

Hello Chairman Senator Dembrow and Representative Pham, and Committee Members,

My name is Ken Nygren. I am the immediate Past-President of the Oregon Small Woodlands Association (OSWA). I was president of the Association during the two years the Private Forest Accord (PFA) was negotiated and signed into law in Senate Bills 1501,1502 and House bill 4055. OSWA participated in those negotiations and is one of the authors of the Accord.

You may be wondering why Oregon Small Woodlands Association is concerned about the Governor's proposed budget (other than for fire protection of our properties and homes). The reason is simple – by not fully funding the commitments made in the Legislation, the budget as currently written threatens the state's ability to create a Habitat Conservation Plan (HCP) that will be approved for an Incidental Take Permit.

As you are aware, if the state does not have an approved HCP for private lands by the year 2027, all the new legislation agreed to in the PFA will sunset and the Forest Practice Act regulations will revert to pre-PFA rules. Critical to achieving that approval is the 54,000 stream miles representing over 550,000 acres of Small Forestland Owner property that will be covered under that Habitat Conservation Plan.

The legislation implementing the PFA built in several funding commitments to Small Forestland Owners as incentives to ensure the success of implementing these new forest practice rules which support the HCP. Those incentives are contingent on the state fully funding those incentives from general fund or grants, otherwise the landowners will be relieved of some obligations in the new rules.

Specifically, two funding commitments are made to Small Forestland Owners within the PFA legislation. The first commitment is to establish and fully fund the Small Forestland Investment in Stream Habitat (SFISH) fund. This fund is critical and dedicated to small landowners to upgrade their road networks upgrade road and stream crossing structures to meet the HCP standards.

The second commitment within the PFA legislation is fully establish the Small Forestland Owner Assistance office within the Oregon Department of Forestry with the full resources required to meet the critical harvest notification timelines for small landowners to access the Forest Investment Credit (FIC) established in SB 1502, administer the SFISH incentive fund, collect the small landowner Road Condition Assessments, and coordinate with other state and federal agencies to provide incentives to Small Forestland Owners as required under SB 1501 among specified tasks in the legislation.

Over the next three years, Oregon must demonstrate its commitment to creating a Habitat Conservation Plan and implementing the revision to the Forest Practice Act laws which support that plan agreed to under the Private Forest Accord. Failing to meet just the Small Forestland Owner commitments specifically will result in the removal of nearly

400,00 small landowner acres and all road upgrade obligations by small landowners to the Habitat Conservation Plan.

As an author of the Accord and willing participant in the rulemaking supporting the legislation amending the Forest Practice Act regulations, OSWA has a vested interest in the success of the Habitat Conservation Plan for private lands and the approval of the Incidental Take Permit under the Endangered Species Act. For it to achieve success, Oregon must demonstrate its commitment to the Habitat Conservation Plan by fully funding all parts of the legislation and its supporting regulations.

OSWA urges the legislature to restore to full funding commitments made in SB 1501 and 1502 not only to small landowners but also to the Oregon Department of Forestry in its key role of establishing the Habitat Conservation Plan for these important Endangered Species.