

B-Engrossed
House Bill 2216

Ordered by the House June 26
Including House Amendments dated May 5 and June 26

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Governor Theodore R. Kulongoski for State Forestry Department)

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.

Modifies certain provisions related to ability of State Board of Forestry to acquire lands. Authorizes certain management practices for land acquired by board on or after effective date of Act.

Establishes State Forest Acquisition Fund. Continuously appropriates moneys in fund to board for purpose of acquiring parcels in Gilchrist area of Klamath County for use as state forestland. [*Authorizes Oregon Department of Administrative Services to issue lottery bonds for biennium beginning July 1, 2009. Directs proceeds of lottery bonds to be deposited in fund.*]

Establishes Forest Acquisition County Reimbursement Fund. Continuously appropriates moneys in fund to State Forestry Department for purpose of reimbursing counties for loss of tax revenue that occurs when department acquires land from county immediately prior to taxation. Specifies formula for reimbursement.

Authorizes State Treasurer to issue revenue bonds for purposes related to acquiring forestland.

Establishes Forest Development Revenue Bond Fund. Continuously appropriates moneys in fund to board for purposes of paying certain bond-related costs.

Establishes State Forestry General Obligation Bond Fund. Continuously appropriates moneys in fund to department for purposes of paying certain bond-related costs.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the State Board of Forestry authorization to acquire lands; creating new provisions;
3 amending ORS 293.701, 526.060, 530.020, 530.110, 530.130, 530.230, 530.240 and 530.280; repealing
4 ORS 530.150 and 530.160; appropriating money; and declaring an emergency.

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

6 **SECTION 1. As used in ORS 530.010 to 530.170 and 530.210 to 530.280:**

7 (1) **"Bond-related costs" means:**

8 (a) **The costs and expenses of issuing, administering and maintaining bonds, including but**
9 **not limited to paying principal and interest, and premiums if any, on general obligation or**
10 **revenue bonds, redeeming general obligation or revenue bonds, paying amounts due in con-**
11 **nection with credit enhancements or any instruments authorized by ORS 286A.580 (6) and**
12 **paying the administrative costs and expenses of the State Treasurer and the State Forestry**
13 **Department, including costs of consultants or advisors retained by the treasurer or the de-**
14 **partment for the bonds;**

15 (b) **The costs of funding any bond reserves;**

16 (c) **Capitalized interest for bonds;**

17 (d) **Rebates or penalties due to the United States in connection with the bonds; and**

18 (e) **Any other costs or expenses that the State Treasurer or the State Forestry Depart-**
19 **ment determines are necessary or desirable in connection with issuing, administering or**

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 maintaining the bonds.

2 (2) "Reforestation" means to increase tree stocking to a level that meets or exceeds the
3 stocking standards relating to productivity specified by the State Board of Forestry by rule.

4 **SECTION 2.** For acquisitions made by the State Board of Forestry on or after the effec-
5 tive date of this 2009 Act:

6 (1) The board may hold and manage lands alone or in cooperation with other entities,
7 including but not limited to community forest authorities under ORS 530.600 to 530.628.

8 (2) The board may acquire lands or partial interest in lands, including but not limited to
9 conservation easements.

10 (3) Subject to any covenants under section 4 of this 2009 Act or ORS 530.130, the board
11 may sell lands or partial interest in lands, including but not limited to conservation ease-
12 ments, to other parties if the board determines that the other parties are better situated to
13 manage the lands for the long term.

14 **SECTION 3.** Sections 2, 4 and 5 of this 2009 Act are added to and made a part of ORS
15 530.010 to 530.170.

16 **SECTION 4.** (1) The Forest Development Revenue Bond Fund is established separate and
17 distinct from the General Fund. Interest earned by the Forest Development Revenue Bond
18 Fund shall be credited to the fund. Moneys in the fund may be invested as provided in ORS
19 286A.025 and 293.701 to 293.820. All moneys in the fund are continuously appropriated to the
20 State Board of Forestry for the purposes of paying bond-related costs when due on the re-
21 venue bonds issued under ORS 530.140 on or after the effective date of this 2009 Act.

