

Requested by Representative LIVELY

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2357**

1 On page 1 of the printed A-engrossed bill, line 2, after “management;”  
2 delete the rest of the line and delete line 3 and insert “amending ORS  
3 477.755, 477.880, 526.600, 526.605, 526.610, 526.615, 526.640 and 526.650.”.

4 Delete lines 5 through 19 and delete pages 2 through 5 and insert:

5 **“SECTION 1.** ORS 526.600 is amended to read:

6 “526.600. As used in ORS 526.600 to 526.675, unless the context requires  
7 otherwise:

8 “(1) ‘Institute’ means the Oregon Forest Resources Institute.

9 “(2) ‘Producer’ means a producer of forest products and includes any  
10 person, partnership, association, corporation, cooperative or other business  
11 entity involved in the growing, harvesting or producing of timber or timber  
12 products. ‘Producer’ does not include landowners who meet the requirement  
13 of ORS 526.610 [(4)] **(3)(d)**.

14 **“SECTION 2.** ORS 526.605 is amended to read:

15 “526.605. **(1)** The State of Oregon recognizes that the forest products in-  
16 dustry is one of the largest industries in the state. It provides monetary  
17 returns to labor, forestland owners, mill owners and operators, public timber  
18 purchasers, timber harvesters, investors and others. It is a source of local  
19 and state taxes. It is a major supporter of many secondary businesses that  
20 supply goods and services in our communities. The welfare of the state is  
21 therefore largely dependent on the health and vigor of the forest products

1 industry.

2 “(2) The Oregon Forest Resources Institute’s objectives support this im-  
3 portant industry and the wise stewardship of natural resources for the ben-  
4 efit of Oregonians. **Therefore, to the extent consistent with ORS 526.600**  
5 **to 526.675, the institute shall serve as the forest products industry’s**  
6 **equivalent of the commodity commissions described in ORS 576.051 to**  
7 **576.455.**

8 “SECTION 3. ORS 526.610 is amended to read:

9 “526.610. (1) There is created the Oregon Forest Resources Institute to  
10 **serve as a commodity commission for the forest products industry, to**  
11 **the extent consistent with ORS 526.600 to 526.675.**

12 “(2) The institute shall be governed by a board of directors **consisting**  
13 **of 12 voting members, 11 of whom are appointed by the State Forester**  
14 **and one of whom is jointly appointed by the Senate President and the**  
15 **Speaker of the House of Representatives** [*appointed by the State*  
16 *Forester*].

17 “(3) [*In making the appointments, the State Forester shall take*] **Taking**  
18 into consideration any nominations or recommendations made to the State  
19 Forester by producers or organizations that represent producers[. *The board*  
20 *shall consist of 11 voting members plus two nonvoting members appointed as*  
21 *follows:*], **the State Forester shall appoint to the board:**

22 “[*(1)*] (a) Three voting members to represent small producers of 20 million  
23 board feet or less per year. **The members appointed under this paragraph**  
24 **need not comply with the requirements of ORS 526.615 (5).**

25 “[*(2)*] (b) Three voting members to represent medium producers of more  
26 than 20 million board feet but less than 100 million board feet per year.

27 “[*(3)*] (c) Three voting members to represent large producers of 100  
28 million board feet or more per year.

29 “[*(4)*] (d) One voting member who is an owner of between 100 and 2,000  
30 acres of forestland and who has no direct financial interest in any forest

1 products processing activity.

2 “[5] (e) After consideration of the recommendations of the other ap-  
3 pointed members in [subsections (1) to (4)] **subsection (3)(a) to (d)** of this  
4 section, one voting member who is an hourly wage employee of a producer  
5 or a person who represents such employees. The member appointed under this  
6 [subsection] **paragraph** need not comply with the requirements of ORS  
7 526.615 (3) to (6).

8 “[6)(a) *Two nonvoting members:*]

9 “[A) *The Dean of the College of Forestry at Oregon State University.*]

10 “[B) (4) *[An individual jointly appointed by]* The President of the Senate  
11 and the Speaker of the House of Representatives **shall jointly appoint one**  
12 **voting member** to represent the public. The *[public representative]* **member**  
13 **appointed under this subsection:**

14 “(a) May not be a member of or significantly affiliated with any organ-  
15 ization of or business in the timber industry *[or any organization or business*  
16 *known to support or promote environmental or conservation issues]*.

