SENATE COMMITTEE ON AGRICULTURE, NATURAL RESOURCE AND THE ENVIRONMENT January 13, 1995 Hearing Room 343 1:00 P.M. Tapes 2,3 MEMBERS PRESENT: Sen. Bob Kintigh, Chair Sen. Bill Dwyer Sen. Tom Hartung Sen. Rod Johnson, Vice Chair MEMBER EXCUSED: Sen. Bradbury-excused in Seattle Sen. Shannon was being sworn in STAFF PRESENT: Bruce McIntosh, Committee Administrator Catrina Victor, Committee Assistant MEASURES HEARD: Informational meeting These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in auotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. TAPE 2, A 06 Chair Kintigh: Meeting called to order- 1:03 P.M. 08 Jim Brown: State Forestry Department to give brief overview of exhibit (A) provided. Q and A time. Giving of Department history. Refers to the handouts and specif c pages. Stresses the important impact of forestry on the Oregon economy. Describes recent changes by the Federal Government in the harvesting of the wood/trees. 67 Mr. Brown: Continues to discuss the forestry make-up, various programs, and policies/recommendations- all of which he refers to exhibit A provided. 98 Mr. Brown: Discusses the budget reductions and alternatives for future funding of programs. Overview of goals and fire protection programs. Refers to graphs provided in the booklet on budget, fire items, and homes in high risk areas. Additional items discussed: insurance , , coverage, premiums, and specific fires within the state and the dollar losses. SENATE AGRICULTURE, NATURAL RESOURCE AND THE ENVIRONMENT Januaq 13, 1995 - Page 2 Tape 2A Mr. Brown: Continues his presentation of the Forestry Department. 191 Reference made to page 12, where compliance issues are addressed. Notes increase in the work load of the Department due to a decrease in the Federal harvesting as well as the increase of the harvesting tax/fees. 304 Mr. Brown: Stated this department tries to make money. Most of the money that is made is designated to schools in the area in which the timber is harvested. 393 Mr. Brown: Briefly discusses bills and the new fees that will be presented at a later date. Chair Kintigh: Questions Brown in reference to a House bills that will 403 be arising soon. Stating bills to come. Specifically Bill 2130, where a clerical error was

made, this item will be seen shortly by the committee and the Department of Forestry. 407 Mr. Brown: Refers to handout (exhibit A) and clarifies. Tape 3A Sen. Dwyer: Questions where funds come from? Noting the cuts. Does it 45 come from the user pay principle? 57 Mr. Brown: Yes. Also from industrial lands, non-industrial and State lands. See exhibit A. Sen. Dwyer: How is the 4 million going to effect those lands? Where is 65 the money going to? Mr. Brown: Some of the funds will go to the change of the 55% of fire 69 protection program by the landowners to the "fifty-fifty principle." About a million dollars million dollars or .02 an acre. 70 Sen. Dwyer: Asks about the insurance coverage and payments. 71 Mr. Brown: Our goals is to equal the payments for both parties, otherwise the insurers won't be able to pay. 78 Sen. Dwyer: What is the departments biggest challenges? 85 Mr. Brown: Balancing the environment and private landowners. Trying to make everyone happy between environmental agencies and the landowners. 100 Sen. Dwyer: Discusses the programs of conservation and the Forest Incentive Program. Are they still in operation? Tape 3A . . These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings please refer to the tapes. SENATE AGRICULTURE, NATURAL RESOURCE AND THE ENVIRONMENT January 13,1995 - Page 3 110 Mr. Brown: Responds. It has been phased out and changed. Funding was drastically cut. 118 Sen. Dwyer: How do pests fit into these programs? Protection? 120 Mr. Brown: A round-wood tax has been initiated and funds from this program would go to protecting the wood from insects/diseases. 131 Chair Kintigh: Is the infected area in Central Oregon spreading? Or has it leveled off? 138 Mr. Brown: The diseased acreage is decreasing. New wave of insects and diseases are developing/appearing due to natural factors of the aged timber. Because the cease of burning timber on Federal land those wooded areas are not being cleaned out- therefore it spreads to other, and more healthier timber (non-Federal lands). 166 Chair Kintigh: The Reforestation Tax Credit is it increasing or decreasing? 168 Mr. Brown: There has been an increase of outside participation of private industrial individuals. 180 Sen. Johnson: Does the 30% (exhibit A) apply to reforestation or under-producted land?

