

HOUSE COMMITTEE ON NATURAL RESOURCES SUBCOMMITTEE ON AGRICULTURE

February 12, 1993 Hearing Room D 1:30 p.m. Tapes 9 - 12

MEMBERS PRESENT: Rep. Liz VanLeeuwen, Chair Rep. Marilyn Dell Rep. Bill Fisher Rep. Tim Josi Rep. Dennis Luke Rep. Chuck Norris

MEMBERS EXCUSED: Rep. Sam Dominy Rep. Bill Markham Rep. Ray Baum

STAFF PRESENT: Catherine Fitch, Committee Administrator Pat Zwick, Committee Coordinator Sue Nichol, Committee Clerk

MEASURES CONSIDERED: HB 2398 - Public Hearing HB 2538 - Public Hearing HB 2601 - Public Hearing

WITNESSES: Rep. Bob Shiprack, District 23 John McCulley, Oregon Cattlemen's Association Rod Harder, Oregon Territorial council on Fur, Putting People First Rep. Larry Sowa, District 26 Rod Ingram, Oregon Department of Fish and Wildlife Mike Sims, Tillamook County Creamery Association Phil Ward, Department of Agriculture Ken Evans, Oregon Hunter's Association Bill Perry, Oregon Farm Bureau Larry Trosi, Oregon Farm Bureau Dave Sweitzer, Western Hardwood Association John Christie, Chairman, Oregon Hardwood Forest

Products Resource Committee Jim Harrison, Oregon Forest Products Resource

Committee Diamond Wood Products Jerry Haney, Whittier Wood Products

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These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. [--- Unable To Translate Graphic ---]

WITNESSES (Cont.):

Bob Tarrant, Oregon Hardwood Forest Products Committee LeRoy Otteson, H.R. Jones Veneer, Inc. Anne Squier, Governor's Natural Resource Policy Advisor Dave Stere, Oregon Department of Forestry Allen Willis, Boise Cascade Jack Brown, James River Corporation Don Rice, James River Corporation

TAPE 9, SIDE A

HB 2398

005 CHAIR VanLEEuwEN: Calls the meeting to order at 1:33.

023 CATHERINE FITCH: Explains HB 2398. (Exhibit A). The bill would create the crimes of unauthorized use of a livestock animal and inference with livestock production.

045 REP. BOB SHIPRACK, District 23: Speaks in favor of HB 2398. "Cattle rustling" is a growing crime in Eastern Oregon and the penalties are

light.

077 New stipulation in the bill that allows for the court to grant restitution.

109 JOHN McCULLEY, Oregon Cattlemen's Association: Supports HB 2398. Summarizes Exhibit B. Believes it is necessary as theft is hard to

prove in cattle rustling.

138 REP. NORRIS: Would reward program sponsored by Cattlemen's Association be enhanced with the passage of this bill since there would be a penalty involved?

143 McCULLEY: Yes.

150 REP. DELL: Would the penalty to interfere cover incidents where there is no damage?

165 McCULLEY: Needs additional information to see if penalty would be assessed if there was no damage.

170 REP. DELL: Wants clarification of incidents that have happened at livestock production facilities.

178 McCULLEY: Incident at Oregon State University's mink farm, which was burned. Washington State University has had some problems. There have

been cases of fences cut and animals let loose. California Cattlemen's Association had rocks thrown through windows.

215 ROD HARDER, Oregon Territorial Council on Fur, Putting People First: Supports HB 2393. (Exhibit C) This is necessary because of the

activities of the Animal Liberation Front.

264 REP. LUKE: Tells incident of rustlers in Eastern Oregon where they could go in, cut up and ship out of pasture in 1/2 hour.

284 PUBLIC HEARING ON HB 2398 CLOSED

PUBLIC HEARING ON HB 2538 OPEN

295 FITCH: Gives a summary of HB 2538 which would require the State Department of Agriculture to survey and report to the Legislature the

extent of land and crop damage done by wildlife. (Exhibit D)

326 REP. JOSI: Testifies in favor of HB 2538.

386 REP. LARRY SOWA, District 26: Gives history of the issue.

Not all damage can be prevented.

