PRELIMINARY STAFF MEASURE SUMMARY

MEASURE: HB 2985-4 CARRIER:

House Committee on Agriculture and Natural Resources

REVENUE: No revenue impact FISCAL: May have fiscal impact, statement not yet issued SUBSEQUENT REFERRAL: None Action: Vote:

Yeas:	
Nays:	
Exc.:	
Prepared By:	Chuck Gallagher, Administrator
Meeting Dates:	3/31, 4/9, 4/14, 4/16

WHAT THE MEASURE DOES: Authorizes counties to establish programs for forestry products grown on nonforest land and marketed through forestry product cooperatives. Requires state regulatory system for oversight of county program. Requires State Forester to establish procedures and guidelines for program and provide oversight. Exempts forest cooperative activities conducted in accordance with state rules from antitrust laws. Prohibits application of local ordinance to require or prohibit removal of tree enrolled in forestry product cooperative project. Creates exceptions.

ISSUES DISCUSSED:

- Value of older trees that are removed in suburban and urban areas
- Economic development potential of harvesting
- Potential conflict with local tree ordinances

EFFECT OF COMMITTEE AMENDMENT: (Proposed -3 amendment) Replaces measure. Authorizes counties to establish programs for forestry products grown on nonforest land and marketed through forestry product cooperatives. Sets forth legislative finding that given the barriers to utilizing individual trees on nonforest lands, it is in the public interest to establish cooperatives to foster production and marketing. Authorizes creation of a regulatory system intended to grant immunity from federal and state antitrust laws to parties to forestry product cooperative. Requires State Forester to establish rules, procedures and guidelines for program and provide oversight for program development and operation. Authorizes county administering a forestry product cooperative project to enter into intergovernmental agreements with other counties for sharing administrative costs. Prohibits, in some cases, application of local ordinance to require or prohibit removal of tree enrolled in forestry product cooperative project. Prohibits county from having more than one forestry product cooperative project operating. Requires State Forester to set prices for products bought and sold as part of cooperative. Authorizes State Forester to terminate participation of a project that is not being conducted in accordance with provisions of the law or rules adopted to guide program development and operation.

(Proposed -4 amendment) Prohibits counties from entering agreement for carrying out forestry product cooperative project (Project) within city limits without consent of city governing body. Requires counties to work with cities to adopt Project within city limits. Requires city adoption of Project to be by ordinance or resolution.

BACKGROUND: ORS Chapter 321 defines forestland as land that is being held or used for the predominant purpose of growing and harvesting trees of a marketable species and has been designated as forestland or land for which the highest and best use is the growing and harvesting of such trees. Nonforest lands include all other lands.

House Bill 2985 would authorize counties to establish programs for forestry products grown on nonforest lands in counties to be commercially produced and marketed through forestry product cooperatives.