

Agriculture

For nearly 35 years, Oregon has had a regulatory program for confined animal feeding operations (CAFO) requiring such facilities to have approved permits to operate. In recent years, a newly approved Eastern Oregon dairy CAFO was cited with hundreds of environmental violations shortly after opening, and several large chicken operations were proposed in the mid-Willamette Valley. These highly publicized events spurred several legislative workgroups to evaluate the impacts of large facilities and discuss whether the current regulatory framework provided sufficient protections. The conversations culminated in the passage of [Senate Bill 85](#) during the 2023 legislative session. The measure creates a five-year pause on the livestock watering exemption, which has allowed unlimited groundwater withdrawals for CAFOs and requires new CAFO applicants to create and submit a water supply plan to state agencies. It also bans new large CAFOs from operating and disposing of waste in Oregon groundwater management areas. Inspections are required before animals are brought to new facilities, and permit applicants must mail notices about public comment opportunities to neighbors within a half mile of a proposed operation. The measure also requires applicants to request a land use compatibility statement from the city or county. It allows a local government to require a new operation to include a setback or buffer if the operation is adjacent to residential property.

The Legislative Assembly also took a step towards addressing another long-standing controversy: the co-existence of Oregon’s *Brassica* seed crop producers and canola growers in the Willamette Valley. [Senate Bill](#)

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See the 2023 **Legislative Summary Report** for [Natural Resources](#), which highlights policy measures that received a public hearing during Oregon’s 2023 Regular Legislative Session.

[789](#) extends the sunset on current canola growing restrictions within the Willamette Valley Protected District to July 1, 2024, and directs the Oregon Department of Agriculture (ODA) to convene a stakeholder workgroup and publish a report during the 2023 interim to make recommendations on conflict mitigation, including future geographic or acreage limitations, field identification, and a publicly-accessible map of crop locations.

Several measures were enacted that aimed to enhance local food production, processing, and sales. For over a decade, Oregon has had a farm-direct law allowing small farmers to produce and sell low-risk, value-added products that they prepare in their home kitchens from the

produce they grow. [Senate Bill 507](#) expands the list of agricultural products allowed under the program to include freeze-dried fruits and vegetables, steam or water-bath canned jams and other products, herbal products, certain fruit and vegetable juices, and maple and walnut syrups. The measure also raises the annual sales limit, allows for internet sales, and allows for third-party contracting for sales support.

Oregon has a cottage food industry that allows individuals to prepare baked goods or confectionary items in their home kitchen for sale with relatively few requirements imposed by the state. [Senate Bill 643](#) expands the list of allowable foods to include packaged coffee beans, teas, popcorn, jams, jellies, honey, syrup, fruit butters, nut mixes, repackaged freeze-dried foods, repackaged dried and dehydrated foods, and powdered drink mixes. The measure also raises the annual sales limit, expands permissible sales methods, specifies label requirements, and prohibits household pets in the food preparation area.

[House Bill 2689](#) extends a licensing exemption that has existed since 2011 for small-scale poultry slaughtering operations to include small-scale rabbit slaughtering operations, provided that the rabbits are intended for use as human food. [Senate Bill 479](#) directs ODA to adopt rules that expand the slaughter and processing options for meat donated to charitable organizations to include custom-exempt slaughter and processing facilities, rather than only federal or state meat inspection facilities.

Fish and Wildlife

In 2011, the Legislative Assembly directed the Oregon Department of Agriculture (ODA) to establish a program to provide grants to assist counties with implementing wolf depredation prevention, and to compensate ranchers when wolf depredation occurs. In recent years, between 16 and 49 confirmed wolf depredations have occurred annually in the state. [House Bill](#)

[5506](#) appropriates \$1 million during the 2023 legislative session to replenish the program. Two related measures were the subject of significant discussion but were not enacted. [House Bill 2631](#) (*not enacted*) and [House Bill 2633](#) (*not enacted*) would have modified the compensation rate for probable or confirmed losses to livestock and working dogs, and would have disallowed compensation for missing livestock. [Senate Bill 886](#) requires the Oregon Department of Fish and Wildlife (ODFW) to submit a report to the Legislative Assembly on wolf-livestock conflict data, and to summarize the options for wolf location data-sharing with livestock producers that were discussed in the Oregon Wolf Conservation and Management Plan review. The measure also removes the requirement that ODFW obtain a confidentiality agreement when disclosing certain fish or wildlife data to the federal government, a tribal government, or other specified public bodies.

