House Bill 4118

Sponsored by Representatives BONHAM, SMITH DB; Representative WILSON (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Governor to review terms of Good Neighbor Authority Agreement. Requires Governor to work with United States Forest Service to give priority to projects that increase certain services to produce increased timber harvest volumes, are self-sustaining and maximize financial return to Oregon.

Requires Governor and Federal Forest Working Group to jointly develop recommendations for goals of Good Neighbor Authority Agreement. Establishes deadline for Governor to report recommendations for goals to Legislative Assembly.

Requires Secretary of State to conduct audit of State Forestry Department expenditures or obligations of certain lottery money allocations for purposes related to federal forestland projects. Requires that audit include certain information concerning projects or parts of projects for which department expended or obligated moneys. Establishes deadline for reporting audit results and information to Legislative Assembly.

Allocates lottery funds to department for supporting development, planning or implementation of priority projects on federal forestland under Good Neighbor Authority Agreement.

Declares emergency, effective on passage.

A BILL FOR AN ACT

2 Relating to projects on federal lands; and declaring an emergency.

3 Be It Enacted by the People of the State of Oregon:

4 **<u>SECTION 1.</u>** (1) As used in this section:

5 (a) "Additive" means an increase in the pace, scale and quality of forest, rangeland and

6 water restoration services on federal lands within Oregon to produce timber harvest volumes

7 that in each fiscal year exceed congressionally funded United States Forest Service outputs.

8 (b) "Forest, rangeland and water restoration services" means activities that:

9 (A) Treat insect-infested or disease-infected trees;

- 10 (B) Reduce hazardous fuels; or
- 11 (C) Restore or improve forest, rangeland or watershed health, including but not limited

12 to, fish or wildlife habitat health.

(c) "Good Neighbor Authority Agreement" means the Good Neighbor Authority Agree ment that the Governor, the State Forester and the State Fish and Wildlife Director entered
 into with the United States Forest Service on March 29, 2016.

16 (2) The Governor shall review the terms of the Good Neighbor Authority Agreement and 17 attempt to identify agreement terms that establish project parameters, including but not 18 limited to parameters that affect timber harvest volume, job creation, fire prevention and 19 response on forestland and economic stimulation. To the extent allowed by the agreement, 20 the Governor shall work with the United States Forest Service to give priority to projects 21 that:

22 (a) Consist of additive activities;

- 23 (b) Are self-sustaining; and
- 24 (c) Maximize financial return for Oregon.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

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<u>SECTION 2.</u> The Governor and the Federal Forest Working Group of Oregon Solutions at Portland State University shall jointly develop specific recommendations regarding goals for the Good Neighbor Authority Agreement as defined in section 1 of this 2018 Act. The Governor shall report the recommendations to the Legislative Assembly in the manner provided by ORS 192.245 no later than March 1, 2019.

6 <u>SECTION 3.</u> (1) The Secretary of State shall conduct an audit of expenditures made or 7 obligations incurred by the State Forestry Department funded with:

8 (a) The \$2.885 million of lottery moneys allocated to the department for the 2013-2015
9 biennium under section 12, chapter 785, Oregon Laws 2013, for the Eastern Oregon Forest
10 Collaboration; and

(b) The \$5,072,136 of lottery moneys allocated to the department for the 2015-2017
biennium under section 13, chapter 811, Oregon Laws 2015, as amended by section 7, chapter
65, Oregon Laws 2016, for federal forest restoration.

(2) The Secretary of State shall attempt to obtain, either directly or through the department, in addition to any records of the department, any information available from the United States Forest Service or the United States Bureau of Land Management pertaining to department expenditures or obligations of moneys described in subsection (1) of this section.

(3) In conducting an audit under this section, in addition to requiring an accounting of
 moneys as described in subsection (1) of this section, the Secretary of State shall attempt
 to:

(a) List and describe the projects that were developed, planned or implemented with the
 moneys;

(b) Describe with specificity the expenditures made for each project or parts of a project
 fully or partially funded with the moneys;

(c) Calculate for each project fully or partially funded with the moneys, the merchantable
 timber volume sold; and

(d) Calculate the number of acres treated or restored by each project fully or partially
 funded with the moneys.

(4) The Secretary of State shall include with the audit results a description of any factor
 that the Secretary of State identifies as an obstacle to ensuring that any future funding of
 projects under the Good Neighbor Authority Agreement is for projects consisting of additive
 activities for previously established programs. As used in this subsection, "Good Neighbor
 Authority Agreement" and "additive" have the meanings given those terms in section 1 of
 this 2018 Act.

(5) The Secretary of State shall report the results of the audit required by this section,
 and any information obtained under subsections (2) to (4) of this section, to the Legislative
 Assembly no later than March 1, 2019.

<u>SECTION 4.</u> There is allocated for the biennium ending June 30, 2019, from the Administrative Services Economic Development Fund, to the State Forestry Department, the amount of \$500,000 for the purpose of supporting the development, planning or implementation of projects on federal lands to which the Governor, after consultation with the United States Forest Service, gives priority under section 1 of this 2018 Act.

44 <u>SECTION 5.</u> This 2018 Act being necessary for the immediate preservation of the public 45 peace, health and safety, an emergency is declared to exist, and this 2018 Act takes effect $HB\ 4118$

- 1 on its passage.
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