

PROPOSAL FOR JOINT RESOLUTION

By

2014 INTERIM JOINT COMMITTEE ON ENDOWMENT ASSET ISSUES.

In setting forth the Idaho State Land Board's duties in managing State endowment lands, Art. IX Sec.8 of the Idaho Constitution expressly mandates that endowment lands must be held in trust to secure the “maximum long term financial return...” Among the issues of basic policy regarding endowment trust assets considered by this Joint Interim Committee was the fundamental question of whether the Idaho State Land Board should sell off all of the endowment trust lands and deposit the proceeds into the permanent trust endowment fund in order to best meet that constitutional mandate. Having given due consideration to the interrelated legal, financial, and factual reasons for the need to promulgate a basic policy regarding this issue and having reviewed the legal history, meaning of relevant terms, endowment trust standards, including, without limitation, the “long term” aspect of such assets and the immutable nature of land as distinct from the concept of real estate, this Committee hereby recommends passage of the following Joint Resolution by the Idaho Legislature establishing the following policy governing the management of the endowment trust assets by Idaho state board of land commissioners:

It shall be a fundamental policy of the Idaho state board of land commissioners in carrying out its duties under Article IX, section 8, of the Idaho Constitution to retain and maintain a substantial portion of “public lands” in the trust endowment assets.