

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.

HOUSE COMMITTEE ON AGRICULTURE, FORESTRY & NATURAL RESOURCES

February 5, 1991 Hearing Room F 8:15 A.M. State Capitol
Tapes 12 - 14

MEMBERS PRESENT: REP. WALT SCHROEDER, Chair REP. LIZ VANLEEUWEN, Vice-Chair REP. SAM DOMINY REP. BILL DWYER REP. TIM JOSI REP. JOHN MEEK REP. CHUCK NORRIS

STAFF PRESENT: BETH PATRINO, Administrator EDWARD C. KLEIN, Assistant

MEASURES CONSIDERED: HB 2147 - Public Hearing HB 2148 - Public Hearing
HB 2142 - Work Session HB 2242 - Work Session

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TAPE 12, SIDE A

002 CHAIR SCHROEDER: Calls the meeting to order at 8:15 A.M.

DEPARTMENT OF FORESTRY OVERVIEW -- EXHIBITS A & B

Witnesses: Ann Hanus, Assistant State Forester, Department of Forestry
Doug Coyle, Director, Fire Control Section, Department of Forestry
Fred Robinson, Assistant State Forester, Department of Forestry

013 ANN HANUS, Assistant State Forester, Department of Forestry:
Presents an overview of the Department of Forestry with a slide presentation and "Oregon Department of Forestry Program Summaries" (EXHIBIT A).

217 REP. NORRIS: You mentioned your responsibilities included managing Bureau of Land Management land in Western Oregon; why is that?

HANUS: We are under contract to provide fire protection to BLM lands, we don't do the actual management of the forest.

REP. NORRIS: That's reimbursable?

HANUS: Yes.

REP. NORRIS: You don't do that in Eastern Oregon?

HANUS: Not on range land.

228 DOUG COYLE, Director, Fire Control Section, Department of Forestry:
We do no protection unless it is an exchange because of convenience.

CHAIR SCHROEDER: Understands the BLM is considering dropping out of
fire protection in some areas.

HANUS: We've been negotiating with the BLM on our fire contract.

239 FRED ROBINSON, Assistant State Forester, Forest Protection Division,
Department of Forestry: We've been reviewing our working relationship
with the BLM. We're moving towards implementing a significant revision
of our contract with them for the next fire season.

CHAIR SCHROEDER: You will be continuing with them?

ROBINSON: Yes; we're currently in year three of a five year contract.

-There are considerable administrative changes that they are going to
require in the new budget.

-We're moving to a very strict contractor-contractee relationship.

-We've received a request for a bid proposal from them. Our proposal
will be returned the 15th of February and then we will meet and
negotiate the differences.

259 REP. NORRIS: You mentioned the board has been given civil and
criminal authority?

HANUS: That's correct.

ROBINSON: Historically the department has relied on criminal
enforcement for both fire and forest practices regulations. The 1987
Legislature added civil penalty authority for forest practices
regulation. Since then we've shifted almost exclusively to the civil
penalty process for forest practices.

REP. NORRIS: I assume the law carries criminal penalties enforced
through the normal criminal judicial procedures. You don't have our own
kangaroo courts?

ROBINSON: No. In enforcing fire laws we formally relied on the
criminal process for enforcing forest practices rules. We would present
our evidence to the District Attorney and if he saw fit he would file
and prosecute the case.

-The primary reasons we were interested in acquiring civil penalty
authority--

REP. NORRIS: My question was only about criminal authority.

-You mentioned extensive administrative services within the department.
What's being done in terms of possible consolidation with other state
agencies?

HANUS: We work with other state agencies. We provide radio repair
services. Other agencies use some of our equipment. Our radio
communications section is self-funding.

305 REP. DOMINY: How does the department deal with conflicting messages? He reads from the forest practices mission, page 7, "Program Summaries", "Encourage economically efficient forest practices"

-When you put that policy up against what's happening with the endangered species--how is it decided which policy supersedes when there is a conflicting message?

HANUS: That's a difficult balance to achieve.

