

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

March 14, 1991 Hearing Room F 8:15 A.M. State Capitol
Tapes 41 - 43

MEMBERS PRESENT: REP. WALT SCHROEDER, Chair REP. LIZ VANLEEUEWEN,
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 2318 - WORK SESSION HB 2320 - WORK SESSION

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TAPE 41, SIDE A

003 CHAIR SCHROEDER: Calls the meeting to order at 8:17 A.M.

WORK SESSIONS ON HOUSE BILL 2318 and HOUSE BILL 2320 -- EXHIBITS A to E

Witnesses: Ray Craig, Assistant State Forester, Department of Forestry
Joe Misk, Forest Tax Specialist, Department of Forestry Rick Main,
Manager, Timber Tax Programs, Department of Revenue Wallace Rutledge,
Director, Forestry Assistance Program, Department of Forestry

022 BETH PATRINO: Describes the "Tax/Assessment" matrix (EXHIBIT A).

034 REP. DOMINY: There are some tax proposals that aren't on this matrix.

PATRINO: This refers to legislation effecting existing taxes.

050 RAY CRAIG, Department of Forestry: Refers to "2318 and 2320 Issues" (EXHIBIT B).

075 REP. MEEK: Clarify what you mean by the proposals being picked up in your existing budget.

CRAIG: We have some alternative proposals that revolve around using the existing budget.

CHAIR SCHROEDER: The Department of Forestry has put together several

proposals to give us a choice.

CRAIG: We'll first discuss if HB 2318 passes and HB 2320 does not.

-Next, we'll discuss if HB 2320 passes and HB 2318 does not.

-Finally, we'll discuss if they both pass.

111REP. DWYER: The next option is if neither pass.

CRAIG: Was trying to focus the discussion on the alternatives that were available if one or the other passed.

-He refers to "HB 2318 Implementation Alternatives" (EXHIBIT C).

-He discusses Alternative #1.

-He discusses Alternative #2.

159 CHAIR SCHROEDER: There would be 765 new plans encompassing 53,550 acres?

CRAIG: Correct.

-If more than 765 applied there would be no resources available.

-Our preferred alternative is Alternative #4.

-He discusses #4.

186 REP. JOSI: Alternative #3:

-What about those unable to get a management plan from you; isn't that a form of discrimination?

CRAIG: Alternative #3 is also on a limited basis. Once we do the 1,530 plans we would have used all our resources.

REP. JOSI: They're out of luck if they don't get in on time?

CRAIG: There are ways to deal with that.

-We could apply a higher level of service with Alternative #4.

204 CHAIR SCHROEDER: With Alternatives #1 and #2, the department does the management plans?

-It looks like someone else does the management plans in Alternatives #3 and #4?

CRAIG: Correct.

-He describes HB 2320.

-He refers to "HB 2320 Implementation Alternatives" (EXHIBIT D).

-He discusses Alternative #4.

242 REP. JOSI: Those that don't fall in the one-third don't have to worry about having their tax assessment changed?

-HB 2320 is the stick approach. HB 2318 is the carrot and stick.

-Only the top one-third have to worry about the possible reclassification?

253 JOE MISEK, Forest Tax Specialist, Department of Forestry: That one-third is targeted.

-There is to be a survey mapping the non-industrial private forestland.

-We will identify the unproductive lands, but not the ownerships.

-We estimate one-third of the owners have underproductive land.

-Originally, we would have inspected all the ownerships. With this alternative we will try to target only those ownerships where a problem exists.

279 REP. DWYER: How's the survey being conducted?

MISEK: Three pilot projects have been completed and analyzed.

-We're deciding how it is to be done; either by satellite imagery, high elevation photography or low level photo interpretation.

REP. DWYER: Will you then go to the ground and see what you are seeing from the air?

MISEK: For the test we used a township in Columbia County where we used the three methods.

-We have analyzed how true to life those methods were.

