

Submitter: Terry Garrelts

On Behalf Of:

Committee: House Committee On Revenue

Measure, Appointment or Topic: HB3489

Dear Chair Nathanson and Members of the House Committee on Revenue,

I am writing to express my strong opposition to House Bill 3489. While the bill aims to generate revenue and address fire protection costs, I believe it will have several adverse effects on the health of Oregon's forest, the clean air, clean water, and wildlife that rely on them and the welfare of Oregon's rural economies.

Impact on Rural Communities:

Rural communities in Oregon rely heavily on the timber industry for employment and economic activity. The severance tax will lead to reduced timber harvesting, negatively impacting these communities. The loss of jobs and economic opportunities could exacerbate existing challenges faced by rural areas, including higher unemployment rates and lower standards of living.

Fire Protection Funding Concerns:

While HB 3489 aims to address fire protection costs, it abolishes the Emergency Fire Cost Committee and the Oregon Forest Land Protection Fund. These entities play crucial roles in managing and funding fire protection efforts. Eliminating them without a clear and effective alternative could jeopardize our state's ability to respond to and manage forest fires, potentially leading to greater environmental and economic damage.

Environmental Considerations:

Healthy markets are essential for maintaining healthy forest ecosystems through sustainable forestry practices. The financial strain imposed by the severance tax will discourage timber owners from investing in sustainable practices, leading to less responsible forest management. This could have long-term negative effects on Oregon's forests, wildlife habitats, and overall environmental health.

Economic Impact on Timber Industry:

The proposed severance tax will significantly increase the financial burden on timber owners, particularly small and medium-sized enterprises. This additional tax could lead to reduced profitability, job losses, and decreased investment in sustainable forestry practices. Oregon's timber industry is a vital part of our state's economy, providing thousands of jobs and supporting rural communities. Imposing such a tax could undermine the industry's stability and growth.

In conclusion, while the goals of HB 3489 appear well-intentioned, it is a wolf in

sheep's clothing that will prey upon much of rural Oregon. The potential negative impacts on rural communities, fire protection efforts, environmental health, and Oregon's timber industry are significant and detrimental.

Thank you for your consideration.