TAPE 10, SIDE A

061 REP. SOWA: Believes the Department of Fish and Wildlife should be handling the wildlife damage issue.

072 ROD INGRAM, Oregon Department of Fish and Wildlife: Reviews work that has been done in this area to this point. Gives some recommendations on how what the survey should take into account. Reads Exhibit E.

177 REP. LUKE: Are all the complaints that were turned in, verified?

185 INGRAM: Yes.

188 REP. FISHER: Requests budget information.

194 INGRAM: The Agency will have about 105 less employees. Wildlife Division cuts have been made but not in damage control areas.

224 REP. JOSI: If there is wildlife damage, what steps can be taken?

230 INGRAM: It depends on location. In Western Oregon, reliance is on hazing. May have a special hunt. Fences high value crops. In the

east, orchards have been fenced, haystack panels have been used, animals have been moved.

257 REP. JOSI: Are these methods effective?

270 INGRAM: In some cases they are and some cases they are not. It depends what is going on in adjacent lands.

312 REP. JOSI: How could the program be helped with unlimited resources?

321 INGRAM: In west side of the state, the most effective method would be fencing. Hunts aren't as effective because landowners often won't allow hunters on their properties.

364 REP. SOWA: Effective program has been green forage program to plant grasses and lagoons in areas to keep animals in these areas instead of

pastureland.

396 REP. NORRIS: Is there a need for a survey?

404 INGRAM: The character of the damage is pretty well known already.

TAPE 9, SIDE B

004 REP. NORRIS: Can't shotgun slugs be used?

010 INGRAM: They are used in some hunts, but they're difficult to use on elk because elk are tough and it takes more to bring them down.

013 REP. NORRIS: Gets flak from home about controlled hunts because of shortage of animals.

017 INGRAM: Controlled hunts are aimed towards the buck and bull segment of the population. In some areas the hunt is open to antlerless animals

because the point is to reduce damage.

028 Regarding Representative Josi's previous question, major problem is companies that won't allow hunters on their property.

039 REP. JOSI: That is an issue that needs to be dealt with.

043 REP. LUKE: Are you saying the bill isn't needed?

047 INGRAM: It is needed to find out the economic impact of the damage.

The bill needs to have some constraints in order to give an accurate assessment.

062 REP. LUKE: Do you have suggestions for amendments?

066 INGRAM: No.

069 REP. SOWA: Is not sure if the survey is needed. The Department of Fish and Wildlife should make the decisions about what happens after the survey.

075 REP. DELL: Will there be any changes made in programs when the survey results are made?

086 INGRAM: At a loss on how the results of the survey would be used unless it would be used to provide compensation.

092 MIKE SIMS, Tillamook County Creamery Association: Hopes this survey will be first step in the process of seeing what can be done. Urges

passing of HB 2538. 107 REP. JOSI: Does the Department of Fish and Wildlife have a handle on damage done by wildlife?

113 SIMS: Believes they have determined a problem exists, but they need specific numbers and breakdown of damage in different areas.

125 JOHN McCULLEY, Oregon Cattlemen's Association: Testifies in favor of HB 2538 (Exhibit F)

HB 2538 is needed so problem can be prevented, not just reacted to.

148 PHIL WARD, Oregon Department of Agriculture: Bill has a fiscal

impact that is not anticipated in the governor's budget.

Wildlife damage has been a concern of the Department of Agriculture.

Plan would be to contract with U.S. Department of Agriculture Statistics Service to gather this data.

219 Intent would be to involve the Department of Fish and Wildlife in the entire process and especially when recommendations were to be made.

211 REP. DELL: Where did \$25,000 figure come from to do the survey?

226 WARD: That is the figure the USDA would require to perform the survey.

230 ROD HARDER, Oregon Sportsmen's Defense Fund Inc.: States some concerns with HB 2538. Reads testimony (Exhibit G). Submits an extract from the

USDA APHIS Animal Damage Control Division Report for Oregon (Exhibit G).