REP. DWYER: You don't know which one you'll use?

MISEK: That decision will be made at the end of the week.

321 REP. VANLEEUEWEN: When you talk about the current budget on these charts are you referring to the proposed budget or the one we're currently on?

CRAIG: This refers to the Governor's recommended budget.

CHAIR SCHROEDER: Will you inspect the questionable one-third on the ground?

MISEK: We're looking at all of the non-industrial land in the survey. We may have a data base for the industrial and non-industrial land.

CHAIR SCHROEDER: You will inspect that third on the ground?

MISEK: We'll try to target the underproductive land. We estimate one-third of the ownerships will have some underproductive land.

-We're basing that on our experience with the Western Small Tract Optional Tax program and in discussions with service foresters.

-Under the Western Oregon Small Tract Optional Tax program there are a total of 190,000 acres with 10,000 acres under treatment plans where

we're working with the owners to try to get those lands to meet the standards.

-Those lands are gradually getting in better shape.

-Since the law passed in 1977, county assessors have been responsible to make sure the lands meet the stocking standards.

-We have to question, given the loads of the counties, how good a job they've done covering all of the forestland in the counties.

374 REP. DOMINY: Is pleased the department tried to address the committee's concerns.

-If both bills pass and we go to Alternative #4 for both; will the total budget be \$600,000 plus?

CRAIG: We'll get to your question.

-He refers to Alternative #3.

-We would suggest an amendment to fund the additional \$151,433 out of the Western Oregon Timber Tax Account, which is administered by the Department of Revenue.

417 REP. VANLEEUEWEN: You said #3 would allow you to do three times the number of plans than #4?

CRAIG: It's not three times, but is a significant increase.

-The policy decision is, do you want to increase our funding by \$151,433 in Other Funds to do an increased amount of management planning?

-Our preferred alternative is #3, which requires a considerably shorter time period than #4.

CHAIR SCHROEDER: Explain the funding source that's in the Department of Revenue.

-Tell us how and if that fund can be used.

464 RICK MAIN, Manager, Timber Tax Programs, Department of Revenue: We collect the revenues generated by the harvest off of private land and receive a General Fund appropriation for that purpose. Prior to the distribution of the revenues to the taxing districts we deduct our administrative costs and reimburse the General Fund.

-The Department of Forestry is proposing that whatever component they choose be funded the same way. It could be a General Funded program or Other Funded, where they would receive a limitation.

TAPE 42, SIDE A

CHAIR SCHROEDER: What's the name of the account?

MAIN: The Western Oregon Timber Tax Account.

CHAIR SCHROEDER: Where do the monies not used for administrative expense go; to the counties?

MAIN: Yes.

-The counties get 13 percent and the school districts get 87 percent.

-The effect of funding HB 2320 out of that account would be less revenue distributed to the local taxing districts.

CHAIR SCHROEDER: What is the total that goes back to the counties and schools?

MAIN: That changes each fiscal year based on the volume harvested and the values of timber.

-It's between \$40 million and \$50 million, based on the current tax rates.

Under Measure 5, those revenues would decrease 10 percent (under HB 2550).

-We estimate there will be some change in the level of revenues based on the volume of harvest and level of timber values on private lands.

CHAIR SCHROEDER: We're talking about \$151,433 out of \$40 million to \$50 million?

MAIN: Correct.

CHAIR SCHROEDER: Do you have any idea how much more money the counties would get if some of that land was unclassified as forestland?

MAIN: Hesitates to estimate.

-It seems the impact would be minimal if it was spread out.

CHAIR SCHROEDER: If more land was brought into production would it bring in more money?

MAIN: That's the overall theory. Over time it should have a positive effect on revenues.

CHAIR SCHROEDER: We need to look at some long-term effects.

070 REP. JOSI: Does the \$151,433 take into effect the lands that will fall out of the designation and have their taxes raised?

