

INFORMATIONAL MEETING AND

BILL INTRODUCTION

LC DRAFT 1942, LC DRAFT 1943, LC DRAFT 2694

TAPES 024-025, A/B

SENATE REVENUE COMMITTEE

January 30, 2001 — 8:30 A.M. - HEARING ROOM A - STATE CAPITOL BUILDING

Members Present: Senator Ted Ferrioli, Chair

Senator Lee Beyer, Vice Chair

Senator Susan Castillo

Senator Tony Corcoran

Senator Gary George

Senator John Minnis

Senator Charles Starr

Staff: Paul Warner, Legislative Revenue Officer

Richard Yates, Economist, Legislative Revenue Office

Carol Phillips, Committee Assistant

TAPE 024, SIDE A

005 Chair Ferrioli Meeting called to order at 8:41 a.m.

OPENED WORK SESSION ON LC DRAFT 1942, LC DRAFT 1943, AND LC DRAFT 2694

012 Sen. L. Beyer MOTION:

MOVES LC DRAFT 1942, LC DRAFT 1943,
AND LC DRAFT 2694 BE INTRODUCED AS
COMMITTEE BILLS.

016 Chair Ferrioli Stated that LC draft 2694 was introduced at the request of Sen. Courtney and deals with the transportation of students to school-sponsored activities. LC draft 1942 and LC draft 1943 deal with conservation issues. The Chair has elected to bring them in as committee bills.

049 Chair Ferrioli ORDER:

HEARING NO OBJECTION, MOTION CARRIES; AND LC DRAFT 1942, LC DRAFT 1943, AND LC DRAFT 2694 BE INTRODUCED AS COMMITTEE BILLS.

CLOSED WORK SESSION ON LC DRAFT 1942, LC DRAFT 1943, AND LC DRAFT 2694.

060 Dick Yates Began discussion of Revenue From Timber and Forestland. Exhibit 4.

068 Yates Discussed page 1 lower slide: Oregon's Forestland Base. Oregon has about 27.5 million acres classed as Forestland, of which 60% is timberland. "Timberland" is land economically viable for the production of timber. The other two types are "low productivity" land (incapable of producing two cubic feet per year of fiber) and "federally reserved" non-harvestable land.

079 Yates Discussed page 2 upper slide: Timberland. Approximately 16.3 million acres are capable of producing revenues.

090 Yates Discussed page 2 lower slide: Private Timberland in Western Oregon.

Questions and answers interspersed.

117 Yates Discussed page 3 upper slide: Private

Timberland in Eastern Oregon.

- 127 Yates Discussed page 3 lower slide: Timber Harvest in Million Board Feet.
- 158 Yates Discussed page 4 upper slide: Local Timber Revenue.
- Comments, and questions and answers interspersed.
- 250 Yates Began discussion of Revenues From Timber and Forestland (Taxes on Private Forestland). Discussed page 5 upper and lower slides: History — 1856 to Today.

TAPE 025, SIDE A

- 017 Yates Continued discussion of page 5: History — 1856 to Today.
- 075 Yates Discussed page 6, Revenues From Private Timber and Forestland. Lower slide: Taxable Harvest Value.
- Questions and answers interspersed.
- 123 Yates Discussed page 7 upper slide: Privilege (Severance) Taxes.
- 157 Yates Discussed page 7 lower slide: W.O. (Western Oregon) Privilege Tax Harvest Volume & Value.
- Questions and answers interspersed.
- 264 Yates Discussed page 8 upper slide: W.O. (Western Oregon) Privilege Tax Harvest Value & Tax Liability.

- 272 Yates Discussed page 8 lower slide: E.O. (Eastern Oregon) Harvest Volume & Value.
- 289 Yates Discussed page 9 upper slide: E.O. (Eastern Oregon) Harvest Value & Tax Liability.
- 290 Yates Discussed page 9 lower slide: Forestland Value Western Oregon.
- 310 Yates Discussed page 10 upper slide: Forestland Value Eastern Oregon.
- 324 Yates Discussed page 10 lower slide: 1999-2000 Tax Rates.
- Questions and answers interspersed.
- 386 Yates Discussed page 11 upper slide: Tax Rate History.
- 412 Yates Discussed page 11 lower slide: W.O. (Western Oregon) Property Tax Assessed Value and Tax.
- Questions and answers interspersed.
- 463 Yates Discussed E.O. (Eastern Oregon) Property Tax Assessed Value and Tax.

TAPE 024, SIDE B

- 026 Yates W.O. (Western Oregon) Small Tract Option Assessed Value and Tax.
- 045 Yates Discussed page 13 Revenue From Public Timber and Forestland. Lower slide: State Owned Forestland.
- Questions and answers interspersed.

- 119 Yates Discussed page 14 upper slide: Common School Lands.
- 124 Yates Discussed page 14 lower slide: Board of Forestry Lands.
- 127 Yates Discussed page 15 upper slide: U.S. Forest Service Lands.
- Questions and answers interspersed.
- 257 Yates Discussed page 15 lower slide: U.S. Forest Service.
- 272 Yates Discussed page 16 upper slide: Bureau of Land Management.
- 301 Yates Discussed page 16 lower slide: BLM Payments.
- 307 Yates Discussed page 17 upper slide: Coos Bay Wagon Road.
- 353 Yates Discussed page 17 lower slide: BLM Payments Coos Bay Wagon Road.
- 357 Yates Discussed page 18 upper slide: Forest Products Harvest Taxes.
- 420 Yates Discussed page 18 lower slide: Forest Products Harvest Taxes (graph).
- 425 Chair Ferrioli The Chair gave a brief history lesson regarding Oregon lands granted to railroad companies over 100 years ago and the subsequent disposition of those lands.

029 Chair Ferrioli Continuation of lands disposition comments.

052 Chair Ferrioli Meeting was adjourned at 10:06 a.m.

Submitted by, Reviewed by,

Carol Phillips Kim Taylor James

Committee Assistant Revenue Office Manager

Exhibit Summary:

1. LC Draft 1942, Ferrioli, (DJ/ps) 1/12/01, 12 pp.
2. LC Draft 1943, Ferrioli, (DJ/ps) 12/27/00, 15 pp.
3. LC Draft 2694, Ferrioli, (CH/ps) 1/23/01, 4 pp.
4. Yates, Revenue from Timber and Forestland, 18 pp.