Chapter 530

1977 REPLACEMENT PART
(1979 reprint)

Acquisition and Development of State Forests

ACQUISITION, MANAGEMENT AND DEVELOPMENT OF STATE FORESTS

530.010 State Board of Forestry authorized to acquire lands; limitations; lands designated as state forests
530.020 Conditions precedent to acceptance of title; approval by Attorney General; suit to quiet title; deeds, deposit and recordation
530.030 Conveyance of county lands to state; consideration; adjustment of delinquent fire patrol liens; contracts concerning removal of timber and disposition of proceeds from sale thereof
530.040 Exchange of forest land or timber; reservations; hearing; approval of title; status of lands received
530.050 Management of lands acquired; powers of forester
530.055 Leasing lands acquired
530.059 Sales of forest products; nature of surety deposit for public contractors doing business with State Board of Forestry
530.065 Modifying timber sale contracts
530.075 Validation of state acquisition of county land; purposes for which land may be used; disposition of revenue
530.110 Distribution of revenues from lands acquired under ORS 530.010 to 530.040
530.115 Disposition of certain moneys described in ORS 530.110; disposition of forest product rehabilitation revenues
530.120 Account of receipts from lands acquired; annual statement to county
530.130 Bonds may be sold or exchanged for lands
530.140 Forest development revenue bonds
530.150 Redemption of bonds
530.160 Refunding of bonds
530.170 Disposition of revenues from lands acquired under former statute

FOREST REHABILITATION ACT

530.210 Definitions for ORS 530.210 to 530.300
530.220 Oregon Forest Rehabilitation Act
530.230 Board to sell bonds; limitation on issues
530.240 Use of revenue from bond sales
530.250 State Forester to rehabilitate state forest lands; assistants, equipment and contracts; board to make rules
530.260 Bonds; terms, redemption and refunding thereof
530.270 Selling the bonds
530.280 Sinking fund account; composition, disbursement and investment
530.290 Taxes to be credited to sinking fund account

ELLIOTT STATE FOREST; COMMON SCHOOL FOREST LANDS

530.450 Withdrawal from sale of Elliott State Forest
530.460 Lands suited for growing forest products to be designated Common School Forest Lands and withdrawn from sale
530.470 Determination of lands to be designated Common School Forest Lands
530.480 Legal descriptions of lands; resolutions of State Land Board and State Board of Forestry
530.490 Management, control and protection of Common School Forest Lands and Elliott State Forest; easements
530.500 Authority of State Forester in management, protection, utilization and conservation of lands and waters
530.510 Exchanges of land
530.520 Disposition of receipts; manner of paying administrative expenses

CROSS REFERENCES

Acquisition and disposition of real property by State Board of Forestry, 526 162 to 526.168
Administrative procedures and rules of state agencies generally, 183.310 to 183 500
Forest lands to be used to promote primary use for which classified, 526.350
Forest nursery operated by state, sale of seedlings to public and private forest land owners, 526.235
Limitation on landowner's liability for public recreational use of land; no rights or easements created, 105.655 to 105.680
State bonds, Ch. 286
State lands generally, Ch. 273
Timber, sale by state or its political subdivision, 526 805
Title to property acquired by state agency to be taken in name of state, 279.711
Willamette River Greenway, 390.310 to 390.368

530.040

Exchange of real property by State Forester, 526 041, 530.510

530.059

Sale of forest products by State Board of Higher Education, 351.155

530.130

Facsimile signatures and cost of investing proceeds, 286.050

530.240

Expenditures without allotment prohibited in certain cases, 291.238

530.250

Employment of personnel, Ch. 240

Inmates of penitentiary and correctional institution, manual labor by, 421 470

State purchasing generally, 279 712

530.500

Procedure in selling forest products, 530.059

530.510

Exchange of real property by State Forester, 526 041, 530 040

530.520

Expenditures without allotment prohibited in certain cases, 291 238

ACQUISITION, MANAGEMENT AND DEVELOPMENT OF STATE FORESTS

530.010 State Board of Forestry authorized to acquire lands; limitations; lands designated as state forests. (1) The State Board of Forestry, referred to in this chapter as the board, in the name of the State of Oregon, may acquire, by purchase, donation, devise or exchange from any public, quasi-public or private owner, lands which by reason of their location, topographical, geological or physical characteristics are chiefly valuable for the production of forest crops, watershed protection and development, erosion control, grazing, recreation or forest administrative purposes.

(2) The board shall not acquire any land without prior approval, duly made and entered, of the county court or board of county commissioners of the county in which the lands are situated.

