

Similar to HB 2379 - this is a bad bill - it is based on a poor understanding of forests and the forest products resulting from good stewardship. Forests provide a long term renewable resource that meets the needs of society in a sustainable manner. The term "severance tax" implies that once harvested, the forest is gone - which is at odds with the renewable nature of forests. The Forest Practices Act - and the good land stewardship practiced by the vast majority of Oregon's forest landowners, has demonstrated this fact. Forests are not like mineral deposits - they are more like agricultural crops, but with a longer timeline between harvests. This bill penalizes forest landowners, and discourages good stewardship. It will have significant negative effects over time, as forest landowners will be "dis-incentivised" in their management, and can lead to poor management practices and divestiture. The result will be increased loss of forestland to other uses, as was evidenced in the past under similar punitive taxing systems. This bill goes even further in exercising poor understanding of forests, forest growth, and forest harvest, by indexing the tax to inflation.