

Oregon Farm Bureau Testimony on HB 3328 House Revenue Committee March 30, 2021

Chair Nathanson and Members of the Committee:

Thank you for the opportunity to testify on HB 3328. By way of background, the Oregon Farm Bureau (OFB) is Oregon's largest grassroots agriculture association, representing nearly 7,000 farming and ranching families across the state. Our mission is to promote educational improvement, economic opportunity, and social advancement for our members and the farming, ranching, and natural resources industry as a whole. Our members are deeply engaged in the Oregon Department of Fish and Wildlife budget for decades and have been closely tracking and engaging in the alternative funding concepts since they were first undertaken in earnest in 2015.

Our farmers and foresters provide millions of acres of wildlife habitat across the state. Given that agriculture and forestry provide much of the state's most valuable wildlife habitat, our members have a strong interest in the Department's funding and their management of our state's wildlife. On both counts, our members have growing concerns both about the sustainability of the Department's funding and the growing management challenges the agency has faced in recent years, with populations of some species existing at unsustainable levels and the Fish and Wildlife Commission facing growing deadlock.

HB 3328 would impose a new personal income tax rate of .0013, which would go to fund the Department of Fish and Wildlife, with \$500,000 being transferred annually to the Office of Outdoor Recreation (and in the -2 amendments, also \$1,000,000 annually to the Oregon Conservation and Recreation Fund). The bill provides a tax credit for the cost of purchasing a license, tag or permit.

We first saw this proposal in the "alternative funding task force" that the prior Governor's Office championed to come up with a way to move the Department away from reliance on license dollars and find a more sustainable funding source since their general fund allocation has not increased in recent years despite overall decreasing revenues. This was one of many recommendations made by the task force. In 2015, our membership passed policy with our organization in anticipation of the conversations around

alternative funding. That policy states "We support allocation of sufficient General Fund dollars to the Oregon Department of Fish and Wildlife so that the department is not overly reliant on hunting and fishing fees to fund their management program."

While OFB appreciates that this revenue source is not particularly targeted toward agricultural producers, we oppose its adoption because we continue to believe that any increase in the Department's funding should come through general fund allocations. Like many natural resource-related functions of state government, the Department serves the public interest of all Oregonians and should therefore be funded by all Oregonians. We appreciate the positive intent behind HB 3328 and the sponsor's genuine desire to solve a long-standing funding challenge, but we have concerns about the precedent this bill would have for other natural resource agencies – funding our agencies should remain a general fund obligation.

Thank you for the opportunity to comment on HB 3328. Please contact me if you have any questions.

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