

Submitter: Fergus Mclean

On Behalf Of:

Committee: Joint Committee On Ways and Means

Measure: SB5506

Chair Sanchez, Chair Steiner, co-Chairs, Committee Members I'm Fergus Mclean from Dexter.

Thanks for the opportunity to share my suggestion for how we can save \$150 million while benefiting our schoolkids: by properly valuing the carbon in the Elliott State Forest.

Last year SB1546 was pushed through the legislature without discussion or debate, thus avoiding any questions about this badly flawed piece of legislation.

Inexplicably, OSU's Elliott plan does not include mention of the immense value of marketable stored Elliott carbon, and provides for no compensation to the Common School Fund for the value of that carbon, indicating a flagrant conflict of interest by OSU.

Let's consider the value of a carbon reserve on the most heavily timbered 60% of the forest eligible to become offset carbon credits.

200 tons of stored carbon per acre on 50,000 acres adds up to 10 million tons of carbon offsets available for sale. At a conservative \$25/ton, Elliott carbon is worth \$250 million- yet OSU is recommending this huge value of carbon be, essentially, stolen from the Common School Fund; taken without compensation.

What's worse is that, due to their dominant role in the new agency, OSU will directly benefit from their failure to properly value Common School Fund carbon assets.

The State Land Board cannot ethically and legally certify that the Elliott price is fair without at least three qualified and objective appraisals- appraisals which include the value of the Elliott's carbon.

Without certification by the Land Board before July 1 the sale cannot proceed, and the Elliott will remain the Department of State Lands, where it rightfully belongs, saving our state upwards of \$150,000,000.

Fergus Mclean