



## **HB 2659 Supporting a Change to Smart Forest Management Incentives**

House Committee on Natural Resources – Josie Koehne – 3.25.2019

I speak to you today as both a member of the Tax Fairness Oregon Steering Committee and as a small woodlot owner. HB 2659 does not intend to change small woodlot owners' tax incentives – it leaves the Small Tract Forestland program as is, and is focused on changes for large forest owners with 5000 acres or more.

HB 2659 will remove the property tax exemptions for standing plantation timber, large logging and log yarding equipment and add certain logging roads back into the tax assessment rolls. Thirty percent of the new tax revenue from the expenditure savings will go into a county fund to be used exclusively for afforestation, reforestation, natural forest farm practices, sustainable harvesting and other alternatives to clearcutting to help reduce the effects of climate change. The other 70% of funds would be distributed to local taxing authorities for such purposes as schools, city and county services and fire protection.

Drastic measures are needed now to reduce greenhouse gas emissions in Oregon. The timber industry accounts for the greatest carbon emissions in the state, greater than for transportation, according to the research conducted by my colleagues on the panel and others. I believe this bill takes the right approach by de-incentivizing clear-cutting and incentivizing the conservation and restoration of natural and semi-natural forestland.

My husband and I own a small 40-acre mixed species woodlot near Hagg Lake surrounded by extensive Doug fir tree plantations and clear-cuts within a few miles of an active logging mill. We have been trying to follow the sustainable practices started by the previous owners who planted acres of native tree species including Willamette Valley Ponderosa pine, red cedar, Doug fir near native alder and ash to repair the land that had previously been trampled by horse and cattle farming (first photo). We have a land management plan in place, having consulted with the state forester, and two wildlife consultants. We have added Oregon oak, cedar and noble fir. We are actively lifting trees and removing blackberries, scotch broom and thistle manually every year to avoid the use of herbicide and pesticides. This bill incentivizes such woodland use, rather than taxing us more if we do not plant timber trees, harvestable within a marketable timeframe.

We are seeing positive results. In the eight years we have lived here, we have seen an increasing number of wildlife on our land. The loss of natural habitat from recent clear-cutting by our neighbors has forced a small herd of elk into an increasingly narrow corridor along our property to get access to summer fields down by the lake. We are also seeing an increase in duck on our pond, not just mallards, but wood duck, bufflehead, hooded mergansers, heron, quail, grouse and several raptor species. We have even seen a bobcat. This bill would encourage natural habitat protection and preserve tax benefits of the Small Tract Forestland program for small woodlot owners.

Not only do clear-cutting operations and the all-at-once removal of large number of young monoculture timber trees have a negative impact on carbon sequestration as compared to the same acreage in more mature natural mixed forest, but water, soil, fire-resistance, the heating of the land and loss of habitat have long term effects on wildlife and the land's natural ability to recover.

While everyone understands that timber and wood products are vital to Oregon's economy, when we harvest without regard to the soon-to-become irreversible impact on the climate of the entire planet, it is urgent that our legislators respond to these imperatives by making sure our tax breaks incentivize best

