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VIA ONLINE SUBMISSION: <https://olis.oregonlegislature.gov/liz/2021R1/Testimony/HAGNR>

House Committee on Agriculture and Natural Resources  
900 Court Street NE, Room 453  
Salem, OR 97301

Re: Opposition to House Bill 2379

Chair Witt, Members of the Committee,

My name is Heath Curtiss with Hampton Lumber. Hampton is a family-owned company that has operated in Oregon for nearly 80 years, committed to the sustainable management and use of Oregon's greatest renewable resource – its forests. Hampton owns four sawmills in northwest Oregon, employs over 600 people in the state, and owns approximately 90,000 acres of Oregon forestland. I'm here today on behalf of the company and in opposition to House Bill 2379.

Hampton opposes the bill for several reasons. The first is that a severance tax would encourage conversion of forestland to other uses that do not provide the same environmental benefits as working forests. Between its land use laws and tax policy, Oregon has – at least so far – avoided the wrecking ball or urban and residential development that has plowed through forestlands in Washington and California. By making timberland ownership more expensive, you risk losing the benefits of carbon capture, wildlife habitat, clean water, and recreation associated with forestlands in Oregon.

Second, we are confident that the Oregon forest products sector is taxed at a higher rate than other businesses in Oregon. This is particularly true after implementation of the Oregon corporate activity tax that disproportionately impacts local wood product manufacturers as the tax applies to every step in the chain from the forest to the home owner.

Finally, it's important to remember that Oregon presently treats the growing and harvesting of trees the same as any other commodity crop production in Oregon. Long gone are the days of "mining" old growth timber, particularly on industrial lands where many stands are on their third or fourth rotation, a never-ending cycle of sustainable management. We cannot understand why the legislature would single out Oregon's forestland owners for taxes layered on no other ownership class or business type.

Tax policy is about more than just raising revenue. If wielded correctly, it can encourage desired activities and best uses. A new severance tax would place additional tax burden on timberland owners who harvest their timber and chip away at the viability of the state's forest sector. Please vote no on House Bill 2379.

Very truly yours,

Heath A. Curtiss  
Vice President, Legal and Government Affairs