

# House Bill 3044

Sponsored by COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Increases Emergency Fire Cost Committee fees and forest products harvest tax for fire suppression purposes.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to fire suppression funding; amending ORS 321.015, 477.277, 477.295 and 477.880; prescribing  
3 an effective date; and providing for revenue raising that requires approval by a three-fifths ma-  
4 jority.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1.** ORS 321.015 is amended to read:

7 321.015. (1) For the calendar years beginning January 1, 2006, and January 1, 2007, there is  
8 levied a privilege tax of 67 cents per thousand feet, board measure, upon taxpayers for the privilege  
9 of harvesting of all merchantable forest products harvested on forestlands. Subject to ORS 321.145,  
10 the proceeds of the tax shall be transferred as provided in ORS 321.152 (2) to the Forest Research  
11 and Experiment Account for use for the forest resource research, experimentation and studies de-  
12 scribed in ORS 526.215 and for the Forest Research Laboratory established under ORS 526.225.

13 (2) Except as provided in ORS 477.760, in addition to the tax levied by subsection (1) of this  
14 section, there hereby is levied a forest products harvest tax upon taxpayers of [50] **62.5** cents per  
15 thousand feet, board measure, for the privilege of harvesting all merchantable forest products har-  
16 vested on forestlands for the payment of benefits related to fire suppression as provided in ORS  
17 321.005 to 321.185, 321.560 to 321.600 and 477.440 to 477.460.

18 (3) For the calendar years beginning January 1, 2006, and January 1, 2007, in addition to the  
19 taxes levied under subsections (1) and (2) of this section, there hereby is levied a privilege tax upon  
20 taxpayers for the privilege of harvesting all merchantable forest products harvested on forestlands  
21 in the amount of 55 cents per thousand feet, board measure, for the purpose of administering the  
22 Oregon Forest Practices Act in an amount not to exceed 40 percent of the total expenditures ap-  
23 proved by the Legislative Assembly for this purpose, including salary adjustments approved by the  
24 Legislative Assembly for fiscal years 2006 and 2007.

25 (4) Subject to subsection (5) of this section, the taxes shall be measured by and be applicable to  
26 each per thousand feet, board measure, on the total quantity of forest products harvested in this  
27 state measured by use of any log scale which is or may be in general use in the logging industry  
28 and which is designed to measure total volume of merchantable forest products in board feet. How-  
29 ever, if the Department of Revenue finds that the scale used by any taxpayer in computing the taxes  
30 due under ORS 321.005 to 321.185 and 321.560 to 321.600 does not accurately reflect the total  
31 quantity of merchantable forest products harvested by the taxpayer, it may require the taxpayer to

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 adopt another log scale in general use in the industry which in the department's opinion will accu-  
 2 rately reflect merchantable harvest in board feet.

3 (5) The first 25,000 feet, board measure, of forest products harvested annually by any taxpayer  
 4 during each calendar year shall be excluded from the total quantity of harvested forest products that  
 5 constitutes the measure of the taxes under ORS 321.005 to 321.185 and 321.560 to 321.600.

6 **SECTION 2.** ORS 477.277 is amended to read:

7 477.277. (1) In addition to any other assessment prescribed by ORS 477.205 to 477.281, in any  
 8 fiscal year in which the Emergency Fire Cost Committee determines pursuant to ORS 477.760 that  
 9 the unencumbered balance of the Oregon Forest Land Protection Fund is less than \$22.5 million, a  
 10 surcharge shall be levied and assessed in the amount of [~~\$38~~] **\$47.50** for each improved lot or parcel,  
 11 except as provided in ORS 477.760, to defray the increased cost of fire suppression on forestland that  
 12 is caused by the existence of the improvements.

13 (2) All surcharge moneys collected pursuant to this section shall be paid into the Oregon Forest  
 14 Land Protection Fund.

15 (3) If an owner of forestland files a forest protection plan with the forester which is approved  
 16 by the State Board of Forestry under ORS 477.210 (2), the owner shall not be required to pay the  
 17 surcharge levied under subsection (1) of this section.

18 (4) As used in this section, a lot or parcel is "improved" if it is indicated as improved in the  
 19 county assessor's property classification files or if a manufactured dwelling is sited on the lot or  
 20 parcel.

