

**From:** Kathyfree17  
**To:** [LRO](#)  
**Subject:** Opposition to HB2859  
**Date:** Wednesday, March 01, 2017 11:37:14 AM

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## Chair Barnhart & members of the House Revenue Committee

I write you to express my deep concern and opposition to the proposed HB 2859. I am part of two family farm operations, one in the Rickreall area that I run with my father, and one in Silverton that I operate with my husband. I would be testifying at the hearing in person today, but we have cows calving currently! It is critical that I convey to you though, that both proposed aspects of this bill would be devastating to our family farms, which are 3rd and 5th generation, respectively.

Agriculture is a vital contributor to Oregon's economy, and with this single bill you could virtually eliminate that contribution, to where only small hobby farmers with little to no equipment could afford to exist and participate in the market. Our farms require HUGE amounts of very costly, very specialized equipment. The majority of said equipment gets used for 2 months or less, cleaned and washed, and stored back in the shed until the next year. But if we do not have it, it is impossible to do what we do. To tax us on equipment that we are not able to utilize to create revenue 12 months out of the year is unfair, and honestly the idea is heartbreaking because if things move in this direction, I'm not sure I can justify continuing to work in this industry I love in a production capacity. There simply isn't the money on our balance sheet to cover the tax burden that would be imposed from the personal property tax piece alone.

Also, we are a member of multiple grower cooperatives, and if growers cease or even curtail their investment in equipment to avoid additional personal property tax burdens, what happens to those co-ops - those vital components of infrastructure that production agriculture depends on???

To address the farm & forest tax deferral aspect - I have been an ardent supporter of land use laws in this state. So much so, that I stuck my neck out and was the primary spokesman featured on Measure 49 television ads, and crafted a letter that was mailed to voters across the state. That being said - I cannot continue to support the concept of land use planning if there is not recognition of the burden those restrictions place on landowners via the tax deferral. I obviously want to farm - I do not plan to develop my land. But some people I rent from may not hold production agriculture to the same level of importance, and are looking for the most money from their land. If I cannot tell them that the tax deferral they receive is the off-set for not being able to divide and sell their land, which would certainly bring them more cash than the rent they receive from me farming, the vast majority of support for the system will be lost.

I know to say the state is in a bind for funds is a huge understatement. But to go after an industry that year in & year out is a backbone of Oregon's economy would be simply devastating to those who participate in it. I plea to you, please go back to the drawing board and look for other avenues to raise revenue or areas to cut expenditures. This option will not work.

Thank you for your time and consideration,

Kathy Hadley

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