-We've gone through a series of advisory committees that has weighed those issues with different constituencies while reexamining the Forest Practices Act. They then take it to the Board of Forestry.

-This has been difficult and is evolving with the changing public attitude and changing environmental and ecological data that's been coming out.

332 REP. DOMINY: The Board of Forestry has the final say on conflicting issues?

HANUS: The board and Legislature. The Legislature amended the Forest Practices Act in 1987, which put forth the policy of the management of our forests.

-The industry and Senate each have proposals to amend the Forest Practices Act.

348 CHAIR SCHROEDER: How does the Department of Fish and Wildlife fit in with the Forest Practices Act?

ROBINSON: They have advisory power. The areas we're most closely involved are streams and stream site habitat.

-Many of the decisions made concerning stream classification and levels of protection needed are technically the State Foresters to make. We've set up interagency agreements and processes where the biological expertise is supplied by the Department of Fish and Wildlife.

CHAIR SCHROEDER: Is the department allowed to advocate the importance of forestry?

370 HANUS: The board has been an advocate of good stewardship of the forests. We've done that through development of the forestry program as well as our public education programs about good stewardship practices.

"Forestry Program for Oregon" is filed as EXHIBIT B.

PUBLIC HEARING ON HOUSE BILL 2147 -- EXHIBITS C, D & E

Witnesses: Ann Hanus, Assistant State Forester, Department of Forestry
Leroy Kline, Director, Insect & Disease Program, Department of Forestry
Terry Witt, Executive Director, Oregonians for Food and Shelter
Jean Cameron, Policy Director, Oregon Environmental Council

CHAIR SCHROEDER: Opens the Public Hearing on HB 2147.

387 BETH PATRINO: Describes the bill (EXHIBIT C).

422 ANN HANUS: HB 2147 amends the insect and disease law. She presents background on the bill.

TAPE 13, SIDE A

014 LEROY KLINE, Director, Insect & Disease Program, Department of Forestry: Presents testimony on HB 214 7 (EXHIBIT C).

057 REP. DOMINY: Has been hearing about pests/bugs from other countries. The bill only talks about pests on forest land. Does your agency have authority to regulate bugs from other countries?

KLINE: We work with the U.S. Department of Agriculture; they have the authority. Once a pest is introduced we can step in.

REP. DOMINY: If a shipload of logs has bugs, there's no way you can do anything except ask the U.S. Department of Agriculture to step in?

KLINE: Correct.

078 REP. VANLEEUEWEN: Refers to the subsection 1 of amendments, page 3, EXHIBIT C. I think you left out a word.

KLINE: He reads the amendment, "(1) Any contract ... certificate(s) of insurance"

099 REP. VANLEEUEWEN: It's not a correct sentence if you leave "certificate" singular.

KLINE: We may have to correct it.

REP. VANLEEUEWEN: Give me an example.

KLINE: We'd specify the amount of insurance we think a contractor needs to have.

-There are statutes that sets a \$25,000 minimum. General Services tells us the limit for insurance is \$300,000. We will work with General Services to set the amount of insurance for a contractor to have.

118 REP. VANLEEUEWEN: Does this cover just public lands?

KLINE: Only when the state forester enters into a contract. This does not apply to private landowners, the U.S. Forest Service or BLM.

CHAIR SCHROEDER: This bill requires them to have this coverage.

KLINE: If the U.S. Forest Service enters into a contract on our behalf.

CHAIR SCHROEDER: Does a tree farmer have to have that bond if they want to do same spraying or integrated pest management?

KLINE: If they contract with a contractor, the contractor has to meet the requirements with the Department of Agriculture.

REP. VANLEEUEWEN: What about someone who applies their own pesticides?

KLINE: They have to be licensed by the State Department of Agriculture.

-You may want to have the Department of Agriculture or Risk Management

testify.

139 REP. MEEK: Refers to the amendments. Where's the \$100,000 fit in?

KLINE: We're deleting that too. We're not setting any specific amounts.

REP. MEEK: Could you elaborate on the constraints dealing with private lands and/or forest trust lands?

