



April 7, 2021

Representative Nancy Nathanson
Chair, Revenue Committee
900 Court St. NE H-279,
Salem, Oregon 97301

Re: Rayonier Opposes HB 2379

Representative Nathanson:

As a timberland owner that owns and manages approximately 120,000 acres throughout Oregon, we are strongly opposed to HB 2379 for three primary reasons: (1) it fails to consider Oregon's land use laws and its limitations, (2) it will discourage investments in Oregon's private forests, and (3) the industry as a whole already pays more in taxes than other business sectors in the state.

Oregon has a unique set of land use regulations for forestland that precludes the ability to convert forestland for development unless it is approved by the legislature. This helps ensure that Oregon's private forestlands continue to provide habitat for wildlife, water quality, carbon storage and sequestration, as well as wood supply for Oregon's wood product manufacturing sector. However, preservation of these values that are important to all Oregonians remove other business opportunities for owners of private timberland. This is recognized by the current tax policy and should be considered when comparing Oregon's taxing scheme to other states' tax structures that do not limit land use in the same way that Oregon does.

Forest landowners reinvest portions of our revenue back into the forests we manage. Examples include upgrading forest roads and culverts to improve fisheries habitat and managing stands to reduce the risk of catastrophic wildfire. Reductions in revenue through increased taxes will slow the rate of these capital expenditures. If landowners cannot retain adequate margins, they may be forced to sell properties to less well capitalized managers who may not be able or committed to provide the same kind of stewardship.

Rayonier recognizes the importance of fair tax policies and we believe the current tax structure accomplishes that. Our sector pays more in taxes through a suite of different taxes than other comparable business sectors in Oregon. More detailed information will be provided in testimony at the hearing this week to support these statements. Put simply, Oregon's forest sector pays its fair share in taxes. We urge your NO vote on HB 2379.

Sincerely,

Adrian Miller
Director, Public Affairs