



R O S E B U R G

Comments on House Bill 3276

Testimony to the House Revenue Committee
Eric Geyer
Roseburg Forest Products
March 26, 2013

Chair Barnhart and Members of the Committee,

Thank you for the opportunity to comment on House Bill 3276 which would clarify the exempt status for property taxes on the Coos Bay Rail Link. Roseburg Forest Products (Roseburg) supports this refund of 2012 taxes and future tax exemption.

As the main artery for current and future economic development in Coos Bay, the Port of Coos Bay has successfully sought support and funding for revitalization projects on the Rail Link since it was purchased in 2009. There is much work still to be done, and additional taxes are counterproductive to this mission.

As a major employer in southwestern Oregon, Roseburg has two industrial facilities in Coos County that are significantly impacted by the Rail Link. Our Coquille plywood plants have been forced to utilize truck transportation while the Rail Link has been out of service. This has increased our costs by roughly one million dollars annually and has placed eighteen additional trucks on state highway 42 each day. Not only does this additional truck traffic increase highway congestion and wear and tear, but it also places more pressure on an already constrained availability of trucks and drivers, slowing other transportation-dependent opportunities. Access to the Rail Link will improve the competitiveness of our products which are marketed within and outside the Northwest.

In addition to our Coquille plants in Coos County, Roseburg operates a shipping terminal along Coos Bay in North Bend. This terminal is primarily used for exporting wood chips throughout the Pacific Rim. We lease approximately 60 rail cars that are used to transport wood chips from our Dillard operations in Douglas County to North Bend across the Rail Link.

There is a significant and pressing need for maintenance on the Rail Link to support current rail traffic and provide opportunities for new traffic. This new traffic will bring economic development to the region and additional funds for rail improvement which is a necessity to increase rail speed and reduce congestion.

P.O. Box 1088
Roseburg, OR 97470
PH 541.679.3311
TF 800.548.5275
FX 541.679.2540
www.Roseburg.com