

B-Engrossed Senate Bill 147

Ordered by the Senate May 12
Including Senate Amendments dated April 16 and May 12

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of State Treasurer Tobias Read)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act renames a state forest and transfers the running of the forest to a different state agency. The Act makes the forest a research forest and sets forth the duties, powers and conditions for managing the forest. (Flesch Readability Score: 60.6).

Renames the Elliott State Forest as the Elliott State Research Forest. Authorizes the State Land Board to manage, control and protect the forest as a world-class research forest. Restricts the ability of the board to sell land in the forest, but authorizes the board to expand or exchange land or timber to further the purposes of the forest as a research forest.

Authorizes certificates of participation financing to finance capital projects or purchases related to the forest.

Transfers the duties, functions, powers, rights and obligations related to the forest from the State Board of Forestry to the State Land Board.

A BILL FOR AN ACT

Relating to the Elliott State Forest; creating new provisions; amending ORS 30.949, 283.085, 530.480, 530.490, 530.510 and 530.520; and repealing ORS 530.450.

Be It Enacted by the People of the State of Oregon:

ELLIOTT STATE RESEARCH FOREST

SECTION 1. Sections 2 to 4 of this 2025 Act are added to and made a part of ORS chapter 273.

SECTION 2. (1) The state forest formerly known as the Elliott State Forest shall be known as the Elliott State Research Forest.

(2) The State Land Board shall manage, control and protect the forest for the dedicated purpose of maintaining a world-class research forest.

(3) The Department of State Lands may take any action necessary for the management of the forest, including but not limited to:

(a) Adopting rules in compliance with ORS chapter 183;

(b) Adopting policies and plans;

(c) Entering into intergovernmental agreements; and

(d) Convening advisory committees.

(4) The Director of the Department of State Lands has all authority to procure, or supervise the procurement of, goods and services related to the management of the forest, including but not limited to personal services and professional services related to facilities used

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 for management of the forest. Exercise of procurement authority under this subsection is
2 not subject to the Public Contracting Code.

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4 **EXPANSION OR EXCHANGE OF LANDS**

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6 **SECTION 3.** (1) The Elliott State Research Forest shall consist of lands determined by a
7 resolution of the State Land Board, as modified by any subsequent expansion or exchange
8 of lands authorized by this section.

9 (2) The board may not sell any lands in the forest, but may approve an expansion of lands
10 in the forest, or an exchange of lands in the forest or timber on the lands, that furthers the
11 purposes set forth in section 2 of this 2025 Act.

12 (3) Lands in the forest may be exchanged:

13 (a) Only if the exchange consolidates the forest.

14 (b) Only for lands of approximately equal aggregate value or a combination of lands and
15 monetary consideration of approximately equal aggregate value.

16 (4) Lands in the forest that are county-owned lands or lands acquired under ORS 530.010
17 to 530.040 may be exchanged only if the county court or board of county commissioners of
18 each county in which the land is situated has been provided notice of the proposed exchange
19 and the opportunity to consult, coordinate and comment on the proposed exchange. The
20 board shall provide the county with adequate compensation for the exchange.

21 (5) The board shall consummate by legal conveyance an expansion or exchange described
22 in this section.

23 (6) After an expansion or exchange of lands under this section:

24 (a) The board shall establish by resolution the lands constituting the forest; and

25 (b) The lands acquired by expansion or exchange become part of the forest on the date
26 on which the board adopts the resolution described in paragraph (a) of this subsection.

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28 **ELLIOTT STATE RESEARCH FOREST ACCOUNT**

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30 **SECTION 4.** (1) The Elliott State Research Forest Account is established in the State
31 Treasury, separate and distinct from the General Fund. Interest earned by the account shall
32 be credited to the account.

33 (2) The account shall consist of all moneys deposited in the account. Moneys in the ac-
34 count may be invested as provided in ORS 293.701 to 293.857. Moneys in the account are
35 continuously appropriated to the Department of State Lands for carrying out the provisions
36 of sections 2 and 3 of this 2025 Act.

