Senate Bill 828
Sponsored by Senator DEMBROW

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.

Makes certain findings concerning effects of poor forest management.
Provides that Governor appoints members of Oregon Forest Resources Institute. Makes certain changes to requirements for members.
Makes certain changes to objectives established for institute.
Establishes that institute may not expend funds on advertising related to forest practices or outreach that does not include conservation perspective. Requires institute to keep records of certain interactions of institute staff.

A BILL FOR AN ACT
Relating to forest health; creating new provisions; and amending ORS 321.684, 526.600, 526.605, 526.610, 526.615, 526.620, 526.640, 526.645 and 526.650.

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

SECTION 1. ORS 526.605 is amended to read:
526.605. The State of Oregon recognizes that the forest products industry is one of the largest industries in the state. It provides monetary returns to labor, forestland owners, mill owners and operators, public timber purchasers, timber harvesters, investors and others. It is a source of local and state taxes. It is a major supporter of many secondary businesses that supply goods and services in our communities. However, poor forest management can present hazards to public resources such as water, fish and wildlife and pose risks to public safety from landslides and wildfire. The welfare of the state is therefore largely dependent on the health and vigor of thus clearly affected by the forest products industry. The Oregon Forest Resources Institute’s objectives support this important industry and the wise stewardship of natural resources for the benefit of Oregonians.

SECTION 2. ORS 526.610 is amended to read:
526.610. There is created the Oregon Forest Resources Institute. The institute shall be governed by a board of directors appointed by the [State Forester] Governor. In making the appointments, the [State Forester] Governor shall take into consideration any nominations or recommendations made to the [State Forester] Governor by producers, [or organizations that represent producers] educators and organizations that advocate for forest conservation. The board shall consist of [II] 12 voting members plus two nonvoting members appointed as follows:
(1) Three voting members to represent [small] producers of more than 20 million board feet [or less] per year.
(2) Three voting members to represent medium producers of more than 20 million board feet but less than 100 million board feet per year.
(3) Three voting members to represent large producers of 100 million board feet or more per year.

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.

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

(3) Four voting members who are educators at the K-12 and post-secondary levels.

(4) Four voting members to represent the public interest.

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

(6)(a) Two nonvoting members:

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

(B) An individual jointly appointed by the President of the Senate and the Speaker of the House of Representatives to represent the public. The public representative may not be a member of or significantly affiliated with any organization of or business in the timber industry or any organization or business known to support or promote environmental or conservation issues. A person appointed under this subparagraph serves at the pleasure of the President of the Senate and the Speaker of the House of Representatives. One nonvoting member who serves on the State Workforce Talent and Development Board.

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

SECTION 3. All members of the board of directors of the Oregon Forest Resources Institute who are serving on the board on the effective date of this 2021 Act may continue to serve on the board until the end of their terms. On or after the effective date of this 2021 Act, the Governor may not make an appointment that is inconsistent with ORS 526.610, as amended by section 2 of this 2021 Act.

SECTION 4. Section 3 of this 2021 Act is repealed on January 2, 2025.

SECTION 5. ORS 526.615 is amended to read:

526.615. (1) [Except as provided in ORS 526.610 (5),] Each voting member of the board of directors of the Oregon Forest Resources Institute shall have the following qualifications:

(1) Be a citizen of the United States.

(2) Be a bona fide resident of this state.

(2) A voting member described in ORS 526.610 (1) or (2) shall:

(a) Be a producer in this state, an employee of such a producer or own between 100 and 2,000 acres of forestland in this state on which harvest taxes are paid, but have no direct financial interest in any forest products processing activity.

(b) Have been actively engaged in producing forest products for a period of at least five years.

(c) Derive a substantial proportion of income from the production of forest products.

(d) Have demonstrated, through membership in producers’ organizations or organizations representing landowners who meet the requirements of ORS 526.610 [(4)(2), a profound interest in the development of Oregon’s forest products industry.

