

SENATE COMMITTEE ON
WATER & LAND USE

Hearing Room
Tapes - 48

MEMBERS PRESENT:

Sen. Rod Johnson, Chair
Sen. Neil Bryant
Sen. Ron Cease
Sen. Bob Kintigh

MEMBER EXCUSED:

Sen. Bill Dwyer

STAFF PRESENT:

Karen Quigley, Committee Counsel
Kimberly Shadley, Committee Assistant
Mitch Hack, Senate Floor Staff

MEASURES HEARD:

SB 147

SB 234

SB 540

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.

TAPE , SIDE A

005 CHAIR JOHNSON: Calls the hearing to order. (1:13 p.m.)

WORK SESSION ON SB 234

SEN. CEASE: My understanding is that for the record is that this would
cost about \$20,000 which is small enough I don't think it would cause a
problem with Ways and Means.

018 MOTION: SEN. CEASE MOVES SB 234 TO THE FLOOR WITH A DO PASS
RECOMENDATION.

022 VOTE: IN A ROLL CALL VOTE THE MOTION CARRIES. MEMBERS EXCUSED: BRYANT

& DWYER CARRIER: CEASE

PUBLIC HEARING ON SB 540

Witnesses: Sen. Timms, District 30
Dick Benner, Director, Department of Land Conservation and Development
Tom Linhares, County Assessor, Columbia County
Christine M. Cook, 1000 Friends of Oregon

031 SEN. TIMMS, DISTRICT 30: SB 540 basically does away with LCDC in
frontier counties.

(It makes sense that when we look at laws, we don't pass laws that are
adaptable to the entire state; frontier counties have little infrastructure

to implement many laws we pass.

(This would be the counties option.

(We need to protect rural areas.

075 CHAIR JOHNSON: Do you know what the cost to counties to comply with land use laws?

SEN. TIMMS: No; I've talked to my county planner and judge and they think this legislation is not a bad idea, although there are some questions.

CHAIR JOHNSON: How much Class one and two soil is there in the county we are talking about?

SEN. TIMMS: In Wheeler County there is some good land; I would hope you wouldn't allow development on that land.

(Malhuer County has lots of excellent land and a lot of Class three soil, it is a big county.

(I will submit a list of the counties, there are eleven counties, all East of the mountains; reads counties for the record, (EXHIBIT B).
("Frontier county" is defined federally.

145 DICK BENNER, DIRECTOR, OREGON DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT: As I read the bill it does something different from what Sen.

Timms was wanting to see.

(As I read it this exempts the frontier counties from limitations on farm zones.

(The second clause; I'm reading it to mean any additional limitations that may be in our Goal 3.

(The language on line five would take the eleven counties out of the program altogether.

180 CHAIR JOHNSON: What do the four statutes refer to?

BENNER: Activities in exclusive farm zones.

(These counties could modify their zoning ordinances; describes the effect of line five.

(Line six refers to LCDC's authority to produce state wide planning goals.

210 BENNER: This wouldn't be a good idea; the principal reason is agriculture.

(There is a large variation in growth rates; some counties are growing not at all or very slowly and others are growing rapidly.

(Changes have been made by the legislature in our goals and it is fair to say that there has been a good deal of consideration of regional differences.

(My suggestion would be for you to direct us to do that, but this does it without going through a deliberative process.

320 SEN. KINTIGH: Before LCDC they had planning in their counties.

BENNER: I suspect that people have come to the state and asked for protection because they weren't getting it at the local level.

415 CHAIR JOHNSON: Would it be possible to analyze the state, recognizing regional differences and applying concepts?

BENNER: It is reasonable; differences in not only soil quality, but what is happening in a region.

TAPE 48, SIDE A

CHAIR JOHNSON: What does it cost a county to comply with the land use laws?

BENNER: I could get you information.

(Each county has a comprehensive plan in place; new costs come to them through periodic review, or if a new law or rule requires them to do something.

(We do give grants to assist, I can get you numbers.

075 SEN. BRYANT: Describes situation in his county.

(We should contact the frontier counties and see what they think; this could tie into other land use bills.

CHAIR JOHNSON: Committee counsel will send a letter to those counties.

CHAIR JOHNSON: Covers the information for Benner to submit to the committee.

160 TOM LINHARES, COUNTY ASSESSOR, COLUMBIA COUNTY: I have a concern with section two; it isn't clear enough.

(I think the intent was for those that had the farm use zone wouldn't lose that assessment if the county choose to use SB 540.

