

HOUSE COMMITTEE ON WATER AND ENVIRONMENT

February 07, 2001
8:30 AM

Hearing Room E
Tapes 16 - 18

MEMBERS PRESENT: **Rep. Betsy Close, Chair**
 Rep. Laurie Monnes-Anderson, Vice-Chair
 Rep. Susan Morgan, Vice-Chair
 Rep. Mark Hass
 Rep. Bob Jenson
 Rep. Deborah Kafoury
 Rep. Al King
 Rep. Jeff Kruse
 Rep. Jan Lee

STAFF PRESENT: **Megan Palau, Committee Administrator**
 Shannon Relaford, Committee Assistant

MEASURE/ISSUES HEARD: **HB 2463 Public Hearing**
 HB 2539 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.

TAPE/#	Speaker	Comments
TAPE 16, A		
001	Chair Close	Convenes meeting at 8:37 a.m. Opens public hearing on HB 2463.
HB 2463 PUBLIC HEARING		
006	Megan Palau	Committee Administrator. Gives explanation of HB 2463.
018	Joseph Schreiber	Presents testimony in support of the bill (EXHIBIT A). Explains his tract of land does not qualify under the rules of the lot of record exemption, and can't use the \$80,000 income test.
059	Chair Close	Requests a description of the class 3 and 4 soils.
063	Schreiber	Explains the soils are without too much depth, more slope. Continues with testimony, summarizing the bill as benefiting only parcels acquired before January 1, 1985, consisting predominantly of class 3 and 4 soils. Notes that it would exempt lot of record tracts that are applicable by the \$80,000 rule, substituting the farm deferral tax status as a qualifying guideline.
200	Chair Close	Questions if the soil classification prevents the parcels from qualifying.
214	Schreiber	Responds that is part of it, the other part is the parcels may be joined to other lots.
218	Chair Close	Requests clarification of chart.
224	Schreiber	Responds that statement is an inference from the statutes, not something he said.
226	Chair Close	Asks if he agrees that the problem is in the WillametteValley.

228	Schreiber	Responds no, the same problem exists in the Bend area and in The Dalles, but the Willamette Valley probably has a greater amount.
240	Rep. Jerry Krummel	House District 27. States he sponsored the bill and gives testimony in support of HB 2463 (EXHIBIT B).
286	Chair Close	Expresses her concern for safeguards against developers buying the land and developing it.
292	Rep. Krummel	Responds the safeguard is the lot of record for 21 acres or less, lack of services and the protection from the urban growth boundary.
326	Rep. Lee	Declares a conflict of interest.
333	Rep. Kruse	Disagrees with Rep. Krummel that urban growth boundaries protect prime farmland.
336	Chair Close	Clarifies that you can build within the urban growth boundary on farmland.
338	Rep. Kruse	Comments they just keep expanding the boundaries.
340	Rep. Hass	Inquires how many houses or dwellings would be built under this law statewide.
342	Rep. Krummel	Responds he knows of one, Mr. Schreiber's, perhaps 20 or 30 in Clackamas County.
374	Rep. Monnes-Anderson	Refers to Mr. Schreiber's testimony where it's stated there are 12 lots in Clackamas County.
386	Rep. Krummel	Concurs and continues.
400	Chair Close	States some people have given testimony that addresses what right do non-farmers have to be on farmland.
404	Rep. Krummel	Responds the question becomes what right do we have to say he's not a farmer and he doesn't deserve to live on farmland.
446	Harlan Levy	Oregon Association of Realtors. Gives testimony in support of bill (EXHIBIT C).
TAPE 17, A		
048	Chair Close	Asks for definition of a flag lot.
050	Levy	Gives definition and continues.
100	Rep. Close	Questions housing costs.
104	Levy	Refers to a study done by Harvard.
113	Rep. Hass	Follows with a question about developers, and how this bill can prohibit development of the property.
119	Levy	Replies there is an 80 acre minimum for farm zones.
133	Clif Kanegy	Retired farmer. States he cannot support the bill as is and explains why (EXHIBIT D).
160	Chair Close	Requests comments on land use laws and inheritance.
166	Clif	Responds he is trying to find a way to hand his farm down to his son.
179	Larry George	Executive Director, Oregonians in Action. Presents overview on bill. States his organization supports the bill as it will provide relief to some individuals, but urges greater public policy development.
303	Rep. Monnes-Anderson	Wonders why the issue can not be resolved at the county level.
321	George	States they would love the flexibility at the local level.
367	Rep. Morgan	Recognizes that the laws apply all over the state, and situations vary throughout the state, creating inequities.
371	Carol Doty	Retired farmer, Bandon. States her opposition to the bill (EXHIBIT E). Stresses preservation of farm lands, not development.

