

Chair Golden, committee members, I'm Fergus Mclean, retired forester from Dexter.

It's fundamental scientific discoveries that drive real economic growth. The recent recognition of our forests' capacity to absorb CO2 is such a fundamental scientific discovery.

First, to address some elephants in the room:

Elephant #1: SB1546 would steal \$1 billion in carbon offset value from the Common School Fund.

This 2011 US Fish & Wildlife study shows the Elliott with 30 million tons of CO2 in 2020. One-third of that number should qualify as tradeable carbon offset credits:
http://archive.ecotrust.org/forests/Carbon_Analysis_of_Elliott_State_Forest.pdf

from Bloomberg Green Feb 2: "U.K. & European carbon permit futures rose to a fresh record high Wednesday....

EU carbon permits rose to 94.12 Euros (\$106).... The equivalent U.K. contract rose 4% to 85.95 pounds/ton (\$115)

SB1546 relies on an outdated 2017 appraisal of the Elliott, which placed no value on the Elliott's carbon, so the "Elliott Authority" will be receiving all that carbon without paying the Common School Fund any compensation.

Elephant #2: Our Supreme Court found DSL's legal advisors were mistaken about DSL's obligation to maximize Elliott revenue, thus falsifying legal arguments for decoupling the forest from the school fund.

[https://web.courts.oregon.gov/records/sccalendar.nsf/b29dd44d01dffea088256c91005b3a5b/36983ba927d48f5c882583920060fcfb/\\$FILE/SC066223_364or294BRMR.pdf](https://web.courts.oregon.gov/records/sccalendar.nsf/b29dd44d01dffea088256c91005b3a5b/36983ba927d48f5c882583920060fcfb/$FILE/SC066223_364or294BRMR.pdf)

Elephant #3: The high court found it's ultimately up to the legislature, not the Land Board, to make Elliott policy.

Elephant #4: By deceiving the Elliott Advisory Committee and this committee about the value of Elliott carbon reserves OSU has displayed unacceptable, self-serving bias. We must have an objective, current appraisal of the market value of Elliott carbon before proceeding with decoupling.

Elephant #5: The scientists who deserve responsibility for leading the team designing the research institute are Dr. Jerry Franklin and Dr. Beverly Law.

As recognized intellectual leaders in ecological forestry and forest carbon science, Drs Franklin and Law represent leadership in forest science, and are the logical choices to design the Elliott Research Institute. Please note in Dug Pollock's public hearing comments Dr Franklin's blistering critique of OSU's "research platform," which exposes OSU's Elliott research plans as non-scientific and unrelated to real public policy concerns. OSU's plan is confounded, according to Franklin, as that term is used to apply to a badly designed experiment which changes more than one variable, as OSU's plan does, gratuitously.

Acting now, in the short session, to retain the Elliott within DSL will free up funds to establish the research institute and also a parallel Oregon Forestry Academy at the Shutter Creek facility to teach Oregon schoolchildren next-generation ecological- and carbon-oriented forestry.

As Dr Franklin's 2018 college text, Ecological Forest Management, replaces earlier edition of this standard silvicultural text in forestry schools around the country and the world, the need for foresters trained in ecological and carbon forestry will be in great demand. By providing talented and committed Oregon schoolkids a headstart on acquiring these skillsets, an Oregon Forestry Academy can piggyback on cutting edge research being carried out in the Elliott to train a generation of Oregon natural resource professionals who can lead the world in this transition in the professional practice of forestry, providing jobs and transforming forest community economies.

If the Elliott remains within DSL, the \$100 million Elliott bonding funds can be repurposed by the legislature to pay for establishing both college- and pre-college, leading edge forestry training programs to meet the growing need for natural resources management professionals and provide local kids great jobs.

Our biggest policy risk is failure to seize this one-time opportunity to capitalize on Oregon's carbon wealth to drive and support the forest science which can transform forest economics.

Former Bank of England Governor Mark Carney is leading the UN-backed program to expand the global voluntary carbon offset market, but sees forest offsets as a transitory strategy to assist industries which are difficult to de-carbonize, such as insurance, in bridging the gap until fundamental carbon neutrality can be achieved. As home to one of the planet's greatest carbon sinks, we may have a limited time window to take advantage of this opportunity.

Delivering control over forest research to industry dinosaurs, as B1546 does- at this key turning point in the development of forest science- would be monumental mistake.

OSU's record in managing their existing research forests is not encouraging. No significant ecologically-oriented research has come out of their network of research forests, which have been managed as revenue-generated tree farms or sold off, amid accusations of graft in the Blodgett Research Forest. In their flagship home MacDonald-Dunn forest, OSU intentionally harassed two different nesting pairs of Spotted Owls by cutting near their nests, ignored their own management plan's provisions to harvest old growth trees, and abandoned their fundamental record-keeping system after 25 years, losing all those years of data. Not quite what one would expect from the operator of a world class research forest. Their MacDonald-Dunn forest manager remains unapologetic for cutting the 400-year old trees. OSU appears to be permanently wedded to the tree farm mentality of its founders, and extremely responsive to the wishes of the timber industry. Why OSU 's colleagues chose to slander Dr Law's ground-breaking, world-renowned work and ignore or distort Dr Franklin's work one can only speculate.