

PRESENTATION TO THE

Joint Committee on Ways & Means Subcommittee on Natural Resources

MARCH 10 & 11, 2025



Agenda

Day 1:

- Overview of the Department
- Governor's Budget
- Agency Administration

Day 2:

- Fire Protection
- Forest Resources
- State Forests





MISSION

To protect and promote resilient forests that benefit all Oregonians.

VISION

Complex and resilient forest ecosystems that endure and adapt.

OUR VALUES



Healthy Ecosystems

Healthy, functioning ecosystems provide many benefits to people, including timber, food, clean air and water, recreation, habitat, regional biodiversity, carbon storage, and so much more.



Ecosystems Support

People's actions are critically important to the continued resilience and adaptive capacity of forest ecosystems, including habitat protection, wildfire management, seedling selection, cultural and natural resources stewardship, restoration activities, and water and soil protection.



Forestry Infrastructure

The forest products sector—including its workforce and infrastructure—plays a vital role in supporting healthy ecosystems and resilient forests and communities.



Climate-Smart Forestry

Addressing the management needs related to climate change requires a holistic approach that considers adaptation, mitigation and the social dimension of forestry, which includes community and economic aspects.



Sound Decision Making

We empower our workforce to make decisions in the best interest of Oregonians based on science, best practices and lessons learned.



Relationships

Strong, respectful relationships are the backbone of our organization. Those relationships are built and maintained through transparent, honest, effective communication.



Workforce

Our workforce is our greatest asset. We provide them with a safe, diverse and inclusive workplace that encourages continuous learning and improvement.



Safety

Much of the work we do—including firefighting—is both inherently dangerous and necessary to accomplishing our mission. Therefore, safety of our workforce and the public must be a top priority.



Public Service

Through efficient and effective stewardship of natural and public resources, we strive for excellence in our service to the public.

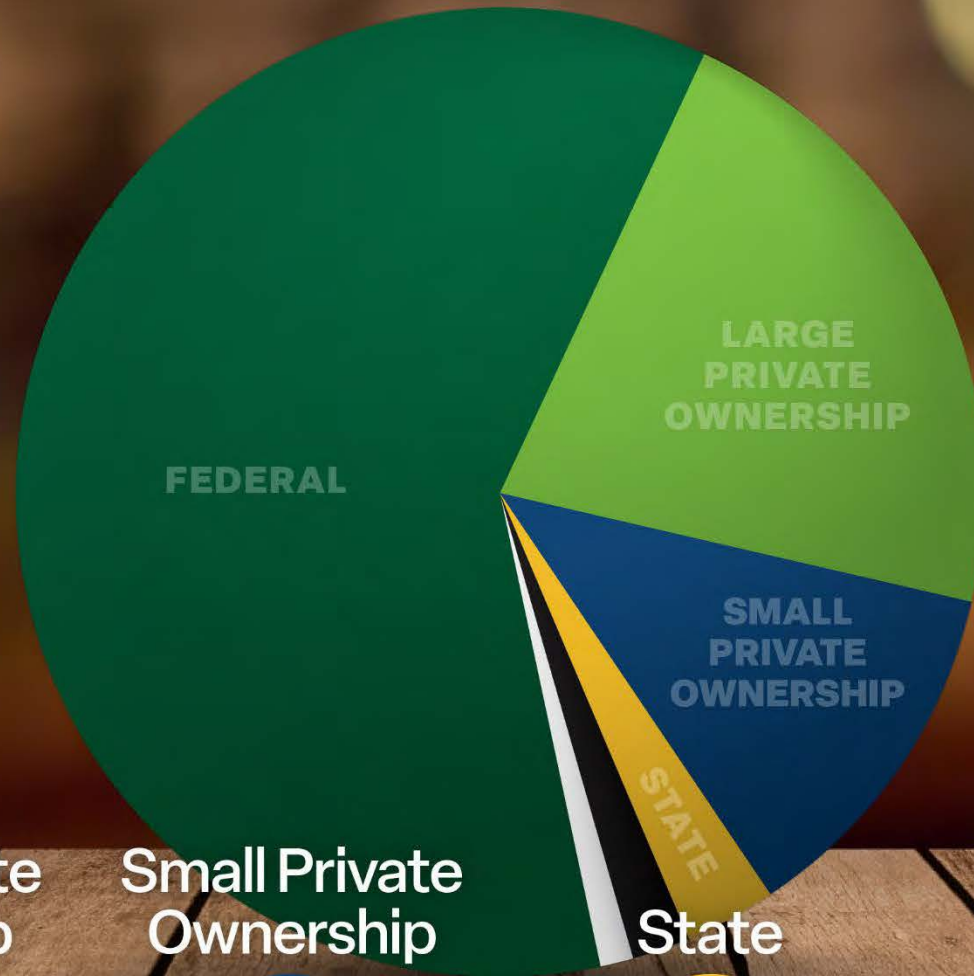


Accountability

We are transparent about our actions and take ownership of the outcomes. We do what we say we're going to do.



Who owns Oregon's Forests?



