



To: Members of the House Committee on Revenue  
From: Julia DeGraw, Oregon Conservation Network  
Date: May 10, 2021

**RE: Support for HB 2357A – Reform OFRI (redirect funding).**

Dear Chair Nathanson, Vice Chairs Pham and Reschke, and members of the House Committee on Revenue,

Thank you for the opportunity to provide input on **HB 2357A**. On behalf of our thousands of members and supporters in Oregon, we would like to register the Oregon Conservation Network's strong support to reforming the Oregon Forest Resources Institute (OFRI) and redirect its funding to better use.

The Oregon Conservation Network (OCN) is coordinated through the Oregon League of Conservation Voters. OCN is a coalition of over 30 not-for-profit organizations throughout the state, united to advocate for pro-conservation legislation and to fight policies that threaten our state's natural legacy. OCN is powered by tens of thousands of Oregonians who belong to their membership organizations, the Oregon Environmental Council being one. We work to promote policies that will ensure a better Oregon for our children – and to fight policies that do not.

We at the Oregon Conservation Network urge you to pass HB 2357A out of your committee with a Do Pass recommendation because the bill reforms the controversial and outdated OFRI by redirecting over half its current budget to fund critical scientifically sound forest work, small woodlot owners, and climate-smart forest management.

Recent investigative reporting from *OPB/Oregonian/ProPublica* has made clear the need to reform the Oregon Forest Resources Institute. For three decades, this quasi state agency has used tax dollars to undermine scientific research, lobby illegally against efforts to reform Oregon's forest policies, and mislead Oregonians about the effectiveness of our forest laws in protecting critical resources like clean water and wildlife habitat.

**Serious Problems at OFRI:**

- **OFRI has been lobbying illegally**—([Oregon law \(ORS 526.650\)](#)) clearly prohibits OFRI from lobbying. Yet, OFRI has worked in recent years to lobby against climate change legislation that might impact the logging industry. In addition, they have lobbied against potential regulation at the Board of Forestry to better protect clean water in forested streams.
- **OFRI has worked to silence scientific research**—After groundbreaking forest climate research conducted by faculty at Oregon State University's College of Forestry was published in the prestigious *Proceedings of the National Academy of Sciences*, OFRI executives lobbied legislators and university officials to convince them that the research was flawed. The study's author called it an attack on academic freedom.



- **OFRI executives sat in on a private briefing from dark money group *Priority Oregon***—Public employees at OFRI participated in an election campaign briefing that featured political attack ads against Governor Brown from dark money group *Priority Oregon*.
- **OFRI’s advertising misleads Oregonians**—As an arm for the logging industry, OFRI spends tax dollars to mislead Oregonians to believe that our logging laws are strong even in the face of mounting evidence to the contrary (look no further than Corbett’s loss of a drinking water source). Oregon’s logging laws are the weakest on the West Coast and communities that rely on healthy forests for their clean drinking water have been paying the price. Even as Oregon has lost out on millions of dollars in federal grants explicitly because of our weak logging laws, OFRI ads have specifically touted how Oregon’s laws protect water quality.

These revelations make clear the need for **HB 2357A**, which would reform OFRI and dedicate a significant amount of its current funding to more pressing forest needs.

Passing HB 2357A will stop the waste of public resources by funding programs that would support sound forest management including forest pesticide regulation and monitoring; climate smart forestry; assistance to small woodland owners; and adaptive management driven by research.

OFRI is funded by a portion of the forest harvest tax (ORS 321.017). This tax is distinct and separate from the severance tax that has been a topic of conversation in the 2021 session.

The harvest tax that funds OFRI also funds various programs at the Oregon Department of Forestry. However, OFRI’s portion of the tax has been permanently authorized by the Legislature and the actual rate is set annually by OFRI’s board, which is currently controlled by large timber companies.

While the Legislature maintains oversight of the remainder of the harvest tax – and must pass legislation biannually to approve the rate – OFRI’s revenue and activities have no legislative oversight. This lack of oversight has led to many of the problems at OFRI outlined above. Fortunately, the fact that OFRI’s tax revenue is already permanently authorized means that HB 2357A can be passed and redirect funds with a simple majority vote.

#### **What Does HB 2357A Do and Where Will the Funds Go:**

1. The bill directs half of the harvest tax that currently goes to OFRI to a “Sound Forestry Practices” subaccount at the Department of Forestry to fulfill pressing, and chronically underfunded needs at the agency, specifically:
  - a. Support for climate science and climate smart forestry
  - b. Enhanced reporting and monitoring on the use of pesticides in forest operations
  - c. Adaptive management driven by research and amending forest practices over time to achieve sustainably managed forests



2. Directs additional 17% of the timber tax that goes to OFRI be dedicated to support the Committee for Family Forestlands so small woodlot owners will have needed funds to support understanding of forest practices rules and aid in practicing sustainable forestry
3. Reforms OFRI by prohibiting “generalized advertising for public education”
4. Adds a conservation representative and a fish and wildlife expert to the OFRI board

The comprehensive approach of **HB 2357A** will achieve two key things: 1) adding critical staffing and research capacity at the Oregon Department of Forestry to ensure Oregon’s forests are managed sustainably into the future; and 2) reform OFRI with more transparency and public involvement.

OFRI has demonstrated for decades that it cannot be trusted to responsibly steward public money or Oregon’s forest resources. Urgent action is needed this legislative session to reform this troubled public agency to ensure scientifically based forest management, unbiased support for small woodlot owners, and climate-smart forest management. Oregonians and our forests deserve scientifically driven management rather than allowing the timber industry to continue its outsized and undue influence in forest in Oregon.

Sincerely,

A handwritten signature in black ink, appearing to read "Julia B. DeGraw".

Julia DeGraw  
Coalition Director  
Oregon Conservation Network & Oregon League of Conservation Voters

Testimony Submitted On behalf of all the OCN Member Organizations:

1000 Friends of Oregon | Association of Oregon Recyclers | Audubon Society of Portland | Beyond Toxics | Cascadia Wildlands | Center for Biological Diversity | Central Oregon Landwatch | Climate Solutions | Engineers for a Sustainable Future | Defenders of Wildlife | The Environmental Center | Environment Oregon | Friends of Mount Hood | Friends of the Columbia Gorge | Friends of Mt. Hood | Greater Hells Canyon Council | League of Women Voters of Oregon | Native Fish Society | Neighbors for Clean Air | Oceana | Oregon Coast Alliance | Oregon Environmental Council | Oregon Physicians for Social Responsibility | Oregon League of Conservation Voters | Oregon Natural Desert Association | Oregon Land and Water Alliance | Oregon Wild | Renewable Northwest | Rogue Riverkeeper | Trout Unlimited | Tualatin Riverkeepers | Rogue Valley Audubon Society | Sierra Club Oregon Chapter | The Street Trust | Surfrider Foundation | Umpqua Valley Audubon Society | WaterWatch of Oregon | Wild Salmon Center