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November 8, 2018

State Forester Daugherty, Chair Imeson, And Members of the Board of Forestry,

For the record, I am Coos County Commissioner John Sweet.

Within the range of Marbled Murrelets, four Oregon counties (Columbia, Douglas, Coos and Josephine) own timberlands that are managed under the Oregon Forest Practices Act. These are lands that are separate and distinct from County Forest Trust Lands. The revenue generated from harvest on these lands helps pay for important county services. Losing the ability to harvest will further erode our counties' ability to serve our citizens.

In Oregon's infancy, counties were statutorily created as an arm of state government, to provide certain support programs to citizens. Property tax has historically been the mechanism that funds county government.

Among the services that Counties provide are sheriff patrol, emergency dispatch, jail operations, criminal prosecution, juvenile justice, search and rescue, mental health, public health, and road and bridge maintenance.

Rural Oregon's citizens benefited until the 1990's from a robust revenue stream that came to us from timber harvested on federally owned land, through long-standing revenue sharing agreements with the BLM and USFS. As those lands were withdrawn from the harvest base, a revenue stream from a congressional appropriation has supplanted revenue from timber harvesting. Programs like recently re-authorized, and soon to end again, Secure Rural Schools (SRS) were designed to be bridge funding for Oregon's counties and schools while a long-term solution was worked out. But, that log-term solution has proven to be elusive. Over the reauthorization of these bridge programs revenue sharing to counties has dropped very significantly. County budgets in rural Oregon, and the important services that were provided, have also contracted significantly.

We are often asked why we don't simply raise our tax rates.

In 1990, Oregonians voted for Measure 5 and Measure 50, property tax limitations that, among other things, set permanent tax rates for counties, ending our ability to raise property tax rates. Many rural counties had been funding services with federal timber harvest revenue, and were stuck with very low property tax rates. Since property tax rates cannot be increased, new revenue for county services can only be raised by fees or through passage of 5-year operating levies.

Southwest counties have been particularly hard hit by this double whammy.

AGENDA ITEM B Coos County is an Affirmative Action/Equal Opportunity Employer and complies with section 504 of the Rehabilitation Act Attachment 18 Page 1 of 2 Compared to Willamette Valley counties, for example, southwest Oregon counties have significantly lower assessed property values, lower average wages, and higher poverty levels. Five-year operating levies yield much less revenue in rural Oregon, than in metro counties.

In southwest Oregon, rates of child, spousal and drug abuse, and enrollment in free and reduced school lunches are amongst the highest in the state.

Additionally, federal lands managers are ramping up use of stewardship and good neighbor authority programs. While these are important tools to reduce fuels on federal lands, counties are cut out of revenue distribution. Understandably, this departure from the traditional revenue sharing relationship is making counties nervous.

The viability universe is becoming smaller and smaller for our counties. As we seek to provide services that protect the safety, health and welfare of our citizens, revenue that is generated from management of our county timberlands is becoming increasingly important.

As you deliberate on the Marbled Murrelet, Coos County urges you to consider the current protections that the bird receives on the federal and state levels, the population increases that are being reported, and the small amount of scientific data that is available. I urge you to consider the impact that decreasing harvest on private and county owned lands would have on the social and economic stability of our region.

In Coos County, as in Douglas & Josephine, many of our best paying, fully benefitted jobs are closely related to forest products. In Coos County, our average annual wage in the private sector is just over \$35,000. Wages in forestry, wood products manufacturing, and trucking range from \$43-\$51,000 per year. These are important jobs that strengthen the social and economic fabric of our communities.

By comparison, tourist sector jobs in Coos County pay between \$17-\$21,000 per year.

As we move through these discussions, know that the consequences to counties of taking more land out of the harvest base are very real. Diminishing yet another county revenue producer, and decreasing the strongest part of our job base will have very real impacts, especially in southwest Oregon.

Thank you for your time and attention. I am happy to answer any questions.

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John Sweet, Commissioner Coos County

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