

## HOUSE AMENDMENTS TO HOUSE BILL 2357

By COMMITTEE ON AGRICULTURE AND NATURAL RESOURCES

March 31

1 On page 1 of the printed bill, line 2, after the second semicolon insert “and” and delete  
2 “321.684,”.

3 Delete lines 3 and 4 and insert “526.060, 526.610, 526.615 and 526.650.”.

4 Delete lines 14 through 27 and delete pages 2 through 5 and insert:

5 **“SECTION 2. The State Forestry Department shall:**

6 **“(1) Provide support for any committee created by the State Board of Forestry to serve**  
7 **owners of small forestlands.**

8 **“(2) Aid owners of small forestlands in understanding the Oregon Forest Practices Act**  
9 **and implementing sustainable forestry methods.**

10 **“(3) Conduct education initiatives for owners of small forestlands.**

11 **“SECTION 3.** ORS 321.017 is amended to read:

12 “321.017. (1) In addition to the taxes levied under ORS 321.015 (1) to (4), there hereby is levied  
13 a privilege tax upon taxpayers on the harvesting of all merchantable forest products harvested on  
14 forestlands in the amount provided in subsection (2) of this section.

15 **“(2) The State Board of Forestry shall establish annually, at the beginning of each cal-**  
16 **endar year,** the rate of tax levied in subsection (1) of this section [*shall be established annually at*  
17 *the beginning of each calendar year by the board of directors of the Oregon Forest Resources*  
18 *Institute*], at a rate not to exceed 75 cents per thousand feet, board measure, adjusted annually for  
19 inflation since 1991 based on the Consumer Price Index for All Urban Consumers, West Region (All  
20 Items), as published by the Bureau of Labor Statistics of the United States Department of Labor.

21 **“(3) The tax shall be measured by and be applicable to each per thousand feet, board measure,**  
22 **and such shall be subject to and determined by the procedures and provisions of ORS 321.015 (5)**  
23 **and (6).**

24 **“(4) The tax levied by subsection (1) of this section shall be due and payable to the Department**  
25 **of Revenue in the manner and procedure, including penalties and interest, as set forth for the col-**  
26 **lection of the privilege tax in ORS 321.005 to 321.185.**

27 **“(5) The revenue from the tax levied by subsection (1) of this section shall be remitted to the**  
28 **State Treasurer who shall deposit it in a suspense account established under ORS 321.145 (1). After**  
29 **payment of refunds, which shall be paid in the same manner as other forest products harvest tax**  
30 **refunds are paid in ORS 321.145 (2), the balance of the additional tax imposed under subsection (1)**  
31 **of this section shall be [deposited in the Oregon Forest Resources Institute Fund.] credited to the**  
32 **State Forestry Department Account and deposited as follows:**

33 **“(a) Fifty percent in the Sound Forestry Practices Subaccount established in ORS 526.060;**

34 **“(b) Thirty-three percent in the Oregon Forest Resources Institute Fund established in**  
35 **ORS 526.675; and**

1       “(c) **Seventeen percent in the Family Forestlands Subaccount established in ORS 526.060.**

2       “**SECTION 4.** ORS 321.145 is amended to read:

3       “321.145. (1) The revenue from the taxes levied [by] **under** ORS 321.005 to 321.185 and 321.560  
4 to 321.600 shall be remitted to the State Treasurer who shall deposit it in a suspense account es-  
5 tablished under the provisions of ORS 293.445.

6       “(2) Notwithstanding the provisions of ORS 291.238, the amount of moneys necessary to pay re-  
7 funds of the taxes levied under ORS 321.015 [(1) to (4) hereby] **and 321.017** is appropriated contin-  
8 uously to the Department of Revenue from the suspense account referred to in subsection (1) of this  
9 section, and shall be used by the department for the payment of all refunds of taxes levied under  
10 ORS 321.015 [(1) to (4)] **and 321.017** that have been audited and approved by the department. Any  
11 penalties, interest and taxes then due from the taxpayer shall be applied in that order in computing  
12 any refund, and only the balance due the taxpayer, if any, shall be refunded. The department shall  
13 on its records charge each refund against the revenue from the tax with respect to which the refund  
14 is made.

