

Submitter: Denice Searcy
On Behalf Of: Taxation Without Representation
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB3489
NO on HB 3489

I'm writing to urge you to reject HB 3489, which would increase taxes on the timber sector and defund the Oregon Forest Resources Institute (OFRI)—a decision that would have far-reaching impacts on students, schools, and small forestland owners across the state. A bill already exists to fund wildfire – one that has bipartisan support and it intentionally doesn't include this poorly conceived, punitive idea.

It would impose a new severance tax on timber harvested on public & private forest land. This bill would increase taxes on the forestry sector by 800%.

The timber industry already pays a higher tax burden than other businesses in Oregon. There was an independent study done and the research shows that the forest industry already pays:

- 1.5 times more than other Oregon business sectors
- 2 times more than the manufacturing sector
- Over 1.25 times more than the agriculture sector
- 3 times more for fire protection than Washington landowners

High taxes and red tape are shutting local mills down at an alarming rate. This means we are (1) losing tax revenue, (2) losing jobs and (3) are not harvesting our forests which reduce wildfires (compared to untouched forests which increase in forest fuel of dead and diseased trees).

Last year Oregon saw at least seven mills close, causing the loss of nearly 700 jobs. With the U.S. economy in flux, now is a terrible time to pile new taxes on an industry that economic research has demonstrated already pays more than 1.5 times the taxes of other similar Oregon businesses.

Consider also the economic impact to log truck drivers, lumber and building supply businesses, building contractors, and all suppliers of building materials and tools. This bill defies common sense.

The bill also de-funds the Oregon Forest Resources Institute! OFRI funds tens of thousands of students on forestry field trips every year, creates critical K-12 forestry education curriculum and provides critical training and manuals to help forest landowners sustainably manage our forests. OFRI plays a vital role in Oregon's K-12

education system by providing science-based forestry education, classroom resources, and hands-on field trips. At a time when school districts are facing millions in budget shortfalls and are forced to consider cutting teaching positions, eliminating these resources would be a serious loss for our students and teachers alike.

Beyond education, OFRI is an essential resource for Oregon's 75,000 small forestland owners, offering practical training and materials—like its recently updated illustrated manual—to help landowners navigate the complex new rules under the Private Forest Accord. Stripping OFRI's funding would leave these Oregonians without the support they need to adapt and succeed.

Now more than ever, we should be investing in tools that strengthen education and help landowners manage our forests sustainably—not cutting them.

Please vote no on HB 3489. Our students and small forest landowners are counting on your leadership. The economic consequences will ripple down to all Oregonians.

Thank you for your time and attention.