

HOUSE COMMITTEE ON WATER AND ENVIRONMENT

March 09, 2001  
8:30 am

Hearing Room E  
Tapes 39 - 40

**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, Administrator**  
   **Shannon Relaford, Committee Assistant**

**MEASURE/ISSUES HEARD:**  
                                 **HB 2548 Work Session**  
                                 **HB 2714 Public Hearing**  
                                 **HB 2890 Public Hearing**

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**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.**

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<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 39, A</b>		
003	Chair Close	Convenes meeting at 8:43 a.m., opens work session on HB 2548.
<b><u>HB 2548 WORK SESSION</u></b>		
017	Megan Palau	Administrator explains bill and the amendments.
041	Rep. Butler	District 60, explains the amendments to the bill.
088	Rep. Hass	Asks where in the rules assurances are.
090	Rep. Butler	Responds with the statute number and administrative rules.
104	Rep. Lee	States there is a precedent from California.
117	Rep. Monnes Anderson	States her appreciation for the amendment and asks what kind of enforcements exist now.
123	Rep. Butler	Responds the department should discuss the enforcements.
207	Rep. Kruse	States his support and comments that it is unfortunate that the scope is narrowed as people need to live where they work.
228	Rep. Butler	Expresses the potential of expanding the scope to include onion and potato operations and continues with overview.
263	Rep. Kruse	Follows with example of starting an apple farm and the intensive care required for ten years before reaching the income test level.
274	Rep. Butler	Appreciates the concern but the bill is limited to dairy farms.

288	Rep. Jenson	Points out the issue is important in his district.
310	<b>Rep. Jenson</b>	<b>MOTION: Move the –2 amendments to HB 2548</b>
		<b>VOTE: 8-0</b>
<b>315</b>	<b>Chair</b>	<b>AYE: In a roll call vote, all members present vote Aye.</b>
<b>320</b>	<b>Rep. Jenson</b>	<b>The motion CARRIES.</b>
		<b>MOTION: Moves HB 2548 to the floor with a DO PASS AS AMENDED recommendation.</b>
		<b>VOTE: 6-0</b>
		<b>AYE: 6 - Hass, Jenson, Kruse, Lee, Monnes</b>
		<b>Anderson, Close</b>
		<b>EXCUSED: 3 - Kafoury, King, Morgan</b>
	<b>Chair</b>	<b>The motion CARRIES. Rep. Butler will carry the bill on the floor.</b>
340	Chair Close	Closes work session on HB 2548 and opens public hearing on HB 2714.
<b><u>HB 2714 PUBLIC HEARING</u></b>		
348	Jim Welsh	Oregon Family Farm Association presents testimony in support of the bill. ( <b>EXHIBIT A</b> )
<b>TAPE 40, A</b>		
054	Rep. Lee	Asks if we are going to have farms that gross less than \$10,000 we are breaking up the land to smaller sizes of parcels there won't be commercial farms managing continuous properties.
060	Welsh	Responds no.
078	Rep. Monnes Anderson	Requests a definition of farmer.
083	Welsh	Replies he doesn't have the definition.
086	Chair Close	Suggests the requirements of Schedule F.
090	Rep. Kruse	States he also doesn't know.
105	Chair Close	Surmises that our statutes define a farmer by producing a certain amount of money and asks if it would be fair to say our statutes favor corporate farmers over small family farmers.
110	Welsh	Concurs.
115	Rep. Monnes Anderson	Relates that the number of farms is decreasing and asks if this will this expand that opportunity and will we see more farms.
124	Welsh	Replies it's a possibility there are property owners that want to use their property for a farm but are not allowed to establish a dwelling.
129	Rep. Hass	Asks if this is a housing issue rather than agricultural issue, if the number of farms is decreasing why do we need more houses.
135	Welsh	Replies by comparing small farmers and larger farmers and the potential income for a small farm.
156	Palau	Present definition of a farmer.
160	Chair Close	States the Department of Agriculture has been requested to provide their definition.
162	Marilyn Fiscus	Farmer from Jefferson County presents testimony in support of the bill, recounts that she has farm property that had a house at one time but was destroyed by fire and cannot rebuild.
228	Chair Close	Asks what is produced on her land.
231	Fiscus	Replies potatoes, mint and alfalfa hay.
243	Chair Close	Asks how long she has owned the land.
245	Fiscus	Replies she's owned ten acres for ever the parcel she wants to build on she's owned a few years.
260	John Shafer	Polk County, presents testimony in opposition to the bill.
326	Chair Close	Asks if the report lists the amount of income for the separate

