

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2001

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Measure Description:

Defines statutory term regarding management of acquired lands designated as state forests, common school forest lands and Elliott State Forest Lands.

Government Unit(s) Affected:

Department of Forestry, Local Governments

Summary of Expenditure Impact: See Analysis

Summary of Revenue Impact: See Analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The measure defines the term “greatest permanent value” to mean that state forests, common school forest lands and Elliott State Forest Lands be managed primarily for timber production in order to produce revenue. The measure requires that the Oregon Department of Forestry (ODF) modify all management plans to comply with the policy by July 1, 2012. The measure is effective on passage.

ODF estimates the costs to modify all management plans by July 1, 2012 would be approximately \$432,960 Other Funds. ODF anticipates the need for five limited duration positions to conduct the rule-making and planning activities, including threatened and endangered species surveys and unit and road layouts, in order to transition to a higher timber harvest level assumed for the greatest permanent value.

ODF assumes that, given the extent of management plan changes that need to occur, additional timber harvest revenues would not be realized until 2015. Additionally, ODF assumes that additional expenditures will be required in 2013-15 to manage the forest planning and increased timber sales and reforestation.

The Legislative Fiscal Office believes that the fiscal and budgetary ramifications of this measure are not fully understood. The purpose of this fiscal impact is to outline the broad fiscal implications of this measure and to note that a more detailed analysis is required to understand the measure's budgetary impact.