

SENATE COMMITTEE ON ENVIRONMENT & LAND USE

April 06, 2005
3:00 P.M.

Hearing Room B
Tapes 73 - 76

MEMBERS PRESENT: Sen. Charlie Ringo, Chair
Sen. Jason Atkinson, Vice-Chair
Sen. Roger Beyer
Sen. Ginny Burdick

MEMBER EXCUSED: Sen. Frank Shields

STAFF PRESENT: Matt Shields, Committee Administrator
Katie Lowry, Committee Assistant

MEASURES/ISSUES HEARD:
SB 887 – Work Session
SB 294 – Public Hearing
SB 1037 – Public Hearing

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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
TAPE 73, A		
005	Chair Ringo	Calls meeting to order at 3:04 p.m. Makes opening remarks. Opens work session on SB 887.
<u>SB 887 – WORK SESSION</u>		
015	Sen. Ryan Deckert	Represents Senate District 14. Mentions -5 amendments which are submitted by staff for the record (EXHIBIT A).
033	Chair Ringo	Recesses work session on SB 887 and opens public hearing on SB 294.
<u>SB 294 – PUBLIC HEARING</u>		
042	Candi Penn	Director, Hemp Industries Association. Submits informational packet (EXHIBIT B).
049	Chair Ringo	Interrupts Ms. Penn to allow Sen. Floyd Prozanski to testify.
050	Sen. Floyd Prozanski	Represents Senate District 4. Gives background information on SB 294. Submits and explains SB 294-1 amendments (EXHIBIT C) and SB 294-2 amendments (EXHIBIT D).
075	Chair Ringo	Asks if the -1 amendments would change the degree of opposition to SB 294.
076	Sen. Prozanski	Replies. Discusses the -2 amendments.
095	Penn	Gives background information on hemp. Testifies in support of SB 294.
120	Carolyn Moran	Living Tree Paper. Testifies in support of SB 294. Submits informational packet (EXHIBIT E).
128	Chair Ringo	Asks where Ms. Moran's business is located.
129	Moran	Replies Eugene. Continues testimony in support of SB 294.
135	Chair Ringo	Asks witness what climate and soil types are needed to grow hemp.
137	Moran	Responds.
139	Chair Ringo	Asks specifically where hemp could be grown.

140	Moran	Responds.
141	Chair Ringo	Verifies that hemp needs water to grow.
142	Moran	Replies yes.
145	Chair Ringo	Asks witnesses if they have written testimony.
146	Penn	Replies that her written testimony is included in the submitted informational packet.
147	Sen. Prozanski	States that there are two other people who will testify. States that he is submitting written testimony on behalf of Gerry Shapiro, President of The Merry Hempsters, Inc., in support of SB 294 (EXHIBIT F) .
155	Sue Kastensen	Founder of Sun Dog. Gives background information on Sun Dog. Distributes samples of products.
168	Patrick Goggin	Co-Counsel for Hemp Industries Association. Submits and reads written testimony in support of SB 294 (EXHIBIT G) .
215	Sen. Prozanski	States that another constituent that could not be here today also has a lip balm company. Discusses farms and regulations.
220	Joel Lujan	Oregon State Police. Submits informational packet (EXHIBIT H) and reads written testimony in opposition to SB 294.
290	Chair Ringo	Asks witness to summarize by paragraph.
291	Lujan	Continues testimony in opposition to SB 294.
355	Chair Ringo	Asks if there is currently a problem in Canada with hemp production and how it impacts the use of marijuana.
360	Lujan	Replies, not that he knows of.
365	John English	Director, For Our Children's Children. Submits and highlights written testimony in opposition to SB 294 (EXHIBIT I) .

