

**A-Engrossed**  
**Senate Bill 1072**

Ordered by the Senate July 7  
Including Senate Amendments dated July 7

Sponsored by Senator NELSON

**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.

Establishes state policy regarding utilization of forest biomass. Directs State Forester to perform specified actions to increase use of forest biomass **and to report to Governor and appropriate legislative interim committee with jurisdiction over forestry issues.**

Establishes state policy regarding relationship of State Forestry Department with federal forest management. [*Directs State Board of Forestry*] **Authorizes State Forester** to perform specified actions to increase state participation in federal forest management issues.

**A BILL FOR AN ACT**

1  
2 Relating to forestry policy.

3       Whereas forested lands comprise some of the most important environmental, economic and rec-  
4 reational resources in the State of Oregon; and

5       Whereas some of Oregon's forested lands are increasingly jeopardized by vulnerability to  
6 drought stress, the risk of uncharacteristic insect and disease outbreaks and uncharacteristic  
7 wildfires fed by excess small tree stocking and forest fuels; and

8       Whereas reducing vulnerability to drought stress and the risk of uncharacteristic insect and  
9 disease outbreaks and uncharacteristic wildfires through active forest management that reduces the  
10 stocking of small understory trees while maintaining a forest structure of larger, dominant older  
11 trees with shrub and herbaceous ground cover is of interest to all Oregon residents; and

12       Whereas such active forest management may restore structural diversity of forest stands, en-  
13 hance wildlife habitat and create other ecological, economic and social benefits; and

14       Whereas federal and state funds are not sufficient to carry out the necessary management ac-  
15 tivities to restore forest resilience and reduce the risk of uncharacteristic insect and disease out-  
16 breaks and uncharacteristic wildfires or to restore ecological values on forestlands; and

17       Whereas suppressing uncharacteristic wildfires affects federal, state and county treasuries; and

18       Whereas increased participation by the residents of this state and by state agencies in the de-  
19 velopment of federal forestland policies and management plans may improve the management of  
20 those lands; and

21       Whereas the development of a means to utilize biomass harvested from federal lands in an  
22 ecologically beneficial manner may assist in reducing the wildfire risk while reducing costs to the  
23 state; and

24       Whereas changes in the management of federal forests may produce a range of benefits to all  
25 Oregonians; and

26       Whereas the State Board of Forestry is charged by ORS chapter 526 with the supervision of all

**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 matters of forest policy and management under the jurisdiction of the state; now, therefore,

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

3 **SECTION 1. The Legislative Assembly finds and declares that:**

4 (1) **The State Forestry Department is well-positioned, due to experience in managing**  
5 **Oregon forests and its understanding of science-based, active forest management, to facili-**  
6 **tate state government participation in forest management on federal lands located within the**  
7 **state.**

8 (2) **The State Department of Fish and Wildlife and the Department of Environmental**  
9 **Quality have expertise in managing fish and wildlife habitat and water quality on federal**  
10 **lands and have an important role to play in the management of federal forests located within**  
11 **the state.**

12 (3) **A collaborative relationship between the State Forestry Department, the federal gov-**  
13 **ernment, other agencies of the executive department, as defined in ORS 174.112, interested**  
14 **persons and nongovernmental organizations may restore the health, diversity and resilience**  
15 **of federal forests by increasing the information shared and by providing a variety of per-**  
16 **spectives on site-specific and landscape-level determinations.**

17 (4) **In cooperation with the State Forestry Department and the federal government, many**  
18 **communities in wildfire-prone areas have completed a community wildfire protection plan**  
19 **that identifies priority areas for hazardous fuel removal from federal lands.**

20 (5) **The federal government has provided opportunities for agencies of the executive de-**  
21 **partment, as defined in ORS 174.112, to become involved, to a greater extent, in the man-**  
22 **agement of federal lands through the use of stewardship contract agreements.**

23 **SECTION 2. In furtherance of the policy established in section 1 of this 2005 Act, the**  
24 **State Board of Forestry, in consultation with the Governor, may:**