17 “(b) **Must have an active interest in the positive development and**  
18 **economic growth of the forest products industry in this state.**

19 “(c) *[A person appointed under this subparagraph]* Serves at the pleasure  
20 of the President of the Senate and the Speaker of the House of Represen-  
21 tatives.

22 “[b) *Members referred to in this subsection are not subject to ORS 526.615*  
23 *to 526.625.*]

24 “(d) **Need not comply with the requirements of ORS 526.615.**

25 “**SECTION 4.** ORS 526.615 is amended to read:

26 “526.615. Except as provided in ORS 526.610 [(5)] **(3)(a) and (e) and (4)**,  
27 each voting member of the board of directors of the Oregon Forest Resources  
28 Institute shall have the following qualifications:

29 “(1) Be a citizen of the United States.

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

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

5 “(4) Have been actively engaged in producing forest products for a period  
6 of at least five years.

7 “(5) Derive a substantial proportion of income from the production of  
8 **unprocessed** forest products.

9 “(6) Have demonstrated, through membership in producers’ organizations  
10 or organizations representing landowners who meet the requirements of ORS  
11 526.610 [(4)] **(3)(d)**, a profound interest in the development of Oregon’s forest  
12 products industry.

13 **“SECTION 5.** ORS 526.640 is amended to read:

14 “526.640. (1) **As used in this section, ‘intellectual property’ means**  
15 **patents, copyrights, trademarks, inventions, discoveries, processes,**  
16 **ideas and other similar property, whether or not they are patentable**  
17 **or copyrightable.**

18 **“(2)** The Oregon Forest Resources Institute shall enhance and provide  
19 support for Oregon’s forest products industry. In achieving these objectives  
20 the institute may:

21 “[1] **(a)** Increase public understanding of the practice of forestry and the  
22 use and benefits of forest products.

23 “[2] **(b)** Support education and cooperative efforts among private forest  
24 landowners and within the forest products industry to:

25 “[a] **(A)** Practice good stewardship of the land, and protect water and  
26 other public resources to the maximum extent practicable;

27 “[b] **(B)** Encourage the conversion of underproductive rural lands to  
28 forest uses, and provide information to private landowners on the means to  
29 facilitate such conversions;

30 “[c] **(C)** Encourage, facilitate and assist private forest landowners to

1 meet or exceed state and federal regulations governing forest operations;

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

4 “[(e)] (E) In cooperation with the State Forestry Department, Oregon  
5 State University and other appropriate government or private entities, serve  
6 as a clearinghouse for the dissemination of information to private forest  
7 landowners, through conferences, workshops and other means, about modern  
8 land management practices.

9 “[(3)] (c) Conduct research and help facilitate continued improvement in  
10 wood utilization and in secondary wood products manufacturing.

11 “(d) **Participate in the formulation and implementation of public**  
12 **policy through expressive activities, including but not limited to in-**  
13 **fluencing, or attempting to influence, legislation or rulemaking or**  
14 **other administrative activity of a state board, commission or agency.**

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

24 “(f) **To the extent consistent with the duties of the institute, par-**  
25 **ticipate in and cooperate with local, state, national and international**  
26 **private organizations or governmental agencies that engage in work**  
27 **similar to that of the institute.**

28 “(g) **Organize, conduct, sponsor, cooperate with and assist the pri-**  
29 **vate sector and state agencies in the conduct of conferences and tours**  
30 **relating to the forest products industry.**

1       “(h) Consistent with the purposes of the institute, develop intellec-  
2       tual property that relates to the forest products industry or assists in  
3       the implementation, maintenance or development of institute pro-  
4       grams. The institute may take all necessary and proper actions relat-  
5       ing to the development of intellectual property, including but not  
6       limited to entering into contracts and other agreements and owning,  
7       managing, disposing of or using the intellectual property. If the insti-  
8       tute intends to develop intellectual property, the institute shall adopt  
9       requirements to govern the ownership, management, disposal and use  
10      of intellectual property and other activities of the institute relating to  
11      intellectual property. All moneys received by the institute that relate  
12      to intellectual property shall be deposited in the Oregon Forest Re-  
13      sources Institute Fund.

14      “**SECTION 6.** ORS 526.650 is amended to read:

15      “526.650. (1) Notwithstanding ORS 526.645 (2), [*no funds shall be expended*  
16      *by*] the Oregon Forest Resources Institute **may not expend funds** for the  
17      purpose of supporting or opposing litigation or other legal action [*which*]  
18      **that** is unrelated to the administration of the institute.

