

HB 2520 -4 STAFF MEASURE SUMMARY
House Committee On Energy and Environment

Prepared By: Erin Pischke, LPRO Analyst

Meeting Dates: 3/29, 4/12

WHAT THE MEASURE DOES:

Directs the Oregon Land Conservation and Development Commission (LCDC) to update the scope, content, and name of the statewide land use planning goal related to energy conservation. Directs LCDC to include in the update policies and direction regarding the development of renewable energy and authorizes LCDC to consider changes to other related statewide land use planning goals in the process. Requires the update to be completed on or before December 30, 2023. Requires the update to identify adequate and appropriate amounts, types, and locations of land inside and outside of urban growth boundaries (UGBs) to be developed to support renewable energy, and Oregon’s renewable portfolio standards and greenhouse gas emissions reduction goals. Directs LCDC to consider: (1) the Oregon Climate Agenda released by the Governor, dated November 28, 2018; (2) the energy and land use needs of Oregon communities; (3) areas where siting of renewable energy projects could be prioritized over other land uses or coexist with other land uses; (4) the role of efficiency and conservation in meeting energy demand; (5) the role of community solar projects; (6) the adequacy and appropriateness of lands within UGBs; (7) protection of agricultural and forest areas; (8) preservation of fish and wildlife habitat; (9) protection of open spaces and recreational areas; (10) location and proximity of infrastructure needed for renewable energy generation and distribution; and (11) other important economic, environmental, social, and natural items. Establishes an advisory committee of at least 16 members representing state agencies, local governments, federally recognized tribes, renewable energy development, farm and forestry, environmental interests, electric utilities, and energy conservation to assist LCDC in the update. Directs state agencies to assist LCDC and the advisory committee. Requires LCDC to report on progress to interim committees of Legislative Assembly no later than September 15, 2022. Appropriates \$_____ for the biennium beginning July 1, 2021, out of the General Fund, to Department of Land Conservation and Development for purpose of administering and implementing Act. Declares emergency, effective July 1, 2021.

ISSUES DISCUSSED:

- Balancing land uses in the state while also considering impacts on disadvantaged populations
- Where population data will come from for exceptions for smaller counties
- Need for local government funding to meet goals
- Equity language will be inclusive, not exclusive

EFFECT OF AMENDMENT:

-4 Requires Land Conservation and Development Commission (LCDC), on or before July 1, 2022, to adopt rules identifying reasons sufficient for a county to justify an exception for facilities generating electricity from renewable energy sources that are otherwise not allowed under the applicable statewide planning goal or goals. Requires rules to balance the value of in-state renewable energy generation to provide community benefits, to diversify energy sources of this state, and to address climate change with the continued protections for important resource uses such as agriculture and forestry, natural resources, cultural and historic resources, and open space. Requires LCDC, in adopting rules, to: 1) evaluate different criteria in areas with fewer potential resources or with cultural or community conflicts; 2) evaluate alternative ways to mitigate potential conflicts that cannot be resolved through avoidance or minimization; 3) consider information from the State Department of Energy (ODOE) and any other relevant information from other sources regarding the type of lands suitable for renewable

HB 2520 -4 STAFF MEASURE SUMMARY

energy projects; 4) empanel a broad and inclusive rule advisory committee that ensures adequate stakeholder representation; 5) consult with the State Department of Agriculture, ODOE, the State Department of Fish and Wildlife, the State Forestry Department, the Public Utility Commission, the State Parks and Recreation Department and the federally recognized Indian tribes in Oregon. Sunsets rule adoption requirement on January 2, 2023. Appropriates to LCDC out of the General Fund, in addition to and not in lieu of any other appropriation, for the biennium beginning July 1, 2021, the amount of \$300,000 to adopt rules identifying reasons sufficient for a county to justify an exception for facilities generating electricity from renewable energy sources.

- *FISCAL: Costs related to the measure may require budgetary action; warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact.*
- *REVENUE: Revenue impact statement issued; further analysis required*

BACKGROUND:

Oregon's rapid population growth and development during the 1960s and 1970s prompted concern about the effect growth might have on the environment, natural resources, and the livability of communities. In a state where agriculture and timber are two of the largest industries, there was concern that conversion of farm and resource lands for development presented a threat to the state's economy. Sprawling development was also thought to increase the cost of public services, as unplanned cities require more streets, longer sewers, and more police and fire fighters. These concerns led to the passage of Senate Bill 100 (1973). The legislation established the Land Conservation and Development Commission (LCDC) that was charged with adopting state land use goals, and the Department of Land Conservation and Development (DLCD), charged with assisting LCDC and local governments in the implementation of those goals and with coordinating state agencies in land use matters. In addition, SB 100 directed local governments to adopt and implement comprehensive plans and revise them periodically in accordance with statewide goals and the needs and desires of the public. After extensive review and public input, LCDC initially adopted 14 statewide land use planning goals in 1974 and added five additional goals over the next three years. Most of the goals are accompanied by "guidelines" that suggest how they should be applied, though these guidelines are not mandatory. Administrative rules have been adopted to help interpret and implement many of the statewide goals. The 19 statewide goals are: Goal 1 – Citizen involvement; Goal 2 - Land use planning; Goal 3 - Agricultural lands; Goal 4 - Forest lands; Goal 5 - Natural resources, scenic and historic areas, and open spaces; Goal 6 - Air, water, and land resources quality; Goal 7 - Areas subject to natural hazards; Goal 8 - Recreational needs; Goal 9 - Economic development; Goal 10 - Housing; Goal 11 - Public facilities and services; Goal 12 - Transportation; Goal 13 - Energy conservation; Goal 14 - Urbanization; Goal 15 - Willamette River Greenway; Goal 16 - Estuarine resources; Goal 17 - Coastal shorelines; Goal 18 - Beaches and dunes; and Goal 19 - Ocean resources.

House Bill 2520 would direct LCDC to update the scope, content, and name of Goal 13, the statewide land use planning goal related to energy conservation, and to consider changes to other related statewide land use planning goals. The measure would specify key issues for LCDC to consider when undertaking the update and would establish an advisory committee to assist LCDC in the update. House Bill 2520 would require LCDC to report back to the legislature by September 15, 2022 on the progress of the update, and would appropriate an unspecified amount to DLCD for the biennium beginning July 1, 2021 to administer and implement provisions of this Act.