

## HOUSE COMMITTEE ON AGRICULTURE AND FORESTRY

January 21, 1999 Hearing Room D

8:00 AM Tapes 4 - 6

**MEMBERS PRESENT:** Rep. Larry Wells, Chair

Rep. Terry Thompson, Vice-Chair

Rep. Roger Beyer

Rep. Ryan Deckert

Rep. Elaine Hopson

Rep. Jeff Kropf, Vice-Chair

Rep. Jerry Krummel

**MEMBER EXCUSED:** Rep. Judy Uherbelau

Rep. Jim Hill

**STAFF PRESENT:** Judith Callens, Administrator

Stephen Kosiewicz, Administrative Support

**MEASURE/ISSUES HEARD:** Agency Overviews: Department of Fish and Wildlife and Department of Forestry

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 4, A		
004	Chair Wells	Calls the committee to order at 8:11 a.m. Announces that the committee meeting time will move to 8:30 starting next Tuesday. Announces what agency bills the committee will deal with next week.

**AGENCY OVERVIEWS: DEPARTMENT OF FISH AND WILDLIFE AND DEPARTMENT OF FORESTRY**

027	Jim Greer	Director, Department of Fish and Wildlife (ODFW). Submits and reviews written material ( <b>EXHIBIT A</b> ). Begins overview on ODFW: <ul style="list-style-type: none"><li>• ODFW has become decentralized</li><li>• Working with landowners, sporting groups</li><li>• Large volunteer base</li></ul>
063	Chair Wells	Asks Mr. Greer to clarify what STEP stands for.
064	Greer	Explains the STEP program. Continues overview: <ul style="list-style-type: none"><li>• Access Habitat Program</li><li>• Hunter Education Program</li><li>• Acts as advisor/consultant to state on fish and wildlife issues</li><li>• Contract with Oregon State Police for enforcement of fish and wildlife laws</li></ul>
097	Greer	Continues overview by discussing: <ul style="list-style-type: none"><li>• License sale agents and the sale of licenses and tags electronically</li><li>• The challenge of dealing with Endangered Species Act listings</li><li>• Trying to maintain a sport fishery of some kind</li><li>• Hatchery operations</li></ul>
148	Greer	Continues overview: <ul style="list-style-type: none"><li>• Regulation setting</li><li>• The number of licenses and tags they handle annually</li><li>• ODFW's budget and the budget shortfall</li></ul>
182	Chair Wells	Asks what percentage of ODFW's budget is General Fund.
184	Greer	Responds that about 8% of their budget is General Fund. Continues explaining ODFW's budget.
202	Chair Wells	Comments that the Governor's proposed budget includes \$4 million to go towards ODFW's \$10 million shortfall. Comments that he wants to keep working on getting additional General Fund money for ODFW.
223	Rep. Deckert	Asks what percentage of ODFW's budget a decade ago was General Fund.
226	Greer	Responds that in the last three or four biennium it's been around 16%. Continues discussing ODFW's budget and their proposed license fee increase.
256	Rep. Kropf	Asks Mr. Greer to elaborate on the number of people who have obtained licenses.

260	Greer	Responds that this number has been declining on the fishing side.
303	Rep. Kropf	Asks Mr. Greer if he has any forecast as to what the impact of the fee increase will be on the number of people purchasing tags and licenses.
312	Greer	Responds that on average there will be up to a 15% drop in the first year, but this usually comes back a year or two after this.
327	Rep. Kropf	Asks for clarification that they are anticipating a 15% drop, and that ODFW's upcoming budget has factored this in and will cover it.
331	Greer	Responds that this is correct.
337	Rep. Kropf	Asks when they last had a fee increase.
340	Greer	Responds that they have not had significant license fee increases since 1991, but they have had a ratcheting up of surcharges.
361	Rep. Kropf	Comments that he would like to see ODFW get more money in their budget from General Fund and expresses his concern that ODFW will price themselves out of the market with their fee increases.
384	Rep. Thompson	Asks how many FTE they had associated with habitat improvement and fish restoration 10 years ago, and how many do they have today.
396	Greer	Responds that they've taken cuts across the board over the last six to seven years and it would be hard to give an exact number.
<b>TAPE 5, A</b>		
010	Rep. Thompson	Asks if ODFW would have an opportunity for more federal funds if the Legislature were to increase the General Fund dollars in their budget.
012	Greer	Responds that there are a couple of programs out there right now that they hope to see more federal dollars made available.
039	Rep. Beyer	Asks how much of ODFW's money has been spent lobbying Congress on the replacement bill for the "Teaming With Wildlife" bill.
041	Greer	Responds that they've spent around \$15,000.
053	Rep. Beyer	Asks Mr. Greer if he considers this a wise use of taxpayers' money.

