

Re: HB 2859 hearing March 1, 2017 House Revenue Committee

Testimony by Gilbert Shibley, Family Forestland Owner/Manager

Chair Barnhart, Co Chairs Bentz and Smith Warner, Members of the Committee:

I am Gilbert Shibley I live at 24750 S Wallens Rd, Estacada, OR 97023 on forest and farm property owned by my family since as long ago as 1864.

I know you Co-Chairs are from very different Districts. I am from East Clackamas County, caught in between rural and urban interests. Let us all think together for a moment on the matter of good taxing policy for forestland wherever in Oregon it sits. HB 2859 proposes to drastically alter that policy in ways that would hurt all Oregonians, not just my family. Do not let that threat move out of this Committee!

My everyday job is to co-manage 400 acres of natural resource land for thirteen members of the 4th thru 6th generations of this family. I also obligated to manage it for the benefit of the water, fish and wildlife that you here co-own with me as citizens or Oregon. This could not continue under HB 2859, since the property tax part of our LLCs' annual carrying costs would increase an average of 15 fold with a range of 11 to 41 times increase. Or are you ready to chip in to pay your share of that increase? My job this afternoon is to convince you that you should not need to.

That kind of increase would mean the annual tax would far exceed the annual income from the acres being taxed. My great grandfather would turn over his grave in our local cemetery if he knew I let that cause us to lose the land he settled.

How could such an increase be possible? Because the present, lower tax is based on an Assessed Value of the acres reflective of their forest or farm use while the "Real Market Value" on my tax statement is presumed to be what properties are selling for based on other potential uses such as residential or commercial development. It only takes me 30 minutes to drive to Rep. Smith Warner's district in east Portland.

Because forestlands are important to Oregon's economic and environmental health, the Oregon Legislature established a special assessment program for forestland. This program was designed to recognize the importance of forestland to Oregon's economy and respond to the growing pressures that urban growth was putting on the value – and property tax assessments – on natural resource lands. (from website of OSWA, Oregon Small Woodlands Association and that of Oregon Department of Revenue)

I do not believe you could ever think this is some tax break for forest owners. Losing it would hurt everyone, from the critters in our creek, to you and all other proud citizens of this great, green state, to my great-grandkids yet unborn.