

O&C TRUST, CONSERVATION, AND JOBS ACT
MYTHS AND FACTS

MYTH: The expiration of the Secure Rural Schools and Community Self-Determination Act, aka “county payments,” will not have a major impact on forested counties in Oregon, so a long-term forest management plan is not needed.

FACT: A new study by Oregon State University found that if county payments are not extended or replaced with a long-term solution, Oregon counties will face combined revenue losses of \$215 million, and lose 4,000 jobs, \$400 million in business sales, and \$250 million in value added economic activity.¹ In fact, without a viable long-term solution, some rural counties in western Oregon may be forced to declare a public safety emergency or dissolve.

MYTH: Congress could solve the county payments problem by assessing a tax on raw log exports.

FACT: A tax on raw log exports is unconstitutional. Article I, Section 9, Clause 5 of the U.S. Constitution directly states “No Tax or Duty shall be laid on Articles exported from any State.”

MYTH: The O&C Trust, Conservation, and Jobs Act (OCTCJA) is a bad deal for taxpayers.

FACT: Taxpayers spend \$110 million per year to manage 2.6 million acres of O&C forests in western Oregon. OCTCJA would require a Board of Trustees to assume all management costs for the Trust lands, saving taxpayers tens of millions of dollars per year by reducing the annual federal management costs associated with the management of western Oregon timber lands. Additionally, the Board of Trustees would be required to submit an annual payment to the United States Treasury to help pay down the federal deficit. Finally, active management will create thousands of jobs and produce net revenue for American taxpayers while ensuring county governments can provide essential county services, like law enforcement, education, health, and transportation.

MYTH: The plan would make it more difficult for private land owners to access and manage their own lands.

FACT: The plan preserves and protects all existing and valid rights of neighboring land owners, including tail hold, road access, and right-of-way agreements.

MYTH: O&C Lands would be sold to Wall Street speculators.

FACT: No O&C Lands will be sold. All O&C Lands will remain in public ownership and the public will retain access privileges.

MYTH: This plan has few conservation components.

FACT: The plan includes 90,000 acres of new wilderness, 150 miles of new Wild and Scenic river designations, and provides the first legislative protection for mature and old growth forests. The plan

¹ “Economic Impacts on Oregon of the Termination of Secure Rural Schools and Payments to Counties: 2011 Update.” Weber, Lewin, and Bruce Sorte. 2011. Oregon State University, Rural Studies Program.

also excludes environmentally sensitive areas, parks and recreation areas, wild and scenic corridors, and wilderness areas from the O&C Trust lands.

MYTH: This will make it more difficult to control wild fires.

FACT: The plan would maintain the existing cooperative fire protection agreements for the O&C Trust, Forest Service and adjoining private lands.

MYTH: The Act does not provide any protection for the Northern Spotted Owl.

FACT: The plan specifically mandates that the O&C Trust Lands be managed in compliance with federal and state laws as those laws apply to private forest lands. This includes complying with ESA provisions that prohibit harm or take of threatened or endangered species. And, consistent with the intent of the Northwest Forest Plan and Owl Recovery Plan, old growth forests – which serve as the best habitat for the Northern Spotted Owl – will be excluded from the management trust.

MYTH: The Act undermines the Northwest Forest Plan.

FACT: The intent of the Northwest Forest Plan was to provide a sustainable supply of timber while protecting habitat critical to the survival of threatened species, such as the Northern Spotted Owl and salmon. The plan strives to accomplish these intended goals - which the Northwest Forest Plan failed to achieve - by providing greater certainty about what lands are eligible for sustainable logging and what lands are to be set aside to sustain threatened species.

MYTH: OCTCJA is a sweetheart deal for rural Oregon counties so they don't have to raise property taxes.

FACT: There are constitutional limitations on property tax increases in Oregon. As a recent Oregon State University study confirmed, even if counties were able to obtain voter approval to increase property, lodging, and real estate taxes, rural Oregon counties would only be able to make up 8-24 percent of the funding gap.² The plan fulfills a historical commitment to federally forested communities in Oregon by creating thousands of jobs in our forests and mills, and providing a sustainable and more predictable level of revenues in perpetuity to support basic county services like law enforcement, education, health, and transportation.

MYTH: Millions of acres public forests will be converted into industrial plantations.

FACT: Private industry lands in Oregon are typically managed on a 30-40 year rotation. The plan requires at least half of the landscape to be managed on a long rotation of between 100-120 years and to be geographically dispersed across the landscape to provide ecological diversity. The plan also minimizes the use of pesticides and provides protections for old growth.

MYTH: OCTCJA would increase logging exports to China.

FACT: The plan explicitly prohibits exporting raw logs from the O&C Trust lands. The plan would continue the ban on exporting unprocessed logs from federal lands and impose penalties on businesses that violate the law and send family-wage jobs overseas.

² "Economic Impacts on Oregon of the Termination of Secure Rural Schools and Payments to Counties: 2011 Update." Weber, Lewin, and Bruce Sorte. 2011. Oregon State University, Rural Studies Program.

MYTH: Revenues from logging cannot support rural counties because the timber market is so bad.

FACT: While there is still current demand for timber, it remains far below historic levels. The proposed O&C Trust would not be fully operational for two years after enactment thus providing some time for timber markets to recover. The plan requires the Board of Trustees to capitalize a Reserve Fund to balance payments to counties in years of market volatility. Finally, the plan requires the Board of Trustees to offer timber sales on a competitive basis.

MYTH: The Board of Trustees will be exempt from federal laws and the public process.

FACT: The O&C Trust Lands will be managed in compliance with federal and state laws as they apply to private forest lands in Oregon, including the Clean Water Act and the Endangered Species Act. The general public will be represented on the Board of Trustees and meetings of the Board involving management decisions will be open to the public.

MYTH: This plan does not address the "checkerboard" nature of the O&C Lands that have created significant management challenges.

FACT: The plan expedites land exchanges between the federal government, the O&C Trust lands, and private landowners to create larger contiguous blocks of forested land in western Oregon and to improve management efficiencies of both federal and private land.