

Oregon House Committee on Energy and Environment

HB 2656 – STRONGLY OPPOSE

Dear Chair Ken Helm and committee members;

I am very much opposed to HB 2656. I will list the many reasons below that you will have seen and heard many times before I add a few other personal thoughts.

- HB 2656 supplants the Oregon Forest Practices Act, making Oregon more restrictive than California. California is experiencing the worst fire conditions in state history and is currently looking for ways to increase harvest levels to decrease fire risk and protect communities. Would also prohibit building of forest roads needed to combat fires.
- HB 2656 shuts down working private forests, which sustainably produces 78 percent of Oregon's timber harvest, supports over 100 manufacturers and employs more than 60,000 Oregonians in rural counties and communities across the state.
- HB 2656 forces private management practices to mimic those on federal forests, where overstocked, diseased and inaccessible landscapes have generated 80 percent of acres lost to fire over the past decade. Carbon emissions from wildfire smoke emit millions of metric tons of air pollution, are costly to rural economies, and negatively impact Oregonians' health.
- HB 2656 removes Oregon from its position as the number one softwood lumber and plywood producer in the country, shuttering the United States' primary source of renewable, carbon friendly building products, to be replaced by other producers of alternative products in other states and countries.
- HB 2656 provides almost unchecked opportunity for non-native, invasive weeds such as Scotch broom, Himalayan blackberry and Japanese knotweed to flourish, choking young trees, forest roads and riparian areas, impacting fire protection and wildlife habitat.

I have a few other thoughts about this bill that concern me. The main one is that because of the heavy restrictions I feel this could ultimately be challenged as a regulatory de-valuing of private property and The State of Oregon being required to compensate private land owners. Would Oregon be able to support such costs to compensate private landowners for this great loss in current and future values?

I am also greatly concerned about our forests being decimated by fire because of these proposed restrictions. We have seen in states near us where lands have no to minimal management what has happened because of fire. We know that most well managed forests that include clear cutting and regeneration harvests have far fewer burned acres than the minimally managed federal forests.

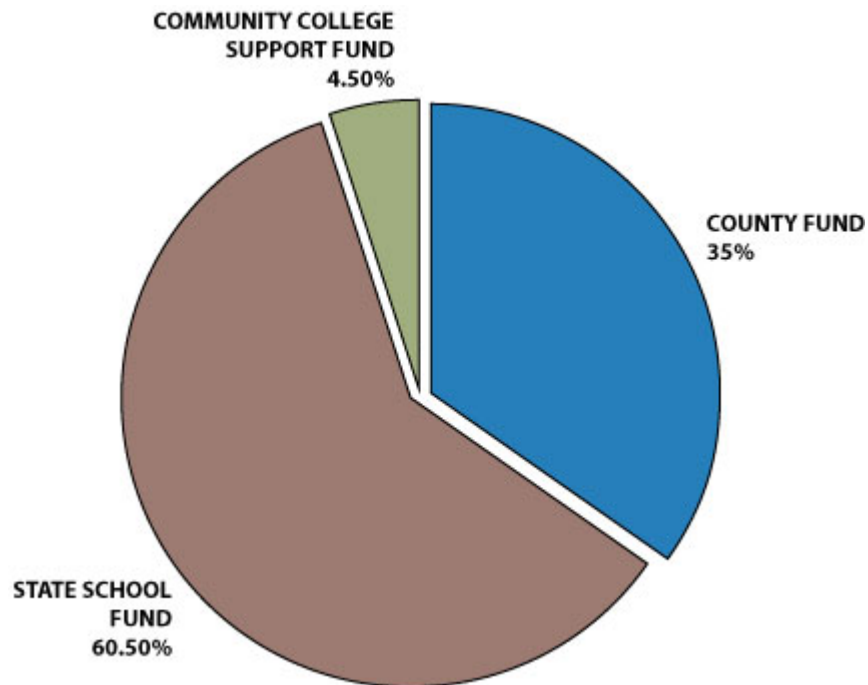
Finally, this bill would most likely reduce harvesting in Oregon significantly and the lost tax revenues would be quite noticeable. I am including below from <https://www.oregon.gov/DOR/programs/property/Pages/timber-tax.aspx> to remind you what Oregon's timber taxes help support. What is the plan to make up for all this lost tax revenue?

Small tract forestland (STF) severance tax ORS 321.751 and 321.754

At one time, Oregon taxed timber through the property tax system. The tax system considered timber as real property and taxed it accordingly. The 1993 Legislature determined that timber is more like an agricultural crop than real property and removed the value of standing timber from the property tax value.

