

Testimony on Timber Tax Fairness
Oregon House Committee on Agriculture and Natural Resources
2/25/21

Mr. Witt (Chair) and Members of the Committee: My name is John Christensen and I live in the rural area of east Multnomah County. My wife Julie and I are small woodland owners, and our land is one of the first privately owned forests in Oregon to enter into a contract with the California Air Resources Board to store carbon and sell carbon credits on the California cap and trade market. In exchange, we agree not to harvest trees for 125 years and to engage in forest practices that maximize the sequestration of carbon.

Today I want to speak in general support for bills before your committee that would restore the timber severance tax that was removed 20 years ago. This restored tax is vital for counties with large timber holdings and to protect watersheds for rural water districts. The specific provision I wish to support in any of these bills is the inclusion of incentives for longer rotation harvests of timber. I believe the Rural Citizens' Timber Tax Initiative proposes the best formula for these incentives, which is that the severance tax rates would be reduced by the following formula:

- A 50% reduction in tax for an average timber stand age of 60 years or more
- 75% reduction for an average stand age of 70 years
- And a 100% exemption in severance tax for stands greater than 80 years.

The longer trees stay in the ground, the more carbon is sequestered, providing a vital counterbalance to the greenhouse gas emissions that unfortunately will continue during these interim decades as the U.S and the world move toward a carbon free economy. Even after a carbon free economy is attained, the excess carbon debt in the atmosphere needs to be drawn down. Older forests attain a richer diversity of species with multiple layers of canopies that store more carbon, not only in the living trees themselves, but in standing and fallen dead trees and in richer soil and root systems. It is estimated that 50% of forest carbon is stored underground in the healthy soils of older forests.

There are other co-benefits that are derived from longer rotation forest harvests. These include enriched wildlife habitat and improved water quality.

So whatever bill or combination of bills to restore the forest severance tax you approve, I urge you to include these incentives for longer rotation harvests.

Trees are the lungs of our planet. If you look at a diagram of the bronchi and bronchioles of the human lung, it looks like an inverted tree, and the branching of these bronchioles is sometimes referred to as arborization. The health of the lung is dependent on the robustness of this branching system. Likewise, the health of our forests is dependent on the robustness of forest growth and complexity. If we continue to harvest our forests at a relatively young age of 40 – 50 years, we are stunting their growth. The planet is not breathing as it should. I urge you to plan now in your forest tax legislation to incentivize the practice of allowing our forests to grow to maturity.

Thank you for your time.

John F Christensen
Corbett, Oregon