

Joint Committee on Ways and Means

Carrier – House: Rep. Macpherson
Carrier – Senate: Sen. Schrader/
Sen. Prozanski

Revenue: No revenue impact

Fiscal: Fiscal statement issued

Action: Do Pass the A-Engrossed Measure as Amended and Be Printed B-Engrossed

Vote: 13 – 8 – 0

House – Yeas: D. Edwards, Galizio, Nathanson, Nolan, Shields
– Nays: Garrard, Hanna, Jenson, Morgan
– Exc:

Senate – Yeas: Bates, Carter, Devlin, Gordly, Johnson, Schrader, Verger, Westlund
– Nays: Morse, Nelson, Whitsett, Winters
– Exc:

Prepared By: Susie Jordan, Legislative Fiscal Office

Meeting Date: 5/1/07

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. The measure 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.

ISSUES DISCUSSED:

- Fiscal Impact of extending from 180 days to 540 days

EFFECT OF COMMITTEE AMENDMENT: Deletes appropriation of \$100,000 from the General Fund to the Department of Land Conservation and Development

BACKGROUND: Oregon’s land use planning system was created by the Legislative Assembly with the passage of Senate Bill 100 in 1973. In 2004, voters passed Ballot Measure 37 (now ORS 197.352) which requires compensation to landowners whose property values are negatively impacted by land use laws or regulations and who file claims with the appropriate governmental unit. The choice for the governmental unit is to pay the claimant an amount equal to the loss in value due to the land use law, or to not apply the restricting law. Claims arising from land use laws enacted prior to December 2, 2004 must be filed by December 2, 2006. The Supreme Court upheld the legality of Measure 37 in March 2006 in what is referred to as the “McPherson” case.

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.