(3) Lands acquired under the provisions of this section shall be designated as state forests. [Amended by 1953 c 43 §2; 1967 c.396 §1]

530.020 Conditions precedent to acceptance of title; approval by Attorney General; suit to quiet title; deeds, deposit and recordation. Title to all lands acquired by the board under ORS 530.010 shall be free and clear of all encumbrances except easements of rights of way and reservations or exceptions of gas, oil, coal, mineral and timber rights. All titles shall be approved by the Attorney General before conveyance is accepted. However, the Attorney General may approve title to lands proposed to be acquired from counties under the provisions of ORS 530.030 or proposed to be acquired by donation or devise when, in his opinion, existing defects of title are of formal nature and may be cured by suit to quiet title. In case of acquisition of lands with defective title, the Attorney General may institute suit to quiet title to such lands, and all costs in connection therewith shall be a proper charge against the funds of the board. All deeds, abstracts, title insurance policies, and other evidences of title to lands acquired under ORS 530.010 to 530.040 shall be deposited with the Secretary of State. All deeds shall promptly be recorded in the county in which the lands are situated. [Amended by 1955 c 421 §1]

530.030 Conveyance of county lands to state; consideration; adjustment of delinquent fire patrol liens; contracts concerning removal of timber and disposition of proceeds from sale thereof. (1) The county court or board of county commissioners of any county may convey to the state for state forests any lands heretofore or hereafter acquired by such county through foreclosure of tax liens, or otherwise, which are within the classification of lands authorized to be acquired under ORS 530.010, if the board deems such lands necessary or desirable for acquisition, in consideration of the payment to such county of the percentage of revenue derived from such lands as provided in ORS 530.110. In connection with any such conveyance the board shall have authority to make equitable adjustments with any county of accrued delinquent fire patrol liens on lands heretofore or hereafter acquired by such county by foreclosure of tax liens.

(2) As to such lands acquired by the board with title to the timber remaining in the county for a designated period of time, the State Forester may enter into contracts with the county to supervise the removal and sale of such timber and under such contracts the gross proceeds of the sale thereof shall be disposed of as follows:

(a) Ten percent of such gross proceeds shall be paid into the State Treasury and credited to the State Forestry Department Account and shall be used exclusively for the purposes and under the limitations set out in paragraph (a) of subsection (1) of ORS 530.110.

(b) A percentage of such gross proceeds shall be accepted by the State Forester, pursuant to written contract with the county authority, as compensation for the supervision and management of county-owned timber; the moneys so derived shall be paid into the State Treasury and credited to the State Forestry Department Account and shall be used exclusively for the supervision and management of state forests acquired pursuant to ORS 530.010. [Amended by 1953 c 65 §5, 1957 c.83 §13; 1965 c.423 §1]

530.040 Exchange of forest land or timber; reservations; hearing; approval of title; status of lands received. (1) It is desirable that lands acquired under the provisions of ORS 530.010 shall be consolidated in areas wherever possible through exchanges of land. It is recognized that the management of state

forests will be more economically feasible through such consolidation.

(2) In order to accomplish the objectives of subsection (1) of this section, the board may exchange any land acquired under the provisions of ORS 530.010, or may exchange the timber on such land, for land of approximately equal aggregate value, situated in the same county, when such exchange is in furtherance of the purposes of ORS 530.010; provided, however, the board may exchange land or timber situated in one county or counties for land situated in another county or counties if such exchange is first approved by the county court or board of county commissioners of each county involved; and provided further, that either party to any such exchange may make reservations of easements, rights of use and other interests and rights. Under the authority granted in this section the board may provide or receive, in addition to land to be exchanged, a monetary consideration where necessary to make the values comply with this subsection.

(3) Before making any such exchange the board shall hold a hearing thereon at the courthouse of the county in which such lands are situated and shall give notice of the time and place thereof by publication in two successive issues of a newspaper of general circulation published in such county. The notice shall contain a description of the lands to be given and to be received in the proposed exchange. However, no such exchange shall be made until the title to the lands to be received has been approved by the Attorney General.

(4) 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. [Amended by 1955 c.421 §2; 1959 c.103 §1; 1967 c.396 §2]

530.050 Management of lands acquired; powers of forester. Under the authority and direction of the State Board of Forestry, the State Forester shall manage the lands acquired pursuant to ORS 530.010 to 530.040 so as to secure the greatest permanent value of such lands to the state, and to that end may:

(1) Protect the lands from fire, disease and insect pests, cooperate with the counties and with persons owning lands within the state in such protection and enter into all agreements necessary or convenient therefor.

(2) Sell forest products from the lands, and execute mining leases and contracts as provided for in ORS 273.551.

(3) Permit the use of the lands for other purposes, including but not limited to forage and browse for domestic livestock, fish and wildlife environment, landscape effect, protection against floods and erosion, recreation, and protection of water supplies when, in the opinion of the board, such use is not detrimental to the best interest of the state.

