

From: Greg Malinowski
To: [LRO](#)
Cc: [James McCauley](#)
Subject: HB2859
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Chair Barnhart, and Representatives on the House Revenue Comm.

My Name is Greg Malinowski, Commissioner of District 2 in Washington County. I am speaking only for my district today. The average family farmer or small woodland owner is hitting their 60s. Over the next 20 years or so their small businesses are going to come under new ownership. The current deferral system acts as almost an 'Enterprise zone' for the encouragement of continuing these smaller ownerships, for a new generation of folks stepping up to take over the hard work of those enterprises. They allow folks taking over these small business who have more effort than cash a chance to try.

All across the US, smaller farm and forest operations, are being bought up and consolidated into larger holdings. I would say having deferral continue will allow a few more to remain in smaller private holdings. These tend to be more resilient and nimble to change then out of state or foreign managers can be, and more responsive to changing local demand.

In one case a farm has 20 acres inside a UGB and 5 more that are leased. A critical part of a ~65 acre farm. Near as they can tell without spending money to pay Assessment and Taxation to figure it out, they would have to pay about \$80,000 a year more in property tax, just for the 20 acres, and the 5 acre piece would become unavailable. And if they should ever sell off that land to a non-farmer, the deferral part kicks in, and they would need to pay the last 5 years worth of tax. (~\$400,000.) So this program is not a giveaway. The farm is still producing local food for the market, the woodlot firewood or lumber, and the neighbors and wildlife have the open space.

Please do not make being a private farmer or woodlot owner harder than it already is. Please reject this bill.

I appreciate your taking the time to reflect on this Testimony offered today.

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