SECTION 6. ORS 526.620 is amended to read:

526.620. Each voting member of the board of directors of the Oregon Forest Resources Institute shall be appointed for a term ending three years from the date of the expiration of the term for which the member’s predecessor was appointed. If there is a vacancy on the board of a voting member, other than a vacancy caused by expiration of a term, the [State Forester] Governor shall fill the vacancy for the remainder of the unexpired term with a person who represents the same
class] is described in the same subsection of ORS 526.610 as the member whose term was vacated.

SECTION 7. ORS 526.640 is amended to read:

526.640. The Oregon Forest Resources Institute shall [enhance and provide support for Oregon’s forest products industry] assist owners of forestland, provide funding for visits to forests by students, support awareness and training of youth regarding employment in the forest sector, partner with licensed educators to develop balanced, science-based curricula about forests and promote Oregon forest products to markets outside this state. In achieving these objectives the institute may:

[(1) Increase public understanding of the practice of forestry and the use and benefits of forest products.]

[(2)] (1) Support [education and] cooperative efforts [among private forest landowners and within the forest products industry] to:

(a) Practice good stewardship of the land, and protect water and other public resources to the maximum extent practicable;

(b) [Encourage the conversion of underproductive rural lands to forest uses, and provide information to private landowners on the means to facilitate such conversions] Partner with and provide funding to workforce development organizations, such as career and technical student organizations and the Oregon Youth Corps, to advance training opportunities related to employment in the forest sector;

(c) Encourage, facilitate and assist private forest landowners to meet or exceed state and federal regulations governing forest operations;

(d) Evaluate and communicate to private forest landowners the stewardship responsibility expectations of the public; [and]

(e) In cooperation with the State Forestry Department, Oregon State University and other appropriate government or private entities, serve as a clearinghouse for the dissemination of information to private forest landowners, through conferences, workshops and other means, about [modern land management practices.] topics described in this subsection; and

(f) Produce educational materials for educators at the K-12 level concerning the importance of responsible forest management practices, the conservation impacts of poor forest management practices and the economic development and workforce aspects of forest management.

[(3)] (2) Conduct research and help facilitate continued improvement in wood utilization, [and in] secondary wood products manufacturing and the recruitment and training of a skilled forest sector workforce.

[(4)] (3) Publish and sell publications and other materials relating to any program or function authorized by ORS 526.600 to 526.675. The institute may contract for the publication of the materials described in this subsection, including the research, design and writing of the materials. The contract may include, among other matters, provisions for advance payment or reimbursement for services performed under the contract. The price of such publications shall include the cost of publishing and distributing the materials. All moneys received by the institute from the sale of publications shall be deposited in the Oregon Forest Resources Institute Fund.

SECTION 8. ORS 526.645 is amended to read:

526.645. In addition to the functions listed in ORS 526.640, the Oregon Forest Resources Institute may:
(1) Conduct research on forest sector workforce development and markets for Oregon forest products and disseminate reliable information based upon such research.

(2) Sue and be sued as an institute without individual liability for acts of the board of directors within the scope of the powers conferred upon it by law.

(3) Enter into contracts which the board of directors considers necessary to carry out the duties, functions and powers imposed upon the institute by law.

(4) Borrow money in amounts not to exceed 50 percent of the board of directors' estimate of the institute's revenue from the current year's harvest.

(5) Appoint subordinate officers and employees of the institute and prescribe their duties and fix their compensation.

(6) Adopt, rescind, modify or amend all proper orders, regulations, rules and resolutions for the exercise of its duties, functions and powers.

SECTION 9. ORS 526.650 is amended to read:

526.650. (1) Notwithstanding ORS 526.645 (2), [no funds shall be expended by the Oregon Forest Resources Institute] the Oregon Forest Resources Institute may not expend funds:

(a) For the purpose of supporting or opposing litigation or other legal action [which] that is unrelated to the administration of the institute.

[22) b] (b) [No funds shall be expended by the institute] For the purpose of influencing, or attempting to influence, [any] legislation or [any] a rulemaking or other administrative activity of [any] a state board, commission or agency.

