

A-Engrossed
Senate Bill 204

Ordered by the Senate April 15
Including Senate Amendments dated April 15

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Establishes Working Forests and Farms Advisory Committee to provide advice regarding three new programs for maintaining or restoring conservation benefits of working forests and farms.]

[Requires Oregon Business Development Department to establish program to provide lenders with loan guarantees, insurance or coinsurance on loans to eligible borrowers for qualifying working forests or farms. Requires department to establish program for issuing fixed-rate loans to eligible borrowers for acquisition of qualifying working forests or farms.]

[Requires Oregon Watershed Enhancement Board to establish program for issuing grants to acquire or conserve working forests and farms dedicated, in part, for achievement of conservation benefits.]

[Creates funds for new programs and continuously appropriates fund moneys for use by administering entities to carry out programs.]

Establishes task force to study multiple economic, social and environmental issues affecting continuing use of land as working farm and forests. Requires task force to report to interim committee of Legislative Assembly related to natural resources by December 31, 2016. Sunsets task force on January 2, 2017.

Establishes Clean Water Fund. Appropriates fund moneys to Oregon Watershed Enhancement Board for purchasing agreements regarding riparian areas on working farms and forests and for funding capital improvements in association with riparian area agreements to preserve ability to carry out working farm and forest operations on land.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the conservation of working land; and declaring an emergency.

3 Whereas Oregon residents recognize that the productive working farms, ranches and forests in
4 this state provide economic, social and ecological values; and

5 Whereas Oregon residents seek more information about the obstacles to the successful operation
6 of working farms, ranches and forests; and

7 Whereas Oregon residents are seeking voluntary, nonregulatory means to protect economic, so-
8 cial and environmental attributes of private land while maintaining private property rights and
9 conservation opportunities associated with land management; now, therefore,

10 **Be It Enacted by the People of the State of Oregon:**

11 **SECTION 1. As used in section 2 of this 2015 Act:**

12 **(1) "Conservation benefits" means the maintenance, restoration, protection or enhance-**
13 **ment of:**

14 **(a) Water quality or quantity;**

15 **(b) Native fish and native wildlife habitat;**

16 **(c) Biological diversity; or**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (d) Other specific attributes that contribute to ecological health.

2 (2) "Working farm or forest" means land used for an operation in which the owner, the
3 owner's designee or an operator actively engages in farming, ranching or timber production.

4 **SECTION 2.** (1) The Task Force on Working Farms and Forests is established, consisting
5 of 11 members appointed as follows:

6 (a) The President of the Senate shall appoint two members from among members of the
7 Senate.

8 (b) The Speaker of the House of Representatives shall appoint two members from among
9 members of the House of Representatives.

10 (c) The Governor shall appoint seven members, composed of one representative each
11 from:

12 (A) Tribal government;

13 (B) County government;

14 (C) Farming interests;

15 (D) Ranching interests;

16 (E) Soil and water conservation districts;

17 (F) Forestry and timber interests; and

18 (G) Conservation organizations.

19 (2) Members of the Legislative Assembly appointed to the task force are nonvoting
20 members of the task force and may act in an advisory capacity only.

21 (3) The task force shall:

22 (a) Study the rates of conversion of working farms or forests to other uses, changes in
23 the rates of conversion over time, the other uses made of lands following conversion and the
24 amount of land converted to each of those other uses.

25 (b) Study conflicts between working farms or forests and other uses of land, trends re-
26 garding those conflicts and changes in the number and location of other land uses.

27 (c) Study and evaluate potential tools for state government to help private landowners
28 maintain land as active working farms or forests while accomplishing conservation benefits
29 on those lands, including but not limited to easements, tax incentives, grants and loans.

30 (d) Study issues regarding the compatibility of conservation action carried out on or ad-
31 jacent to a working farm or forest with the farming, ranching or timber production oper-
32 ations on the working farm or forest and evaluate tools for addressing compatibility
33 problems in a manner that preserves both the ability to carry out conservation actions and
34 the farming, ranching or timber production operations.

