

REVENUE: Revenue Impact Statement Issued
FISCAL: Minimal Fiscal Impact

Action: Without Recommendation as to Passage, with amendments, be Printed Engrossed and be Referred to Ways and Means by Prior Reference
Vote: 7-1-0
Yeas: Bentz, Brewer, Gelser, Read, Wand, Barnhart, Berger
Nays: Bailey
Exc.: 0

Prepared By: Christine Broniak, Economist
Meeting Dates: 2/15, 2/22

WHAT THE BILL DOES: Establishes credit against income taxes for current market value of any livestock that belongs to taxpayer and is killed by a wolf. Establishes taxpayer must submit evidence that includes finding by Department of Fish and Wildlife (ODFW) or by peace officer that wolf was probable cause of loss. Stipulates tax credit be reduced by any amount taxpayer has already received as compensation for killed livestock. Establishes if tax credit exceeds taxes for year amount of excess shall be refunded to taxpayer. Applies to tax years beginning on or after January 1, 2012. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- County compensation program.
- Predator losses of livestock and pets

EFFECT OF COMMITTEE AMENDMENTS: Removes cougars from the list of predators for which livestock owners may be compensated. Requires the ODFW to administer the compensation program and limit compensation to \$15,000 per year. Establishes a sunset of the compensation program for the tax year before January 1, 2019 for animals killed after June 30, 2018. Establishes the sunset at any point in which the wolf is removed from the Oregon Endangered Species List.

BACKGROUND: In 2010, there were at least 14 known adult wolves residing in Oregon. In 2005, the Oregon Fish and Wildlife Commission adopted a Wolf Conservation and Management Plan to “ensure the conservation of gray wolves as required by Oregon law while protecting the social and economic interests of all Oregonians.” The plan includes provisions for monitoring and managing populations, developing education and communication programs, and responding to wolf interactions with wildlife, humans, and livestock. The Legislature passed House Bill 3560 in 2011 which created the Wolf Compensation and Proactive management Fund (Fund.) The Department of Agriculture (Department) finalized administrative rules for the Fund at the end of 2011. Moving forward interested counties will establish county advisory committees, programs and a compensation plan. Once these elements are in place, counties can submit grant applications to the Department. The deadline for this round of grant applications is February 15, 2012. The soonest the Department would be able to fund approved county requests would be March, 2012. House Bill 4005 A4 establishes a tax credit for the owner of a livestock that is verifiably killed by a wolf. The Act stipulates that the tax credit must be reduced by any amount that the taxpayer has already received as compensation for the killed livestock.