



Oregon

Tina Kotek, Governor

Department of State Lands

775 Summer Street NE, Suite 100

Salem, OR 97301-1279

(503) 986-5200

FAX (503) 378-4844

www.oregon.gov/dsl

State Land Board

April 25, 2023

To: Chair Ken Helm, Vice-Chair Annessa Hartman, Vice-Chair Mark Owens,
Committee Members, House Committee on Agriculture, Land Use, Natural
Resources, and Water

Tina Kotek
Governor

From: Vicki L. Walker, Director, Oregon Department of State Lands

Shemia Fagan
Secretary of State

Re: Testimony on Senate Bill 161-A, -3 Amendment

Tobias Read
State Treasurer

Chair Helm, Vice-Chairs Hartman and Owens, and members of the Committee. My name is Vicki Walker and I am the Director of the Oregon Department of State Lands.

I appreciate the opportunity to speak with you today about the -3 amendment to the A-engrossed version of Senate Bill 161. This bill ensures the Elliott State Research Forest will still become a reality on January 1, 2024, as directed by the Legislature in 2022 through SB 1546. The -3 amendment would advance SB 161-A as it has come to you from the Senate with one adjustment that simply moves the deadline for completing enabling actions from November 1 to December 31, 2023. The Department supports this bill, as do the State Land Board member offices and the individual members of the prospective board for the Elliott State Research Forest Authority.

With the Elliott State Research Forest, Oregon is poised to have the nation's largest research forest, a place where scientists and managers explore topics like forestry's role in mitigating climate change and restoring endangered species, while also supporting products important to Tribes, community-based jobs, and economic growth.

The Legislature has significantly contributed to the Elliott's future with a \$221 million investment, and with passage of Senate Bill 1546 in 2022 to officially establish the Elliott State Research Forest on January 1, 2024. SB 1546 creates an independent state agency, the Elliott State Research Forest Authority, to own and govern the research forest with transparency and public accountability; codifies commitments to research-based management in partnership with Oregon State University, as well as to conservation, recreation, education, financial viability, forest products and local economies, and other benefits; and encourages seeking active partnerships with Tribal governments.

Collaboration was essential to the success of SB 1546 and all of the work on the Elliott State Research Forest concept to date, particularly given the forest's conflicted history. People of many different perspectives, including conservation, timber, school interests, recreation, local government, and Tribes came together to explore and ultimately endorse a research forest as the right solution for the Elliott.

We are definitely on track to establish the research forest by the January 1 date. However, adjustment to the statute's subpart actions and related dates is needed to ensure remaining work can be completed collaboratively and thoroughly.

SB 1546 identified six actions to be completed by July 1, 2023, in order for the research forest and new Authority to be established on January 1. SB 161-A made the following three adjustments to SB 1546:

- 1) First, adjusted the deadline for completing actions. As noted previously, it is the -A3 amendment before you for consideration. Elliott State Research Forest work has of course been continuing as SB 161 moved through the legislative process. As work progressed, it became clear that December 31 was an attainable target date, rather than the November 1 date in the A-engrossed bill. That is the **only** change to the Senate-passed bill before you for consideration today.
- 2) SB 161-A's second adjustment moved the deadline for reporting back to the Legislature on action completion from September 15, 2023, to February 15, 2024.
- 3) And, finally, SB 161-A aligned the habitat conservation plan action to a step the state can control and assures the federal approval process will follow. The required actions are now for DSL to submit an HCP for the forest, and for federal agencies to initiate preparation of a final environmental impact statement.

Two of the six actions are already complete. The remaining actions are interconnected. For example, the habitat conservation plan informs both the financial plan and the forest management plan. By adjusting the timeline and truing up one action, we are able to:

- **Use updated and current data for the financial plan as well as ongoing habitat conservation and forest management plans.**
- **Refine both protections for habitat and flexibility for active forest management.** The deadlines in SB 1546 were established before current data were in hand. Having additional time to incorporate current information, and work through related issues, ensures more accurate planning relevant to financial viability, research and management approaches, and habitat protections.
- **Pursue, and ideally secure, additional federal funding and/or other resources relevant to start-up costs, research, and forest operations.** This will allow us to present the Legislature, the State Land Board, and the OSU Board of Trustees with a more complete financial picture when they are faced with relevant decisions and updates.

The new Authority's prospective board members are currently serving as informal advisors to the Department. They will continue to do so as remaining actions are completed and until January 1, 2024, when the Authority is actually created by statute and the prospective board officially becomes the Authority board. The prospective board includes people with diverse expertise and perspectives. The nine individual members appointed by the State Land Board have indicated support for the -3 amendment to SB 161-A and wanted to share their support with the Legislature through the attached letter.

Overall, the adjustment proposed in the SB 161-A, -3 amendment helps us stay true to the collaborative and inclusive process that's brought us this far, allows necessary time for full consideration of important issues, and ensures best data and information can be incorporated as remaining actions are completed.

Thank you for the opportunity to provide this testimony. I am happy to answer any questions. Bill Ryan, the Department's Deputy Director of Operations, is also here to help answer any questions you might have.

April 24, 2023

Director Vicki Walker
Oregon Department of State Lands
775 Summer St., NE, Suite 100
Salem, OR 97301

Re.: Support for SB 161 -3 – prospective board members of the Elliott State Research Forest Authority

Dear Director Walker:

As members of the prospective board for the Elliott State Research Forest Authority, we write to provide you with the following feedback regarding SB 161, under consideration by the 2023 Oregon Legislature.

SB 161 makes narrow revisions to SB 1546, which the 2022 Legislature passed in order to create the Elliott State Research Forest (ESRF) as well as the ESRF Authority to independently oversee it. SB 1546 specified enabling actions to be completed prior to establishment of these entities on January 1, 2024. SB 161 would extend the timeline for completion of those enabling actions and reporting back to the Legislature, while also modifying one action to ensure its completion remains within the state's control.

We support SB 161, with the recent -3 Amendment.

The ESRF remains an exciting and significant opportunity for Oregon. Like many worthwhile endeavors, creation of a research forest has never been without complexity. SB 161's narrow modifications are necessary in light of critical ongoing work related to what we view as fundamental, interrelated prongs of the ESRF vision: financial viability, research viability, and habitat conservation. The original SB 1546 timeline for completion of specified enabling actions has proven insufficient, and the SB 161 -3 Amendment would adjust this date to December 31, 2023. Much is known or exists now that was not clear at the time of SB 1546's passage or SB 161's original drafting, including but not limited to new data related to forest and habitat conditions, clarity around the federal process for permitting impacts under the Endangered Species Act, and recognition of revisions important to financial and research viability as well as species protections.

We hope the Legislature understands and agrees with this narrow change to SB 1546. The proposed SB 161 -3 modifications in no way shift SB 1546's operative date for creation of the ESRF and the Authority or its substantive provisions for the mission, policies and other commitments tied to creating the ESRF as a world class research forest in Oregon. Nor does the bill shift our intentions around working to see this effort succeed.

We ask that you transmit this information to the Legislature, if helpful.

Sincerely,

Dr. Jennifer Allen
Paul Beck
Colin Beck

Teresa Bird
Melissa Cribbins
Tom DeLuca
Mike Kennedy

Bob Sallinger
Keith Tymchuk
Dr. Jack Williams