TAPE 74, A

007	Chair Ringo	Recesses public hearing on SB 294 and re-opens work session on SB 887.
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SB 887 –WORK SESSION

008	Chair Ringo	MOTION: Moves to SUSPEND the rules for the purpose of reconsidering SB 887.
		VOTE: 4-0-1
		EXCUSED: 1 - Shields
009	Chair Ringo	Hearing no objection, declares the motion CARRIED.
010	Chair Ringo	MOTION: Moves to RECONSIDER the vote by which SB 887 was sent to the floor with a "DO PASS AS AMENDED" recommendation.
		VOTE: 4-0-1
		EXCUSED: 1 - Shields
011	Chair Ringo	Hearing no objection, declares the motion CARRIED.
012	Chair Ringo	Explains the -5 amendments.
020	Sen. Burdick	Asks if the -5 amendments replace the -3 amendments.
021	Chair Ringo	Replies yes.
	Chair Ringo	MOTION: Moves to ADOPT SB 887-5 amendments dated 04/06/05.
		VOTE: 4-0-1
		EXCUSED: 1 - Shields
023	Chair Ringo	Hearing no objection, declares the motion CARRIED.
025	Chair Ringo	MOTION: Moves SB 887 to the floor with a DO PASS AS AMENDED recommendation.
		VOTE: 4-0-1
		EXCUSED: 1 - Shields
026	Chair Ringo	Hearing no objection, declares the motion CARRIED.

SEN. RINGO will lead discussion on the floor.

027 Chair Ringo Closes work session on SB 887 and re-opens public hearing on SB 294.

SB 294 – PUBLIC HEARING

035 Michael van Kleek Citizen. Testifies in support of SB 294.
060 Chris Rich Citizen. Testifies in support of SB 294. Submits informational packet (**EXHIBIT J**). Submits book titled The Emperor Wears No Clothes (**EXHIBIT K**).
080 Chris Rich Makes comment on testimony of Joel Lujan.
087 Chuck Fall Project Hemp. Testifies in support of SB 294. Submits written testimony (**EXHIBIT FF**).

109 Chair Ringo Makes comment on witness' testimony.

The following prepared testimony is submitted for the record without public testimony:

Dan Hilburn Oregon Department of Agriculture. Submits written testimony on SB 294 (**EXHIBIT L**).

110 Chair Ringo Closes public hearing on SB 294 and opens public hearing on SB 1037.

SB 1037 – PUBLIC HEARING

111 Chair Ringo Makes opening comments on SB 1037 and Measure 37.
145 Chris Crean Committee Counsel. Submits and highlights overview of SB 1037 (**EXHIBIT M**).
209 Chair Ringo Asks Chris Crean to give a brief overview of SB 1037-1 amendments.
210 Crean States that he thinks the -1 amendments are being circulated.
211 Chair Ringo Remarks that SB 1037 is available through distribution and that the -1 amendments are available at the following website www.oregonsenate.com.
215 Crean States that the -1 amendments are in draft form and that they have been submitted to Legislative Counsel. Submits and discusses overview of SB 1037-1 amendments (**EXHIBIT N**).
293 Chair Ringo Makes comment.
295 Crean Responds. Continues overview of SB 1037-1 amendments.
325 Chair Ringo Makes comment on the -1 amendments.
330 Lane Shetterly Director, Department of Land Conservation and Development (DLCD) and represents the Governor's office. States that he has not had an opportunity to read the -1 amendments. Discusses SB 1037 and Measure 37.
385 Katy Coba Director, Oregon Department of Agriculture. Submits and highlights written testimony (**EXHIBIT O**).

TAPE 73, B

035 Bob Stacey 1000 Friends of Oregon. Submits proposed conceptual amendments to SB 1037 (**EXHIBIT P**) and a section by section summary of SB 1037 replacement language (**EXHIBIT Q**). States that 1000 Friends of Oregon does not support the approach taken by Chris Crean. Hopes that the committee will find a compensation mechanism.
079 Chair Ringo States that the compensation mechanism does need to be a critical part of SB 1037. Discusses an email received today about Measure 37 and compensation.
095 Robert P. Latham Resident, Silver Lake. Submits written testimony (**EXHIBIT R**). Discusses compensation of Measure 37. Testifies in opposition to SB 1037.
120 Chair Ringo Remarks that there are summaries available on the website mentioned earlier and in the back of the room.