(4) Grant easements, permits and licenses over, through and across the lands; also, may require and collect reasonable fees or charges relating to the location and establishment of easements, permits and licenses granted by the state over such lands, which moneys shall be used for the expenses of such location and establishment. Any moneys derived hereunder shall be placed in the State Forestry Department Account and used exclusively for such purposes.

(5) Require and collect fees or charges for the use of state forest roads, which moneys shall be used for purposes of maintenance and improvements of such roads. Any moneys derived hereunder shall be placed in the State Forestry Department Account and used exclusively for such purposes.

(6) Reforest the lands and cooperate with the counties, and with persons owning timberlands within the state, in such reforestation, and make all agreements necessary or convenient therefor.

(7) Require such undertakings as in the opinion of the board are necessary or convenient to secure performance of any contract entered into under the terms of this section, or ORS 273.551.

(8) Sell rock, sand, gravel, pumice and other such materials from the lands; such sale may be negotiated without bidding provided the appraised value of such does not exceed $2,500.

(9) Enter into agreements, each for not more than 10 years duration, for the production of minor forest products.

(10) Do all things and make all rules and regulations, not inconsistent with law, necessary or convenient for the management, protection, utilization and conservation of the lands. [Amended by 1953 c.65 §5; 1955 c.421 §3; 1957 c.228 §1; 1959 c.141 §1; 1963 c 475 §1; 1965 c 128 §1, 1967 c.396 §3]

530.055 Leasing lands acquired. Except as limited in this section but subject to separate sale of forest products under ORS 530.059, lands acquired under ORS 530.010 to 530.040 may be leased by the State Forester to any person when approved by the State Board of Forestry and for purposes deemed by the board to be more in the public interest than the purposes for which the land was acquired. [1965 c.128 §3]

530.059 Sales of forest products; nature of surety deposit for public contractors doing business with State Board of Forestry. (1) Before offering any forest products for sale under authority of ORS 530.050 or 530.500, the State Forester shall cause the forest products to be appraised. Should the appraised value of the forest products be in excess of $15,000, the State Forester shall not sell the same to a private person, firm or corporation, except after publishing notice of the sale as required by this section, and affording an opportunity for competitive bidding either by public auction or through sealed bids, or a combination of both; provided, however, that such notice and opportunity for competitive bidding will not be required for sales in connection with:

(a) Experimental or research projects in the field of forest land management or forest product utilization.

(b) The removal, injury or destruction of forest products necessitated by any grant of easement or right of way, or necessitated by a permit or license to use a right of way, including trees which may endanger the use of such easement or way.

(2) The State Forester shall give the notice required by subsection (1) of this section for a period of not less than once a week for two successive weeks by publication in one or more newspapers having general circulation in the county in which the forest products are situated, and in such other media of communication as the State Forester may deem advisable. The notice shall describe the forest products to be sold and the land on which such products are situated, state the minimum price at which the same may be sold, and contain a brief statement of the terms of the sale. As a provision of each sale, the State Forester shall reserve the right to accept or reject any or all bids.

(3) Prior to or at the time the State Forester receives bids, each bidder shall furnish the State Forester with a certified check, cashier's check, money order, surety bond or cash deposit in an amount designated by the State Forester, but said amount shall not exceed 10 percent of the minimum price of the forest products to be sold, which check, order or deposit, in the case of the successful bidder, shall be retained by the State Forester as a credit toward payment of the purchase price of the forest products sold, and which, in the case of the unsuccessful bidders, shall be returned to them after determination of the successful bid. Any checks, bonds or orders furnished under this subsection shall be made payable to the State of Oregon.

(4) Notwithstanding ORS 279.025 to 279.031, 279.310 to 279.356 and 279.400 to 279.990, the State Forester and State Board of Forestry are authorized to require and accept a surety bond, cash deposit or negotiable securities as the required bond under ORS 279.510. In the event the procedures described in ORS 279.526 to 279.536 are inapplicable due to the bond furnished being either cash or negotiable securities, claims authorized against such bond by ORS 279.526 to 279.536 shall be made to the State Board of Forestry for determination. If the claim is disputed, the board may request settlement of the claim through compromise or require the claim to be litigated.