37 (3) Moneys generated from owning or operating the Elliott State Research Forest, in-
38 cluding from any sale of forest products, carbon or ecosystem services or credits or ease-
39 ment, and any other revenues related to the forest, shall be deposited in the account.

40 (4) The department may receive gifts, grants, bequests, endowments and donations of
41 moneys from public and private sources for the purpose of contributing to the management
42 and enhancement of the forest, including for activities such as recreation, education, inter-
43 pretation, research and monitoring, cultural resources management and habitat improve-
44 ment.

45 (5) The department may apply for, accept and utilize grants from any source, including

1 federal, state or local governments or private entities, to further the purposes set forth in
2 sections 2 and 3 of this 2025 Act.

3 (6) The department shall deposit moneys received under subsection (4) or (5) of this sec-
4 tion in the account. The department may expend moneys received under subsection (4) or (5)
5 of this section only for purposes specified in the gift, grant, bequest, endowment or donation.
6 If no purpose is specified, the department may use the moneys for the management and en-
7 hancement of the forest in a manner consistent with the purposes set forth in sections 2 and
8 3 of this 2025 Act.

9 (7) The department shall keep a record of all moneys deposited in the account. The re-
10 cord shall indicate the sources of moneys and the individual activity or program against
11 which each withdrawal from the account is charged.

12 CERTIFICATES OF PARTICIPATION FINANCING

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15 **SECTION 5.** ORS 283.085 is amended to read:

16 283.085. As used in ORS 283.085 to 283.092:

17 (1) "Available funds" means funds appropriated or otherwise made available by the Legislative
18 Assembly to pay amounts due under a financing agreement for the fiscal period in which the pay-
19 ments are due, unexpended proceeds of the financing agreement and reserves or other amounts that
20 have been deposited in trust to pay amounts due under the financing agreement.

21 (2) "Credit enhancement agreement" means any agreement or contractual relationship between
22 the state and any bank, trust company, insurance company, surety bonding company, pension fund
23 or other financial institution providing additional credit on or security for a financing agreement
24 or certificates of participation authorized by ORS 283.085 to 283.092.

25 (3) "Financing agreement" means a lease purchase agreement, an installment sale agreement, a
26 loan agreement or any other agreement:

27 (a) To finance real or personal property that is or will be owned and operated by the state or
28 any of its agencies;

29 (b) To finance infrastructure, including but not limited to telecommunications systems, systems
30 for water, sewage, electricity, steam or natural gas and other equipment or improvements that are
31 necessary or appropriate to support a facility that is, or will be, owned or operated by the state;

32 (c) To finance infrastructure components that are, or will be, owned or operated by a local
33 government agency of this state if the Director of the Oregon Department of Administrative Services
34 determines that financing the infrastructure facilitates the construction or operation of an adult or
35 juvenile corrections facility or a public safety training facility owned or operated by the state or
36 any of its agencies;

37 (d) To finance all or a portion of the state's pension liabilities for retirement, health care or
38 disability benefits, in an amount that produces net proceeds that do not exceed the State Treasurer's
39 estimate of those liabilities based on information provided to the State Treasurer by the Public
40 Employees Retirement System;

41 (e) To finance:

42 (A) The release of all or a portion of the **former** Elliott State Forest from restrictions resulting
43 from ownership of that forest by the Common School Fund; or

44 (B) Compensation paid to the Common School Fund for the preservation of noneconomic benefits
45 of the forest through the imposition, transfer or sale of restrictions such as easements, use require-

ments or other methods that preserve noneconomic benefits of the forest for the public, including recreation, aesthetics, wildlife or habitat preservation or other environmental and quality of life considerations; [or]

(f) To finance capital projects or purchases related to owning, operating or administering the Elliott State Research Forest; or

[(f)] **(g)** To refinance previously executed financing agreements.

(4) "Financing costs" means costs or expenses that the director determines are necessary or desirable in connection with entering into financing agreements and maintaining the certificate of participation program, including but not limited to payment of:

(a) Amounts due under financing agreements;

(b) Costs and obligations the director or any other agency of the state incurs in connection with the exercise of a power granted by ORS 283.085 to 283.092; and

(c) Amounts due in connection with the investment of proceeds of financing agreements.

