



## WASHINGTON STATE DEPARTMENT OF **NATURAL RESOURCES**

### Trust Land Performance Assessment

As a trust lands manager, the Washington State Department of Natural Resources generates intergenerational revenue that supports healthy rural communities, schools, and social services. In partnership with the Legislature and stakeholders, DNR is leading an effort to optimize its state trust land performance through the Trust Land Performance Assessment. This comprehensive analysis shows the strengths and weaknesses of DNR's asset portfolio across present and future generations. From this project, the department has developed the necessary knowledge to make informed choices for near-term and long-term investments.

#### Highlights

- DNR-managed lands continue to be a pivotal part of Washington state's rural economies, but the working forests and agricultural lands also provide more than \$1.4 billion each year in non-market ecosystem goods and services – such as clean water, pollination, and natural disaster risk reduction – and more than \$1 billion in non-market recreation value, according to the assessment.
- Clean energy through wind and solar power generation on state trust lands remains a pre-eminent opportunity to maximize revenue to beneficiaries while fighting the effects of climate change and creating jobs. These leases are one of many ways that DNR is committed to finding creative solutions to strengthen rural communities.
- Systemic challenges that face DNR have led to a decline of revenue in real dollars in the past 25 years, with the fluctuations of timber markets proving a challenge to the steady, reliable delivery of revenue to schools and critical county services. This decline is fueled by timber prices increasing more slowly than inflation, increased costs of labor and capital, and a diminished operable land base due to state and federal environmental regulations. These challenges represent a call to action – one that DNR is ready to meet.

In initial steps learning from the assessment's findings, DNR's requests to the Legislature will improve the timber sale process, make commercial leasing properties more attractive to prospective tenants, and provide much-needed investments in replanting, thinning, and maintaining our forests.

DNR is also committed to working with legislators, beneficiaries, and stakeholders to create further solutions in the 2022 legislative session.



*Large growth in commercial real estate, agriculture, and communications sites over the past 25 years provide the best opportunity to diversify DNR's assets and provide steady nontax revenue to beneficiaries like schools and counties.*

For more information about this proposal contact:

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