25 (1) **In conformance with federal law, including Public Law 108-7, direct the State Forester**  
26 **to facilitate the development of stewardship contracts utilizing local, private contractors**  
27 **and, when appropriate, to seek and enter into a stewardship contract agreement with federal**  
28 **agencies to carry out forest management activities on federal lands. The State Forester may,**  
29 **under the stewardship contract agreements:**

- 30 (a) **Perform road and trail maintenance;**
- 31 (b) **Set prescribed fires to improve forest health, composition, structure and condition;**
- 32 (c) **Remove vegetation and small diameter trees;**
- 33 (d) **Perform watershed restoration and maintenance;**
- 34 (e) **Restore wildlife habitat;**
- 35 (f) **Control exotic weeds and species; and**
- 36 (g) **Perform other activities related to stewardship.**

37 (2) **Create a forum for interagency cooperation and collaborative public decision-making**  
38 **regarding federal forest management issues that may include, at the discretion of the board,**  
39 **the appointment of advisory committees, the use of existing advisory committees and pro-**  
40 **cedures for holding public hearings.**

41 (3) **Provide guidelines for the State Forestry Department and State Forester to follow**  
42 **that contain directions regarding the management of federal lands and that specify the goals**  
43 **and objectives of the board regarding the management of federal lands.**

44 (4) **Participate, to the extent allowed by federal law, in the development of federal forest**  
45 **policies and the forest management planning processes of federal agencies.**

1 (5) Provide guidelines for the department to follow in implementing this section.

2 (6) Coordinate with Oregon State University, the State Department of Fish and Wildlife,  
3 the Oregon Forest Resources Institute, the Department of Environmental Quality, the Eco-  
4 nomic and Community Development Department, the State Department of Energy and other  
5 agencies of the executive department, as defined in ORS 174.112, to assist the State Forestry  
6 Department in carrying out the provisions of this section.

7 **SECTION 3.** The Legislative Assembly finds and declares that:

8 (1) Forestlands in federal, state and private ownership comprise some of the most im-  
9 portant environmental, economic and recreational resources in the State of Oregon. How-  
10 ever, federal lands, and to a lesser extent state and private lands, are increasingly  
11 jeopardized by the risk of drought-induced mortality, uncharacteristic insect and disease  
12 outbreaks and uncharacteristic wildfires.

13 (2) Enhancing wildlife habitat and other ecological values and reducing the risk of un-  
14 characteristic insect and disease outbreaks and uncharacteristic wildfires through forest  
15 management are of interest to the residents of this state. Federal and state funds have not  
16 proven sufficient to carry out the management activities necessary to achieve these goals  
17 on federal lands, and it is unlikely that the funds will be available on a continuous basis.

18 (3) The development of new market-based solutions to reduce the risk of uncharacteristic  
19 insect and disease outbreaks and uncharacteristic wildfires may reduce the requirement for  
20 public funding. The development of a biomass-based energy industry that uses forest biomass  
21 unsuitable for lumber, pulp and paper products as a primary source of raw material may  
22 assist in the creation of a sustainable, market-based model for restoring complexity and  
23 structure to Oregon's forests.

24 (4) A biomass-based energy industry may provide a renewable source of energy, reduce  
25 net greenhouse gas emissions, reduce air pollution from wildfires, improve fish and wildlife  
26 habitat, create jobs and provide economic benefits to rural communities. Through the col-  
27 lection and conversion of excess forest biomass, ancillary benefits may be realized through  
28 the improvement in forest health, protection of electric transmission lines and stabilization  
29 of soils within critical watersheds.

30 (5) The collection and conversion of excess forest biomass is a mitigating action that di-  
31 minishes fuel loads and is not a substitute for the reintroduction of fire where appropriate  
32 or other ecologically and economically sustainable practices.

33 (6) The policy of this state is to support efforts to build, and place in service, biomass-  
34 fueled energy production facilities that utilize biomass collected from forests or derived from  
35 other sources such as agricultural crop residue when:

36 (a) The facilities are conservatively scaled in proportion to sustainable supplies of  
37 biomass from cost-effective sources; and

38 (b) The set of forest values to be sustained, in addition to wood and biomass for energy,  
39 is considered. Forest values include water, wildlife and recreation.

