

Senator Mark Meek, Chairman
Senate Revenue and Finance Committee

Mr. Chair and Members of the Committee,

My name is Harold Nygren, and I would like to submit testimony in opposition to SB 1593. My wife and I own 225 acres of forestland in Washington and Douglas Counties. We live on one of the Washington County properties. We are retired, and have managed our forestland for the primary purpose of providing and income for our retirement years, while also providing many benefits – clean water, wildlife, and wood products – that benefit our community.

We are opposed to several aspects of SB 1593, because they are counter to what we perceive as fair and equitable treatment to forestland owners, and to the long-term interests of Oregonians in general.

The primary sections of SB 1593 that we are opposed to are:

- Loss of OFRI funding resulting from eliminating the forest harvest tax (which also eliminates several other valuable benefits for forest research and management) – tax which forest land owners have been paying for years from their harvest returns.
 1. The excellent educational benefits of OFRI are especially needed to educate and explain technical details surrounding the Private Forest Accord(PFA) with Small Forest Owner (SFO) landowners and public. There is really no other organization engaged to do this. OFRI is closely coordinating with ODF on communication during the preparation of these materials.
 2. OFRI also produces numerous other valuable educational publications on sustainable forestry, wildlife, water, reforestation, and wildfire prevention that benefit not only the small forest landowner community, but also the general public
- Changes in taxation:
 1. Elimination of OFLPP funding (ORS 321.015) All landowner costs for large fire will be paid by surcharges on minimum lots, improved lots and acreage assessment.
 2. Value tax verses a volume tax on timber production. Increases incentive to grow low value (short rotation) timber which reduces carbon sequestration and may have a negative effect on water quality.
 3. Different tax rates based on acreage owned or FSC certification.
 - a. There is no evidence that FSC is superior to American Tree Farm certification, both certify responsible forest certification with third part oversight..
 - b. FSC does have higher costs and complexity, which discriminates against smaller landowners.
 4. Severance taxes are intended to tax an extraction industry. Forestry has moved beyond that model and is now a sustainable cropping system using a renewable resource more like farming than mining.

We urge you to consider these concerns, and not pass this proposed bill.

Thank you.

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