

HOUSE COMMITTEE ON AGRICULTURE & FORESTRY

April 17, 2001
3:30 PM

Hearing Room 50
Tapes 71 - 74

MEMBERS PRESENT: **Rep. Jeff Kropf, Chair**
 Rep. Al King, Vice-Chair
 Rep. Donna Nelson, Vice-Chair
 Rep. Robert Ackerman
 Rep. Dan Doyle
 Rep. Elaine Hopson
 Rep. Wayne Krieger
 Rep. Mary Nolan
 Rep. Tootie Smith

STAFF PRESENT: **Ray Kelly, Committee Administrator**
 Michael Reiley, Committee Assistant

MEASURE/ISSUES HEARD: **HB 3834 – Public Hearing**
 HB 3964 – Public Hearing and Work Session
 HB 3571 – Public Hearing
 HB 3814 – 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 71, A		
003	Chair Kropf	Calls meeting to order at 3:32 p.m. Opens public hearing on HB 3834.
<u>HB 3834 – PUBLIC HEARING</u>		
014	Ken Evans	KEE Communications. Explains intentions for HB 3834.
039	Chair Kropf	Asks what is meant by cellulose biomass energy.
044	Mike Grainey	Assistant Director, Oregon Office of Energy. Explains biomass energy potential.
076	Chair Kropf	Asks if general fund money is to be appropriated to the programs. Asks if it is limited to ethanol and methanol production.
087	Evans	Answers that the intent is to achieve a comprehensive study to address the relevant issues.
107	Mark Rappaport	Explains what material would be studied in HB 3834. Explains the current energy systems and potentials.
218	Chair Kropf	Asks if Mr. Rappaport is engaged in manufacturing the systems.
220	Rappaport	Answers that they are in the process of developing the entire system.
245	Rep. King	Asks about issues of using grass seed such as storage.
252	Rappaport	States that he cannot answer.
264	Rep. King	Asks about harvest of wood products and grass seeds.
270	Rappaport	Answers that different parts of the system will be equipped to handle different types of material.
276	Chair Kropf	Explains pollution control credit that allows farmers to store

294 Rappaport their straw and ship it to Japan for use as animal feed. States that they were examining using tax credits to reduce the cost of capital.

297 Rep. T. Smith Asks if forest waste would be brought in to a centralized location.

304 Rappaport Answers that the facilities are 30-40 acres in size and would not be entirely centralized, but located in communities in outlying areas.

316 Rep. T. Smith Asks if the facilities would be owned by the public or private sector.

317 Rappaport Answers that they are planning to have them operated by private financing.

319 Rep. T. Smith Asks if she could eventually own one if she was willing to finance it.

321 Rappaport Answers that they would cost approximately \$100 million.

324 Rep. T. Smith Asks how the economic development of the system would develop.

329 Rappaport Answers that they are seeking private financing and tax credits and further explains the energy system.

357 Chair Kropf Asks how long the study will last.

361 Evans Answers that it is not addressed in the bill because it was not known how long it would take.

405 Grainey Submits and summarizes written information (**EXHIBIT A**).

427 Chair Kropf Asks if 2 years is a reasonable time frame for the study.

429 Grainey Answers yes.

432 Rappaport Stresses the importance of maintaining objectivity of the study. Explains potential for the system.

TAPE 72, A

062 Matt Blevins Oregon Environmental Council. Submits and reads prepared testimony (**EXHIBIT B**).

091 Chair Kropf Closes public hearing on HB 3834. Opens public hearing on HB 3964.

HB 3964 – PUBLIC HEARING

095 Kelly Explains HB 3964.

101 Chair Kropf Explains intentions of HB 3964.

113 Dave Nelson Oregon Seed Council. Testifies in support of and explains HB 3964.

197 Rep. Ackerman Asks if there is a fiscal impact associated with the state becoming involved in a private contract.

207 Nelson Answers that it is less than \$50,000. Notes that merely the threat of action against a company would be enough to resolve issues.

218 Rep. Ackerman Asks why the state is stepping in to a private contractual obligation.

226 Nelson Cites example of the Packers and Stockyards Act that requires prompt payment.

247 Rep. Ackerman Asks for clarification of statute.

257 Nelson Offers clarification of statute.

262 Rep. Ackerman Asks who the “parties to the proceeding” are.

266 Nelson Answers that it would be an appeal to the director of ODA to deal with issue.

276 Rep. Ackerman Asks if enforcement powers would be subjected to due process in a contested case hearing.

281 Nelson Answers yes.

307 Jim Cramer Acting Administrator of Commodity Inspection Division, ODA.

323 Chair Kropf Testifies in support of HB 3964.
Closes public hearing on HB 3964. Opens work session on HB 3964.

Written testimony submitted by Jim Carnes, Perennial Ryegrass Bargaining Association, in support of HB 3964 (EXHIBIT C).

