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**Linn County Officially Files Breach of Contract Class Action Lawsuit Against State of Oregon on Behalf of Forest Trust Land Counties and Local Districts**

*Seeks Over \$1.4 Billion in damages for local services that include education, public safety, emergency response, libraries and more.*

**ALBANY, Ore. (March 10, 2016)** - Today, the Linn County Board of Commissioners announced that they are moving forward with a class action lawsuit against the State of Oregon for breach of contract on behalf of over 150 beneficiaries of timber sales receipts from harvests off of Oregon Forest Trust Lands. The suit seeks \$1.4 billion in damages.

Linn County notified the State of Oregon of its intent to file this lawsuit on Jan. 13, 2016. Since this time, the state has not proposed a solution to address the concerns raised by Linn County on behalf of trust land beneficiaries.

"The response to our notice of intent to file this lawsuit has been overwhelmingly positive in our community," said Roger Nyquist, Chair of the Linn County Board of Commissioners. "The state's contractual obligation is to manage our forests in a way that benefits both rural counties and the environment. They're not doing that, and rural communities are paying the price. I believe that a jury will reach the same conclusion."

For over 70 years the state was to adhere to a legal framework for the conveyance of forestlands from the county to the state. In exchange for the conveyances, the lands were to be managed and revenues returned to the counties, with the state taking a management fee. The counties distribute the money received to taxing districts within the county, benefiting county services such as the sheriffs' office and other public safety organizations, education, care centers, libraries, and organizations like 4H.

The state is violating its contract with Forest Trust Land Counties by implementing a management plan that results in an annual \$35 million reduction in revenue to the counties. As a result, communities in affected counties are suffering from higher poverty rates and fewer employment opportunities, which further disrupts the counties' ability to serve their citizens.

“This is a straight-forward breach of contract case,” said John DiLorenzo, counsel to Linn County and partner at the law firm of Davis Wright Tremaine LLP. “The state’s breach has strained county budgets and impacted public safety, education and other basic services local citizens need. They’re not getting the benefit of their bargain with the state.”

Oregon courts have ruled that the state is contractually bound to manage Forest Trust Lands for the benefit of the 15 counties it actively sought and acquired land from in western Oregon over 70 years ago. Beginning in 1998 the state breached the contract when it adopted a new rule that de-emphasized revenue generation for the counties in exchange for other objectives. The state then implemented a management plan that resulted in a significant difference between what rural communities are receiving versus what they could receive under best forest management practices that balance harvest with environmental protection. At a time when rural government budgets are being squeezed, the state’s action has created more stress on public safety, education and other basic services rural citizens need.

This class action lawsuit, representing over 150 taxing districts and counties, seeks over \$1.4 billion in damages—\$35 million per year from 2001 to present, pre-judgment interest on that figure, and future damages in an amount sufficient to yield a revenue stream of \$35 million per year in perpetuity. The next step in the legal process is certification of a class by the Court.

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#### About Oregon Forest Trust Lands

*Since the 1930s, the Oregon Board of Forestry has acquired forestland to be managed as state forests with revenue from timber harvest returned to the counties that conveyed the land and the special taxing districts that serve those communities. Counties that receive revenue under the legal framework established by the state include Benton, Clackamas, Clatsop, Columbia, Coos, Douglas, Josephine, Klamath, Lane, Lincoln, Linn, Marion, Polk, Tillamook, and Washington.*