Federal

61%

Large Private
Ownership

22%

Small Private
Ownership

12%

State

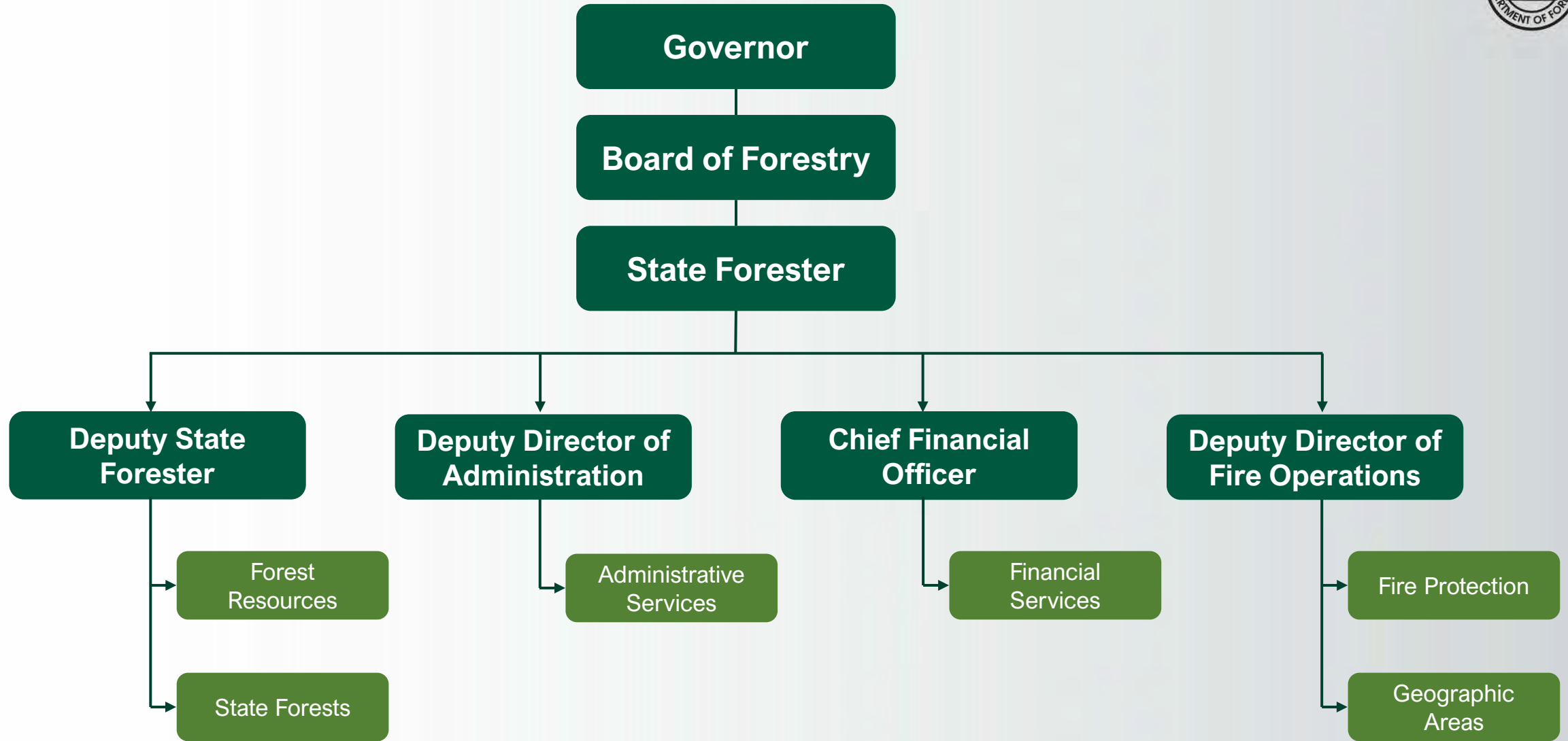
3%

Tribal

2%

County and
Municipal

1%





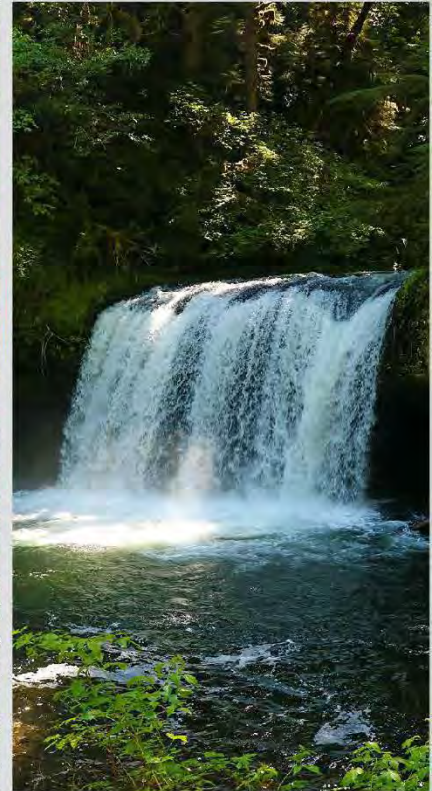
Fire Protection Division



Forest Resources Division

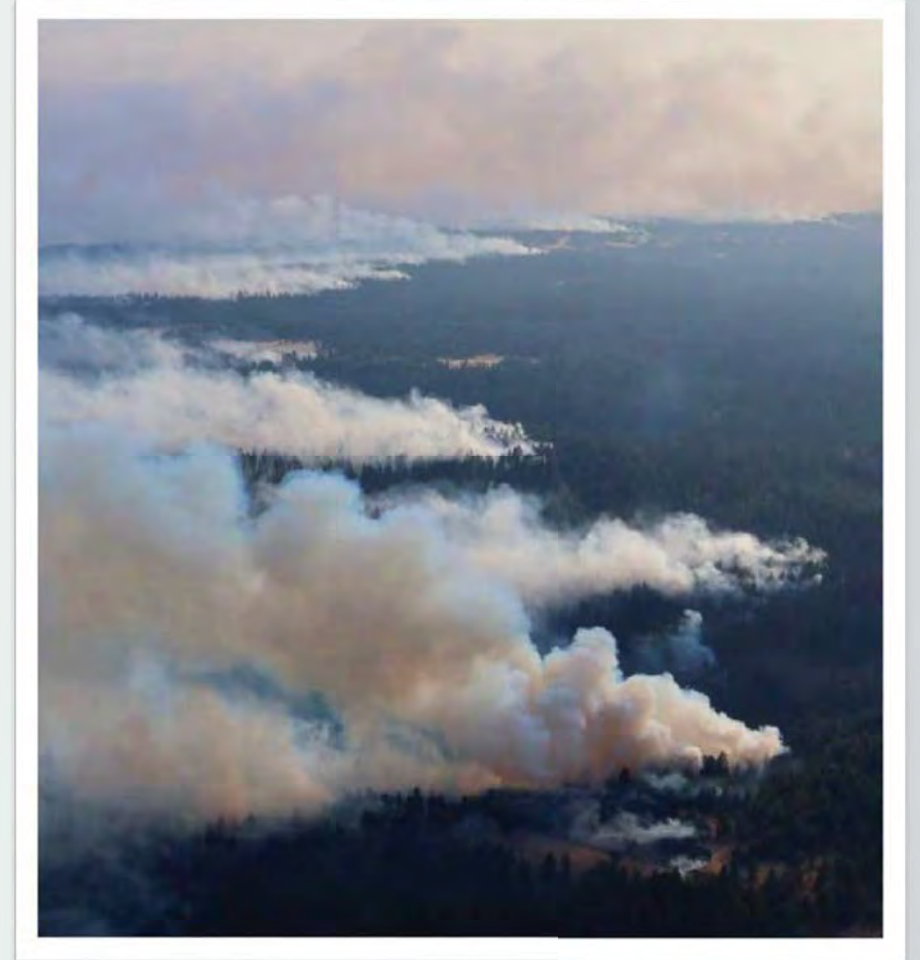


State Forests Division



2025-27 Priorities

- Addressing the wildfire crisis
- State forests revenues
- Private Forest Accord implementation
- Continuous financial improvements
- Aging infrastructure



Key Performance Measures

- 1** Customer Service to County Governments and Forest Landowners
- 2** Board of Forestry Performance
- 3** Forest Practices Act Compliance
- 4** Urban and Community Forest Management
- 5** State Forests Total Revenue
- 6** Air Quality Protection
- 7** Private Forestland Managed at or Above Forest Practices Act Standards
- 8** Forest Stream Water Quality
- 9** Voluntary Public and Private Investments Made to Create Healthy Forests
- 10** State Forests North Coast Habitat
- 11** Fire Suppression Effectiveness
- 12** Prevention of Human-Caused Wildland Forest Fires
- 13** Damage to Oregon Forests from Insects, Diseases and Other Agents

Questions?





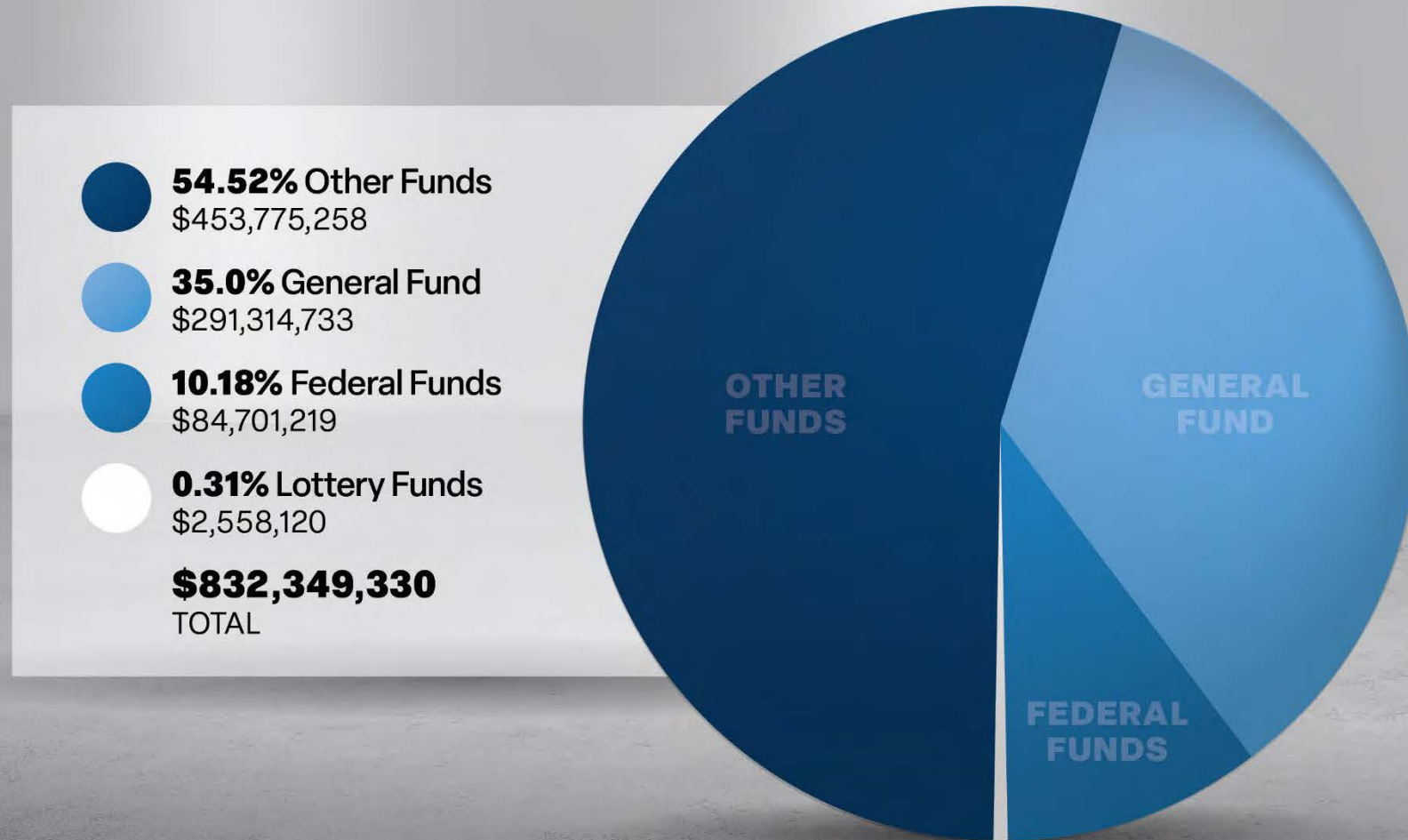
Governor's Budget



2025-27 GB: By Program



2025-27 GB: By Fund Type





2025-27 GB: General Fund by Program

- 74.66%** Fire Protection
\$217,486,195
- 17.66%** Forest Resources
\$51,873,354
- 6.98%** Debt Service
\$20,345,346
- 0.3%** Agency Administration
\$871,441
- 0.25%** Equipment Pool
\$738,397

\$291,314,733 TOTAL



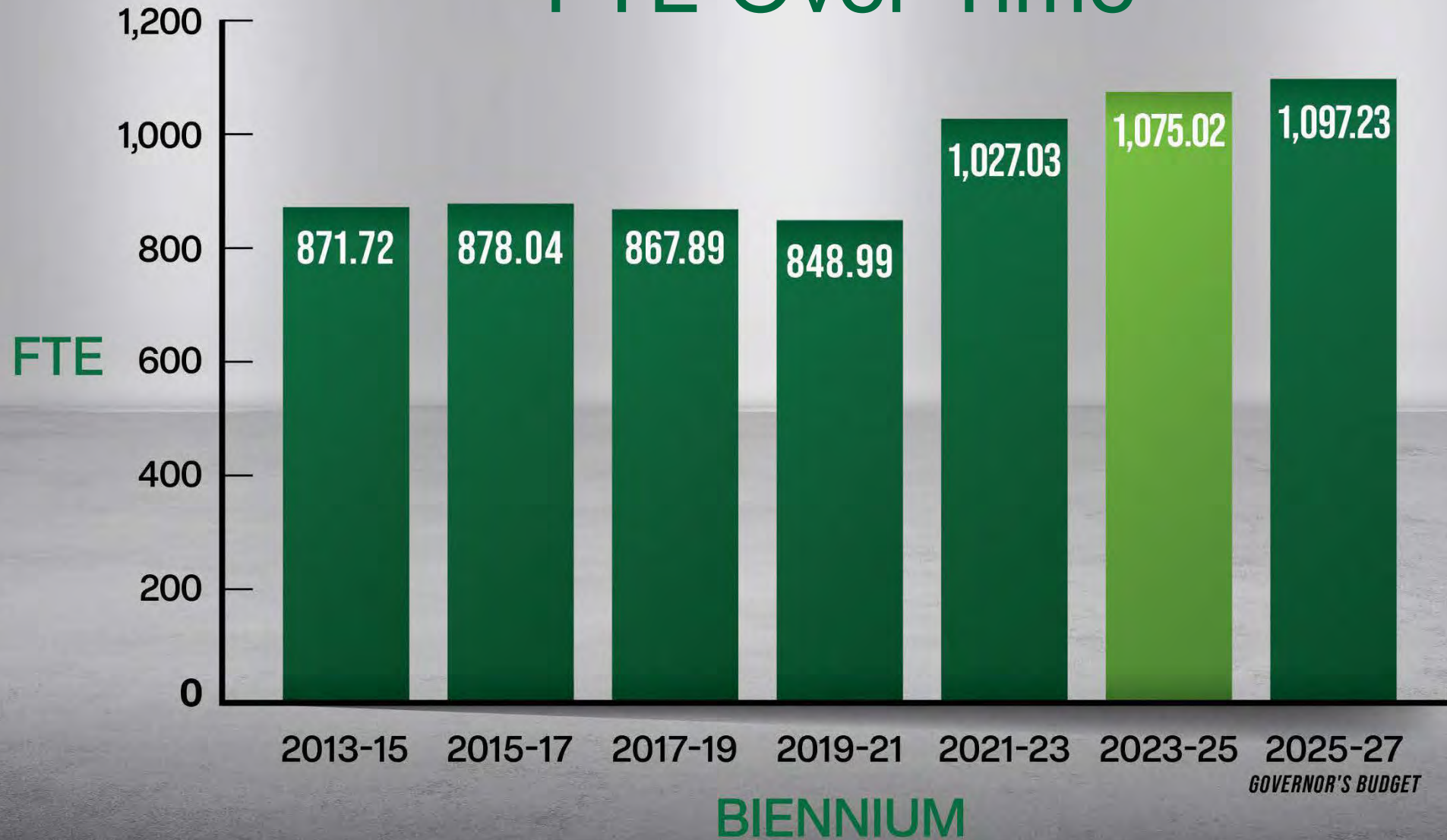
2025-27 GB: FTE by Program

-  **44.45%** Fire Protection
487.77
-  **21.27%** Forest Resources
233.36
-  **18.92%** State Forests
207.62
-  **12.39%** Agency Administration
135.99
-  **2.96%** Equipment Pool
32.49