260 All animal damage done must be considered, not just elk and deer.

293 REP. NORRIS: Notes comprehensive treatment given to animal damage by this report from USDA.

298 KEN EVANS, Oregon Hunter's Association: Testifies against HB 253 8. Reads Exhibit H.

325 Believes funds should be used instead for education.

335 CHAIR VanLEEUEWEN: How should users who have suffered damages absorb costs?

344 EVANS: They won't allow access so problem can't be taken care of.

385 CHAIR VanLEEUEWEN: Question to Rod Ingram, do you work with the landowners when you set up the area hunt?

392 INGRAM: The hunts are set in June and there have been, in cases, no access by the time the hunters got there. The landowners changed their

minds between spring and fall. Or access was given to friends or relatives of the landowner and the general hunter was locked out.

407 There will be a bill coming up that will require access before the Department can start a controlled hunt.

415 Access refers to the ability to hunt the animal (in response to Chair VanLeeuwen's question).

435 Controlled hunts are equal opportunity to those who apply.

TAPE 10, SIDE B

020 INGRAM: Regarding Chair VanLeeuwen's question, there is

presently a program for landowners to get a tag to hunt on their own property. It

is the Landowners' Preference Program.

028 REP. JOSI: People are in economic dire straits because of damage by deer and elk.

039 EVANS: It's a broader problem than deer and elk.

053 BILL PERRY, Oregon Farm Bureau: Supports HB 2538 because of the damage that is being done. Has tried to collect information on this problem,

but doesn't have access to all farmers and ranchers in the state like the Department of Agriculture would. Reads Exhibit I.

073 LARRY TROSI, Oregon Farm Bureau: Farmers and ranchers wouldn't deny access except for mitigating circumstances. Many have resigned

themselves to these losses.

110 REP. FISHER: In his case it's been impractical to graze cattle because of herd of elk. It would be impractical to hunt because of the close

proximity of people.

134 REP. NORRIS: Reads letter of a case of damage done to trees by elk and deer. Firing shotgun shells no longer scares them off. On one acre,

they counted 140 elk and 130 deer.

150 Has heard reports of 700 elk down in some valleys. This is a significant problem.

PUBLIC HEARING ON 2538 CLOSED

PUBLIC HEARING ON HB 2601 OPEN

176 REP. JOSI: Introduces HB 2601 which creates an Oregon Hardwoods Commission to assist in the retention, expansion and attraction of

hardwood related industries to the state.

214 DAVE SWEITZER, Western Hardwood Association: Reads Exhibit J. Urges approval of HB 2601.

250 This commission would represent an industry valued by \$500 and \$750 million.

290 This commission would be funded by each affected processor who would be assessed a buck a truck.

308 REP. FISHER: Would the \$1 a truck only be assessed on hardwood processors?

309 SWEITZER: Yes. It would be assessed at the time the hardwood is changed, whether it be for chips or lumber, etc.

337 Each truck would be taxed once by Oregon.

346 REP. NORRIS: Does the \$1 a truck correlate to Section 18 of HB 2601?

350 SWEITZER: Yes. There are 25 tons to a truck.

365 JOHN CHRISTIE, Chairman, Oregon Hardwood Forest Products Resource Committee: Testifies in favor of HB 2601. Reads Exhibit K.

410 Passage of HB 2601 will assure continued good health to this valuable industry.

TAPE 11, SIDE B

005 REP. FISHER: How would this function with independent groups that have already formed? For example, the Wood Products Cooperative in Southern

Oregon.

008 CHRISTIE: The cooperative is more of a marketing concept and less into the forest health issues. Needs to be education, which will benefit the entire industry.

021 REP. FISHER: Wouldn't some efforts to expand markets be duplicated?

023 CHRISTIE: That may be the case, unfamiliar with the cooperative.

030 REP. FISHER: Just sent out a letter of recommendation for a grant for this cooperative which is active and some new small businesses in

Roseburg are taking advantage of this.

