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March 11, 2015

Testimony to Support SB 248

Senate Committee on Environment and Natural Resources The Honorable Chris Edwards, Chair 900 Court St. NE, Room 347 Salem, Oregon 97301

Chair Edwards and Members of the Committee:

For the record, I am Rex Storm, Forest Policy Manager for Associated Oregon Loggers, Inc., located in Salem, Oregon. I speak on behalf of the statewide trade group's 1,000 member companies. These companies engage in forest contract operations, including: harvest, transportation, construction, reforestation, resource maintenance, protection, firefighting, timber purchases, and professional services.

I am here today to offer support for SB 248, as the bill clarifies an additional method that would be useful for the Oregon Dept. of Forestry to sell timber from State Forest lands. This additional method—referred to as "log sort sales"—could help foster improved revenue production for counties, taxing districts, and the Oregon Department of Forestry (ODF).

Support Purpose of the Bill

SB 248 would clarify in ORS 530 and ORS 279A that the contracting code exemption also applies to timber sale-related contracts for individual forestry activities, including: harvesting, log sorting, loading, hauling, roading, and affiliated actions.

Reasons for Support of SB 248

- Authorization of "log sort sales" of timber from State Forests would be a market benefit to small-business forest contractors. The addition of sort sales offers more options for forest contractors, as ODF would become an additional customer offering to hire the contractor's services.
- While the Bill could potentially make some improvement in revenue received from a minority of timber sold by the "log sort" method, ultimately the greatest means to improve revenues from State Forest timber sales would be to increase the volume sold.
- The Oregon State Forest timber sale program has a proven track record of over 70 years, of successful exemption from the burden of the public contracting code. The exemption should be extended to the individual activities of State Forest timber sales.
- State Forester is qualified, capable and willing to accept this new "log sort" authorization to contract the specific activities necessary for sale of timber from State Forest lands.

We urge the Committee to pass SB 248. Thank you for your consideration.