FTE Over Time





Policy Option Packages

- **Pkg. 104 Workforce Development:** Establish unit within Human Resources to develop quantitative and qualitative approaches to efficiently and effectively attract, engage and retain our workforce.
- **Pkg. 105 Urban & Community Forestry Grants and Forest Legacy Program:** Increase Federal Funds expenditure limitation for implementing previously approved federal grants.
- **Pkg. 106 Payroll Operations Transfer to DAS:** Technical adjustment to transfer the agency's payroll operations to DAS Shared Services.
- **Pkg. 107 Severity Positions:** Establishes new position authority and adds an Other Funds expenditure limitation to support the staffing required to manage the agency's fire protection severity program.
- **Pkgs. 108, 109, 110, 111 and 112 Capital Construction:** Completion of new facility in West Oregon District, replacement of the Santiam Unit office, replacement of the Klamath fire cache, remodeling the historic State Forester's Building, and modernization of the ODF campus in Veneta.
- **Pkg. 113 Deferred Maintenance**



Other Budget Highlights

General Fund Reductions:

- 5 FTE from agency administration programs and Forest Resources Division
- \$500K from forest collaborative grants
- \$2.5M from the Small Forestland Grant Program

Emergency Board Funds:

- \$16M for wildfire severity costs
- \$14M for grants supporting the Private Forest Accord

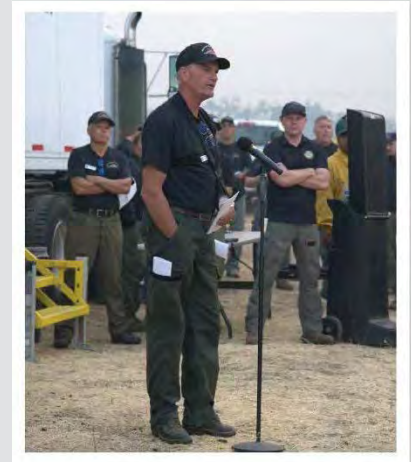
Wildfire Funding Workgroup



35 members—diverse and reflective of all-Oregon nature of wildfire

Shared focus on alternative funding solutions that:

- Are long-term & durable
- Ensure agencies' financial solvency
- Address both response & mitigation
- Reflect shared benefits of suppression & mitigation among all Oregonians and visitors
- Equitable, affordable & sustainable contributions from payees
- Maintain existing high standards of service

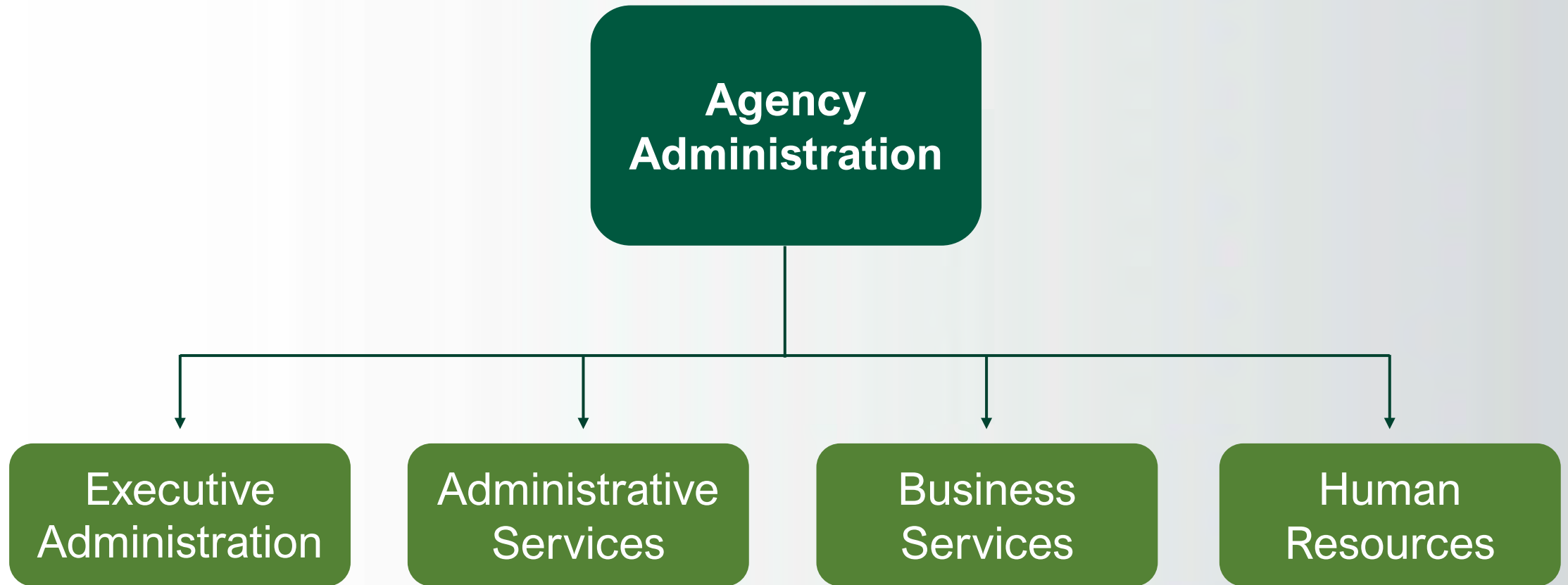


Questions?



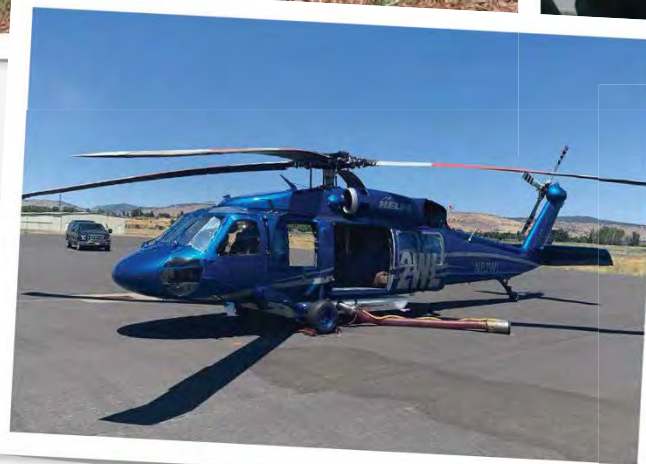
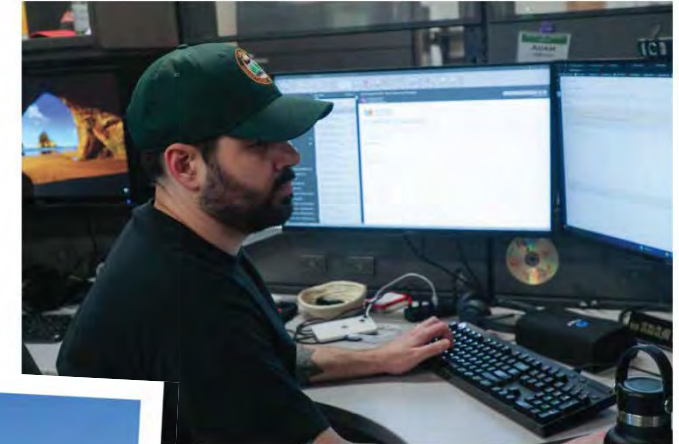


Agency Administration



Programs

- Budget
- Finance
- Procurement
- Information Technology
- Public Affairs
- Human Resources
- Equipment Pool (Fleet & Radio)
- Facilities
- Legislative Coordination
- Tribal Relations
- Safety
- Federal Grant Management
- Executive & Board of Forestry Support



Statewide Facilities & Infrastructure



Radio Communications





Questions?





Fire Protection Division

Fire Protection Division





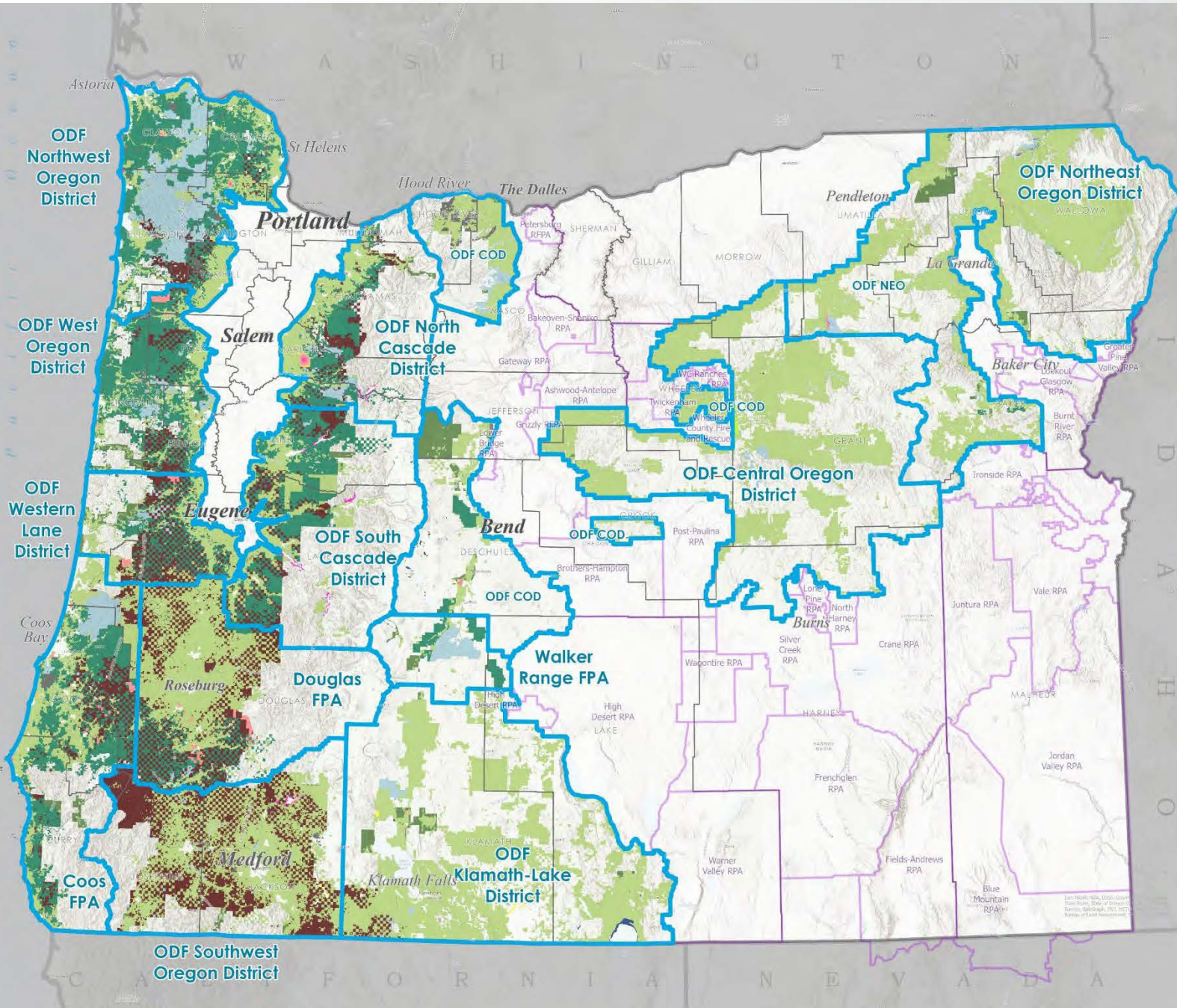
ODF Protected Lands

- Private
- Private Industrial
- State
- State Parks
- BLM
- USACE
- BIA-Tribal
- Water

