

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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**Action:** Do pass as amended and be printed engrossed.  
**Vote:** 9-0-0  
**Yeas:** Berger, Bruun, Butler, Gelser, Olson, Read, Rosenbaum, Witt, Barnhart  
**Nays:**  
**Exc.:**  
**Prepared By:** Mary Ayala, Economist  
**Meeting Dates:** 4/23, 5/8

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**WHAT THE BILL DOES:** Increases the current rate component of the Forest Products Harvest Tax designated for fire suppression to \$.625 per thousand board feet of harvested timber. Increases the assessments imposed on owners of timber and grazing lands for the purpose of fire protection. Takes effect 91 days after sine die.

**ISSUES DISCUSSED:**

- That under current law, if the balance in the Oregon Forest Land Protection Fund (OFLPF) is insufficient to meet its obligations, the Emergency Fire Cost Committee must borrow funds from the State Treasurer.
- Creates stability for the Oregon Forest Land Protection Fund.
- That landowners support this bill.

**EFFECT OF COMMITTEE AMENDMENTS:** -1 Clarifies that contiguous lots whose owner has made application for fire protection services described in Section 2 shall be treated as one lot with respect to the \$47.50 rate that is imposed on each lot or parcel. Clarifies that for the purposes of Section 3 that a lot on which a single-family dwelling has been placed may be treated as a combined lot if it does not exceed 20 acres. Applies to tax years on or after July 1, 2008.

**BACKGROUND:** The Forest Products Harvest Tax (FPHT) rate is currently \$2.61/mbf, of which \$.50/mbf is designated for fire protection. However, owners of timber and grazing lands also pay assessments annually for fire protection based on acreage. These assessments and the \$.50 portion of the FPHT are deposited into the Oregon Forest Land Protection Fund (OFLPF). The OFLPF serves as an insurance policy for landowners by reimbursing a fire district for the cost of fire suppression after the district has satisfied an annual \$25,000 deductible for a single fire.

**ORS 477.295 refers to ORS477.270 Budgeted cost of forester to be lien; collection; deposit of amounts collected.** (1) Subject to the forest patrol assessment limitations set forth in ORS 477.230: (a) The budgeted cost of the forester, as provided for in ORS 477.205 to 477.281, in providing protection for privately owned forestland shall be a lien upon such property, shall be reported by the forester to the governing body of the county in which the lands are situated on or after July 1 of each fiscal year, and shall be levied and collected by the governing body with the next taxes on the land in the same manner and with the same interest, penalty and cost charges as apply to ad valorem property taxes in this state. The governing body shall instruct the proper officer to extend the amounts on the assessment roll in a separate account, and the procedure provided by law for the collection of taxes and delinquent taxes shall apply. Upon collection thereof, the governing body shall repay the entire amount collected to the forester.

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*This summary has not been adopted or officially endorsed by action of the committee.*