Beavers were another species that generated interest during the 2023 legislative session. Beavers are defined and managed differently under two separate laws in Oregon. Beavers causing damage on private property are defined as predatory animals and rodents under animal laws administered by ODA, and unlimited taking of beaver on private land without a permit is allowed. Beavers are also defined as furbearers under wildlife laws administered by ODFW, and a take permit is needed to kill a beaver. The Legislative Assembly enacted [House Bill 3464](#), removes beaver from the statutory definition of "predatory animal", and allows for killing beaver only by permit, with exceptions for threats to infrastructure or crops and for certain small forestland owners. The bill also requires the adoption of rules and publishing of an annual report related to the killing of beaver in Oregon.

Related to fish, when anglers catch a fish and don't intend to eat it, they typically have to release the fish back into the water under Oregon sport fishing regulations. However, certain nonnative fish species have been



thriving in Oregon rivers and eating juvenile salmon as part of their diet. During the 2023 session, arguments were made that these fish should not be released back into the river. [House Bill 2966](#) authorizes ODFW to waive requirements related to fish health, immediate release, and the use of artificial baits for nonnative black bass and walleye angling competitions, and to permit any person to remove and dispose of a nonnative aquatic species from specified areas if ODFW determines that the species is adversely affecting native fish within that body of water. Efforts to regulate aquaculture through [Senate Bill 89](#) (*not enacted*) and promote private aquaculture through [Senate Bill 65](#) (*not enacted*) were unsuccessful.

Forests

One of the most significant shifts in forest management in recent years was the passage of [Senate Bill 1546](#) (2022), which established the Elliott State Research Forest, under a new independent state agency, from state forest lands previously overseen by the State Land Board and managed by the Department of State Lands as a Common School Fund land asset. [Senate Bill 161](#) modifies certain deadlines to ensure specific tasks were accomplished and the Elliott State Research Forest provisions could become operative on January 1, 2024, as planned.

The Legislative Assembly has repeatedly considered modifying the purpose, management, and funding level of the Oregon Forest Resources Institute (OFRI) following the 2020 media investigations and a 2021 state audit that revealed the tax-funded organization may have engaged in activities outside the scope of its statutory authority. In 2023, [House Bill 3019](#) (*not enacted*) was the primary vehicle for making changes to OFRI, but it did not pass. The measure would have directed the Board of Forestry, rather than the OFRI Board, to annually set the privilege tax rate, and would

have redistributed revenues originally designated solely to OFRI operations, to be divided among the OFRI Fund, Oregon Forest and Protection Fund, and Oregon State University Extension Service for implementation of the Oregon Environmental Literacy Plan. The measure would have also modified the OFRI Board composition and expenditure limitations and required additional reporting and oversight.

Several tax credits related to forests were considered during the 2023 legislative session. [House Bill 2161](#) increases the value of the small forestland owner forest conservation tax credit by modifying the calculation methodology. [House Bill 2245](#) (*not enacted*) would have reinstated a reforestation tax credit against personal income, corporate income, and excise taxes by allowing preliminary certificates to be issued from December 31, 2023, to December 31, 2029. Finally, [House Bill 2685](#) (*not enacted*) would have reinstated a tax credit for processing or collecting biomass and changed the definition of eligible biomass and the credit rate for the purposes of the tax credit.

Land Use

Exclusive Farm Use (EFU) Zones

Oregon's statewide land use program requires that certain farmland is preserved for commercial farming and ranching through exclusive farm use (EFU) zoning. EFU zoning helps prevent nonfarm uses that are not compatible with agriculture but, over the years, the Legislative Assembly has approved exemptions for other uses. During the 2023 legislative session, the Legislative Assembly evaluated several proposed additions to the list of exemptions for permissible nonfarm uses on EFU land. [House Bill 2203](#) (*not enacted*) would have allowed recreational vehicles to be sited on farmland if they were used by individuals providing security services to protect farm equipment. [House Bill 2487](#) (*not enacted*) would



have allowed for EFU-zoned lands to be used for weddings or other events in Eastern Oregon counties with a population of less than 85,000 individuals. [Senate Bill 1087](#) (*not enacted*) would have allowed EFU-zoned lands to be used for farm cafés in Lane County.

Land Use Board of Appeals

Local land use decisions, such as comprehensive plan amendments and zoning code changes, are permitted to be appealed to the Land Use Board of Appeals (LUBA). Appeals can be repeated, and parties can raise new issues on those repeat appeals. [House Bill 3458](#) changes that process so that after a party appeals to LUBA for the first time, receives a LUBA decision, and the case is remanded back to the local government or special district—the party can only appeal to LUBA again to challenge new evidence or revised findings. The measure also allows LUBA to sever its decisions so that the parts of a land use law that LUBA affirms as legal can go into effect, while other remanded parts can receive the necessary attention and work from the local government or special district to remedy the problems identified by LUBA.