- ODF Forest Protection Districts
- Rangeland Protection Associations



Fire Protection in Oregon



Protecting Forests & Communities

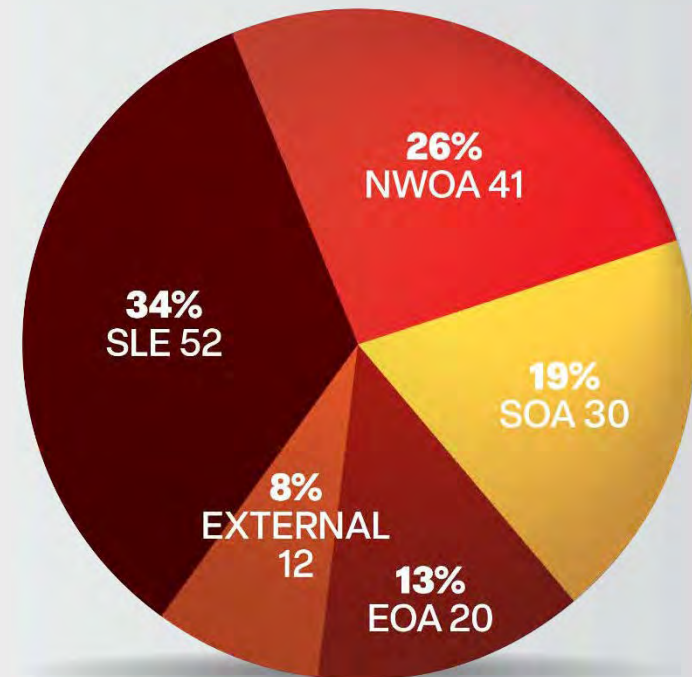


Incident Management Teams

All-hazard incident management leadership and expertise

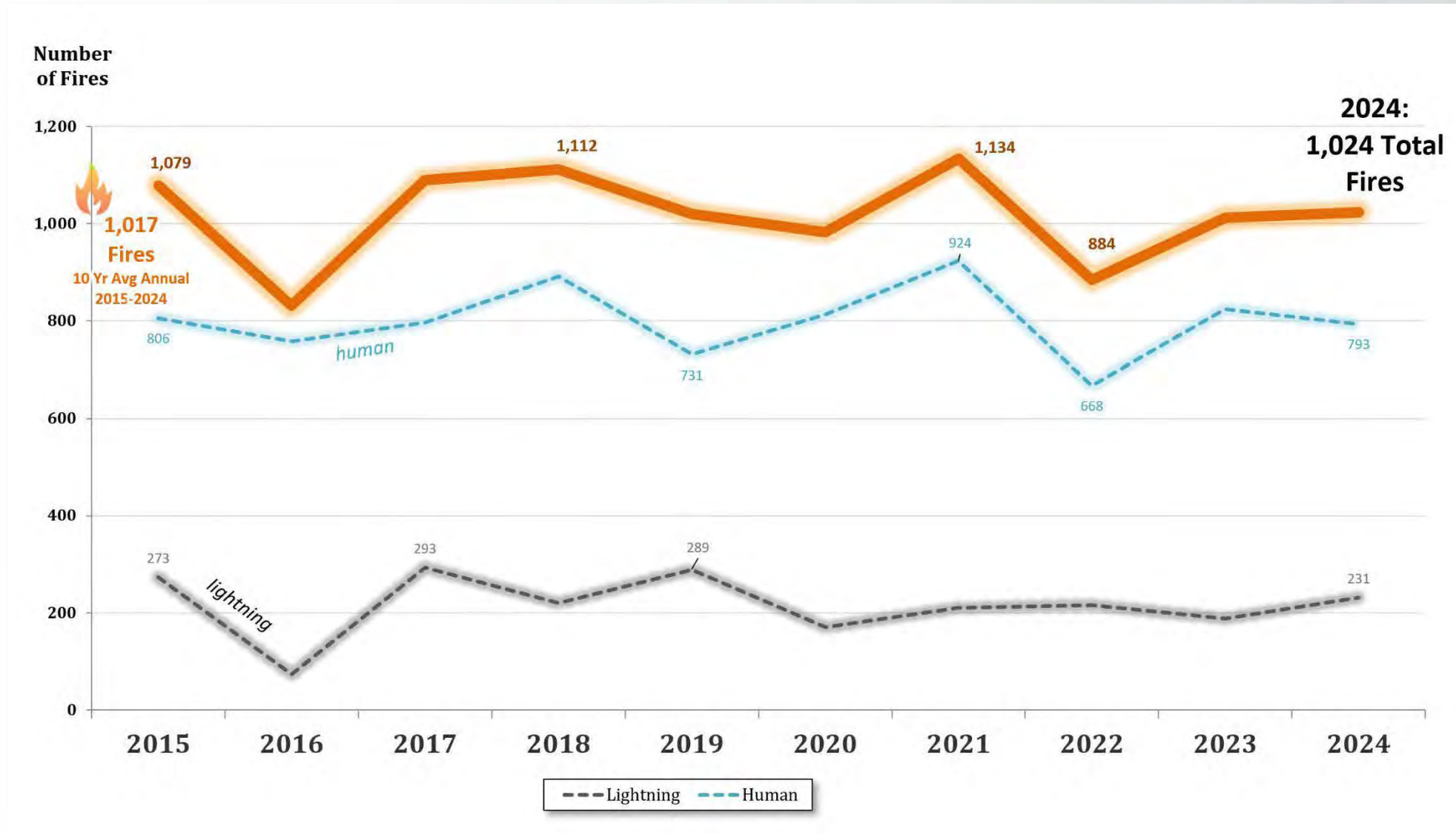
- Three fully staffed teams—scalable and available all year
- More than just wildfire
 - » Recent deployments: ice storm recovery, government IT breach, COVID response
- Made possible by combined strength of ODF from across all programs

