

HOUSE COMMITTEE ON
AGRICULTURE AND NATURAL RESOURCES

January 21, 2005 Hearing Room C

9:00 AM Tapes 4 - 6

Corrected 9/26/2005)

MEMBERS PRESENT: Rep. Patti Smith, Chair

Rep. Brian Boquist, Vice-Chair

Rep. Terry Beyer

Rep. Chuck Burley

Rep. Mark Hass

Rep. Mac Sumner

MEMBERS EXCUSED: Rep. Arnie Roblan, Vice-Chair

STAFF PRESENT: Patrick Brennan, Committee Administrator

Jania Zeeb, Committee Assistant

ISSUES HEARD & WITNESSES:

Informational Meeting:

Mike Carrier , Governor's Natural Resource Office

Jim Myron, Governor's Natural Resource Office

Katy Coba, Oregon Department of Agriculture

Chuck Craig, Oregon Department of Agriculture

Lindsay Ball, Oregon Department of Fish and Wildlife

Marvin Brown, Oregon Department of Forestry

Dan Postrel, Oregon Department of Forestry

Tim Wood, Oregon Parks and Recreation Department

Mike Graine, Oregon Department of Energy

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
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TAPE 4, A

004	Chair Smith	Calls the meeting to order at 9:00 a.m., and opens informational meeting.
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INFORMATIONAL MEETING

GOVERNOR'S NATURAL RESOURCE OFFICE

010	Chair Smith	Notifies the members of the change in the order of presentations.
022	Mike Carrier	Policy Director, Governor's Natural Resource Office. Explains the purpose of the Governor's Natural Resource Office along with how it is organized, who it interacts with, and its different functions.
043	Carrier	States that much of their time is spent working on fish and wildlife issues, water issues, forestry, energy, sustainability, and Willamette River issues.
050	Carrier	Explains that the office strives to work closely with the natural resources agencies in developing policy. Says there are 16 to 17 entities that sit on the Governor's Natural Resources cabinet, which

helps ensure consistency in policy position, eliminate duplication of effort, and allow Oregon to “speak with one voice.”

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| 071 | Jim Myron | Policy Advisor Governor’s Natural Resources. Offers to answer any questions the committee has. |
| 077 | Chair Smith | Inquires how the Governor’s office achieves consensus on decisions. |
| 080 | Carrier | Gives an example. |
| 087 | Chair Smith | Asks if Mr. Carrier is speaking about the agencies with one voice. |
| 089 | Carrier | Responds that Chair Smith is correct, the Governor’s Natural Resource Office represents the agencies in the executive branch. |
| 090 | Rep. Burley | Inquires how to effectively collaborate with local governments, stakeholders, and other interested parties to consider a full range of public input on how road-less areas should be managed. Wonders about plans in Oregon to take advantage of the appeal process if the roadless rule becomes final. |
| 111 | Carrier | Answers that the Governor opposes the 2004 roadless rule. The Board of Forestry and the State Forester will be the source of forest policy direction for Oregon, along with the Governor’s office, in both federally owned lands and state owned lands. |
| 145 | Rep. Boquist | Expresses his opinion about the one voice concept. States that he considers one voice to be a unity effort and an individual voice. |

OREGON DEPARTMENT OF AGRICULTURE

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| 160 | Katy Coba | Director of Oregon Department of Agriculture (ODA). Refers to packet of information (EXHIBIT A) . |
| 174 | Coba | Reads from prepared testimony in (EXHIBIT A) . Gives history of the Department of Agriculture. |
| 211 | Coba | States that the Agriculture industry is extremely diverse and as a result ODA is extremely diverse. |