127	Sen. Atkinson	Thanks witness for driving all the way from Lake County.
138	Rich Holcomb	Rancher, Douglas County. Discusses farming operation. Discusses concerns with effects of Measure 37.
172	Chair Ringo	Asks if anyone has filed a Measure 37 claim.
173	Holcomb	Replies not yet.
174	Chair Ringo	Asks if there would be multiple subdivisions.
175	Holcomb	Explains.
176	Chair Ringo	Asks if those are vacation homes.
177	Holcomb	Replies yes and explains. Continues discussion of Measure 37.
216	Chair Ringo	Comments on Measure 37 and SB 1037.
235	Holcomb	Points out that cattle and hay can be raised on non high value farmland.
237	Chair Ringo	States that is an excellent point and gives another example. Appreciates witness' testimony.
244	Lynn Miller	Small Farmer's Journal. Applauds the intent of SB 1037 and explains concerns with SB 1037.
259	Chair Ringo	Asks where Geneva is.
260	Miller	States that he lives between Madras and Sisters.
261	Miller	Continues detailing concerns with SB 1037.
297	Tygh Redfield	Resident, Deschutes County. Gives background information on his farm. States that there have been three (3) Measure 37 claims filed in Deschutes County within one mile of his farm. Discusses compensation mechanism. Discusses land zoning and waivers.
365	Redfield	Asks question about water rights on high value farmland.
366	Chair Ringo	Responds.
367	Redfield	Makes comment.
370	Chair Ringo	Discusses compensation in regards to the state budget. Mentions proposed moratorium.
387	Redfield	Asks what would happen to the six (6) month filing deadline if a compensation mechanism is put into place.
391	Chair Ringo	States that it is a work in progress.
400	Harlan Levy	Senior Staff Attorney, Oregon Association of Realtors. States that he has not yet reviewed the -1 amendments.
410	Chair Ringo	States that they are available on the website mentioned earlier.
412	Levy	Makes comments about tract of record. Refers to Page 1, line 7 of SB 1037.
TAPE 74, B		
011	Levy	Discusses date of ownership requirement and makes suggestion.
018	Levy	Discusses transferability. Refers to Page 3, line 20 of SB 1037.
024	Chair Ringo	States that his intention is to clarify the issue of transferability.
028	Levy	Discusses opinion on why Measure 37 passed.
033	Chair Ringo	Asks if he believes that Measure 37 was not about compensation.
034	Levy	Responds.
045	Dave Weil	Farmer, Dundee. Explains that there is a claim for a subdivision near their operation. Discusses water issues. Discusses compensation.
075	Mary Weil	Farmer, Dundee. Discusses waivers. Believes that the legislature is bound by the law to find a way to provide compensation. Acknowledges that there is no money for compensation.
099	Chair Ringo	Appreciates witness' testimony.
110	Sarah Deumling	Resident and forester, Rickreall. Submits and highlights written testimony on SB 1037 (EXHIBIT S).
187	Jim Arterberry Maresh	Farmer, Yamhill County. Discusses his farm operation. Mentions development in the Dundee hills. Discusses Measure 37.

199	Tawny Paul	Farmer, Yamhill County. States that her family farm, along with all family farms across the state, are in jeopardy because of Measure 37. Discusses waivers and a claim made in Yamhill County. Discusses developments next to farms.
230	Richard Blaine	Farmer, Hood River County, Wasco County and Klickitat County. Discusses orchards in Hood River. Discusses concerns with waivers and their effect on orchards and packing houses.
285	Sydney Blaine	Farmer, Hood River County, Wasco County and Klickitat County. Discusses concerns with tract of record. Hopes committee can explore compensation mechanisms.
310	Roz Shirack	Resident, Marion County. Supports land use planning system. Asks committee not to erode the protections and abilities of the land use planning system to do its job and protect land in Oregon. Discusses concerns with waivers. Asks committee to support compensation.
365	Jim Wood	Rancher, Crook County. Gives background information on himself and his ranching operation. Discusses concerns with income standards, waivers and lack of compensation mechanism. Discusses use of non-resource land. Discusses soil classification.
TAPE 75, A		
010	Wood	Discusses economic value of non-resource lands. Asks about roll-up of 1985-1994 income tax standards. Discusses concerns with waivers. States that there needs to be a mechanism for compensation. Discusses filing Measure 37 claims. Discusses guest ranches. Thanks committee for trying to fix Measure 37. Invites committee to Crook County.
060	Chair Ringo	Asks if it is worse to pass SB 1037 or to leave Measure 37 as it is.
063	Wood	Replies that is a tough decision.
064	Chair Ringo	States that this is the choice that needs to be made.
065	Wood	Believes that SB 1037 is a start.
073	Chair Ringo	Asks if it is better to do nothing.
075	Wood	Responds.
090	Sen. Beyer	Remarks on text of Measure 37 and compensation. Discusses right to farm and right to forest laws. States that he must leave and apologizes to those who are signed up to testify.
110	Chair Ringo	Makes comment.
115	John Hedges	Property Owners, Clackamas County. Accompanied by Amanda Hedges. Submits and highlights written testimony in support of SB 1037 (EXHIBIT T).
175	Scott Ashcom	Oregon Agriculture Association. Submits and explains testimony and conceptual amendments in support of SB 1037 (EXHIBIT U).
215	Gary Conkling	Oregon Winegrowers Association. Submits and reads written testimony on SB 1037 (EXHIBIT V).
250	Mona Linstromberg	Resident, Lane County and Neighbors 4 Responsible Growth. Makes comment on previous testimony regarding farm and forest deferral.
255	Chair Ringo	Says that is a top priority for the committee.
256	Linstromberg	Discusses Measure 37 claims and Measure 37.
275	Chair Ringo	Makes comment.
285	Marilyn Reeves	Resident, Amity and member of the Groundwater Advisory Committee, Water Resources Administration. Discusses linkage between water usage and land use. Urges committee to consider