Rostered IMT Membership

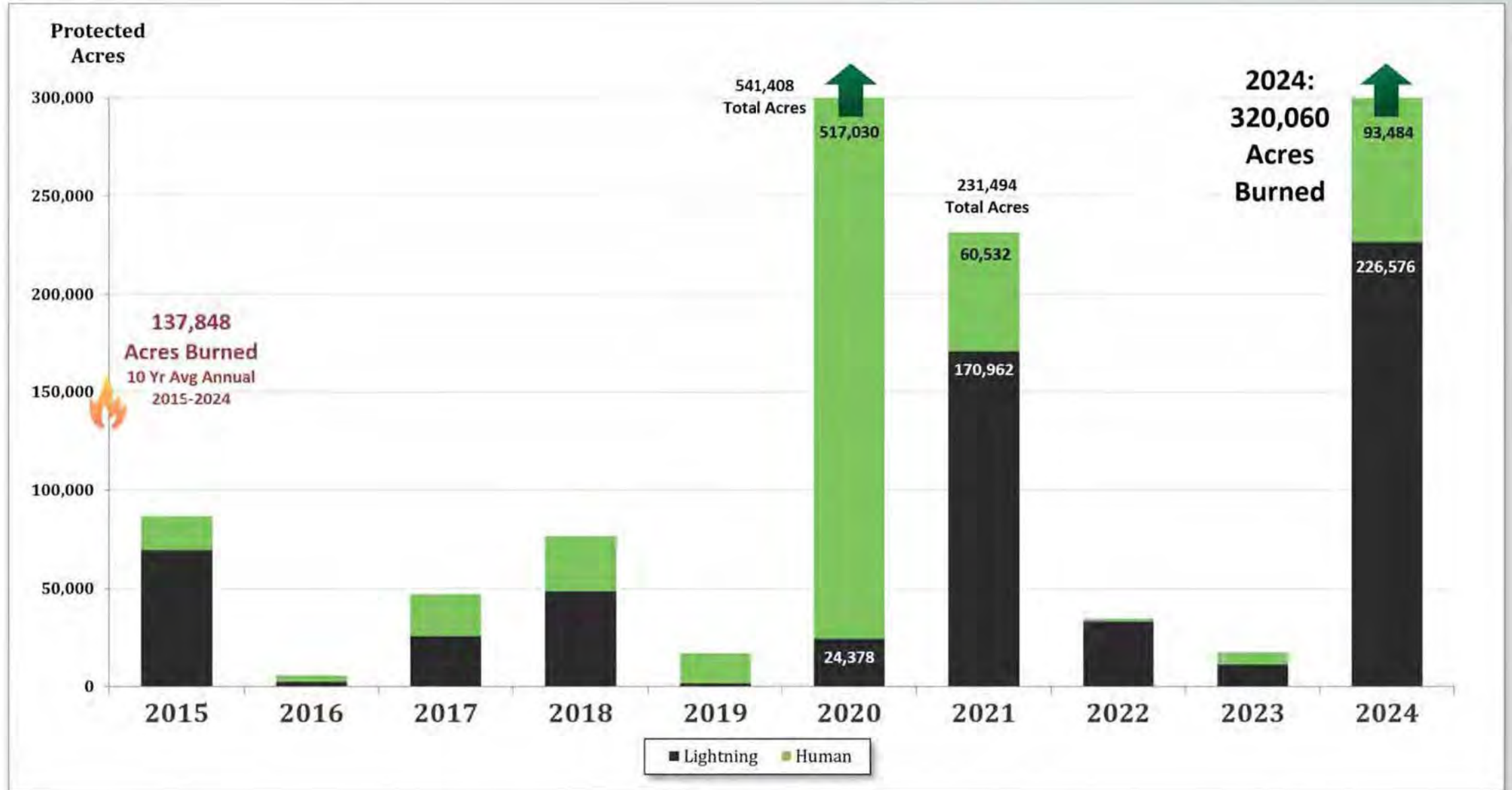




Number of Fires – ODF Protection

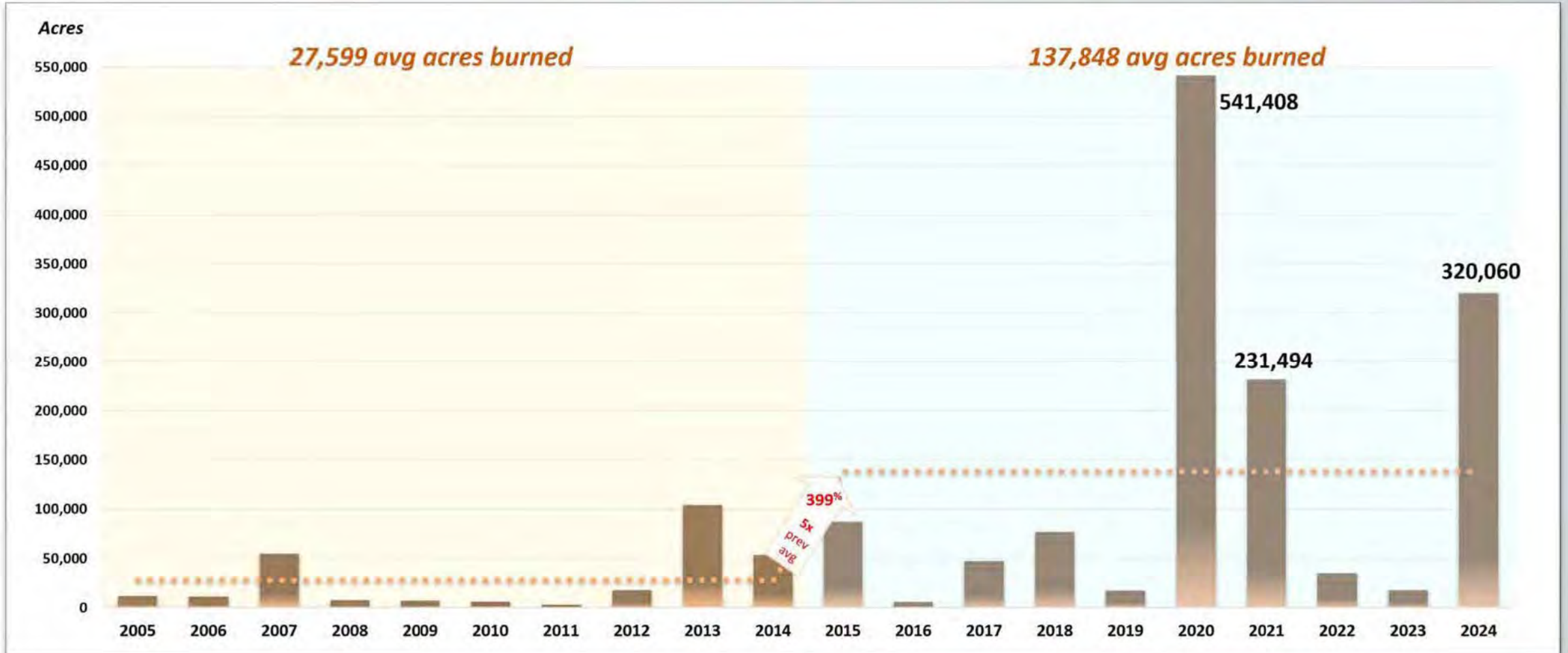


Acres Burned – ODF Protection



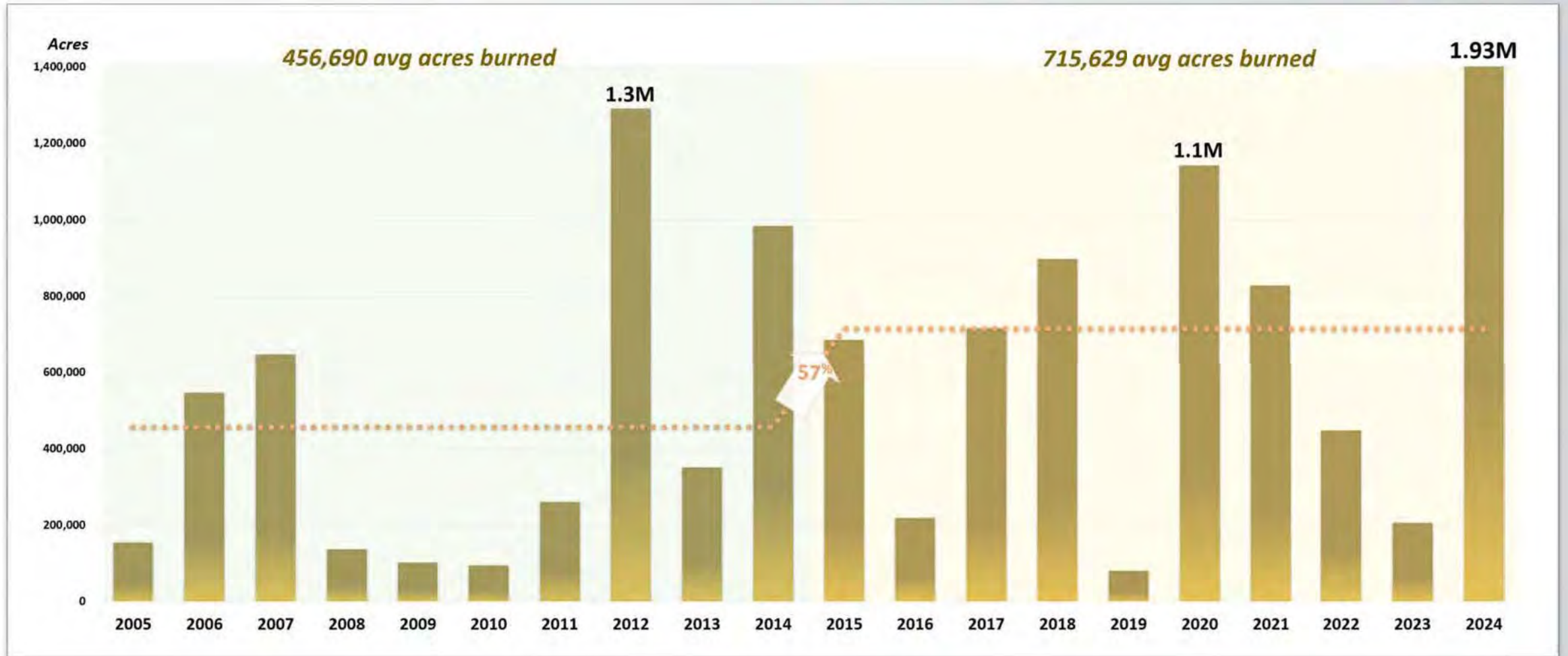


Decadal Acres Burned – ODF Protection





Decadal Acres Burned – All Jurisdictions





Historical Large Fires in Oregon



2015-2024



2005-2014



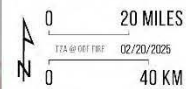
1995-2004

Land Management

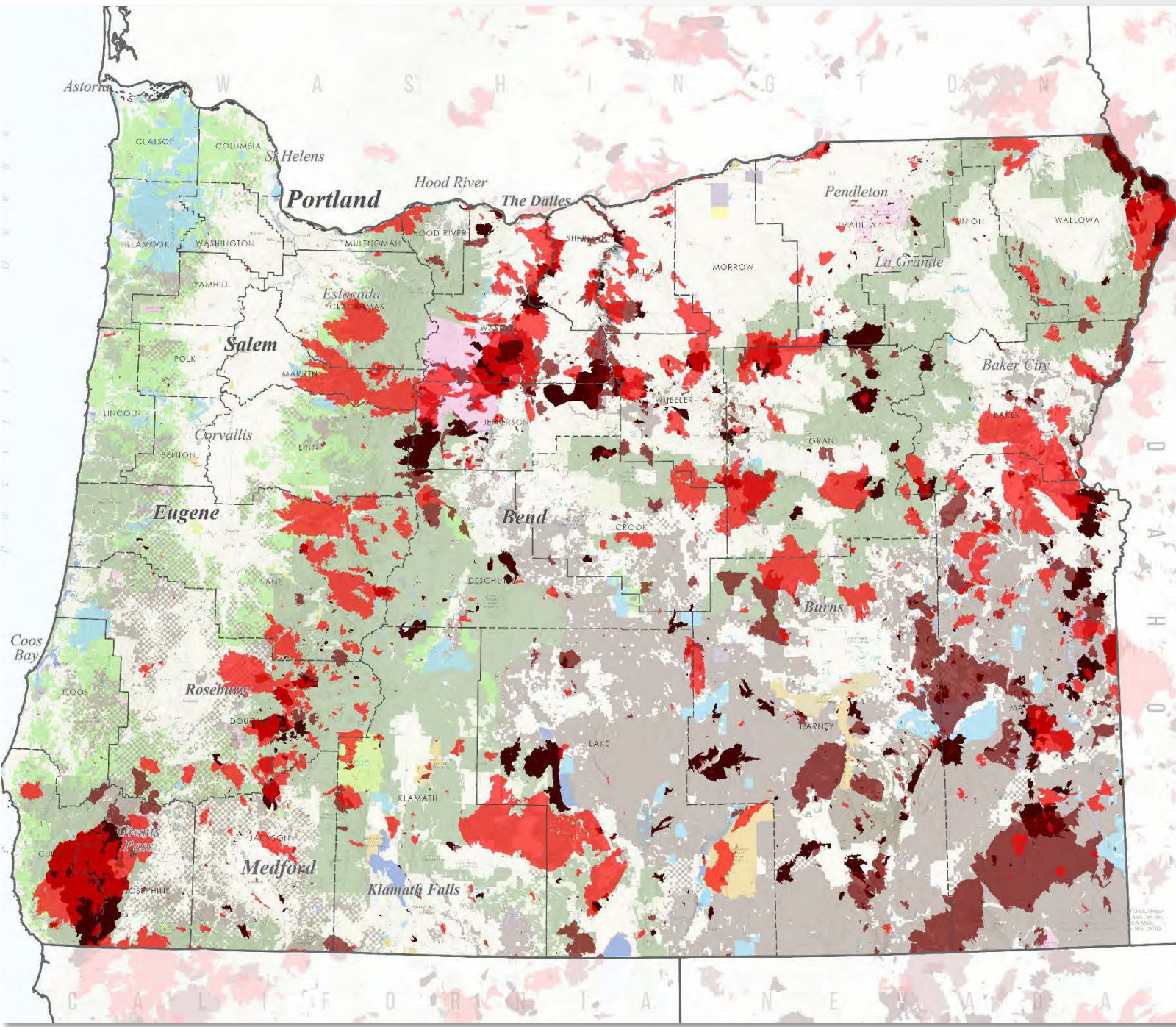
- Private Industrial
- Private
- Local Gov't
- State
- USFS
- BLM
- BIA-Tribal
- NPS
- USACE
- USFWS
- Other Fed