40 (7) As used in this section and section 4 of this 2005 Act, "biomass" means any organic  
41 matter that is available on a renewable or recurring basis, including agricultural crops and  
42 trees, wood and wood wastes and residues, plants, aquatic plants, grasses, residues, fibers,  
43 animal wastes, municipal wastes and other waste materials, without diminishing the biolog-  
44 ical productivity of the land, while providing for the conservation of mature trees and old  
45 growth and while taking into consideration transportation costs, existing forest access, for-

1 est plan land allocations, desired future conditions, expected vegetation growth rates, social  
2 acceptability and the need to sustain water quality and fish and wildlife habitat.

3 **SECTION 4.** In furtherance of the policy established in section 3 of this 2005 Act, the  
4 State Forester shall:

5 (1) Establish a policy of active and inclusive communication with the federal government,  
6 public bodies, as defined in ORS 174.109, residents of Oregon and interested parties regarding  
7 the utilization of biomass produced through forest restoration. The State Forester shall ac-  
8 tively utilize the statutory provisions of the National Forest Management Act of 1976, the  
9 Forest and Rangeland Renewable Resources Planning Act of 1974, the National Environ-  
10 mental Policy Act of 1969, the Federal Land Policy and Management Act of 1976 and the  
11 Healthy Forests Restoration Act of 2003 that allow the state to participate in federal policy  
12 development in a manner that expresses the policy established in section 3 of this 2005 Act.

13 (2) Promote public involvement in the identification of the areas of interface between  
14 urban lands and forestlands that pose the highest potential to threaten lives and private  
15 property.

16 (3) Solicit public comment on the location of biomass-based energy projects and conver-  
17 sion facilities.

18 (4) Promote public understanding, through education and outreach, of forest conditions,  
19 forest management options, the potential consequences of biomass utilization, the quality  
20 and quantity of biomass on federal lands and the potential for biomass utilization to assist  
21 in reducing wildfire risk and in enhancing forest health, diversity and resilience. The State  
22 Forestry Department may coordinate with the State Department of Energy, the Economic  
23 and Community Development Department, Oregon State University, the State Department  
24 of Fish and Wildlife, the Department of Environmental Quality and other entities in any ed-  
25 ucation and outreach performed pursuant to this subsection.

26 (5) Allow the State Forestry Department to conduct inventories of the types of biomass  
27 available and to serve as an information resource for persons seeking to utilize biomass for  
28 energy development. Notwithstanding ORS 192.501, reports on any inventories of biomass  
29 conducted by the department shall be made available for public inspection.

30 (6) Promote public understanding that biomass utilization may be an effective tool for  
31 restoration of forests and for economic development in rural communities.

32 (7) Develop and apply, with advice from the forestry program at Oregon State University,  
33 the State Department of Fish and Wildlife, the Department of Environmental Quality and  
34 other sources, the best available scientific knowledge and technologies pertaining to forest  
35 and wildlife habitat restoration and biomass utilization when developing rules under ORS  
36 527.630.

37 (8) Seek opportunities to provide a source of biomass from federal, tribal, state and pri-  
38 vate forests.

39 (9) Prepare a report every three years utilizing, to the greatest extent practicable, data  
40 collected from state and federal sources that specifies the effect of biomass collection and  
41 conversion on the plant and wildlife resources and on the air and water quality of the state.  
42 The report shall identify any changes that the State Forester determines are necessary to  
43 avoid negative effects on the environment from biomass collection and conversion. The re-  
44 port shall also indicate whether the level of biomass in forests in the state has been reduced  
45 to an acceptable level that would allow for the repeal of this section and section 3 of this 2005

1 **Act. The State Forester shall submit the report to the Governor and to an appropriate leg-**  
2 **islative interim committee with jurisdiction over forestry issues.**

3 **SECTION 5. The State Forester shall prepare a report referred to in section 4 (9) of this**  
4 **2005 Act no later than October 1, 2008.**

5

---