		entities.
330	Shafer	Responds no.
340	Chair Close	Asks what his guess would be on the income.
350	Shafer	Responds he is not a farmer and couldn't answer.
375	Rep. Jenson	Questions the other elements in farming and the risks involved by not living on the farm.
415	Shafer	Concurs that at some times of the year there are risks.
430	Mitch Rohse	Oregon Chapter of American Planning Association presents testimony in opposition the bill. <b>(EXHIBIT B)</b>
<b>TAPE 39, B</b>		
071	Chair Close	Asks about folks that live on a farm but are unable to meet the income test if they are phony farms because of basing it solely on income.
083	Rohse	Explains definition of phony farm dwellings.
112	Chair Close	Suggest using some other standard.
115	Rohse	Disagrees and describes other standards used historically.
139	Rep. Kruse	Comments on the charts in the testimony and addressing the specialization of small farming. Addresses the community benefits from small farmers.
166	Larry Debates	Retired farmer presents testimony in opposition to the bill. <b>(EXHIBIT C)</b>
201	Rep. Kruse	Asks when Mr. DeBates retired and moved out to the country he moved out to farm.
205	DeBates	Replies he did not.
206	Chair Close	How the doctor in his testimony meet the income test.
209	DeBates	Responds using nursery stock. Continues with testimony.
255	Don Schellenberg	Oregon Farm Bureau presents testimony in opposition to bill. <b>(EXHIBIT D)</b>
311	Rep. Kruse	Asks if it is easier to site a non-farm dwelling on rural land than a farm dwelling at this time.
314	Schellenberg	Replies in eastern Oregon it is.
323	Rep. Kruse	Comments that it is almost a double standard.
325	Schellenberg	Adds you have to show the land is unsuitable for farming.
326	Rep. Kruse	Asks how do you prove the land is unsuitable for farming.
328	Schellenberg	Replies the statute list a number of criteria.
332	Rep. Kruse	Asks if it is the inverse of proving that it is suitable.
335	Schellenberg	Replies as a farmer it is inconceivable that there is much land that is not suitable for farming.
345	Rep. Kruse	Concurs.
355	Chair	Mentions written testimony from the Department of Agriculture. <b>(EXHIBIT E)</b>
363	Cliff Kenagy	Retired farmer from Benton County presents testimony in opposition to bill.
426	Ron Eber	Department of Land Conservation and Development presents testimony in opposition to the bill. <b>(EXHIBIT F)</b>
<b>TAPE 40, B</b>		
054	Rep. Monnes Anderson	Questions what protections are there for small parcels.
057	Eber	Asks for clarification.
060	Rep. Monnes Anderson	Asks for explanation of the process and would there be protection of high quality farmlands.
066	Eber	Concurs that the bill will increase the number of dwellings and does not distinguish between high value and non-high value farmland.