Large Fires in Oregon

1995 - 2024

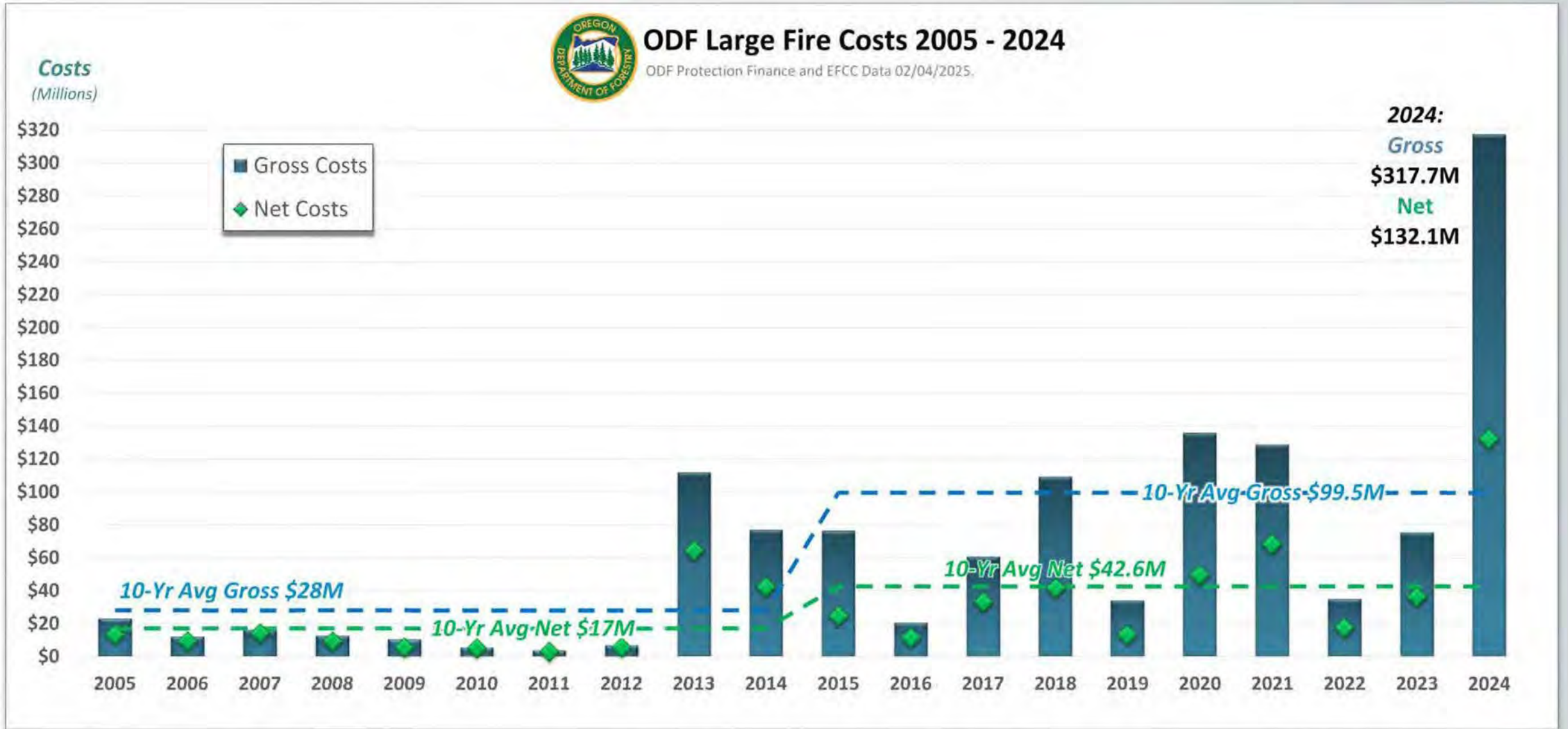


02/20/2025

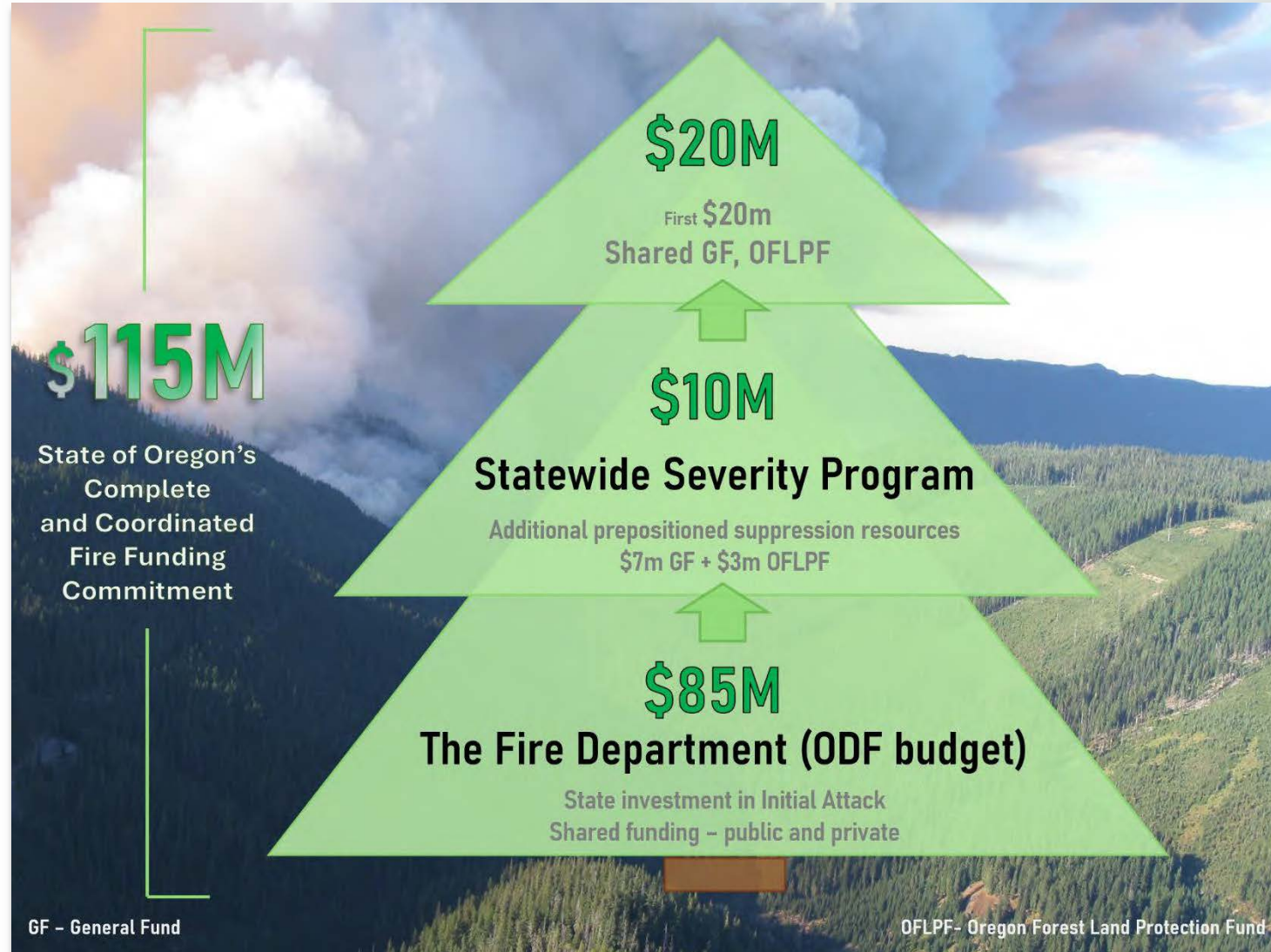




ODF Large Fire Costs 2005-2024



Funding for Wildfires



Reducing Risk

KPM #6: Air quality protection (smoke intrusions from prescribed burns)

