



Oregon Association of
Conservation Districts

March 11, 2019

To: Senate Committee on Finance and Revenue

lro.exhibits@oregonlegislature.gov

From: The Oregon Association of Conservation Districts

Re: Strong Support for SB 146, Reduce Barriers to Voluntary Conservation of Agricultural Land through Amending Tax Deferral Statute

To Chair Hass, Vice Chair Bentz, and members of the committee,

Thank you for the opportunity to submit testimony on SB 146. I am testifying on behalf of the Oregon Association of Conservation Districts to express **strong support for SB 146**. OACD serves and represents Oregon's 45 Soil and Water Conservation Districts, which are special districts governed by elected boards. The Districts protect and enhance soil quality, water quality and quantity, and habitat by supporting voluntary conservation in partnership with private landowners and managers as well as federal, state, and nonprofit partners like Land Trusts. **SB 146 would reduce financial barriers that penalize agricultural landowners who seek to conserve the public benefits of their land.**

Oregon's tax deferrals for forestry and agriculture codify our dedication to the economic and public goods that those land uses provide. When a property subject to those tax deferrals is sold, however, county assessors must certify that all charges are paid before the property is transferred to or acquired by a tax-exempt public entity (ORS 311.411, "back taxes"), with several exceptions intended to facilitate the continuation of the public benefits of that land. The exceptions to this statute include acquisition by the State Parks and Recreation Department, for wildlife management by the state, or forestland acquired by a government agency (ORS 308A.700 and 308A.709). The purpose of these exceptions is clearly aligned with the same conservation of public benefit that occurs when land is transferred from a nonprofit Land Trust to a tax-exempt entity or a Soil and Water Conservation District. Certain land trust to public entity property transfers may fall under a 308A.709 exception, but not those relative to transactions with SWCDs. SB 146 corrects this oversight by providing that additional taxes may not be imposed upon disqualification of land from special assessment if land has been "acquired by a soil and water conservation district for the purposes described in ORS 568.225" or transferred by a "non-profit land trust as a holder defined in ORS 271.715."

Without the amendments proposed in SB 146, the “back tax” requirement will continue to landowners who provide significant public benefits through stewardship of their land and choosing to pass their land on to fellow stewards like Soil and Water Conservation Districts and state agencies. Yamhill Soil and Water Conservation District’s Miller Woods and East Multnomah Soil and Water Conservation District’s Farm Incubator are examples of the value SWCDs can contribute to local communities, economies, and ecosystems when given the opportunity to manage land for the public’s benefit. Both sites not only conserve soil and water quality, habitat, and the quintessential Oregon landscape we love, but are also excellent recreational and educational resources. East Multnomah SWCD’s Farm Incubator helps secure the future of Oregon’s agricultural economy by providing land, other resources, and training that can be a barrier to the next generation of farmers. **The back taxes requirement can prevent landowners who want to voluntarily transfer their land to local Soil and Water Conservation Districts they trust to conserve their land and benefit their community as they intend.**

Thank you for the opportunity to submit testimony regarding SB 146 and the importance of reducing barriers to voluntary conservation of agricultural lands. **We encourage you to pass SB 146 to support landowners who voluntarily seek to benefit their communities and our state’s natural resources** when they sell land to a Soil and Water Conservation District or other tax-exempt entity.

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,



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