(5) "Personal property" means tangible personal property, software and fixtures.

(6) "Property rights" means, with respect to personal property, the rights of a secured party under ORS chapter 79, and, with respect to real property, the rights of a trustee or lender under a lease authorized by ORS 283.089 (1)(e).

(7) "Software" means software and training and maintenance contracts related to the operation of computing equipment.

DECOUPLING ELLIOTT STATE FOREST

SECTION 6. ORS 530.450 is repealed.

SECTION 7. ORS 530.480 is amended to read:

530.480. As the Common School Forest Lands are determined as required by ORS 530.450 to 530.520, such lands shall be described by legal subdivision. The State Land Board and the State Board of Forestry, respectively in their regular meetings, shall by separate board resolutions designate and set aside such lands as a part of the Common School Forest Lands[; *lands in the Elliott State Forest, as determined by ORS 530.450, shall be similarly described and reserved*]. A copy of each board resolution certified by the Director of the Department of State Lands or the State Forester, respectively, together with the description of the lands involved, shall be filed with the Secretary of State, who shall keep such copies and descriptions in conjunction with the auditing records of the State Forestry Department Account.

SECTION 8. ORS 530.490 is amended to read:

530.490. (1) Notwithstanding the provisions of any other law, or authority granted thereunder, after the State Board of Forestry and State Land Board resolutions and legal descriptions are filed with the Secretary of State as required by ORS 530.480, the State Forester hereby shall be authorized, under the supervision of the State Board of Forestry and the regulations of that board, to manage, control and protect the Common School Forest Lands. [*Also, notwithstanding the provisions of any other law, or authority granted thereunder, the State Forester hereby is authorized, under the supervision of the State Board of Forestry and the regulations of that board, to manage, control and protect the Elliott State Forest Lands. In each instance*] The State Forester shall manage, control and protect such forests and forestlands so as to secure the greatest permanent value of the lands to the whole people of the State of Oregon, particularly for the dedicated purposes of the lands and the common schools to which the resources of the lands are devoted.

(2) Easements on, over and across the Common School Forest Lands [*and the Elliott State Forest Lands*] may be granted as follows:

(a) Permanent easements determined by the State Forester and State Board of Forestry as necessary to accomplish the dedicated purposes of such lands may be granted by the Department of State Lands.

(b) Easements other than permanent may be granted by the State Forester under joint rules of the State Board of Forestry and Department of State Lands.

(3) The authority granted the State Forester in this section shall not supersede the authority of the Department of State Lands to grant easements on or leases for the Common School Forest Lands [*and Elliott State Forest Lands*] for grazing purposes or for the exploration and development of minerals, oil or gas, and any consideration received by the Department of State Lands therefor shall be excepted from the provisions of ORS 530.520. However, the Department of State Lands shall cooperate with the forestry program of the State Forester in granting such easements and leases and make provisions therein for continuing the primary purposes for which such land has been dedicated.

SECTION 9. ORS 530.510 is amended to read:

530.510. (1) The State Forester may propose and initiate any exchange of [*land of the Elliott State Forest or*] Common School Forest Lands, or propose and initiate any exchange of timber on such lands, for land of approximately equal aggregate value, when any such exchange is in the furtherance of the purposes of ORS 530.450 to 530.520. However:

[(1) Any exchange of land of the Elliott State Forest must be for the consolidation of the forest;]

[(2)] (a) The State Land Board and the State Board of Forestry shall, each separately, approve such exchanges by resolutions of the respective boards; and

[(3)] (b) The county court or board of county commissioners of the county, or counties, in which such land is situated, shall approve such exchange, and after such approval the exchanges shall be consummated by legal conveyance from the Department of State Lands.

[(4)] (2) Under the authority granted in this section, in addition to land to be exchanged, a monetary consideration may be provided or received where necessary to make the values comply with this section. No exchange shall be made until title to the lands to be received has been approved by the Attorney General. All lands received in exchange shall have the same status and be subject to the same provisions of law as the lands given in exchange therefor.