215	Coba	Refers to the Strategic Road Map on page four of the Biennial Report in (EXHIBIT A) .
242	Coba	Explains the importance of marketing and expands on what the department has been doing to market Oregon products.
256	Coba	Expands on page five of the Biennial Report (EXHIBIT A) .
285	Coba	Details the strategic area of concentration the organization that is focused on responding to pests, disease and other threats to agriculture.
300	Coba	Discusses the ODA's role in Food Safety.
347	Coba	States that the ODA is involved in the Governor Kulongoski's efforts around regulatory streamlining. As a result they have reviewed their administrative rules and have eliminated some of them as a result.
353	Coba	Refers to a bill this session which changes ODA's board from being an advisory body to a policy body.
363	Rep. Beyer	Inquires whether the Biennial Report a new report.
367	Coba	Responds that this is a document that began about five years ago.
375	Rep. Beyer	Asks if there have been any substantial changes in those five years.
378	Coba	Answers that there have been changes, but nothing substantial.
384	Rep. Beyer	Inquires if the streamlining piece is more recent than the rest of the publication.
389	Coba	Responds that the department did add that section because it is a priority of the Governor. Streamlining is something the department takes very seriously and has been doing for a number of years.
399	Rep. Smith	Requests an example of a rule that has been changed as a result of streamlining.
406	Coba	

Responds that all divisions were asked to review their rules. Gives an example of updating rules from their plant division.

424 Chuck Craig Deputy Director, ODA. Gives another example from the Confined Animal Feeding Operations program.

TAPE 5, A

020 Rep. Burley States the food inspection program is funded by permit fees. Asks Ms. Coba to provide an update them on the status of the problem.

023 Coba Gives a history of the food safety program and explains the consequences decisions made by the 2003 Legislative Assembly.

058 Rep. Hass Solicits Ms. Coba opinion on whether there is more that can be done with the Brand Oregon program or if she thinks the program is being fully utilized. Also asks if the department needs legislation to help them fully utilize the Brand Oregon program.

063 Coba Answers that Rep. Hass is correct the Brand Oregon program is very popular and good for Oregon agriculture. Notes that Oregon invests \$500,000 in funds and that private interests also contribute to the program. Acknowledges that the resources do not compare with the investments spent in California so additional resources would help. Remarks that legislation might not be needed because the board has taken an interest in the program.

091 Rep. Sumner States that Oregon farms need to remain viable and profitable, and that he is looking forward to working with the department.

109 Coba Concurs.

114 Chair Smith Asks about the reasons for the changes to the board and asks whether the committee will hear more about them at a later time.

118 Coba Responds that the committee will hear more later. Explains their reasons for wanting to make the change.

OREGON DEPARTMENT OF FISH AND WILDLIFE

150 Lindsay Ball

Director, Oregon Department of Fish and Wildlife. Submits and reads prepared testimony regarding the Department of Fish and Wildlife **(EXHIBIT B)**.

204	Ball	Explains why the Department is split into a Fish Division and a Wildlife Division.
276	Chair Smith	Inquires if that is where the Bonneville Power Administration (BPA) funds are held.
278	Ball	Responds affirmatively.
279	Chair Smith	Asks how much the department gets per year from the BPA.
289	Ball	Answers that he does not have the numbers with him, but that there is about \$13 million from BPA-funded programs in the Columbia basin to the State of Oregon. Indicates that the total amount of BPA funds within the Columbia basin is about \$139 million, noting that the numbers need to be verified.
290	Chair Smith	Inquires if that information could be provided to the committee and if the programs are ongoing.
293	Ball	Explains the steps of the review of the projects.
361	Ball	Talks about the success of the Shellfish license that was created in the 2003 session.
391	Rep. Beyer	Asks if the department received a lot of complaints, in regards to the Shellfish license, or if it was a smooth transition.
397	Ball	Responds that the department received a few complaints when the program started but they were relatively minor. Adds that the public has been accepting the program and the need for the license.
419	Rep. Beyer	Wonders if there is any way of knowing whether charging a fee has had an affect on the number of non-residents who are coming to Oregon for Shellfish.