Modifications to Recently Passed Laws

The Legislative Assembly passed a few land use measures during the 2021 legislative session that required modifications to effectuate the chief sponsors' intent. [Senate Bill 16 \(2021\)](#) aims to increase rural residential housing options in the Eastern Oregon Border Economic Development Region (Border Region) in response to significant residential growth in Idaho. The measure authorized counties to partition and rezone up to 200 acres of land within the Border Region from exclusive farm use to residential use, provided that the rezoned lands were not high-value farmland. In the months following the bill's passage, it became

apparent that the measure's definition of "high-value farmland" included certain irrigation districts, drainage districts, water improvement districts, water control districts, and a portion of the Snake River Valley viticultural area. The sponsors hoped these areas would be available for rural residential rezoning. In 2023, the Legislative Assembly enacted [Senate Bill 70](#) to allow for the rezoning of those areas and added requirements that the rezoned lands be located within a rural fire protection district, comply with applicable fire prevention codes, and not be located within a designated 100-year floodplain.

Similarly, [Senate Bill 391 \(2021\)](#) was enacted to increase housing supply in rural areas. The measure allowed counties to authorize landowners in rural residential zones to construct one accessory dwelling unit (ADU), provided that certain requirements were met. One of those requirements was that a statewide wildfire risk map had to be approved before a county could approve the rural residential ADU. It was anticipated that a statewide wildfire risk map would be completed by mid-2022. However, the map was delayed, which meant that ADU development was delayed. In 2023, the Legislative Assembly enacted [Senate Bill 644](#), eliminating the map requirement and providing three related pathways for ADU approval: (1) if a statewide wildfire map was not yet approved, ADUs could be approved provided that they complied with the higher R327 wildfire building code standards; (2) if a statewide wildfire map was approved and the property was identified as extreme or high wildfire risk, ADUs could be approved as long as they met the R327 standard; and (3) if a state wildfire map was approved and the property was identified as moderate or low wildfire risk, there was no R327 requirement for ADU approval. Following the passage of the measure, counties began approving rural residential ADUs in Oregon.



Rebuilding Post-Disaster Dwellings

In the wake of the 2020 Labor Day fires, there has been increased legislative attention to laws related to rebuilding homes and structures after a natural disaster occurs. [House Bill 2192](#) addresses an inconsistency in grammatical verb tense between two very similar laws enabling altering or rebuilding on farmlands versus on forest lands. One of the laws seemed to suggest that certain structural features like a roof had to be in place at the time of application for rebuilding to be permitted ([ORS 215.755](#), 2021), while the other law suggested the structural features had to have been in place prior to the disaster or event ([ORS 215.291](#), 2021). The measure makes the two consistent so that alteration or rebuilding could be approved on both farm and forestlands as long as the structural features had been intact within three years before the application was filed.

Renewable Energy Siting

Significant challenges for renewable energy expansion in Oregon include the siting of renewable energy facilities and transmission, and conflicting stakeholder land use interests. The 2023 Legislative Assembly attempted to tackle these challenges through three primary bills, one of which was enacted. [House Bill 3409](#) focuses on solar power generation and transmission. The measure tasks the Land Conservation and Development Commission with establishing mandatory and discretionary criteria for local governments to site solar facilities and identifying the characteristics of Eastern Oregon lands best suited for solar siting. It also establishes a rules advisory committee to recommend renewable energy siting assessment tools, and practices for mitigating the impacts of solar generation facility and transmission development.

[House Bill 2989](#) (*not enacted*) would have established a siting workgroup with a broader scope than the [House Bill 3409](#) charge, co-

convened by the Oregon Department of Energy (ODOE) and the Department of Land Conservation and Development (DLCD). The workgroup would have been directed to address barriers in the current state and local regulatory framework to renewable energy broadly, transmission development, and meeting Oregon's energy goals. [House Bill 3181 A](#) (*not enacted*) would have directed ODOE and DLCD to jointly establish a Finding Opportunities and Reducing Conflict in Energy Siting process to identify locations best suited for renewable energy or transmission development and to establish an Advisory Committee to support the process. It would have required ODOE to maintain and periodically update a renewable energy siting assessment tool. It would have also permitted each Eastern Oregon county to adopt a mapped inventory of areas best suited for siting and to allow for the expedited review of siting or development on inventoried lands. Finally, the measure would have directed ODOE and DLCD to provide financial and technical assistance to public bodies, tribal government, and community organizations.

