

## **Department of Forestry**

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March 27th, 2019

Honorable Michael Dembrow, Chair Senate Environmental and Natural Resources Committee Room S-407, State Capitol 900 Court St. NE Salem, OR 97301

## Re: Senate Bill 893 - Relating to the management of state lands.

Dear Chair Dembrow and Members of the Committee:

The Department of Forestry appreciates the opportunity to provide testimony on Senate Bill 893.

The Oregon Department of Forestry (ODF) manages 729,000 acres of Oregon's state forests for the greatest permanent value to the state by providing a range of environmental, economic, and social benefits. State forests provide important habitat for native wildlife and fish, recreational opportunities for Oregonians, and a sustainable flow of timber, which provides revenues to counties and local taxing districts, as well as family wage jobs. These benefits are funded through the sale of timber and without general fund. This mandate often results in trade-offs between revenue generating and non-revenue generating activities. Expectations and demands placed on these lands to provide public benefits are increasing.

Senate Bill 893 would establish a mechanism wherein the Board of Forestry can identify lands that should not be used for revenue generating activities and transfer those lands to another owner or retain those lands under an alternate mandate. While this concept is potentially useful, we do have concerns about its implementation.

Our first concern about this bill relates to ODF's mandate to manage ODF's forests to provide a range of benefits. The bill seeks to transfer certain classes of land out of the Department's ownership. These lands are important to provide benefits such as recreation and conservation of fish and wildlife. The transfer of such lands out of the Department's ownership could increase pressure to provide conservation or recreation benefits from the remaining ODF lands in order to maintain the appropriate balance of economic, social and environmental benefits. This transfer could reduce the Department's ability to manage for timber production and generate revenue from the remaining lands. Social benefits, timber management, and revenue-generation are part of ODF's mandate to manage these forests.

Under direction from the Board of Forestry, the Department is currently working to obtain a Habitat Conservation Plan (HCP) which would provide long-term certainty for the conservation of native species and at the same time provide assurances to manage these lands for timber. The HCP relies heavily on the contribution of high-value conservation lands, highlighting the value of maintaining such lands in ODF ownership.

Another concern is ODF's ability to implement this program. It is reasonable for the public to expect ODF to implement the program should this bill become law. However, ODF does not currently have sufficient resources and without additional staff capacity would not be situated to carry out the legislation.

The transfer of land would entail timber and land appraisals. Without knowing the pace and scale of implementation, and given the diversity of lands that could be considered for transfer, it is difficult to predict the fiscal impact of implementation. Appraisals can be time-consuming and costly and without a clear funding mechanism could significantly undermine the ability for ODF to effectively carry-out the transfer legislation.

The Department of Forestry, with the leadership of the Board of Forestry, is in the best position to manage Oregon's state forests for a range of benefits for the people of Oregon. We're happy to answer any questions or to provide assistance to the committee in developing solutions to the issues we've raised.

Thank you for the opportunity to testify.

Sincerely,

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c: Peter Daugherty, State Forester Jason Miner, Governor's Natural Resources Policy Manager Tom Imeson, Chair of Board of Forestry ODF Executive Team