21 **SECTION 3.** ORS 477.295 is amended to read:

22 477.295. (1) For purposes of making the levy and assessment of costs against forestland under  
 23 ORS 477.270, the minimum cost to provide fire protection or suppression for any lot or parcel of real  
 24 property separately assessed for ad valorem taxes or other taxes provided by law in lieu thereof,  
 25 on the current assessment roll shall be not less than [~~\$18~~] **\$18.75**, except as provided in ORS 477.760.  
 26 Three dollars **and seventy-five cents** of each minimum assessment shall be paid into the Oregon  
 27 Forest Land Protection Fund. Otherwise, such assessments shall be determined under ORS 477.230  
 28 and 477.270.

29 (2) In any fiscal year in which the Emergency Fire Cost Committee determines pursuant to ORS  
 30 477.760 that the unencumbered balance of the Oregon Forest Land Protection Fund has:

31 (a) Increased to an amount:

32 (A) More than \$22.5 million but less than or equal to \$30 million, the minimum assessment re-  
 33 ferred to in subsection (1) of this section shall be [~~\$16.50~~] **\$16.88** for each lot or parcel. Of that  
 34 amount, [~~\$1.50~~] **\$1.88** of each minimum assessment shall be paid into the Oregon Forest Land Pro-  
 35 tection Fund.

36 (B) More than \$30 million, the minimum assessment referred to in subsection (1) of this section  
 37 shall be \$15 for each lot or parcel. This amount shall be treated in the same manner as assessments  
 38 under ORS 477.230 and 477.270.

39 (b) Decreased to an amount that is at or below \$22.5 million, the minimum assessment referred  
 40 to in subsection (1) of this section shall be [~~\$18~~] **\$18.75** for each lot or parcel. This amount shall be  
 41 treated in the same manner as assessments under subsection (1) of this section.

42 (3) Upon application to the forester under subsection (4) of this section, contiguous lots held  
 43 under identical ownership shall be considered as one combined lot for purposes of subsection (1) of  
 44 this section, except that the combined lot shall not include:

45 (a) A lot on which a structure has been placed or improvements made for the purpose of erect-

1 ing any temporary or permanent structure;

2 (b) A lot that is in a subdivision containing lots that have been or are being offered for sale;

3 or

4 (c) A lot that is not designated forest or agricultural land for the purpose of land use or special  
5 tax assessment purposes.

6 (4) To qualify under subsection (3) of this section, an owner of forestland shall make application  
7 to the forester no later than April 15 of the fiscal year preceding each fiscal year for which the  
8 owner desires the land to be assessed under subsection (3) of this section. The application shall be  
9 on a form prescribed by the State Forester. A fee of \$25 per combined lot shall be paid to the  
10 forester at the time of first application for the combined lot. An additional fee of \$25 per combined  
11 lot shall be paid to the forester at the time of subsequent application, if an application for the  
12 combined lot was not made for the previous fiscal year.

13 (5) The State Board of Forestry may adopt rules for the administration of the provisions of  
14 subsections (3) and (4) of this section.

15 (6) For the purposes of this section, "lot" and "subdivision" have the meanings given those terms  
16 in ORS 92.010.

17 **SECTION 4.** ORS 477.880 is amended to read:

18 477.880. (1) An assessment for the cost of fire protection and suppression is levied upon the  
19 owners of all forestland that has been classified under ORS 526.305 to 526.370 and that is protected  
20 from the start or spread of fire thereon or therefrom by:

21 (a) The forester under ORS 477.210 (4), with the approval of the State Board of Forestry;

22 (b) The United States of America through contract or agreement with the forester or board;

23 (c) Any forest protective agency under contract or agreement with the forester or board pursu-  
24 ant to ORS 477.406; or

25 (d) Any forest protective agency, described in paragraph (c) of this subsection, under a contract  
26 or agreement with the United States of America wherein such agency agrees to protect specific  
27 federal forestlands, and in return, the United States of America agrees to protect specific lands of  
28 such agency.

29 (2) Except as otherwise provided in ORS 477.760, for each fiscal year the assessment levied per  
30 acre of ownership of forestland designated in subsection (1) of this section shall be:

31 (a) [*Six*] **Seven and one-half** cents for all forestlands east of the summit of the Cascade Moun-  
32 tains and all forestlands which have been classified Class 3, agricultural class, under ORS 526.305  
33 to 526.370; or

34 (b) [*Four*] **Five** cents for all forestlands not described in paragraph (a) of this subsection.

35 **SECTION 5. This 2007 Act takes effect on the 91st day after the date on which the reg-  
36 ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**

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