

SENATE COMMITTEE ON WATER AND LAND USE

March 11, 1999 Hearing Room B

1:00 p.m. Tapes 35 - 36

MEMBERS PRESENT: Sen. Veral Tarno, Chair

Sen. Tony Corcoran, Vice-Chair

Sen. Gary George

Sen. Marylin Shannon

Sen. Thomas Wilde

MEMBER EXCUSED:

STAFF PRESENT: Raymond J. Kelly, Administrator

Diana Bronson, Administrative Support

MEASURE/ISSUES HEARD: SB 543 Public Hearing and Work Session

SB 547 Public Hearing

SB 518 Public Hearing

SB 454 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 35, A		
005	Chair Tarno	Opens meeting at 1:13 p.m. and opens public hearing on SB 543.
<u>SB 543 PUBLIC HEARING</u>		

005	Ray Kelly	Committee Administrator. Summarizes SB 543.
030	Sen. Beyer	Gives testimony as to the why and how SB 543 came about.
073	Chair Tarno	Emphasizes that periodic reviews can be quite expensive.
080	Sen. Beyer	Agrees and states the same mandate is on all the cities around the state.
090	Ron Eber	Department of Land Conservation and Development (DLCD). Presents (EXHIBIT A) . States the DLCD has concerns that SB 543 would eliminate the obligation of counties to review and update their comprehensive plans and land use regulations through the periodic review process.
109	Chair Tarno	Asks Eber to give a copy of (EXHIBIT A) to Sen. Beyer so that he can review the concerns of DLCD. Closes public hearing on SB 543 and opens work session.
<u>SB 543 WORK SESSION</u>		
122	Sen. Wilde	MOTION: Moves SB 543 to the floor with a DO PASS recommendation.
		VOTE: 5-0 AYE: In a roll call vote, all members present vote Aye.
		Chair Tarno The motion CARRIES. SEN. BEYER will lead discussion on the floor.
128	Chair Tarno	Closes work session on SB 543 and opens public hearing on SB 547.
<u>SB 547 PUBLIC HEARING</u>		
131	Chair Tarno	States the committee has an interesting bill to be heard by Sen. Timms and asks for patience until the senator arrives.
150	Sen. Gene Timms	Senate District 30. Gives testimony regarding SB 547. States that it is time to make sure the rural areas of Oregon stay rural. States that LCDC, in the urban and rural areas of the state, is driving the cost of housing up. States that once a county grows to 10,000 people, then that county goes under the control of LCDC

		but, until then, the small counties stay under local ordinances.
212	Chair Tarno	States he does not see Baker County in SB 547. Asks for amendments to designate which counties are to be impacted by SB 547.
231	Sen. George	States it is bizarre that the state is trying to put requirements on a county with one person per square mile as compared with a county of 5,000 or more persons per square mile.
237	Sen. Timms	Replies that he thoroughly agrees.
238	Sen. Corcoran	Asks for other cumbersome, bureaucratic reviews that are being placed on small counties, other than the periodic reviews.
248	Sen. Timms	States there are considerable bureaucratic requirements for counties that only have one or two thousand people.
269	Sen. Corcoran	Asks if the LCDC requirements have had an effect on the kinds of industry that has come into the rural areas and what changes have occurred since SB 100.
279	Sen. Timms	States they are so driven to make something happen in eastern Oregon that maybe they do not obey all the laws of LCDC.
299	Sen. George	Asks how many acres are in Sen. Timms' district.
301	Sen. Timms	Replies that he cannot say, but the area is larger than eight states.
301	Sen. George	States he would guess about 16 to 20 million acres.
313	Chair Tarno	Asks to have the amendments brought to the committee administrator.
319	Sen. Timms	Thanks the committee for allowing him to bring SB 547 before them.
323	Glen Stonebrink	Oregon Cattlemen's Association. Testifies in support of SB 547.
382	Blair Batson	1000 Friends of Oregon. States that, as the bill stands now, they are in opposition.
463	Chair Tarno	Explains to Batson that Sen. Timms is bringing back amendments to SB 547. Closes SB 547 and opens public hearing on SB 518.
TAPE 36, A		

SB 518 AND SB 454 PUBLIC HEARING

021	Kelly	Summarizes SB 518.
030	Larry George	Oregonians In Action (OIA). Presents (EXHIBIT B) . States that he will be testifying on both SB 454 and SB 518.
036	Chair Tarno	Explains that the committee will hear SB 454 and SB 518 together, as they both pertain to an income test.
040	George	Testifies in support of SB 454 and 518 which provide guidance for LCDC's siting of farm dwellings and eliminate LCDC's unreasonable and inequitable farm dwelling income standard rules.
092	George	Continues testimony.
165	George	Continues testimony in support of SB 454 and SB 518.
194	Chair Tarno	Asks George to draft an overview of all the House Bills pertaining to the income test, so that the committee can decide which ones to work on.
214	Sen. Corcoran	Inquires about gross income and asks how many acres are involved in the 78 percent of farms earning less than \$40,000.
220	George	States it is the entire state.
228	Sen. Corcoran	Asks if this includes hobby farms.
230	George	Answers yes it does.
230	Sen. Corcoran	Asks what the pie chart would look like if hobby farms were omitted.
232	George	Explains that is actually how the \$80,000 standard came about.
241	Sen. Corcoran	Asks for the percentages without hobby farms.
244	George	States he would need to run the numbers for Sen. Corcoran
259	Sen. Corcoran	Asks the acre size of farms making over \$40,000 in income.