-You mentioned contractual arrangements when doing pest control; how will that process work with this law?

KLINE: We provide services to landowners to help them develop pest control strategies. They can implement any legal strategy.

-There may be a point in time when the problem affects the state. The state would then declare a control district, seek state funds and do that job whether the landowner wants it done or not. At that time we would enter into a contract with a contractor to do that job.

-That has only been done three times since he's been with the department.

181 REP. DWYER: We didn't use a pesticide against the gypsy moth.

KLINE: We used a biological insecticide, which is defined as a pesticide.

REP. DWYER: Under this bill the State Forester can determine this can be done whether or not the landowner wants it done and you'll levy a charge against the timber to recover your cost? The landowner has to pay it?

KLINE: That's the way it is in the existing law.

-We go through a Board of Forestry hearing process and have public input. We seek Federal and state funds to offset the cost to the landowner, but the balance of costs are charged to the landowner.

199 CHAIR SCHROEDER: What are the three instances that happened since you've been with the department?

KLINE: They were in 1974 in Northeast Oregon, and 1984 and 1988 in Eastern Oregon.

REP. VANLEEUEWEN: There was a lot of damage in Eastern Oregon. She hopes there is faster action next time.

REP. DWYER: You didn't mention the gypsy moth in Lane County.

KLINE: We worked with the Department of Agriculture and the U.S. Forest Service to take action.

REP. DWYER: You didn't list that as one of your examples.

KLINE: We were working under the statutes of the U.S. Department of Agriculture.

-The amendments could allow the state forester to take action if the

U.S. Department of Agriculture didn't take action.

227 CHAIR SCHROEDER: Hopes someone can talk about the availability of bonding.

KLINE: Risk Management has offered to testify.

CHAIR SCHROEDER: We'll probably hold this off until later.

237 REP. MEEK: The fact that this is existing law doesn't make it right. If the department decides to take over eradication efforts, without substantiating neglect--He can understand someone who has been neglectful paying, but when something is beyond someone's control, he don't see why the department doesn't take over the cost as overall forest protection instead of the landowner.

KLINE: Refers to line 9, page 4, HB 2147. It's been changed to "the state shall assist in the payment"

-He agrees that if it's to that magnitude the state should pay 100 percent of the cost. We have had difficulty to get funds in the past. He thinks this law would allow the department to pay 100 percent.

REP. MEEK: The bill is not clear enough in determining whether or not it is state-wide concern or property owner neglect.

278 REP. DOMINY: There is no fiscal impact the way it is currently drafted?

KLINE: Correct; we'll do it within the Governor's recommended budget.

REP. DOMINY: Could you put together an estimated impact if the state would pay the cost?

KLINE: It would be in the millions of dollars. In 1988, when we took action with the U.S. Forest Service against the spruce bud worm, the U.S. Forest Service spent \$18 million in two months.

302 REP. VANLEEUEWEN: What do lines 28 through 30, page 1, HB 2147, say? I'm not sure how timber is owned by someone separate from where it grows?

KLINE: That's existing law. In some cases landowners lease timber cutting rights to someone else.

323 REP. DWYER: Line 26, page 1, takes away our authority to take care of things on Federal land. Lots of infestations occur on Federal lands. Why would we want to abrogate our responsibility if Federal land is infested?

KLINE: We've never had the authority to take action on Federal lands. That's the responsibility of the Federal Government.

REP. DWYER: Why are we inserting "nonfederal forestlands"?

KLINE: The question you raised has come up. This is clarifying the language. Our clients are not federal landowners.

CHAIR SCHROEDER: They could be as much of a hazard; maybe we should have some control?

KLINE: Agrees; but doesn't know if that's constitutional.

REP. DWYER: The current law doesn't exclude Federal lands; why do it now?

KLINE: It's clarifying our clients; we've never taken action on Federal forest land. We've worked with them.

CHAIR SCHROEDER: They have been cooperative.

KLINE: Yes.

CHAIR SCHROEDER: Could they become uncooperative in the future?

