

# House Bill 3590

Sponsored by Representatives MARSH, HELM

## 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**.

Directs College of Forestry at Oregon State University, in collaboration with Department of Environmental Quality and State Forestry Department, to research development of fuel pathways for low carbon fuels derived from woody biomass residues from forestry operations.

Authorizes State Forester to establish forestry renewable woody biomass conversion program.  
Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to the conversion of biomass to low carbon fuels; creating new provisions; amending ORS  
3 530.050; and prescribing an effective date.

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

5 **SECTION 1. (1) The College of Forestry at Oregon State University, in collaboration with**  
6 **the Department of Environmental Quality and the State Forestry Department, shall conduct**  
7 **research to develop methodologies and data necessary to establish fuel pathways, consistent**  
8 **with the clean fuels program adopted under ORS 468A.265 to 468A.277, for low carbon fuels**  
9 **derived from woody biomass residues from forestry operations. In carrying out the research**  
10 **under this section, the College of Forestry shall:**

11 (a) **Coordinate with the Department of Environmental Quality to ensure that the meth-**  
12 **odologies and data are consistent with the methodologies and data used to determine**  
13 **lifecycle greenhouse gas emissions and carbon intensity under the clean fuels program.**

14 (b) **Research any methods to convert biomass feedstocks to low carbon fuels, with par-**  
15 **ticular focus on wood slash piles that would otherwise be burned on lands managed by the**  
16 **State Forester or lands used by the College of Forestry to carry out research.**

17 (2) **No later than July 31, 2025, the College of Forestry shall submit its findings in a re-**  
18 **port, in the manner provided by ORS 192.245, to the interim committees of the Legislative**  
19 **Assembly related to natural resources. The report must include, but need not be limited to:**

20 (a) **Progress in establishing fuel pathways and carbon intensity values for low carbon**  
21 **fuels derived from woody biomass residues from forestry operations; and**

22 (b) **The impact converting woody biomass residues to low carbon fuels has on:**

23 (A) **Greenhouse gas and black carbon emissions;**

24 (B) **Snowpack in the Cascade Mountains;**

25 (C) **Water quality and drought; and**

26 (D) **Wildfire.**

27 (3) **The College of Forestry may collaborate with the Department of Environmental**  
28 **Quality or any other relevant state agency to prepare the report described in subsection (2)**  
29 **of this section.**

30 **SECTION 2. In addition to and not in lieu of any other appropriation, there is appropri-**

**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.

1 **ated to the Higher Education Coordinating Commission, for the biennium beginning July 1,**  
2 **2023, out of the General Fund, the amount of \$3,000,000, for distribution to the College of**  
3 **Forestry at Oregon State University to carry out section 1 of this 2023 Act.**

4 **SECTION 3.** ORS 530.050 is amended to read:

5 530.050. Under the authority and direction of the State Board of Forestry except as otherwise  
6 provided for the sale of forest products, the State Forester shall manage the lands acquired pursuant  
7 to ORS 530.010 to 530.040 so as to secure the greatest permanent value of those lands to the state,  
8 and to that end may:

9 (1) Protect the lands from fire, disease and insect pests, cooperate with the counties and with  
10 persons owning lands within the state in the protection of the lands and enter into all agreements  
11 necessary or convenient for the protection of the lands.

12 (2) Sell forest products from the lands, and execute mining leases and contracts as provided for  
13 in ORS 273.551.

14 (3) Enter into and administer contracts for the sale of timber from lands owned or managed by  
15 the State Board of Forestry and the State Forestry Department.

16 (4) Enter into and administer contracts for activities necessary or convenient for the sale of  
17 timber under subsection (3) of this section, either separately from or in conjunction with contracts  
18 for the sale of timber, including but not limited to activities such as timber harvesting and sorting,  
19 transporting, gravel pit development or operation, and road construction, maintenance or improve-  
20 ment.

21 (5) Permit the use of the lands for other purposes, including but not limited to forage and browse  
22 for domestic livestock, fish and wildlife environment, landscape effect, protection against floods and  
23 erosion, recreation, and protection of water supplies when, in the opinion of the board, the use is  
24 not detrimental to the best interest of the state.

25 (6) Grant easements, permits and licenses over, through and across the lands. The State Forester  
26 may require and collect reasonable fees or charges relating to the location and establishment of  
27 easements, permits and licenses granted by the state over the lands. The fees and charges collected  
28 shall be used exclusively for the expenses of locating and establishing the easements, permits and  
29 licenses under this subsection and shall be placed in the State Forestry Department Account.

30 (7) Require and collect fees or charges for the use of state forest roads. The fees or charges  
31 collected shall be used exclusively for purposes of maintenance and improvements of the roads and  
32 shall be placed in the State Forestry Department Account.

33 (8) Reforest the lands and cooperate with the counties, and with persons owning timberlands  
34 within the state, in the reforestation, and make all agreements necessary or convenient for the  
35 reforestation.

36 (9) Require such undertakings as in the opinion of the board are necessary or convenient to  
37 secure performance of any contract entered into under the terms of this section or ORS 273.551.

38 (10) Sell rock, sand, gravel, pumice and other such materials from the lands. The sale may be  
39 negotiated without bidding, provided the appraised value of the materials does not exceed \$2,500.

40 (11) Enter into agreements, each for not more than 10 years duration, for the production of mi-  
41 nor forest products.

42 (12) Establish a forestry carbon offset program to market, register, transfer or sell forestry  
43 carbon offsets. In establishing the program, the forester may:

44 (a) Execute any contracts or agreements necessary to create opportunities for the creation of  
45 forestry carbon offsets; and

1 (b) Negotiate prices that are at, or greater than, fair market value for the transfer or sale of  
2 forestry carbon offsets.

3 **(13) Establish a forestry renewable woody biomass conversion program to market, reg-**  
4 **ister, transfer or sell forestry woody biomass conversion offtakes. In establishing the pro-**  
5 **gram, the forester may:**

6 **(a) Execute any contracts or agreements necessary to create opportunities for the cre-**  
7 **ation of forestry woody biomass conversion offtakes; and**

8 **(b) Negotiate prices that are at, or greater than, fair market value for the transfer or**  
9 **sale of forestry woody biomass conversion offtakes.**

10 [(13)] (14) Do all things and make all rules, not inconsistent with law, necessary or convenient  
11 for the management, protection, utilization and conservation of the lands.

12 **SECTION 4. This 2023 Act takes effect on the 91st day after the date on which the 2023**  
13 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

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