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# AGRICULTURE AND NATURAL RESOURCES

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## 2018 SUMMARY OF LEGISLATION: MEASURE SUMMARIES

The *2018 Summary of Legislation – Agriculture and Natural Resources* summarizes selected measures related to this policy area that were considered by the 79th Oregon Legislative Assembly, including bills, memorials, and resolutions. This publication will become part of a more comprehensive *2018 Summary of Legislation* that includes all topic area summaries and committee membership lists.

This publication begins with a table highlighting measures that establish task forces or create reporting requirements. The summaries of selected measures follow in three groups—bills, memorials, and resolutions—each listed in numerical order.

Each summary provides information on the chief sponsors, committees assigned, background and current law, description of the measure, and date when the measure, if enacted, becomes effective. Each summary also includes a link to the measure on the [Oregon Legislative Information System \(OLIS\)](#), which provides a more comprehensive staff measure summary, all versions of the measure, amendments, public testimony, a complete measure history, and final vote tallies.

The *2018 Summary of Legislation* focuses on policy measures. Information on revenue measures is available on the [Legislative Revenue Office website](#). Information on the state budget and selected legislation that impacts state agencies is available on the [Legislative Fiscal Office website](#).

The Legislative Policy and Research Office will update this publication with each bill's effective date and assigned chapter in Oregon Laws 2018 when that information becomes available.

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# AGRICULTURE AND NATURAL RESOURCES TASK FORCES AND REPORTING REQUIREMENTS

The following bills created task forces and reporting requirements. Additional information is provided in the bill summaries.

Bill Number	Requirement	Deadline
SB 1544	Extends requirement that the Oregon Cannabis Commission report to the Legislative Assembly and make recommendations for legislation on various marijuana-related topics.	February 1, 2019
HB 4068	Directs Oregon Department of Agriculture to report on seed dealer financial assurance rulemaking to the Legislative Assembly, if the department adopts rules.	Next regular session following rule adoption
HB 4118	Directs Governor, Oregon Department of Forestry, or Oregon Department of Fish and Wildlife to report to the Legislative Assembly on recommendations on Good Neighbor Authority Agreement goals.	March 1, 2019

## Marijuana Regulation

**At the request of:** Senate Interim Committee on Judiciary

**Committees:** Senate Rules, Joint Ways and Means

**Background and Current Law:** Oregon voters approved the production, sale, and use of medical marijuana in 1998 (Ballot Measure 67). Sixteen years later, Oregon voters approved recreational use of marijuana (Ballot Measure 91). The legislature has modified the regulations on both medical and recreational marijuana over the years.

**Bill Summary:** Senate Bill 1544 is an omnibus bill that effects both medical and recreational marijuana, specifically law enforcement, taxation, grow sites, location of retailers and dispensaries, and industrial hemp.

Senate Bill 1544 creates the Illegal Marijuana Market Enforcement Grant Program, funded by the Oregon Marijuana Account, to assist local governments with the costs incurred in detecting and prosecuting unlawful marijuana cultivation and distribution operations. The program and funding mechanism sunset in January 2024.

Senate Bill 1544 makes five changes to the Medical Marijuana Act. First, the bill increases the number of cardholders for whom a designated grower may grow marijuana, from four to eight. The bill also directs the Oregon Health Authority (OHA) to establish a maximum number of immature plants, under 24 inches in height, that may be possessed by a cardholder, and authorizes registered marijuana producers to provide cardholders with immature plants. The bill exempts cannabinoid products produced for a cardholder from otherwise applicable packaging and labeling requirements and exempts two-person medical grow sites from the tracking system.

Current law limits the ability of a marijuana retailer or dispensary to locate within 1,000 feet of a school, but provides an exception if the facility is at least 500 feet from a school and a physical barrier exists between the school and the facility. Senate Bill 1544 creates an additional exception for facilities located near a school, if the facility was established prior to August 1, 2017, pursuant to certain local ordinances.

Senate Bill 1544 regulates industrial hemp by requiring a marijuana retailer's license to sell hemp products containing more than .3 percent tetrahydrocannabinol (THC) to a consumer, prohibiting the export or import of products containing more than .3 percent THC, and requiring marijuana retailers that sell hemp products to affix a label identifying whether the product is derived from hemp or marijuana.