22 (2) The Forest Development Revenue Bond Fund may be credited with:

23 (a) Moneys deposited in the fund from the State Forestry Department Account, to the
24 extent that the State Forestry Department allocates proceeds from the sale of revenue bonds
25 issued on or after the effective date of this 2009 Act under ORS 530.140 to the payment of
26 bond-related costs;

27 (b) Proceeds from the disposal of lands acquired with revenue bonds that were issued on
28 or after the effective date of this 2009 Act under ORS 530.140;

29 (c) Proceeds from the disposal of forest products, as defined in ORS 532.010, minerals or
30 other forest-related values derived from the lands acquired with revenue bonds that were
31 issued on or after the effective date of this 2009 Act under ORS 530.140; and

32 (d) Gifts, grants or any other unrestricted moneys paid to the State Forestry Department
33 or the State Board of Forestry or appropriated by the Legislative Assembly that may be used
34 for the purpose set forth in this section.

35 (3) The board or the State Forester may make covenants related to, or pledge moneys
36 deposited in, the fund that the board or forester, after consultation with the State Treasurer,
37 determines to be necessary or desirable for the repayment of revenue bonds and the payment
38 of bond-related costs.

39 **SECTION 5.** Revenue bonds issued under ORS 530.140 may be refunded as provided under
40 ORS chapter 286A.

41 **NOTE:** Section 6 was deleted by amendment. Subsequent sections were not renumbered.

42 **SECTION 7.** The State Forest Acquisition Fund is established in the State Treasury,
43 separate and distinct from the General Fund. The moneys in the State Forest Acquisition
44 Fund and the interest earnings on moneys in the fund are continuously appropriated to the
45 State Board of Forestry for the purpose of acquiring parcels in the Gilchrist area of Klamath

1 County for use as state forestland.

2 **SECTION 8.** (1) The Forest Acquisition County Reimbursement Fund is established in the
3 State Treasury, separate and distinct from the General Fund. Interest earned by the Forest
4 Acquisition County Reimbursement Fund shall be credited to the fund. Moneys in the Forest
5 Acquisition County Reimbursement Fund are continuously appropriated to the State
6 Forestry Department for use as provided in this section.

7 (2) The fund shall consist of moneys deposited in the fund pursuant to ORS 530.110 (3).

8 (3) If the department uses proceeds from bonds issued on or after the effective date of
9 this 2009 Act under ORS 530.140 or 530.210 to 530.280, or from lottery bonds that were issued
10 on or after the effective date of this 2009 Act, to acquire land that immediately prior to ac-
11 quisition by the department was subject to taxation by a county, the department shall make
12 payments as provided in this section to reimburse the county for the loss of tax revenue
13 from the acquired land. The amount paid to a county under this section shall be the amount
14 by which the tax revenue to the county for the last year in which the acquired land was
15 taxable exceeds the amounts distributed to the counties under ORS 530.110 (1)(b) or (2)(c)
16 from revenue generated by that land. However, if in any year the amounts distributed under
17 ORS 530.110 (1)(b) or (2)(c) from revenue generated by the acquired land equals or exceeds
18 the tax revenue to the county for the last year in which the acquired land was taxable,
19 payments under this section in regard to that land shall terminate and not resume.

20 **SECTION 9.** ORS 530.020 is amended to read:

21 530.020. Title to all lands acquired by the State Board of Forestry under ORS 530.010 shall be
22 free and clear of all encumbrances except easements of rights of way and reservations or exceptions
23 of gas, oil, coal, mineral and timber rights, **unless the board determines other encumbrances**
24 **will not unduly limit the management of the lands consistent with ORS 530.010 to 530.170.**
25 All titles shall be approved by the Attorney General before conveyance is accepted. However, the
26 Attorney General may approve title to lands proposed to be acquired from counties under the pro-
27 visions of ORS 530.030 or proposed to be acquired by donation or devise when, in the opinion of the
28 Attorney General, existing defects of title are of formal nature and may be cured by suit to quiet
29 title. In case of acquisition of lands with defective title, the Attorney General may institute suit to
30 quiet title to such lands, and all costs in connection therewith shall be a proper charge against the
31 funds of the board. All deeds, abstracts, title insurance policies, and other evidences of title to lands
32 acquired under ORS 530.010 to 530.040 shall be deposited with the Secretary of State. All deeds shall
33 promptly be recorded in the county in which the lands are situated.

