



September 2014

## Inside this Brief

- **Oregon's Forests: An Overview**
- **Oregon's Forest Practices Act**
- **Oregon's Forest Policy**
- **Challenges and Opportunities**
- **Oregon Department of Forestry Overview**
- **Oregon Board of Forestry**
- **Recent Legislation**
- **Staff and Agency Contacts**

Legislative Committee Services  
State Capitol Building  
Salem, Oregon 97301  
(503) 986-1813

Background Brief on ...

# Forestry

## **Oregon's Forests: An Overview**

Forests cover about 30.47 million acres in Oregon, almost half of the state's land base.

Oregon's forests are rich and diverse, and include some of the most productive forestlands on Earth. Forests are integral to the state's identity, economy, and quality of life. They provide clean water, wildlife habitat, timber products, jobs, revenue for public services, recreational and tourism opportunities, biomass for energy generation, carbon storage that helps to buffer climate change – and more.

Oregon's forest resource also includes urban forests – trees in neighborhoods and other developed landscapes – with benefits including property value enhancement, wildlife habitat, and retention and filtering of stormwater runoff.

Oregon continues to lead the nation in lumber production. Although production and employment have dropped sharply since the Great Recession, the forest sector remains important, particularly in rural communities. The sector directly employs about 44,150 people, and supports jobs in other sectors, such as fishing and tourism.

Forests face significant challenges. On federal lands – some 60 percent of Oregon's forestland base – these include poor forest health, vulnerability to catastrophic wildfire that threatens natural resources and neighboring land and communities, and lost economic opportunities.

Privately owned forests also experience challenges. While many states have seen substantial loss of forestland to development, agriculture, and other uses, Oregon has maintained its forestland base. However, rising costs of forest management and protection, difficult markets for logs, and increased value of forestland as real estate, all exert pressure to sell or convert forestland.

Addressing these challenges involves action on many fronts, including federal forest policy, adequate public and private investment in forests, and active management – purposeful, science-based steps to achieve desired forest objectives. These measures can help restore and maintain Oregon’s forests and the diverse benefits they provide.

### **Oregon’s Forest Practices Act**

Oregon Revised Statutes 527.610 to 527.770, 527.990(1), and 527.992 make up the Oregon Forest Practices Act. The Act provides for sustainable timber harvest consistent with environmentally sound management of water, soil, air quality, fish, wildlife, and scenic resources. The Act’s requirements include leaving streamside buffers and reforestation after harvest.

### **Oregon’s Forest Policy**

As expressed in the Board of Forestry’s *Forestry Program for Oregon*, state policy is that keeping forests sustainable requires balancing economic, social, and environmental values. These values have often been thought of as conflicting, but are in fact interdependent.

Maintaining environmental values protects the forest’s health and basic productivity. Economic benefits of forest ownership are necessary to retain forest use in the face of growing pressure to convert to other uses, and to pay to protect and enhance forest resources and productivity. Social values, such as recreation, outdoor education, and timber revenues for public services, help to engage the public and build support for sound forest management and investment.

### **Challenges and Opportunities**

Environmentally sound, active management of federal forestlands in Oregon can produce a sustainable flow of multiple forest benefits. However, concerns surrounding these lands have generated significant public debate. A policy of fire exclusion, combined with sharply reduced harvests and other management activity, has produced landscapes of dense stands that are vulnerable to insect and disease attack and to

uncharacteristically hot, damaging fires. These conditions have grown acute in the drier forests of eastern and interior southwestern Oregon. More broadly across the state, declines in federal forest harvest revenues have contributed to severe economic distress in counties with high proportions of federal land.

In recent years, collaborative groups have formed in several national forests, bringing together local conservation, forest industry, and other interests. Working with the U.S. Forest Service and others, these groups have advanced projects to restore forest health, reduce fuels, and produce raw materials for mills. These projects, while increasing in size and number, remain well below landscape scale, and face obstacles such as limited funding and contraction in the milling infrastructure needed to process material removed from the forest. The 2013 Legislative Assembly approved spending \$2.9 million for technical assistance and scientific support to increase the pace and scale of collaboratively developed management efforts, and to pilot a new business model to increase the pace and scale of implementing federal forest management projects.

Private forestlands, too, present challenges as well as opportunities. The overriding challenge is keeping working forests healthy, intact, and productive, as pressure grows to convert them to other uses. For instance, as is happening nationally, large, industrial tracts increasingly are owned by Timber Management Organizations or Real Estate Investment Trusts. These owners, like others, have an array of interests, which may include selling those portions of their holdings that have greater value as real estate.