15       “**SECTION 5.** ORS 526.060 is amended to read:

16       “526.060. (1) Except as provided in ORS 526.121, 530.147 and 530.280, all assessments, federal  
17 apportionments or contributions, and other moneys received by the forester or State Board of  
18 Forestry, shall be paid into the State Treasury and credited to the State Forestry Department Ac-  
19 count, which is established separate and distinct from the General Fund. All moneys in the State  
20 Forestry Department Account are continuously appropriated, and shall be used by the forester, un-  
21 der the supervision and direction of the board, for the purposes authorized by law.

22       “(2) The forester shall keep a record of all moneys deposited in the State Forestry Department  
23 Account. The record shall indicate by separate cumulative accounts the source from which the  
24 moneys are derived and the individual activity or program against which each withdrawal is  
25 charged. All moneys in the account received pursuant to ORS 527.610 to 527.770 and 527.992 shall  
26 be used only for carrying out the duties, functions and powers of the State Forestry Department in  
27 administering ORS 527.610 to 527.770 and 527.992.

28       “(3) The Urban and Community Forestry Subaccount is established as a subaccount of the State  
29 Forestry Department Account. Moneys in the Urban and Community Forestry Subaccount are con-  
30 tinuously appropriated to the State Forestry Department to be used for urban and community forest  
31 activities described in ORS 469.634 and 469.652.

32       “(4) The State Forest Enhancement Donation Subaccount is established as a subaccount to the  
33 State Forestry Department Account. Moneys in the State Forest Enhancement Donation Subaccount  
34 are continuously appropriated to the State Forestry Department to be used for the purposes de-  
35 scribed in ORS 526.065.

36       “(5) The State Forest Nursery Subaccount is established as a subaccount to the State Forestry  
37 Department Account. Moneys in the State Forest Nursery Subaccount are continuously appropriated  
38 to the State Forestry Department to be used for the purposes described in ORS 526.235.

39       “(6) The State Forest Tree Seed Bank Subaccount is established as a subaccount to the State  
40 Forestry Department Account. Moneys in the State Forest Tree Seed Bank Subaccount are contin-  
41 uously appropriated to the State Forestry Department to be used for the purposes described in ORS  
42 526.470.

43       “(7) The State Forest Tree Seed Orchard Subaccount is established as a subaccount to the State  
44 Forestry Department Account. Moneys in the State Forest Tree Seed Orchard Subaccount are con-  
45 tinuously appropriated to the State Forestry Department to be used for the purposes described in

1 ORS 526.472.

2 “(8) **The Sound Forestry Practices Subaccount is established as a subaccount of the State**  
3 **Forestry Department Account. Moneys in the Sound Forestry Practices Subaccount are**  
4 **continuously appropriated to the State Forestry Department for the purposes described in**  
5 **section 1 of this 2021 Act.**

6 “(9) **The Family Forestlands Subaccount is established as a subaccount of the State**  
7 **Forestry Department Account. Moneys in the Family Forestlands Subaccount are contin-**  
8 **uously appropriated to the State Forestry Department for the purposes described in section**  
9 **2 of this 2021 Act.**

10 “[8] (10) Notwithstanding ORS 291.238, the moneys credited to the subaccounts established  
11 under subsections (5), (6), [and] (7), (8) and (9) of this section shall be continuously available on a  
12 revolving basis.

13 “**SECTION 6.** ORS 526.610 is amended to read:

14 “526.610. There is created the Oregon Forest Resources Institute. The institute shall be gov-  
15 erned by a board of directors appointed by the State Forester. In making the appointments, the State  
16 Forester shall take into consideration any nominations or recommendations made to the State  
17 Forester by producers or organizations that represent producers. The board shall consist of [11] 13  
18 voting members plus two nonvoting members appointed as follows:

19 “(1) Three voting members to represent small producers of 20 million board feet or less per year.

