74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session MEASURE: STAFF MEASURE SUMMARY CARRIER:

Joint Special Committee on Land Use Fairness

REVENUE: May have revenue impact, statement not yet issued FISCAL: May have fiscal impact, statement not yet issued

Action: Do Pass as Amended, Be Printed Engrossed, and Be Referred to the

Committee on Ways and Means by prior reference

Vote: 6 - 4 - 0

Yeas: Clem, Johnson, Roblan, Schrader, Macpherson, Prozanski

Nays: Beyer, Garrard, George L., Smith P.

Exc.: 0

Prepared By: Patrick Brennan, Administrator

Meeting Dates: 4/24, 4/26

WHAT THE MEASURE DOES: Extends from 180 days to 540 days the period for government entities to review and act upon claims submitted pursuant to Ballot Measure 37 (2004) after November 1, 2006, before the property owner is entitled to just compensation and may file a civil action. Appropriates \$100,000 from the General Fund to the Department of Land Conservation and Development for the cost of reviewing Ballot Measure 37 claims during the extended review period. Declares an emergency and takes effect upon passage.

HB 3546 A

ISSUES DISCUSSED:

- Large number of Ballot Measure 37 claims received between October 15, 2006 and December 5, 2006
- Projection that state and some counties will not make the 180-day processing deadline
- Efforts to amend or repeal Ballot Measure 37

EFFECT OF COMMITTEE AMENDMENT: Specifies an additional 360 days for processing claims under Ballot Measure 37 filed after November 1, 2006. Appropriates \$100,000 to Department of Land Conservation and Development for processing of claims during extended period. Deletes provisions related to granting waivers for single-family dwellings and signing of release of additional rights under Ballot Measure 37.

BACKGROUND: Oregon's land use planning system was created by the Legislative Assembly with the passage of Senate Bill 100 in 1973. Ballot Measure 37, approved by voters during the 2004 General Election, requires that governments pay financial compensation to a landowner if a regulation restricting the use of that landowner's real property has resulted in a reduction in value of that property; the measure also allows a government to choose to waive the regulation instead of paying the required compensation.

Since the passage of Ballot Measure 37, the state has received approximately 6,500 claims, while counties have received approximately 7,000 claims (many claimants filed with both county and state government). In each case, about half of the claims were received between November 1st and December 4th, 2006; the state received more than 1,000 claims in one day on December 1st, 2006. State and county representatives have indicated that it is effectively impossible to review the large number of claims within the 180-day period specified within Ballot Measure 37, now codified in ORS 197.352.

House Bill 3546-A extends the time period for processing Ballot Measure 37 claims that were filed after November 1, 2006 by 360 days, to a total of 540 days to complete processing of those claims. The measure also provides an allocation of \$100,000 from the General Fund to defray costs incurred by the Department of Land Conservation and Development in processing Ballot Measure 37 claims during the extended review period.