



25 February 2021

Before the Oregon House Committee on Agriculture and Natural Resources

TO: Chair Rep. Brad Witt and Members of the Committee

SUBJECT: HB 2379 Severance Tax of 5% on Value of Timber

Although more of an urban resident (Multnomah Co.) than a rural one, I believe Portland has a poor future without productive agriculture and timber. For this reason, I am in favor of instituting a severance tax this session as this revenue supports critical statewide productivity and public health.

1. Multnomah Co. encompasses considerable forest assets in west and east county regions. <https://multco.us/file/55863/download>
With less dependence on the harvest economy, the value of forested areas for recreation, watershed, air quality and climate resilience for urban living is self-evident. Preservation of urban values compliments rural needs.
2. A severance tax protects all of these forest values. Western maritime forests sequester 7M metric tons of carbon per year. <https://www.fs.fed.us/pnw/sciencef/scifi195.pdf>

Even so, HB 2379 needs improvement.

1. Rural counties still need the revenue from the interrupted historical severance tax.
2. Drinking water is not being protected from erosion from logging roads and steep slope logging and pesticide runoff. The Department of Environmental Quality deserves the power to enforce and improve regulations in logging to protect drinking water abundance and quality. If a community doesn't have drinking water, how can it exist? This question is being answered by a community (deliberately not named) in East Multnomah that clear cut much of its watershed without a water resource recovery plan.
3. Harvesting and forest fires erode this value, so an efficient severance tax funds the survey of fire losses and reduces fire exposure that actually preserves harvestable forests that we need for carbon sequestration, not to mention the jobs needed to protect forests. Weyerhaeuser last year lost \$80 million to September fires that burned 125,000 acres of its timberlands. <https://www.opb.org/article/2021/02/05/with-counties-in-deep-trouble-oregon-lawmakers-target-timber-tax-cuts/>
4. All counties deserve funds to prepare for and institute protections from wildfire. For example, while Union County doesn't receive as much in timber revenue as others, it will be helped by state funding for wildfire preparedness funding.

Conserving forests for carbon sequestration and other benefits is best practice, much like investing in energy efficiency relieves the demand for more investment in energy generation. Better Energy LLC is not advocating best possible energy sourcing, just better. The modest severance tax proposed by HB 2379 is better than current revenue collection, while we search for the best.

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