



Written testimony on behalf of Alexi Lovechio, Klamath-Siskiyou Wildlands Center
Senate Committee on Finance and Revenue
Public Hearing: Senate Bill 1593
Wednesday, February 28, 2024
3:00pm

Chair Meek, Vice-Chair Boquist, and members of the Committee, thank you for the opportunity to provide written testimony in support of Senate Bill (SB) 1593 that would establish permanent funding for wildfire programs and essential services by restoring a severance tax on the value of timber harvested from forestlands in Oregon.

My name is Alexi Lovechio and I am the Climate Program Manager at the Klamath-Siskiyou Wildlands Center (KS Wild) in Ashland, Oregon. We are a forest, land and water conservation organization with over 10,000 members and supporters, many of which live in Southwest Oregon's Siskiyou and South Cascade Mountain Ranges. Our organization has expertise in forest conservation, fire ecology, climate adaptation, and forest resiliency. We work closely with many farmers, ranchers, and forestry practitioners. We are a part of several community and collaborative efforts to advance climate smart forest management and community fire protection efforts throughout southern Oregon and northern California.

We are writing to support Senate Bill 1593 and the need to secure equitable funding for fire-safe communities, public services and watershed protection. KS Wild and our members are eager to see the legislature pass SB 1593 this session.

In 2020 during the destructive Labor Day wildfires, over 5,000 homes and businesses burned, driven by wind and amplified by drought. The Almeda fire alone, in Phoenix, OR, left a 9-mile long path of destruction burning 2,800 structures in just a few hours. In total, the Labor Day Fires burned over 900,000 acres within a few days.

The fires burned even more severely on industrial timber plantations, which cover nearly 7 million acres in Oregon. As [reported](#) by the Oregonian, ProPublica and OPB, millions of acres of forest lands are owned by Wall Street investors, through REITs (real estate investment trusts), and pension funds and since the elimination of the severance tax do not pay tax on the value of timber harvested in Oregon. These industrial forestlands are managed for financial returns and are logged on a 35 – 40 year rotation cycle. These forestry practices pose significant risks and

costs to communities. Wildfires are a fact of life in Oregon, and will get worse with climate change. SB 1593 will secure stable funding to protect homes and communities now and in the future.

SB 1593 seeks to find 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 from forestlands in Oregon. This measure will ask Oregonians to restore a revised version of the severance tax that was discontinued in the 1990s, and use the money raised to fund community wildfire resilience programs, public services for timber counties, and drinking water restoration.

The bill would raise \$75-110 million per year for these programs.

Several provisions are included to make distribution of the cost burden fair and sensible; 1) timber companies or individuals who already pay income tax on the sale of timber would have 25% of those taxes paid subtracted from any new severance tax they owe; 2) each year, the first 25,000 board feet of timber sold by any land-owner is tax exempt; and 3) the tax rate gradually increases with the size of the seller's total land holdings, from 1% of gross revenue on a stumpage measurement basis for landowners with 500 acres or less, up to 6% for those with more than 5,000 acres.

We also strongly support incentives, including a reduced tax rate for forestland owners who grow their trees longer and use climate smart forestry, e.g. Forest Stewardship Council (FSC) certification. Longer rotations and protecting mature and old growth trees are the most effective natural climate solutions that will result in more carbon on the landscape over time.

To respond to the wildfire challenges we face in Oregon, we need permanent funding for programs that support all Oregonians to prepare homes and communities to survive fast moving wildfires. KS Wild strongly supports SB 1593 and urges the Committee to report out this legislation.

Sincerely,

Alexi Lovechio

Alexi Lovechio
Climate Program Manager
KS Wild
Ashland, Oregon 97520