

**A Resolution of the Washington County Democratic Central Committee**  
**Resolution # 2020-016**  
**Regarding Oregon Forest Management and Taxation**  
*as amended 1/5/2021*

- A. WHEREAS Oregon's forests, at approximately 30 million acres, cover approximately one half of the state and are the source for roughly 75% of Oregon's drinking water, and
- B. WHEREAS, Oregon forests are divided between the US Forest Service [USFS] (16 million acres), the Bureau of Land Management [BLM] (2.6 million acres), Oregon State Forests [OSF] (0.75 million acres), and privately owned (10.2 million acres) forest lands, and
- C. WHEREAS the sale of timber from BLM lands (referred to as O&C lands) and the property taxes (reduced for timberlands) from privately owned lands along with former severance taxes were critical to the economic welfare of local resource-based communities, and
- D. WHEREAS Oregon forests are generally classified into "eastside" and "westside" forest types based on rainfall and timber types, with the "westside" forest types being economically more productive, and
- E. WHEREAS scientifically sound and sustainable management (including prescribed fire and plantation thinning) of Oregon forests is necessary to support local resource economies, to protect against catastrophic wildfires and prevent destructive erosion, to protect drinking water sources, and to provide for optimum regrowth and habitat protection, and
- F. WHEREAS harvesting of mature trees initiates a regrowth cycle (rotation period) that can last from 40 to 80 years before direct economic value can again be extracted from the resource, thus reducing the economic stimulus to local communities over this period, and
- G. WHEREAS Oregon historically used both property taxes based only on the value of the land (not the growing trees) as well as severance taxes based on the value of timber harvested to reflect the value of a reduced local economic resource during the regrowth cycle, but eliminated the severance tax in stages during the period 1991 through 2003, resulting in a significant loss of revenue for local resource-based city and county economies, and
- H. WHEREAS ORS 316.003 establishes guiding principles for Oregon's taxation to include: ability to pay, fairness, efficiency, even distribution, equitability (i.e. shields subsistence income, is non-regressive, and creates equal financial burdens), adequacy, and flexibility, and
- I. WHEREAS substantial changes in harvest technology, federal environmental protection regulations, ownership patterns (including Wall Street holdings through Real Estate Investment Trusts (REITs) and Timber Investment Management Operation (TIMOs)), climate change and carbon emissions, and domestic and international markets have dramatically altered timber harvest practices and forest products manufacturing, resulting in higher efficiencies and severe job losses in Oregon, and
- J. WHEREAS the Oregon Forest Practices Act, originally enacted in 1971, has not been substantially revised since that time to reflect the changed market conditions, technologies of harvest, federal environmental regulations, the scientific understanding of harvest practices and rotations, or the importance of Oregon's forests in carbon sequestration, and

- K. WHEREAS the need for resilience of local communities and forests in the face of wildfire threats, climate change, and maintenance of local resource (timber) based economies would suggest that economic resource improvement in the form of tax system modifications may be necessary, and
- L. Whereas the current Oregon Forest Resources Institute (OFRI), currently funded from the Forest Product Harvest Tax, has a budget of approximately \$4 million yearly <sup>[9]</sup>, which is primarily used to support public relations by the forest products industry:

**THEREFORE We, the Washington County Democratic Central Committee (WCDCC) resolves as follows:**

1. We strongly urge all Oregon legislators (eastside and westside) to fund a complete review and revision of the Oregon Forest Practices Act to reflect changes in timber harvest technologies, best information on sustainable harvest levels and rotation periods, scientific research regarding watershed protection (especially drinking water sources and habitat protection), carbon sequestration, climate change, sensitivity of local communities to forest chemical applications, and the need to protect against catastrophic wildfires.
2. We strongly recommend a thorough reevaluation of Oregon's forestland and timber harvest taxation system according to the principles laid out in ORS. 316.003, and, in particular, call consideration of a progressive severance tax that will generate approximately 6.5% of harvested timber value to be primarily directed to the counties for their general funds; will minimize impacts on small acreage "family" forests; and will incentivize conservation practices that sequester carbon, protect water resources, and improve wildlife habitat.
3. We support the audit of the Oregon Forest Resources Institute (OFRI), as requested by Governor Kate Brown and now being conducted by the Oregon Secretary of State's office, with particular attention to allegations that OFRI has engaged in lobbying and public relations on behalf of the timber industry.
4. We call for the strongest possible carbon sequestration plan to address climate change as ordered by Governor Brown's Executive Order 20-04.

[9] Oregon Public Broadcasting article 2020/04/08