

March 1, 2021

Chairman Pam Marsh and members of the Committee  
House Committee on Energy and Environment  
Salem, Oregon

**RE: OPPOSE House Bill 2674 -1 Amendments**

Chairman Marsh and members of the Committee:

My name is Sharon Waterman and our family operation in Coos County is an Oregon Century Ranch. I appreciate the opportunity to provide insights into House Bill 2674 **-1 Amendments**. These **-1 Amendments** are very concerning not only to our ranching operation but to Oregon agriculture and timber as a whole. I strongly oppose the numerous taxes on working families proposed in the **-1 Amendment**.

This past year (2020), Oregon families including those of us working ranchers, have been hard hit by the pandemic. Our commodity prices were depressed due to market disruptions caused by the pandemic. This has had a major financial impact on farming and ranching operations. The devastating 2020 wildfires and the recent ice storms have also had tremendous financial impacts to many rural Oregonians, farmers, ranchers, and timber land owners. These -1 Amendments would be of detriment to those who are just trying to survive.

Let's do a reality check. Do you understand the amount of equipment needed to operate a farm or ranch? We have multiple pieces of equipment which are all essential to run our operation. If these 48 pages of -1 Amendment pass, every tractor will have a major increase in taxes on the tires and on off-road fuel. Every piece of equipment we own which is a necessary part of our operation will be taxed more. If we need to buy a "newer" piece of equipment because our equipment is old, it will cost us more due to the taxing of businesses who sell off-road equipment. The huge issue for those of us who are at the bottom of the food chain is that we **cannot** pass on those increased costs to the buyer of our products like everyone else. Our commodity prices are **not set** by the cost to produce but by commodity markets which have no relationship to the actual cost of production. Many ranching operations such as ours are trying to pass on the family ranches and farms to the next generation but they must produce enough income to support a family. These young farmers and ranchers with young families cannot afford the additional taxing of equipment, tires, and off-road fuels that are essential to their operation.

As agriculture and timber producers, we are very carbon conscious. Everything we grow supports carbon sequestration. Why should we rural Oregonians have to pay for the problems of many urban areas that cover the earth with pavement and buildings. It is fundamentally unfair to saddle farm and ranch families with the cost of retrofitting Portland's fleets or cleaning up Portland's air.

This is an unfair, costly tax on rural Oregonians, farmers, ranchers, and timber owners. Please oppose the -1 Amendment and focus on how you can actually help producers of your food and fiber make a sustainable living off the land so the next generation can continue producing some of the safest and best food in the world.

Thank you for the opportunity to comment on this very important issue.

Respectfully,

Sharon Waterman, rancher