

# Senate Bill 257

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## 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 **as introduced**.

Creates fund to allow State Board of Forestry to issue loans to United States Forest Service to prepare for and conduct sale of forest products to be harvested from federal forestlands within state. Continuously appropriates moneys in fund to board for purpose of loan program. Authorizes sale of lottery bonds and provides for deposit of net proceeds in fund.

Declares emergency, effective July 1, 2013.

## A BILL FOR AN ACT

1  
2 Relating to financial support for federal sales of forest products; appropriating money; and declaring  
3 an emergency.

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

5 **SECTION 1. (1) The Forest Product Sale Loan Fund is established in the State Treasury,**  
6 **separate and distinct from the General Fund. Interest earned by the Forest Product Sale**  
7 **Loan Fund shall be credited to the fund. The Forest Product Sale Loan Fund shall consist**  
8 **of all moneys credited to the fund, including moneys from lottery bond net proceeds and re-**  
9 **payments of principal and interest on loans made under subsection (2) of this section.**  
10 **Moneys in the fund are continuously appropriated to the State Board of Forestry for the**  
11 **purpose of carrying out the loan program described in this section.**

12 (2) The board may expend moneys from the fund to provide loans to the United States  
13 Forest Service, or any successor agency, to prepare for and conduct the sale of forest pro-  
14 ducts to be harvested from federal forestlands located within this state. Preparation for the  
15 sale of forest products to be harvested may include, but is not limited to, determining the  
16 type, size, density, quality and quantity of timber available to be harvested in an area, po-  
17 tential road locations and operation sites, likely harvest methods, restrictions or limitations  
18 on potential harvesting, and sale announcements and advertising. Loans made under this  
19 subsection must provide for the forest service to repay the loan, and any interest due on the  
20 loan, from the proceeds of forest product sales. Repayments of loan principal and interest  
21 shall be deposited to the credit of the fund.

22 **SECTION 2. (1) For the biennium beginning July 1, 2013, at the request of the Oregon**  
23 **Department of Administrative Services, in consultation with the State Board of Forestry, the**  
24 **State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585**  
25 **in an amount not to exceed net proceeds of \$\_\_\_\_\_ for the purpose described in sub-**  
26 **section (2) of this section, plus an additional amount, to be estimated by the State Treasurer,**  
27 **for payment of bond-related costs.**

28 (2) Net proceeds of lottery bonds issued pursuant to this section must be deposited in the

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 **Forest Product Sale Loan Fund established under section 1 of this 2013 Act sufficient to**  
2 **provide \$\_\_\_\_\_ in net proceeds and interest earnings for the State Board of Forestry**  
3 **to carry out the loan program described in section 1 of this 2013 Act.**

4 **(3) Bond-related costs for the lottery bonds authorized by this section must be paid from**  
5 **the gross proceeds of the lottery bonds and from allocations for the purposes of ORS**  
6 **286A.576 (1)(c).**

7 **(4) The Legislative Assembly finds that issuing lottery bonds to finance the loan program**  
8 **described in section 1 of this 2013 Act is essential to promoting the state's economic devel-**  
9 **opment and that the use of lottery bond proceeds is authorized based on the following**  
10 **findings:**

11 **(a) The loaning of moneys from the Forest Product Sale Loan Fund to the United States**  
12 **Forest Service will quicken the pace of sales of forest products to be harvested from federal**  
13 **forestlands within this state;**

14 **(b) The harvesting of forest products from federal forestlands within this state will cre-**  
15 **ate jobs for the timber harvesting industry in this state; and**

16 **(c) The harvesting of forest products from federal forestlands within this state is likely**  
17 **to result in the forest products being processed within this state, creating jobs for the forest**  
18 **product processing industry in this state.**

19 **SECTION 3. This 2013 Act being necessary for the immediate preservation of the public**  
20 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**  
21 **July 1, 2013.**

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