

Senator Michael Dembrow
Representative Ken Helm
Oregon State Legislature
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Salem, OR 97301

Mr. Chairmen and members of the committee, my name is Gordon Culbertson, and I live in Waltherville, Oregon. Thank you for the opportunity to testify today in opposition to HB4001, the Oregon Legislature's carbon cap and trade proposal that would extend California's program to Oregon.

My wife, Gail and I own and operate, Whitewater Forests LLC, a small family owned company with forests located in Lane and Douglas Counties. We are proud our forests are certified under the Oregon and American Tree Farm systems. Our forests are carefully and sustainably managed, in addition to growing timber, our efforts enhance wildlife, soil and water resources. Daily our forests cleanse the air and grow wood fiber that will be used to produce renewable building materials needed by society. Oregon's farmers and forest owners are one of the reasons our state is one of the lowest carbon emitters in the country. We are good neighbors and reliable community members who contribute greatly to Oregon's economy, environment and livability. Central in our commitment to the community is our investment in modern methods and technology that improve efficiency and reduces consumption of fuels.

Oregon is blessed with some of the finest forest and farm land in the world. In many cases these lands have been tended by generations of family owners. HB 4001 will hurt our ability to make future investment to support our family businesses. Adoption of California's Cap and Trade program will drive up energy costs; gasoline and diesel fuel will increase a minimum of 16 cents per gallon and the cost of electricity for those who purchase and process our products will rise dramatically. Oregon's farmers and forest owners compete in a global economy and the burden of this new tax scheme will undermine the viability of our businesses'.

Oregon's rural communities were hit especially hard by the recent economic recession. Rural residents have struggled to access high-wage jobs with benefits and finally advance from the rebound as demand for our products improves. Now is not the time for new taxes implemented under this California cap and trade scheme.

Proponents of the cap and trade proposal cite exemptions from these taxes for farm and forestry operations, while granting funding for new rural programs. I have deep concerns about these promises; extra costs we pay for fuel, energy and supplies will certainly come off our bottom line and narrow already thin profit margins. I have little doubt that promised funding for programs to help rural Oregon will subsidize special interests and promote an agenda driven by the urban vision for Oregon.

The unpredictability of weather, natural elements and fluctuating markets for sales of products makes running farming and forest operations an ongoing challenge. I urge the Legislature to think twice about the adverse impact this cap and trade proposal would have on those of us in the farm and forest economy that depend on a stable fuel supply. Oregonians shouldn't be forced to bear the burden of this unnecessary and costly program. I urge you to oppose HB4001.

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