

**2007 Regular Legislative Session**  
**FISCAL ANALYSIS OF PROPOSED LEGISLATION**  
**Prepared by the Oregon Legislative Fiscal Office**

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**MEASURE NUMBER:** HB 2115                      **STATUS:** Original  
**SUBJECT:** Extend and sets forest products harvest tax  
**GOVERNMENT UNIT AFFECTED:** Department of Forestry and Department of Revenue  
**PREPARED BY:** Dawn Farr  
**REVIEWED BY:** Susie Jordan, Dallas Weyand  
**DATE:** March 23, 2007

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	<u><b>2007-2009</b></u>	<u><b>2009-2011</b></u>
<b>EXPENDITURES:</b> See Comments		

**REVENUES:**  
Refer to the Revenue Impact Statement issued by the Legislative Revenue Office.

**EFFECTIVE DATE:** January 1, 2008

**GOVERNOR'S BUDGET:** This bill is anticipated by the Governor's recommended budget.

**LOCAL GOVERNMENT MANDATE:** This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**COMMENTS:** The bill extends the period for which forest products harvest taxes are imposed and establishes rates for the extended period. The period is extended to forest products harvested in calendar years 2008 and 2009. The bill sets the tax rate for forest research and experimentation and the rate of tax for administration of the Oregon Forest Practices Act.

During the 2005-2007 biennium, the forest products harvest tax funded 40% of the Department of Forestry's Forest Practices program, approximately 50% of the Department of Forestry's Service Forestry program, and provides revenue for the Forest Research Laboratory at Oregon State University. Harvest tax revenues are also used to support the Departments of Forestry's fire protection program and the Oregon Forest Research Institute. The harvest tax rates are set at a level to coordinate with the agency approved budgets and projected harvest levels.

This fiscal impact statement is for the purpose of transmitting the bill from the House Committee on Revenue to the Joint Committee on Ways and Means.