

SENATE COMMITTEE ON WATER AND LAND USE

April 10, 1997 Hearing Room C

8:30 AM Tapes 57 - 58

MEMBERS PRESENT:

Sen. Veral Tarno, Chair

Sen. Bob Kintigh, Vice-Chair

Sen. Ginny Burdick

Sen. Ted Ferrioli

Sen. Bill Fisher

Sen. David Nelson

Sen. Thomas Wilde

STAFF PRESENT:

Mark Volmert, Administrator

Nancy Masee, Administrative Support

MEASURE/ISSUES HEARD:

SB 1157 Public Hearing and Work Session

SB 697 Public Hearing and Work Session

SB 640 Public Hearing

SB 641 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 57,A		
003	Chair Tarno	Calls meeting to order at 8:30 AM saying the floor session starts at 10:00 AM cutting this meeting shorter than planned.
007	Chair Tarno	Opens public hearing on SB 1157.
<u>SB 1157</u>		

<u>PUBLIC HEARING</u>		
026	Mark Volmert	Committee Administrator, says SB 1157 allows a one-year limited license to use stored water, if the user has a local, state, or federal contract for the use of water.
049	Pete Test	<p>Oregon Farm Bureau, testifies for SB 1157, and gives background on the bill(EXHIBIT A)</p> <ul style="list-style-type: none"> * Contractors with Bureau of Reclamation to use water for irrigation were unable to use the water for as long as two years while paying for it because of delay in receiving their permit. * Limited license gives permits for the contracts within approximately 14 days after they have been received. * Offers a limited license with a yearly renewal. * To continue to pursue the permit.
065	Martha Pagel	Director, Water Resources Department, concurs with Oregon Farm Bureau's analysis of the practical problem existing for water users. Says the -1 amendments clarify the bill. (EXHIBIT B, C)
097	Kip Lombard	Oregon Water Resource Congress, supports SB 1157 and the amendments.
107	Sen. Wilde	Asks about language in SB 1157 amendments.
116	Chair Tarno	Asks for any more testimony on SB 1157.
129	Jeff Curtis	<p>WaterWatch, testifies against SB 1157 (EXHIBIT D)</p> <ul style="list-style-type: none"> * WaterWatch does not think it is necessary * limits public participation * makes it easier for the federal government to decide what it wants to do with water stored in its projects
172	Chair Tarno	Closes public hearing on SB 1157 and opens work session on SB 1157.
<u>SB 1157 WORK SESSION</u>		
174	Sen. Kintigh	MOTION: Moves to ADOPT SB 1157-1 amendments dated 4/9/97.
	Chair Tarno	Hearing no objections, the motion CARRIES.
178	Sen. Kintigh	MOTION: Moves SB 1157 to the floor with a DO PASS AS AMENDED recommendation.
		Hearing no objection, declares the motion CARRIED.

	Chair Tarno	SEN. KINTIGH will lead discussion on the floor. Closes work session on SB 1157 and opens public hearing on SB 697.
<u>SB 697 PUBLIC HEARING</u>		
179	Volmert	Gives background on SB 697
180	Richard Kosesan	Water for Life, testifies for amendments to SB 697; views this as a housekeeping measure and concurs with the state agency amendments.
217	Sen. Burdick	Asks if this would leave out any streams.
219	Kosesan	Most have been converted to instream water rights. Less than 30 to be converted.
228	Sen. Burdick	No streams would be left out by this change.
230	Kosesan	Responds that is correct.
253	Martha Pagel	Director, Water Resources Department, introduces Jill Zarnowitz. Says the concept of minimum perennial stream flows existed in the law before 1987 when instream water rights were created. Water Resources maintains a neutral position on SB 697. Supports the amendments to SB 697 (EXHIBIT E, F)
292	Jill Zarnowitz	Oregon Department of Fish and Wildlife (ODFW), concurs with Water Resources Department testimony; ODFW maintains a neutral position; corrects exhibit second paragraph, change line 18 to line 13. (EXHIBIT G)
308	Sen. Burdick	Asks if any confusion would result from parallel systems.
312	Pagel	Instream water rights protected and convert the minimum stream flows to instream water right.
340	Pagel	Does not want the existing tool dismissed
354	Sen. Tarno	Asks if the Umatilla tribes question the sharing or are they in concurrence with Water Resources?
367	Pagel	The tribes have federally recognized water rights but do not have state process of quantification.
388	Chair Tarno	Will they agree to the instream water rights system?
394	Pagel	The process to convert has not yet begun and the tribes interest probably will be supportive
401	Chair Tarno	Asks for questions, closes public hearing on SB 697; opens work session on SB 697
<u>SB 697 WORK SESSION</u>		
411	Sen. Kintigh	MOTION: Moves to ADOPT SB 697-1 amendments dated 4/9/97.

