

Oregon State Legislature Senate Committee on Energy and Environment 900 Court St. NE Salem, OR 97301

February 26, 2024

Re: Support for Senate Bill 1593-1, Study of a Severance Tax on Timber

Dear Chair Meek, Vice-Chair Boquist, and members of the Senate Finance and Revenue Committee,

The Sierra Club Oregon Chapter supports the -1 Amendment to SB 1593, to study the elements of the measure as introduced. We need a fair and common sense policy to fund science-backed actions for protecting homes and communities as well as firefighters during wildfires.

Increased heat and drought have been amplifying fire activity and overwhelming our fire suppression capabilities. The majority of Oregon's drinking water comes from forested watersheds. Industrial timber harvesting has resulted in decreased water flow and water quality. Densely planted, highly flammable tree farms contribute to increasing fire risk to nearby communities. Additionally, wildfire risk is affecting insurance options for homeowners in high-risk areas. SB 1593 would help solve these issues, and provide funding for counties that are struggling to provide basic services, including fire protection.

We must adjust to living with fire by directing mitigation efforts at the home and community level in order to support firefighters *before* fire comes, maintain viable insurance markets, and reduce loss. We must also address impacts to water providers across the state and ensure we have safe and ample drinking water. SB 1593 addresses both of these needs.

We ask the legislature to provide steady and sufficient funding to support Oregonians to prepare our homes and communities to be ignition resistant and survive fast-moving wildfires. Homes that are "hardened" before fire comes have a much higher chance of withstanding the embers and firebrands generated in wind-driven wildfires like those Oregon experienced in 2020. Helping community members to maintain defensible space

around their homes is another proven method to prevent harmful impacts of fires before blazes begin.

Let's invest in efforts that enable our fire departments to work directly with Oregonians to mitigate risks of home loss. By focusing from the home outwards, not the forest in, we can make Oregon fire-safe.

Millions of acres of timberlands in Oregon are owned by Wall Street investors, and with the elimination of the severance tax those landowners do not pay tax on the value of timber harvested. SB 1593 would create a graduated tax that considers the size of the timberland holdings, provides for subtraction of local taxes paid, and incentivizes climate-smarter practices. By restoring a fair value tax on harvest from industrial plantations, Oregon can fund needed wildfire programs, restore drinking water sources, support rural counties struggling to provide services, and address the impacts of industrial management on fire risk and water supplies.

We urge you to vote yes on SB 1593 and support policies like it in future sessions.

Sincerely,

Damon Motz-Storey, Director Sierra Club Oregon Chapter