MAIN: Thinks not. The \$151,433 is the Department of Forestry's administrative costs. Any land that loses its designation would increase the revenues at the county level.

REP. MEEK: Do you know what that amount would be?

MAIN: Does not.

CHAIR SCHROEDER: Hopefully none of that land will be taken off the forest classification.

086 REP. DWYER: Give an example of a tax policy that's endured more than three bienniums?

MAIN: Programs have endured, but the policy within the programs have

changed.

REP. DWYER: There is no such thing as a long-term when the legislature meets every two years.

099 REP. MEEK: If this is implemented, the \$151,000 would be absorbed from the fund to the Department of Forestry and we would gain about 10 years of implementation time in the small woodland tracts.

CRAIG: There would be also be a significant additional amount of acreage each year.

REP. MEEK: Vast acreage would go back into managed timber growth. Hundreds of thousands of acres not in production would also be picked up.

-He compliments the department on the innovations.

119 MISEK: Tax policy is constantly changing, but everything is changing.

-Society's view of forestland is changing.

-The Western Oregon Small Tract Optional Tax has been in place for 30 years.

-The interim committee's package is aimed at small woodland owners.

-The state has recognized that special incentives are needed to move the small woodland owners to manage these lands.

150 REP. NORRIS: Are most of the small woodlands under an acceptable management plan?

CRAIG: There are roughly 2.8 million acres of non-industrial private forestland.

-On the one hand, we have made significant progress.

-On the other hand, there are a lot of owners who have no management plans.

-Management plans make the landowners appreciate the opportunities they have on their land.

REP. NORRIS: Should those that have not submitted those plans know they are required?

CRAIG: Under this bill, yes.

REP. NORRIS: Before this no?

CRAIG: No.

-We require management plans under the Western Oregon Small Tract Optional Tax if the landowner is not meeting certain standards and we have a significant notification system.

-We anticipate a similar system if this bill passes.

REP. VANLEEUEWEN: What is the 2.8 million acres?

CRAIG: That's the total of non-industrial private forestland.

CHAIR SCHROEDER: This is an optional program. If they want the tax break they have to have the management plan.

195 REP. VANLEEUEWEN: We are dealing with lands that have been getting the tax break, but may not be productive?

MISEK: We estimate one-third of the ownerships don't meet the standards.

REP. VANLEEUEWEN: Are treatment plans the same as management plans?

MISEK: Treatment plans are the specific treatments to bring the lands into compliance.

-We want those landowners to develop management plans, because once landowners know what's possible on their land they can do a lot more good.

REP. VANLEEUEWEN: What's the difference between a management plan and treatment plan?

CRAIG: We will explain the difference.

221 REP. JOSI: In reference to HB 2318--what about the hobby forester who's being offered an incentive. Can they expense those costs against income derived elsewhere?

MISEK: A person who plants trees for a hobby--those trees will get into the market place eventually.

CHAIR SCHROEDER: How many small woodland owners are making a living from their small woodlands? Probably not many.

REP. JOSI: If we pass HB 2318, will the current taxing system allow expensing for income other than forestry?

MISEK: Yes.

CHAIR SCHROEDER: It would have to.

REP. VANLEEUEWEN: Under HB 2318 the small woodland owner would still have to hire someone with the expertise to draw up the plan, but they can expense that off?

CRAIG: Under our preferred alternative #4, that's correct.

-He refers to "Implementation Alternatives If Both 2318 & 2320 Pass" (EXHIBIT E).

-He discusses Alternative #1.

-Our preferred alternative is Alternative #4.

310 REP. VANLEEUEWEN: Alternatives 3 & 4 are different?

CRAIG: Alternatives 1 and 2 are viable alternatives, but provide

limited service.

REP. DOMINY: Your best proposal is that we pass both bills and Alternative #4?

-Do you have an amendment to combine both bills?

CRAIG: We could submit one.