HB 3964 – WORK SESSION

327 Rep. T. Smith **MOTION: Moves HB 3964 to the floor with a DO PASS recommendation.**

333 Rep. Doyle Declares potential conflict of interest.

338 Rep. Ackerman Explains objections to HB 3964.

391 Chair Kropf Declares potential conflict of interest.

VOTE: 9-0

400 Chair Kropf **AYE: In a roll call vote, all members present vote Aye. The motion CARRIES.**

REP. DOYLE will lead discussion on the floor.

403 Chair Kropf Closes work session on HB 3964. Opens public hearing on HB 3814.

HB 3814 – PUBLIC HEARING

442 Don Schellenberg Associate Director of Governmental Affairs, Oregon Farm Bureau. Explains Submits

458 Chair Kropf Opens public hearing on HB 3571.

TAPE 71, B

HB 3571 – PUBLIC HEARING

HB 3571-1 amendments submitted by staff (EXHIBIT D).

012 Rep. Cliff Zauner House District 38. Submits and reads prepared testimony (EXHIBIT E).

093 Rep. Nelson Asks how prevalent swans are and if it is unique to Rep. Zauner's area.

096 Rep. Zauner Answers that the swan populations are more prevalent in Lane and Linn counties.

100 Chair Kropf Asks if HB 3571 is about a farmer protecting private property.

116 Rep. Zauner Answers yes. Notes that it is not open season on swans.

120 Chair Kropf Asks if it should be limited to farmers only.

124 Rep. Zauner Answers that a farmer may want help from others.

130 Chair Kropf Asks if taking a swan would not need to be reported to Oregon Department of Fish & Wildlife (ODF&W).

137 Rep. Zauner Answers that the number of swans potentially taken is unknown and it is not the intent to add more regulation and licensing.

148 Chair Kropf Notes that the issue is not only taking swans, but the management of farmers' land as well.

154 Rep. Zauner Concurs. Suggests that dogs may be an effective tool to deal with the issue.

158 Rep. Hopson Asks how economic damage has resulted from swans.

161 Rep. Zauner Answers that he does not know.

173 Roy Elicker Legislative Coordinator, ODF&W. States that ODF&W does not have the information.

183 Rep. Ackerman Asks if the trumpeter swan is a threatened or endangered species.

195 Elicker Answers that the question will be answered in his prepared testimony. Submits and reads prepared testimony (EXHIBIT F).

251 Chair Kropf Asks if low numbers of swans in the Willamette Valley may be weather related.

252 Elicker Answers that it may be. Continues prepared testimony.

283 Chair Kropf Asks about potential of US Fish & Wildlife and ODF&W for management ability.

291	Elicker	Answers that farmers have the freedom to take any action to handle swans short of harming or killing them.
308	Chair Kropf	Asks if it would matter if animals were considered predatory.
310	Elicker	Answers no.
318	Chair Kropf	Asks if there are still issues that would need to be dealt with even if HB 3571 passed.
328	Elicker	Answers yes.
332	Rep. Ackerman	Asks what the significance of declaring swans as a game bird.
340	Elicker	Answers that it does not matter if swans are considered game birds because ODF&W has the authority to handle swans.
348	Rep. Ackerman	Asks if there is a question of federal preemption of the swan issue.
350	Elicker	Answers that there is not a question because the Fish & Wildlife Service and the federal government have the managed authority and responsibility for migratory game birds.
357	Rep. Ackerman	Asks if ODF&W would take no action to implement a hunting season for swans if the amendment was adopted.
360	Elicker	Answers that if HB 3571 were passed, ODF&W would meet with the US Fish & Wildlife service to analyze the situation.
382	Rep. Nolan	Asks what the fiscal impact would be.
400	Elicker	Answers that he does not know, but they would go forward in the process to determine it.
409	Rep. Nolan	Asks what kind of activities would have to be eliminated without additional funding.
416	Elicker	Answers that in other states that have established hunting seasons, costs were incurred to comply with federal guidelines, but the fiscal impact would be minimal in Oregon since ODF&W is already meeting the federal guidelines.
TAPE 72, B		
006	Rep. Nolan	Asks what the period of time required would be to negotiate with the federal government for them to allow the state to implement HB 3571.
010	Elicker	Answers that he does not know.
012	Rep. Doyle	Asks for the provision in the -1 amendments that protects the trumpeter swan over the tundra swan.
020	Elicker	Answers that designating the tundra swan as predatory wildlife provides jurisdiction in state laws under ODA and makes it easier to control the swans.
038	Rep. Doyle	Asks if an amendment would be necessary to declare tundra swans only as predatory.
044	Elicker	Answers that state classification does not matter because it is under federal authority.
061	Rep. Krieger	Asks how many resident geese resided in the Willamette Valley 40 years ago.
066	Eric Rickerson	ODF&W. Answers that there were approximately 25,000 Canada geese in northwest Oregon and southwest Washington 40 years ago. Estimates that there are 10 times as many now.
075	Rep. Krieger	Notes that the designation of swans is less important than the ability to address population issues.
090	Rep. Ackerman	Asks for clarification of the reference to predatory animals.
092	Elicker	Explains designation of predatory animals.
101	Rep. Ackerman	Questions if the amendments address the classification of predatory animals.
104	Elicker	Answers that he is correct. Explains the amendments'