032 SWEITZER: Wasn't this cooperative developed with state monies?

040 REP. FISHER: Yes.

045 SWEITZER: They're primarily concerned with marketing, we're primarily concerned with education and a sustained yield out of the forest but

marketing and product development is a part of our overall program.

050 REP. FISHER: Would you be able to cooperate with this cooperative so all their work would not be made useless?

054 SWEITZER: Would want and welcome the opportunity to work with them.

060 JIM HARRISON, Oregon Forest Products Resource Committee, Diamond Wood Products: Supports HB 2601. Reads Exhibit L.

091 This commission is needed as the industry has changed over the

last ten years.

129 REP. LUKE: Why are only 20% of people involved in the industry members of this private association?

130 HARRISON: They're in different industries, but use the same raw material and so they're involved in other organizations.

140 SWEITZER: Normally 20% of people do 80% of work.

150 REP. LUKE: How much does a small company run?

159 HARRISON: Might run four trucks so that's 100 tons per day.

Would be about \$4 per day - \$150 - \$300 per quarter.

165 Cost would be insignificant.

166 REP. LUKE: \$140,000 a year is a significant amount of money.

174 HARRISON: His assessment would be actually be \$2,100 a month.

183 Diamond Wood would be one of the largest processors in the state.

185 REP. LUKE: Where does surplus money go?

189 HARRISON: Determined by board.

192 REP. LUKE: Should non-industry people be included in board?

196 HARRISON: Haven't thought about it.

200 REP. NORRIS: Are hardwoods cultivated in plantations?

206 HARRISON: There are plantations, Diamond Wood Products has a plantation. Weyerhaeuser has plantations that are a decade old.

215 REP. NORRIS: How long is life cycle?

221 HARRISON: Most alders are mature at 45 to 50 years old. They can be chipped at 35 to 40 years old.

229 REP. NORRIS: Could cottonwood or poplars grown on short term cycle be exempted?

239 HARRISON: Hardwoods are grown in conjunction with conifers often. Don't know if they could be separated out.

261 SWEITZER: Has not been studied if these relatively short term stands could be exempted from assessments.

278 REP. JOSI: Legislation was passed last session that exempted cottonwood harvest along the Columbia River from the Forest Practices Act.

285 REP. FISHER: What type of vehicles to collect taxes or enforcement?

301 SWEITZER: Oregon Forest Resources Institute does collect a fee regardless of species. In Washington, companies are expected to

submit

a quarterly report and a quarterly bill. If not, it would be referred to the Attorney General.

331 REP. VanLEEuwEN: Most other commissions have had little problem in collecting money.

340 JERRY HANEY, Whittier Wood Products: Testifies in favor of HB 260 1. Reads testimony (Exhibit M). Expresses concern about continued hardwood supply.

TAPE 12, SIDE A

044 BOB TARRANT, Oregon Hardwood Forest Products Committee: Testifies in favor of HB 2601 (Exhibit N). Emphasizes the importance of hardwoods in maintaining forest health.

112 LEROY OTTESON, H.R. Jones Veneer, Inc.: Testifies in favor of HB 260 1 (Exhibit O) to provide stability in hardwood supply.

132 REP. FISHER: Is supply limited because they are located in stream areas?

141 OTTESON: Doesn't seem to be a problem at this time, but it's just not logged.

151 There's a lot on public land.

154 REP. DELL: Asks what would help his business.

159 OTTESON: Wants to know availability of product.

169 ANNE SQUIER, Governor's Natural Resource Policy Advisor: Governor Roberts supports value added and expanded commodity uses and recognizes the value of the hardwood resource in Oregon. Must take a close look at governmental expansions requiring oversight. The following questions

must be answered: Is this a core function of government? Are there alternatives to accomplish same goal?

210 Functions of improving competitiveness may be accomplished outside of government.

215 Education can be accomplished through the Department of Forestry or the Oregon Forest Resources Institute.

229 REP. FISHER: Can state lands be turned over for hardwood harvest without a commission?

245 SQUIER: Tillamook Forest is managed by the Department of Forestry. Needs more information.

256 REP. JOSI: Department of Forestry has had sales for the purpose of harvesting alders in the Tillamook Forest and alder has been planted for disease control.

