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Senate Committee on Environment and Natural Resources
State Capitol
900 Court Street NE
Salem, OR 97301

April 13, 2015

RE: In opposition to SB 748

Chair Edwards and members of the committee:

Thank you for the opportunity to present testimony opposing SB 748. 1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice.

SB 748 allows an easy path to an exception to the goals of Oregon's land use program in about 23 of Oregon's 36 counties in certain circumstances.¹ Specifically, SB 748 would provide an automatic exception to any and all statewide planning goals in counties that are experiencing high unemployment, a lack of growth, or high poverty levels if the local government found that 10 high-paying jobs would be created. While apparently no counties would meet the poverty threshold set in the bill, rural counties all over the country are losing population – including 8 in Oregon – and the unemployment rate is set so low (7%) that much of the rest of the state, including part of the Willamette Valley, would be swept in as well. Additionally, the entire state will be brought under the bill when the next recession hits. The bill is stunningly broad in geographic coverage.

Also, SB 748 does not require that the exception be *necessary* to create new jobs nor does it require that the jobs be permanent. While the salary threshold for the high-paying jobs is quite high, there is no requirement that any jobs that are created be in Oregon or be created within a certain time period. There is also no mechanism for proving up any job creation. SB 748 is a naked attempt to break the UGB and the land use planning program across a large portion of the state.

About fifty percent of all new businesses fail within five years. What happens when exception is taken, the land is taken out of productive use, and then the business fails? There is no mechanism in the bill to return previously productive lands back to productivity.

Protecting farmland, forestland, and other natural areas is a fundamental mission of Oregon's land use program. Increased uncertainty for farm operators throughout the state will cause them to decrease investments in their lands, bringing valuable agriculture land out of production and

¹ This would apparently apply to Baker, Gilliam, Grant, Harney, Malheur, Sherman, Wallowa and Wheeler counties because they have not grown and to Columbia, Coos, Crook, Curry, Douglas, Jackson, Jefferson, Josephine, Klamath, Lake, Lincoln,

making farming even more difficult for their neighbors. Also, adding new uses to resource lands drives up the speculative value of the land and makes it unaffordable for farm and forest use. Taking farms and forestlands out of production will cost Oregon jobs.

SB 748 could have wide-ranging effects. For example, the land use program is the method that Oregon has identified as its weapon for preventing draconian measures when the sage grouse is listed under the Endangered Species Act. The “all lands all threats” initiative has land use at its heart. Threats to the land use program, like this bill, will only worsen the effects of a sage grouse listing. If the US Fish and Wildlife Service is not confident that land use measures will remain in place they will be required to use other mechanisms to protect sage grouse and it will become the spotted owl of the range.

An aspect of Oregon’s land use laws that is beneficial to conservation and environmental goals is the protection of farmland as farmland and forestland in forest status. These working lands provide a matrix between wilderness and wildlands, provide viable migratory corridors, and in general provide a better landscape for environmental and conservation goals than the alternative. 80% of wildlife in Oregon spend at least part of their lifecycle on farm or forest lands. This bill will compromise this relationship.

In addition, there is no evidence that there will be an economic boon in these counties if SB 748 passes. In fact, the evidence points the other direction. Washington state provides that evidence. Its Growth Management Act (GMA) went into full effect in 1990. It allows rural counties to opt out of the program. Ten counties have taken advantage of this and opted out. Twenty-one rural counties have opted in. The counties that have chosen to opt-in saw their median household incomes rise by 39.61% from 1990 to 2010 while the opt-out counties had theirs rise by only 36.18% -- more than 3 percentage points less. The rural counties in Washington that have embraced the GMA have benefitted economically.

How is this possible if the land use program is such a job-killer? The simple answer is that it is not a job-killer. In fact the Oregon Office of Economic Analysis (OEA) summed up Northeast Oregon as follows: “the 1990 and 2001 recessions had only minor impacts on local employment. The region took a hit during the Great Recession, however only about half as large as the state overall. . . .” This is because the top four industries in the region -- animal production, ag and forestry support, food manufacturing, and crop production – are all agriculture related and are not as sensitive to economic downturns. Even in a recession, people still need to eat.

The four counties in Southeast and South Central Oregon are also dominated by agriculture. According to the OEA they “contain just under 3 percent of the state’s population, 35 percent of its landmass and nearly 15 percent of all agricultural sales and 8 percent of agricultural employment.” Agriculture is the economic driver for these counties. Throwing it under the bus at this point makes no sense.

Finally, Oregon’s land use program enjoys strong support across the state. According to the Oregon Values and Beliefs Survey, “[t]wo-thirds of Oregonians (66%) consider protection of productive farm and forest land from development very or somewhat important. The question leading to this result made clear that saying important implied support for some increase or

reallocation in tax dollars to improve these protections.”² These results were fairly consistent across urban and rural regions. Oregonians see an economic value in protecting our natural resource lands.

Further, Oregonians support the primary land use tool that we use to protect these important lands. “[T]wo-thirds of Oregonians (66%) favor the statement that new development should occur within existing cities and towns to save farmland and stop sprawl. . . .” Oregonians overwhelmingly support urban growth boundaries and protection of resource lands.³

Perhaps this is because Oregonians have seen firsthand the success of the land use program. It has prevented rural sprawl – between the 2000 census and the 2010 census no net rural housing units were added in Oregon while in Washington rural housing units went up by 6.2% and in Idaho they went up 16.7%. As a result, farmers can keep farming and foresters can keep managing forests without conflict from incompatible uses. In fact, ninety-eight percent of all non-Federal land in Oregon that was in resource land uses in 1974 remained in these uses in 2009.⁴ In short, the land use program has broad support within Oregon and it works.

To protect Oregon’s working landscapes we ask you to oppose SB 478.

Respectfully submitted,



Steven D. McCoy
Farm and Forest Staff Attorney

² The findings are drawn “from three surveys conducted in April and May 2013. Final sample sizes were 3971 respondents for Survey #1, 1958 for Survey #2, and 1865 for Survey #3. The questionnaires and findings are available at www.oregonvaluesproject.org.”

³ Farmlands and forest lands are collectively referred to as “resource lands.”

⁴ Oregon Department of Forestry, “Land use Change on Non-federal Land in Oregon and Washington” available at http://www.oregon.gov/odf/RESOURCE_PLANNING/land_use_in_OR_WA_web_edited.pdf