



Oregon Operations

6400 Highway 66 Klamath Falls, Oregon 97601  
T (541) 884-2240  
F (541) 880-5472  
[www.greendiamond.com](http://www.greendiamond.com)

February 22, 2021

Chair Witt, Members of House Agriculture and Natural Resources Committee  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

Re: Opposition to HB 2379, HB 2357, HB 2389

Chair Witt, members of the House Agriculture and Natural Resources Committee:

I write today to express Green Diamond Resource Company's opposition to several bills that seek to change the timber tax structure in Oregon.

Green Diamond Resource Company was founded in 1890 and is still privately held after five generations. The company owns and manages 2.1 million acres of timberland in the US west and south. Starting in late 2014, Green Diamond now owns 660,000 acres of timberland in Southern and Northeastern Oregon. These forests are managed sustainably to provide wood fiber to area manufacturing facilities. In addition, we manage two large Improved Forest Management Carbon projects on our Southern Oregon lands, selling carbon offsets under the California Air Resources Board (CARB) protocols. These sales provide revenue for forest health thinning and other forest management activities.

We also understand well the devastation of wildfire and the need to reliably fund both fire protection and severity resources, which seems to be one intent of these bills. Having lost an average of one percent of our forests per year over the past six years, we believe our experience is relevant to this conversation. Our biggest liability is that some 75 percent of our boundaries are shared with federal lands, which are woefully behind in thinning and other activities to clear diseased, dead trees from the land and ensure healthy forests going forward. We recognize the state's powerlessness to drive substantive change in federal forest management, but changing the timber tax structure in Oregon is not the answer.

Further, we feel strongly that timberland owners like ourselves already provide significant resources to fund wildfire readiness and suppression. Forest landowners are responsible for half of the \$22 million Oregon Forest Land Protection Fund providing aircraft, equipment and personnel to fight fires, when only two percent of wildfires are caused by logging and other forest management. In addition, forest landowners bear the majority of the cost of the state's insurance policy to protect its general fund from extreme wildfire costs. We pay a high price for fires that burn our lands, fully bearing the cost of the loss of timber and for reforestation, sometimes repeatedly in dealing with damaged soils. Since entering Southern Oregon, we have ramped up to provide significant resources to fight fire on our lands and on our neighbors'. Some 90 percent of our employees are trained to fight fire, and we are able to muster 20 pieces

of equipment. We have repeatedly put all hands on deck, taking our staff away from their everyday jobs to team up with the Oregon Department of Forestry and others to fight fires.

Finally, we believe that the Oregon Forest Resources Institute is a vital resource for the citizens of Oregon. Despite the "activist journalism" employed by the Oregonian and OPB in its 2020 story on the subject, OFRI provides careful, fact-based information in layman's terms to help Oregonians understand the forests that cover nearly half the state. From K-12 education to interpretation of complex studies for forest owners, OFRI has since its inception been above reproach in delivering information on forests. We believe all Oregonians should be proud of OFRI's work.

We urge you to oppose these onerous and misdirected tax bills, and to wait for Governor Brown's investigation to deliver recommendations regarding any needed changes to OFRI.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Davis". The signature is fluid and cursive, with a prominent initial "J" and "D".

John Davis  
VP/GM Oregon Operations