TAPE 4, B

011	Ball	Asks if Rep. Beyer means how many people continue to come to Oregon.
014	Rep. Beyer	Inquires how to measure how many people stopped coming from other states when Oregon began issuing the license.
015	Ball	Responds it is difficult to compare how many people were here prior to the license requirement because there is no way to get the data.
032	Rep. Boquist	Inquires about the Governor's program to give current serving military a free hunting and fishing license.
039	Ball	Tells Rep. Bouquist that the program is being administered through the Military Department. Explains how the program would work from the view of the department.
064	Rep. Boquist	Expresses concerns on the wolf management plan. Wonders if that is a topic that will be talked about later or if it could be discussed now.
077	Ball	Explains the issue of wolves as it relates to Oregon. Says that Oregon Statute requires the management of wolves and that a livestock owner cannot currently kill a wolf that is killing their livestock. Says a process is underway to develop a wolf conservation plan that could provide for lethal take for the protection of livestock. References the Wolf Advisory Committee that is working on a conservation plan adding that a public hearing is scheduled for February 10 with final rulemaking anticipated on February 11.
132	Chair Smith	Asks if the decision made on February 11, 2005 will take into account the legislative action that is required.
134	Ball	<p>Answers that there will need to be three statutory changes in support of the plan. Explains the changes needed are;</p> <ul style="list-style-type: none"> • Compensation for loss of life stock • Flexibility in managing wolves • Lethal take would be allowed
157	Chair Smith	Inquires if the department could adopt a plan on February 11 that would not require statutory changes, and therefore would not be addressed during this legislative session.
159	Ball	States that they could adopt such a plan.

164	Chair Smith	Inquires if he knows if the changes will be this session.
165	Ball	Responds that he anticipates that the legislative changes be brought forth during the 2005 Legislative Session.
167	Chair Smith	Asks how much money has been spent on this program.
169	Ball	Answers that the expenses on the wolf management plan have been charged to a federal account, though he cannot quote the exact amount at this time.
174	Chair Smith	Requests that Mr. Ball provide the committee with the information at a later time.
175	Ball	Responds that he will.
177	Rep. Burley	Inquires why wolves can be taken under the federal Endangered Species Act (ESA), but not under the Oregon Endangered Species Act (OESA).
182	Ball	Remarks that the state OESA is more restrictive with respect to lethal take than the federal ESA.
196	Rep. Burley	Questions that interpretation, given that Oregon is not inside the boundary set for the experimental population. Asserts that the wolf does not have the same benefits of an experimental status in Oregon, and therefore should have the same take restrictions as other threatened or endangered status species.
201	Ball	Responds that there are more liberal exceptions under the experimental boundary designation than there are outside.
211	Rep. Burley	Inquires if he is correct in stating that Oregon is outside the boundry.
216	Ball	Responds that Rep. Burley is correct.
217	Rep. Burley	Asks for confirmation that Oregon does not enjoy the liberal exceptions under the federal ESA, and therefore wolves cannot be taken in Oregon under the federal ESA.

220	Ball	Answers that Rep. Burley is correct though the U.S. Fish and Wildlife Service can write provisions to allow such a take.
220	Rep. Boquist	Requests confirmation that passage of the wolf management plan would necessitate statutory changes.
233	Ball	Explains the OESA provisions. States that a provision can be written into the state wolf management plan to allow for the taking of a wolf that is preying on livestock.
259	Rep. Boquist	Inquires if the three statutory changes would need to be addressed this session.
279	Ball	Reviews the three statute changes and what they would do.
289	Rep. Sumner	Comments on the financial result and the reason for reintroducing extinct species. Asks what the department is doing to help control the mountain lion population.
316	Ball	Informs the committee of the history of the cougar problem. States that the department is currently doing everything they can to allow people to protect their lands.
397	Rep. Sumner	Expresses appreciation to Mr. Ball for his helpfulness in briefing him.
407	Ball	Informs the committee of an informational meeting with the Republican Caucus on January 25, 2005 to present the issue of wolves.

