

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 3040 - A**

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed Versions are Considered Official*

Prepared by: Krista McDowell  
Reviewed by: Paul Siebert, Linda Gilbert  
Date: 4/26/2013

**Measure Description:**

Prohibits specified nonfarm uses on land zoned for exclusive farm use.

**Government Unit(s) Affected:**

Oregon Department of Fish and Wildlife (ODFW), Oregon Parks and Recreation Department (OPRD), Counties, Cities, Department of Agriculture, Department of Land Conservation and Development, Department of State Lands, Oregon Watershed Enhancement Board (OWEB), Department of Environmental Quality (DEQ)

**Summary of Expenditure Impact:**

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	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
General Fund	\$285,041	
<b>Total Funds</b>	<b>\$285,041</b>	<b>\$0</b>

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

The bill prohibits landfills from being an allowed use on exclusive farm use (EFU) lands unless landfill is a site for disposal of solid waste approved by city or county and a site for which a permit has been granted by Department of Environmental Quality (DEQ). The bill also requires Department of Agriculture and the Department of Land Conservation and Development (DLCD) to analyze conflicts between farm and nonfarm uses on agricultural land in areas zoned for EFU in at least two counties.

The study called for under the bill is estimated to cost the Department of Agriculture \$75,000 General Fund (GF) in 2013-15 biennium. This cost encompasses the anticipated workload by Geographic Information System (GIS) personnel related to the development of the analysis, report preparation, policy recommendations and coordination efforts with DLCD.

The study costs to DLCD, primarily for Policy Analyst 4 work, are estimated to be \$100,000 General Fund (GF) in 2013-15 biennium. The bill would also trigger a requirement for DLCD to send out statewide notices; these notices are estimated at \$99,300 GF for the 2013-15 biennium. DLCD will also need to amend statewide land use rules; rulemaking and one hearing are estimated to be \$10,741 GF for the 2013-15 biennium.

The following agencies anticipate no or minimal fiscal impact associated with the passage of this bill: Counties, Cities, Oregon Department of Fish and Wildlife, Oregon Parks and Recreation Department, Department of State Lands, Oregon Watershed Enhancement Board, Department of Environmental Quality.

REVENUE: No revenue impact  
FISCAL: Fiscal statement issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means
<b>Vote:</b>	5 - 2 - 0
<b>Yeas:</b>	Cameron, Frederick, Holvey, Unger, Clem
<b>Nays:</b>	Davis, Thatcher
<b>Exc.:</b>	0
<b>Prepared By:</b>	Lynn Beaton, Administrator
<b>Meeting Dates:</b>	3/14, 4/18

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**WHAT THE MEASURE DOES:** Prohibits landfills from being allowed use on exclusive farm use (EFU) lands unless landfill is site for disposal of solid waste approved by city or county and site for which permit has been granted by Department of Environmental Quality (DEQ) as of effective date of Act. Allows landfills existing as of effective date of Act to expand onto land that was part of tract as of effective date of Act. Requires Oregon Department of Agriculture (ODA) and Department of Land Conservation and Development (DLCD) jointly to analyze conflicts between farm and nonfarm uses on agricultural land in areas zoned for exclusive farm use (EFU) in at least two counties and analyze trends in conflicts over time, including cumulative effects of conflicts between farm and nonfarm uses on long-term sustainability of Oregon agriculture. Requires ODA and DLCD to review acquisition of EFU zoned land by state and federal agencies for nonagricultural purposes, including wetlands and wildlife habitat. Requires Department of State Lands (DSL), Oregon Department of Fish and Wildlife (ODFW), State Parks and Recreation Department (Parks) and Oregon Watershed Enhancement Board (OWEB) to cooperate to provide information requested by ODA or DLCD for purposes of analysis. Requires ODA and DLCD to prepare report on required analysis. Requires DLCD to convene work group to review report, once prepared. Requires work group to recommend strategies to limit, avoid, or address conflicts between nonfarm uses and farm uses in manner that ensures long-term sustainability of Oregon agriculture and provides for locating nonfarm uses on agricultural lands in EFU zoned land, when beneficial. Requires DLCD to transmit recommendations of work group to appropriate interim legislative committees on or before January 1, 2015. Repeals requirements of Act on January 2, 2015. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Potential conflicts between landfills and farming
- Landfill example from Yamhill County
- Composting regulations
- Costs of moving landfills out of Willamette Valley

**EFFECT OF COMMITTEE AMENDMENT:** Replaces measure.

**BACKGROUND:** Oregon law protects agricultural land for farming, while also allowing some farm-related and nonfarm uses on exclusive farm use (EFU) lands. Over time, additional farm-related and non-farm related uses have been allowed on EFU land, subject to state rules concerning agricultural land. In recognition of the need to accommodate other land uses, each year a few thousand acres of agricultural land are either rezoned and made available for development or included within urban growth boundaries in urbanizing areas.

House Bill 3040 A would create an agency-led study group to evaluate the true extent and impact of nonfarm uses on farmland. House Bill 3040 A would also prohibit new landfills from being sited on EFU land.

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*This summary has not been adopted or officially endorsed by action of the committee.*