Senate Bill 1544 authorizes the disclosure of certain marijuana tax-related information, modifies how OHA determines the address of a medical marijuana grow site, clarifies the scope of permissible commercial marijuana operations, and extends the deadline to February 1, 2019, by which the Oregon Cannabis Commission must report to the Legislative Assembly and make recommendations for legislation on various marijuana-related topics.

**Oregon Laws 2018:** Chapter 103

[Senate Bill 1550](#)

Effective Date: January 1, 2019

**Food Fish Record Keeping**

**Chief Sponsors:** Sen. Roblan; Rep. Smith DB

**Committees:** Senate Environment and Natural Resources, House Agriculture and Natural Resources

**Background and Current Law:** The mission of the Oregon Department of Fish and Wildlife (ODFW) is to protect and enhance Oregon’s fish and wildlife, and their habitats, for use and enjoyment by present and future generations. A seven-member Oregon Fish and Wildlife Commission that is appointed by the Governor oversees ODFW and state fish and wildlife programs and policies under the provisions of ORS Chapters 496 - 513. The commission establishes seasons, methods, and bag limits for recreational and commercial take of fish and wildlife.

Under ORS 506.011(5) “food fish” are defined to include any animal over which the Oregon Fish and Wildlife Commission has jurisdiction under ORS 506.036. Oregon’s commercial fishing laws (ORS chapters 506, 507, 508, 509, 511, and 513) allow commercial fishers to deliver their catch to a wholesale fish dealer or a wholesale bait dealer, or to sell it off their vessel under a limited fish sellers permit.

**Bill Summary:** Senate Bill 1550 authorizes the Oregon Fish and Wildlife Commission to adopt record keeping requirements on persons who engage in commercial fisheries in order to trace the chain of possession of food fish.

**Oregon Laws 2018:** Chapter 104

[House Bill 4015-A](#)

Not Enacted

**Oregon Conservation and Recreation Fund**

**At the request of:** House Energy and Environment

**Committees:** House Agriculture and Natural Resources, Joint Ways and Means

**Background and Current Law:** House Bill 2402 (2015) created a Task Force on Funding for Fish, Wildlife, and Related Outdoor Recreation and Education and charged it with developing recommendations to strengthen the State’s ability to conserve natural resources and connect Oregonians to nature through outdoor recreation and education opportunities. The Task Force recommended the establishment of an Oregon Conservation and Recreation Fund dedicated to conservation, management, research, habitat improvements, administration, enforcement, and other activities that support native fish and wildlife.

**Bill Summary:** House Bill 4015-A would have established the Oregon Conservation and Recreation Fund and Advisory Committee and appropriated \$40,000 from the General Fund to the Oregon Department of Fish and Wildlife to protect, maintain, or enhance fish and wildlife resources in Oregon.

[House Bill 4016-A](#)

Not Enacted

**Klamath Project Districts Temporary Transfer**

**At the request of:** House Interim Committee on Energy and Environment

**Committees:** House Energy and Environment, House Rules

**Background and Current Law:** Water right transfers allow a change in the point of diversion or appropriation, the place of use, or the beneficial use of a water right. The water right holder must obtain approval of a water right transfer from the Water Resources Department before making any of these changes. In reviewing an application for a water right transfer, the Department is responsible for ensuring that other water right holders will not be injured as a result of the proposed change. In 2015, the legislature passed Senate Bill 206 allowing for the temporary transfer or lease for instream use of a determined water right in the Klamath Basin for up to five years.

**Bill Summary:** House Bill 4016-A would have authorized an alternative process for determined claims in the Klamath Basin to transfer the place of use of water rights that were: held by qualifying districts, within the Klamath Project Boundary, for irrigation use, and to be transferred to other land within the qualifying district. House Bill 4016-A would have sunset on January 2, 2026.

[House Bill 4029-A](#)

Not Enacted

**Prohibition of Bridge Construction on Deschutes Scenic Waterway**

**At the request of:** House Interim Committee on Agriculture and Natural Resources for Oregon Wild

**Committees:** House Agriculture and Natural Resources, Joint Ways and Means

**Background and Current Law:** In 1970, Oregonians voted to establish the Scenic Waterways Program to balance waterway protection and use through cooperation between federal, state, and local agencies as well as individual property owners and those who recreate along waterways. Oregon law declares that the highest and best uses of the waters within scenic waterways are recreation, fish, and wildlife uses, and it directs that the free-flowing character of these waters be maintained in quantities necessary for these uses. The program is administered by the Oregon Parks and Recreation Department and currently includes approximately 1,200 miles on 22 waterways.

