

HB 2072 -1 STAFF MEASURE SUMMARY

House Committee On Revenue

Prepared By: Michael Doughty, Economist

Meeting Dates: 2/4, 5/29

WHAT THE MEASURE DOES:

Extends three components of the Forest Products Harvest Tax for the 2026 and 2027 calendar years. These components fund the OSU forest research and experimentation programs and Forest Research Laboratory, the administration of the Forest Practices Act, and professional forestry education at OSU. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- How the funds generated by the forest products harvest tax for the Oregon State University College of Forestry are used
- The structure and process for renewing Forest Products Harvest tax rates
- Differences between a volume harvest tax and a value-based harvest tax
- Historical changes to timber taxes in Oregon

EFFECT OF AMENDMENT:

-1 Extends and sets the rates for three components of the Forest Products Harvest Tax for tax years 2026 and 2027. Sets the rate that funds the Forest Research and Experimentation Account to 90 cents per thousand board feet. Sets the rate that funds the administration of the Oregon Forest Practices Act to 265.44 cents per thousand board feet. Sets the rate that is used to funds professional forestry education at Oregon State University at 21 cents per thousand board feet.

BACKGROUND:

No later than March 10th of odd-number years the legislative assembly revisits the forest harvest tax rates that are used to fund OSU forest research and experimentation programs and Forest Research Laboratory, the administration of the Forest Practices Act, and professional forestry education at OSU. For calendar years 2024 and 2025, the privilege harvest tax for OSU forest research and experimentation and Forest Research Laboratory was set to 90 cents per thousand board feet (mbf). The privilege harvest tax which provides funding for the Forest Practices Act was set to 253.46 cents per mbf. The privilege harvest tax which provides funds for professional forestry education at OSU was set to 21 cents per mbf.