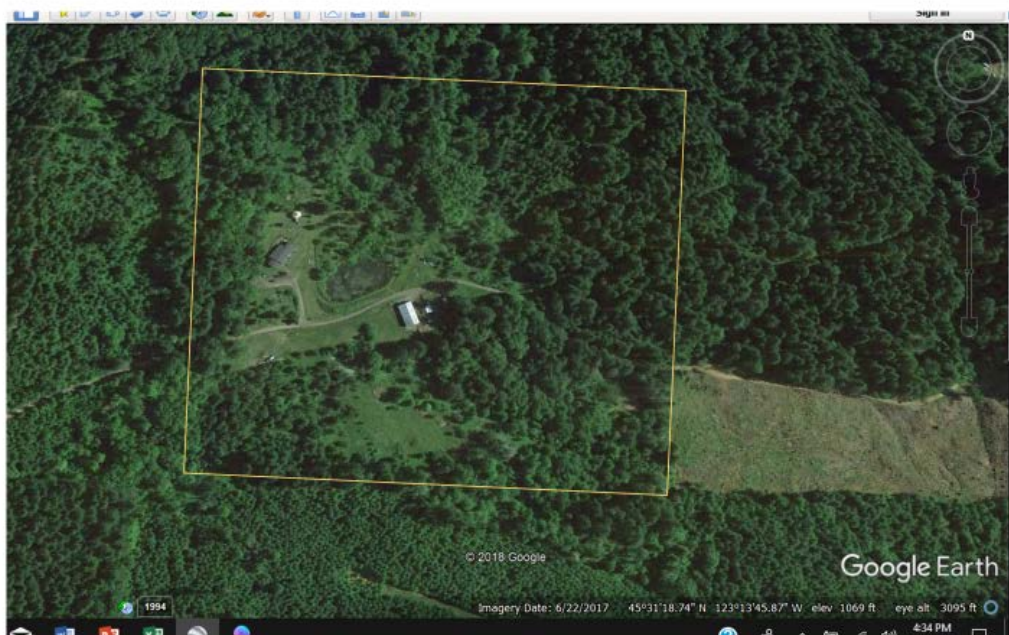
practices for sustainable growth. Trees can be harvested more sustainably, although less profitably for the high carbon-emitting timber industry. Prices may increase for wood products. But the industry will survive, as the demand is ever-increasing. The small tax increase will not put the timber industry out of business.

I urge you to act immediately to ensure the long-term protection of natural forests by preferential tax incentives for smart forest management practices. Continuing to give tax breaks for forest destruction to a powerful, special interest industry is more than short-sighted; it assures our own demise. We urge you to do the right thing for our environment in the best interest of Oregon and the planet by passing HB 2659.

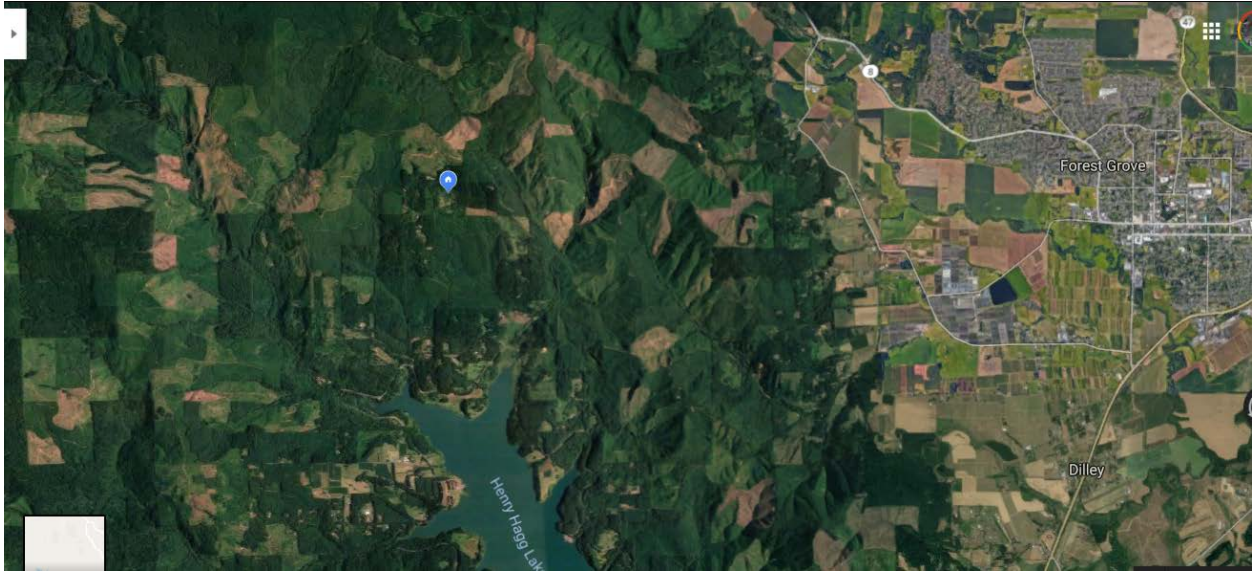
Our land in 1994 after cutting and overgrazing:



Our land in 2018 with reforestation and maintenance:



Google Earth map in 2019 (Squares are 40-acre lots) with recent clear cuts nearby east and north of our property.



*We read the bills and follow the money*