



OPPOSE HB 2379: Not the Time for New Taxes

Our organizations represent many of the state's foresters and small woodland owners, many of whom also raise other agricultural products on their operations. Our sectors have been hard hit by the pandemic – key markets collapsed overnight and have yet to recover, and many of our members are barely holding on. When combined with the tragedy of the 2020 Labor Day fires and the impacts of the recent ice storms across much of Western Oregon, this is the worst possible time for new taxes on our sectors. We know that our fellow Oregonians agree, with recent polls confirming that 64% of Oregonians oppose new taxes and regulations on businesses right now. Instead, the legislature's focus should be on restoring hundreds of thousands of acres of burned forests back to healthy, thriving forests that protect water quality, capture and store carbon, and are less likely to reburn – and helping those who lost their homes (many of whom were foresters and small woodland owners) recover from their losses. Now is not the time to tax the people who are trying to rebuild our forests and our rural communities.

Our small woodland owners and timber companies are already facing increasing cost burdens on multiple fronts. The ongoing Private Forest Accord negotiations will lead to additional regulations that will come with a steep price tag. These negotiations include our state's small woodland owners, who are already struggling under increasing business costs. Those negotiations are already exceedingly difficult in the face of the devastating losses our timber resources experienced in the Labor Day fires, adding a new timber tax in the face of these enormous cost burdens would be devastating. Our state shouldn't reward those who put their businesses on the line to negotiate proactive agreements with devastating taxes.

Keeping forests as working forests is in the best interest of all Oregonians. Indeed, our state has an entire Goal of its land use system devoted to maintaining Oregon's forest resources. Like it has in agriculture, our current tax and land use systems work together to maintain forestland in Oregon and prevent conversion like has happened in our neighboring states. Our land use system is one of our state's most historic accomplishments, but it only works if our state's tax and cost structure enables our agriculture and forestry land to stay in production. The higher our costs get, the more likely that those landowners will push for the ability to convert to other uses. We urge you to oppose this tax and keep our working lands working.

Our members are experiencing record cost increases, increasing natural disasters, and the challenges that come with trying to proactively negotiate a historic agreement. For east side landowners especially, a lack of infrastructure has already increased costs dramatically. Their timber already has almost no value due to lack of infrastructure. This tax could drive people to convert from timber to grazing land to save money on property taxes.

Now is not the time to saddle our state's timberland owners with significant new taxes they cannot afford, and which will ultimately hurt our state's goals of healthy rural communities and healthy forests. **We urge you to vote NO on HB 2379.**

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