180 Mr. Brown: Under-producted land.

Sen. Johnson: Questions if pesticides can permanently stop the insects 203 even if the trees are old? 211 Mr. Brown: Only by harvesting or through fire will the killing of the trees by pests stop. Sen. Dwyer: We're doing a good job in the state of Oregon in regards to 230 our fire protection services/practices and laws, in comparison to Idaho for example. The State should stop the fires as well as save the trees if at all possible. Mr. Brown: The department is in a grid lock between the people, the 241 statutes, and the economic factors. 252 Sen. Johnson: Can we directly contact your office for questions? 258 Mr. Brown: Yes. Thank you for your time. 261 Chair Kintigh: Asks for further questions. Hearing none moves on to the

second presenters.

These minutes contain materials which paraphrase and/or summarize statements made during this session Only text enclosed in quotation marks report a speaker's exact words For complete contents of the proccedinge, please refer to the tape. SENATE AGRICULTURE, NATURALRESOURCE AND THE ENVIRONMENT January 13, 1995 -Page 4

Tape 2B

Second presentation: Department of Agriculture

264 Bruce Andrews and Phil Ward from The Department of Agriculture. They both provided a general introduction and began a slide presentation. Exhibit B handed out.

299 Chair Kintigh: How will GATT effect us?

316 Mr. Andrews: It has been used on a worldwide scale prior to nationally. This will over a period of time allow Oregonians to ship and sell items worldwide.

| | 12 | Mr. Andrews: Refers to the slide show presentation. |
|--------------|----|---|
| , | | Oregon leads the nation in specialty crops: Grass seed, Christmas trees, |
| cranberries, | | |
| | | and filberts. |
| | 55 | Sen. Dwyer: Are the number of farms growing? Family farms? |
| | 57 | Mr. Andrews: Yes. Non-family farms showed the most growth in crops. Also, |
| in | | |
| | | smaller acreage's for part-time farmers. |
| | 75 | Sen. Dwyer: Are these organic farmers? |
| | 80 | Mr. Andrews: Yes, some of the increase is due to organic farming. |

117 Mr. Andrews: Refers to the slide show and points out the percentages of exports to other countries in regards to processed food and produce within

the state. Notes trends and the attempts to increase sales. 150 Sen. Dwyer: Requests copies of the slide show presentation. 155 Mr. Andrews: Yes items will be provided. These materials are just in, therefore items are not currently available. 191 Sen. Dwyer: Are they doing something to preserve the agriculture? For example Sony using ideal farm land to build. 202 Mr. Andrews: Hopes in the future a mid-point can be reached so the large corporations can build as well as save the prime lands. Refers to slide show to each individual region and it's assets/contributions agriculturally to Oregon. 360 Sen. Dwyer: Are fuels monitored? These minutes contain materials which paraphrase and/or summarize statements made during this scssion. Only text enclosed in quotation marks report a speal; er's exact words. For complete contents of the proceedings, please refer to the tapes. SENATE AGRICULTURE, NATURAL RESOURCE AND THE ENVIRONMENT January 13,1995 - Page 5 370 Mr. Andrews: As yet there is no funding or program regarding fuel. Tape 3B 05 Mr. Andrews: Concludes slide show. Mentions the fee of importation of logs which is in bill form and this committee will soon see. 29 Chair Kintigh: Would you be working with the Forestry Department regarding disease prevention? 34 Mr. Andrews: Yes and our own staff. Sen. Hartung: Our marketing of the items grown here are very important. 40 What is the department doing to increase the marketing. 49 Mr. Andrews: They are putting a series of programs together to increase marketing. Participating in a number of the OSU research programs to gain additional information. Sen. Hartung: What is the status of the Food Center? 94 100 Mr. Andrews: Hope to break ground this year. 112 Sen. Hartung: If a hauler, from Washington County for instance delivers a product to Norpac Foods (Marion County) which county gets the credit? 17 Mr. Andrews: If the item is processed that is the area that gets the credit, therefore Marion County. Sen. Dwyer: Shellfish concerns. What is the Department stand? 128 131 Mr. Andrews: Wants the fish to stay here in Oregon. The Department has been fighting the Federal government on this issue. Currently dealing with health and safety issues. 151 Chair Kintigh: Are there field trips available? 161 Sen. Andrews: Yes. We can coordinate a time with a few days notice. Sen. Dwyer: Is very interested in a trip and would like to see the new 171 changes.

, .

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. SENATE AGRICULTURE, NATURALRESOURCE AND THE ENVIRONMENT January13,1995-Page6 Tape 3B 175 Chair Kintigh: We will contact your department to schedule a tour. Thank you for coming. 178 Meeting adjourned 2:25 P.M. Submitted by: Reviewed by, / ,;

Supmitted by: Reviewed by, / ,; Catrina Victor ~ruce McIntosh Committee Assistant Committee Administrator

EXHIBIT SUMMARY:

A - Booklet from the Department of ForestrvB- Newsletter from the Department of Agriculture

•

. .

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.