



OREGON FARM BUREAU TESTIMONY
Senate Rules Committee: SB 432 and -13 amendments

June 26, 2017

Chair Burdick and Members of the Committee:

Oregon Farm Bureau urges you to oppose SB 432. As amended by the -13 amendments, SB 432 would allow seven eastern Oregon counties, and the cities within them, to take an exception from Oregon's land use planning laws for any business development or housing development purpose. Practically, this means that an eligible city or county could authorize development for business or housing purposes without regard for the property's existing zoning. Eligible counties include Harney, Grant, Baker, Gilliam, Malheur, Sherman, Wallowa, and Wheeler.

SB 432 would undo protections for agricultural lands, causing prices to skyrocket, conflict to increase, and fragmentation and parcelization to dominate these counties. SB 432 is bad for local agriculture.

Agricultural lands are protected under Goal 3 of Oregon's land use system. The Goal 3 and its associated rules defines agricultural lands, and requires counties to preserve and maintain those lands through farm zoning. Farm uses are allowed in farm zones, and several other non-farm uses are allowed with county approval. Under the -13 amendments to SB 432, a city or county could take an exception from the existing zoning for any business or housing reason. This could result in lands that are currently protected for farm use and are actively farmed being rezoned to another use for virtually any reason. Importantly, the bill does not require any evaluation of a proposed use's impacts on neighbors or any other standards for siting the use.

SB 432 will negatively impact farmers and ranchers in these seven counties by increasing land prices, potentially increasing their tax burden, and increasing conflict in agricultural areas. In these counties, agriculture is the #1 economic driver, with many of the jobs in the county connected to agriculture. Most of these counties have plenty of land set aside for business and housing, with it appropriately sited near town. Allowing new businesses and housing out in agricultural land will only increase land prices, making it more difficult for farmers to scale up in size as their neighbors retire from the industry and making entry into the market cost-prohibitive for new farmers and ranchers. If the county decides to take an exception to rezone an area for a housing or business development project, the new zoning could also increase the tax burden for

any farms or ranches impacted by the project, making it less likely that they will be able to stay in business. Finally, siting a host of non-agricultural uses in farm zones has the potential to drastically increase conflict in those areas. New businesses and residents are likely to complain about noise, dust, and other impacts, particularly during the busy harvest season.

Farm zones are not served by public sewer and water services, meaning that additional wells and septic systems will be constructed. Given that many areas of the state – including some areas included in this bill - are already having groundwater issues, allowing new business and housing to these areas would only exacerbate existing issues.

While the bill does contain a carve out for “high value farmland,” it uses a narrow definition of high value that would exempt very little acreage from this bill, and would leave many productive farms and ranches vulnerable to conversion.

The bill would not allow impacted farms and ranches to raise these concerns as part of the approval process, nor does it require any findings about whether the proposed use will impact a neighbor’s use of his property. While the bill allows a neighbor to appeal the county’s decision if the exception will interfere with his use or enjoyment of his land, a county may not deny the exception on that basis. This bill essentially gives counties and cities a blank check to allow nearly any commercial or housing use of land in their counties without any evaluation of the impacts of those uses on existing uses in the area.

From talking to members who farm and ranch in the impacted counties, the land use system is not the barrier to additional economic development. Instead, issues involving other necessary state permits – such as water rights, removal-fill permits, and environmental permits – are the bigger barrier to development, in addition to lack of necessary infrastructure to support certain uses. Allowing unfettered development on farm and ranch land in Eastern Oregon will not result in the kind of cornerstone development this bill is hoping to attract. We urge you to vote ‘no’ on SB 432.

Please contact Mary Anne Nash with the Oregon Farm Bureau with any questions.