056	Greer	Responds that the money spent was not really tax dollars, and they felt this was an expense that would help generate those federal dollars back.
063	Rep. Thompson	Comments that it is hard for the agency to answer this type of question.
076	Joe Rohleder	Assistant to the Director for Government Affairs, Department of Fish and Wildlife. Comments that he can get the committee data on the number of licenses and tags sold from 1980 to 1997, and comments on two programs that he has worked with Oregon's congressional delegation on to get federal funds.
102	Rohleder	Begins reviewing ODFW's 1999 legislative concepts.
148	Rohleder	Continues reviewing ODFW's 1999 legislative concepts.
159	Rep. Krummel	Asks if the tax credit proposed in HB 2101 is against property tax or against income tax.
162	Rohleder	Responds that he believes it is a credit against state income tax.
165	Rep. Deckert	Asks what the price tag of the tax credit was from the last biennium.
170	Rohleder	Responds that he has asked for that information from DAS but he has not received it yet.
176	Rep. Deckert	Asks for a ballpark figure on this.
178	Rohleder	Responds that he doesn't have a figure.
179	Rep. Thompson	Asks what percentage of their license fees and poundage fees comes from commercial fishing.
182	Rohleder	Responds that about \$2.5 million comes from commercial fishing, but their projections show this amount may drop.
191	Rep. Thompson	Asks if there is any regulation changes ODFW can make to cause the price-per-pound to go up.
198	Rohleder	Responds that he believes they cannot do this.
201	Rep. Thompson	Asks if ODFW has an economist on staff.
205	Rohleder	Responds that they do.

218	Rep. Thompson	Comments that there is the possibility they could free up one FTE in this area and get the money back through increased changes in dollars.
228	Rohleder	Comments that their ground fish are mostly managed through the Pacific Fisheries Management Council, and that often times unintended consequences result when regulations are changed.
246	Rep. Thompson	Comments that under the Magnuson-Stevens Act there is supposed to be an economic analysis done and that so far the only analysis that comes forward comes from the federal government.
255	Chair Wells	Asks where we are on cougar control.
263	Greer	Responds that they are still having a difficult time dealing with the population.
337	Jim Brown	State Forester, Department of Forestry (ODF). Submits written material <b>(EXHIBIT B)</b> and begins overview of the Department of Forestry: <ul style="list-style-type: none"> <li>• The Department works for the Board of Forestry</li> <li>• The Board of Forestry's mission statement and objectives</li> <li>• ODF's organizational structure</li> </ul>
<b>TAPE 4, B</b>		
010	Brown	Continues overview by discussing the programs ODF runs: <ul style="list-style-type: none"> <li>• Fire protection</li> <li>• Forest practices</li> </ul>
023	Chair Wells	Asks if there is a proposal to change that proportion between the landowner and what the state pays on fire costs.
027	Brown	Responds that the statute was changed in 1989 so that the General Fund paid 50% of the program and the landowner paid the other 50%.
040	Chair Wells	Comments that this is another example of things that happened during the 1989 Session where there were fee increases to the public because of a lack of General Fund dollars.
044	Brown	Comments that another thing the committee will see in ODF's budget is that they try to operate at the most efficient level.
053	Chair Wells	Asks Mr. Brown if he will talk about fire costs at some point in his presentation.
059	Brown	Discusses ODF's state lands program.

