

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
75th Oregon Legislative Assembly
2009 Regular Session
Legislative Revenue Office

Bill Number: HB 3072 A
Revenue Area: Timber
Economist: Steve Meyer
Date: 5/04/09

Measure Description:

For purposes of managing State Board of Forestry land, defines statutory term 'secure the greatest permanent value' to mean managing forests primarily for timber production to generate revenue for school and local taxing districts that receive revenue from this land. Allows the Board to exempt land from the primary purpose and provides guidelines. Requires the Board to modify forest management plans to achieve policy goals by July 1, 2010.

Revenue Impact (in \$Millions):

	Fiscal Year		Biennium		
	2009-10	2010-11	2009-11	2011-2013	2013-2015
Schools	\$ 0	\$ 3.6	\$ 3.6	\$ 14.3	\$ 15.4
Local government	\$ 0	\$ 3.4	\$ 3.4	\$ 13.7	\$ 14.6
Total	\$ 0	\$ 7.0	\$ 7.0	\$ 28.0	\$ 30.0

Impact Explanation:

The Department of Forestry estimates an annual harvest increase of about 79 million board feet above the 2009 level resulting in \$15 million additional revenue for local taxing districts. Land designated as exempt may reduce this by as much as \$1 million. The impact assumption is that additional harvests will phase in beginning in 2010-11. Revenue will depend on the timing of increased harvesting and the price of timber which makes the revenue increase uncertain.

Creates, Extends or Expands Tax Expenditure: Yes No