CHAIR SCHROEDER: Why?

REP. DOMINY: To insure we don't have any confusion, he would feel more comfortable if we combine the bills and then we could decide on the alternatives.

CHAIR SCHROEDER: The relating clause may cause a problem.

REP. DWYER: We probably could use the vehicle with the broadest relating clause.

REP. VANLEEuwEN: You are implementing something that was passed in the Forest Practices Act in the 1987 session?

CRAIG: There is little connection between HB 3396 and this bill.

REP. VANLEEuwEN: Why are you asking for an expanded program?

CRAIG: There are many programs in the department. HB 3396 was a major revision of the Forest Practices Act.

-We have another program that focuses on the non-industrial private forestlands.

-This deals with increased management of the non-industrial private forestlands and there is no connection between this and the Forest Practices Act amendments of 1987.

REP. VANLEEuwEN: Whose direction are you following to implement this with additional staff?

CRAIG: The Interim Forest Products Policy Committee. These were two of their recommendations.

REP. VANLEEuwEN: If this was part of that act why are you waiting until this budget crunch to ask for those additional staff people?

CRAIG: We're not; they're not connected.

REP. VANLEEuwEN: The authority is under that act?

CRAIG: No.

433 MISEK: Part of HB 2320 exists in statute and gives the State Forester some direction to inspect lands under the Western Oregon Forestland Tax program. There was never any funding provided.

-It was funded in 1979, but because of the recession the funds were withdrawn.

-The inspection of those lands was never done. We thought it was

important to have those lands inspected.

-The interim committee thought this needed to be addressed.

TAPE 41, SIDE B

030 MISEK: The Small Woodland Owners Association believes the current law allows the department to work with them. We differ with them on that.

-The law says that if the land is not being managed, the State Forester notifies the owner and the county assessor and the land is declassified. It doesn't give us the opportunity to work with the landowners.

-The interim committee felt the funding was important and proposed modifying the law so the State Forester could work with the landowner.

047 REP. VANLEEUEWEN: You can contact the landowner and offer them assistance rather than taking away their assessment?

MISEK: It's how you approach people.

-He would rather work positively with the landowners than against them.

-That's why we recommend the department does the management planning with the service foresters. We have a good network where landowners can go to get help.

CHAIR SCHROEDER: If they want help you are willing to help?

MISEK: Correct.

-The broad definition of forestland allows for isolated open land.

-Some of that land couldn't support trees. County assessors have removed designations because they saw some land did not have trees. Those are the kinds of determinations a forester can make.

084 REP. NORRIS: There was a suggestion we merge the bills.

-HB 2318 allows expensing to pay less income tax, which results in less General Fund for the Department of Revenue.

-HB 2320 provides for the protection of the designated forestland classification so an owner would pay less property tax to the school district and county.

-The common thread is the management plan.

MISEK: You're correct on HB 2318.

-HB 2320 wouldn't result in more people receiving the special assessment.

-The question is, are people receiving the special assessment and not meeting the management standards?

REP. NORRIS: It pertains to the amount of property tax they pay?

MISEK: They are already at the special rate. It's whether or not they

are growing a forest.

REP. NORRIS: There are two different taxes. He doesn't think we want to put these two bills together.

REP. DOMINY: We're talking about a management plan and if you have a plan you qualify for a tax break.

-Both bills hinge on a management plan. If we adopt a management plan that hinges on whether or not you get a tax break; it's the philosophy we're after.

128 BETH PATRINO: CHUCK WILSON, Legislative Counsel didn't think there was a problem with the relating clause, but there may be a problem with germaneness.

REP. MEEK: Even if we send these to Revenue we would want to draw the distinction and the relationship REP. NORRIS brought out.

-He has difficulty passing HB 2320 and not HB 2318.

-Recommends that both pass. We should not pass HB 2320 alone, because we'll be sending the wrong signal.

