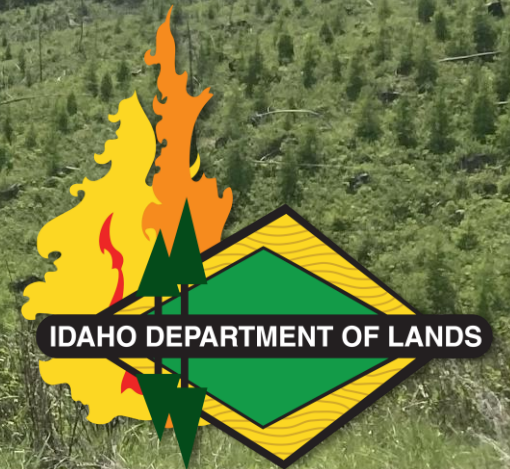


Natural Resource Interim Committee Update, Fall 2025



What Guides IDL

Mission: *To professionally and prudently manage Idaho's endowment assets to maximize long-term financial returns to public schools and other trust beneficiaries and to provide professional assistance to the citizens of Idaho to use, protect and sustain their natural resources.*

Established under Idaho Code Title 58

Manage and generate revenue on 2.5 million acres for endowment beneficiaries

K-12 public schools is the largest endowment beneficiary

Revenue through timber sales and land leasing (grazing, minerals, comm sites, recreation, etc.)

Provide assistance to private landowners and partner with Fed agencies to address forest health

Regulate mining activities and enforce the Lake Protection Act and Forest Practices Act

Wildfire suppression responsibility on 9 million acres of state, federal and private timberlands



What Guides IDL

Idaho Constitution: Article IX § 7 and 8

Article IX section 7 of the Idaho Constitution established that **“the State Board of Land Commissioners... shall have the direction, control, and disposition of the public lands of the state,** under such regulations as may be prescribed by law.”

Article IX section 8: “It shall be the duty of the State Board of Land Commissioners to provide for the location, protection, or rental of all the lands heretofore, or which may hereafter be granted to or acquired by the state by or from the general government, under such regulations as may be prescribed by law, and **in such a manner as will secure the maximum long term financial return to the institution to which is was granted.**”



What Guides IDL

Asset Management Plan

- *Multiple asset classes:* timberland, real estate, farmland, rangeland.
- Provides strategic direction for managing endowment lands.
- Aligns with fiduciary duty to maximize long-term financial returns for trust beneficiaries.
- Ensures sustainable revenue generation from endowment lands.
- Maintains and improves land productivity and asset health.
- Diversifies asset classes and revenue streams to reduce risk and improve resilience.



The Leasing Process

- 1. Applications can come from private parties or internal nomination.**
- 2. Leases offered through public notice, advertisement, and can utilize a Request for Proposal for high value or high competition scenarios.**
- 3. LB approval required at various levels:**
 - a. Validate auction results
 - b. Approve leases over twenty years
 - c. Politically sensitive
 - d. Major capital or energy infrastructure involved



The Leasing Process (cont.)

4. **All leases are conditional on the state's right to sell or exchange the land.**
5. **Ag, range, conservation leases have a "Change in Land Use" condition (fiduciary obligations)**
 - a) Stacked leases preferred where uses are compatible
 - b) Lessees are credited rent and improvement value in sell or exchange scenarios
6. **Process is public and transparent, with multiple levels of communication and public meeting requirements at all levels.**



Land Sales

- 1. Can be nominated by private party or by the Department.**
- 2. Sale must align with fiduciary mandate to secure maximum long-term return.**
- 3. Limits on sales:**
 - a. Acreage limit (320/160) on subdivision to a single entity
 - b. Limited to 64,000 acres per year
 - c. Cannot be sold for less than appraised value and must be at public auction



Land Sales

4. **Proceeds go to Land Bank for reinvestment in other property (timberland focus) or in markets (EFIB) if Land Board transfers funds or five-year time limit is reached.**
5. **Leases do not transfer with the sale.**
6. **Authorized improvements are appraised and reimbursed.**
7. **Rent may be prorated or refunded for the unexpired term.**



