

# Natural Resources

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By Peggy Lynch, Natural Resources Coordinator and Natural Resources portfolio members

## Budgets (Peggy Lynch)

The ice storm set back hearings on the budgets so the Dept. of Land Conservation and Development (DLCD) budget (SB 5530) was heard starting Feb. 18. They will continue their [presentation](#) on Feb. 22 and will also hear public testimony at that time. LWVOR will provide testimony in support of their base budget and Policy Option Packages.

The Land Use Board of Appeals (LUBA) budget (SB 5531) will be heard on Feb. 24—both agency presentation and public testimony. The League supports this important agency that efficiently adjudicates land use cases appealed by both developers and private parties. They are asking for a second staff attorney. The League may suggest that this position be considered as a Limited Duration position to get them over the issue of

major staff turnover before adding this position into their base budget in the future. However, that may be a challenge to find someone with that skillset willing to take on a job for only two years. We support HB 2110, a bill that updates the Land Use Board of Appeal's fee and deposit system.

## Arlington Radioactive Waste (Shirley Weathers)

In its work session on February 18, the Senate Energy and Environment Committee addressed [SB 246](#). They adopted the -1 amendment to allow the Department of Energy to collect administrative costs from an entity violating pertinent radioactive waste laws by unanimous consent and sent the amended bill to the Floor with a unanimous Do Pass recommendation. LWVOR submitted written [testimony](#) in support and will continue to follow the bill.

The Energy Facilities Siting Council will consider adoption of the proposed rule changes to OAR 435.029, Notice of Violation, Civil Penalties, Revocation or Suspension—action with the same overall goal as SB 246—at their February 26th meeting. LWVOR supports.

## Forestry/Wildfires (Josie Koehne)

Due to extreme snow and ice weather events that brought down power lines leaving large numbers of Oregonians without heat and power (many of whom are still experiencing these difficulties), the legislative committee meetings were cancelled on Monday and Tuesday, and the scheduled meetings were pushed out to later in the week. The [House Agriculture and Natural Resources Committee](#) is the main committee on forestry issues, chaired by Rep. Brad Witt. It meets Tuesdays and Thursdays at 3:15. On February 18, an informational hearing was held with an overview of timber taxation and expenditures. Jaime McGovern, Revenue Economist, Legislative Research Office presented on Oregon's very complex history and current system of timber taxation. Half of Oregon--63 million acres--is forestland of which 10% is privately owned

and taxable property and where most (71%) of timber is harvested, mostly from large tract owners with over 5,000 acres in ownership. Comparing Oregon to Washington, Oregon harvests 50% more timber measured in thousand board feet per year and its trees are valued at \$2.24 billion dollars, whereas Washington timber is worth a little more than half that in value at \$ \$1.23 billion. It is hard to compare our tax systems between Oregon and Washington because Oregon's is based on volume in \$4.13 per thousand board feet cut, but Washington's system is based on the value of the timber with a 5% tax rate. Oregon's taxes bring in \$16 million per year, and Washington brings in \$47 million annually. But Oregon timber owners pay higher property taxes (\$25.2) on unimproved forestland compared to Washington (\$8.2). By my calculations, Washington timber taxes together on property and harvest taxes collect more revenue (\$61 million compared to Oregon at \$49) that is worth half as much in timber value. This does not even factor in Washington's sales and business (B&O) taxes. See the whole comprehensive but complex tax presentation [here](#) (especially the concluding slide at 50 minutes into the meeting recording) for an education on timber taxes.

Matt Stayner, Principal Legislative Analyst in the Legislative Fiscal Office, followed up with our complex system of funding wildfire suppression and prevention, and who pays what. Private landowners pay for local fire protection, and also pay into a fund for more severe fires that is capped at \$13.5 million annually, and the state's General Fund In the Department of Forestry's budget allocation picks up the rest, especially for the catastrophic fires we had last year that cost \$130 million. It is important to note that the U.S. Forest Services, the Bureau of Land Management and the Federal Emergency Management Agency are billed by ODF for some costs of fighting certain fires.

Three presentations followed on the distribution of the Forest Products Harvest Tax, including the educational functions and programs that the Oregon Forest Research Institute (OFRI) provides, as well as how these

funds are used for Oregon State University forest research and by the Department of Forestry relative to their budgets.