(5) If the provisions of this section have been complied with, and no satisfactory bid has been received, or the bidder fails to complete the purchase, the State Forester may, at any time, during a period of six months after the advertised date of sale, sell the forest products in such manner as he deems appropriate, but the sale price shall not be less than the minimum terms offered in the notice of sale or the highest bid received, whichever is the larger amount. [1959 c.141 §4; 1963 c.475 §2; 1967 c 396 §4, 1975 c.185 §7]

530.060 [Repealed by 1957 c 229 §1]

530.065 Modifying timber sale contracts. During any period of a timber sale contract made under ORS 530.059, where circumstances and conditions develop which materially affect the volume and value of the forest products sold, or work to be done under the sale, or both, the State Forester, with the approval of the State Board of Forestry, is hereby authorized to change or modify the terms and conditions of the contract in order to make equitable adjustments due to such circumstances and conditions; provided, however, that the adjustments are made to place

the parties in their original status under the contract in so far as possible. The provisions of this section shall apply only to those contracts which exist as of March 30, 1965, and future contracts made under ORS 530.059. Any change or modification made pursuant to this section shall only be upon mutual consent of the parties to the contract involved. [1965 c 128 §2]

530.070 [Repealed by 1957 c.229 §1]

530.075 Validation of state acquisition of county land; purposes for which land may be used; disposition of revenue. (1) Notwithstanding ORS chapter 275 or any other law, deeds of conveyance or other instruments transferring county forests, public parks or recreational areas, from a county to the State of Oregon, either acting by and through or for the use and benefit of the State Board of Forestry, are validated and shall be conclusive evidence of the transfer of such lands from the county to the state.

(2) The State Board of Forestry shall use, manage and develop such lands for the purposes designated in ORS 275.320 if such lands are suitable for such purposes; otherwise, the lands shall be used for the purposes stated in ORS 530.010 and any revenue derived from the sale of forest products from such lands shall be disposed of in accordance with the provisions of subsection (2) of ORS 530.110. In other instances where the county received title to the land from a grantor with the provision that the land be used for particular purposes, this section shall not be construed to obviate such purposes. [1963 c.475 §3]

530.080 [Repealed by 1957 c.229 §1]

530.090 [Repealed by 1957 c.229 §1]

530.100 [Repealed by 1957 c.83 §26]

530.110 Distribution of revenues from lands acquired under ORS 530.010 to 530.040. (1) All revenues derived from lands acquired without cost to the state, or acquired from counties pursuant to ORS 530.030, shall be paid into the State Treasury and credited to the State Forestry Department Account and shall be used exclusively for the purposes stated in subsection (3) of this section, and in accordance with the following distribution:

(a) Fifteen percent shall be credited to the State Forests Protection Subaccount of the State Forestry Department Account until the amount in such subaccount shall reach $475,000. Thereafter, the revenues shall be disposed of as stated in paragraphs (b) and (c) of this subsection, unless needed to maintain the $475,000 level. All moneys in the State Forests Protection Subaccount are appropriated continuously to the State Forester who may use such money under the following priorities:

(A) First, in addition to or in lieu of other moneys available, to pay the cost of protection, as determined under paragraph (c) of subsection (1) of ORS 477.270, for lands acquired under ORS 530.010 to 530.040, and then

(B) Second, to provide moneys needed for activities authorized by subsection (3) of this section, and then

(C) From remaining moneys, to pay costs incurred in the suppression of fire originating on or spreading from an operation area, as defined in ORS 477.001, on state-owned forest land acquired under ORS 530.010 to 530.040. The State Forester shall make payments with approval of the board for such fire suppression costs; except that no payments shall be made for such costs or portion thereof when other parties are responsible under law or contracts for the payment of such costs.

(b) Seventy-five percent of all such revenues remaining after the percentage disposed of as stated in paragraph (a) of this subsection, shall be disposed of as provided in ORS 530.115.

(c) Twenty-five percent of all such revenues remaining after the percentage disposed of as stated in paragraph (a) of this subsection, shall be used for the purposes set out in subsection (3) of this section.

(2) All revenues from lands other than lands designated in subsection (1) of this section, acquired under ORS 530.010 to 530.040, shall be paid into the State Treasury and credited to the State Forestry Department Account and shall be used exclusively for the purposes stated in subsection (3) of this section, and in accordance with the following distribution:

(a) Until each legal subdivision of the lands has been credited with an amount equal to the purchase price thereof, the revenues shall reimburse the State Forestry Department Account; thereafter paragraphs (b), (c) and (d) of this subsection apply.

(b) The percentage required under paragraph (a) of subsection (1) of this section shall be credited to the State Forests Protection Subaccount, thereafter, the revenues shall be

disposed of as stated in paragraphs (c) and (d) of this subsection.

(c) Seventy-five percent of all such revenues remaining after paragraphs (a) and (b) of this subsection have been complied with, shall be disposed of as provided in ORS 530.115.

(d) Twenty-five percent of all such revenues remaining after the percentage disposed of as stated in paragraphs (a) and (b) of this subsection, shall be used for the purposes set out in subsection (3) of this section.