412	Chair Tarno	Hearing no objection, declares the motion CARRIED .
413	Sen. Kintigh	MOTION: Moves SB 697 to the floor with a DO PASS AS AMENDED recommendation.
417		VOTE: 6-1 AYE: 6 - Ferrioli, Fisher, Kintigh, Nelson, Wilde, Tarno NAY: 1 - Burdick
418	Chair Tarno	The motion CARRIES. SEN. FERRIOLI will lead discussion on the floor.
420	Chair Tarno	Closes work session on SB 697, opens public hearing on SB 640 and SB 641.
<u>SB 640 AND SB 641 PUBLIC HEARING</u>		
422	Volmert	Gives background on SB 640 and SB 641.
<u>TAPE 58, A</u>		
053	Chair Tarno	Comments that there is a double standard in the state.
067	Chair Tarno	Asks proponents for the bill to speak first.
068	Dave Hunnicutt	Oregonians In Action (OIA), takes a neutral position on SB 640; SB 641 needs to be passed and they feel strongly about it (EXHIBIT H) .
078	Chair Tarno	Asks if SB 641 relates to language in SB 640.
079	Hunnicutt	Gives explanation on SB 641 and SB 640.
084	Hunnicutt	Strongly supports SB 641; adds language to ORS statutes defining farm dwellings.
122	Hunnicutt	Continues explanation of tests on value of farm land and says they do not correctly show the farm picture. * \$80,000 applies only to commercial farming. * 78 percent of farms are not allowed dwellings. * believes this is not the intent of the rule * Land Conservation Development Commission (LCDC) needs to change definition of \$80,000 rule.
157	Hunnicutt	Says this bill will clarify the language in the rule. Supports SB 641 and urges passing of this bill.
220	Chair Tarno	Asks OIA about SB 640.
		Farm tax deferral was intended to encourage farming.

227	Hunnicut	<p>* Bona fide farmers qualifying for a tax deferral are entitled to a dwelling.</p> <p>* SB 100 and SB 101 intended all bona fide farmers entitled to a farm dwelling.</p> <p>* Two standards of bona fide farmers exist, one for farm tax deferral and another for living on the farm land.</p>
248	Sen. Burdick	Asks what percentage of farms already have dwellings.
253	Hunnicut	Replies that he does not know who has these statistics; Department of Land Conservation and Development (DLCDD) may have that information.
266	Chair Tarno	Asks about nonfarmers applying.
270	Larry George	<p>Oregonians in Action (OIA), three types of people who want to live in rural areas</p> <p>* commercial farmers</p> <p>* small farmers</p> <p>* rural residences</p>
283	George	SB 101 was to keep those not into agriculture off the agriculture land.
310	Hunnicut	Adds that the \$80,000 rule distinguishes between the commercial farmers and the rest; the issue should be between farmers and nonfarmers.
320	Chair Tarno	Asks why small farms should be encouraged.
322	Hunnicut	Farms grossing less than \$40,000 own over 33 percent of the farm equipment purchased. The small farms contribute to the agriculture economy. Oregon presently is composed of small farms.
338	George	Comments on small farm programs offered by federal government.
366	Sen. Nelson	Asks about rules in eastern Oregon for operating.
370	Hunnicut	Believes definition of high value farm land in eastern Oregon focuses on the actual use on the farm as of January 1, 1993. If farmed at that time, qualifies as high value farm land. If not, qualifies as non high value farm land.
399	Chair Tarno	Asks for further questions.
TAPE 57, B		
008	Roger Grahn	Yamhill, talks about the farm income rule and how it keeps citizens in the city due to the high cost of land and the income rule.

040	Grahn	Continues on the urge of city people to move to the country on smaller parcels of land and the present way is unfair.
080	Steve Hunt	Select Future Farms, farming not primary source, does not qualify for the \$80,000 rule at present even though he raises emus and invested \$400,000 in the farming industry * Agrees in protecting farm land. * \$80,000 rules denies people getting dwellings on small farms. * Not living on the property makes it impossible to keep an eye on things. * should qualify as a farm due to the use
124	Linda Sunderland	Owens 15 acres and is a small farmer. Previous owner did not apply for permit to construct a farm dwelling. (EXHIBIT I)
171	Sunderland	Continues on the very complicated efforts to gain approval to put a dwelling on the property which they farm but no way can meet the \$80,000 income requirement.
190	Chair Tarno	Asks distance to acreage.
192	Sunderland	Says it is 20 minutes away.
264	Mickey Killingsworth	President, Jefferson County Farm Bureau, introduces Nancy Richards from Jefferson County. Opposes both bills. Leases ground to raise sheep over 20 miles away. People east of the Cascades would be adversely affected by these two bills.
286	Killingsworth	Owens 20 acres with a dwelling and eastern Oregon does not have the \$80,000 income test. The test is comparable to surrounding farms income.
329	Killingsworth	Bought an existing operation with a dwelling, but overall the farmers in her group support the \$80,000 income test because the blocks of land in their area need to be 320 acres to be able to farm.
346	Chair Tarno	Asks if in western Oregon, \$80,000 acres can be grossed on 20 acres.
348	Killingsworth	Does not know if western Oregon farmers could reach this or not.
373	Nancy Richards	Farmed in the valley and then moved to eastern Oregon. Says small farmers have to lease additional land in order to be full time commercial farmers. She owns 350 to 400 acres in Jefferson County with a dwelling.

403 Chair Tarno Asks if she agrees with the \$80,000 rule.

405 Richards Says she does because they need to save the farm land.

393 Chair Tarno Adjourns meeting at 9:50 AM so that committee can attend floor session.

Submitted By, Reviewed By,

Nancy Masee, Mark Volmert,

Administrative Support Administrator

EXHIBIT SUMMARY

A - SB 1157, written testimony, Pete Test, 1 p

B - SB 1157, written testimony, Martha Pagel, 3 pp

C - SB 1157, -1 amendments, Staff, 1 p

D - SB 1157, written testimony, Jeff Curtis, 2 pp

E - SB 697, written testimony, Martha Pagel, 2 pp

F - SB 697, -1 amendments, Staff, 1 p

G - SB 697, written testimony, Jill Zarnowitz, 1 p

H - SB 641, written testimony, Dave Hunnicutt, 4 pp

I - SB 640, 641, written testimony, Linda Sunderland, 2 pp
