

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass

Vote: 9 - 0 - 0

Yeas: Clem, Esquivel, Krieger, McKeown, Reardon, Thompson, Unger, Whitsett, Witt

Nays: 0

Exc.: 0

Prepared By: Beth Patrino, Administrator

Meeting Dates: 5/14, 5/30

WHAT THE MEASURE DOES: Directs Board of Forestry to appoint advisory committee to study and recommend financial support mechanisms to increase pace and scale of federal forest management projects. Specifies report may: identify options to diversify and improve revenue sources to support federal forest management; identify approaches to promote federal efficiencies; and evaluate options for establishing revolving loan fund or other mechanism to fund projects including evaluating feasibility of sharing increased state income tax revenue with counties funding federal forest management. Requires advisory committee to report to interim committee of Legislative Assembly related to economic development before February 1, 2014. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Use of existing Federal Forest Advisory Committee to conduct study and make recommendations
- Forest collaboratives
- Importance of increasing saw logs going to mills

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Of Oregon's 62 million acres, 30 million acres are forested. Of those acres, 60 percent are federal forestlands. In 2006, the Board of Forestry established the Federal Forestlands Advisory Committee (FFAC) to develop a sustainability vision for federal lands. In 2008, the FFAC released the report, "Achieving Oregon's Vision for Federal Forestlands," which was followed by the formation of the FFAC – Implementation Working Group (IWG) in 2009. In 2012, the FFAC-IWG identified the costs and benefits associated with doubling the average number of acres treated annually to restore forest ecosystem health on Oregon's dry-side federal forestlands. According to the IWG, federal forest management projects support rural economies, mill infrastructure, forest ecosystem health, and reduce fire-risk. Every \$1 million spent on forest restoration was estimated to result in an economic return of \$5.7 million.

Currently, the United States Forest Service does not have the financial resources to increase investment in federal forest management projects. Senate Bill 357 A directs the Board of Forestry to appoint an advisory committee to study the feasibility of establishing a loan program or other funding mechanism to support federal forest management projects.