

HOUSE COMMITTEE ON GENERAL GOVERNMENT Subcommittee on Government

May 4, 1993 Hearing Room 357 9:00 a.m. Tapes 64 - 65

MEMBERS PRESENT: Rep. Del Parks, Chair Rep. Jim Edmunson Rep. Patti Milne Rep. Sharon Wylie Rep. Cedric Hayden, ex-officio

VISITING MEMBER: Rep. Ken Baker

STAFF PRESENT: Janet Adkins, Committee Administrator Amy Jahnke, Committee Assistant

MEASURES CONSIDERED: HB 2465 State of OR pay costs - program services HB 2658 Housing of federal prisoners HB 2897 Public agencies acquiring private land for

consolidation HB 3361 Limit public comment on wildlife access and real property outside urban growth boundary

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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. [--- Unable To Translate Graphic ---]

TAPE 64, SIDE A

CHAIR PARKS: Calls the meeting to order at 10:45 a.m.

HB 2465 - WORK SESSION

MOTION: REP MILNE MOVES THAT HB 2465 BE SENT TO THE SUB-COMMITTEE ON TRANSPORTATION

\_ HEARING NO OBJECTION THE MOTION PASSES

HB 3361 - PUBLIC HEARING

JULIE DOW, RESEARCHER: Describes bill.

050 BILL NICKLEBERRY, DEPARTMENT OF GENERAL SERVICES: Testifies in support, submits letter for record (EXHIBIT A).

REP HAYDEN: We often say that - it wasn't intended that this or that happen - and yet 31 legislators voted that it would happen - how do we know that we didn't intend it to have this

result?

NICKLEBERRY: Gives background on HB 2257 from 1991 session.

REP WYLIE: If you have a piece of property in an urban area, do you notify the county or the city that the property is going to be available for sale?

NICKLEBERRY: Yes, that is part of the process.

HB 3361 - WORK SESSION

MOTION: REP WYLIE MOVES HB 3361 BE SENT TO THE FULL COMMITTEE WITH A DO PASS RECOMMENDATION

117 REP HAYDEN: There are two triggers that invite the public comment, one of those triggers is the values for fish and wildlife habitat, the other is public access to other property.

NICKLEBERRY: The process of getting public comment would be complicated and costly.

135 REP HAYDEN: What if the property is a group home and people in that area would want to comment.

NICKLEBERRY: I think zoning and other procedures covers those situations.

149 REP HAYDEN: In Sub B, line 10, should we insert words that say if the value of the real property is greater than one hundred thousand dollars but less than a million five, we don't have to have public comment?

NICKLEBERRY: I would like to consider that further, but it would be possible to put a cap on it.

REP HAYDEN: I am concerned about removing public comment from anything.

167 CHAIR PARKS: In A you consider without notice to the public, all of the values and in B you do consider but you invite public comment.

NICKLEBERRY: What struck me was when we originally added this to the bill in the last session, we realized that we were hitting the target, and it imposed some laws on other agencies for their process of disposal of property, these laws did not previously exist and we did not anticipate this impact.

189 CHAIR PARKS: Do you think there is a way to move the monetary boundary around?

206 NICKLEBERRY: I would agree with the \$500,000.00 dollar figure.

227 CHAIR PARKS AND REP HAYDEN CONTINUE DISCUSSION NICKLEBERRY: Are you saying that we still should consider it even if it is even if it is under the cap that may be set?

REP HAYDEN: Yes, you should have a staff meeting or some form of discussion.

NICKLEBERRY: There is a long process for all agencies that is followed when property is sold.

CHAIR PARKS: We will continue this work session on 5/5/93.

HB 2658 - PUBLIC HEARING AND WORK SESSION

(EXHIBIT B) - Letter to committee, submitted by F.J. Yraguen, Judge

Julie Dow: Describes bill.

288 REP DENNY JONES, DISTRICT 60: Testifies in support; - The general public can't understand why you can have 324 empty beds

and then have to build a new six million dollar jail.

337 REP HAYDEN: Is it the intent of this bill that only a county in which the state facility is located would utilize the facility?

REP JONES: There have been attempts by other states to use the facility for a fee - \$65.00 a day.

REP HAYDEN: So Curry county can send prisoners to the Snake River facility under this legislation and Malheur County would have to compete to get their prisoners in there.

263 REP JONES: I would not want to restrict it because that was not the intent.

HB 2658 - WORK SESSION

MOTION: REP HAYDEN MOVES THAT HB 2658 BE SENT TO THE FULL COMMITTEE WITH A DO PASS RECOMMENDATION

VOTE: IN A ROLL CALL VOTE THE MOTION PASSES. ALL MEMBERS VOTING AYE.