KLINE: They have their own procedures, which delays the process.

REP. MEEK: REP. DWYER is correct. If it costs us millions of dollars to eradicate pests on Federal land it would be difficult to recover the costs. If they don't take action it may be necessary for us to take action, which would put the state under financial stress.

REP. DWYER: The Federal Government's inability to act could jeopardize state lands. I'm reluctant to give away something.

407 REP. NORRIS: Shares the concerns about financial liability; bonding and insurance. He would like to know whether traditional insurance companies write this kind of policy; would they be affordable?

-SB 262 has a more thorough definition of "integrated pest management" than HB 2147. Wouldn't it be meritorious to have a unified definition?

HANUS: SB 262 is a much broader bill.

REP. NORRIS: But it does have a definition of "integrated pest management". He isn't sure if they meld together.

-He sent SB 262 to some of his scientific experts and they weren't favorable.

KLINE: That's a good point; it's appropriate to have one comprehensive definition. The two bills should be considered together.

TAPE 12, SIDE B

015 CHAIR SCHROEDER: We may hold HB 2147 until SB 262 comes over.

REP. NORRIS: It seems we should attempt to coordinate them.

CHAIR SCHROEDER: Hopes we can have an insurance counselor here to tell us whether they have policies to sell.

019 REP. DWYER: There are landowners able to self-insure. There are other mechanisms for financial responsibility and security that does not include paying for bonding. For those that have the means, there should be an escape clause that guarantees financial responsibility in lieu of a bond.

CHAIR SCHROEDER: Please look into that and present us revised amendments.

KLINE: Yes.

036 TERRY WITT, Executive Director, Oregonians for Food and Shelter:
Presents testimony on HB 2147 (EXHIBIT E).

-We, along with Oregon Forest Industries Council, are in support of these changes as outlined in HB 2147.

-In conversations with LEROY KLINE, the intent of the integrated management portion of the bill is not to force a private landowner to implement a specific strategy. They may be required to provide certain control and if they are unable to, the department could implement strategies to obtain control.

-He has problems with the applicator liability wording in section 10 of the bill. The department's proposed amendments answer some of his concerns. It would be better to omit this section (See page 3 EXHIBIT E).

-He refers to page 3, recommended amendments for section 1 (EXHIBIT E).

098 REP. DWYER: If the department approved a program and could charge against an owner's land and it wasn't effective--

WITT: That's correct. My concern is if they have an approved program, they may be able to force a private landowner to put an effective program into effect and then charge a private landowner for that service if no other money was available.

-He continues with amendments for lines 20-23, page 1, HB 2147.

118 REP. DWYER: Would BT have been considered to be reasonably available if this were in place at that time?

WITT: Yes; that's current technology that's becoming more and more available.

-He discusses amendments to section 3.

-He discusses amendments to section 5, page 4.

-He discusses amendments to section 10.

-We would be glad to work with the department on any changes.

204 REP. DWYER: Do you know if there is an option for people that have the means not to pay for a bond?

WITT: Believes the statute allows a number of options; posting a bond, posting security or insurance.

REP. NORRIS: Refers to section 5 of the amendments.

-If there was a major infestation and a private landowner decided not to suppress it--is this adequate to allow this person to do what they want?

228 WITT: Section 5 does not deal with that situation. Section 6 allows the state forester to force a landowner to take action if there is a threatening situation.

REP. NORRIS: That change wouldn't leave us defenseless against an unwilling owner?

WITT: That's correct. It protects the landowner from being told what specific method must be used; it allows the landowner flexibility.

245 REP. DWYER: That's good in theory, but when do you make the determination that the landowner's method is not effective? What's the time lag for the State Forester to allow the landowner that flexibility, but then determine it is unsuccessful?

WITT: That's a discretionary judgement on the State Forester. Believes the determining factor would be whether the infestation is only impacting private lands.

REP. DWYER: Give me an example of an insect that would destroy one owner's land and would know where the boundaries were?

