

The Honorable Brad Witt  
House Committee on Natural Resources  
State Capitol  
Salem, OR 97310

March 12, 2019

Re: House Bill 2659

Thank you, Chair Witt, members of the committee, my name is Brennan Garrelts. I am here today to testify in opposition to HB 2659.

As a rural Oregonian with 15 years of professional forestry experience managing both federal and private timberland, I can attest that HB2659 will result in many unintended consequences for Oregon's forest and creates a lose/lose situation for all Oregonians.

Advocates for HB2659 are using this bill to end logging and productive forest management; claiming that industrial landowners willingly degrade forest ecosystems and fresh water, which cost Oregonians millions of dollars. The truth is that forestland owners in Oregon take great care to sustainably manage and protect all forest ecosystem services within our forestland. If this bill is enacted forest owners will face mounting economic pressure to convert timberland to other uses in search of a better return on their investment.

The economic viability of private working forests depends on tax provisions that recognize that growing trees is unlike any other business or investment. Timberland stewardship is uniquely long term, and our business decisions are driven by the fact our investment cycles take decades before they are realized. Depending on a multitude of variables, our trees take between 30 and 80 years to mature, which is an investment horizon unlike most other agriculture-based investments. This means we won't see a return on the capital investment of the tree seedlings we are planting today for multiple decades. Long after many of us are gone.

Timber is taxed like all other crops in Oregon and your predecessors designed this to ensure that it promotes responsible stewardship and encourages forestland owners to keep forest as forest. Forest landowners already pay into three significant tax pools. We pay property taxes on the land we own, we pay a harvest tax for the trees we cut, and we pay income taxes on the profits made from the harvest of the trees. These taxes apply to both small and large landowners alike and they contribute millions of dollars to both rural counties and state government. The current tax model assures that forestland owners keep forestland forested and encourages landowners to replant the next crop of trees as soon as possible which benefits all Oregonians. Thank you for your consideration.

Sincerely,



Brennan Garrelts  
Roseburg, OR