070	Chair Close	States if 97% of the private land is zoned either EFU or exclusive forest use and ask if everyone one that wants to build a house (up to the 97%) has to follow those guidelines.
080	Eber	Responds there are different provisions for dwellings in forest zones but replies yes.
086	Chair Close	Asks is it reasonable to expect that all of those people have to be farmers or foresters.
089	Eber	Replies yes its reasonable.
094	Chair Close	Asks if it would be fair to say our laws force people to live within the urban growth boundary.
095	Eber	Replies no and continues with explanation of choices.
103	Chair Close	Asks if those are the exceptions, the average person has the choice of either living within the urban growth boundary or being a farmer or a forester.
106	Eber	Replies that there are more non-resource related dwellings occurring in the resource zone than the primary farm dwellings and continues.
117	Rep. Lee	Questions if 20% of the new homes are replacement homes why Ms. Fiscus can't get her home replaced.
125	Eber	States he would need more information about the particular situation.
136	Rep. Lee	Follows by suggesting Ms. Fiscus work with her county to get an exception.
140	Eber	Agrees that could be the case.
143	Rep. Kruse	Observes some points for perspective: where the best farmland is; where the biggest gobbling of farmland is happening; and that there is not a lot of balance.
155	Carrie Kuerschner	1000 Friends of Oregon, presents testimony in opposition to the bill. <b>(EXHIBIT G)</b>
199	Rep. Jenson	Asks how many farms is it going to take to replace equal the volume of sales by a large corporate farm in eastern Oregon.
209	Kuerschner	Responds she doesn't have the information but will be glad to provide it.
211	Rep. Jenson	Questions the statistics and remarks on the difficulty of using the statistics for policy making.
229	Kuerschner	Concurs and continues.
250	Chair Close	Asks about the term hobby farms, you could also have a poor person who's only source of income is the hobby farm.
255	Kuerschner	Explains the income test.
260	Chair Close	Asks if she concurs that they could be poor people.
263	Kuerschner	Concurs.
280	Chair Close	Asks if they could be people that have great agricultural loses for one year.
283	Kuerschner	Replies the income test is based on gross income. Losses would not be considered in gross income for the graphs. Further explains the test and graphs.
296	Chair Close	Comments that is someone wants to live on a farm and they make less than \$10,000, we don't make light of that we respect their choice and not assume it's a hobby.
304	Kuerschner	Concurs and adds if their income is only \$10,000 they probably do not have the ability to build a house.
310	Rep. Jenson	Reiterates his concern with statistics and suggests the equation may not be accurate.
349	Larry George	Executive Director for Oregonians in Action, presents testimony

		in support of the bill. <b>(EXHIBIT H)</b>
054	Chair Close	Asks for clarification on the graphs in his testimony.
056	George	Gives explanation of formula.
064	Rep. Monnes Anderson	Asks where the figures to figure the average production per acre were obtained.
066	George	Replies from the Census of Agriculture and explains the formula.
075	Rep. Monnes Anderson	Follows by asking if he is just taking into account land already designated as farmland.
078	George	Concurs and continues with explanation.
085	Rep. Monnes Anderson	Follows by asking if this is all exclusive farm use land or high value or low value lands.
089	George	Explains the classification of lands.
110	Rep. Monnes Anderson	Asks if the lands in Wheeler County could be compared to the lands in Hood River County.
115	George	Suggests that soil classification not be the only determination of what makes good farmland.
127	Rep. Hass	Asks if there is a housing shortage in farm land in Oregon
130	George	Responds no and explains.
150	Rep. Jenson	Asks about the possibility of a doctor owning a farm and living on the farm but never farm.
156	George	Responds yes.
168	Rep. Jenson	Follows by comparing the doctor scenario and Ms. Fiscus's scenario.
174	George	Concurs and summarizes the income standard is not an effective tool. Suggests rechecking the zoning models.
187	Chair Close	Closes public hearing on HB 2714 and adjourns meeting at 10:30 a.m.

Submitted By,

Reviewed By,

Shannon Relaford,  
Administrative Support

Megan Palau,  
Administrator

**EXHIBIT SUMMARY**

- A – HB 2714 written testimony, Jim Welsh, 1p.**
- B – HB 2714 written testimony, Mitch Rohse, 4 pp.**
- C – HB 2714 written testimony, Larry Debates, 1 p.**
- D – HB 2714 written testimony, Don Schellenberg, 2 pp.**
- E – HB 2714 written testimony, Chuck Craig, 2 pp.**
- F – HB 2714 written testimony, Ron Eber, 9 pp.**
- G – HB 2714 written testimony, Carrie Kuerschner, 5 pp.**
- H – HB 2714 written testimony, Larry George, 6 pp.**
- I – HB 2714 written information, John Shafer, 2 pp.**