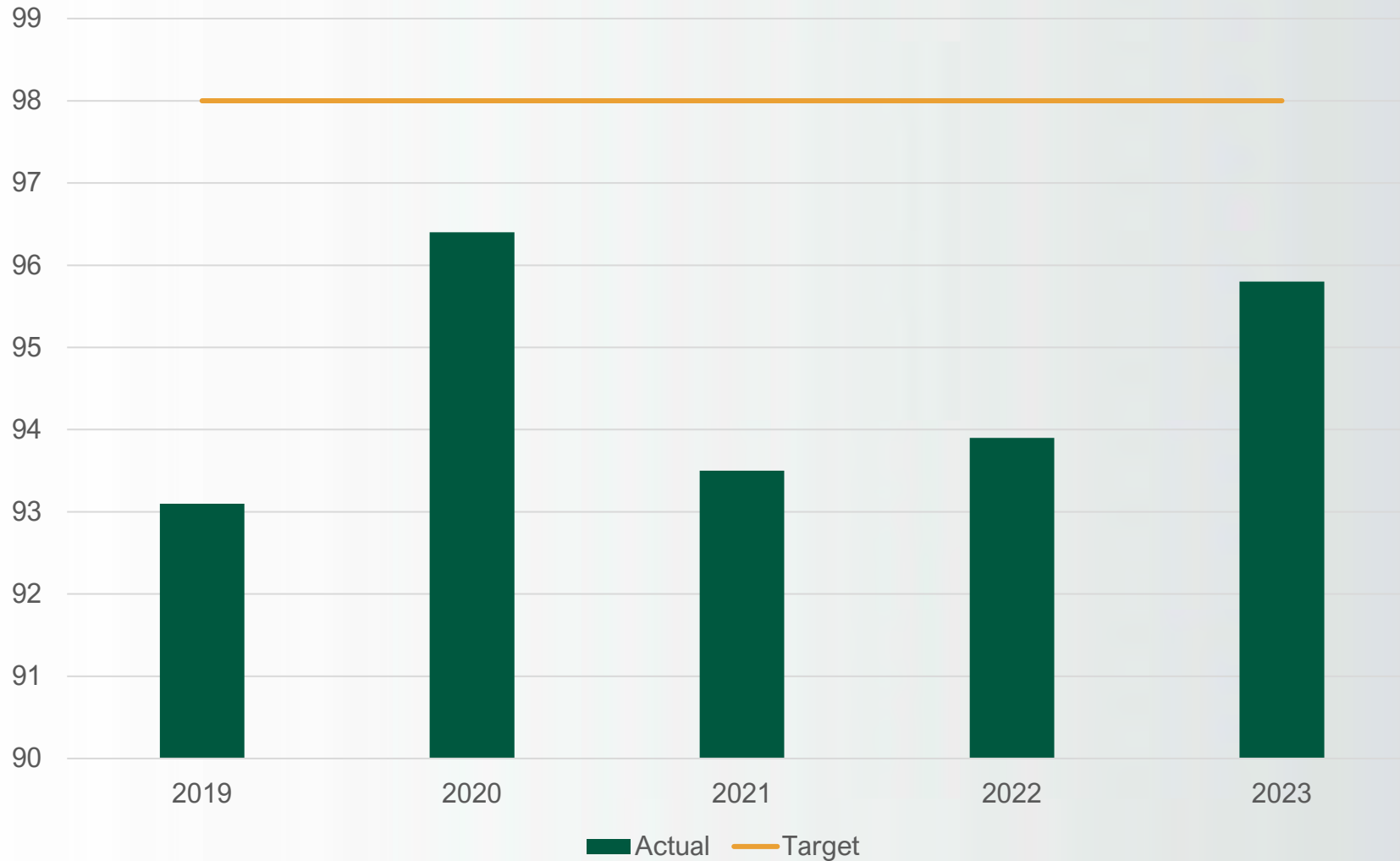




Wildland Fire Suppression

KPM #11: Fire suppression effectiveness

Percent of Wildland Fires Controlled at 10 Acres or Less





Preventing Fires

KPM #12: Prevention of human-caused wildfires



FIREWISE



ODF KOG PREVENTION PSA



FIREWISE USA
Residents reducing wildfire risks



Questions?



Forest Resources Division

Forest Resources Division

- Oregon Forest Practices Act (FPA)
- Monitoring and Water Quality
- Forest Health
- Small Forestland Owner Office
- Urban and Community Forestry
- J. E. Schroeder Seed Orchard
- Oregon Seed Bank
- Federal Forest Restoration Program
- Private Forest Accord Implementation



Forest Practices Act Administration

- Protects soil, air, and water
- Encourages economically efficient forest management – growing and harvesting
- Maintain forests as forests
- Informed by sound science

KPM #3: Forest Practices Act compliance

KPM #7: Private Forestland managed at or above Forest Practices Act standards

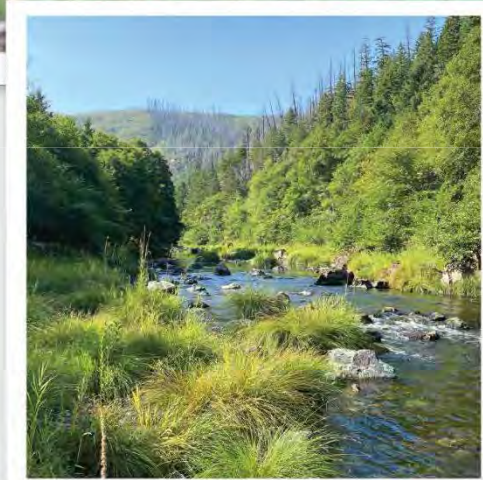
KPM #9: Voluntary public and private investments made to create healthy forests



Monitoring & Water Quality

- Adaptive Management Program
- Compliance Monitoring
- Water Quality

KPM #8: Forest stream water quality



Forest Health

The Emerald Ash Borer (EAB) kills ash trees by creating galleries in the tree layer that transports water and nutrients.

Mediterranean Oak Borer (MOB) causes crown dieback and black-stained galleries in sapwood.

Sudden Oak Death (SOD) causes lesions on the main stem of the tree and can cause leaf blight or shoot dieback on other hosts.



KPM #13: Damage to Oregon forests from insects, diseases and other agents

Urban & Community Forestry Program

- Promote urban and community forestry planning
- Improve their urban forest management
- Respond to and communicate about invasive species

KPM #4: Urban and community forest management



Small Forestland Owner Office

Financial and Technical Assistance

- State Programs
- Federal Programs



Replacing culverts,
improving fish habitat

Seed Orchard & Seed Bank

J.E. Schroeder Seed Orchard

- Breed seeds with highly desirable ecological traits
 - » Growth potential
 - » Wood quality
 - » Disease tolerance

Oregon Seed Bank

- Provides tree seed for family forestland owners



Grafted Ponderosa Pine

Federal Forest Restoration Program

Increase pace, scale and quality of forest management on federal lands





Private Forest Accord Implementation

SB 1501 (2022) Statutory Requirements	Deadline	Status
Board of Forestry (BOF)- Adopt PFA-based rules	11/30/2022	Complete
BOF - Appoint Adaptive Management Program Committee	11/30/2022	Complete
BOF - Submit a proposed draft HCP	12/31/2022	Complete
BOF - If needed, amend PFA-based rule package	7/1/2023	Complete
BOF - Appoint Independent Research and Science Team	Not Specified	Complete
BOF - Start tethered logging rulemaking	3/17/2025	Complete
BOF - Complete post-disturbance harvest rulemaking	11/30/2025	Started
BOF - Report to the legislature whether ITPs were issued by 12/31/2027 and if a petition was received from a PFA Report author	2/1/2028 or earlier	No action needed yet
BOF - Report implementation progress to legislative committees	Annually	Ongoing
ODF - Report information on completed Small Forestland Investment in Stream Habitat (SFISH) grant program projects to legislative committees and the public	Annually	Ongoing



Questions?



State Forests Division

State Forests Division

- **Board of Forestry lands - 730,000 acres**
 - » Clatsop
 - » Tillamook
 - » Santiam
 - » Gilchrist
 - » Sun Pass
 - » Small scattered parcels
- **Common School Forest lands - 26,000 acres**



Funding

Almost all revenue derived from timber harvest

- 63.75% to counties and local taxing districts to provide local services
- Remaining 36.25% to ODF for state forests management, including:
 - » Timber sale planning and implementation
 - » Reforestation
 - » Survey and protection of threatened and endangered species
 - » Education programs
 - » Trails & recreation facilities
 - » Research & monitoring
 - » Litigation expenses
 - » Wildfire protection



KPM #5: Increase in total revenue produced by state forests

Social Benefits

- Recreation, Education & Interpretation
 - » Trails – hiking, horse-riding, ATV
 - » Campgrounds
 - » Tillamook Forest Center
- South Fork Forest Camp





Economic Benefits

Average Timber Harvest

5-year: 222 MMBF

10-year: 248 MMBF

Average Revenue to Counties

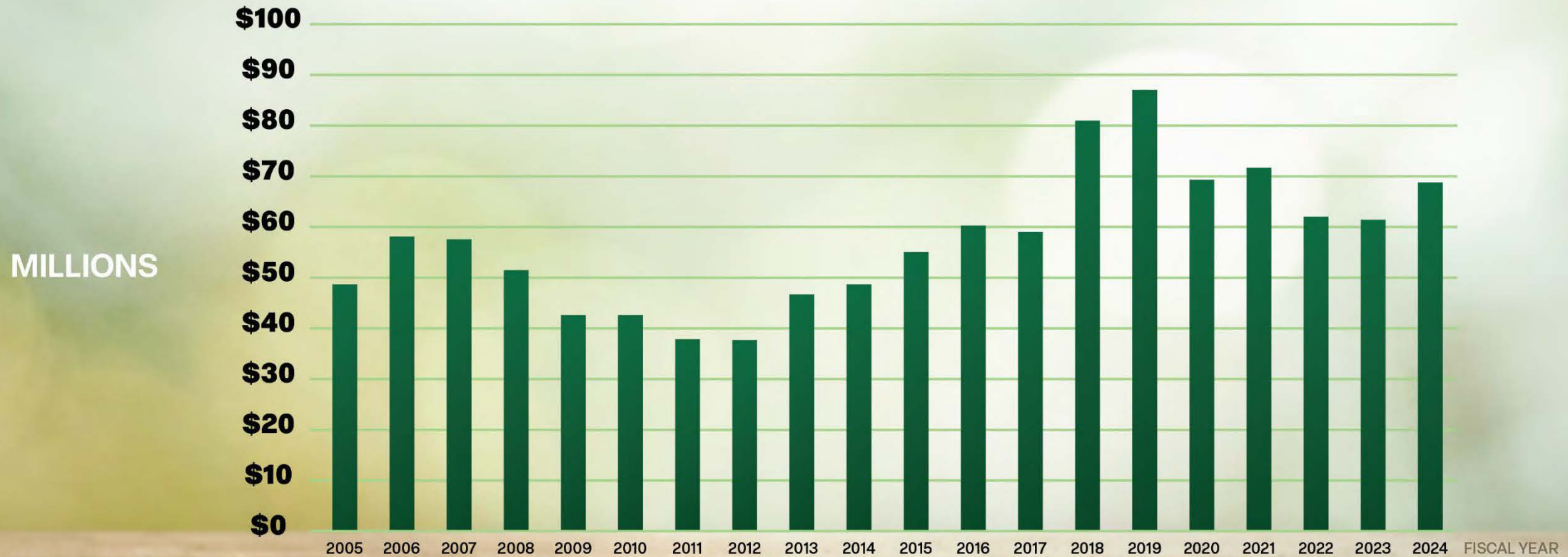
5-year: \$66.5 million

10-year: \$67.5 million

Average Revenue to ODF

5-year: \$37.7 million

10-year: \$39.1 million



Funds Distributed to Counties

Environmental Benefits

Resilient Forests

- Protection from fire
- Protecting threatened and endangered species
- Treating insects and disease
- Providing:
 - » Clean air
 - » Drinking water
 - » High-quality habitat for native fish and wildlife