HB 2897 - PUBLIC HEARING

394 Julie Dow: Describes bill.

TAPE 65, SIDE A

REP JONES: It was not the intent of this bill to force the Department of Transportation as far as highway right-of-ways are concerned. - What prompted this was the Nature Conservancy attempting to purchase

large holdings in Lake and Harney County and it totalled about seventeen million dollars worth of property, and if this had happened, even though they had agreed verbally to pay in-lieu taxes, the statute says that

they do not have to. If this would have happened, Lake County would have lost fifty eight thousand dollars annually in taxes.

020 CHAIR PARKS: Fifty eight thousand dollars out of a budget of how

much?

REP JONES: I don't know the total budget.

CHAIR PARKS: We could not solve this problem by saying that we applied it to non-profit organizations because Nature Conservancy is non-profit.

REP JONES: Yes, Nature Conservancy is listed as non-profit, however I have a financial report of how much money they have made over the years and what they are going to do with it and this report makes their standing questionable.

CHAIR PARKS: This actually is a big problem.

072 REP HAYDEN: If we could draft a bill that would solve the problem while protecting the vital social institutions like churches, I would be open to that.

090 RUSSELL S. HOEFLICH, THE NATURE CONSERVANCY: Testifies in opposition. - The mission of the Nature Conservancy is to identify and protect our

nations most unique natural areas.

REP HAYDEN: Since you do not have to pay property taxes you may be able to out bid someone who has to pay property taxes, how do you address that issue?

HOEFLICH: When it comes to the actual purchase of the real estate the property tax issue is not the issue.

144 REP HAYDEN: For the purchaser in the private sector the cost of current and future property taxes for banks, is very much a consideration, it is a cost of doing business, it is not for you but it is for everyone in

the private sector.

HOEFLICH: The people who use these preserves bring money to these communities. - Don't want to see this passed just because a few people think we will not continue to pay taxes. - On a logistical side - land exchange is more expensive than land

acquisition.

261 CHAIR PARKS: If you are already making payments then why do you object to this bill?

HOEFLICH: This bill says that we will have to pay taxes for all properties not necessarily if there is 50% ownership of federal lands.

CHAIR PARKS: On line 4 it says "In counties of more than 50% public

ownership".

HOEFLICH: On the bottom of paragraph three it says "In any county a non-profit entity that acquires private land shall not be exempt from property taxes on that land".

CHAIR PARKS: If we inserted line 21 "in any county that has more than 50% public ownership," then you would support the bill?

HOEFLICH: I think there are some other issues associated with this legislation that need to be worked on particularly on the upper section in association with land exchange activities. - The conservancy prefers to keep the program where we are presently voluntarily working with the counties on a case by case basis. - My fear would be - shift of the definition of "community stability".

323 REP HAYDEN: Is the term "in counties of more than 50% ownership", a term of art, this is the first I have heard of it.

HOEFLICH: It was a challenge to identify how much land was in state and federal ownership county by county but I think it is roughly 17 or 19 counties.

REP HAYDEN: It seems like the financial impact of transferring property from the private sector to a non-profit organization could have a significant economic impact if indeed in counties of less than 50% ownership you are not paying property taxes.

REP HAYDEN AND HOEFLICH CONTINUE DISCUSSION ON ECONOMIC IMPACT

TAPE 64, SIDE B

HOEFLICH: We are working with the cattlemens association on legislation to make sure that we are dealing with weed control - there is a major bill back in Washington D.C. called the vegetation diversity bill that will attempt for the first time to rehabilitate excessive land in the eastern part of the state. - It is the challenge of The Nature Conservancy working with the other partners to convert these properties to gain the basic technology on how to rehabilitate those properties.

027 REP HAYDEN: My charge is to represent western Oregon counties and their funding and financing, so I am concerned about counties that have less

than 50% public ownership but still are faced with the prospect of losing property tax revenue because of lands moving out of the private

sector.

040 CHAIR PARKS: It seems that you should have interest in setting ground rules. - When you buy property and then you trade it to a government and now

you have resources to buy more, it is a big problem in smaller population base counties.

HOEFLICH: There is a major issue on the federal side with taxation with payment in-lieu of tax payment policy, they call it the PILT legislation on the federal side, is in grave need of revision to adequately

compensate the local counties. We have been working with Sen. Hatfield, Rep. Smith on drafting legislation that would in fact bring the counties up to full compensation for every acre of land put into federal ownership.

073 CHAIR PARKS: What is wrong with applying that to your situation?

HOEFLICH: I question whether the form of this legislation will serve everyone's best interest.

091 ELLEN LOWE, Ecumenical Ministries of Oregon: Testifies in opposition;

- Questions lines 21 through 25 on behalf of the community and institutions that I represent.

ADJOURNED 11:55 AM

Submitted by:

Reviewed by:

Amy Jahnke  
Administrator

Janet Adkins Assistant

EXHIBIT LOG A - HB 3361 - Letter, submitted by Bill Nickleberry pp 1 B -  
HB 2658 - Letter to Committee, submitted by E. J. Yraguen, Judge pp 3