34 **SECTION 10.** ORS 530.110 is amended to read:

35 530.110. (1) All revenues derived from lands acquired without cost to the state, or acquired from
36 counties pursuant to ORS 530.030, shall be paid into the State Treasury and credited to the State
37 Forestry Department Account and shall be used [*exclusively for the purposes stated in subsection (3)*
38 *of this section, and*] in accordance with the following distribution:

39 (a) Fifteen percent shall be credited to the State Forests Protection Subaccount of the State
40 Forestry Department Account until the amount in such subaccount [*shall reach*] **reaches** \$475,000.
41 Thereafter, the revenues shall be disposed of as stated in paragraphs (b) and (c) of this subsection,
42 unless needed to maintain the \$475,000 level. All moneys in the State Forests Protection Subaccount
43 are [*appropriated*] continuously **appropriated** to the State Forester who may use such money under
44 the following priorities:

45 (A) First, in addition to or in lieu of other moneys available, to pay the cost of protection, as

1 determined under ORS 477.270, for lands acquired under ORS 530.010 to 530.040.

2 (B) Second, to provide moneys needed for activities authorized by subsection (3) of this section.

3 (C) From remaining moneys, to pay costs incurred in the suppression of fire originating on or
4 spreading from an operation area, as defined in ORS 477.001, on state-owned forestland acquired
5 under ORS 530.010 to 530.040. The State Forester shall make payments with approval of the State
6 Board of Forestry for such fire suppression costs,[] except that no payments shall be made for such
7 costs or portion thereof when other parties are responsible under law or contracts for the payment
8 of such costs.

9 (b) Seventy-five percent of all such revenues remaining after the percentage disposed of as
10 stated in paragraph (a) of this subsection, shall be disposed of as provided in ORS 530.115.

11 (c) Twenty-five percent of all such revenues remaining after the percentage disposed of as stated
12 in paragraph (a) of this subsection, shall be used for the purposes set out in subsection (3) of this
13 section.

14 (2) **Except as provided in section 4 of this 2009 Act and ORS 530.280**, all revenues from lands
15 other than lands designated in subsection (1) of this section, acquired under ORS 530.010 to 530.040,
16 shall be paid into the State Treasury and credited to the State Forestry Department Account and
17 shall be used [*exclusively for the purposes stated in subsection (3) of this section, and*] in accordance
18 with the following distribution:

19 (a) Until each legal subdivision of the lands has been credited with an amount equal to the
20 purchase price thereof, the revenues shall reimburse the State Forestry Department Account. If
21 sufficient revenue to reimburse the State Forestry Department Account is not generated from the
22 purchased parcels within five years from the date of acquisition, the State Forester, with the consent
23 of the affected county, shall deduct all or portions of the unreimbursed purchase costs from the re-
24 venue distributed to that county in accordance with ORS 530.115 (1). **After the State Forestry**
25 **Department Account has been reimbursed for the purchase price of the lands, the revenue**
26 **from the lands shall be distributed according to the formula specified in [Thereafter]** para-
27 graphs (b), (c) and (d) of this subsection [*apply*].

28 (b) The percentage required under subsection (1)(a) of this section shall be credited to the State
29 Forests Protection Subaccount, [*thereafter,*] **and** the revenues shall be disposed of as stated in par-
30 agraphs (c) and (d) of this subsection.

31 (c) Seventy-five percent of all such revenues remaining after paragraphs (a) and (b) of this sub-
32 section have been complied with, shall be disposed of as provided in ORS 530.115.

33 (d) Twenty-five percent of all such revenues remaining after the percentage disposed of as stated
34 in paragraphs (a) and (b) of this subsection, shall be used for the purposes set out in subsection (3)
35 of this section.

36 (3) Unless otherwise consented to in advance and in writing by the counties from which the
37 state has acquired lands without cost to the state or pursuant to ORS 530.130, the moneys in the
38 State Forestry Department Account derived from those percentages of revenues set out in sub-
39 sections (1)(c) and (2)(d) of this section shall be used exclusively for the [*redemption of Oregon forest*
40 *development revenue bonds and payment of interest thereon, for the acquisition, development and*
41 *management of forestlands and*] **following purposes and in the following order:**

42 (a) **First, for the payment of bond-related costs for bonds issued under ORS 530.140.**

43 (b) **Second, to the Forest Acquisition County Reimbursement Fund to the extent neces-**
44 **sary for paying tax revenue reimbursements to counties under section 8 of this 2009 Act.**

