

- HOUSE COMMITTEE ON ENVIRONMENT AND ENERGY

**June 9, 1997 Hearing Room E
1:00 P.M. Tapes 117 - 118**

MEMBERS PRESENT:

**Rep. Leslie Lewis, Chair
Rep. Frank Shields, Vice-Chair
Rep. Michael Fahey
Rep. Dennis Luke
Rep. Mark Simmons
Rep. Jim Welsh**

MEMBER EXCUSED:

Rep. Mike Lehman

STAFF PRESENT:

**Judith Gruber, Policy Analyst
Pat Zwick, Policy Analyst
Marjorie Taylor, Administrative Support**

MEASURE/ISSUES HEARD:

**SB 1169-A Public Hearing
HB 3457 Work Session
HB 2924 Work Session**

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speakers' exact words. For complete contents, please refer to the tapes.

Tape/# Speaker Comments

TAPE 117, A

003 Chair Lewis Calls meeting to order at 2:00 p.m.

SB 1169-A PUBLIC HEARING

008 Chair Lewis Opens public hearing on SB I I 69-A.

030 Dave Hunnicutt Representing Oregonians in Action, submits and reviews testimony in support of SB 11 69-A. **(EXHIBIT A)**

080 Hunnicutt Continues review.

130 Hunnicutt Continues review and submits the -2 amendments to SB 1169-A. **(EXHIBIT B)**

182 Jim Johnson Representing the Department of Agriculture, submits and reviews testimony in regard to SB 11 69-A. **(EXHIBIT C)**

214 Rep. Luke Asks if this testimony was presented in the Senate.

215 Johnson No.

217 Luke Asks why not.

218 Johnson Do not know.

223 Ron Eber Representing the Department of Land Conservation and Development (DLCD), submits and reviews testimony in opposition to SB I I 69-A.

(EXHIBIT D)

235 Rep. Luke Asks how many dwellings this legislation could result in.

237 Eber Based on an assessment made by DLCD the thousands of legal lots and parcels that are in farm zones would be able to get dwellings. Cannot provide exact numbers.

244 Rep. Luke Asks for clarification on the number of dwellings which could result from the legislation.

251 Eber Would need to examine the number of tax accounts in exclusive farm use (efu) zones which do not have dwellings in order to get an estimate. Believe that most existing lawful parcels would be able to get a dwelling.

258 Rep. Fahey Asks if those would have to meet the test in order to have dwellings.

261 Eber That is true, but the standard is so low that it would not take much to get the dwelling.

264 Rep. Fahey Comments that \$80,000 seems rather high. Asks if Mr. Eber agrees with the numbers shown on the graph distributed by Mr. Hunnicutt. **(SEE EXHIBIT A)**

268 Eber Submits information about the \$80,000 standard. **(EXHIBIT E)**

284 Rep. Luke Asks for clarification on the statement that if a farm makes less than \$80,000, that farm is not significant to the farming economy. 286 Eber Farms that gross under \$10,000 per year contribute only 2 percent to the gross farm sales in the State of Oregon. These farms only occupy about I I percent of the farm ground. Farms that gross over \$ 10,000 are the ones that make up the pool of commercial farms in the state, occupy over 89 percent of the farm land, and contribute approximately 98 percent to the gross farm sales.

294 Rep. Fahey Asks, if that is true, how will they be able to build so many houses.

298 Eber 98 percent of the gross farm sales come from the farms that gross over \$10,000. If the standard said that any tract of land that can gross \$ 10,000 gets a dwelling, then many small parcels will be able to get a dwelling with a minimal amount of farm activity.

305 Eber Continues review.

334 Chair Lewis Comments on being a small business person.

344 Rep. Luke Points out that many of the corporations in Oregon are family held and do not make a profit.

353 Eber Not trying to say that one must make a profit, trying to identify, based on the statutory standard, that farm dwellings are for farms.

358 Chair Lewis Asks if that means that small business people who have not made a profit should be forced out of business by the government.

371 Eber No. Not saying that existing businesses should be in or out of business. Talking about a standard to determine when dwellings are in conjunction with farm use, with the primary purpose to protect farmland. If all the existing parcels in Oregon zoned for farm use can get a dwelling, then farmland cannot be saved, and the agricultural economy of the state cannot be protected.