WITT: Does not know of one. The point is we're trying to balance individual rights and the job of the state to protect the state and property owners as a whole. It's not an easy issue.

REP. DOMINY: Refers to amendments, page 3, section 3, lines 26-27. Please explain the amendments.

295 WITT: The purpose is to state that specific management objectives need to look at the desired end result and the means available to achieve the end result.

-It's one thing to say we need to destroy 100 percent of the pests. It's another thing to look at whether there are means available and what the costs are.

-We need to not only look at the desired results, but look at the desired results in a framework which looks at the economics, the technology and the ability to be able to carry the program out.

REP. DOMINY: My concern is that an eradication effort might only cost \$1 million today, but if it's not under control it might cost \$5 million tomorrow.

-We should take economics out, except to insure we get rid of the bug destroying our forest. Given this language, can we ever meet that standard?

WITT: It does not state we are looking at short-term or long-term economics. Your example is a perfect example of why we should take action now and not wait and have to spend much more money at a later date.

-We can use economics to justify a program just as we can use economics to say a program isn't warranted.

-Our concern is that we could build a program so complex no one could afford to use it.

352 REP. DWYER: Replacing "approved" with "effective" addresses some of those concerns.

-Are you concerned about someone's authority to spend your money?

WITT: My major concern is that we will impose a major policy change; the Department of Forestry is adopting an integrated pest management program which says they will use certain strategies or techniques for controlling pests. Our recurring concern is that we keep focused on the ultimate goal of the program and that it be affordable.

393 CHAIR SCHROEDER: Recesses at 9:37 A.M.

-He calls the meeting back to order at 9:43 A.M.

414 JEAN CAMERON, Policy Director, Oregon Environmental Council: We support HB 2147.

-We introduced SB 262, as we did last session. We would be open to starting a version of SB 262 in the House.

-Integrated pest management (IPM) is a decision making process for determining the range of control strategy to use. This comprehensive approach usually results in the reduction of the use of chemical pesticides and their attendant costs, liabilities and environmental impacts.

-She spoke with the Extension Service at Oregon State University about IPM work they were doing. It is their opinion that IPM is the best way to go not only because of the associated cost, but also because in some cases pesticides use over the long-term cause problems of resistance, resurgence and secondary outbreak.

-She describes resistance, resurgence and secondary outbreak.

TAPE 13, SIDE B

021 CAMERON: The Extension Service supports SB 262, a broader bill that would affect all state agencies doing pest control.

-We support the training concept outlined in section 4, HB 2147. This is part of what we are trying to offer in SB 262--not regulation of the private sector, but technical assistance, training and more education in IPM being made available.

034 CHAIR SCHROEDER: Does the Extension Service approve of SB 262 or just its concept?

CAMERON: They worked with me on it (HB 1184 last session). They are supportive. There is language directing the Extension Service to do more public education on integrated pest management. They would welcome additional funding to do more.

044 REP. VANLEEuwEN: You referred to the fact that IPM did not include the use of pesticides.

CAMERON: It does not ban the use of any strategies, including chemical pesticides. It will often result in a reduction of chemical pesticide use because other strategies become available.

053 REP. DWYER: Do you have any qualms about the amendments replacing "approved" with "effective"?

CAMERON: Has not had a chance to review the amendments. IPM is a very site specific control strategy, in many cases there is no pat formula. Its strength is that it's site specific. Its weakness is you can't open a book to determine what's needed, you have to use local judgement.

REP. DWYER: Is there a legitimate concern about an approved program as opposed to an effective program?

CAMERON: Does have a concern. She refers to the use of BT on the gypsy moth.

-The exclusive use of chemical pesticides have problems because of long-term efficacy.

083 CHAIR SCHROEDER: Suspect insects can develop resistance to BT. Anything can develop resistance eventually.

REP. NORRIS: Some Ph.D.'s in my district are not favorable about SB 262. We have to go back to the drawing board on "integrated pest management". There's real divergence.

CAMERON: Suggests we sit down together and go over the responses on SB 262 . The Senate Agriculture Committee is open to starting a House version of SB 262.

