

Chair Meek, Vice-Chair Boquist, and members of the Committee:

I am a family forest owner managing 79 acres of forest in east Multnomah County. The Eagle Creek Fire of 2017, which burned 50,000 acres in the Columbia River Gorge, forced our family, along with many others in our community, to evacuate our properties. It was only the fortuitous shift of wind from an easterly to westerly direction that saved our community from disaster.

Oregon rural communities need assistance to prepare for such wildfires in the future, which are inevitable with climate change. SB 1593 would offer fair and equitable options to provide permanent funding for wildfire programs and essential services by restoring a severance tax on the value of timber harvested in Oregon. This measure would restore a revised version of the severance tax that was discontinued in the 1990s, using the money raised to fund community wildfire resilience programs, public services for timber counties, and restoration of municipal water supplies damaged by combinations of logging and wildfire impacts. Elimination of the severance tax in the 1990s resulted in a loss of over \$3 billion that would have gone to rural communities, which have been increasingly challenged to fund critical services including fire protection and water and safety services. The unfairness of this lost severance tax has allowed Wall Street investors, who now own millions of acres of forest lands, to profit from timber harvests while paying virtually no taxes. These same corporate entities, given the current lenient timber harvest tax structure, have transitioned from a more biological model of harvesting at the maximum biological age of forests (80-100 years), which was prevalent in the 1980s, to a more financial model in which trees are logged on a 35-40 year rotation cycle. This has led to significant ecological harms, including damaged watersheds and loss of biodiversity.

The restoration of the timber harvest tax would not work a hardship on small woodland owners such as myself, since a 1% tax (for those with less than 500 acres) would be a small price to pay to fund the protective services that would benefit not only woodland owners, but all in the communities that are vulnerable to wildfires.

I would recommend that this measure include an incentive such as a reduced tax rate for those forest landowners who agree to grow trees longer. Evidence shows that doubling the rotation age of forests from the current practice of 40 years to 80 years can increase timber yields by 52% and keep an average of 53% more carbon out of the atmosphere. For about a quarter of all forestland west of the Cascades, extending rotations could produce enough additional timber to pay for itself, even considering the financial costs of letting trees stand for another 35-40 years.

I believe these are compelling reasons to pass SB 1593 and establish a work group that could fashion a fair and equitable timber harvest tax structure to present back to the legislature.

Sincerely,

John F. Christensen