

Requested by Representative HOLVEY

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2495**

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the  
2 line and delete lines 3 and 4 and insert “321.005, 321.017, 477.281 and 477.777;  
3 and prescribing an effective date.”.

4 Delete lines 6 through 28 and delete pages 2 through 5 and insert:

5 **“SECTION 1.** ORS 321.017 is amended to read:

6 “321.017. (1) In addition to the taxes levied under ORS 321.015 (1) to (4),  
7 there hereby is levied a privilege tax upon taxpayers on the harvesting of  
8 all merchantable forest products harvested on forestlands in the amount  
9 provided in subsection (2) of this section.

10 “(2) The rate of tax levied in subsection (1) of this section shall be es-  
11 tablished annually at the beginning of each calendar year by the board of  
12 directors of the Oregon Forest Resources Institute, at a rate not to exceed  
13 75 cents per thousand feet, board measure, adjusted annually for inflation  
14 since 1991 based on the [*Consumer Price Index (Portland area -- all items)*]  
15 **Consumer Price Index for All Urban Consumers, West Region** [*as pub-*  
16 *lished by the Bureau of Labor Statistics of the United States Department of*  
17 *Labor for the Portland, Oregon, area*].

18 “(3) The tax shall be measured by and be applicable to each per thousand  
19 feet, board measure, and such shall be subject to and determined by the  
20 procedures and provisions of ORS 321.015 (5) and (6).

21 “(4) The tax levied by subsection (1) of this section shall be due and

1 payable to the Department of Revenue in the manner and procedure, includ-  
2 ing penalties and interest, as set forth for the collection of the privilege tax  
3 in ORS 321.005 to 321.185.

4 “(5) The revenue from the tax levied by subsection (1) of this section shall  
5 be remitted to the State Treasurer who shall deposit it in a suspense account  
6 established under ORS 321.145 (1). After payment of refunds, which shall be  
7 paid in the same manner as other forest products harvest tax refunds are  
8 paid in ORS 321.145 (2), the balance of the additional tax imposed under  
9 subsection (1) of this section shall be deposited **as follows:**

10 **“(a) Sixty percent in the Wildfire Suppression Fund created under**  
11 **section 2 of this 2019 Act; and**

12 **“(b) Forty percent in the Oregon Forest Resources Institute Fund cre-**  
13 **ated under ORS 526.675.**

14 **“SECTION 2. The Wildfire Suppression Fund is created in the State**  
15 **Treasury, separate and distinct from the General Fund. Moneys in the**  
16 **fund are continuously appropriated to the Emergency Board created**  
17 **under ORS 291.324 to be allocated to the State Forester for the purpose**  
18 **of paying, or contributing to the payment of, emergency fire sup-**  
19 **pression costs.**

20 **“SECTION 3.** ORS 477.777 is amended to read:

21 “477.777. (1) As part of the preparation of the agency request budget  
22 submitted to the Oregon Department of Administrative Services pursuant to  
23 ORS 291.208 for the State Forestry Department, the State Forester shall  
24 prepare, in addition to any amounts budgeted for forest protection districts  
25 pursuant to ORS 477.205 to 477.281, a request for a General Fund appropri-  
26 ation for the following purposes:

27 **“(a) Providing funds for the purchase of emergency fire suppression costs**  
28 **insurance under ORS 477.775.**

29 **“(b) Acquiring and placing centrally managed fire suppression resources**  
30 **for statewide use.**

1 “(c) Acquiring fast-mobilizing, short-term contingency resources to be  
2 used based on predictions of severe fire weather, widespread lightning events  
3 or serious resource shortage due to a heavy fire season in this state, in the  
4 western region of the United States or nationally.

5 “(d) Enhancing forest protection district resources in cases where land  
6 productivity or other economic factors seriously limit the ability of the  
7 forester to perform fire protection responsibilities.

8 “(e) Mitigating forest patrol assessment rates in cases where land pro-  
9 ductivity or other economic factors seriously limit the ability of the owners  
10 of forestlands in the forest protection district to comply with ORS 477.210  
11 (1).

12 “(2) The State Forester [*shall utilize critical discretion in the expenditure*  
13 *of the*] **may expend** funds provided to the State Forestry Department pur-  
14 suant to the separate request required under subsection (1) of this section  
15 **only if, and to the extent that, available moneys in the Wildfire Sup-**  
16 **pression Fund created under section 2 of this 2019 Act are insufficient**  
17 **for the expenditure.**

18 “(3) The State Forester shall report to the Emergency Board, each year,  
19 after the close of the fire season, on:

20 “(a) The nature and severity of the fire season;

21 “(b) The moneys expended on fire suppression;

22 “(c) The balance remaining from the biennial appropriation; and

23 “(d) Any matters arising out of the fire season that may require attention  
24 or warrant future consideration by the board or the Legislative Assembly.

