



To: Senate Committee on Finance and Revenue
Chair Beyer
Vice-Chair Boquist
Sen. Armitage
Sen. Findley
Sen. Sollman

From: Bob Van Dyk, Wild Salmon Center

Date: February 16, 2022

RE: Support for 1502 -- Private Forest Accord Conservation Tax Credit

Chair Beyer, Vice Chair Boquist, and Members of the Committee:

My name is Bob Van Dyk, and I live in Forest Grove, Oregon and work for the Wild Salmon Center.

Thank you for the opportunity to provide testimony on SB 1502, which implements a key part of the Private Forest Accord.

I was privileged to play a role in the Forest Accord as one of the fishing and conservation team at the mediation table.

Wild Salmon Center and the fishing and conservation signatories of the Forest Accord ask for your support for SB 1502.

SB 1502 creates a new Conservation Tax Credit that will be available to Small Forestland Owners, which means owners who are below a total acreage threshold (5000 acres) and are also below an average total harvest volume of 2 million board feet a year.

The Conservation Tax Credit might be most easily understood by thinking of three levels of stream protection: High, Medium, and Low. The PFA revises stream protections to move them from the current Low standard to the new High standard. All large landowners are required to follow the new High standard, which is called the “standard harvest practice.”

Because the new, high standard could create an economic burden to some Small Forestland Owners, the Forest Accord includes another level of protection, which is more than current law but less than the new standard harvest practice.

This third or “medium” level of protection is called the Small Forestland Owner Minimum Option. This “SFO Minimum Option” requires more protection than the current PFA, but not as much as the new standard practice.

And this is where the Conservation Tax Credit comes in. In order to reach the same ecological goals as the new standard harvest practice, landowners who are eligible to harvest to the SFO minimum

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can instead follow the new standard practice – the higher standard – and get a tax credit for the value of the difference between the new, high standard and the allowable medium standard.

If a landowner does take this approach, there are requirements to ensure an accurate evaluation of the value of the trees not harvested, which includes an application process and check of documentation by ODF.

In return for the tax credit, the state will receive a 50 year commitment that the trees remain unharvested in the riparian area. The bill does include some exceptions for incidental harvest in the riparian area even with the encumbrance, for things like public safety, personal firewood, and getting a family Christmas tree. There are also provisions to get out of the encumbrance by paying back the state, with interest.

I encourage you to move forward with SB 1502.