

To the Chair and Committee Members

Subject: Public Hearing on two amendments for the Harvest Tax, HB 2070, submitted by Rep. Nathanson and Rep. Marsh.

I'm Nancy Webster and I represent North Coast Communities for Watershed Protection, a grassroots group with over 700 members. I grew up in Coos County on the Oregon coast during the '50s and '60s. My father worked for Weyerhaeuser as a lumber grader. He was very concerned that they were over-logging and that this was not sustainable. My mother thought that the timber companies were not paying their fair share in taxes and that the jobs they provided were becoming more and more automated. I understand now that they both were right. Weyerhaeuser always pleaded hardship as to why they could not pay more, but later we learned they had record profits.

After retiring, I returned to the Oregon coast, to Rockaway Beach. For the past ten years, my neighbors and I have watched clearcutting and pesticide spraying of the very steep, forested hillsides within the Jetty Creek watershed, the source of drinking water for Rockaway Beach. That watershed is 100 percent privately owned and managed by industrial timber companies. The Jetty Creek watershed is just one example of what is happening to our forested drinking water sources. Today, it has been severely compromised as a source for drinking water. Over the past seventeen years, about 95% of that watershed has been logged. It's reasonable to question whether the Jetty Creek watershed will be a viable water source for Rockaway Beach in the future. Those of us with NCCWP have been joined by people from other Oregon communities that also are facing similar, expensive damage to their watersheds and the consequent water insecurity. Small towns can ill afford the increased costs for additional treatment of their drinking water necessitated by the detrimental effects of industrial forestry.

After ten years of watching watersheds being extensively clearcut, resulting in seriously compromised water quality and quantity, and after being frustrated about the lack of accountability from both public agencies and private timber companies, those of us with North Coast Communities for Watershed Protection (along with others) created the Rural Citizens Timber Tax Fairness concept. We wanted to address both the issues of the lack of fair timber taxation and inadequate Oregon regulations to protect drinking water. For at least 70 years, timber companies have not been required to pay their fair share of taxes for essential Oregon county and state services. Unfortunately, our proposed tax concept did not get a floor vote in the Oregon Legislature.

It's time for a change. Although it does not address drinking water protections, HB 2070 (and both proposed amendments) would be BIG IMPROVEMENTS for the timber Harvest Tax. We support this bill and prefer Rep. Nathanson's amendment. It is time to legislate needed taxes on timber. This year timber companies are reporting record profits. Now seems like a good time to ask the timber companies to pay their fair share of taxes.

Just as sixty years ago, when my parents believed the private timber companies' industrial forestry practices were not sustainable, that they were not paying their fair share of taxes, and that they were (falsely) claiming financial hardship, all of these things still are true today. My hope is that we can learn from what happened to the Jetty Creek watershed and advocate for fair timber taxation and strong drinking water source protections so this sort of thing does not continue to happen in other communities. Our rural communities' futures depend on fair taxation and healthy forests to provide safe and abundant drinking water. Nancy Webster P.O. Box 1291; Rockaway Beach, Oregon 97136 Cell phone: 971-386-3788 North Coast Communities for Watershed Protection (formerly Rockaway Beach Citizens for Watershed Protection) is a grassroots group working through education