An Act

ENROLLED SENATE BILL NO. 1186

By: Boggs of the Senate

and

Hilbert of the House

An Act relating to the Eastern Redcedar Management Act; amending 2 O.S. 2011, Sections 18-401, 18-402, 18-404, 18-406, 18-407, as amended by Section 19, Chapter 304, O.S.L. 2012 (2 O.S. Supp. 2017, Section 18-407), and 18-408, which relate to short title, purpose of act, board duties, authority to remove Eastern Redcedar trees, the Eastern Redcedar Revolving Fund, and contributions by taxpayers; modifying the title of the act; clarifying statutory language; requiring the Department of Agriculture, Food, and Forestry to create a directory; eliminating the Eastern Red Cedar Registry Board and registry; modifying the name of the Eastern Red Cedar Revolving Fund; repealing 2 O.S. 2011, Sections 18-403 and 18-405, which relate to the Eastern Red Cedar Registry Board, and support for the Eastern Red Cedar Registry Board from the Department of Agriculture, Food, and Forestry; and providing an effective date.

SUBJECT: Eastern Redcedar Management Act

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 2 O.S. 2011, Section 18-401, is amended to read as follows:

Section 18-401. Sections $\frac{3}{18-401}$ through $\frac{9}{18-408}$ of this act title shall be known and may be cited as the "Eastern Red Cedar Registry Board Redcedar Management Act".

SECTION 2. AMENDATORY 2 O.S. 2011, Section 18-402, is amended to read as follows:

Section 18-402. It is the intent of the Legislature to:

1. Create the Eastern Red Cedar Registry Redcedar Directory;

2. Provide for a registry directory for Eastern Red Cedar Redcedar trees in the state, including but not limited to the location, ownership, level of infestation, and average size of the trees;

3. Promote the harvesting of Eastern Red Cedars <u>Redcedars</u> through issuance of harvesting permits, membership <u>registration</u> in the registry, <u>directory and</u> a property owner and harvester information exchange, and maintenance of state harvesting records; and

4. Promote marketing, research and education efforts concerning the Eastern Red Cedar Redcedar tree and Eastern Red Cedar Redcedar products.

SECTION 3. AMENDATORY 2 O.S. 2011, Section 18-404, is amended to read as follows:

Section 18-404. A. The Eastern Red Cedar Registry Board Oklahoma Department of Agriculture, Food, and Forestry shall consult with the Oklahoma Conservation Commission and the United States Department of Agriculture Natural Resources Conservation Service to establish procedures and standards and oversee the following:

1. The administration of the Eastern Red Cedar Registry <u>Redcedar directory</u> for Eastern Red Cedar <u>Redcedar</u> trees in the state. Private landowners in the state may register the location of their property, the level of infestation of Eastern Red Cedar trees on the property, and average size of the trees on the property. The <u>Board Department</u> shall develop and implement <u>an application and</u> <u>registration process</u> <u>a directory</u> for landowners;

2. Promote the harvesting of Eastern Red Cedar <u>Redcedar</u> trees. Persons or entities involved in the harvesting of Eastern Red Cedar <u>Redcedar</u> trees or the manufacturing of products from Eastern Red <u>Cedar</u> <u>Redcedar</u> trees may <u>apply for registration</u> <u>register</u> with the <u>Board</u> <u>Department</u>. The <u>Board</u> <u>Department</u> shall develop and implement <u>an application and registration process</u> <u>a directory</u> for harvesters and manufacturers;

3. Maintain harvesting records of Eastern Red Cedar trees in the state;

4. Promote the development of new uses and markets for Eastern Red Cedar Redcedar trees and Eastern Red Cedar Redcedar products;

5. <u>4.</u> Promote marketing, research and education efforts concerning the Eastern Red Cedar Redcedar tree and Eastern Red Cedar Redcedar products;

6. <u>5.</u> Cooperate with any local, state, regional, or nationwide organization or agency engaged in work or activities consistent with the objectives of the Eastern Red Cedar Registry Board Redcedar Management Act;

7. 6. Assist communities located in any county in the state to organize and establish community-owned Eastern Red Cedar Redcedar projects in the community and to recruit and locate private for-profit Eastern Red Cedar Redcedar businesses in the community including but not limited to harvesting operations, biofuel plants, cedar oil manufacturing facilities, or other cedar product manufacturing facilities. The Board Department shall assist in securing financing, infrastructure and other resources. The Board Department shall also provide direction and assistance to the community-based projects and individually owned businesses on steps to take in order to qualify for existing sales tax credits and income tax credits;

8. 7. Provide a process for the transfer of donated Eastern Red Cedar Redcedar trees from landowners registered with the Board to registered harvesters and manufacturers listed in the Department's directory; and

9. Establish a limit on the number of acres of private property and the number of harvesters that may be registered on the registry during a calendar year; and $\frac{10.8}{Red}$ Take any other actions necessary to implement the Eastern Red Cedar Registry Board Redcedar Management Act.