123	Rep. Ackerman	classification. References ORS 610.002 and its definition of predatory animals excluding game birds. Asks if the tundra swan could be implied to be a predatory animal.
130	Elicker	Answers yes.
132	Chair Kropf	Closes public hearing on HB 3571. Opens public hearing on HB 3814.

HB 3814 – PUBLIC HEARING

HB 3814-3 amendments submitted by staff **(EXHIBIT G)**.

147	Schellenberg	Submits and reads prepared testimony in support of HB 3814 (EXHIBIT H) .
327	Rep. Nelson	Asks if section 5, page 6 restricts cities from acquiring affected property.
339	Schellenberg	Clarifies provisions of amendments. Continues prepared testimony. Notes that Oregon Association of Nurserymen and Oregon Forest Product Manufacturers support the amendments.
473	Rep. Krieger	Asks for summary of issues that were problems for cities.
TAPE 73, A		
023	Schellenberg	Explains issues that were discussed in the work group.
034	Rep. Nelson	Asks what tax exemption is.
039	Schellenberg	Answers that there is no longer a tax exemption in HB 3814.
051	Chair Kropf	Asks if –3 amendments will stop manufacturers from being able to provide their biosolid waste as beneficial soil amendments.
063	Schellenberg	Answers that it will not. Notes that HB 3814 would make it easier to use biosolid waste.
075	Chair Kropf	Asks if anything in HB 3814 precludes a facility from expanding their activities.
082	Schellenberg	Answers that they would still have to obtain the necessary permits.
107	Willie Tiffany	League of Cities. Submits and reads prepared testimony against HB 3814 (EXHIBIT I) .
191	Burton Weast	Special Districts Association of Oregon. Testifies against HB 3814. Discusses effects of amendments. Discusses issue of ownership.
297	Chair Kropf	Questions if the most important issue is land ownership.
303	Tiffany	Answers that it is the most important issue to the drafters of HB 3814.
319	Chair Kropf	Asks if the cities do not object to being able to purchase farmland as much as “how to get there.”
330	Tiffany	Answers yes. Explains reasonable alternatives test and the issues relating to it.
369	Rep. Nolan	Asks if there is fiscal impact for –3 amendments.
373	Kelly	Answers that there is not.
379	Rep. Nolan	Notes that the amendments are not trivial. Expresses desire for more time and work to be done on HB 3814 to deal with the issues.
414	Rep. Nelson	Asks if a legal opinion of HB 3814 would be appropriate.
TAPE 74, A		
006	Weast	Answers that there could be significant legal issues and points of contention.
028	Tiffany	Notes that it would be appropriate to seek legal advice.
034	Chair Kropf	Recesses meeting at 5:50 p.m. Reconvenes at 6:05 p.m. Closes public hearing on HB 3814. Adjourns meeting at 6:07 p.m.

Written testimony submitted by Michael Collmeyer, 1000 Friends of Oregon, regarding HB 3814

(EXHIBIT J).

Submitted By,

Reviewed By,

Michael Reiley,
Committee Assistant

Ray Kelly,
Committee Administrator

EXHIBIT SUMMARY

- A – HB 3834, Oregon Cellulose-Ethanol Study, Mike Grainey, 106 pp.**
- B – HB 3834, written testimony, Matt Blevins, 1 p.**
- C – HB 3964, written testimony, Jim Carnes, 2 pp.**
- D – HB 3571, -1 amendments, staff, 1 p.**
- E – HB 3571, written testimony, Rep. Cliff Zauner, 3 pp.**
- F – HB 3571, written testimony, Roy Elicker, 9 pp.**
- G – HB 3814, -3 amendments, staff, 12 pp.**
- H – HB 3814, written testimony, Don Schellenberg, 4 pp.**
- I – HB 3814, written testimony, Willie Tiffany, 1 p.**
- J – HB 3814, written testimony, Michael Collmeyer, 1 p.**