Land Exchange Policy

- 1. Lands received must be of equal value; cash can make up 10% of appraised difference.**
- 2. Exchange should consolidate ownership, improve access, reduce fragmentation, or enhance operational efficiency.**
- 3. Minimum of two Land Board approvals of the process:**
 - a. Conceptual – due diligence, appraisals, public engagement**
 - b. Final approval**
- 4. Reporting to legislature required annually.**



Acquisitions and Dispositions

- 1. Sold 503 Lots (450 VAFO and 53 ULAs)**
- 2. Divested of most commercial buildings**
- 3. Proceeds distributed as follows:**
 - a) \$100 million reinvested in working timberlands
 - b) \$144 transferred for investment with EFIB
 - c) ~\$85 million in Land Bank available for reinvestment



Acquisitions and Dispositions

Key timberland investments:

1. **Maggie Butte, 2011** – 2,378 acres near Kamiah
2. **Packers 1, 2018** – 12,941 acres in Boundary, Benewah, and Shoshone Counties
3. **Vandals Won, 2022** – 18,014 acres in Boundary, Benewah, Bonner, Shoshone, and Kootenai Counties
4. **Lewiston Seed Orchard** – 100 acres to further tree improvement efforts and develop a production seed orchard



Fire Season Update

IDL Protection Area, 2025	Stats
Total acres burned	4,898
Number of fires	390
Human-caused fires	115
Undetermined	135
Natural	140

IDL has spent approximately \$52.5 million on fire suppression activities. \$12.1 million of that is reimbursable to IDL for assisting other agencies on their fires, leaving a total estimated net obligation to the General Fund of \$40.4 million so far this year.

Incident Management Team Fires

Nettleton Gulch Fire

June 29-July 4
23 acres

Cherry Fire

July 14-July 22
113 acres

Sunset Fire

Aug. 13-Sept. 5
3,283 acres



Strategic Plan for Managing Wildland Fire

A comprehensive approach to strengthening IDL's fire program to meet current and future challenges. This evolving plan tackles how to:

1. Strengthen organizational capacity for evolving wildland fire challenges.
2. Enhance fire prevention and mitigation efforts.
3. Build adaptive infrastructure to address increasing fire occurrence and severity.
4. Foster interagency collaboration and resilience.
5. Expand existing funding streams.

Completed

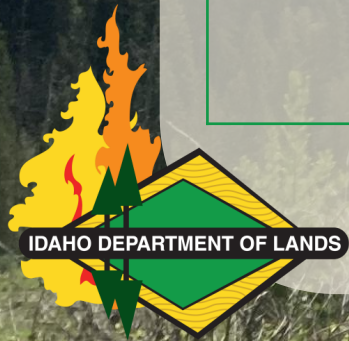
Land Board review and approval in August.

Right now

External stakeholder review and comment period, additional internal stakeholder review.

Next steps

Incorporating stakeholder comments, then working on Implementation Plan, putting numbers to needs.



Proposed Legislation

Idaho Code § 38-111 states: *“For private owners of forest lands whose total acres of forest lands are twenty-six (26) acres or more, the state board of land commissioners shall establish this cost not to exceed sixty-five cents (\$0.65) an acre per year. For private owners of forest lands whose total acres of forest lands are twenty-five (25) acres or fewer, the minimum assessment per year shall be equal to the per acre cost multiplied by twenty-five (25).*

In addition to any other assessment prescribed in this chapter, the state board of land commissioners shall establish a surcharge to be levied and assessed in an amount not to exceed forty dollars (\$40.00) for each improved lot or parcel to offset costs associated with wildfire preparedness.”

The intent of the structure surcharge is to defray the cost of fire suppression on forest land caused by the existence of the improvements.

This legislation revises Section 38-111, Idaho Code to increase the structure surcharge levied on improved private forest land parcels from a maximum of \$40 to a maximum of \$100. This is a dedicated fund to support wildland fire preparedness.

Questions?

