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Senate Committee on Rural Communities and Economic Development  
State Capitol  
900 Court Street NE  
Salem, OR 97301

February 13, 2014

RE: SB 1575

Chair Roblan and members of the committee:

Thank you for this opportunity to present testimony opposing SB 1575 and the -1 amendments, legislation that would allow industrial manufacturing facilities on forest lands and mixed farm and forest lands. 1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice.

Oregon's land use program enjoys strong support across the state. According to the Oregon Values and Beliefs Survey, "[t]wo-thirds of Oregonians (66%) consider protection of productive farm and forest land from development very or somewhat important. The question leading to this result made clear that saying important implied support for some increase or reallocation in tax dollars to improve these protections."<sup>1</sup> These results were fairly consistent across urban and rural regions. Oregonians see an economic value in protecting our natural resource lands.

Further, Oregonians support the primary land use tool that we use to protect these important lands. "[T]wo-thirds of Oregonians (66%) favor the statement that new development should occur within existing cities and towns to save farmland and stop sprawl. . . ." Oregonians overwhelmingly support urban growth boundaries and protection of resource lands.<sup>2</sup>

Perhaps this is because Oregonians have seen firsthand the success of the land use program. Ninety-eight percent of all non-Federal land in Oregon that was in resource land uses in 1974 remained in these uses in 2009.<sup>3</sup> As a result, farmers can keep farming and foresters can keep managing forests without conflict from incompatible uses. In short, the land use program has broad support within Oregon and it works.

As a result, forestry remains Oregon's third largest industry accounting for more than 76,000 jobs.<sup>4</sup> This is despite a 90% decline in harvest on federal forestlands.<sup>5</sup> Due, in part, to protection under

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<sup>1</sup> The findings are drawn "from three surveys conducted in April and May 2013. Final sample sizes were 3971 respondents for Survey #1, 1958 for Survey #2, and 1865 for Survey #3. The questionnaires and findings are available at [www.oregonvaluesproject.org](http://www.oregonvaluesproject.org)."

<sup>2</sup> Farmlands and forest lands are often collectively referred to as "resource lands."

<sup>3</sup> Oregon Department of Forestry, "Land use Change on Non-federal Land in Oregon and Washington" available at [http://www.oregon.gov/odf/RESOURCE\\_PLANNING/land\\_use\\_in\\_OR\\_WA\\_web\\_edited.pdf](http://www.oregon.gov/odf/RESOURCE_PLANNING/land_use_in_OR_WA_web_edited.pdf)

<sup>4</sup> According to the Oregon Forests Resource Institute *available at* <http://oregonforests.org/content/jobs>

<sup>5</sup> See <http://oregonforests.org/content/harvest>

Oregon's land use program, Oregon's private forest lands have continued to be a productive source of timber and jobs.

There are already over two dozen non-forestry uses that are allowed as outright permitted uses on forest lands as well as over two dozen non-forestry uses that are allowed on forest lands as conditional uses. Why is the list of non-forestry uses so long? Often it is because people come to the legislature to validate uses they have established without a permit when they come into conflict with nearby uses. That is the case here. The County, the Land Use Board of Appeals, and the Oregon Court of Appeals have all ruled that the log home business which was operating without a permit on forest land did not comply with forest land regulations.

However, SB 1575 is a sweeping bill that does much more than validate that single use. It allows industrial facilities on productive forest lands and mixed farm and forest lands. This bill breaks the UGB that enjoys so much support in the state, allowing permanent manufacturing facilities to make end-use products out of previously unprocessed logs on timber lands.

There is no doubt that the bill is confusing. After providing a list of examples it then defines "forest product" to mean "[a]ny other item, other than an end-use product, that results from the processing of a raw log." At this point it seems that processing into end-use products will not be allowed on timber lands by the bill. It then pulls some legerdemain. It defines "utilizing raw logs" to mean "one or more methods of manufacturing or processing" wood "into a forest product or into an end-use product." Suddenly, end-use products are back on the table. The bill then allows<sup>6</sup> permanent facilities to manufacture end-use products out of previously unprocessed logs on timber lands in the state.

So what is an end-use product made out of unprocessed logs? It could be paper, paper bags, boxes, furniture, cabinets, wood chips, or anything you see that is made out of wood when you walk into Home Depot. And, yes, log homes. As long as they utilize unprocessed logs as an input, this bill would allow industrial manufacturing facilities – paper mills, box factories, cabinet shops, furniture manufactures, etc. – to make these products on Oregon's timber management lands instead of in industrial zones where transportation facilities and other infrastructure exist. It would bring conflicting uses into resource areas, increase fire danger, and take productive forest land out of production. This bill is a sweepingly broad implementation of a bad idea. This expansive set of industrial uses is rightfully kept off of the lands needed for the third largest economic sector in the state.

To protect the resource economy in Oregon and to prevent further conflicts in the forest zone 1000 Friends of Oregon opposes SB 1575.

Respectfully submitted,



Steven D. McCoy  
Farm and Forest Staff Attorney

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<sup>6</sup> Either as an outright permitted use under the original bill or with a permit in the -1s.