-She's open to sitting down in a work group to look at the differences between HB 2147 and SB 262.

105 CHAIR SCHROEDER: There are lots of different ideas within the Extension Service.

-These bills need to be discussed together.

REP. DOMINY: HB 2147 could be the vehicle to combine the elements.

CHAIR SCHROEDER: We need to decide if we want the Senate to hear it first or if we want to hear it first.

REP. VANLEEUEWEN: Recommends we wait until SB 262 comes over.

CHAIR SCHROEDER: Closes the Public Hearing.

PUBLIC HEARING ON HOUSE BILL 2148 -- EXHIBITS F & G

Witnesses: Bill Cook, Contract/Lands Coordinator, Department of Forestry
Bill Voelker, Director, Forest Management Division

CHAIR SCHROEDER: Opens the Public Hearing on HB 2148.

125 PATRINO: Describes HB 2148 (EXHIBIT F).

136 BILL COOK, Contract/Lands Coordinator, Department of Forestry:
Presents testimony on HB 2148 (EXHIBIT G).

172 REP. DWYER: What happens if consent to deduct is withheld?

COOK: We would have to negotiate that.

-If it was a large sum of money they wanted to spread out over a year, we would negotiate.

REP. DWYER: What if they didn't want to negotiate?

COOK: Can't answer.

-At the present time we have to have board consent and county consent to purchase a property.

CHAIR SCHROEDER: You haven't done this yet so there are no cases to point to?

COOK: Current statute requires the first revenue generated from that land goes back to the Department of Forestry.

REP. DWYER: The consent to purchase and the consent to hold are two different consents.

COOK: Correct.

191 REP. MEEK: The board and counties have always agreed to make the acquisition. As acquisitions occur (most have been right-of-way acquisitions) you don't obtain enough revenue off of that acquisition to cover those costs. Generally, the acquisition is done with some type of estimate of how the cost will fall out. He doesn't think the state has tried to enter into agreements that they weren't going to cover the acquisition.

-When everything is based on mutual agreement why is there a deficit the state has to come in and clear up?

COOK: The statute requires that a land cost retirement account be set up. That account stays open until sufficient revenue is generated to reimburse the Department of Forestry.

-If the county did not consent to pay that at the end of the five year period we're asking for in this bill, the account would remain an open account until sufficient revenue was generated to retire it.

REP. MEEK: It appears that there never will be enough revenue generated to cover those costs of some of the accounts that have been open for years.

COOK: There are some of those accounts. We have some accounts from the 194 0's and 1950's; those are the types of things we're trying to clean up.

234 REP. VANLEEuwEN: Why or from whom are you acquiring land? Are you acquiring land from private landowners adjacent to lands you manage?

COOK: At times we buy from private landowners when we need to acquire access. There are also tracts where we exchange land with other landowners where we'll have acquisition costs.

REP. VANLEEuwEN: Why are you exchanging lands?

COOK: Not to become bigger landowners. We primarily trade land to block it up for more efficient management.

REP. VANLEEuwEN: You are doing it at your own initiative or because the counties request it?

COOK: We manage county trust lands in the best way we can. When we need access or changes we go to the county and ask approval. We require the approval of the county commission before we can take action.

262 CHAIR SCHROEDER: Offers an example: If a person owns 40 acres surrounded by county trust lands and they log the land and want to sell it to the county. That land will not produce another crop for 40 years and doesn't produce any money. The county is getting money from the trust lands. To recoup the cost of that 40 acres, you can withhold money from the other county trust lands? Is that what we're talking about?

COOK: Yes.

REP. MEEK: Purchasing the right-of-way to get to county trust lands is another example.

-That's the typical example in Washington County. There are very few purchases.

CHAIR SCHROEDER: If the county were not receiving any money from the county trust lands you wouldn't be able to withhold anything from them?

COOK: Correct.

290 REP. DWYER: What will this bill enable you or the county to do that you/they can't already do?

COOK: Allow us to retire that account at the end of five years if we haven't recouped enough money.

