

Enrolled House Bill 2998

Sponsored by Representative READ, Senators HANSELL, ROBLAN, Representatives HOYLE, PARRISH, SMITH; Representatives BARRETO, BENTZ, BUEHLER, CLEM, DAVIS, ESQUIVEL, FREDERICK, GOMBERG, GORSEK, HACK, HELM, HUFFMAN, JOHNSON, MCKEOWN, MCLAIN, NEARMAN, OLSON, PILUSO, POST, REARDON, WHISNANT, WILSON, WITT, Senators BAERTSCHIGER JR, DEMBROW, EDWARDS, FERRIOLI, GIROD, KNOPP, KRUSE, THOMSEN, WHITSETT, WINTERS

CHAPTER

AN ACT

Relating to western juniper; and declaring an emergency.

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

SECTION 1. As used in sections 2 to 5 of this 2015 Act:

- (1) "Business development project" has the meaning given that term in ORS 285B.050.
- (2) "Western juniper" means trees of the species *Juniperus occidentalis*.

SECTION 2. (1) The Oregon Business Development Department shall provide economic development assistance to persons engaged in the business of western juniper harvesting or of manufacturing products from western juniper. The department may provide the economic development assistance for any western juniper harvesting or related manufacturing business development project that the department deems reasonable, including but not limited to the provision of moneys for business or infrastructure expansion and the hiring or retention of workers.

(2) The department shall provide economic development assistance under this section as either a loan or a grant. If the department provides the economic development assistance as a loan, the department shall make the loan subject to partial or full forgiveness if the borrower meets detailed performance measures. Subject to subsection (5) of this section, the department may provide both loans and grants to a person to meet business development project needs for the western juniper harvesting or related manufacturing business of the person.

- (3) An application for economic development assistance under this section must:
 - (a) Be submitted as a loan application in a form acceptable to the department; and
 - (b) Contain a business development project plan.

(4)(a) The department may issue a loan under this section only if the business development project plan contained in the loan application demonstrates to the satisfaction of the department that:

- (A) The project is feasible and reasonable from a practical and economic standpoint;
- (B) The project is unlikely to be developed without economic development assistance from the department; and

(C) The western juniper harvesting or related manufacturing business will have a reasonable prospect of meeting performance measures required by the department.

(b) A loan made under this section may be interest-bearing or interest-free and may be secured by any assets or revenues agreed to by the department and the borrower.

(c) The department may establish detailed performance measures that, if met by the borrower, may result in all or part of the loan being forgiven. The performance measures may include, but need not be limited to, employment figures, payroll amounts, sales, limitations on expenses and the amounts of western juniper harvested or otherwise removed from lands in this state due to the business. A loan made under this section must require the borrower to repay the loan if the western juniper harvesting or related manufacturing business fails to meet required performance measures.

(5) The department may issue a grant under this section only if a loan application is submitted under subsection (3) of this section and the department determines that the repayment of a loan for a needed business development project would create an undue hardship that would impair the viability of the western juniper harvesting or related manufacturing business. The department may use a grant issued in accordance with this subsection to supplement or replace economic development assistance that the department provides as a loan under this section.

(6) Loans and grants authorized under this section shall be made from the Western Juniper Industry Fund established under section 6 of this 2015 Act. Any principal and interest paid to the department by a borrower on a loan made under this section shall be deposited in the fund.

SECTION 3. The Oregon Business Development Department shall make technical business assistance available to persons engaged in, or proposing to engage in, the business of western juniper harvesting or of manufacturing products from western juniper. The department shall make the assistance available to support the creation, growth or development of a western juniper harvesting or related manufacturing business, including but not limited to assistance designed to improve business efficiency, stability, transparency and profitability. The assistance may be in standardized or customized form. The department may provide technical business assistance directly or may enter into personal service contracts for qualified providers to render the assistance.

SECTION 4. (1) The Oregon Business Development Department shall provide, or shall partially or fully fund the provision of, workforce training assistance to persons engaged in the business of western juniper harvesting or of manufacturing products from western juniper. The department shall provide or fund the training assistance to support the growth and development of a western juniper harvesting or related manufacturing business, including but not limited to supporting business by qualifying workers in harvesting, commercial driving and milling. The training assistance may be in standardized or customized form. If the department provides training assistance under this subsection or as part of a cooperative agreement under subsection (2) of this section, the department may provide the assistance directly or may enter into personal service contracts for qualified providers to render the assistance.

(2) The department shall give preference to creating basic worker skills, but may also provide or fund training to assist in the maintenance or advancement of worker skills to ensure the viability of western juniper harvesting or related manufacturing businesses in this state. The department, the Employment Department, local governments as defined in ORS 174.116, nonprofit organizations and private associations may enter into cooperative agreements for:

(a) Identifying the projected workforce needs of western juniper harvesting or related manufacturing businesses, potential workers for those businesses and the training needs of those potential workers; and

(b) Providing workforce training assistance to meet the needs described in paragraph (a) of this subsection.

(3) Workforce training assistance described in this section must be designed to increase the likelihood that individuals in the local areas near western juniper harvesting or related manufacturing businesses will have the necessary skill sets to obtain work in those businesses. The Oregon Business Development Department may give training assistance preference to individuals in the local areas who are unemployed.

SECTION 5. The Institute for Natural Resources, in consultation with the State Forestry Department, the State Department of Agriculture and the State Department of Fish and Wildlife and individuals and organizations interested in management, marketing or research matters related to western juniper harvesting, shall identify and map high quality marketable stands of western juniper that can be harvested in a commercially and environmentally reasonable manner for use in manufacturing. The institute shall maximize the use of remote sensing technology to carry out the mapping and identification. To the extent practicable, the institute shall make use of information developed from other state efforts to map western juniper and associated landscape scale restoration and wildlife initiatives. The institute shall make the mapping and identification information available without charge for use by persons engaged in the business of western juniper harvesting or of manufacturing products from western juniper. The institute may periodically review and update the information.

SECTION 6. The Western Juniper Industry Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Western Juniper Industry Fund shall be credited to the fund. The fund shall consist of any moneys appropriated, allocated, deposited or transferred to the fund by the Legislative Assembly or otherwise. Moneys in the fund are continuously appropriated to the Oregon Business Development Department for the purpose of carrying out activities under sections 2, 3 and 4 of this 2015 Act. Any moneys deposited in the fund for the purpose of carrying out a particular activity shall be kept in a separate subaccount of the fund and accounted for separately.

SECTION 7. Notwithstanding any other law limiting expenditures, the amount of \$800,000 is established for the biennium beginning July 1, 2015, as the maximum limit for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the Oregon Business Development Department for deposit in the Western Juniper Industry Fund for business, innovation and trade purposes as follows:

- (1) \$500,000 for carrying out activities under section 2 of this 2015 Act.
- (2) \$200,000 for carrying out activities under section 3 of this 2015 Act.
- (3) \$100,000 for carrying out activities under section 4 of this 2015 Act.

SECTION 8. In addition to and not in lieu of any other appropriation, there is appropriated to the Higher Education Coordinating Commission, for the biennium beginning July 1, 2015, out of the General Fund, the amount of \$100,000, which may be expended to allow Institute of Natural Resources personnel at Portland State University to carry out institute activities under section 5 of this 2015 Act.

SECTION 9. This 2015 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect July 1, 2015.

Passed by House June 10, 2015

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Timothy G. Sekerak, Chief Clerk of House

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Tina Kotek, Speaker of House

Passed by Senate June 18, 2015

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Peter Courtney, President of Senate

Received by Governor:

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Approved:

.....M,....., 2015

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2015

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Jeanne P. Atkins, Secretary of State