

Submitter: Jonas Newton

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure: SB1593

Chair Meek and members of the Senate Finance and Revenue Committee –

I'm writing to you today in strong opposition to SB 1593.

This bill started out as an attempt to raise our sector's harvest tax burden by nearly 650 percent to fund wildfire even though none of the revenue generated by that tax would have gone to the Oregon Department of Forestry for fire suppression.

When it became clear the concept wouldn't get enough votes to pass, it was amended to supposedly "study" the concept to provide long term funding for wildfire.

But it's crystal clear based on the language in the amendment that this isn't a true exercise in academic study. It's a heavily scripted effort to gather information that will help the bill sponsor build a case he can bring to the Legislature in 2025 to pass his severance tax concept – an outdated concept that the Legislature has repeatedly chosen for good reasons not to advance.

Not only is a severance tax an outdated and inappropriate way to tax a renewable resource (that form of a tax is meant for resources that are permanently extracted – like coal and fossil fuels – not one that is sustainably and renewably replanted and regrown like trees), a recent economic study by nationally recognized economics and accounting firm Ernst & Young concluded the forest products sector already pays 1.5 times more than other Oregon business sectors.

Wildfire affects all Oregonians and the burden of paying for it shouldn't sit squarely on the shoulders of any one sector. The forest products sector recently made very costly investments because of the Private Forest Accord legislation (2022), the full effects of which have only started to be felt. Furthermore, forest landowners in Oregon already directly pay more for fire prevention and suppression than in any other state.

Moreover – we don't need another costly study bill. In fact, we already have a study on wildfire funding that the Legislature paid \$250,000 for in 2020 – a study the bill sponsor of SB 1593 voted in favor of! We don't need to spend more of Oregonian's tax dollars to help a legislator with an anti-forestry agenda pave the way for increasing taxes on a sector that's already taxed disproportionately higher than other businesses.

Please oppose this poorly conceived bill,

Sincerely,
Jonas Newton
Lone Rock Resources
Roseburg, OR