(3) The moneys in the State Forestry Department Account derived from those percentages of revenues set out in paragraph (c) of subsection (1) of this section, and paragraph (d) of subsection (2) of this section, shall be used for the redemption of Oregon forest development revenue bonds and payment of interest thereon, for the acquisition, development and management of forest lands and for such other purposes as are necessary in carrying out ORS 530.010 to 530.110. [Amended by 1953 c.65 §5; 1957 c.83 §14; 1965 c.317 §6; 1965 c.423 §2; 1969 c.428 §1]

530.115 Disposition of certain moneys described in ORS 530.110; disposition of forest product rehabilitation revenues. (1) Except as set forth in subsection (2) of this section, moneys described in paragraph (b) of subsection (1) and in paragraph (c) of subsection (2) of ORS 530.110 shall be credited to the county in which the lands are situated and shall be paid quarterly to the county by a warrant drawn as provided by law, pursuant to claim therefor, duly approved by the board. Payment shall be made on or before the last day of each month following the end of the calendar quarters ending on March 31, June 30, September 30 and December 31. Money received under this subsection by the county shall be applied in the following order:

(a) The county general fund shall be reimbursed for all costs and expenses incurred by the county in the maintenance and supervision of such lands and in any suits by it to quiet its title to lands conveyed to the state; provided that the proceeds so applied shall not be less than 10 percent of the total proceeds received.

(b) Twenty-five percent of the remainder of the money shall be credited and paid into the county school fund created under ORS 328.005.

(c) The remainder of the money shall be by the county prorated and apportioned to the various taxing districts in which the lands are situated in the proportion that the rate of tax levy in each district as shown by the tax levy filed with the assessor for the last year in process of collection, bears to the total rate of tax levy of all such taxing bodies for such year.

(2) After payment of the principal and interest of each bond issue issued pursuant to ORS 530.210 to 530.300, 20 percent of the moneys derived from forest products created through expenditures of moneys available from such bond issue shall be credited to the General Fund until the state is reimbursed for its costs under the bond issue in that county. However, the governing body of the county in its discretion may authorize a higher percentage of that county's allocation for any year to be so credited to the General Fund. [1969 c.428 §3; 1969 c 595 §16; 1973 c 436 §2; 1977 c.840 §17]

530.120 Account of receipts from lands acquired; annual statement to county. The board shall keep an accurate account, by legal subdivisions, of all receipts from lands acquired under the provisions of ORS 530.010 to 530.040 and shall credit to each legal subdivision the revenues derived therefrom. The board shall render annually to each county in which lands acquired under the provisions of ORS 530.010 to 530.040 are situated, a statement, by legal subdivisions, showing the revenues derived from each of such legal subdivisions.

530.130 Bonds may be sold or exchanged for lands. (1) The board may issue the revenue bonds described in ORS 530.140 in exchange for lands selected by it in accordance with ORS 530.010, or may sell such bonds in such manner as it deems advisable. Should the bonds be sold by the board, the proceeds shall be paid into the State Treasury and credited to the State Forestry Department Account and shall be expended only by warrant of the Executive Department in the payment of vouchers bearing the approval of the board in the purchase of lands, as provided in ORS 530.010.

(2) No bond shall be sold or issued in exchange for lands on a basis less than the par value of the bond and accrued interest. Lands proposed to be taken in exchange for bonds shall first be appraised by the board and the appraisal approved by the Division of State Lands. The bonds shall be signed by the Gov-

ernor, the Secretary of State and the State Treasurer. [Amended by 1957 c.83 §15; 1959 c.209 §1; 1975 c.614 §17]

530.140 Forest development revenue bonds. (1) The board may sell revenue bonds of the State of Oregon, to be known as Oregon forest development revenue bonds, in an amount not exceeding $500,000 in denominations not exceeding $1,000 each. The bonds shall not constitute a general obligation of the state, nor be a lien on any of the lands acquired by the state under ORS 530.010.

(2) The bonds shall bear interest at a rate to be determined by the board, but not to exceed four percent per annum, payable semiannually at the office of the State Treasurer. The bonds shall be numbered consecutively, beginning with number one, and shall be due 50 years from date of issue, but shall be payable when sufficient moneys are available therefor in the State Forestry Department Account, as provided in ORS 530.150.

(3) The bonds shall be payable to bearer and shall have interest coupons attached, which shall also be payable to bearer. The holder of any such bond may have his ownership registered with the State Treasurer with respect to the principal of the bond. The registered owner of any bond may have such bond changed to be payable to bearer by filing with the State Treasurer his irrevocable bond power, transferring all his rights in the bond to bearer.

(4) The board shall keep a record of every purchaser of the bonds as originally issued. [Amended by 1957 c.83 §16]

530.150 Redemption of bonds. (1) When funds are available therefor, as provided in ORS 530.110, the board shall cause to be published in a newspaper of general and wide circulation in the state a notice of call for redemption at par and accrued interest of sufficient revenue bonds to utilize such funds. The notice shall be published not less than twice, the second publication to be not less than 14 days after the first and not less than 30 days prior to the date of such call.