KPM #10
State forests North
Coast habitat





Challenges & Opportunities

Funding Structure

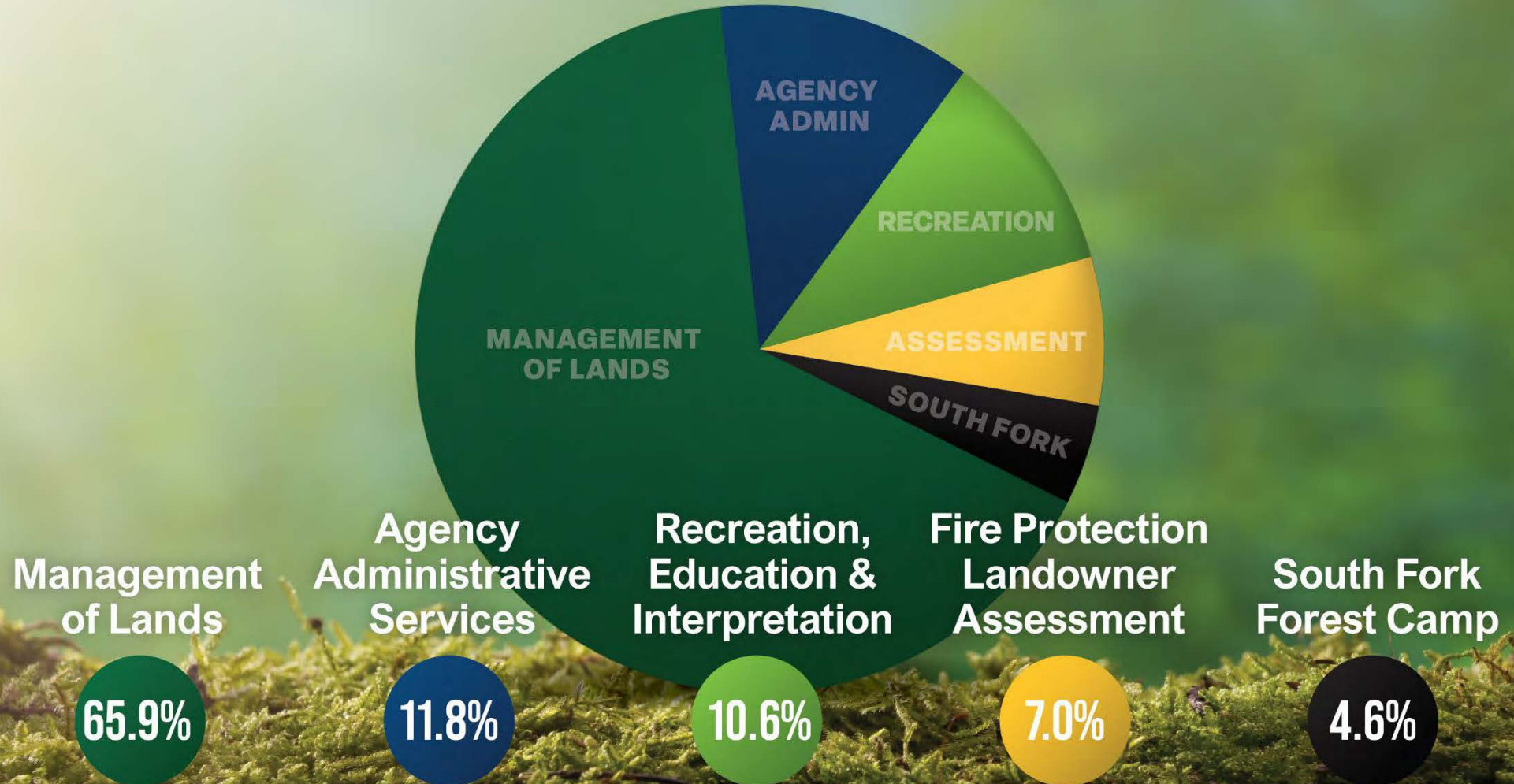
- Reliance on timber revenue
 - » Market fluctuations
 - » Increasing operational costs
 - » Increasing legal mandates
 - » Lawsuits
 - » Increasing expectations for social and environmental outcomes
- Conflict between budget and delivering outcomes
- Workforce availability





Total Fiscal Year 2024 State Forests Expenditures (Board of Forestry Lands)

Total Expenditures \$45,605,342



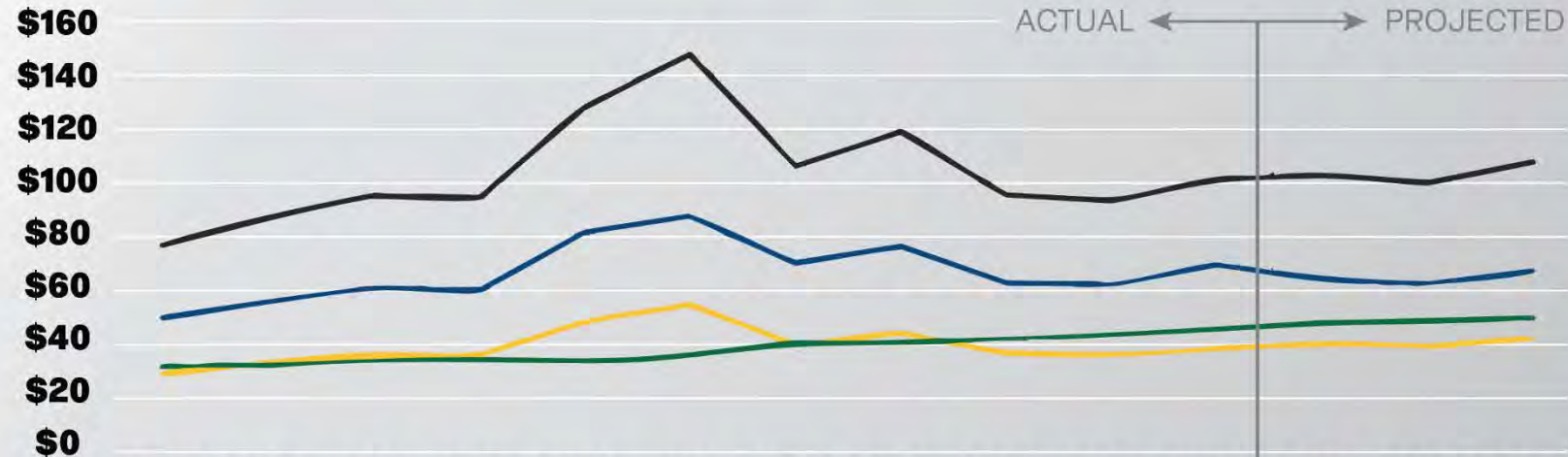


Addressing Challenges

- Internal fiscal budgeting process
- Proactive business practices
- Policy revisions
- Flexible workforce



Fiscal Budgeting



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Total Revenue	\$76.3	\$86.9	\$94.9	\$93.8	\$128.1	\$147.9	\$105.7	\$119.0	\$95.0	\$92.9	\$101.0	\$102.4	\$99.7	\$107.2
County Revenue	\$48.6	\$54.9	\$60.1	\$59.0	\$80.9	\$86.9	\$69.2	\$75.8	\$61.8	\$61.1	\$68.7	\$63.4	\$61.6	\$66.3
ODF Revenue	\$27.7	\$32.0	\$34.7	\$34.9	\$47.2	\$53.8	\$38.3	\$42.9	\$35.5	\$34.6	\$37.5	\$39.1	\$38.1	\$40.9
ODF Expenses	\$30.3	\$31.2	\$32.9	\$33.4	\$32.3	\$34.7	\$39.3	\$39.5	\$41.0	\$42.6	\$44.3	\$46.8	\$47.7	\$48.7
Net Operating	-\$2.6	\$0.8	\$1.8	\$1.5	\$14.8	\$19.1	-\$1.0	\$3.3	-\$5.5	-\$8.0	-\$6.8	-\$7.7	-\$9.6	-\$7.9

Key Factors

- Fund balance
- Revenue projections

Fiscal Management

- Position management
- Deferring investments
- Strategic investments

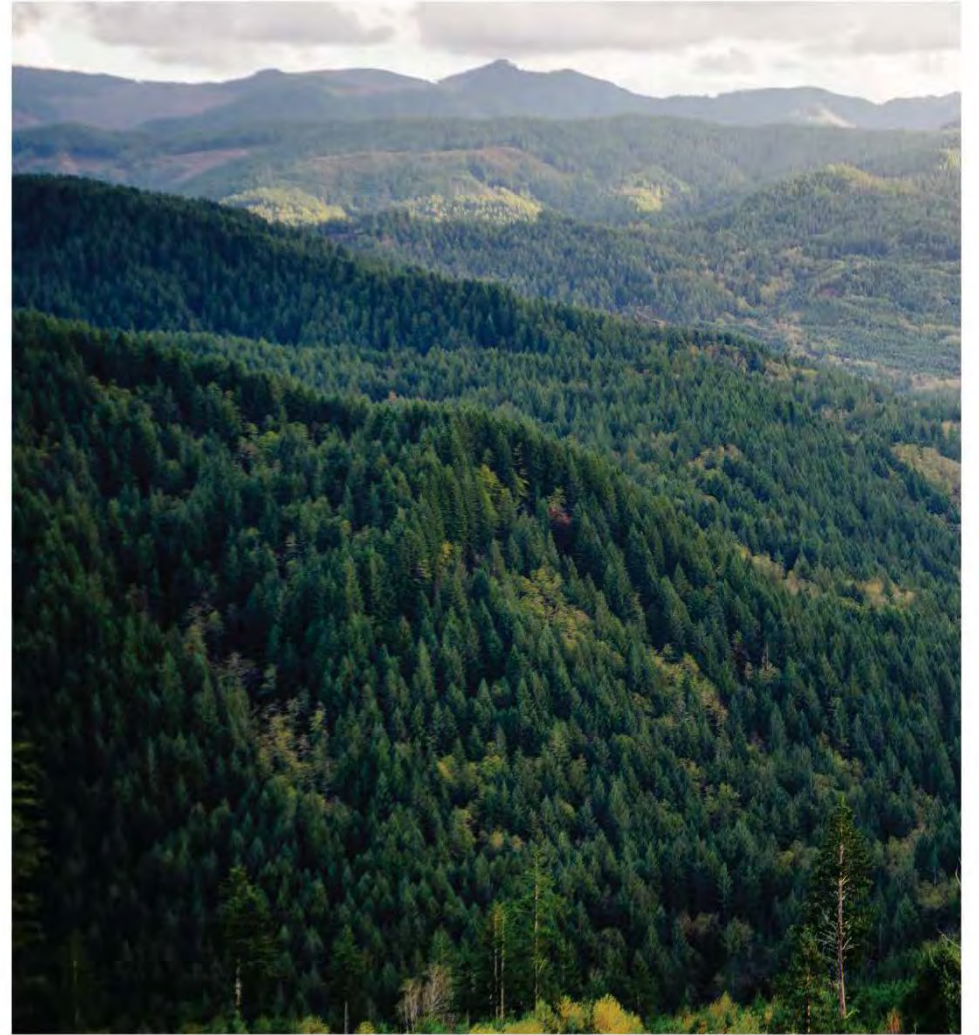
Division Financial Metrics

Fiscal Year 2014-2024 and Fiscal Year 2025-2027

Proactive Business Practices

Business practice analysis for efficiency in accomplishing management objectives

- Log accountability and utilization
- Timber sale layouts
- Best management practices balancing cost with quality





MARBLED MURRELET



NORTHERN SPOTTED OWL

Policy Revisions

- Policies established in statute, rule and forest management plans to achieve Greatest Permanent Value
- Current work:
 - » Finalizing Habitat Conservation Plan
 - » Drafting new Forest Management Plan
 - » Operational Policy Revisions for the HCP & FMP

Flexible Workforce

- Aligning workforce with changes due to HCP & FMP
- Continuous organizational improvement for efficient and effective workflows





Questions?