(c) On generalized advertising for public education related to forest practices, including the adequacy or effectiveness of any particular forest practice.

(d) On educational materials, trainings, tours or other outreach that does not include a conservation perspective.

(2) The institute shall:

(a) Maintain records of interactions between institute staff and elected officials, members of boards and commissions and senior agency employees.

(b) By January 15 of each year, present a report summarizing the records to the Governor.

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

SECTION 10. ORS 321.684 is amended to read:

321.684. (1) The Department of Revenue may:

(a) Furnish to any taxpayer or authorized representative, upon request of the taxpayer or authorized representative, a copy of the taxpayer's forest products harvest tax report or return required by ORS 321.045 or 321.741 that is filed with the department for any year, or a copy of any report filed by the taxpayer in connection with the return.

(b) Publish a list of taxpayers who are entitled to unclaimed tax refunds.

(c) Publish statistics classified so as to prevent the identification of taxable value or any particulars contained in any report or return.

(d) Disclose a taxpayer's name, address and Social Security number or employer identification number to the extent necessary in connection with the processing and mailing of forms for any report or return required in the administration of ORS 321.045 and 321.741.

(e) Disclose to the [State Forester] Governor, upon request of the [forester] Governor, for the purpose of soliciting nominations and recommendations referred to in ORS 526.610, the names of producers meeting producer class qualifications established under ORS 526.610 who filed forest
products harvest tax returns.

(f) Disclose appraisal data collected to make determinations of specially assessed value of forestland under ORS 321.201 to 321.222 to any member of a forestland value advisory committee the department has convened under ORS 321.213.

(2) The department also may disclose and give access to information described in ORS 321.682 to:

(a) The Commissioner of Internal Revenue or authorized representative, for tax purposes only.

(b) The United States Forest Service, Bureau of Land Management and the State Forestry Department pursuant to their regulatory programs and for investigative purposes related to timber theft.

(c) The Attorney General, assistants and employees in the Department of Justice or other legal representative of the State of Oregon, to the extent the department considers disclosure or access necessary for the performance of the duties of advising or representing the department pursuant to ORS 321.045 and 321.741.

(d) Employees of the State of Oregon, other than the Department of Revenue or Department of Justice, to the extent the department considers disclosure or access necessary for such employees to perform their duties under contracts or agreements between the department and any other department, agency or subdivision of the State of Oregon in the department's administration of the tax laws.

(e) The Legislative Revenue Officer or the authorized representative of the Legislative Revenue Officer upon compliance with ORS 173.850. The officer or representative may not remove from the premises of the department any materials that would reveal the identity of any taxpayer or any other person or the volume of harvest and value reported on individual returns and reports.

(f) Any agency of the State of Oregon, or any person, or any officer or employee of the agency or person to whom disclosure or access is given by state law and not otherwise referred to in this section, including but not limited to the Secretary of State as Auditor of Public Accounts under section 2, Article VI of the Constitution of the State of Oregon.

(3) Each officer or employee of the department and each person described or referred to in subsection (2)(b) to (f) of this section to whom disclosure or access to the tax information is given under subsection (2) of this section or any other provision of state law, prior to beginning employment or the performance of duties involving such disclosure or access, shall be advised in writing of the provisions of ORS 321.682 and 321.686 relating to penalties for the violation of ORS 321.682, and shall, as a condition of employment or performance of duties, execute a certificate for the department, in a form prescribed by the department, stating in substance that the person has read these provisions of law, that the person has had them explained and that the person is aware of the penalties for the violation of ORS 321.682.

SECTION 11. ORS 526.600 is amended to read:

526.600. As used in ORS 526.600 to 526.675, unless the context requires otherwise:

(1) “Institute” means the Oregon Forest Resources Institute.

(2) “Producer” means a producer of forest products and includes any person, partnership, association, corporation, cooperative or other business entity involved in the growing, harvesting or producing of timber or timber products. “Producer” does not include landowners who meet the requirement of ORS 526.610 (4)(d) (2).