

Chair Meek and Members of the Senate Finance and Revenue Committee:

It is time to really evaluate sustainable funding for all facets of wildfire prevention and management and to respond to impacts of clearcutting all of which favor of SB 1593-3 and the multiple issues of how to pay for wildfire protection and management. It is also time to truly evaluate who is and is not paying their fair share. You heard a lot in the hearing, but some of it was not true.

Some houses are left intact after fires while their neighbors are burnt to the ground. They are protected by fire resistant vents and building materials and are not surrounded by highly incendiary vegetation. **Creating fire preparedness programs** to educate and especially help low-income homeowners to develop fire-hardened homes and defensible space is essential and **is the only mechanism to keep fire insurance in the state for homes in the Wild Urban Interface (WUI).**

Likewise sustainable funding for wildland and timberland firefighting is a growing need in our increasingly toasty climate with persistent drought.

But wild firefighting is not structural firefighting. At the community level, funding for fire departments and emergency coordination has been cut by cash-strapped counties without input of adequate property tax funding since the timber severance tax was removed.

I am here on behalf of the MCAT. I worked on a similar bill to SB 1593 three years ago supported by a resolution passed by the Oregon Democratic party. I've spoken with county commissioners this year as I did before but they are threatened by timber companies who say they will remove their mills or jobs if they testify for this type of tax. But the jobs already left due to mechanization in the mills and forests and high value paid for whole logs overseas.

Timber owners should pay their fair share. They have been getting off the hook without paying for local services for over three decades. A recent editorial that outlined the hostile takeover of Medford Corporation by a conglomerate that manages timber holdings shows how they shut the mills and exported whole log with loss of all local jobs except contract loggers. ([All Oregonians already pay for wildfires, so why should they pay more? – Oregon Capital Chronicle.](#))

Real estate investment Trusts and Timber Investment Management Operations do not pay corporate tax in Oregon except for the CAT tax (at 0.6%). They are not investing in our communities with mills or employees given the corporate structure and they clearcut on a rapid 30-40 year cycle which is harmful to our watersheds. Even the large family corporations in the state such as Roseburg, pay little if any corporate tax.

The Ernst and Young study which was referred to by timber owner interests was debunked by Tax Fairness Oregon and our analysis four years ago. It does not compare apples to apples. The corporate taxes that appear so high are wood working industries with mills, manufactured homes, building parts, etc. These companies will not be taxed.

We already pay our income taxes and pay for the vast majority of the large firefighting by the state from the general fund.

It's time this study bill looks at what is a fair share for these corporations. The concept starts with a graduated tax with the largest timber owners paying the most which is fair as their style of cutting causes the most damage to our water, our communities and the climate. We need to make sure that smaller timber holders are not harmed of which there is a small number who log sustainably in the 1000-1500 acre range.

Please pass this study bill!

Warm regards,

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