MEMORANDUM

Legislative Fiscal Office 900 Court St. NE, Room H-178 Salem, Oregon 97301 Phone 503-986-1828 FAX 503-373-7807

- To: Natural Resources Subcommittee
- From: Matt Stayner, Legislative Fiscal Office (503) 986-1840
- Date: June 18, 2015
- Subject: HB 2984 Work Session Recommendations

The measure requires Clackamas County to establish Clackamas Forestry Product Cooperative Project as pilot program for forestry products grown on nonforest land. Allows for cities within the county to participate in the project. Creates a regulatory system intended to grant immunity from federal and state antitrust laws to the project parties. Allocates Lottery Funds from the Administrative Services Economic Development Fund in the amount of \$750,000 as a grant to Clackamas County for the pilot project program development and requires County to report to Legislative Assembly on progress. Requires State Forester to establish procedures and guidelines for program and provide oversight. Requires State Forester set prices for purchase and sale under Project. Declares emergency, effective July 1, 2015.

Recommended Changes to HB 2984:

The legislative fiscal office recommends the adoption of the A8 and the A7 amendments.

The A8 amendments make primarily technical changes to the measure including:

- clarification of the terms for cities participating in the program;
- allowing participating properties annexed by cities to continue in the program subject to the terms of annexation agreement
- clarification of reporting requirements and addition of report to the 2017 Legislative Assembly;
- change of the implementation time line from the project being fully operational to completion of the planning and project preparation by 6/1/2017;
- inclusion of a 2023 sunset date.

Motion: Move that HB 2984 be amended by the –A8 amendments

The A7 amendments replace the \$750,000 allocation of funds from the Administrative Services Economic Development fund to Clackamas County with an appropriation of \$400,000 General Fund to the Oregon Department of Foresty for the purpose of granting those funds to Clackamas County for the purpose of the measure.

Motion:

Move that HB 2984 be amended by the -A7 amendments

Final Motion:

Move HB 2984 to the full committee with a "do pass" recommendation, as amended by the A7 and A8 amendments.