Next week is a very busy week for forestry and tax bills. Here is the tentative schedule for the House Agriculture and Natural Resources Committee:

Thurs. Feb 25: Public Hearing on the Forest Products Harvest Tax

- [HB 2070](#) – Regular every biennium bill which sets Harvest Tax rates for 2 years. (3:20)
- [HB 2430](#) – Ends Harvest Tax rate setting every two years (3:20) Legislators will still need to set rates this year, and should add indexing. Sponsor: Rep. Nathanson
- [HB 2389](#) – Current Harvest Tax made permanent and indexed for future (3:20) Doubles cap on OFRI. Sponsor: Rep. Marsh
- [HB 2379](#) – Combines Harvest Tax and adds more for severance tax total of 5% on value. Changes wildfire funding, 50% to wildfire fund, 25% to counties for wildfire prep, 15% to ODF, 10% forest research. On all except STF (3:40). Sponsor: Rep. Holvey
- [HB 2357](#) – Eliminates OFRI (money to new Sound Forestry Practices at ODF (3:30 PM) Eliminates Oregon Forest Resources Institute and Oregon Forest Resources Institute Fund. Board of Forestry sets future rates. This is the harvest tax bill supported by our coalition partner, the Oregon Conservation Network. Tues. March 2: Public Hearing.

We do not know when and which other timber bills that propose to raise revenue, including those that propose a timber severance tax, will be heard. Stand by. Note that bills that raise revenue will need to go to the House Committee on Revenue. Bills raising revenue take a 3/5ths vote by each chamber.

## Land Use/Housing (Peggy Lynch)

There are a number of bills to allow expansion of housing on all different kinds of zoning. See next week's report for a status on a number of these bills.

See the Housing Report in other sections of this Legislative Report.

## Recycling (Camille Freitag)

The Senate Committee on Energy and Environment rescheduled the hearing on [SB 14](#) (establishes a stewardship program for plastic packaging and food service ware), [SB 581](#) (prohibits sale of products making deceptive claims about recyclability) and [SB 582](#), for which testimony will be heard on an amendment to replace the current language with that of HB 2065. The [hearing](#) is on February 23.

The House Committee on Energy and Environment is considering amendments to [HB 2065](#) (modernizes Oregon's recycling system), but no hearings are scheduled. There is a similar bill filed in the Senate.

The House Energy and Environment Committee has been assigned the following bills:

HB 2592 (producer responsibility and prevent plastic pollution)

HB 2365 (comprehensive foodware policy)

HB 2617 (ban on polystyrene - styrofoam is a form of PFAS)

HB 2811 (preventing new or expanded chemical recycling facilities)

and HB 2815 (truth in labeling)

No hearings for any of the above bills have been scheduled yet.

(Above provided by volunteer Marianne Bickett)

## Water (Peggy Lynch)

The League continues to discuss HB 2142, a bill that would update water permitting fees for the Water Resources Dept. (WRD) These fees are increased every four years in order to address increased expenses. Fee payers pay 50% of the fee while the General Fund provides the other 50%. The League believes this is a fair allocation to require those who directly benefit to share in the cost while also having the public provide funds to assure the public's water is also protected. Even with this fee increase, WRD will see a loss of staff.

The Department of State Lands is seeking comment on an update to Oregon's essential salmonid habitat map, as well as a proposed process for more regular map updates. Public meetings were held via Zoom Feb. 16 and 17. Comment may also be submitted by [online form](#), emailed to , or mailed to DSL at 775 Summer Street NE, Suite 100, Salem, OR 97301. The comment deadline is Thursday, March 4 at 5 p.m. For more information, see the last Legislative Report.

## Wildfires (Peggy Lynch)

Both the House and Senate Committees on Wildfire Recovery held a public hearing on Feb. 17 to hear from survivors of our horrible September fires in Southern Oregon. Another public hearing will be held for the other September fires on Feb. 22. They plan on hearing from elected officials from those areas on Feb. 24.

Of interest are the challenges of working with the Federal Emergency Management Agency (FEMA) as they try to site FEMA "trailers" on land in Jackson County as temporary replacements for the 2,000 manufactured homes burned. FEMA's rules require increased spacing between units so the number of units that can be placed on current manufactured home parklands is about one-third of those burned. And other housing is scarce in the area.