(2) The bonds shall be called in numerical order, beginning with the lowest number, and shall cease to draw interest after the date fixed for redemption. Interest and principal of the bonds shall be payable solely from the moneys available for such purposes in the State Forestry Department Account.

(3) Not less than 10 days before the date set by the board for redemption of any of the revenue bonds, or the refunding bonds issued under ORS 530.160, the board shall certify to the State Treasurer the amount necessary to pay such redemption. Upon receipt of the certificate, the treasurer shall prepare and verify a claim for the amount set out therein, attaching thereto the certificate, and present the same to the Executive Department which shall issue a warrant therefor payable out of the moneys available for such purposes in the State Forestry Department Account.

(4) All bonds and interest coupons upon payment shall be deposited by the State Treasurer with the Executive Department, to be attached to the original claim of the State Treasurer for payment. [Amended by 1957 c 83 §17; 1975 c.614 §18]

530.160 Refunding of bonds. If the revenue bonds have not been redeemed within 50 years of the date of issue as provided in ORS 530.140, the board shall cause to be sold refunding bonds in an amount sufficient to provide funds for the redemption of such unredeemed bonds as have been outstanding for 50 years, the proceeds of the sale of which refunding bonds shall be used solely for the purpose of calling and paying such bonds and coupons so refunded. The refunding bonds shall be of like tenor as those refunded, and shall be payable only from the moneys available for such purposes in the State Forestry Department Account. The bonds shall show by indorsement thereon that their legality has been approved by the Attorney General of Oregon. [Amended by 1957 c.83 §18]

530.170 Disposition of revenues from lands acquired under former statute. Revenues from lands acquired by the state pursuant to section 5, chapter 478, Oregon Laws 1939, shall be disposed of as provided by law at the time of such acquisition; provided that the county court or board of county commissioners of any county from which such lands were acquired may, by resolution duly made and entered, and delivery of a certified copy thereof to the board, elect to have such revenues disposed of as provided in subsection (1) of ORS 530.110. [Amended by 1957 c.83 §19]

FOREST REHABILITATION ACT

530.210 Definitions for ORS 530.210 to 530.300. When used in ORS 530.210 to 530.300, unless the context clearly would be otherwise:

(1) "Bonds" are the general obligation bonds of the State of Oregon issued pursuant to Article XI-E, Oregon Constitution.

(2) "Forest land" is any land suitable for the production of forest crops. [Amended by 1955 c 115 §1]

530.220 Oregon Forest Rehabilitation Act. ORS 530.210 to 530.300 shall be known as the Oregon Forest Rehabilitation Act.

530.230 Board to sell bonds; limitation on issues. The board may sell bonds in such denominations as in its judgment will be most marketable, for the purpose of raising funds to meet the requirements of ORS 530.240. Such bonds shall be sold in lots, from time to time, as may be required; but the annual issue shall not exceed $750,000.

530.240 Use of revenue from bond sales. The moneys arising from the sale of each issue of bonds shall be paid into the State Treasury and credited to the State Forestry Department Account and shall be used exclusively for the rehabilitation, reforestation, management and development of state-owned forest lands and the acquisition of lands for said purposes. Moneys acquired under ORS 530.230 shall be in addition to and not in lieu of moneys regularly appropriated or otherwise made available to the board for the administration, management and protection of state forest lands. [Amended by 1957 c.83 §20]

530.250 State Forester to rehabilitate state forest lands; assistants, equipment and contracts; board to make rules. (1) The State Forester, under the direction of the board, shall rehabilitate, reforest and develop state-owned forest lands so as to secure the highest permanent usefulness to the whole people of the state. In the management and control of such land, the State Forester may employ assistants and such other help as in his judgment may be necessary and may purchase machinery, equipment and supplies required to accomplish the purposes hereof. He may enter into any and all contracts, in the name of the board, deemed necessary for the rehabilitation, reforestation and development of said lands.

(2) The board shall carry out the provisions of ORS 530.210 to 530.300 and may promulgate such rules and regulations and do any other act or thing necessary to meet fully the requirements of such sections.

530.260 Bonds; terms, redemption and refunding thereof. (1) The Attorney General, at the request of the board, shall prepare a form of interest-bearing bond of the State of Oregon containing the necessary covenants and conditions to carry out the purposes of ORS 530.210 to 530.300. All bonds issued under authority of ORS 530.230 shall bear interest payable semiannually at such rates, not exceeding four percent per annum, as the board, with the approval of the State Treasurer, may deem advisable.

(2) The bonds shall be numbered consecutively beginning with the number one, and shall be payable in the order of their issuance, upon dates fixed by the board; provided that the maturity date shall be not less than six months nor more than 25 years from the date of issue. In the discretion of the board the bonds may be issued subject to the right of optional redemption for retirement or refunding prior to the date of maturity fixed by the instrument as provided in ORS 286.040; but, if the bonds affected are owned wholly by the state, they may be redeemed pursuant to service by the board upon the State Treasurer, of written notice of intended redemption, without publication of such notice.

