



Chair Nathanson, Vice-Chairs Pham and Reschke & members of the House Revenue Committee,

Thank you for the opportunity today to provide testimony **opposing HB 2357-A**. For the record, my name is Mike Eliason, I am General Counsel and Director of Government Affairs for the Oregon Forest and Industries Council, a trade association representing timberland owners and forest products manufacturers from all over Oregon. Together, our members provide for themselves, their families and nearly 60,000 other households via direct employment from our lands and manufacturing facilities.

As currently drafted, the A-engrossed version of HB 2357 would gut the funding for the Oregon Forest Resources Institute by two-thirds, redirect the very valuable landowner education work of OFRI (which to our knowledge has received no complaints whatsoever) to ODF, remove the ability for OFRI to educate the general public via advertising, add non-forest products industry members to the board of directors, and make other changes that would fundamentally subvert the mission of the institute. We urge the House Revenue Committee to reject these changes and wait for the results of the nearly complete audit of OFRI by the Secretary of State's office that will provide recommendations to the legislature to provide a higher level of clarity to the agency's mission and duties.

The Oregon legislature created OFRI in 1991 to educate the public about forestry and to teach landowners about forestry laws and practices. As stated by the legislature in ORS 526.605, "the State of Oregon recognizes that the forest products industry is one of the largest industries in the state. It provides monetary returns to labor, forestland owners, mill owners and operators, public timber purchasers, timber harvesters, investors and others. It is a source of local and state taxes. It is a major supporter of many secondary businesses that supply goods and services in our communities. The welfare of the state is therefore largely dependent on the health and vigor of the forest products industry. The Oregon Forest Resources Institute's objectives support this important industry and the wise stewardship of natural resources for the benefit of Oregonians."

Forestry is one of the largest industries in Oregon and warrants a commodity commission, just like apples in Washington and potatoes in Idaho. And make no mistake, in virtually all respects, OFRI serves as a commodity commission for the forest products industry, with funding collected as part of the Forest Products Harvest Tax paid by those who harvest timber. To say it again, and in a more straightforward way: OFRI receives NO GENERAL FUND dollars, instead it is entirely supported by those from the forest products industry, just as all of the agricultural commodity commissions are grower-supported. In reading some of the testimony submitted throughout the session on this bill, it appears that one of the fundamental misunderstandings some folks have about OFRI is the fact that OFRI actually does exist to promote the forest products industry. The purpose of commodity commissions is to educate the public about, and promote, the commodity they represent. From wine to blueberries to wheat, Oregon has over 20 commodity commissions that are nearly identical to OFRI.

OFRI also has a great partnership with Oregon's educational system and teachers. OFRI-sponsored classroom and field-forest education programs for K-12 provides unique opportunities for students that they otherwise would not have. Over 170,000 students across Oregon participated in OFRI-sponsored classroom and field-forest education programs in 2018/2019. For example, the Oregon Natural Resources Education Program at

OSU provides professional development for natural resources education to teachers across Oregon for no fee. Forests Today & Forever allows youth & adults to experiment in outdoor programs using working tree farms and managed forests. The Rediscovery Forest at the Oregon Garden gives K-12 students a place to discover the importance of our state's forests and see forest management in practice. The in-class forestry education program for elementary and middle school teachers, Talk About Trees, has been utilized to teach more than 100,000 Oregon students annually, OFRI funds K-12 in classroom and field-forest education programs, and around 1000 teachers participate in OFRI's forestry education workshops. These programs are with Title 1 schools, which serve a high percentage of families with lower incomes.

The proponents of HB 2357 appear to have been almost singularly influenced by a media story last August, which attracted questionable and unflattering media attention on OFRI, including alleging the institute overstepped its statutory prohibition on engaging in activities related to advocacy. Again, this prohibition is in sharp contrast to other commodity commissions, which are empowered to work directly with legislators on current and proposed legislation, and to represent their respective industries in policy matters. As a result of the allegations in the media story, Governor Brown requested the Secretary of State conduct a performance audit of OFRI in order to determine whether the institute is conducting activities within their statutory authority and meeting its mission to support the forest products industry.

Jumping ahead of the conclusions from the audit and radically dismantling OFRI would be incredibly irresponsible. What if the results of the audit show that on the whole OFRI is meeting its statutory direction to support the forest products industry and that what needs clarification is any vague or confusing language in the statute's outlining OFRI's authority? It would be a gross miscarriage of justice to eliminate the jobs of dedicated public employees for no reason other than a sensationalized newspaper story. This issue is not time sensitive, there is no policy argument for acting ahead of the recommendations of the Secretary of State's audit. And in fact, we hope the audit recommends some of the same changes to better align OFRI with the agricultural commodity commissions that we also believe would remove any ambiguities about OFRI's role.

Thank you for the opportunity to testify today on HB 2357. We urge a no vote.

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