35 (e) Identify challenges regarding future plans for, and succession of, working farms or
36 forests, including but not limited to regulatory constraints, market conditions, changing de-
37 mographics, local economic conditions and access to community services.

38 (4) The task force may study information for the entire state or, if specific areas of the
39 state are representative of the state as a whole, may focus on studying information for those
40 specific areas.

41 (5) A majority of the voting members of the task force constitutes a quorum for the
42 transaction of business.

43 (6) Official action by the task force requires the approval of a majority of the voting
44 members of the task force.

45 (7) The task force shall elect one of its members to serve as chairperson.

1 (8) If there is a vacancy for any cause, the appointing authority shall make an appoint-
2 ment to become immediately effective.

3 (9) The task force shall meet at times and places specified by the call of the chairperson
4 or of a majority of the voting members of the task force.

5 (10) The task force may adopt rules necessary for the operation of the task force.

6 (11) The task force shall submit a report in the manner provided by ORS 192.245, and
7 may include recommendations for legislation, to an interim committee of the Legislative
8 Assembly related to natural resources no later than December 31, 2016.

9 (12) The State Forestry Department shall provide staff support to the task force.

10 (13) Members of the task force who are not members of the Legislative Assembly are not
11 entitled to compensation, but may be reimbursed for actual and necessary travel and other
12 expenses incurred by them in the performance of their official duties in the manner and
13 amounts provided for in ORS 292.495. Claims for expenses incurred in performing functions
14 of the task force shall be paid out of funds appropriated to the department for purposes of
15 the task force.

16 (14) All agencies of state government, as defined in ORS 174.111, are directed to assist
17 the task force in the performance of its duties and, to the extent permitted by laws relating
18 to confidentiality, to furnish such information and advice as the members of the task force
19 consider necessary to perform their duties.

20 **SECTION 3.** (1) The Clean Water Fund is established in the State Treasury, separate and
21 distinct from the General Fund. Interest earned by the Clean Water Fund shall be credited
22 to the fund. Moneys in the fund are continuously appropriated to the Oregon Watershed
23 Enhancement Board for the purpose of carrying out section 4 of this 2015 Act.

24 (2) The board may accept contributions to the fund from any public or private source and
25 may agree to any conditions for the expenditure of contributed moneys that are consistent
26 with the purposes of the fund.

27 (3) The board may not expend more than seven percent of the moneys credited to the
28 fund for paying board administrative expenses in carrying out section 4 of this 2015 Act.

29 **SECTION 4.** (1) As used in this section:

30 (a) "Proper functioning condition" means vegetation and soil conditions in a riparian area
31 that are consistent with the optimum long-term potential conditions of the area based on
32 stream size, gradient, elevation, climate and other related variables.

33 (b) "Working farm" means land used for an operation in which the owner, the owner's
34 designee or an operator actively engages in farming or ranching.

35 (2) The Oregon Watershed Enhancement Board may expend moneys from the Clean
36 Water Fund for:

37 (a) Purchasing in whole or in part, from willing sellers, long-term agreements to manage
38 riparian areas on working farms to pursue water quality improvement through the achieve-
39 ment of proper functioning condition of the area in a manner that is compatible with pre-
40 serving the ability to carry out farming and ranching operations on the working farms; and

41 (b) Funding in whole or in part capital improvements to working farms in association
42 with agreements described in paragraph (a) of this subsection.

43 (3) Agreements described in subsection (2) of this section may be combined with agree-
44 ments or incentives from other programs to improve the outcome of conservation efforts
45 on the working farm land, to increase or preserve the number of working farms managed

1 to carry out conservation efforts or to focus on those working farms where the achievement
2 of proper functioning condition would produce greater water quality improvement benefits.

3 **SECTION 5.** Sections 1 and 2 of this 2015 Act are repealed on January 2, 2017.

4 **SECTION 6.** This 2015 Act being necessary for the immediate preservation of the public
5 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
6 on its passage.

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