REP. DWYER: That's only with their consent?

COOK: Correct.

REP. DWYER: If they wanted to retire the account they could write you a check?

COOK: Correct.

REP. DWYER: It doesn't do anything they could not already do.

COOK: Correct; it just defines or clarifies that we can do that.

303 REP. VANLEEUEWEN: It reduces the rate of the amount of money that goes back to the county.

-Where does the county's money go to? Is it distributed in some formula?

COOK: There is a formula. It goes to the county and local taxing districts.

314 BILL VOELKER, Director, Forest Management Division: The monies that come in are distributed to the county and local taxing districts.

-If the department gives the county \$1 million, they have to distribute it as required by statute. They couldn't take an amount of that money and give it back. This bill allows the county to take that money out.

332 REP. VANLEEUWEN: This has an affect on Ballot Measure 5. There will be less of that money going back into the county coffers during that five year time.

COOK: Correct, but with the county's consent. This is a very small percentage of their revenue that they are getting back.

-They will have to recognize that if they're purchasing property this year, five years from now we will be asking that we be able to recoup those costs.

345 CHAIR SCHROEDER: The Association of Oregon Counties supports this bill. GILL RIDDELL, was scheduled to testify, but can't be here.

352 REP. MEEK: The five years is a mutual consent between the county and the department. Don't you still have the option to agree to go beyond five years?

COOK: Correct.

REP. MEEK: The heart of the bill from the counties's standpoint, is that this bill gives the counties the authority to pay the indebtedness off before the distribution takes effect?

COOK: Correct.

382 REP. NORRIS: Refers to lines 1 to 5, page 2, which talks about "purchase parcels". Who would be the buyer and who would be the seller?

COOK: The buyer would be the Board of Forestry; the seller would be whomever the property was acquired from.

REP. NORRIS: The state has bought it from someone, not the counties?

COOK: Correct.

REP. NORRIS: We're reimbursing the county for something we bought from somebody else?

COOK: The county gets their portion of the revenue generated off of that purchased land.

REP. VANLEEUWEN: This doesn't become one of the county trust lands?

COOK: It's deeded to the Board of Forestry.

REP. VANLEEUWEN: As county trust lands for the county to pay the bill?

408 VOELKER: The deeds for county trust lands are all to the Board of Forestry. But's it's acquired as part of the county trust land.

REP. DWYER: If they are managing a piece of county trust land and have to buy access from a private party, they will acquire those lands; the deeds will go to the Board of Forestry.

REP. MEEK: When the counties and state entered into an agreement to reforest the burned land, there was an agreement that all the land would be deeded to the state. In these types of agreements, the state doesn't want to acquire the land and have to pay the bill. The state and

counties have another agreement to turn that over to the trust lands so as the revenue comes off of that land the counties pay off that bill.

TAPE 14, SIDE A

013 REP. VANLEEUEWEN: Wants it clear that those lands don't become Board of Forestry lands separate from the trust lands if the county pays for it.

COOK: They are one and the same.

REP. DWYER: What happens to the land if the county doesn't consent to pay within those five years? Do you withhold monies from other lands for those lands?

COOK: Currently each parcel has its own account. That account remains open until sufficient revenue is generated to close that account. If the counties do not consent to reimburse us at the end of the five years, that account would remain open indefinitely.

CHAIR SCHROEDER: That must cause a bookkeeping problem.

COOK: Yes.

028 REP. JOSI: If the counties don't consent to pay off the accounts that have remained open for 40 years they will remain open?

COOK: They will remain open until they produce enough income to retire the account.

REP. MEEK: The primary reason they're not paid off is that they are asking the county to take on the full responsibility of paying it and not other taxing districts.

-The other taxing districts don't want them to take their share. The counties are supporting this because this gives them the authority to use that first cut dollar.

CHAIR SCHROEDER: Closes the Public Hearing.