45 (c) **Third, for such other purposes as are necessary in carrying out ORS 530.010 to 530.110.**

1 **SECTION 11.** ORS 530.110, as amended by section 10 of this 2009 Act, is amended to read:

2 530.110. (1) All revenues derived from lands acquired without cost to the state, or acquired from
3 counties pursuant to ORS 530.030, shall be paid into the State Treasury and credited to the State
4 Forestry Department Account and shall be used in accordance with the following distribution:

5 (a) Fifteen percent shall be credited to the State Forests Protection Subaccount of the State
6 Forestry Department Account until the amount in such subaccount reaches \$475,000. Thereafter, the
7 revenues shall be disposed of as stated in paragraphs (b) and (c) of this subsection, unless needed
8 to maintain the \$475,000 level. All moneys in the State Forests Protection Subaccount are contin-
9 uously appropriated to the State Forester who may use such money under the following priorities:

10 (A) First, in addition to or in lieu of other moneys available, to pay the cost of protection, as
11 determined under ORS 477.270, for lands acquired under ORS 530.010 to 530.040.

12 (B) Second, to provide moneys needed for activities authorized by subsection (3) of this section.

13 (C) From remaining moneys, to pay costs incurred in the suppression of fire originating on or
14 spreading from an operation area, as defined in ORS 477.001, on state-owned forestland acquired
15 under ORS 530.010 to 530.040. The State Forester shall make payments with approval of the State
16 Board of Forestry for such fire suppression costs, except that no payments shall be made for such
17 costs or portion thereof when other parties are responsible under law or contracts for the payment
18 of such costs.

19 (b) Seventy-five percent of all such revenues remaining after the percentage disposed of as
20 stated in paragraph (a) of this subsection, shall be disposed of as provided in ORS 530.115.

21 (c) Twenty-five percent of all such revenues remaining after the percentage disposed of as stated
22 in paragraph (a) of this subsection, shall be used for the purposes set out in subsection (3) of this
23 section.

24 (2) Except as provided in section 4 of this 2009 Act and ORS 530.280, all revenues from lands
25 other than lands designated in subsection (1) of this section, acquired under ORS 530.010 to 530.040,
26 shall be paid into the State Treasury and credited to the State Forestry Department Account and
27 shall be used in accordance with the following distribution:

28 (a) Until each legal subdivision of the lands has been credited with an amount equal to the
29 purchase price thereof, the revenues shall reimburse the State Forestry Department Account. If
30 sufficient revenue to reimburse the State Forestry Department Account is not generated from the
31 purchased parcels within five years from the date of acquisition, the State Forester, with the consent
32 of the affected county, shall deduct all or portions of the unreimbursed purchase costs from the re-
33 venue distributed to that county in accordance with ORS 530.115 (1). After the State Forestry De-
34 partment Account has been reimbursed for the purchase price of the lands, the revenue from the
35 lands shall be distributed according to the formula specified in paragraphs (b), (c) and (d) of this
36 subsection.

37 (b) The percentage required under subsection (1)(a) of this section shall be credited to the State
38 Forests Protection Subaccount, and the revenues shall be disposed of as stated in paragraphs (c) and
39 (d) of this subsection.

40 (c) Seventy-five percent of all such revenues remaining after paragraphs (a) and (b) of this sub-
41 section have been complied with, shall be disposed of as provided in ORS 530.115.

42 (d) Twenty-five percent of all such revenues remaining after the percentage disposed of as stated
43 in paragraphs (a) and (b) of this subsection, shall be used for the purposes set out in subsection (3)
44 of this section.

45 (3) Unless otherwise consented to in advance and in writing by the counties from which the

1 state has acquired lands without cost to the state or pursuant to ORS 530.130, the moneys in the
2 State Forestry Department Account derived from those percentages of revenues set out in sub-
3 sections (1)(c) and (2)(d) of this section shall be used exclusively for the following purposes and in
4 the following order:

5 (a) First, for the payment of bond related costs for bonds issued under ORS 530.140 **prior to the**
6 **effective date of this 2009 Act.**

7 (b) Second, to the Forest Acquisition County Reimbursement Fund to the extent necessary for
8 paying tax revenue reimbursements to counties under section 8 of this 2009 Act.

