

**STATEMENT OF NEED AND FISCAL IMPACT**

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Oregon Department of Forestry – State Forests Division  
Agency and Division

Chapter 629  
Administrative Rules Chapter Number

The adoption of revised Northwest and Southwest Oregon State Forests Management Plans  
Rule Caption

In the Matter of: the adoption of revised forest management plan documents previously adopted in 2001 consistent with OAR 629-035-0030(6)(a), and so stated in OAR 629-035-0105.

Statutory Authority: ORS 526.016(4)

Other Authority: ORS 526.041; ORS 629-035-0030

Stats. Implemented: ORS 530.050

Need for the Rule(s): The adoption of a revised OAR 629-035-0105 meets the requirement of OAR 629-035-0030(4) that states “the Board shall review and may revise the forest management plans developed by the State Forest to ensure that it is consistent with OAR 629-035-0020.” The Board of Forestry has conducted a review of the Northwest and Southwest Oregon State Forests Management Plans, which led to its approval to conduct rulemaking for these revised plans.

The adoption of a revised OAR 629-035-0105 also meets the requirement of OAR 629-035-0030(6)(a) that states “once management plans are approved by the Board as provided in subsection (5) of this section: (a) the Board shall adopt the plan as an administrative rule.” Due to the voluminous nature of the forest management plans, the rule adopts these plans by reference.

Documents relied upon, and where they are available: ORS Chapter 530; OAR 629-035-0000 through 629-035-110. These documents are available through the State of Oregon web site; statutes are found at <http://landru.leg.state.or.us/ors/> and administrative rules are found at [http://arcweb.sos.state.or.us/rules/alpha\\_index.html](http://arcweb.sos.state.or.us/rules/alpha_index.html).

Minutes and supporting meeting materials for Board of Forestry meetings from November 2007 through June 2009 also were relied upon, and are available through the following State of Oregon web, Department of Forestry web site: <http://egov.oregon.gov/ODF/BOARD/index.shtml>, or from the Department’s Rules Coordinator: Sabrina Perez at 2600 State Street, Salem, OR 97310; [sperez@odf.state.or.us](mailto:sperez@odf.state.or.us).

Fiscal and Economic Impact:

OAR 629-035-0105 requires no compliance by any entities other than the Oregon Department of Forestry.

The forest management plans adopted by reference under OAR 629-035-0105 determine management activities on over 630,000 acres of state forestlands in northwest and southwest Oregon. These forestlands are a tangible asset of the people of Oregon that include: the lands; forest products; fish and wildlife habitat; recreation infrastructure and opportunities; soil and water resources; carbon sequestration; and forest roads and related infrastructure.

The revenues generated from the sale of forest products on the Board of Forestry lands are an asset to the state, counties, local taxing districts and to the Common School Fund. In addition to these annual revenues, implementation of the revised forest management plans is anticipated to enhance the asset value by:

- Increasing the standing timber volume and value from an inventory on all districts. As example, it is anticipated that in the three north coast districts standing timber volume will increase from approximately 11 billion board feet to approximately 16.8 billion board feet in 80 years – a 52.7 percent increase in timber volume. This is an approximate annual volume increase of 0.5 percent, and strongly correlates to growth in asset value.
- Increasing investment opportunities in and associated asset values of related facilities and infrastructure, such as roads and recreation infrastructure;
- Providing direct economic benefits. As example, total timber volume harvested in the three north coast districts will change from the current five-year average of approximately 183 million board feet of timber (MMBF) produced under the 2001 plans to a projected level of approximately 196 MMBF. Further, this change in the annual harvested timber volume will result in approximately 4.3 million dollars in higher annual revenue generated over the current five-year average, with approximately 2.7 million dollars additional revenues distributed to the counties. Without

these rule changes, the harvest volume would fall to approximately 141 MMBF, reducing the annual five-year average for revenue by approximately 13.9 million dollars.

- Continuing to improve carbon sequestration capacity through increasing standing timber inventory.
- Continuing to improve the quantities of the forest management plan stand structure types and habitat components, albeit at a modestly slower rate (e.g. four percent less complex structure in 20 years);
- Continuing to reduce road-related risks to aquatic systems due to increased revenue available for investment.
- Providing indirect economic benefits associated with wildlife habitats, properly functioning aquatic systems, recreation, and water quality. While challenging to accurately quantify, these benefits contribute economic, social and environmental benefits to rural communities.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

None; these rules apply only to the Oregon Department of Forestry. Cost of compliance for the Department of Forestry would remain consistent with the forest management plans adopted in 2001.

2. Cost of compliance effect on small business (ORS 183.336):

a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule:

Small businesses will not have compliance costs because they are not directly affected by this rule.

b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:

For the Oregon Department of Forestry, these costs remain consistent with the forest management plans adopted in 2001. Other state agencies, units of local government and the public would not incur costs associated with these activities as a result of the rules. Operating budgets could moderately increase to accommodate the additional staff and contract resources needed to operate at the increased harvest level, and the increases in road maintenance and reforestation investments that would be required.

c. Equipment, supplies, labor and increased administration required for compliance:

For the Oregon Department of Forestry, these costs would largely remain consistent with the forest management plans adopted in 2001. However, given that management activities would likely increase to accommodate the projected increase in outputs, there could be an increase in staffing level and associated costs.

Other state agencies, units of local government and the public would not incur costs associated with these activities as a result of the rules.

How were small businesses involved in the development of this rule?

Small businesses are not directly affected by this rule and, therefore, were not involved in rule development.

Administrative Rule Advisory Committee consulted?: No

If not, why?:

The Northwest and Southwest Oregon Forests Management Plan revisions have been developed over the past four years using an open and inclusive public involvement processes, including:

- The Forest Trust Land Advisory Committee, where discussion occurred and general input received relative to these proposed rule concepts;
- Numerous Board of Forestry meetings; and
- Discussions with subject matter experts and special interest groups.

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Signature

Printed name

Date

Administrative Rules Unit, Archives Division, Secretary of State, 800 Summer Street NE, Salem, Oregon 97310. ARC 925-2007