080	Chair Wells	Asks what the best way is for the committee to familiarize itself with the Forest Practices Act.
087	Brown	Responds that he can provide the committee with some information. Continues discussing ODF's state lands program.
138	Chair Wells	Asks Mr. Brown to go into a little more detail about how they came into possession of these lands.
141	Brown	Explains how ODF came to administer these lands.
168	Chair Wells	Comments that members should consider taking a tour of the Santiam Forest.
176	Rep. Kropf	Asks where the increased harvesting that Mr. Brown mentioned would occur.
179	Brown	Responds that it would be in the Elliot State Forest, Clatsop Forest, Santiam Forest, and Tillamook Forest.
203	Rep. Kropf	Asks what the time period is for this harvest increase and how much money would this generate.
213	Brown	Responds that the increase would occur in about 30 to 40 years. Comments that they are taking a structure-based management approach to these lands.
296	Rep. Thompson	Comments that traditionally in the Western Oregon forests we've had cedar, hemlock, and spruce, and asks if ODF has gone to a program of trying to reintroduce these tree species.
303	Brown	Responds that they have.
332	Rep. Thompson	Asks if they are planting cedar in these forests.
335	Brown	Responds that they are. Continues discussing ODF's state lands program.
356	Chair Wells	Comments that ODF has maintained a regular harvest program on state lands, and asks how they go about harvesting this.
364	Brown	Responds that they put it up for sale and a sealed bid auction is held, with the highest bidder being awarded the contract for a commercial thinning or clear-cut.
378	Brown	Continues discussing the programs ODF runs: <ul style="list-style-type: none"> <li>• Forestry assistance</li> </ul>

		<ul style="list-style-type: none"> <li>• Resource planning</li> </ul>
<b>TAPE 5, B</b>		
033	Brown	<p>Continues overview by discussing:</p> <ul style="list-style-type: none"> <li>• ODF administration</li> <li>• ODF's budget</li> </ul>
063	Chair Wells	Asks how the ODF offices work with the BLM and U.S. Forest Service offices.
066	Brown	Responds that the primary area where they work with these federal offices is in fire protection.
091	Chair Wells	Asks what happens if the federal agencies go to a "let it burn" policy.
093	Brown	Responds that they've had a lot of discussion with them about this.
134	Rep. Beyer	Comments on a suit filed against the U.S. Forest Service by a private landowner after a 1996 fire in the John Day area, and asks what the status of this lawsuit is.
139	Brown	Responds that they are close to settlement on the Wheeler Point fire.
144	Rep. Beyer	Asks for clarification if this was a settlement with ODF or with the U.S. Forest Service.
145	Brown	Responds that he may be speaking of a different case.
150	Rep. Beyer	Comments that the fire he was referring to occurred in the Strawberry Mountains.
154	Brown	States that he doesn't know where this case is at, but he will find out. Continues overview by discussing the major issues ODF will be dealing with this biennium.
172	Chair Wells	Asks if there is a pool of new people coming into the forestry field.
177	Brown	Responds that there is.
187	Chair Wells	Comments on a magazine he receives that is a good source of forestry-related information, and suggests that the committee members look into receiving it.
196	Brown	Continues overview by discussing ODF's 1999 legislative concepts.

226	Chair Wells	Asks what the state needs to do in regard to the Northwest Wildfire Protection Compact.
227	Brown	Responds that the Legislature needs to ratify it. Continues discussing ODF's legislative concepts.
238	Rep. Beyer	Comments that he had pursued the concept behind SB 227 during the interim and the Legislative Counsel Office had informed him that this was already in statute.
247	Brown	Comments that this is news to him.
249	Chair Wells	Comments that the members will be seeing a lot of Charlie Stone, who is with ODF.
255	Brown	Continues discussing ODF's legislative concepts.
277	Brown	Reviews the attachments included in the submitted material (pages 25-27 of Exhibit B). Comments on the issue of fire suppression and protection.
346	Chair Wells	Comments on the number of board feet projected for timber harvest.
366	Brown	Continues reviewing attachments in the submitted material (pages 28-36 of Exhibit B).
<b>TAPE 6, A</b>		
003	Brown	Continues reviewing attachments in the submitted material (pages 37-43 of Exhibit B).
047	Rep. Wells	Comments on the resource of knowledge that Mr. Brown has of the forestry industry. Adjourns the committee at 10:05 a.m.

Submitted By, Reviewed By,

Stephen Kosiewicz, Judith Callens,  
Administrative Support Administrator



## **EXHIBIT SUMMARY**

**A ñ Agency overviews, written material, Jim Greer, 20 pp.**

**B ñ Agency overviews, written material, Jim Brown, 45 pp.**