OREGON DEPARTMENT OF FORESTRY

423	Marvin Brown	State Forester, Oregon Department of Forestry. Submits and presents a PowerPoint presentation regarding the Department of Forestry (EXHIBIT C) . Gives an overview of the department.
464	Brown	Explains the budget and staffing of the department on page three (EXHIBIT C) .

TAPE 5, B

049	Brown	Expands on the graph on page five (EXHIBIT C).
094	Brown	Expands on the values and issues in forest management on pages 10 and 11 (EXHIBIT C).
134	Brown	Comments on the need to place more importance on urban and community forestry in the future.
148	Chair Smith	Inquires what is considered an urban forest.
150	Brown	States that an urban forest is anything that exists in a heavily populated area.
160	Chair Smith	Requests that Mr. Brown give her an example of the difference in managing an urban forest.
162	Brown	Gives an example from Washington County.
174	Brown	Expands on succession management page 12 (EXHIBIT C).
193	Brown	Highlights business systems and management processes.

OREGON PARKS AND RECREATION DEPARTMENT

211	Tim Wood	Director, Oregon Parks and Recreation Department (OPRD). Submits and reads written testimony (EXHIBIT D). Gives the history of the department and explains how it is organized.
226	Wood	Explains organization chart on page two (EXHIBIT D).
286	Wood	Gives information on the Target 2014 Program and the eight goals. States that he will provide the committee with a pamphlet containing more information on the program at a later date.
319	Wood	Expands on the different programs in the Parks and Recreation department.
368	Wood	Expands on and explains the pie chart on page five (EXHIBIT D).

408 Wood Describes the departments estimated expenditures for 2005 to 2007.

TAPE 6, A

012 Wood Expands on the key legislative issues that are important to the Parks and Recreation Department this session.

027 Rep. Burley States that he served for five years on the Bend Metro Parks and Recreation District Board of Directors. Expresses gratitude for the grants that are available through the department.

031 Chair Smith Inquires if Mr. Wood can help with constituent complaints about a lack of restrooms in the Columbia River Gorge Scenic Area.

035 Wood Responds that there are many parks in the Columbia River Gorge with restrooms that may be used free of charge.

036 Chair Smith Inquires if they all have a fee.

037 Wood Lists the parks that charge fees and the ones that do not.

OREGON DEPARTMENT OF ENERGY

045 Mike Graineey Director of the Oregon Department of Energy. Submits and presents written testimony (**EXHIBIT E**).

077 Graineey Discusses the energy crisis of 2000-2001 and expanded on the consequences. Explains the changes the 2001 Legislature made.

088 Graineey Lists the results of the changes that were made by the 2001 Legislature.

- Power supply situation has improved.
- Energy efficiency efforts have improved.

128 Graineey Mentions the renewable energy action plan (**EXHIBIT E**).

139 Graineey Discusses the price overcharge investigations.

154 Graineey

Remarks on the affects that the terrorist attacks of September 11, 2001 had on the department and its involvement in security issues.

177	Grainey	Refers to the summary of the department's budget on page eight (EXHIBIT F) .
203	Rep. Boquist	Inquires if the Hermiston power plant and Umatilla Generating project are the same.
205	Grainey	Clarifies that they are two separate projects.
224	Chair Smith	Closes the informational meeting and adjourns the meeting at 11:07 a.m.

EXHIBIT SUMMARY

- A. Oregon Department of Agriculture, informational materials, Katy Coba, 213 pp**
- B. Oregon Department of Fish and Wildlife, prepared testimony, Lindsay Ball, 6 pp**
- C. Oregon Department of Forestry, PowerPoint presentation, Marvin Brown, 13 pp**
- D. Oregon Parks and Recreation Department, prepared testimony, Tim Wood, 6 pp**
- E. Oregon Department of Energy, informational materials, Mike Grainey, 35 pp**