435 Bob Lindsey Hazelnut farmer, Salem. States his opposition to the bill and clarifies soil classifications.

TAPE 16, B

023 John Shafer Friends of Polk County. Presents his testimony in opposition to the bill **(EXHIBIT F)**.

096 Carrie Kuerschner 1000 Friends of Oregon. Presents testimony in opposition to the bill **(EXHIBIT G)**.

181 Don Schellenberg Oregon Farm Bureau. States opposition to the bil, and clarifies that urban growth boundaries do not protect the farm land.

309 Ron Eber Farm and Forest Land Specialist, Department of Land Conservation and Development. States the department's concerns with the bill. **(EXHIBIT H)**.

TAPE 17, B

057 Rep. Jenson Questions the class 3 and 4 soils applying to dairies in eastern Oregon.

061 Eber Replies it would not.

062 Rep. Morgan Expresses curiosity about lot of records and asks how many parcels will be subject to this bill.

070 Eber Responds it could be an extensive job, perhaps through the individual counties.

079 Rep. Morgan Inquires about the process to relate information into soil type information.

081 Eber Responds they do not have a way to overlay the two data sets.

084 Marilyn B. Reeves President, Friends of Yamhill County. Submits written testimony **(EXHIBIT I)**.

093 Chair Close Closes public hearing on HB 2463 and opens public hearing on HB 2539.

HB 2539 PUBLIC HEARING

107 Rep. Jan Lee House District 10. States she is the sponsor of HB 2539 and presents explanation of bill **(EXHIBIT J)**.

203 Rep. Kruse Questions if the user has an allocation or water right.

217 Rep. Lee Responds there are two variations, the district has the water right and they allocate the water.

232 Rep. Kruse Asks if somebody can give away something that's only partially theirs.

235 Rep. Lee Concurs that that is the issue.

243 Rep. Monnes-Anderson Requests clarification of water district's ability to get hold of water and if they are not friendly to in-stream water rights because they make money off the distribution of water.

249 Rep. Lee Answers they are non-profit.

278 Rep. Monnes-Anderson Comments that if the water rights are put back into the stream, it appears it would hurt the water district and the farmers on the stream.

281 Rep. Lee Concurs that there will be a loss when the water goes outside the system.

303 Rep. Jenson Questions the downside of the bill.

306 Rep. Lee Replies there are folks that would like to find a way to make it easier to have water rights go in-stream instead of being used on lands in the district when these water rights are cancelled.

311 Kristina McNitt Oregon Water Resources Congress. Presents testimony in support of the bill **(EXHIBIT K)**.

346 Tom Paul Oregon Water Resources Department. Presents testimony in support of the bill **(EXHIBIT L)**.

TAPE 18, A

041	Rep. Kruse	Requests clarification that if the district has the water right of record, the landowner is the actual water right holder.
043	Paul	Concurs the land-owner is the one in control of when and how the water right is used.
059	Rep. Monnes-Anderson	Asks if cancellation notices are read by all down stream users.
073	Paul	Replies there is no process at this point, but there could be no injury by cancellation.
082	Rep. Monnes-Anderson	Questions if the water right is cancelled could it be transferred and could it effect the downstream users.
085	Paul	Replies if the right is cancelled it cannot be transferred.
099	Rep. Lee	Clarifies the process of transferring and cancellation.
102	Paul	Agrees and continues with explanation of irrigation districts work with water right holders.
126	Rep. Jenson	Remarks on the difference of opinion as to ownership of water rights.
130	McNitt	Responds that is an issue this bill is not going to address. States that this bill will provide the districts a way to retain its acreage in the event of a cancellation.
141	Rep. Jenson	Remarks it might be appropriate for the legislation to address the ownership.
146	Chair Close	Closes the public hearing on HB 2539. Adjourns the meeting at 10:30 a.m.

Submitted By,

Reviewed By,

Shannon Relaford,
Committee Assistant

Megan Palau,
Committee Administrator

EXHIBIT SUMMARY

- A – HB 2463, written testimony, Joseph Schreiber, 6 pp.**
- B – HB 2463, written testimony, Rep. Jerry Krummel, 1 p.**
- C – HB 2463, written testimony, Harlen Levy, 2 pp.**
- D – HB 2463, written testimony, Clif Kenagy, 1 p.**
- E – HB 2463, written testimony, Carol Doty, 2 pp.**
- F – HB 2463, written testimony, John Shafer, 1 p.**
- G – HB 2463, written testimony, Carrie Kuerschner, 6 pp.**
- H – HB 2463, written testimony, Ron Eber, 3 pp.**
- I – HB 2463, written testimony, Marilyn Reeves, 1 p.**
- J – HB 2539, written testimony, Rep. Jan Lee, 5 pp.**
- K – HB 2539, written testimony, Kristina McNitt, 1 p.**
- L – HB 2539, written testimony, Tom Paul, 2 pp.**