280	George	States he will fax that information as he has those charts but did not bring them.
329	Sen. Wilde	Asks for median, not average numbers, after taking out the farms that gross \$10,000 or less.
342	Sen. George	States Oregon has a lot of ground that is not farmable. Explains that marginal ground cannot meet the income test so no one builds on that ground.
372	George	States the rural areas have not been planned well.
TAPE 35, B		
005	Ron Eber	Oregon Department of Land Conservation and Development (DLCD). Presents (EXHIBIT C) . Testifies that there are significant concerns regarding both SB 454 and SB 518
035	Blair Batson	1000 Friends of Oregon. Presents (EXHIBIT D) and (EXHIBIT E) . Reads testimony in opposition to SB 518 and SB 454.
104	Batson	Continues to read testimony in opposition to SB 518 and SB 454.
161	Batson	Continues with testimony in opposition to SB 518 and SB 454. States that Oregon is blessed with favorable conditions for the continuing long-term success in agriculture production and that gift should not be destroyed.
176	Sen. George	Asks Eber how many total houses have been built in Clackamas.
185	Eber	States that DLCD gets reporting from the counties with regard to actions in the farm zones and Eber can get the numbers to Sen. George.
187	Sen. George	States he has asked for these numbers before and wants the numbers inside the city limits.
189	Eber	States he would need to check.
193	Sen. George	Reiterates he would like those numbers for the list of counties that was referred to on page 2 of 1000 Friends of Oregon's testimony.
206	Sen. Corcoran	Asks Batson if there are other standards that could be put into place.
226	Batson	States there are other standards, but whether the different standards would work is subject to debate.

289	Sen. George	Asks if 1000 Friends of Oregon would support any farm that does not meet the \$80,000 test.
308	Batson	Replies no it would not.
320	Sen. George	Asks if a farmer's income falls below \$80,000, does he cease being a farmer.
330	Batson	Replies that, in the opinion of 1000 Friends, the standard does not go to whether you are a farmer, but whether you are eligible for a house.
335	Sen. George	States Batson is not getting his point.
335	Batson	States she is getting the point, and the answer is no, the tax deferral should not be taken away.
360	Sen. Wilde	States that with the \$40,000 to \$80,000 test, there has been a standard set up for what is farming and what is not farming. Agrees with Sen. George that those who do not meet the test should lose their farm deferrals.
398	Chair Tarno	Asks if the state is doing a good job, a decent job, or a lousy job of protecting the farmland.
406	Batson	Replies that Oregon is doing a better job than most, but need to do a lot better.
TAPE 36, B		
007	Chair Tarno	States that he disagrees with the \$80,000 income test. States the committee is looking for ways to deal with that issue. States he would like support, not just saying, "No, we are going to oppose it." Asks for alternative ways to ease the burden on young families who will not be able to meet the \$80,000 test.
018	Batson	States the most effective way is to say, "Nobody gets any houses in EFU zones."
021	Sen. Corcoran	Supports Batson's view.
032	Sen. George	States there were statements made that are not true. Cites quotes from the Governor addressing 1000 Friends in May of 1998 and Hector McPherson.
057	Merilyn Reeves	Friends of Yamhill County. Presents (EXHIBIT F) . Presents testimony in opposition to SB 518 and SB 454
122	Reeves	Continues testimony in opposition to SB 518 and SB 454. States the income test is working in Yamhill County.

139	Chair Tarno	Asks Reeves if she is a farmer.
139	Reeves	States she does not consider herself a farmer, however, Reeves does own the family farm in Idaho.
147	Shannon	Asks if Reeves meets the income test.
148	Reeves	States she is not on land that requires that test.
155	Clif Kenagy	Presents (EXHIBIT G) . Reads testimony in opposition to SB 518 and SB 454. States these bills defeat the farmland protection.
248	Mark Nofziger	Gives testimony in opposition to SB 454 and SB 518.
347	Don Schellenberg	Oregon Farm Bureau. Presents (EXHIBIT H) and (EXHIBIT I) . Gives testimony in opposition of SB 518 and SB 454.
410	Chair Tarno	Asks if there are ideas and concepts on how to deal with a test, other than the income standard, to please the members know. Adjourns at 3:03p.m.
		Testimony from Oregon Department of Transportation on SB 543 (EXHIBIT J) is submitted into the record.
		Testimony from 1000 Friends of Oregon on SB 543 (EXHIBIT K) is submitted into the record.

Submitted By, Reviewed By,

Diana Bronson, Raymond J. Kelly,

Administrative Support Administrator

EXHIBIT SUMMARY

A ñ SB 543, Written testimony, Ron Eber, 1 p

B ñ SB 454 & 518, Written testimony, Larry George, 2 pp

C ñ SB 454 & 518, Written testimony, Ron Eber, 7 pp

D ñ SB 454, Written testimony, Blair Batson, 4 pp

E ñ SB 518, Written testimony, Blair Batson, 2 pp

F ñ SB 454 & 518, Written testimony, Marilyn Reeves, 1 p

G ñ SB 518, Written testimony, Clif Kenagy, 4 pp

H ñ SB 518, Written testimony, Don Schellenburg, 2 pp

I ñ SB 454, Written testimony, Don Schellenburg, 1 p

J ñ SB 543, Written testimony, Craig Greenleaf, 1 p

K ñ SB 543, Written testimony, Michael Collmeyer, 1 p