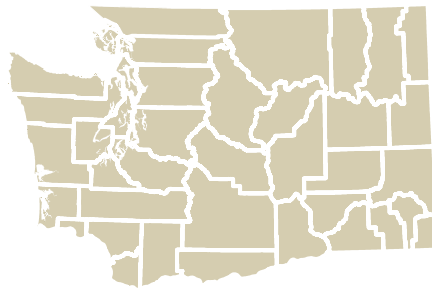




Understanding State Trust Lands



State trust lands are lands that are managed by the Washington State Department of Natural Resources (DNR) to generate revenue for specific trust beneficiaries. About 80 percent of these lands were granted to Washington by the federal government at statehood (Federal Grant Lands), and an additional 20 percent were acquired from the counties in the 1920s and 1930s (State Forest Lands).



State trust lands are located in every county in Washington

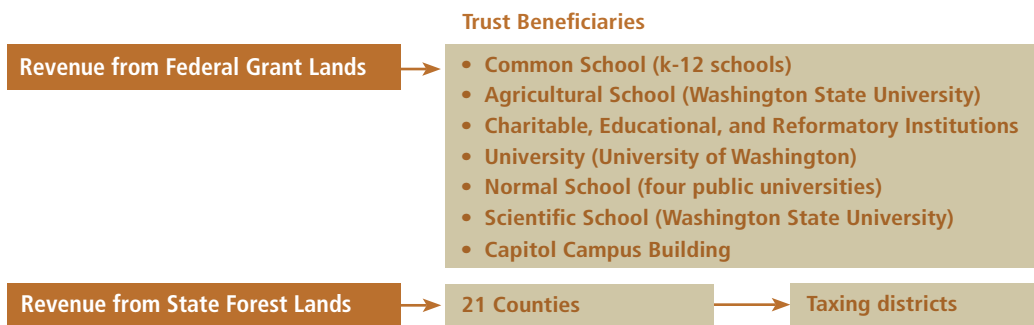
The revenue generated on state trust lands is **non-tax revenue**. Some revenue is distributed directly to trust beneficiaries and other revenue is deposited into permanent investment funds overseen by the Washington State Investment Board. Trust revenue helps fund construction of k-12 schools statewide, and counties typically distribute revenue to taxing districts such as schools, libraries, road departments, ports, emergency services, hospitals, and other local services.

\$9 billion has been earned from state trust lands for trust beneficiaries since 1970.

Over \$244 million¹ was distributed to trust beneficiaries in fiscal year (FY) 2018 alone.

The Trust Relationship

A trust is a relationship in which a person or entity (the trustee) holds title to property that must be kept or used for the benefit of another (the beneficiary). The Washington State Legislature is the trustee for state trust lands and DNR is the trust manager. The beneficiaries are shown below.

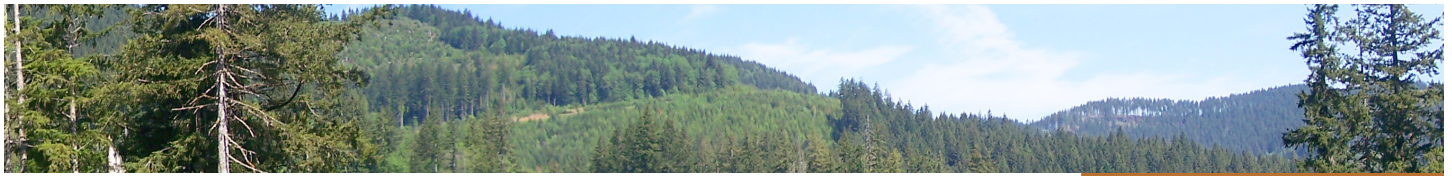


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¹Total does not match the [DNR Annual Report](#) due to rounding and the exclusion of fees and other miscellaneous revenue.



Explore the many ways DNR generates sustainable revenue on state trust lands.

Forests

On 2.1 million acres of forested state trust lands, DNR generates revenue through the growth and harvest of timber. The level of timber harvest is governed by a sustainable harvest calculation. Sustainable harvest means “harvesting on a continual basis without major prolonged curtailment or cessation of harvest.”¹

\$196.5 mil. in FY 2018 revenue²

Top beneficiary recipients:

- Common School, \$36 mil.³
- Counties, \$75 mil.³

Agriculture and Grazing

DNR leases 1.1 million acres of state trust lands for dryland and irrigated agriculture, orchards, and livestock grazing. The majority of these acres are Federal Grant Lands.⁴ DNR works with lessees to ensure that the lands are productive and sustainably managed while public resources such as water, fish, and wildlife are protected.

\$25.5 mil. in FY 2018 revenue²

Top beneficiary recipients:

- Common School, \$16.3 mil.³
- Scientific School, \$473,304³

Special Uses

As of 2015, there were 17 operational wind projects and 115 wind turbines on state trust lands, and DNR also is identifying lands with high solar power generation capacity. Other special uses include golf courses and archery ranges. This category includes leases for road right-of-way and special forest products like brush and salal.

\$3.9 mil. in FY 2018 revenue²

Top beneficiary recipients:

- Common School, \$1.7 mil.³
- Counties, \$566,682³

Commercial/Industrial Real Estate

Currently, DNR manages eight properties with commercial buildings such as retail businesses, office buildings, and warehouses. DNR also manages 26 ground leases.

\$10.9 mil. in FY 2018 revenue²

Top beneficiary recipients:

- Common School, \$7.4 mil.³
- University, \$71,396³

Communication Sites

DNR leases state trust lands for 100 wireless telecommunication sites serving the large population centers of the Puget Sound lowlands, Spokane, and the Tri Cities.

\$4.7 mil. in FY 2018 revenue²

Top beneficiary recipients:

- Common School, \$1.5 mil.³
- Counties, \$1.3 mil.³

Minerals and Hydrocarbon

DNR leases state trust lands for the extraction of rocks, minerals, and sand and gravel used to produce aggregate, which is used in building materials. Aggregate is one of the most valuable commodities in the state.

\$2.9 mil. in FY 2018 revenue²

Top beneficiary recipients:

- Common School, \$591,466³
- Charitable, Educational, and Reformatory Institutions, \$873,177³



DNR manages state trust lands to generate revenue for trust beneficiaries in perpetuity (forever).⁵ Through sustainable management, state trust lands also provide wildlife habitat, healthy ecosystems, clean water, and carbon storage. When use is compatible with trust management, DNR provides diverse recreational opportunities under the state multiple use concept ([RCW 79.10, Part 2](#)).



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¹See [RCW 79.10.310](#), [RCW 79.10.320](#), and the [Policy for Sustainable Forests](#).

²Includes distributions to the resource management cost account (RMCA), which funds management of state trust lands.

³Does not include distributions to the RMCA.

⁴The legislative intent of State Forest Lands is to use these lands for forestry; see [RCW 79.22.010](#), [RCW 79.22.020](#), and [RCW 79.22.040](#).

⁵See [RCW 79.02.010\(4\)](#), [RCW 79.02.010\(13\)](#), [County of Skamania v. State of Washington](#) 102 Wn.2d 127, 685P.2d 576, and [AGO 1996, No. 11](#).