



QUICKSILVER CONTRACTING CO.

Logging, Chipping & Reforestation

64682 Cook Ave. #99
Bend, OR 97701
qsilver2@bendcable.com

Main Office (541) 382-3653
Bookkeeping (541) 330-1930
Fax (541) 317-1465

Dear Chair Barnhart and Members of the House:

4-28-2015

Thank you for this opportunity to provide information regarding the benefits of HB 2449A. My name is John Williams and I am the owner of Quicksilver Contracting Company in Bend, Oregon. Our company works throughout Central and Eastern Oregon on projects that utilize woody biomass for various products, including biofuel for the generation of renewable energy.

The Oregon biomass collector tax credit has been an important tool for my business to use in bidding on and completing stewardship projects, forest health thinning and restoration and hazardous fuel reduction treatments. An appropriate tax credit rate allows me to make both capital and personnel investments to stabilize and grow my rural business. I currently employ about 55 people in Central Oregon and am working on an expansion that may result in the hiring of 6-10 additional employees in the near future.

Important factors to consider regarding the extension of this tax credit are:

- Establish a consistent and predictable period of availability. Uncertainty is detrimental to business planning and operations.
- Establish an appropriate and stable tax credit rate. The current rate of \$10.00 per BDT, which resulted from an approximate 50% rate cut in 2011, is not sufficient to maximize the benefits of this tax credit for the utilization of woody biomass. The contributions of other partners such as the U.S. Forest Service, private landowners, and the power generators have not made up the shortfall resulting from the 2011 rate cut. Though we are producing biomass for power where we can, many projects that would have been feasible before, at the old tax credit rate of approximately \$20 per BDT, are now uneconomical to do.
- In Eastside Forests, where hazardous fuels reduction and forest health improvement projects are most urgent, the Biomass Tax Credit is a critical component of the revenue stream that makes these projects possible.

I appreciate your efforts on this matter and urge you to approve HB 2449A with an appropriate tax credit rate for woody biomass utilization.

Sincerely,

John Williams, President

MEASURE: HB 2449 A
EXHIBIT: 6
HOUSE REVENUE COMMITTEE
DATE: 4-27-2015 PAGES: 1
SUBMITTED BY: John Williams