

March 1, 2021

House Agriculture and Natural Resource Committee

Chair Witt, Vice-Chairs Breese-Iverson and Hudson, and committee members,

Thank you for setting up this four-hearing process to better understand these forest taxation house bills and the impact they will have on the forest sector and county government. And Chair Witt, a special thank you for your patience and humility in stewarding the Feb. 25<sup>th</sup> hearing.

I am opposed to House Bills 2379 and 2357 related to establish a severance tax on harvested forest products, and the elimination of the Oregon Forest Resources Institute.

My name is Mike Barsotti. My wife and I live on our forestland, just south of Lyons. I have a degree in forest management from OSU's College of Forestry, past chair of Oregon Small Woodlands Association (OSWA), and a member of OSU's Extension Community Advisory Network. Our forest is certified under the American Tree Farms Systems Standards of Sustainability.

I spent 32 years with the Oregon Department of Forestry (ODF) working in all programs but primarily with family forestland assistance and policy programs. I served 24 years with ODF's Incident Management Teams. With this background I represented OSWA on the Governor's 2019 Wildfire Response Council's Suppression Committee and currently represent OSWA on the Oregon Wildfire Study's Technical Advisory Group, which is evaluating our state's wildfire suppression funding strategy.

I am most concerned with HB 2357 and other efforts to change or eliminate the Oregon Forest Resource Institute (OFRI).

Oregon has 22 commodity commissions. OFRI functions similarly to these 22 commodity commissions except in two ways. First, the 22 commodity commissions are under the oversight of the Department of Agriculture, OFRI is under the oversight of ODF. And second, while OFRI functions like a commodity commission, it is not labeled as such. The commodity commissions and OFRI both develop and approve operating budgets, and provide non-branded promotion, research and education programs for their area of interest.

OFRI is totally funded by the forest community through the Harvest Tax; no public funds.

OFRI's educational programs and publications are an important source for continuing education. Even with my degree in Forest Management, 32 years of work with ODF and countless hours of continuing education through classes and workshops, I am continually learning more about what it means to manage healthy sustainable forests.

Let me provide one example where OFRI is helping me to become a better steward of our family forest. It deals with song bird habitat, which is in critical supply. Through an OFRI sponsored workshop, I first learned that the reforestation techniques I've used as a reforestation forester needed to change. OFRI publications are providing additional information.

Song birds need open areas with native shrubs for food and cover. Reforested areas provide this needed habitat, especially when there are lots of native shrubs. When I learned how to successfully establish trees, one technique was to suppress or eliminate all shrubs and grasses. Now as a land steward, I cannot just focus on getting trees to grow but also need to focus on maintaining native shrubs. But for OFRI's workshops and publications, I would still be doing it the way I learned to successfully afforest and reforests thousands of acres in Western Oregon.

Forest management is extremely complex. Not only are we continually learning about the interconnection between all the ecological components that make up a health, sustainable forest, but we need to continually work to better balance the economic and social factors with these ecological components.

OFRI, with its public and landowner educational programs, workshops, and its support of forest research continually advance our understanding of forests and forest management. It is an important asset for all Oregonians and needs to continue as is.

Regarding HB 2379, I think everyone agrees that Oregon's forests are a state resource. They are so often referred to as "our forests" by the public as well as by those who own them.

Growing and harvesting trees is similar to farming, but is also quite different. While the public refers to public and private forests as "our forests", they do not refer to the state's farmlands as "our farms". They recognize that farmland belonging to someone. Beyond the products forestlands provide, they provide wildlife habitat, clean drinking water, recreational opportunities, carbon sequestration and an aesthetic that makes Oregon Oregon.

Forest landowners recognize the ecological and social values their forests provide, and they willingly take on the responsibilities that come with managing their lands. Much of what private forests provide has no economic benefit for the landowners who works to provide them.

HB 2379 does not treat forest landowner fairly, treating their crops similarly to how the state treats agricultural crops. HB 2379 does not focus on how the state can reimburse forest landowners for the many ecological services their forests provide. No HB 2379 wants to make them pay more for the privilege of managing this valuable resource. This is totally unfair and bad public policy.

Treat forest landowners fairly, defeat HBs 2357 and 2379.

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