151 MISEK: With our recommendation for HB 2320 we do not require management plans for all the landowners, only those identified as having underdeveloped lands.

REP. MEEK: A management plan could cost between \$4,000 and \$20,000 over the next four to five years. That would be a capital cost for which they get no incentives or deductions which they will never recover themselves.

CRAIG: Agrees with REP. MEEK's logic.

-Would it be helpful to continue?

CHAIR SCHROEDER: After a break.

-He recesses at 9:26 A.M.

-He reconvenes at 9:35 A.M.

CRAIG: Refers to Issues (EXHIBIT B).

-He discusses management plans and treatment plans.

-In 1981 we dramatically reduced our service forestry program when our budget was cut.

-The management plans went down and there were dramatic decreases in acres converted.

-Management plans are the driver for the non-industrial owner.

-He refers to Treatment Plan, page 3 (EXHIBIT C).

285 REP. DOMINY: Is the size of the seedling and the location where it is purchased considered in the planning?

CRAIG: We provide that service. We attempt to find what nursery's have seedlings available by seed zones and elevation bands.

-He discusses moisture control.

-All our service foresters are licensed pesticide applicators.

312 REP. DWYER: What is the actual ratio of trees per acre?

CRAIG: It's usually 400 to 450 trees per acre. It depends on the site.

-He describes Release.

-He refers to Animal Damage Control.

-It is quite complicated to establish a forest.

-The treatment plan would discuss how to establish the specific acres.

-The management plan deals with the entire acreage.

-If you pass HB 2318 we recommend the treatment plan approach.

-If you pass HB 2318 and HB 2320 or HB 2320 by itself we recommend you adopt the management plan.

372 CHAIR SCHROEDER: Your example of a treatment plan is fairly complete, is it logical only one or two spaces would be filled in?

CRAIG: Yes. There could also be more than five required treatments.

-The third issue is who should pay?

-One alternative is that the state would pay. The service foresters would do the plans.

-The other alternative is the landowner would pay.

-Our recommendations are that under HB 2318, the landowner would prepare the treatment plan. The state would review and approve the plans.

-If you pass HB 2320, we recommend that we do the management plans. That's where the \$151,433 comes from.

-There are other options.

-Most landowners are not developing plans now and there's no reason to believe they will under the conditions of HB 2320.

-He discusses the role of the Department of Forestry.

-He discusses the use of the 3 existing FTE's and one additional FTE.

REP. DWYER: Don't you mean an additional 1.68 FTE?

CRAIG: That's correct.

CHAIR SCHROEDER: What's the gross number of FTE's if both bills pass?

CRAIG: It would be 1.68 plus the 3 FTE's we currently have on staff.

TAPE 42, SIDE B

017 REP. VANLEEUEWEN: It would be 4.68 beyond the current biennium, but not beyond the budget?

-The three new ones are in the Governor's recommend budget.

030 WALLACE RUTTLEDGE, Director, Forestry Assistance Program, Department of Forestry: The Three FTE's are in the current operating budget, we are only adding 1.68 above the current budget.

REP. DOMINY: Are the dollar amounts dollars that are already shifted or new dollars in the proposed budget?

-Are you shifting the \$310,000 or is it new money?

CRAIG: The \$323,000 is in the current budget. The new dollars are the \$151,400.

REP. DOMINY: The \$323,000 is in the 1989-1991 budget and they are being shifted?

CRAIG: The \$323,077 is in the Governor's recommended budget.

067 CHAIR SCHROEDER: RICK MAIN mentioned the Western Oregon Timber Tax Account. Is eastern Oregon also available for this program?

CRAIG: There are two separate accounts.

MISEK: HB 2320 only deals with western Oregon.

REP. VANLEEUEWEN: The \$323,077 is in the current budget and it's being moved into the new budget and you're asking for the additional \$151,433?

MISEK: That's correct.

-We are providing some limited management planning. We're shifting that emphasis towards these bills.