19      “[(2) *No funds shall be expended by the institute for the purpose of influ-*  
20      *encing, or attempting to influence, any legislation or any rulemaking or other*  
21      *administrative activity of any state board, commission or agency.*]

22      “(2) **The institute may not expend funds for the purpose of design-**  
23      **ing, producing or purchasing television or radio advertising related to**  
24      **forest practices, as defined in ORS 527.620, including television or radio**  
25      **advertising related to the adequacy or effectiveness of any particular**  
26      **forest practice.**

27      “**SECTION 7.** ORS 477.755 is amended to read:

28      “477.755. (1) As used in this section, ‘annual expenditure’ means the ex-  
29      penses of the Oregon Forest Land Protection Fund obligated in any 12-month  
30      period designated by the Emergency Fire Cost Committee by rule, corre-

1 sponding to the policy period of any insurance for emergency fire costs.

2 “(2) Notwithstanding ORS 291.238, the moneys in the Oregon Forest Land  
3 Protection Fund are continuously appropriated to the Emergency Fire Cost  
4 Committee for the purposes of:

5 “(a) Equalizing emergency fire suppression costs for safeguarding  
6 forestland in any forest protection district;

7 “(b) Paying necessary administrative expenses, not to exceed the limit  
8 authorized by the Legislative Assembly each biennium;

9 “(c) Contributing to the payment of emergency fire suppression costs in-  
10 surance premiums, subject to the payment limitation established in ORS  
11 477.775 (4);

12 “(d) Paying costs related to the availability and mobilization of emer-  
13 gency fire suppression resources on a statewide basis; and

14 “(e) Paying for nonroutine purchases of supplemental fire prevention, de-  
15 tection or suppression resources that will enhance the ability of the forester  
16 to perform fire protection responsibilities within a forest protection district.

17 “(3) Notwithstanding any other provision of law, the annual expenditure  
18 from the Oregon Forest Land Protection Fund from revenues received from  
19 ORS 321.015 (2), 477.277 (1), 477.295 (1) and (2), 477.750 (1) and (2), 477.760 (4)  
20 and 477.880 may not exceed the lesser of:

21 “(a) [~~\$13.5~~] **\$17.5** million; or

22 “(b) The sum of:

23 “(A) The lesser of [~~\$10~~] **\$12** million or 50 percent of the eligible annual  
24 fire suppression costs determined by the committee;

25 “(B) Necessary administrative expenses as determined by the committee  
26 and authorized under the limit described in subsection (2)(b) of this section;

27 “(C) Contributions to the payment of emergency fire suppression costs  
28 insurance premiums, subject to the payment limitation established in ORS  
29 477.775 (4);

30 “(D) The lesser of [~~\$3~~] **\$5** million or [~~three-fifths~~] **50 percent** of the actual

1 cost of activities described in ORS 477.777 (1)(b) and (c); and

2 “(E) Any amounts expended for nonroutine purchases described in sub-  
3 section (2)(e) of this section.

4 **“SECTION 8.** ORS 477.880 is amended to read:

5 “477.880. (1) An assessment for the cost of fire protection and suppression  
6 is levied upon the owners of all forestland that has been classified under  
7 ORS 526.305 to 526.370 and that is protected from the start or spread of fire  
8 thereon or therefrom by:

9 “(a) The forester under ORS 477.210 (4), with the approval of the State  
10 Board of Forestry;

11 “(b) The United States of America through contract or agreement with  
12 the forester or board;

13 “(c) Any forest protective agency under contract or agreement with the  
14 forester or board pursuant to ORS 477.406; or

15 “(d) Any forest protective agency, described in paragraph (c) of this sub-  
16 section, under a contract or agreement with the United States of America  
17 wherein such agency agrees to protect specific federal forestlands, and in  
18 return, the United States of America agrees to protect specific lands of such  
19 agency.

20 “(2) Except as otherwise provided in ORS 477.760, for each fiscal year the  
21 assessment levied per acre of ownership of forestland designated in sub-  
22 section (1) of this section shall be:

23 “(a) [*Seven*] **Twelve** and one-half cents for all forestlands east of the  
24 summit of the Cascade Mountains and all forestlands which have been clas-  
25 sified Class 3, agricultural class, under ORS 526.305 to 526.370; or

26 “(b) [*Five*] **Ten** cents for all forestlands not described in paragraph (a)  
27 of this subsection.”.

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