

March 12, 2019

Chair Ken Helm

Vice Chairs Reschke and Schouten

And the Members of the House Committee on Energy & Environment

For the record, I am Polk County Commissioner Craig Pope, Immediate Past President of the Association of Oregon Counties.

In Oregon's infancy, counties were statutorily created as an arm of state government, to provide certain support programs to citizens. Property tax has historically been the mechanism that funds county government.

Among the services that Counties provide are sheriff patrol, emergency dispatch, jail operations, criminal prosecution, juvenile justice, search and rescue, mental health, public health, and road and bridge maintenance.

Rural Oregon's citizens benefited until the 1990's from a robust revenue stream that came to counties from timber harvested on federally owned land, through long-standing revenue sharing agreements with the BLM and USFS. As those lands were withdrawn from the harvest base, and as the pass-through programs like SRS diminished, county budgets in rural Oregon, and the important services that were provided, have contracted significantly.

Also in 1990, Oregonians voted for Measure 5 and Measure 50, property tax limitations that, among other things, set permanent property tax rates for counties, ending our ability to increase those rates. Through the 1990's, many rural counties had been funding services with timber harvest revenue, and are now stuck with old and very low property tax rates.

Many of Oregon's rural counties own and manage timberland. This land is separate and distinct from the County Forest Trust Lands, which are managed by the Department of Forestry.

These county owned timberlands are managed under the Oregon Forest Practices Act, and have become increasingly important as a revenue stream. The revenue generated from harvest on these lands helps pay for important services. Managing under the restrictive proposal in HB 2656 will significantly reduce the productivity of these lands and will further erode our rural counties' ability to serve our citizens. This is one reason counties oppose HB 2656.

Compared to urban counties, rural counties have significantly lower assessed property values, lower average wages, and higher poverty levels. In rural Oregon, rates of child, spousal and drug abuse, and enrollment in free and reduced school lunches are amongst the highest in the state.

For Oregon’s rural counties, the strength of our economies and our social fabric are linked to the vibrancy of our employment base. Jobs in the forest products sector are some of our best jobs. They combine high wages with full benefits. It is important for rural counties to protect these valuable jobs. Below is a comparison of average wages paid in three land management related job sectors: forestry and logging, wood products manufacturing, and trucking. These are jobs that pay close to the state-wide average wage, and often pay substantially above the average wage of rural counties. For comparison, jobs in leisure and hospitality (the tourism industry), pay about half the annual wage of forest related jobs, and rank substantially below the county’s average wage. This is another reason counties oppose HB 2656.

Annual Average Wage 2017					
	Total Private Sector Average	Forestry & Logging Average	Wood Products Manufacturing Average	Truck Transportation Average	Leisure & Hospitality Average
Oregon	\$50,483	\$51,264	\$49,430	\$50,890	\$21,379
Benton	\$46,454	\$54,120	\$62,503	\$35,749	\$16,824
Clackamas	\$51,918	\$51,310	\$46,391	\$51,091	\$20,215
Clatsop	\$35,757	\$52,951	\$60,817	\$47,233	\$21,691
Columbia	\$37,332	\$52,343	\$44,004	\$58,989	\$16,659
Curry	\$31,879	\$42,571	\$51,037	\$47,258	\$17,190
Deschutes	\$43,249	\$50,477	\$44,135	\$49,573	\$21,341
Jackson	\$40,206	\$44,918	\$47,523	\$49,476	\$19,326
Josephine	\$34,750	\$59,697	\$39,295	\$36,329	\$18,102
Klamath	\$36,104	\$44,965	\$51,727	\$38,646	\$17,529
Lane	\$41,025	\$50,850	\$54,795	\$52,384	\$17,679
Lincoln	\$33,756	\$50,080	\$51,740	\$44,270	\$21,674
Linn	\$41,536	\$47,923	\$52,476	\$55,719	\$16,914
Polk	\$33,433	\$51,326	\$69,040	\$42,996	\$15,646
Tillamook	\$36,737	\$50,680	\$52,918	\$43,572	\$20,445
Washington	\$69,389	\$48,615	\$51,248	\$46,767	\$20,638
Yamhill	\$39,468	\$49,793	\$52,292	\$44,162	\$19,402

Data - State of Oregon Employment Department - Employment and Wages by Industry



Association of  
Oregon Counties

Let me say, in closing, that Oregon's Counties work hard to manage our timber lands under the Oregon Forest Practices Act. We protect water quality, habitat, and forest health. We manage for recreation access, and we manage for harvest so that we can provide for our citizens. We are proud of the work we are doing.

We appreciate the thoughtfulness that goes into modifications to the OFPA, and we appreciate greatly the inclusiveness of that process.

As you deliberate on HB 2656, please consider the very real impact that the bill will have on economic and social stability, and resiliency in rural Oregon.

I thank you for the opportunity to speak on behalf of the Association of Oregon Counties, and am happy to answer any questions.

A handwritten signature in black ink that reads "Craig Pope". The signature is written in a cursive, flowing style.

Craig Pope  
Polk County Commissioner  
Past President, Association of Oregon Counties