**Bill Summary:** House Bill 4029-A would have prohibited bridge construction on the Deschutes River within certain segments of the Deschutes Scenic Waterway. The measure also would have directed the Oregon Parks and Recreation Department to study and make recommendations on recreation trail routes connecting Bend and Sunriver.

## Wildlife Restitution

**At the request of:** House Interim Committee on Agriculture and Natural Resources for Rep. Helm

**Committees:** House Agriculture and Natural Resources, Senate Environment and Natural Resources

**Background and Current Law:** In 2016, the Legislative Assembly enacted House Bill 4046, which increased penalties for unlawful taking of wildlife and allowed the Oregon Fish and Wildlife Commission to file suit for the recovery of civil damages for the taking of any listed wildlife. In 2017, a judge in Gilliam County found two men guilty of unlawfully possessing bighorn sheep remains, but ultimately denied the state's request for a restitution award, finding that the civil damages for unlawfully taking wildlife do not constitute "economic damages" necessary for purposes of restitution in criminal cases. This verdict was supported by a subsequent Court of Appeals case (*State v. Shockey*).

**Bill Summary:** House Bill 4030 allows courts to impose certain fines payable to the Oregon Fish and Wildlife Commission for criminal felony, misdemeanor, and violation offenses that involve the taking of wildlife.

**Oregon Laws 2018:** Chapter 14

## Land Use Omnibus

**At the request of:** House Interim Committee on Agriculture and Natural Resources

**Committees:** House Agriculture and Natural Resources, Senate Environment and Natural Resources

**Background and Current Law:** House Bill 4031 impacts several land use issues.

In 1997, the Oregon legislature authorized guest ranches to allow ranchers a means of generating supplemental income from providing ranching experiences to the public, but sunset their operation. The most recent sunset expired on January 2, 2018.

Oregon law prohibits the siting of destination resorts and restricts new development in the Metolius River Basin, and allows for Transfer Development Opportunities (TDOs) that provide for the establishment of small-scale recreational communities in other locations in lieu of resort development. In 2017, a Metolius resort site owner began exploring Bradwood Landing in Clatsop County as a potential TDO site.

Senate Bill 1051 (2017) requires cities and counties to allow the development of at least one accessory dwelling unit (ADU) in areas zoned for detached single-family dwellings.

**Bill Summary:** House Bill 4031 reauthorizes guest ranches in areas of eastern Oregon zoned for exclusive farm use, subject to state and county approval or siting standards, until April 15, 2020.

The measure also allows a small-scale recreational community to be established as a TDO on land that is both planned and zoned for forest and rural use, subject to statewide land use planning goals relating to agricultural or forest lands; prohibits siting in natural or conservation estuaries; requires applicants to demonstrate adequacy of streets, utilities, and services; and deems certain county approvals of small scale recreational communities an exception to statewide land use planning goals. The measure modifies requirements for the selection of an economic development pilot program site by the Land Conservation and Development Commission.

Finally, House Bill 4031 clarifies that certain local governments must allow ADUs in areas zoned for detached single-family dwellings within urban growth boundaries.

**Oregon Laws 2018:** Chapter 15

### [House Bill 4045](#)

Not Enacted

#### Retail Pet Stores

**Chief Sponsors:** Reps. Boone, Gomberg

**Committees:** House Agriculture and Natural Resources

**Background and Current Law:** Oregon law does not restrict where retail pet stores source dogs for sale. Current law requires stores to provide customers with information about the dog for sale, including: breed, age, date of birth, sex, color, medical history, pedigree, breeder information, birth facility information including the number of annual litters produced in the facility, previous sales of the dog, and price.

**Bill Summary:** House Bill 4045 would have required retail pet stores to sell dogs acquired only from an animal shelter, humane society, dog control district, or nonprofit corporation that provides rescue services, and to maintain and post records regarding the sources of dogs. The bill would have eliminated current requirements to provide customers with certain information about dogs for sale.

