

Submitter: Shavonne Sargent
On Behalf Of:
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB3489

As a resident of this state and a consulting forester who works with a wide variety of Oregon forest landowners, I oppose this bill and the severance tax structure it proposes.

This bill raises taxes for forest landowners who harvest timber. It concentrates the burden of a statewide responsibility (to which all residents should contribute) on the owners of forestland. Land stewards from whose forests uncompensated benefits flow downstream (beauty, clean water, fresh air, wildlife habitat, carbon sequestration), should not be expected to bear the burden of additional costs. The benefits of public and private forests are enjoyed by the downstream recipients, who do not pay the landowner for them in any way, yet the downstream recipients continue to request more financially of the landowner. Recent changes to the Forest Practice Rules extracted additional burden of cost; this bill seeks even more by another means. Forestland ownership is expensive. Landowners should be allowed to realize financial gain from the sale of forest products to pay for those costs, without burdensome additional tax. We risk making the margins unaffordable and conversion to other land uses more attractive.

The bill grants a tax break for the Forest Stewardship Council, but does not for other certification programs, including the American Tree Farm System, or Sustainable Forestry Initiative (these are the two other nationally recognized third-party audited programs). This is a special interest tax break that excludes many forest landowners who go above and beyond the requirements of law to practice good stewardship.

The Oregon Forest Resources Institute (OFRI) is funded through a tax that is eliminated in this bill. OFRI is responsible for forestry education materials and programs that reach thousands of school children, teachers, the general public, and landowners annually. They produce high quality materials that help people learn about, appreciate, and come to love forests. They help people understand Oregon's forest practice rules and how to apply them, increasing compliance, and reducing the administrative/enforcement burden for the Oregon Department of Forestry. No other organization fills this role; OFRI is irreplaceable.

Passing this bill would be a grave error, harming the very resources it purports to protect by financially penalizing those who steward these resources.