25 “(4) When reporting the nature and severity of the fire season under  
26 subsection (3) of this section, for each fire consuming 1,000 or more acres,  
27 the State Forester shall provide information regarding the resulting losses  
28 on private lands of timber, buildings, fencing and livestock and of grazing  
29 land capacity if the land is expected to be unavailable for two or more  
30 grazing seasons.

1       **“SECTION 4.** ORS 477.281 is amended to read:

2       “477.281. (1) The obligation of an owner of timberland or grazing land for  
3 payment of assessments and taxes for fire protection of forestland is limited  
4 to:

5       “(a) The payment of moneys pursuant to ORS 321.015 (2), 477.277, 477.295,  
6 477.760 (4) and 477.880 to maintain the Oregon Forest Land Protection Fund  
7 **created under ORS 477.750 and the Wildfire Suppression Fund created**  
8 **under section 2 of this 2019 Act;** and

9       “(b) The payment of forest protection district assessments pursuant to  
10 ORS 477.060 and 477.205 to 477.281.

11       “(2) As used in this section, ‘obligation of an owner of timberland or  
12 grazing land for payment of assessments and taxes for fire protection of  
13 forestland’ does not include the duties or obligations of the owner under ORS  
14 477.066, 477.068 or 477.120 or the obligations of an owner of land included in  
15 a rural fire protection district pursuant to ORS 478.010.

16       **“SECTION 5.** ORS 321.005 is amended to read:

17       “321.005. As used in ORS 321.005 to 321.185, 321.560 to 321.600 and 477.440  
18 to 477.460, unless the context requires otherwise:

19       “[(1) ‘Board’ means the State Board of Forestry.]

20       “[(2) ‘Protected forestlands’ means those lands which are protected from the  
21 starting or spread of fire thereon or therefrom by:]

22       “[(a) The State Forester, with the approval of the board;]

23       “[(b) The United States of America through contract with the State  
24 Forester;]

25       “[(c) Any forest protective agency under contract with the State Forester or  
26 the board pursuant to ORS 477.406; or]

27       “[(d) Any forest protective agency, described in paragraph (c) of this sub-  
28 section, under an agreement with the United States of America wherein such  
29 agency agrees to protect specific federal forestlands and, in return, the United  
30 States of America agrees to protect specific lands of such agency.]

1       “[(3) ‘Department’ means the Department of Revenue.]

2       “[(4) ‘Committee’ means the Emergency Fire Cost Committee.]

3       “[(5) ‘Forestland’ means any land producing forest products.]

4       “(1) **‘Consumer Price Index for All Urban Consumers, West**  
5 **Region’ means the Consumer Price Index for All Urban Consumers,**  
6 **West Region (All Items) as published by the Bureau of Labor Statistics**  
7 **of the United States Department of Labor.**

8       “(2) **‘Forestland’ means any land producing forest products.**

9       “[(6)] (3) ‘Forest products’ means products from harvested timber[, *but*  
10 *does not include*] **other than** products from short rotation fiber grown under  
11 agricultural conditions as described in ORS 321.267 (3) or 321.824 (3), western  
12 juniper or products from harvested western juniper.

13       “[(7)] (4) ‘Harvest’ means the point at which timber that has been cut,  
14 severed, or removed for purposes of sale or use is first measured in the or-  
15 dinary course of business as determined by reference to common practice in  
16 the timber industry.

17       “[(8)] (5) ‘Merchantable stand of timber’ means any stand on forestlands  
18 containing living or dead timber [*which*] **that** is being or can be harvested.

19       “(6) **‘Owner of timber’ means any individual or combination of in-**  
20 **dividuals, partnership, firm, corporation or association of whatever**  
21 **nature holding title to harvested timber by virtue of:**

22       “(a) **An instrument of conveyance;**

23       “(b) **The harvesting of the timber; or**

24       “(c) **The harvesting of the timber and payment therefor.**

25       “[(9) ‘Taxpayer’ means the owner of timber at time of harvest.]

26       “[(10)] (7) ‘Taxes’ means the taxes provided for in ORS 321.015.

27       “[(11) ‘Owner of timber’ means any individual or combination of individ-  
28 *uals, partnership, firm, corporation or association of whatever nature holding*  
29 *title to harvested timber by virtue of:]*

30       “[(a) *An instrument of conveyance;]*

1        “[*(b)* *The harvesting of the timber; or*]

2        “[*(c)* *The harvesting of the timber and payment therefor.*]

3        “**(8) ‘Taxpayer’ means the owner of timber at time of harvest.**

4        “[*(12)*] **(9) ‘Timber’ means all logs [*which*] that can be measured in board**  
5 feet and other forest products as determined by Department of Revenue rule.

6        “**SECTION 6. This 2019 Act takes effect on the 91st day after the**  
7 **date on which the 2019 regular session of the Eightieth Legislative**  
8 **Assembly adjourns sine die.”**

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