Semiconductor Siting

One of the most publicized measures of the 2023 legislative session was [Senate Bill 4](#); its objective is to help grow the semiconductor and advanced manufacturing industry in Oregon. In addition to appropriating more than \$400 million for grants and loans to qualifying businesses for site development, research, and workforce development, the measure also authorizes major land use powers for the Governor. The measure allows the Governor to issue an Executive Order to identify lands to bring into the existing urban growth boundary for industrial uses that relate to the semiconductor industry, advanced manufacturing, or the supply chain. The Governor is authorized to designate up to eight sites: two that exceed 500 acres and six that are 500 acres or less. The measure also



provides for a public process before the Governor's issuance of the Executive Order.

Natural Resources Planning and Operations

The [House Bill 3409](#) provisions that originated in [Senate Bill 530](#) (*not enacted as a standalone bill*) establish a state policy to advance natural climate solutions to mitigate the future impacts of climate change on "natural and working lands." Natural and working lands are defined as farming and ranching lands, working forest lands, lands used for recreation, urban green spaces, and other land types such as grasslands, sagebrush steppes, deserts, freshwater and riparian systems, wetlands, coastal and estuarine areas, and submerged and submersible lands. The measure directs the Oregon Climate Action Commission (formerly Oregon Global Warming Commission) and certain state agencies to establish a baseline for net biological carbon sequestration and storage on natural and working lands, in addition to activity-based and community impact metrics, to evaluate progress toward meeting sequestration and storage goals against the established baseline. It creates a fund to provide incentives and financial assistance to help landowners and managers, Indian tribes, and environmental justice communities adopt natural climate solutions. It also seeds the fund with \$10 million. The Commission and agencies are also directed to develop a net biological carbon sequestration and storage inventory, study relevant workforce and training programs, and appoint an advisory committee to make recommendations related to the natural climate solutions program.

Outdoor Recreation

[Senate Bill 812](#) authorizes local governments to prohibit or regulate drone use in parks owned by the local government, with exceptions for

drones used for utility line inspections and emergency operations. The legislation builds on [Senate Bill 109 \(2021\)](#), which directed the Oregon Parks and Recreation Commission to manage drone use in state parks to protect the natural, cultural, scenic, and recreational resources on park property while providing for recreational enjoyment of drone use.

The Legislative Assembly also considered the request for additional funding to complete the remaining 40 miles of the Oregon Coast Trail. [Senate Bill 679 A](#) (*not enacted*) would have appropriated \$250,000 to the Oregon Parks and Recreation Department for planning and coordination to assist in the completion of the trail.

Water

Legislators developed a drought and water security budget framework during the 2023 legislative session to provide a vision for investments to create a path towards a sustainable water future for Oregon. [House Bill 2010](#) incorporates many of the framework proposals and invested \$23 million to support water needs at regional, state, and local levels. Various water policy measures were also enacted.

Domestic Water

The Legislative Assembly considered and enacted multiple measures affecting domestic water end users. [House Bill 2010](#) provisions, originally part of [House Bill 2813](#) (*not enacted as a standalone bill*), establish the Community Drinking Water Enhancement and Protection Fund. The measure directs the Oregon Watershed Enhancement Board to establish a grant program for water suppliers to protect, restore, or enhance drinking water through land acquisition, entering into covenants and easements, or repaying loans to finance related projects.



[Senate Bill 835](#) and [Senate Bill 931](#) changed the rules for approving sewer systems for accessory dwelling units (ADU) and for circumstances where nearby community or area-wide sewerage systems are not sufficiently available. [House Bill 2010](#) provisions that originated in [House Bill 3231](#) (*not enacted as a standalone bill*) charge the Department of Environmental Quality with investigating barriers to expanding water reuse or recycled water programs in Oregon and with making recommendations for successful expansion.

[House Bill 2010](#) provisions that originated in [House Bill 3321](#) (*not enacted as a standalone bill*) appropriate funds for a study of the needs and vulnerabilities of small and very small community water systems. The study must investigate topics such as water supply reliability, source and treated water quality, utility board and operations management, infrastructure, disasters, funding and financial stability, regulations and safe drinking water standards, and other opportunities. The measure also requires the Oregon Association for Water Utilities to provide technical, financial, and managerial support and resources to those small systems.

Water Management

State support for local and regional water management was another theme in the 2023 legislative session. The Legislative Assembly has supported an Oregon Water Resources Department pilot program for place-based integrated water resources planning since 2015, which has provided four areas of the state an opportunity for local water interests to voluntarily work in partnership with the state to understand and meet their instream and out-of-stream water supply needs. [House Bill 2010](#) provisions that originated in [House Bill 3163](#) (*not enacted as a standalone bill*) make that place-based planning program permanent, establishing a fund and providing grants for additional locally initiated and led efforts in future years.