197 CHAIR JOHNSON: I think the intent was that any property owner who is now being assessed at the farm use evaluation would be able to keep that even if the EFU classification was removed.

LINHARES: 308.404; I'm not sure why it's there.

220 CHRISTINE M. COOK, 1000 FRIENDS OF OREGON: Testifies in opposition, submits written testimony, (EXHIBIT C)

280 CHAIR JOHNSON: Do you see any way we could leave some part of the current system in tact to protect farm land and at the same time free the counties up?

COOK: There is already allowance made for differences between regions in statute.

CHAIR JOHNSON: Many counties have very little soil that could be farmed.

COOK: It isn't 1000 friends position that only prime farm land should be protected.

WORK SESSION ON SB 147

430 STEVE PURCHASE, DIVISION OF STATE LANDS: Introduces himself.

TAPE 47, SIDE B

CHAIR JOHNSON: What and who in the Division has the qualifications to reinvest the money properly?

PURCHASE: It would be our intent that the State Land Board and the Treasurer would handle that.

CHAIR JOHNSON: Does that extend to stocks and bonds?

PURCHASE: The State Treasurer does have that authority.
(Describes process for purchases.

070 CHAIR JOHNSON: There is agreement between the committee members that the Division should be selling off the small useless pieces of land around the state.

(Would the Division like direction to liquidate those properties?

PURCHASE: We have a number of isolated parcels; we have undergone a plan that will tell us to sell those and it has been our intent; we would like money to do title reports etc.

(We are going to or hope to do this anyway; we are going to have to go to the board and ask their opinion anyway.

CHAIR JOHNSON: What is your timeframe?

PURCHASE: We expect to submit a draft plan in April; it will come down to having the resources to do this.

((In response to Johnson) First right of refusal for those with grazing leases.

120 CHAIR JOHNSON: Do you have a problem with allowing the adjoining owner

priority?

PURCHASE: No; there is a state surplus process; state agencies first, then other political subdivisions then to the public at auction for appraised value.

146 SEN. BRYANT: This is a good opportunity to sell land to neighboring ranchers.

CHAIR JOHNSON: I think we should reorganize the preference list.

180 SEN. KINTIGH: Do you make an effort to make exchanges to consolidate?

PURCHASE: Yes; we've been involved in excess of 50, both land and mineral rights.

(When we sell a piece of trust property, the money goes to the land revolving account within the common school fund.

215 SEN. KINTIGH: Does the account accrue interest?

PURCHASE: Yes, it goes to the common school fund.
(As staff there are about 16,000 acres we'd like to sell.

260 SEN. CEASE: These are mostly smaller parcels?

PURCHASE: Yes, but some are larger.
(Describes investment process for Sen. Cease.

310 SEN. CEASE: I'm troubled by the fact that the bill would let you invest in anything, where is the control?

PURCHASE: I'm not sure what the control is; we hope to take our plan to the State Land Board in April.

CHAIR JOHNSON: You don't plan to sell the Elliot Forest do you?

PURCHASE: I don't think so.

374 SEN. CEASE: You could though, if this bill passes?

PURCHASE: I believe that is true.

CHAIR JOHNSON: What is the purpose of removing the phrase "isolated"

.

PURCHASE: It refers to our asset management plan.

420 CHAIR JOHNSON: What has the average reduction in value been due to the restriction in logging?

PURCHASE: I can get you information.

TAPE 48, SIDE B

CHAIR JOHNSON: We should require that the liquidation of these isolated tracts be done; when they dispose of these they should give preference to the lessee first, the joint land owner second, state agencies third and public auction fourth.

042 SEN. KINTIGH: I don't have a problem with state agencies having a first crack as there may be some unique public value.

CHAIR JOHNSON: Does anyone have any suggestion of the kinds of investments they should be allowed to make?

SEN. BRYANT: It is my understanding that the OST has guidelines; "other

suitable investments" isn't the cart blanch it looks like.

075 SEN. KINTIGH: My main concern is that they don't get into real estate.

CHAIR JOHNSON: We are adjourned. (2:46 p.m.)

Submitted by, Reviewed by,

Kimberly Shadley	Karen Quigley
Committee Assistant	Committee Counsel

EXHIBIT SUMMARY:

- A - SB 540: Preliminary staff measure summary, Revenue impact statement, fiscal impact statement submitted by staff, pp 3
- B - SB 540: County population density report submitted by Sen. Timms, pp 2
- C - SB 540: Written testimony in opposition submitted by Cook, pp 11