



Legislative Fiscal Office
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Bill Title: Relating to the Elliott State Forest.

Government Unit(s) Affected: Department of Forestry, Department of State Lands

Summary of Revenue Impact

Agency -- Fund Type	2025-27 Biennium	2027-29 Biennium
Department of State Lands -- Other Funds	-	\$8,923,156
Total Revenue Impact	-	\$8,923,156

Measure Description

The measure renames the Elliott State Forest as the Elliott State Research Forest (ESRF) and transfers management authority from the State Board of Forestry to the State Land Board. The Department of State Lands (DSL), under the direction of the State Land Board, is granted authority to manage the forest as a world-class research forest. DSL may adopt rules, enter into intergovernmental agreements, and convene advisory committees to support forest management and research functions. The measure exempts DSL's procurement of goods and services related to forest operations from the state's Public Contracting Code.

The measure restricts the sale of forest lands but permits land or timber exchanges and boundary expansions that advance the forest's research mission, with coordination and notice requirements for affected counties.

The measure establishes the Elliott State Research Forest Account which is continuously appropriated to DSL to support forest management. Revenues generated through forest activities, grants, donations, and other sources must be deposited into this account and used according to specified purposes. The measure also authorizes the use of certificates of participation to finance capital projects and repeals obsolete statutory references to management of the Elliott State Forest by the State Forester.

Fiscal Analysis

The measure is anticipated to have a minimal fiscal impact on the Department of State Lands.

Department of State Lands

Forest management responsibilities – including intergovernmental agreements, coordination with law enforcement and fire protection, and the convening of advisory committees – will be carried out by existing DSL staff. These activities are incorporated in the agency's operational structure and are supported through DSL's budget bill (SB 5539). No rulemaking is anticipated during the 2025-27 biennium, and any new advisory committees related to research, recreation, or restoration planning can be supported within existing resources.

The measure authorizes the Director of DSL to directly procure goods, services, and facilities related to forest operations, exempt from the Public Contracting Code. This authority eliminates the requirement for procurement contracting through the Department of Administrative Services. While the measure permits land

exchanges and boundary expansions to support the forest's research mission, no such transactions are currently planned.

Estimated timber revenue from the 2025-27 Biennial ESRF Operations Plan is expected to total approximately \$8.9 million Other Funds anticipated to be received during the 2027-29 biennium. A 2027-29 operations plan is expected to generate similar revenue, primarily during the 2029-31 biennium. There is also potential revenue from the sale of carbon credits on the private market, however the amount of revenue and when it would be collected are indeterminate at this time.

The measure also authorizes lease-purchase or installment financing agreements for capital projects. DSL will assess these tools based on program needs and market conditions; fiscal impacts will vary depending on structure and use.

Department of Forestry

The measure is anticipated to have minimal fiscal impact on the Department of Forestry.

Relevant Dates

The measure takes effect on January 1, 2026.