(3) The bonds may be converted into registered bonds in the manner in which other state bonds are so converted. The bonds and the appurtenant coupons shall be negotiable in form and shall embody an absolute and unconditional promise of the State of Oregon to pay the principal and interest thereof in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts within the United States.

(4) The bonds shall be signed by the Governor, Secretary of State and the State Treasurer, unless otherwise executed as provided in ORS 286.050. The bonds shall bear coupons evidencing the interest to become due thereon for each instalment. Upon each coupon shall be printed the facsimile signature of each of the above-named officers whose name appears on the bond.

(5) Refunding bonds of like tenor to those refunded may be issued and sold in a like

manner and under the same conditions as the original issue.

(6) Not less than 20 days before due date for the payment of the principal or interest on any bonds issued under ORS 530.210 to 530.300, the board shall prepare and submit to the State Treasurer, for verification, a claim duly approved by the board in an amount sufficient to meet the payment thereof, and upon verification, the board shall present the claim to the Secretary of State for audit in a like manner as other claims against the state are audited. The Secretary of State thereupon shall issue a warrant, drawn on the State Treasurer for payment of such claim, payable out of any moneys provided by law for the payment thereof. All bonds and interest coupons surrendered to the State Treasurer upon payment shall be retained and then destroyed as provided in ORS 288.120. [Amended by 1975 c.462 §15]

530.270 Selling the bonds. (1) The board, with the approval of the State Treasurer, shall provide such method as it may deem necessary for the advertisement of each issue of bonds before they are sold and shall require a sufficient deposit with each bid as the board may deem adequate to insure the fulfillment of such bids. The advertisement shall contain a provision to the effect that the board, in its discretion, may reject any and all bids made in pursuance of such advertisement. In the event of such rejection the board is authorized to re-advertise for bids, in the form and manner herein set out, as many times as, in the judgment of the board, may be necessary to effect a satisfactory sale.

(2) The bonds may be sold by the board to the state either in registered or coupon form without advertisement thereof for public sale, at such interest rate or rates not exceeding an effective rate of four percent per annum payable semiannually and at such price, not less than herein specified, as shall be agreed upon between the board and the State Treasurer.

(3) The bonds shall be sold for a price not less than 98 percent of the par value and the full amount, if any, of the accrued interest thereon to the date of delivery. The state shall not pay any brokerage fees, commissions or other charges for the preparation of proceedings for or for the financing or underwriting of the bonds; but such limitations shall not preclude the payment of reasonable compensation to licensed attorneys for the furnishing of written opinions as to the regularity thereof or as to the validity or legality of the bonds.

530.280 Sinking fund account; composition, disbursement and investment. (1) There hereby is created a sinking fund account to provide for the payment of the principal and interest of all bonds issued pursuant to the provisions of ORS 530.210 to 530.300. The fund shall consist of the following:

(a) All moneys derived from taxes levied under ORS 530.290; and

(b) All moneys derived from the sale, exchange or use of land acquired pursuant to ORS 530.240; and

(c) Except as provided in ORS 530.115, all moneys received from the disposal of forest products created through expenditures of moneys available under the Oregon Forest Rehabilitation Act for reforestation.

The moneys referred to in paragraphs (a) to (c) of this subsection shall be set aside for sinking fund purposes until the issues of bonds which provided funds for such reforestation have been retired. The State Forester shall designate and keep records of the area of land on which the funds from particular issues of bonds have been expended for such reforestation.

(2) Disbursement from the sinking fund shall be made, for the purposes stated, upon the submission of duly verified claims, approved by the board, to the Secretary of State, who shall audit the same in the manner that other claims against the state are audited. The Executive Department thereupon shall draw a warrant on the State Treasurer against the fund. The money in the sinking fund may be invested as provided in ORS 293.701 to 293.776. [Amended by 1955 c.115 §2, 1957 c.83 §21; 1967 c.335 §52; 1969 c.428 §4]

530.290 Taxes to be credited to sinking fund account. Each year the Department of Revenue shall ascertain and take into consideration, subject to the limitation imposed by Article XI-E, Oregon Constitution, the amount of revenue necessary to meet the requirements of ORS 530.280. Such levy shall be apportioned, certified to and collected by the several counties as required by law for the apportionment, certification and collection of other ad valorem property taxes for state purposes. All moneys collected for the purposes set out herein shall be remitted to the State Treasurer and shall be credited to the

sinking fund account created and established under ORS 530.280.