REP. VANLEEUEWEN: What amendments do we need in HB 2318 to do what you are proposing?

101 CRAIG: On the Issues handout (EXHIBIT B) we've indicated where amendments were needed.

-We'll be happy to work with BETH on recommended language for your next hearing on this.

CHAIR SCHROEDER: The only amendments he has are HB 2318-1.

CRAIG: That refers to the Western Oregon Timber Tax Account.

120 BETH PATRINO: That's REP. HOSTICKA's proposed amendment.

CHAIR SCHROEDER: Do we need amendments to indicate which alternatives we prefer?

CRAIG: If you choose to forward HB 2320 with our recommendation to fund out of the Western Oregon Timber Tax Account, it would need an amendment

which we offered in our previous testimony.

REP. DOMINY: Why would that take an amendment?

CRAIG: The department is not authorized to spend out of that account.

REP. VANLEEuwEN: Could BETH explain what we need to do?

REP. DOMINY: We need a conceptual amendment on which direction to go.

145 REP. MEEK: This pertains to HB 2320.

-If a management plan is developed and a person sells their property there needs to be a notification of the ownership change.

-The Wasteland designation came up during the break. Would a management plan prevent a landowner from signing over specific acreage as waste?

-What would the county classify land that is not designated for deferral?

CRAIG: Can we come back with specific answers?

CHAIR SCHROEDER: Wasteland may not be the proper term.

-If a person has 80 acres of timber land, but within that 80 acres are 8 acres of open land--would that still be qualified as forestland?

MISEK: We have flexibility under the optional tax law. We would want the service forester to be reasonable.

-Part of the problem is land use law and tax law overlapping.

-He can research that question.

206 MOTION: REP. DOMINY: Moves Legislative Counsel draft amendments to implement Alternative #4 for HB 2318.

REP. VANLEEuwEN: Which sheet are you referring to?

REP. DOMINY: Alternative #4 by itself (EXHIBIT C).

REP. VANLEEuwEN: Is there a difference between that and Alternative #4 (EXHIBIT E) if both pass?

CRAIG: If you move Alternative #4 on HB 2318 and then you move HB 2320 with our recommendation, the problem is that we will use the same resources.

-If you only want to pass HB 2318, #4 is our recommendation.

REP. DOMINY: If we adopt one alternative for each we will know which combination we end up with.

REP. VANLEEuwEN: Opposes the motion. We have to go with Alternative #4 on the combined sheet.

-We would end up with double staff with REP. DOMINY's proposal.

REP. DOMINY: We would not end up with double staff according to the

testimony we were given.

CRAIG: You could move the two independently and then agree that we would ask Ways and Means for Alternative #4 on the combined sheet.

CHAIR SCHROEDER: The two separately should come up with the combined alternative.

CRAIG: You may want to consider amending the bill to discuss treatment plans.

REP. DOMINY: Would want to include that.

287 VOTE: The motion passes 6 to 1.

AYE: REP. DOMINY, REP. DWYER, REP. JOSI, REP. MEEK, REP. NORRIS, REP. SCHROEDER.

NAY: REP. VANLEEUVEN.

293 MOTION: REP. DOMINY: Moves Legislative Counsel draft amendments to implement Alternative #4 for HB 2320.

REP. MEEK: Opposes the motion. He supports Alternative #3.

-We need to send the message that there are programs that need to be implemented for Oregon's future.

-The return for the expenditures and the investment to the school districts and counties would be far reaching.

345 CHAIR SCHROEDER: Is there any way to measure the employment in the mills with either one of these alternatives?

CRAIG: We could do that.

REP. MEEK: The account is already there. \$151,000 won't affect the account that much.

REP. VANLEEUVEN: Why choose these proposals and not Alternative #4 on the combined sheet?

REP. DOMINY: Since we can't combine the bills we need to treat them separately. We need to make sure Revenue understands these bills are linked.

