



Oregon

Theodore R. Kulongoski, Governor

Department of State Lands

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January 22, 2009

State Land Board

Theodore R. Kulongoski

Governor

2008 Grazing Fee Advisory Committee

Kate Brown

Secretary of State

Re: Committee's Recommendation to Change Fee Formula

Ben Westlund

State Treasurer

Dear Committee Member:

I would like to thank you for participating as a member of the 2008 grazing fee advisory committee. I appreciate your interest as well as the time you invested over a period of several months in attending meetings, reviewing material submitted, and the many conversations with fellow committee members to arrive at a consensus to increase one factor of the grazing fee formula.

After review of the project file, I have decided to support the committee's recommendation of increasing the monthly calf weight gain from 30 to 35 pounds. Furthermore, after review and consideration of the supportive material gathered throughout the process, I have also decided to propose an increase in the state share of the fee from 20 to 25 percent. Therefore, I am proposing the Department adopt the following fee formula:

calf weight gain per month (35 lbs) x marketable calf crop (80 percent) x state share (25 percent) x average weighted calf price = Rate Per AUM

In order to implement these changes, the Department must first change the existing fee formula. The formula is stipulated in Oregon Administrative Rule 141-110. This section of the administrative rules governs how the Department manages the livestock-grazing program. A Technical Advisory Committee (TAC) must also be convened to review the draft rules and provide comment to the Department. I understand you have accepted the invitation to participate on the TAC for the proposed grazing rules.

Staff has prepared a draft revision of the grazing rules. For your convenience, I have attached a copy of both the revision and existing rules for your review. Because we anticipate Land Board approval of these rules in June 2009, please provide any comment you may have on the draft rule to the Eastern Region office by February 20, 2009.



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Thank you again for your time and interest in managing Oregon's Common School Trust Lands. If you have questions relating to management of the Department's grazing program, the proposed rules, or the TAC, please contact either Steve Purchase at (503) 986-5279, steve.purchase@state.or.us; or Nancy Pustis at (541) 388-6355 nancy.pustis@state.or.us.

Sincerely,

A handwritten signature in cursive script that reads "Louise Solliday".

Louise Solliday
Director

Enclosures: Draft OAR 141-110
OAR 141-110