323	Henry Reeves	groundwater interface. Supports tract of record. Resident, Yamhill County. Discusses Measure 37 claim intent of a neighbor. Discusses loopholes in the lot of record provision. States that development is a one way process.
355	Mickey Killingsworth	Resident and farmer, Jefferson County. Submits and reads written testimony in opposition to SB 1037 (EXHIBIT W) .
406	Chair Ringo	Asks about statement made by witness.
407	Killingsworth	Explains analysis done.
411	Chair Ringo	States that he would be interested to see that analysis.
412	Killingsworth	Replies.
413	Chair Ringo	States that he wonders what the state will look like if nothing is done.
422	Killingsworth	Offers to bring the analysis in to the committee.
423	Chair Ringo	Replies.
424	Killingsworth	Continues reading submitted testimony.
TAPE 76, A		
010	Killingsworth	Acknowledges that the issue of compensation is a work in progress. States that all those that she knows that voted for Measure 37 voted for compensation.
018	Chair Ringo	Comments on compensation and waivers.
035	James Parker	Resident, Yamhill County. Gives background information on area of residence. Discusses Measure 37 claims.
054	Chair Ringo	Asks how many acres.
055	Parker	Replies 320.
056	Parker	Discusses concerns. Addresses Sen. Beyer's earlier comment using an illustration.
093	Chair Ringo	Verifies that the 320 acre claim mentioned by witness was on high value soil.
095	Parker	Replies yes.
096	Chair Ringo	Points out that, under the -1 amendments, the mentioned claim would not go forward.
103	Liz Frenkel	League of Women Voters of Oregon. Submits and highlights written testimony (EXHIBIT X) .
126	Chair Ringo	Discusses transferability.
133	Frenkel	Makes comment.
134	Chair Ringo	Makes comment.
135	Don Schellenberg	Oregon Farm Bureau (OFB). Submits and highlights written testimony in neutrality to SB 1037 (EXHIBIT Y) .
150	Chair Ringo	States that position is of no use to the committee.
151	Schellenberg	Responds.
156	Chair Ringo	States that the OFB has 9,000 members. Asks how many members are willing to contact their state Representatives and state Senators to advocate for compensation by a tax increase.
158	Schellenberg	States that he has no way of knowing that.
159	Chair Ringo	Asks if witness has asked them to do that.
160	Schellenberg	Responds.
163	Chair Ringo	Discusses tax increase.
170	Schellenberg	Continues highlighting submitted testimony.
183	Chair Ringo	Asks if witness has specific suggestions on how to strengthen right to farm laws.
184	Schellenberg	Replies yes and gives reference in testimony.
185	Schellenberg	Continues highlighting submitted testimony.
206	Peter Kenagy	Farmer, Benton County. Discusses SB 1037.
225	Chair Ringo	Believes that the mentioned dwellings are going in anyway under