9 (c) Third, for such other purposes as are necessary in carrying out ORS 530.010 to 530.110.

10 **SECTION 12. The amendments to ORS 530.110 by section 11 of this 2009 Act become op-**
11 **erative July 1, 2013.**

12 **SECTION 13.** ORS 530.130 is amended to read:

13 530.130. (1) In compliance with the applicable provisions of ORS chapter 286A, the State Board
14 of Forestry may request the State Treasurer to issue the revenue bonds described in ORS 530.140
15 **to acquire any lands as provided in ORS 530.010 and to sell revenue bonds under ORS 530.140**
16 **in the manner the State Treasurer deems advisable. The net proceeds derived from the sale**
17 **of the revenue bonds, after the payment of bond-related costs, shall be paid into the State**
18 **Treasury and credited to the State Forestry Department Account to be used exclusively for**
19 **the purpose of acquiring lands as provided by ORS 530.010 and section 2 of this 2009 Act. The**
20 **State Forestry Department may establish one or more subaccounts, as it determines are**
21 **desirable for administration of the net proceeds, in the State Forestry Department Account.**
22 *[in exchange for lands selected by it in accordance with ORS 530.010 and to sell such bonds in such*
23 *manner as the State Treasurer deems advisable. Should the bonds be sold, the proceeds shall be paid*
24 *into the State Treasury and credited to the State Forestry Department Account and shall be expended*
25 *only by warrant of the Oregon Department of Administrative Services in the payment of vouchers*
26 *bearing the approval of the board in the purchase of lands, as provided in ORS 530.010.]*

27 *[(2) Lands proposed to be taken in exchange for bonds shall first be appraised by the board and*
28 *the appraisal approved by the Department of State Lands.]*

29 **(2) Subject to any management plan adopted under ORS 526.905 for the lands, the board**
30 **may make covenants related to the operation, use and sale of, or revenues derived from,**
31 **lands acquired with proceeds of the revenue bonds that the board determines after consul-**
32 **tation with the State Treasurer to be necessary or desirable for repayment of the bonds.**

33 **(3) Any lands proposed to be acquired under subsection (1) of this section shall be ap-**
34 **praised by the State Board of Forestry and the appraisal shall be approved by the Depart-**
35 **ment of State Lands prior to the acquisition of the lands.**

36 **SECTION 14.** ORS 530.230 is amended to read:

37 530.230. In order to provide funds for the purposes specified in Article XI-E of the Oregon Con-
38 stitution, the State Board of Forestry may request the State Treasurer to issue bonds in accordance
39 with the provisions of ORS chapter 286A[*but the annual issue shall not exceed \$750,000*].

40 **SECTION 15.** ORS 530.240 is amended to read:

41 530.240. The *[moneys]* **net proceeds, after payment of bond-related costs,** arising from the
42 sale of each issue of bonds **under ORS 530.210 to 530.280** shall be paid into the State Treasury and
43 credited to the State Forestry Department Account and shall be used exclusively for the rehabili-
44 tation, reforestation, management and development of state-owned forestlands and the acquisition
45 of lands for said purposes. Moneys acquired under ORS 530.230 shall be in addition to and not in

1 lieu of moneys regularly appropriated or otherwise made available to the State Board of Forestry
2 for the administration, management and protection of state forestlands. **The State Forestry De-**
3 **partment may establish one or more subaccounts, as the department determines are desir-**
4 **able for administration of the net proceeds arising from the sale of each issue of bonds, in**
5 **the State Forestry Department Account.**

6 **SECTION 16.** ORS 530.280 is amended to read:

7 530.280. (1) *[There hereby is created a sinking fund account to provide for the payment of the*
8 *principal and interest of all bonds issued pursuant to the provisions of ORS 530.210 to 530.280]* **The**
9 **State Forestry General Obligation Bond Fund is established separate and distinct from the**
10 **General Fund. Interest earned by the State Forestry General Obligation Bond Fund shall be**
11 **credited to the fund. Moneys in the fund may be invested as provided in ORS 286A.025 and**
12 **293.701 to 293.820. All moneys in the State Forestry General Obligation Bond Fund are con-**
13 **tinuously appropriated to the State Forestry Department for the purposes of paying bond-**
14 **related costs when due on the general obligation bonds issued under Article XI-E of the**
15 **Oregon Constitution. However, an agreement for exchange of interest rates may not be paid**
16 **from moneys derived under paragraph (a) of this subsection or from General Fund moneys**
17 **appropriated under paragraph (d) of this subsection to fulfill a pledge of the full faith and**
18 **credit of the state set forth in Article XI-E of the Oregon Constitution. The State Forestry**
19 **General Obligation Bond Fund shall consist of the following:**