SECTION 10. ORS 530.520 is amended to read:

530.520. (1) Excepting receipts from the easements and leases designated in ORS 530.490 (3), all receipts from [*the Elliott State Forest and*] the Common School Forest Lands shall be paid into the Common School Fund and are continuously appropriated to the Department of State Lands for the purposes for which other moneys in the Common School Fund may be used and to reimburse the Common School Forest Revolving Fund as provided in subsection (2) of this section.

(2)(a) The Common School Forest Revolving Fund, in an amount not exceeding \$300,000, is established as a fund, separate and distinct from the General Fund, in the State Treasury. Interest earned by the fund shall be credited to the fund. The revolving fund is continuously appropriated to the State Forester for the payment of administrative expenses incurred by the State Forester in the management, control and protection of [*the Elliott State Forest and*] the Common School Forest Lands and in processing the sale of forest products and the disposal of privileges under ORS 530.500. The revolving fund shall be reimbursed at least once each month by submission to the Department of State Lands of a claim for payment approved by the State Forester and payment of the claim to

the revolving fund out of the Common School Fund, that payment representing a portion of receipts paid into the Common School Fund under subsection (1) of this section.

(b) As used in paragraph (a) of this subsection, “administrative expenses” means a classification of expenses incurred by the State Forester in performing functions referred to in paragraph (a) of this subsection as a whole, rather than expenses incurred in performing any specific function that is a part of the whole; and it means expenditures recognized as operating costs of a current or past period, including refund of overpayments in the sale of forest products, and capital expenditures for buildings, furniture, fixtures or equipment.

(3) After the end of each six-month period the State Forester shall submit to the Department of State Lands a statement of capital asset account balances as of the end of that period for buildings, furniture, fixtures and equipment held by the State Forester in performing functions referred to in subsection (2)(a) of this section and in which the Common School Fund has a vested interest, showing the amount of that interest.

SECTION 11. ORS 30.949 is amended to read:

30.949. (1) As used in this section:

(a) “Access road” means a road owned or maintained by the State Forestry Department.

(b) “Forest practice” has the meaning given that term in ORS 527.620.

(c) “State forestland” means:

(A) Forestland acquired under ORS 530.010 to 530.040; and

(B) Common School Forest Lands [*and Elliott State Forest Lands*] managed under ORS 530.490.

(2) A private entity that contracts with the State Forestry Department to perform a forest practice has a right of action for the amount of actual damages against any person that, while on state forestland or an access road on state forestland, intentionally commits an act that hinders, impairs or obstructs or is an attempt to hinder, impair or obstruct, the performance of the forest practice by the private entity. A court shall award a plaintiff prevailing under this section reasonable attorney fees and costs.

(3) If the contract between the private entity and the department provides for the private entity to perform forest practices in a defined area of state forestland that lies in more than one county, venue for a cause of action under this section is proper in any county containing part of the area of state forestland defined by the contract terms in effect on the date the cause of action arose.

(4) An action under this section must be commenced within two years after the date of the act giving rise to the cause of action.

TRANSFER OF DUTIES, FUNCTIONS AND POWERS

SECTION 12. All of the duties, functions, powers and lawfully incurred rights and obligations of the State Board of Forestry that are based on the authority in ORS chapter 530 and that pertain to the former Elliott State Forest are transferred to and vested in the State Land Board for the purposes set forth in sections 2 and 3 of this 2025 Act related to the Elliott State Research Forest. The transfer shall include all applicable contractual rights and obligations and title to all applicable records, property, supplies and materials, including equipment, books and papers. For the purpose of succession to these rights and obligations, the State Land Board is considered to be a continuation of the State Board of Forestry and not a new authority, and the State Land Board must exercise such rights and fulfill such obligations as if they had not been assigned or transferred, except as otherwise provided by

1 **law.**

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CAPTIONS

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5 **SECTION 13.** The unit captions used in this 2025 Act are provided only for the conven-
6 **ience of the reader and do not become part of the statutory law of this state or express any**
7 **legislative intent in the enactment of this 2025 Act.**

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