B. The Board Department and all landowners and harvesters registered with the Board shall comply with all applicable provisions of Article 16 of Title 2 of the Oklahoma Statutes, known as the Oklahoma Forestry Code, when managing and harvesting Eastern Red Cedar Redcedar trees.

C. The Board shall annually elect a chair from among the members. The Board shall meet regularly, but in no case shall it meet less than one time per calendar quarter, and shall meet at any other times as called by the chair, or upon request of three or more members of the Board.

D. Upon the availability of funds, the Board shall prepare an annual report of all activities for each fiscal year. The annual report shall be filed with the Governor, Speaker of the House of Representatives, and the President Pro Tempore of the State Senate.

SECTION 4. AMENDATORY 2 O.S. 2011, Section 18-406, is amended to read as follows:

Section 18-406. A. Eastern Red Cedar Redcedar trees removed from lands owned by any state agency or any person or entity with authority to remove the trees from state-owned lands may be provided to harvesters registered with the Eastern Red Cedar Registry Board listed in the Oklahoma Department of Agriculture, Food, and Forestry's directory in a manner consistent with law Section 16-57 of this title.

B. A state agency may cooperate with the Eastern Red Cedar Registry Board to issue permits to registered harvesters to allow the harvesting of Eastern Red Cedar trees on land owned by the state agency.

SECTION 5. AMENDATORY 2 O.S. 2011, Section 18-407, as amended by Section 19, Chapter 304, O.S.L. 2012 (2 O.S. Supp. 2017, Section 18-407), is amended to read as follows:

Section 18-407. There is hereby created in the State Treasury a revolving fund for the Eastern Red Cedar Registry Board Redcedar Management Act to be designated the "Eastern Red Cedar Redcedar Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Board Oklahoma Department of Agriculture for the Eastern Red Cedar Registry Board, Food, and Forestry from the state income tax checkoff as provided for in Section 18-408 of this title, the special license plate issued pursuant to Section 1135.5 of Title 47 of the Oklahoma Statutes, any state-appropriated funds, federal funds, donations, grants, contributions, and gifts from any public or private source. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Board of Agriculture as directed by the Eastern Red Cedar Registry Board Department for the purposes set forth in the Eastern Red Cedar Registry Board Redcedar Management Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

SECTION 6. AMENDATORY 2 O.S. 2011, Section 18-408, is amended to read as follows:

Section 18-408. A. Each individual taxpayer required to file a state income tax return who desires to contribute to the Eastern Red Cedar Redcedar Revolving Fund, as created in Section \$ <u>18-407</u> of this act <u>title</u>, may designate the contribution on the appropriate income tax form. The contribution may not increase or decrease the income or liability of the taxpayer and may be made by reducing the income tax refund of a taxpayer by the amount designated or by accepting additional payment from the taxpayer by the amount designated, whichever is appropriate.

B. 1. The Oklahoma Tax Commission shall include on each state individual income tax return form for tax years beginning after December 31, 2010, an opportunity for the taxpayer to donate for the benefit of the Eastern Red Cedar Redcedar Revolving Fund. The instructions accompanying the income tax form shall be provided to the Oklahoma Tax Commission by the Eastern Red Cedar Registry Board Oklahoma Department of Agriculture, Food, and Forestry and shall contain a description of the purpose for which the Eastern Red Cedar <u>Redcedar</u> Revolving Fund was established and information on the use of monies from the income tax contribution.

2. Taxpayers who are entitled to refunds shall have the refunds reduced by the amount designated by the taxpayer. The Oklahoma Tax Commission shall annually determine the total amount designated plus the amount received in excess payments and shall report the total amount to the Office of the State Treasurer. The State Treasurer shall credit the total amount to the Eastern Red Cedar Redcedar Revolving Fund created in Section $\frac{8}{18-407}$ of this act title at the earliest possible time.

C. The incremental cost of administration of contributions shall be paid out of the fund to the Oklahoma Tax Commission from amounts received pursuant to this section before funds are expended for the purposes of the fund.

SECTION 7. REPEALER 2 O.S. 2011, Section 18-403, is hereby repealed.

SECTION 8. REPEALER 2 O.S. 2011, Section 18-405, is hereby repealed.

SECTION 9. This act shall become effective November 1, 2018.

Passed the Senate the 6th day of March, 2018.

Presiding Officer of the Senate

Passed the House of Representatives the 3rd day of April, 2018.

Presiding Officer of the House of Representatives

OFFICE OF THE GOVERNOR

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