SB-335-3—Revising governance of the Department of Forestry

## 1) Strengthens conflict of interest language for Board of Forestry (BoF) appointments

Current statute (ORS 526.009 (4)) provides that "No more than three members of the board may derive any significant portion of their income from persons or organizations that are subject to regulation under ORS 527.610 to 527.770, 527.990 (1) and 527.992."As a practical matter, that language is taken to be entitle the timber industry to three of the seven BoF seats.

SB-335-3 revises that language such that up to two BoF members can derive significant income (which is specifically defined to enhance the statute's clarity) from forest operations or timber products. One seat is unrestricted and the second is provided for an owner of woodlands of 5000 acres or less. These seats are permitted, not mandated.

Bottom line: A central principle of good governance is that public policy decisions should be made as free as possible from individual professional and financial interests. When three of the seven seats governing a regulatory agency are filled by employees or shareholders of the regulated industry, that standard is not met, especially when thousands of knowledgeable and qualified Oregonians are available to serve who do not work for that regulated industry.

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## 2) Dissolves the Regional Forest Practices Advisory Committees

At least two-thirds of the members of these three advisory committees must by statute (ORS 527.650) be "private landowners, private timber owners or authorized representatives of such landowners or timber owners who regularly engage in operations." Staffed extensively by ODF personnel, the committees provide input on possible impacts on timber industry operations of new rules or policies that are under consideration. No advisory committee exists within ODF to represent other stakeholders in Oregon forest policy—groups focused on water resources, wildlife habitat, climate, recreation, tourism, etc.

SB-335-3 dissolves these standing committees and provides that the BoF "may establish a work group to research, assess or provide recommendations on any issue or question, as necessary to achieve the purposes described in ORS 527.630." This gives the BoF flexibility to access input from any stakeholder group it chooses, whenever it chooses.

Bottom line: Input from the timber industry on prospective ODF rules and policies is essential. There are multiple channels for providing that input, whether solicited by the BoF or ODF staff, or initiated by the industry itself. Embedding standing committees for just one of the several relevant stakeholder groups is a structural impediment to balanced and unbiased policy decisions and rulemaking. Additionally, considerable personnel resource currently used to staff these committees can be redirected to other ODF needs.

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## **3)** Transfers authority to hire or discharge the State Forester from the BoF to the Governor

SB-335-3 gives the Governor authority to hire or discharge the ODF Director, known as the State Forester. This is intended to align ODF with sound organizational practices generally.

Bottom line: Over time, forest practices have become one of the most contentious and politicized issues in the domain of state government. The dramatic challenges of catastrophic recent wildfire seasons have intensified that dynamic. The Governor is the state's highest elected official, selected by and accountable to all Oregonians, as well as its Chief Executive Officer, responsible for the quality and performance of executive branch agencies, including ODF. It is neither reasonable nor organizationally effective to hold the Governor to that responsibility if he or she lacks authority over the agency's director.