530.300 [Amended by 1955 c.115 §3; repealed by 1969 c 428 §5]

ELLIOTT STATE FOREST; COMMON SCHOOL FOREST LANDS

530.410 [Amended by 1955 c.121 §1; repealed by 1957 c.240 §10]

530.420 [Repealed by 1957 c.240 §10]

530.430 [Amended by 1953 c.76 §2; 1955 c 121 §2; repealed by 1957 c.240 §10]

530.440 [1955 c.121 §3; repealed by 1957 c.240 §10]

530.450 Withdrawal from sale of Elliott State Forest. Any lands in the national forests on February 25, 1913, selected by, and patented to, the State of Oregon, for the purpose of establishing a state forest, hereby are withdrawn from sale except as provided in ORS 530.510. The state forest shall be known as the Elliott State Forest. [1957 c.240 §1]

530.460 Lands suited for growing forest products to be designated Common School Forest Lands and withdrawn from sale. (1) The Division of State Lands and the State Board of Forestry shall designate and set aside those lands owned by the State of Oregon, under the jurisdiction of the division, which are primarily suited for the growing of timber and other forest products.

(2) The state-owned lands shall be designated and set aside pursuant to ORS 530.470 and 530.480, and when so designated and set aside, shall be known as the Common School Forest Lands and hereby are dedicated for the primary purposes stated in subsection (1) of this section and shall be withdrawn from sale except as provided in ORS 530.450 to 530.520. [1957 c.240 §2; 1967 c.396 §5]

530.470 Determination of lands to be designated Common School Forest Lands. (1) Periodically as is necessary, the Division of State Lands and the State Board of Forestry shall proceed to designate and set aside Common School Forest Lands as rapidly as forestry data and information are obtained from field examinations of the lands eligible for dedication under ORS 530.450 to 530.520.

(2) Any lands so designated and set aside may, at any time, be returned to their original status by similar actions of said agencies, if said lands are to be used for higher and better use for the general public, including the sale of said lands where lawful. [1957 c.240 §3; 1967 c.396 §6]

530.480 Legal descriptions of lands; resolutions of State Land Board and State Board of Forestry. 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 Division 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. [1957 c.240 §4; 1969 c.594 §58]

530.490 Management, control and protection of Common School Forest Lands and Elliott State Forest; easements. (1) Notwithstanding the provisions of any other law, or authority granted thereunder, after the 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 said 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 said 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 forest lands 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 Division 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 Division of State Lands.

(3) The authority granted the State Forester in this section shall not supersede the authority of the Division 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 division therefor shall be excepted from the provisions of ORS 530.520; provided, however, the division 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. [1957 c.240 §5]

530.500 Authority of State Forester in management, protection, utilization and conservation of lands and waters. In order to accomplish the purposes of ORS 530.490, the State Forester may:

(1) Protect the lands from fire, disease and insect pests, cooperate with the counties and with persons owning lands within the state in such protection and enter into all agreements necessary or convenient therefor.

(2) Sell forest products from the lands and execute contracts thereby required.

(3) Permit the use of the lands for other purposes, including but not limited to fish and wildlife environment, landscape effect, protection against flood and erosion, recreation and production and protection of water supplies when such use is not detrimental to the purpose for which such lands are dedicated.

(4) Contract with other governmental bodies for the protection of water supplies to facilitate the multiple use of publicly owned water supplies for recreational purposes as well as a source of water for domestic and industrial use.

(5) Grant permits and licenses on, over and across the lands.

(6) Reforest the lands and cooperate with persons owning timberlands within the state in such reforestation, and make all agreements necessary or convenient therefor.

(7) Do all things and make all rules and regulations, not inconsistent with law, necessary or convenient for the management, protection, utilization and conservation of the lands.

(8) Require such undertakings as in his opinion are necessary or convenient to secure performance of any agreement authorized in ORS 530.450 to 530.520. [1957 c.240 §6; 1959 c.141 §2; 1967 c.396 §7; 1969 c.194 §1]

530.510 Exchanges of land. 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) The State Land Board and the State Board of Forestry shall, each separately, approve such exchanges by resolutions of the respective boards; and

(3) 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 Division of State Lands.

(4) 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. [1957 c.240 §9; 1959 c.141 §5; 1967 c.396 §8; 1969 c.194 §2; 1969 c.594 §59]

530.520 Disposition of receipts; manner of paying administrative expenses. (1) Excepting receipts from the easements and leases designated in subsection (3) of ORS 530.490, 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 Division 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, hereby is established as a separate fund in the State Treasury. 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 Division 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 Division 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 paragraph (a) of subsection (2) of this section and in which the Common School Fund has a vested interest, showing the amount of that interest. [1957 c.240 §7; 1967 c.421 §203; 1975 c.614 §19; 1977 c.167 §1]

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Thomas G. Clifford, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,
October 1, 1977.

Thomas G. Clifford
Legislative Counsel

CHAPTER 531
[Reserved for expansion]