[House Bill 2010](#) also affected certain management areas and watersheds. Examples include the provisions that originated in [House Bill 3099](#) (*not enacted as a standalone bill*), which appropriate funds to establish a collaborative process for water management in the Chewaucan River watershed in Lake County, and [House Bill 3130](#) (*not enacted as a standalone bill*) which funds advice and assistance to ground water users in the Harney Valley Groundwater Area of Concern related to voluntary ground water agreements. To enhance and replenish ground water stored in underground aquifers in water-constrained areas, the provisions that originated in [Senate Bill 455](#) (*not enacted as a standalone bill*) direct the Oregon Business Development Department to establish the Aquifer Recharge Due Diligence Grant Program and Aquifer Recharge Testing Forgivable Loan Program to offer grants and forgivable loans to public bodies for activities related to aquifer recharge, storage, and recovery.

Water Rights

As drought has become more persistent and severe, Oregon's water supplies have been negatively impacted. Legislators have reacted by considering changes to water rights and water right transfers. To provide assurances to water right holders facing drought conditions, [Senate Bill 718](#) specifies that a year in which the Governor declares that drought exists within a county does not count toward the five-year water right forfeiture time period. Other bills addressed how water rights may be used or split. [House Bill 3164](#) makes the split season leasing program permanent, allowing certain water rights holders to split the use of water rights within the same year and removing the prohibition on leasing water rights for split use for more than 10 years total. [House Bill 3097](#) allows municipal corporations and people's utility districts to apply for water use certificates for hydroelectric power generation upon written



authorization by the underlying water right holder.

To address issues related to obtaining or transferring a water right, [House Bill 3187](#) temporarily expands water right examiner certification eligibility to individuals employed by certain types of districts for at least seven years and have relevant technical experience conducting similar work. [House Bill 3346 A](#) (*not enacted*) would have required the Oregon Water Resources Department to work with the Oregon Department of Justice, the Office of Administrative Hearings, and the Oregon Department of Fish and Wildlife to reduce the water rights and transfer protest backlog.

Water Quality

The 2023 legislative session included several measures related to water quality. Please see the 2023 [Energy and Environment Legislative Summary Brief](#) for details.

Wildfire

During the 2021 legislative session, the Legislative Assembly enacted [Senate Bill 762 \(2021\)](#), a major initiative to modernize and improve wildfire preparedness that contained three key strategies: creating fire-adapted communities, increasing the resiliency of Oregon's landscapes, and developing a safe and effective response to fire. In 2023, the Legislative Assembly passed two bills to enhance the effectiveness of the wildfire programs initiated in 2021. [Senate Bill 80](#) modifies various wildfire provisions from SB 762 (2021), including making changes to the state wildfire map and the process for its creation, allowing nonprofits and faith-based organizations to help create cleaner air spaces, speeding up Wildfire Programs Advisory Council appointments, creating and modifying the allocations of state funds for landscape resiliency and community risk reduction projects, and creating a prescribed fire liability

pilot program. The measure also allocates millions of dollars to state agencies for wildfire programs. [Senate Bill 82](#) requires insurers to send a notice to insured homeowners for policy cancellations, decisions not to renew, or premium increases, that contains information on property-specific characteristics and the impact of homeowner wildfire risk mitigation actions. The measure also requires insurers to make information about underwriting and rates publicly available and prohibits insurers from using the state wildfire map as a basis for homeowner insurance policy changes.

One bill related to the state's new wildfire programs did not pass. [Senate Bill 509 A](#) (*not enacted*) would have directed the State Fire Marshal to establish a new neighborhood protection cooperative program, user-friendly public website, 20-year strategic plan, and interagency data collection system. Some of the latter items moved forward through non-legislative pathways later in the months following the 2023 legislative session.

In recent years, the Legislative Assembly has also had a heightened interest in federal forest management and fire response since many fires begin on federal land and often cross boundaries to state and private lands in Oregon. The Good Neighbor Authority (GNA) is a major tool that has allowed the United States Forest Service (USFS) to enter into cooperative agreements with states so that states can help perform landscape resilience services on National Forest System lands. A GNA Master Agreement between the USFS and the State of Oregon was signed in March of 2016. In 2023, the Legislative Assembly enacted [Senate Bill 872](#), which directs the Oregon Department of Forestry to expand certain GNA activities and to request that federal agencies fund these activities. [Senate Bill 928 A](#) (*not enacted*) would have instructed the State Forester and other specified entities to step in and help put out fires originating on lands owned or managed by the USFS.



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