



**SOCIETY OF
AMERICAN
FORESTERS**
OREGON



Chair Nathanson, Vice-Chairs Reschke and Walters,

On behalf of the Oregon Small Woodlands Association, Oregon Society of American Foresters, and Associated Oregon Loggers, we thank you for the opportunity to submit written testimony in support of House Bill 2301.

Oregon's small woodland owners, professional foresters, and forest contractors play a vital role in our state's environmental health, economic sustainability, and rural heritage. Our forests contribute to carbon sequestration, wildlife habitat, and water quality while our businesses provide jobs, sustain rural economies, and support critical wildfire mitigation efforts. However, current estate tax policies present a major financial challenge to landowners and small forest businesses seeking to pass their land or operations to the next generation.

1. Reducing the Financial Burden on Landowners and Forest Businesses

- HB 2301 raises the estate tax exclusion to \$7 million, acknowledging that land values have risen dramatically, while many forest landowners and businesses remain asset-rich but cash-poor.
- Without this change, heirs often face land sales, premature timber harvests, or equipment sales just to cover estate tax liabilities. This disrupts sustainable forest management and fragments working forests.

2. Simplifying and Making the Estate Tax More Equitable

- The bill replaces the current tiered tax structure with a flat 7% rate, making estate planning more predictable and reducing administrative complexity.
- Oregon's estate tax is among the highest in the nation, creating unnecessary hardship for families and small businesses trying to preserve generational assets.

3. Protecting Working Forests and Rural Jobs

- Many small woodland owners and logging contractors have invested their entire lives in managing forests responsibly, reinvesting profits into their land, workforce, and local communities.
- Forest businesses own and maintain the heavy equipment, water tenders, and engines necessary to suppress wildfires, reducing the financial and logistical burden on state fire agencies.
- High estate taxes undermine these efforts, forcing the next generation to sell land, reduce operations, or struggle financially simply to maintain the business or forest legacy their families built.

4. Preserving Forests for Future Generations

- When estate taxes force families to prematurely harvest trees or sell portions of their land, the long-term ecological and societal benefits of these forests are lost.
- Many small woodlands lie within the wildland-urban interface (WUI), where well-managed forests serve as a critical wildfire buffer, protecting communities from catastrophic fires.
- HB 2301 helps ensure that Oregon's forests remain forests, rather than being converted to other land uses due to financial strain or lost to fire due to reduced operator capacity.

We urge your support for HB 2301.

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