20 (a) All moneys derived from taxes levied under ORS 291.445;

21 (b) All moneys derived from the sale, exchange or use of land acquired pursuant to ORS 530.240;
22 *[and]*

23 (c) Except as provided in ORS 530.115, all moneys received from the disposal of forest products
24 created through expenditures of moneys available under *[the Oregon Forest Rehabilitation Act]* **ORS**
25 **530.210 to 530.280** for reforestation~~[.]~~; **and**

26 **(d) Any moneys that may be appropriated to the fund by the Legislative Assembly.**

27 (2) The moneys referred to in subsection (1)(b) **and** (c) of this section shall be set aside for
28 *[sinking fund purposes until the issues of bonds which provided funds for such reforestation have been*
29 *retired. The State Forester shall designate and keep records of the area of land on which the funds*
30 *from particular issues of bonds have been expended for such reforestation.]* **State Forestry General**
31 **Obligation Bond Fund purposes until there are no longer any bonds issued under ORS 530.210**
32 **to 530.280 outstanding. If no bonds issued under ORS 530.210 to 530.280 are outstanding, the**
33 **moneys described in subsection (1)(b) and (c) of this section shall be disposed of using the**
34 **distribution formula described in ORS 530.115 (1)(a) to (c).**

35 *[(3) Disbursement from the sinking fund shall be made, for the purposes stated, upon the sub-*
36 *mission of duly verified claims, approved by the State Board of Forestry, to the Secretary of State, who*
37 *shall audit the same in the manner that other claims against the state are audited. The Oregon De-*
38 *partment of Administrative Services thereupon shall draw a warrant on the State Treasurer against*
39 *the fund. The money in the sinking fund may be invested as provided in ORS 293.701 to 293.820.]*

40 **SECTION 17.** ORS 293.701 is amended to read:

41 293.701. As used in ORS 293.701 to 293.820, unless the context requires otherwise:

42 (1) "Council" means the Oregon Investment Council.

43 (2) "Investment funds" means:

44 (a) Public Employees Retirement Fund referred to in ORS 238.660;

45 (b) Industrial Accident Fund referred to in ORS 656.632;

- 1 (c) Consumer and Business Services Fund referred to in ORS 705.145;
- 2 (d) Employment Department Special Administrative Fund referred to in ORS 657.822;
- 3 (e) Insurance Fund referred to in ORS 278.425;
- 4 (f) Funds under the control and administration of the Department of State Lands;
- 5 (g) Oregon Student Assistance Fund referred to in ORS 348.570;
- 6 (h) Moneys made available to the Commission for the Blind under ORS 346.270 and 346.540 or
- 7 rules adopted thereunder;
- 8 [(i) *Forest rehabilitation bonds sinking fund referred to in ORS 530.280;*]
- 9 **(i) Forest Development Revenue Bond Fund referred to in section 4 of this 2009 Act and**
- 10 **State Forestry General Obligation Bond Fund referred to in ORS 530.280;**
- 11 (j) Oregon War Veterans' Fund referred to in ORS 407.495;
- 12 (k) Oregon War Veterans' Bond Sinking Account referred to in ORS 407.515;
- 13 (L) World War II Veterans' Compensation Fund;
- 14 (m) World War II Veterans' Bond Sinking Fund;
- 15 (n) Savings and loan association funds in the hands of the Director of the Department of Con-
- 16 sumer and Business Services;
- 17 (o) Funds in the hands of the State Treasurer that are not required to meet current demands;
- 18 (p) State funds that are not subject to the control and administration of officers or bodies spe-
- 19 cifically designated by law;
- 20 (q) Funds derived from the sale of state bonds;
- 21 (r) Social Security Revolving Account referred to in ORS 237.490;
- 22 (s) Investment funds of the State Board of Higher Education lawfully available for investment
- 23 or reinvestment;
- 24 (t) Local Government Employer Benefit Trust Fund referred to in ORS 657.513;
- 25 (u) Elderly and Disabled Special Transportation Fund established by ORS 391.800;
- 26 (v) Education Stability Fund established by ORS 348.696;
- 27 (w) Deferred Compensation Fund established under ORS 243.411; and
- 28 (x) Trust for Cultural Development Account established under ORS 359.405.
- 29 (3) "Investment officer" means the State Treasurer in the capacity as investment officer for the
- 30 council.