-A problem he has with Alternative #3 is that he doesn't understand why western Oregon should pay for developing plans for eastern Oregon. There is the increasing cost and the FTE's.

REP. VANLEEUVEN: If we go with #4 on HB 2318 and #4 on HB 2320, we will not allow them the extra staff person?

REP. DOMINY: Correct.

CHAIR SCHROEDER: The question has been raised about western and eastern Oregon.

CRAIG: This bill would amend ORS 321.367, which applies only to western Oregon. We could suggest it apply to eastern Oregon.

REP. DOMINY: If the bill was amended to include eastern Oregon there would be no problem in funding both programs?

-Eastern Oregon needs this program as bad as western Oregon.

425 MISEK: During the interim there was discussion about eastern Oregon. Since we're dealing with limited money the largest return would be in western Oregon.

-There is a substantial acreage in eastern Oregon that eventually needs to be addressed.

-There is a different taxing structure in eastern Oregon.

-There is more multiple use on the east side, which complicates the issue.

REP. DOMINY: We're only talking about western Oregon at this point?

MISEK: For HB 2320.

REP. DOMINY: HB 2318 is both?

MISEK: Correct.

417 REP. NORRIS: Why are we going to deny benefits to eastern Oregon?

TAPE 43, SIDE A

032 CRAIG: The existing statutes, ORS 321.367, refer to western Oregon.

-There is no existing statute that refers to underproductive forestland in eastern Oregon.

-We believe there are greater economic opportunities for western Oregon.

REP. NORRIS: What do we say to the constituents in eastern Oregon when we don't introduce a bill or amendments to include them?

CRAIG: The committee could introduce a bill to extend it to eastern Oregon. We'd be happy to administer it.

048 REP. MEEK: Is not sure we'd want to.

CRAIG: In most cases, in eastern Oregon there are too many trees. The opportunities are more extensive in western Oregon.

-The U.S. Forest Service believes there is a lot of land on the eastside that is not economical to precommercial thin.

067 VOTE: The motion fails 6 to 1.

AYE: REP. DOMINY.

NAY: REP. DWYER, REP. JOSI, REP. MEEK, REP. NORRIS, REP. VANLEEUVEN, REP. SCHROEDER.

073 MOTION: REP. MEEK: Moves Legislative Counsel draft amendments to implement Alternative #3 and to include a management plan and include

language to authorize the use of the Western Oregon Timber Tax Account.

-The questions regarding ownership and wasteland provisions in the county designation/tax credit need to be included in the amendments.

REP. DWYER: You mean to include the change of ownership?

REP. MEEK: Yes.

CHAIR SCHROEDER: The term wasteland may not be good, it may be open area.

REP. MEEK: The open area may be part of the management plan and may be eligible for the credit.

093 VOTE: The motion passes 6 to 1.

AYE: REP. DWYER, REP. JOSI, REP. MEEK, REP. NORRIS, REP. VANLEEUEWEN, REP. SCHROEDER.

NAY: REP. DOMINY.

REP. VANLEEUEWEN: Did we do all we need to do to move these to the next step?

CHAIR SCHROEDER: Yes.

-He apologizes for not being able to complete the agenda.

REP. DOMINY: When we refer these to the Committee on Revenue and School Finance will there be a cover letter tying them together?

CHAIR SCHROEDER: We'll take care of that.

-Can we schedule these for next Tuesday?

-He adjourns at 10:26 A.M.

Submitted by: Reviewed by:

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

EXHIBIT LOG:

A - Tax/Assessment Matrix - Staff - 1 page B- HB 2318 & HB
2320 Issues - Ray Craig - 2 pages C - HB 2318 Implementation
Alternatives - Ray Craig - 4 pages D-HB 2320 Implementation Alternatives
- Ray Craig - 1 page E -HB 2318 & HB 2320 Implementation Alternatives
- Ray Craig - 1 page