WORK SESSION ON HOUSE BILL 2142 -- EXHIBIT

Witnesses: Dan Shults, Director, Fire Prevention/Support Services,
Department of Forestry Doug Coyle, Director, Fire Control Section,
Department of Forestry

052 BETH PATRINO: Summarizes the bill and presents HB 2142-1, Proposed Amendments, dated 2/4/91 and hand engrossed bill (EXHIBIT H).

080 DAN SHULTS, Director, Fire Prevention/Support Services: Presents testimony which describes amendments to HB 2142 (EXHIBIT I).

103 REP. DWYER: You've done a good job addressing the committee's concerns.

REP. VANLEEUEWEN: If a person is doing any thinning, do they have to get a permit?

SHULTS: A permit to operate any power driven machinery is required; that includes any pre-commercial thinning.

REP. VANLEEUEWEN: What about getting a load of wood?

SHULTS: Not unless you were selling the wood.

REP. VANLEEUEWEN: How often is the permit renewed?

SHULTS: Annually.

123 MOTION: REP. DWYER: Moves to adopt HB 2142-1, Proposed Amendments to House Bill 2142, dated 2/4/91.

VOTE: The motion passes unanimously.

MOTION: REP. DWYER: Moves House Bill 2142 as amended to the Floor of the House with a Do Pass recommendation.

VOTE: The motion carries unanimously.

CARRIER: REP. MEEK.

WORK SESSION ON HOUSE BILL 2242 -- EXHIBITS J & K

149 CHAIR SCHROEDER: We tabled HB 2242.

PATRINO: She summarizes the bill and describes HB 2242-1, Proposed Amendments, dated 2/1/91 and hand engrossed bill (EXHIBIT J).

Testimony in support of HB 2242, submitted by JOHN CORE, Area Source Control Coordinator, Department of Environmental Quality is filed as EXHIBIT K.

176 CHAIR SCHROEDER: Discusses Tabling.

173 MOTION: REP. DWYER: Moves to remove HB 2242 from the Table.

CHAIR SCHROEDER: Hearing no objections the motion passes.

178 REP. JOSI: Why did we have a sunset date?

REP. DWYER: We wanted to see whether or not the program was effective.

186 DOUG COYLE, Director, Fire Control Section, Department of Forestry: The sponsors of the bill were concerned the Department of Forestry would use the funds to do things they didn't want us to do.

-The sunset clause was set for December, because our work in this particular program is on a calendar year basis.

REP. JOSI: They were afraid you'd go further than--

COYLE: We are currently funded by two funds. The General Fund funds about half and this was an extension of that funding and they wanted specific activities to be funded. That's why they required the report and sunset.

REP. JOSI: Who were the sponsors?

COYLE: The Oregon Forest Industries Council.

CHAIR SCHROEDER: They sponsored the original bill.

205 MOTION: REP. DWYER: Moves to adopt HB 2242-1, Proposed Amendments to HB 224 2, dated 2/1/91.

VOTE: The motion passes unanimously.

MOTION: REP. DWYER: Moves House Bill as amended to the Floor of the House with a Do Pass recommendation.

VOTE: The motion carries unanimously.

CARRIER: REP. SCHROEDER.

CHAIR SCHROEDER: Recesses at 10:30 A.M.

Submitted by: Reviewed by:

Edward C. Klein, Beth Patrino, Committee Assistant Committee
Administrator

EXHIBIT LOG:

A - Oregon Department of Forestry Program Summaries - Anne Hanus -
32 pages B - "Forestry Program for Oregon" - Ann Hanus - 41 pages
C - SMS/Fiscal/Revenue impacts for HB 2147 - Staff - 7 pages
D-Testimony on HB 2147 - LeRoy Kline - 3 pages E-Testimony on HB 2147 -
Terry Witt - 4 pages F-SMS/Fiscal/Revenue impacts for HB 2148 - Staff -
2 pages G-Testimony on HB 2148 - Bill Cook - 3 pages H-Amendments for HB
2142 - Staff - 2 pages I-Testimony on HB 2142 - Dan Shults - 7 pages
J-Amendments for HB 2242 - Staff - 2 pages K-Testimony on HB 2242 - John
Core - 2 pages