381 Chair Lewis Most of the profits made in the state, are made by large corporations, but that does not mean that small corporations do not contribute to the economy.

393 Eber Continues review.

TAPE 118.

003 Rep. Luke Asks if the \$ 10,000 figure represents gross sales or net sales.

005 Eber Gross sales.

006 Rep. Luke Asks how this measure relates to minimum acreage requirements.

012 Eber They are not related because the dwelling standard is not connected to the land division standard. Uses a hypothetical situation to explain.

020 Rep. Luke Asks how much income is needed to get the efu deferral.

022 Eber In an efu zone the land must be put to farm use. There is no minimum income.

024 Rep. Luke Comments that there needs to be an income, rather than a loss, three out of five years.

026 Eber Under the farm use definition it is the *intent* to make a profit. The standard measures intent in farm use activities, not the actual gross or net income. Only in a non-exclusive farm use zone are there minimum gross income requirements.

042 Blair Batson Staff Attorney, 1000 Friends of Oregon, submits and reviews testimony in opposition

to SB II 69-A. **(EXHIBIT F)**

086 Rep. Luke Asks for suggestions on improving the \$80,000 rule.

095 Batson A couple of years ago, farmers were pulled together from around the state. Their concern was that there were too many houses. Since the efu zone was adopted, Oregon has been trying to set policy to maintain the land base and allow houses appropriate to the efu zone, without creating a residential zone. There is a diversity of opinion regarding the standard. DLCD adopted a per-tract standard, but their reasoning was the control of a per-farm standard. Density standards could be used in non-high value farmland.

145 Don Schellenberg Representing the Oregon Farm Bureau, submits and reviews testimony in regard to SB II 69-A. **(EXHIBIT G)**

213 Rep. Luke Asks what distance is considered non-contiguous.

216 Schellenberg That distinction needs to be addressed.

221 Schellenberg Continues review.

243 Rep. Welsh Asks if there is any kind of acreage requirement or restriction.

248 Schellenberg Farm Bureau Policy does not identify any.

257 Rep. Luke Discusses various situations involving non-contiguous parcels with Mr. Schellenberg.

289 Chair Lewis Closes public hearing on SB II 69-A.

HB 3457 WORK SESSION

290 Chair Lewis Opens work session on HB 3457. Discusses the work group which was involved in working on HB 3457.

329 Paul Burnett Representing the Department of Environmental Quality (DEQ), comments on involvement with work group.

341 Burnett Submits and reviews the -3 amendments to HB 3457. **(EXHIBIT H)**

355 John Ledger Representing Associated Oregon Industries, comments on the -3 amendments and points out that these amendments have an error on Page 5, line 27. Suggests deleting "2001" and inserting "2000".

384 Greg Miller Representing Weyerhaeuser, discusses the compromises made which resulted in that date being changed from 2001 to 2000.

400 Rep. Luke MOTION: Moves to CONCEPTUALLY AMEND HB 3457-3 amendments dated 06/09/97 on page 5, line 27, by changing "2001" to "2000".

Chair Hearing no objection, declares the motion CARRIED.

TAPE 117, B

003 Curtis Robinhold Representing the Governor's Office. Worked on the measure in the work group. Supports the measure as amended. The Governor has three criteria for any measure escaping the control and regulations:

- any measure must show a net environmental benefit to the people of Oregon
- cooperation with the agencies which would be affected
- show a broad base of support for any measure passed in the legislature

This measure meets all of these.

022 Tom Novik Representing the Sierra Club, expresses support for HB 3457 and the -3 amendments. Suggests some minor changes that can be dealt with in the Senate.

036 Doug Myers Representing Oregon Environmental Council, expresses support for HB 3457 and the -3 amendments

041 Novik Comments that the Oregon State Public Interest Research Group also supports HB 3457 and the -3 amendments.

043 Rep. Luke MOTION: Moves to ADOPT HB 3457-3 amendments as conceptually amended dated 06/09/97.

Chair Hearing no objection, declares the motion CARRIED.

046 Rep. Luke MOTION: Moves HB 3457 BE REFERRED to the committee on Ways and Means by prior reference with a DO PASS AS AMENDED recommendation.