		Measure 37.
226	Kenagy	Responds. Continues testimony on SB 1037.
258	Chair Ringo	Makes comment on witness' testimony.
260	Kenagy	Discusses compensation.
268	Chair Ringo	Discusses Measure 11 and the initiative system.
275	Ted Lorensen	Assistant State Forester, Oregon Department of Forestry. Submits informational packet (EXHIBIT Z). Highlights written testimony included in submitted informational packet.
350	Chair Ringo	Asks witness to provide analysis to Chris Crean. Points out that there is not language to deal with mixed farm and forest land.
360	Jessica Hamilton	Legislative Affairs Director, Oregon League of Conservation Voters. States that she is here on behalf of the Oregon Conservation Network. Discusses SB 1037. Reads sentence from testimony submitted by the Tillamook County Creamery Association (EXHIBIT AA).
405	Chair Ringo	Wants the record to reflect that his statement "let's tax ice cream" was a joke.
408	Jeremy Wright	Oregon State Public Interest Research Group. Expresses concerns with waivers.
430	Chair Ringo	Remarks on compensation mechanism.
	The following prepared testimony is submitted for the record without public testimony:	
	Shawn Reiersgaard	Director of Environmental and Political Affairs, Tillamook County Creamery Association. Submits written testimony in opposition to SB 1037 (EXHIBIT AA).
	Wendy Siporen	Executive Director, The Rogue Initiative for a Vital Economy (THRIVE). Submits written testimony on SB 1037 (EXHIBIT BB).
	Ilsa Perse	Resident, Carlton. Submits written testimony on SB 1037 (EXHIBIT CC).
	Marcus Simantel	City Club of Portland. Submits informational packet on SB 1037 (EXHIBIT DD).
	Michael Selvaggio	Legislative Assistant, Sen. Charlie Ringo's office. Submits written testimony on SB 1037 (EXHIBIT EE).
439	Chair Ringo	Closes public hearing on SB 1037 and adjourns meeting at 5:54 p.m.

EXHIBIT SUMMARY

- A. SB 887, -5 amendments, Sen. Ryan Deckert, 6 pp**
- B. SB 294, informational packet, Candi Penn, 42 pp**
- C. SB 294, -1 amendments, Sen. Floyd Prozanski, 1 p**
- D. SB 294, -2 amendments, Sen. Floyd Prozanski, 1 p**
- E. SB 294, informational packet, Carolyn Moran, oversized**
- F. SB 294, written testimony of Gerry Shapiro, Sen. Floyd Prozanski, 1 p**
- G. SB 294, written testimony, Patrick Goggin, 4 pp**
- H. SB 294, informational packet, Joel Lujan, 138 pp**
- I. SB 294, written testimony, John English, 2 pp**
- J. SB 294, informational packet, Chris Rich, 15 pp**
- K. SB 294, book, Chris Rich, oversized**
- L. SB 294, written testimony, Dan Hilburn, 1 p**
- M. SB 1037, overview, Staff, 4 pp**

- N. SB 1037, -1 amendments, Staff, 2 pp**
- O. SB 1037, written testimony, Katy Coba, 2 pp**
- P. SB 1037, conceptual amendments, Bob Stacey, 8 pp**
- Q. SB 1037, summary, Bob Stacey, 3 pp**
- R. SB 1037, written testimony, Robert P. Latham, 1 p**
- S. SB 1037, written testimony, Sarah Deumling, 2 pp**
- T. SB 1037, written testimony, John Hedges, 4 pp**
- U. SB 1037, written testimony, Scott Ashcom, 7 pp**
- V. SB 1037, written testimony, Gary Conkling, 1 p**
- W. SB 1037, written testimony, Mickey Killingsworth, 1 p**
- X. SB 1037, written testimony, Liz Frenkel, 1 p**
- Y. SB 1037, written testimony, Don Schellenberg, 3 pp**
- Z. SB 1037, informational packet, Ted Lorensen, 52 pp**
- AA. SB 1037, written testimony, Shawn Reiersgaard, 1 p**
- BB. SB 1037, written testimony, Wendy Siporen, 1 p**
- CC. SB 1037, written testimony, Ilsa Perse, 1 p**
- DD. SB 1037, informational packet, Marcus Simantel, 41 pp**
- EE. SB 1037, written testimony, Michael Selvaggio, 1 p**

The following exhibits are listed out of order in the body of the tape log:

- FF. SB 294, written testimony, Chuck Fall, 2 pp**