20 “(2) Three voting members to represent medium producers of more than 20 million board feet  
21 but less than 100 million board feet per year.

22 “(3) Three voting members to represent large producers of 100 million board feet or more per  
23 year.

24 “(4) One voting member who is an owner of between 100 and 2,000 acres of forestland and who  
25 has no direct financial interest in any forest products processing activity.

26 “(5) After consideration of the recommendations of the other appointed members in subsections  
27 (1) to (4) of this section, one voting member who is an hourly wage employee of a producer or a  
28 person who represents such employees. [*The member appointed under this subsection need not comply*  
29 *with the requirements of ORS 526.615 (3) to (6).*]

30 “(6) **One voting member who represents the environmental community.**

31 “(7) **One voting member who has experience with a fishery or a wildlife-related science.**

32 “[6)(a)] (8)(a) Two nonvoting members:

33 “(A) The Dean of the College of Forestry at Oregon State University.

34 “(B) An individual jointly appointed by the President of the Senate and the Speaker of the House  
35 of Representatives to represent the public. The public representative may not be a member of or  
36 significantly affiliated with any organization of or business in the timber industry or any organiza-  
37 tion or business known to support or promote environmental or conservation issues. A person ap-  
38 pointed under this subparagraph serves at the pleasure of the President of the Senate and the  
39 Speaker of the House of Representatives.

40 “(b) Members referred to in this subsection are not subject to ORS 526.615 to 526.625.

41 “**SECTION 7.** ORS 526.615 is amended to read:

42 “526.615. (1) [*Except as provided in ORS 526.610 (5), each*] **A** voting member of the board of di-  
43 rectors of the Oregon Forest Resources Institute **who is described in ORS 526.610 (1), (2), (3), (4),**  
44 **(6) or (7) must** [*shall have the following qualifications*]:

45 “[1] (a) Be a citizen of the United States.

1        “[2] (b) Be a bona fide resident of this state.

2        **“(2) A voting member who is described in ORS 526.610 (1), (2), (3) or (4) must also:**

3        “[3] (a) Be a producer in this state, an employee of such a producer or own between 100 and

4 2,000 acres of forestland in this state on which harvest taxes are paid, but have no direct financial

5 interest in any forest products processing activity.

6        “[4] (b) Have been actively engaged in producing forest products for a period of at least five

7 years.

8        “[5] (c) Derive a substantial proportion of income from the production of forest products.

9        “[6] (d) Have demonstrated, through membership in producers’ organizations or organizations

10 representing landowners who meet the requirements of ORS 526.610 (4), a profound interest in the

11 development of Oregon’s forest products industry.

12        **“SECTION 8.** ORS 526.650 is amended to read:

13        “526.650. (1) Notwithstanding ORS 526.645 (2), *[no funds shall be expended by the Oregon Forest*

14 *Resources Institute]* **the Oregon Forest Resources Institute may not expend funds:**

15        **“(a) For the purpose of supporting or opposing litigation or other legal action [which] that is**

16 **unrelated to the administration of the institute.**

17        “[2] (b) *[No funds shall be expended by the institute]* For the purpose of influencing, or at-

18 tempting to influence, *[any]* legislation or *[any]* a rulemaking or other administrative activity of

19 *[any]* a state board, commission or agency.

20        **“(c) On generalized advertising for public education related to forest practices, including**

21 **the adequacy or effectiveness of any particular forest practice.**

22        **“(d) On educational materials, trainings, tours or other outreach that does not include**

23 **a conservation perspective.**

24        **“(2) The institute shall:**

25        **“(a) Maintain records of interactions between institute staff and elected officials, mem-**

26 **bers of boards and commissions and senior agency employees.**

27        **“(b) By January 15 of each year, present a report summarizing the records to the Gov-**

28 **ernor.**

29        **“(c) Make the report available to the public on a website maintained by the institute.”.**

30

---