VOTE: 4-0

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 3 - Lehman, Shields, Simmons

Chair The motion CARRIES.

048 Chair Lewis Comments on the support of Rep. Lehman, Rep. Shields, and Rep. Simmons.

058 Chair Lewis Closes work session on HB 3457.

HB 2924 WORK SESSION

060 Chair Lewis Opens work session on HB 2924.

066 Chair Lewis Comments on what needs to be done in this work session. Submits the -5 amendments to HB 2924. **(EXHIBIT 1)**

068 Rep. Luke MOTION: Moves to RECEDE FROM HB 2924-2 amendments dated 06/03/97.

Chair Hearing no objection, declares the motion CARRIED.

085 Bob Meinen Director, Oregon State Parks and Recreation, submits and reviews testimony in support of the -5 amendments to HB 2924. **(EXHIBIT J)**

104 Art Schlack Representing the Association of Oregon Counties, expresses support of HB 2924 and the -5 amendments.

114 Bob Rindy Representing the Department of Land Conservation and Development (DLCD), expresses support of HB 2924 and the -5 amendments.

118 Rep. Luke Asks for clarification of the rules that DLCD would be required to adopt.

121 Rindy The rules would describe the kinds of uses which should be authorized in park zones. Also exempts parks from having to comply with Goals 3 or 4.

130 Rep. Luke Asks if the rules could have any effect on the land surrounding the park.

132 Rindy Yes, and because of that, it was requested that the measure be amended to ensure that adverse impacts on surrounding farmlands would be minimized.

137 Rep. Luke Asks if it is only for farm zones.

138 Rindy Yes.

139 Rep. Luke Asks how many parks are in farm zones.

140 Meinen That is an issue which needs to be dealt with, because many of the parks were in place prior to land use laws, and there have been some overlays placed on them.

148 Rep. Luke Asks what rules could be adopted by DLCD which could affect farm zones surrounding Smith Rock State Parks.

158 Rindy Rules would not be adopted which would affect the farm lands surrounding the park.

166 Rep. Luke Asks if a landowner would still be allowed to spray.

171 Rindy Refers to ORS 215.296, which disallows changing farm practices. If a use was proposed in that park which would limit the farmer's ability to spray, then under ORS 215.296, that use could not be sited at that location in the park.

194 Rep. Fahey MOTION: Moves to ADOPT HB 2924-5 amendments dated 06/09/97.

Chair Hearing no objection, declares the motion CARRIED.

201 Rep. Fahey MOTION: Moves HB 2924 to the floor with a DO PASS AS AMENDED

recommendation.

VOTE: 5-0

AYE: In a roll call vote, all members present vote Aye.

EXCUSED: 2 - Lehman, Shields

Chair The motion CARRIES.

SIMMONS will lead discussion on the floor.

204 Rep. Luke Comments on his reservations regarding this measure.

224 Rep. Fahey Comments that Rep. Luke's concern can be worked out in the Senate.

227 Chair Lewis Closes work session on HB 2924.

228 Chair Lewis Adjourns meeting at 3:16 p.m.

Transcribed By,
Rebecca M. Scott,
Administrative Support

Reviewed By,
Pat Zwick
Policy Analyst

EXHIBIT SUMMARY

- A - SB 1169-A, written testimony, Dave Hunnicutt, 5 pp.**
- B - SB 1169-A, -A2 amendments dated 06/05/97, Dave Hunnicutt, 1 p.**
- C - SB 1169-A, written testimony, Jim Johnson, 3 pp.**
- D - SB 1169-A, written testimony, Ron Eber, 1 p.**
- E - SB 1169-A, written testimony, Ron Eber, 24 pp.**
- F - SB 1169-A, written testimony, Blair Batson, 1 p.**
- G - SB 1169-A, written testimony, Don Schellenberg, 1 p.**
- H - HB 3457, -3 amendments dated 06/09/97, Paul Burnett, 6 pp.**
- I - HB 2924, -5 amendments dated 06/09/97, Rep. Leslie Lewis, 3 pp.**
- J - HB 2924, written testimony, Bob Meinen, 1 p.**