Family forestland owners also face challenges, including generational changes in ownership, the development pressure that comes with nearness to population centers, and a need for forestry expertise.

With forest tracts large and small, if managing for forest values doesn’t remain economically viable, the use is likely to change. Economic

considerations include demand for timber and other products, and costs of regulatory compliance and fire protection. Fire danger is increasing statewide in response to climate trends and other factors, and protection is particularly challenging for owners of lower-productivity forests.

When forestland is fragmented, fire protection becomes more costly and complex, vulnerability to invasive species increases, the likelihood of active management lessens, and forest values can be degraded or lost.

Opportunities emerge from these challenges. They include maintaining a streamlined, “one-stop shop” regulatory approach, exploring ways to generate revenue from forest attributes such as wildlife habitat and clean water, and enhancing capacity to put out wildfires while they are still small, thus avoiding major costs, public safety threats, and resource damage.

In addition, there is an increasing need for forestry services relevant to urban and suburban residents. Issues include an orderly, environmentally sound transition where forestland has been zoned for development, and addressing concerns that may arise among neighbors or local entities when commercial forestry is practiced near homes and built-up areas. These services also are important in maintaining urban Oregonians’ connection with forestry and support for sustainable forest management in all landscapes.

## **Oregon Department of Forestry Overview**

The Oregon Department of Forestry was established in 1911. The agency’s major activities include:

- Providing fire protection on approximately 16 million acres – primarily privately owned forestlands, but also state-owned and other public land, including west-side forests owned by the U.S. Bureau of Land Management;
- Administering the Forest Practices Act;
- Providing guidance and technical assistance to landowners;

- Managing about 850,000 acres of state-owned forestland for a mix of environmental, economic, and social benefits (Oregon has six state-owned forests: the Tillamook, Clatsop, Santiam, Elliott, Sun Pass, and Gilchrist, as well as other scattered holdings); and
- Helping cities, community groups, and other entities to manage urban forests.

## **Oregon Board of Forestry**

The seven members of the Board of Forestry are appointed by the Governor and confirmed by the Senate. The Board appoints the State Forester and oversees the Department and the general forest policy of the state. The *Forestry Program for Oregon*, the Board’s overarching policy document, is based on internationally recognized indicators of sustainable forest management.

## **Recent Legislation**

In 2013, House Bill 2050 – the Wildfire Protection Act – was enacted. The legislation increased capacity to extinguish fires rapidly, before they become large and costly; moved toward 50-50 public-private sharing of the costs of fighting large fires; and mitigated landowners’ fire protection costs on fire-prone, less-productive eastside lands. The increased capacity to attack fires swiftly – largely with contracted helicopters and other equipment – is funded through the Oregon Forest Land Protection Fund, which consists of landowner dollars. The fund is also used to equalize firefighting costs across the state, and supports the purchase of insurance to protect Oregon against catastrophic fire costs, such as those experienced in 2013. Basic fire protection funding has been evenly shared by landowners and the General Fund; landowners have paid a greater share of the costs of fighting the relatively few fires that grow large and extremely costly. House Bill 2050 moves toward 50/50 sharing of these costs over six years.

Also in 2013, Senate Bill 357 was enacted directing the Board of Forestry to appoint an advisory committee to study and recommend

funding mechanisms to increase the pace and scale of federal forest restoration projects. The committee reported back to the legislature in February 2014 on options to diversify and improve revenue sources to support this work.

### **Staff and Agency Contacts:**

Beth Patrino  
Legislative Committee Services  
[beth.patrino@state.or.us](mailto:beth.patrino@state.or.us)  
503-986-1751

Doug Decker, State Forester  
[Department of Forestry](#)  
State Forester  
503-945-7211

Paul Bell, Deputy State Forester  
[Department of Forestry](#)  
503-945-7205

Dan Postrel, Public Affairs Director,  
[Department of Forestry](#)  
(503) 945-7420

*The Department of Forestry assisted with the development of this document.*

*Committee Services provides centralized, non-partisan research and issue analysis for the Legislative Branch. Committee Services does not provide legal advice. Background Briefs are intended to give the reader a general understanding of a subject, and are based on information which is current as of the date of publication. Legislative, executive, and judicial actions subsequent to publication may affect the timeliness of the information.*