

Dear Chair and members of the Revenue Committee:

My wife and I own 3 parcels of woodland in Oregon, amounting to a total of 225 acres. We live on one of the properties, and are active managers of the forestland for a variety of resource benefits, but primarily timber products. These properties are our retirement income reserve.

I am very concerned about the effect that HB 3489 could have on our future income, as well as on the future of small woodland ownership in Oregon. The main reasons why I am concerned are:

- Potential loss of the benefits of having the Oregon Forest Resource Institute available to provide information and support for small woodland management. OFRI is a gem of an agency, perhaps in my opinion the most useful and effective agency affecting woodland owners.
- Using pond value for tax calculation, without adequate consideration of the total costs of managing (including harvest costs) on small woodlands, will have very negative effects on our ability to do needed cultural practices such as thinning overstocked stands.
- The proposed tax structure is not as fair as it should be for small woodland owners. Especially onerous is the way it is structured relative to providing some relief for using sustainable practices through certification by the Forest Stewardship Council. I am all in favor of certification, but **I strongly object to making FSC the only way to get credit for sustainable practices. The American Tree Farm System, by which our properties are certified, is nationally and internationally (PEFC) recognized as a valid certification system.**
- It is very disappointing that the good work of the Wildfire 35 Committee was not used as the basis for overhauling the wildfire funding system.
- The Revenue structure for sharing should be retained in its present form, especially in retaining the share for OFRI.

The bottom line is: HB 3489 is deeply flawed in its tinkering with proven revenue sharing, in its unfair favoring of the FSC for small woodland owner sustainable management, and its destructive approach to OFRI – an excellent organization of proven value to small woodland owners.

Thank you for the opportunity to share my concerns with this bill.

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