

Submitter: Fergus Mclean

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure: SB1593

I support the bill.

Following passage of the NW Forest Plan, the federal government provided funding to Oregon counties and schools designed to wean Oregon off its dependence on revenues from logging federal forests. This year-to-year funding was replaced by the Secure Schools Act in 2000.

In an astonishingly cynical maneuver, instead of Oregon using the temporary funding as intended, to diversify our economy, the timber industry negotiated an almost dollar-for-dollar reduction in state severance taxes to appropriate the inflow of federal funds, so that the net benefit to the state from the temporary federal funding was eliminated. Then, when these temporary federal funds were reduced, Oregon counties and schools suffered a drastic reduction in revenue- because our timber industry had, essentially, appropriated the funds designed to diversify our economy for themselves through reductions in timber severance taxes.

It's very appropriate for the state to recapture a portion of their previous funding which now goes into the pockets of the mostly Wall Street owners of Oregon's private timberlands through passage of this modest severance taxation plan. Please support SB1593.