

July 24, 2025

The Honorable Tobias Read Secretary of State 900 Court Street NE Salem, OR 97310

RE: Senate Bill 5521

Dear Secretary Read,

Today I am signing Senate Bill 5521, which provides the budget for the Oregon Department of Forestry (ODF). I want to take this opportunity to share the direction I am giving the agency on the administration of a portion of the budget related to the Private Forest Accord (PFA).

Package 801 provides \$6 million to ODF for the administration of the PFA effort to submit a consensus Habitat Conservation Plan (HCP) to the federal agencies charged with administering the Endangered Species Act. This one-of-a-kind effort by the State of Oregon, conservation organizations, and private forest landowners is well underway, and I appreciate the legislature's attention to this work. We cannot abandon this effort.

Of that \$6 million provided, \$3.1 million is intended for the next round of research projects at the Institute of Natural Resources (INR) and \$2 million is intended for additional grants in the Small Forestland Investment in Stream Habitat (SFISH) fund. I understand that as of the end of the 2023-2025 biennium, approximately \$2.8 million remains available from prior funding authorizations and will be used to continue research projects already being administered by the INR in support of the PFA.

Completing and submitting Oregon's HCP application that will meet requirements of the federal Endangered Species Act is a critical next step for ODF after a long engagement process with the PFA authors, interested parties, and constituencies. All allocated funding must support this effort before funds are applied to other PFA-related initiatives.

Honorable Tobias Read July 24, 2025 Page 2

With this in mind (and given that \$2.8 million is already available for research related activities), I am directing ODF to hold the new allocations of \$3.1 million targeting additional research projects and the \$2 million for grants covered by the SFISH program until the HCP application is completed and submitted for review by the federal government. When that occurs, ODF should consult with my office on the timing and sequence for moving forward with the expenditures for these programs. That discussion can be accelerated if ODF finds a clear and present need for releasing a portion of the funds in order to directly support the completion of the state's HCP application.

Sincerely,

Governor Tina Kotek

cc: Speaker of the House Julie Fahey

Senate President Rob Wagner

TK:smg