268 DAVE STERE, Oregon Department of Forestry: Tillamook Forest is managed on a sustained yield plan. The plan is to harvest the stands when they

become merchantable on a sustained yield basis. Hardwood sales are made every year.

320 REP. JOSI: What influence does the governor have on the harvest level of the Tillamook Forest?

322 STERE: Harvest levels are determined in a public process. Isn't involved in the process so is not familiar with it.

342 REP. NORRIS: Does State Land Board give attention to Tillamook Forest?

340 STEER: In some cases, yes. Most of the land was previously owned by the counties and was turned over to the state forester to be managed.

359 Gives information on the Hardwood Forest Resources Advisory Committee. (Exhibit P).

375 ALLEN WILLIS, Boise Cascade: Speaks against HB 2601. Objects to chips being included in assessments as that would affect the pulp and paper

industry.

TAPE 11, SIDE B

018 REP. JOSI: What are interstate commerce clauses that were referred to?

020 WILLIS: The U.S. Constitution prohibits states from enacting laws which would interfere with interstate commerce or foreign commerce.

021 REP. JOSI: How would this do that?

022 WILLIS: The definition of affected processor is defined as a person who reloads hardwood logs for shipment outside Oregon.

029 REP. NORRIS: Cottonwood plantations could be exempted.

035 WILLIS: That would only take care of part of the problem. Alder is converted to chips.

051 REP. FISHER: Chips now are being priced because of stumpage at roughly three times what southern U.S. mills can purchase them for.

054 WILLIS: The cost of softwood chips made our cottonwood plantations viable because they were less expensive.

058 JACK BROWN, James River Corporation: Objects if hybrid cottonwoods are included.

080 REP. VanLEEuwEN: Has there been any communication between James River and the proponents of the bill?

090 BROWN: No.

103 SWEITZER: Notice of effective processors was made.

117 BROWN: Chips are not included as assessed commodity in Washington.

125 DON RICE, James River: Cottonwood management is different that alder management.

Next meeting is Wednesday, February 17 on overview on threatened and endangered species.

Meeting adjourned at 4:30.

Also submitted for the record:

- Testimony on HB 2538 by Bill Rogers, OSU Extension Agent, Lincoln County (Exhibit Q). - Preliminary Staff Measure Summery of HB 2601 by Catherine Fitch (Exhibit R).

Submitted by:

Reviewed by:

Sue Nichol
Administrator

Catherine Fitch Clerk

EXHIBIT LOG:

A - HB 2398 - Preliminary Staff Measure Summary - Catherine Fitch - 4 pages B - HB 2398 - Testimony - John McCulley - 1 page C - HB 2398 - Testimony - Rod Harder - 1 page D - HB 2538 - Preliminary Staff Measure Summary - Catherine Fitch - 2 pages E - HB 2538 - Testimony - Rod Ingram - 3 pages F - HB 2538 - Testimony - John McCulley - 1 page G - HB 2538 - Testimony and information - Rod Harder - 4 pages H - HB 2538 - Testimony - Ken Evans - 1 page I - HB 2538 - Testimony - Bill Perry - 1 page J - HB 2601 - Testimony - Dave Sweitzer - 2 pages K - HB 2601 - Testimony - John Christie - 2 pages L - HB 2601 - Testimony - Jim Harrison - 1 page M - HB 2601 - Testimony and information booklet - Jerry Haney, Whittier Wood Products - 13 pages N - HB 2601 - Testimony - Bob Tarrant - 2 pages O - HB 2601 - Testimony - LeRoy Otteson - 1 page P - HB 2601 - Testimony - Dave Stere - 1 page Q - HB 2538 - Testimony - Bill Rogers - 1 page R - HB 2601 - Preliminary Staff Measure Summery - Catherine Fitch - 3 pages