31 **SECTION 18.** ORS 526.060 is amended to read:

32 526.060. (1) [*Excepting the sinking fund moneys designated in ORS 530.280 and reimbursements*
33 *for the revolving account under ORS 526.121*] **Except as provided in section 4 of this 2009 Act and**
34 **ORS 526.121 and 530.280**, all assessments, federal apportionments or contributions, and other mon-
35 eys received by the forester or State Board of Forestry, shall be paid into the State Treasury and
36 credited to the State Forestry Department Account, which is established separate and distinct from
37 the General Fund. All moneys in the State Forestry Department Account are [*appropriated*] contin-
38 uously **appropriated**, and shall be used by the forester, under the supervision and direction of the
39 board, for the purposes authorized by law.

40 (2) The forester shall keep a record of all moneys deposited in the State Forestry Department
41 Account. The record shall indicate by separate cumulative accounts the source from which the
42 moneys are derived and the individual activity or program against which each withdrawal is
43 charged. All moneys in the account received pursuant to ORS 527.610 to 527.770 and 527.992 shall
44 be used only for carrying out the duties, functions and powers of the State Forestry Department in
45 administering ORS 527.610 to 527.770 and 527.992.

1 (3) The Urban and Community Forestry Subaccount is established as a subaccount of the State
2 Forestry Department Account. Moneys in the Urban and Community Forestry Subaccount are [*ap-*
3 *propriated*] continuously **appropriated** to the State Forestry Department to be used for urban and
4 community forest activities described in ORS 469.634 and 469.652.

5 (4) The State Forest Enhancement Donation Subaccount is established as a subaccount to the
6 State Forestry Department Account. Moneys in the State Forest Enhancement Donation Subaccount
7 are continuously appropriated to the State Forestry Department to be used for the purposes de-
8 scribed in ORS 526.065.

9 (5) The State Forest Nursery Subaccount is established as a subaccount to the State Forestry
10 Department Account. Moneys in the State Forest Nursery Subaccount are continuously appropriated
11 to the State Forestry Department to be used for the purposes described in ORS 526.235.

12 (6) The State Forest Tree Seed Bank Subaccount is established as a subaccount to the State
13 Forestry Department Account. Moneys in the State Forest Tree Seed Bank Subaccount are contin-
14 uously appropriated to the State Forestry Department to be used for the purposes described in ORS
15 526.470.

16 (7) The State Forest Tree Seed Orchard Subaccount is established as a subaccount to the State
17 Forestry Department Account. Moneys in the State Forest Tree Seed Orchard Subaccount are con-
18 tinuously appropriated to the State Forestry Department to be used for the purposes described in
19 ORS 526.472.

20 (8) Notwithstanding ORS 291.238, the moneys credited to the subaccounts established under
21 subsections (5), (6) and (7) of this section shall be continuously available on a revolving basis.

22 **SECTION 19. ORS 530.150 and 530.160 are repealed.**

23 **SECTION 20. (1) The amendments to ORS 530.280 by section 16 of this 2009 Act are in-**
24 **tended to rename the “sinking fund account” described in ORS 530.280 to be the “State**
25 **Forestry General Obligation Bond Fund.” The State Forestry General Obligation Bond Fund**
26 **is for all purposes a continuation of the sinking fund account and not a new fund.**

27 **(2) Any reference in Oregon Revised Statutes to the “sinking fund account” in ORS**
28 **530.280 shall be considered a reference to the “State Forestry General Obligation Bond**
29 **Fund.”**

30 **(3) For the purpose of harmonizing and clarifying statute sections published in Oregon**
31 **Revised Statutes, the Legislative Counsel may substitute for words designating the “sinking**
32 **fund account” under ORS 530.280, wherever they occur in Oregon Revised Statutes, other**
33 **words designating the “State Forestry General Obligation Bond Fund.”**

34 **SECTION 21. This 2009 Act being necessary for the immediate preservation of the public**
35 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
36 **on its passage.**

37