

**76TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: HB 2124
CARRIER:**

REVENUE: Revenue Impact Issued

FISCAL: Fiscal Impact Issued

Action: Do Pass. Refer to Ways and Means

Vote: 8-0-0

Yeas: Bailey, Bentz, Brewer, Gelser, Read, Wand, Barnhart, Berger

Nays: 0

Exc.: 0

Prepared By: Christine Broniak, Economist

Meeting Dates: 3/23,5/2

WHAT THE BILL DOES: Extends privilege taxes on merchantable forest products harvested on forestlands. Eliminates privilege tax of 0.37 cents per thousand board feet for the purpose of providing field administration of the Oregon Forest Practices Act. Will set harvest tax rates for calendar years beginning January 1, 2012 and January 1, 2013 for the Forest Research and Experiment Account, the Oregon Forest Land Protection Fund, and the State Forestry Department Account.

ISSUES DISCUSSED:

- Department of Forestry funding needs, temporary nature of the 0.37 cent per thousand board feet harvest tax on field administration of the Oregon Forest Practices Act

EFFECT OF COMMITTEE AMENDMENTS:

BACKGROUND: Privilege taxes for the harvest of forest products go to the various accounts described above, for the purposes of forest management, fire suppression, forest research and experimentation, and administration and enforcement of the Oregon Forest Practices Act. Under current statute, rates of privilege tax for calendar year 2010 and 2011 are as follows:

0.92 cents per thousand board feet – Forest Research and Experiment Account to be used for the State Board of Higher Education to conduct research and experimentation programs and to operate the Forest Research Laboratory.

0.625 cents per thousand board feet – Oregon Forest Land Protection Fund to be used for fire protection.

0.77 cents per thousand board feet – State Forestry Department Account for the state forester to administer the Oregon Forest Practices Act.

0.37 cents per thousand board feet – field administration of the Oregon Forest Practices Act.

State Capitol Building
900 Court St NE, Room 143
Salem, OR 97301-1347

Phone: 503-986-1266
Fax: 503-986-1770
<http://www.leg.state.or.us>