Currently, the [Small Tract Forestland \(STF\) severance tax](#) is the only timber tax linked to property tax. This tax provides for the repayment of property taxes that were delayed until harvest through the STF program.

The STF Severance Tax receipts are distributed to the State School Fund, the Community College Support Fund, and counties that have lands classified under the program. The State School Fund and Community College Support Fund receipts are distributed by May 15 of each year. Receipts for the counties are distributed by August 15 of each year.

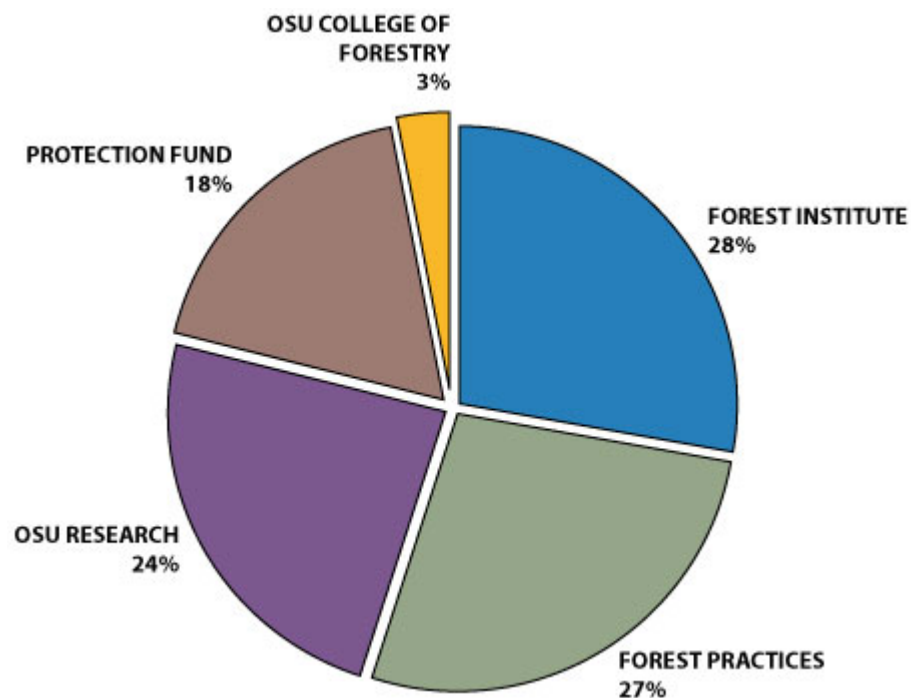


Forest products harvest tax (FPHT) distribution ORS 321.152 and ORS 321.185

The Forest Products Harvest Tax (FPHT) is a tax on timber harvested from any land in Oregon, except most tribal lands. It was established to recover portions of the state's costs related to forest protection and forest research or to provide funding to improve public understanding of the state's forest resources.

Revenues are distributed quarterly to:

- **Administration of Oregon's Forest Practices Act.** The Oregon Forest Practices Act encourages forest management that protects resources including soil, air, water, fish, and wildlife. It also helps preserve scenic areas along visually sensitive corridors and reduces the risk of injury or death from landslides directly related to poor forest practices. Currently, the FPHT covers 40 percent of the cost of administering this law. The state's General Fund pays the other 60 percent.
- **Forestry research at Oregon State University.** Oregon State University provides forestry research through the Oregon Forest Research Laboratory. The FPHT provides approximately 10 percent of the lab's research budget.
- **Oregon Forestland Protection Fund.** The Oregon Forestland Protection Fund serves as kind of an "insurance policy" for wildfires that can't be handled by local fire districts alone. The FPHT provides 50 percent of the budget for this fund. The state's General Fund pays the other 50 percent.
- **The Oregon Forest Resources Institute.** The Oregon Forest Resources Institute (OFRI) was created in 1991 to improve public understanding of the state's forest resources. OFRI provides information on Oregon's forest practices and encourages sound forest management. The institute is 100 percent funded by the FPHT.



I urge you to vote no on HB 2656. Our current Forest Practice Act does a fantastic job protecting the streams and wetlands of our great state.

Thanks for be willing to serve the people of Oregon.

A handwritten signature in black ink, reading "Mike Reynolds". The signature is written in a cursive style with a long, sweeping tail that extends to the right.

Mike Reynolds

Sweet Home, Oregon