



Oregon

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State Land Board

April 24, 2025

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Governor

To: Joint Committee on Ways and Means Subcommittee on Natural Resources
Co-Chair Frederick, Co-Chair Levy, Members of the Committee
Katie Bannikov, Legislative Fiscal Office

Tobias Read

Secretary of State

From: Jean Straight, Deputy Director of Administration,
Oregon Department of State Lands

Elizabeth Steiner

State Treasurer

Subject: Follow up: April 22, 2025, Elliott State Research Forest Informational Hearing

The Department of State Lands would like to provide the following responses to questions raised in the April 22, 2025, Informational Hearing on the Elliott State Research Forest (ESRF):

1. List of planned research projects at the ESRF
 - a. Anything related to botany/fungi specifically

All material linked below is housed on DSL's website, [linked here](#).

For overall discussion of research and potential research projects on the Elliott State Research Forest, see the following chapters within [this link to the ESRF Forest Management Plan](#) (FMP):

- Ch. 4 – Research Design (research principles, unifying question, 5 thematic research areas)
- Ch. 7—Aquatic and Riparian Systems
- Ch. 8—Climate Change, Adaptive Silviculture, Forest Carbon
- Ch. 9—Species Conservation
- Ch. 10—Monitoring
- Ch. 12—Disturbance, Forest Health and Resilience

For specific research projects proposed in the near term (within the 2025-27 biennium), [see this link to Appendix D of the draft Biennial Operations Plan](#).

Of these projects, the proposal for Biodiversity Modeling (OSU NASA Grant application) is the most relevant to botany and fungi. This proposal builds on existing biodiversity datasets and modeling conducted on the ESRF and documented in the ESRF FMP (see FMP Chapter 9 for direct discussion of fungi and related botanical biodiversity).

2. How does ESRF compare to other research forests nationally
 - a. Lessons learned / duplicative research
 - b. Hubbard research forest in New Hampshire comparison

The Elliott State Research Forest is larger in acreage than most other research forests across the nation (apart from the Olympic Experimental Forest / Washington State). Compared to other U.S. research forests, the ESRF's location along the Pacific Coast (i.e., very productive forest conditions, relatively healthy ecosystems, connections to several federally-recognized Tribes, and communities / economies with viable mill and forest workforce capacity) produces unique attributes and advantages relevant to biodiversity, sustainable forestry and wood products, carbon sequestration, diverse cultural practices and uses, and research into social, economic, and environmental values.

The ESRF's riparian area thinning and research approach is unique amongst research forests, as well as further potential uniqueness depending on outcomes of the Triad design on the ESRF and proposals to link the ESRF to NASA climate / meteorological benchmark and carbon flux sites. In addition, the ESRF is the only research forest in the nation to combine an ESA Habitat Conservation Plan, a voluntary carbon sequestration project, timber harvest, and related research on the same landscape.

DSL program staff as well as the ESRF Board of Directors are engaging with staff at other research forests to situate the ESRF within the nation's larger research forest network, learn from these forests, and promote collaborative education and research opportunities. This includes the [H.J. Andrews Experimental Forest](#) in Oregon, as well as other research forests like [Hubbard in New Hampshire](#). This networking is an ongoing effort reflective of the early stages of the ESRF's development. This effort is also associated with our ongoing work with research institutions including Oregon State University as well as other partners (Tribal Nations, state and federal agencies) to further refine and develop the research partnership model for the ESRF.

3. Revenue forecasts for 2025-27 and 2027-29 and beyond if you have that -
 - a. Clarification on timber estimates and carbon credits. I think it would be helpful to show that on a time graph as an estimate of revenue by type by FY. I also think it may be prudent to cover or clarify what if any costs are truly expected to be one-time, I didn't see anything specific as one-time in the request and was not seeing anything for a phase out in 27-29.

As a general matter, the Elliott State Research Forest has been designed with upper limits on acres (1000 acres per year of various treatment types, with upward deviations allowed in the first 30 years) and timber volume (17 million board feet of timber per year over a 4-year rolling average, with up to 20 million allowed in any 1 of these 4 years). Biennial operations planning is being advanced with this in mind. These upper limits reflect collaborative agreements in the ESRF's design regarding sustainability of active management.

Actual revenue from timber is highly dependent upon log market prices, individual stand volume, and logging costs (all of which are variable). Carbon revenue is projected at approximately \$900,000 per year

(over a 20-year credit sale period) but this is based on a feasibility analysis (actual credit development and modeling is ongoing now) and is also dependent upon private market variation in demand.

Revenue forecasts for timber in 2025-27 and 2027-29 depend on the proposed 2025-27 Biennial Operations Plan decision (estimated June 2025) and when the federal government approves the Elliott State Research Forest Habitat Conservation Plan. Revenue from timber is expected to be limited in the 2025-27 biennium (some from timber sale contract bid deposits), and carbon credit sales are not anticipated until just after the 2025-27 biennium. The currently proposed ESRF budget is critical to enabling these activities and generating more significant revenue in the 2027-29 biennium. Timber sale contracting and carbon project development over the 2025-27 biennium will allow for more refined 2027-29 budget estimates from these sources and will result in generation of log and carbon credit sale revenue that shows up largely in the 2027-29 biennium. This revenue is anticipated to be in the range of \$6-10 million (see BOP Appendix D), depending on variables mentioned above.

The following expenses are anticipated to be one-time costs not likely to recur in the 2027-29 biennium:

- Professional Services—Planning
 - o Some planning costs related to Habitat Conservation Plan implementation manuals and tools as well as FMP updates / revisions.
 - o Planning costs related to education and recreation planning.
 - o Road assessment costs (assuming this is contracted out in the 2025-27 biennium)
- Wildfire Protection
 - o Wildfire protection costs are dependent upon any additional investments made by the legislature in the 2025-27 biennium that would have a financial impact on the ESRF budget. For example, should additional investments occur outside of DSL's budget, this could potentially result in a reduction in continually escalating wildfire protection costs that are paid for as an element of the ESRF program budget.