### [House Bill 4068](#)

Effective Date: January 1, 2019

#### “Slow Pay, No Pay” Seed Contracts

**Chief Sponsors:** Rep. Post

**Committees:** House Agriculture and Natural Resources, Senate Business and Transportation

**Background and Current Law:** The “slow pay, no pay” statutes were established during the 2011 legislative session (House Bill 2159) to address ambiguity in contract payment dates and prices and delayed contract payments to grass seed growers from grass seed dealers. Current law pertains only to grass seed commonly sold for use in turf lawns or as forage seed.

**Bill Summary:** House Bill 4068 extends grass seed production and purchase contract requirements to the entire seed industry, including requirements for contract terms, payment due dates, seed not meeting quality standards, seed dealer failure to make timely payments, seed dealer financial assurance, rule adoption, and mediation services.

**Oregon Laws 2018:** Chapter 26

### [House Bill 4075](#)

Not Enacted

#### Designation of Reserves in Washington County

**Chief Sponsors:** Rep. Sollman; Sen. Johnson (at the request of Cindy and Chris Hodges)

**Committees:** House Agriculture and Natural Resources

**Background and Current Law:** Under Oregon’s land use planning system, lands outside the Portland metropolitan area urban growth boundary may be designated as “urban or rural reserves” by Metro and Clackamas, Multnomah, and Washington counties. Reserve designations were enacted by the 2007 legislature in Senate Bill 1011 to provide greater clarity around long-term land use expectations, including which areas might be urbanized, and which areas might remain zoned as farm or forest land. In 2014, the legislature passed the “Grand Bargain” land use bill, House Bill 4078, confirming Washington County’s urban and rural reserve designations with some exceptions.

**Bill Summary:** House Bill 4075 would have redesignated certain real property in Washington County from rural to urban reserves, and authorized other real property in Washington County to be zoned for residential use in addition to existing uses.

### [House Bill 4089](#)

Effective Date: April 13, 2018

#### Industrial Hemp

**Chief Sponsors:** Rep. Wilson; Sen. Prozanski; Rep. McLain (at the request of Oregon Industrial Hemp Farmers Association (OIHFA))

**Committees:** House Agriculture and Natural Resources, Joint Ways and Means

**Background and Current Law:** Industrial hemp is an agricultural product that is subject to regulation by the Oregon Department of Agriculture (ODA) and refers to cannabis varieties that are grown for fiber, seed, oil, or as a cover crop. In 2009, the Legislative Assembly passed Senate Bill 676 which authorized the production, possession, and commerce of industrial hemp and commodities in Oregon. ODA licensed Oregon’s first industrial hemp grower in early 2015. In 2016, House Bill 4060 updated and clarified provisions related to the regulation of industrial hemp and authorized ODA to adopt rules to govern quality, packaging, and labeling of industrial hemp seed.

Industrial hemp and marijuana are both derived from cannabis plants, but are differentiated by their percentage of tetrahydrocannabinol (THC) concentration, the cannabinoid known for psychoactive properties. Oregon law defines industrial hemp as any part of the cannabis plant that contains 0.3 or less percent THC.

**Bill Summary:** House Bill 4089 establishes the Oregon Industrial Hemp Agricultural Pilot Program, an agricultural hemp seed certificate program, and an Industrial Hemp Fund. It also modifies industrial hemp statutes related to testing, regulation, personal possession, and tetrahydrocannabinol concentration.

**Oregon Laws 2018:** Chapter 116

### [House Bill 4106](#)

Not Enacted

#### Wolf Population Report and Depredation Program Funding

**Chief Sponsors:** Rep. Barreto; Sen. Hansell

**Committees:** House Agriculture and Natural Resources, Joint Ways and Means

**Background and Current Law:** Wolf depredation compensation programs pay for implementation of livestock management or nonlethal wolf deterrence techniques designed to discourage wolf depredation of livestock, and reimburse individuals for related financial losses. Programs are administered by counties and funded by the Oregon Department of Agriculture's Wolf Management Compensation and Proactive Trust Fund.

**Bill Summary:** House Bill 4106 would have required the Oregon Department of Fish and Wildlife to report biennially to the Legislative Assembly on state wolf population changes, and the Legislative Assembly would have been required to identify the level of financial assistance sufficient to carry out wolf depredation programs based on the report.

### [House Bill 4109](#)

Not Enacted

#### Study of State Carbon Sequestration Opportunities

**Chief Sponsors:** Rep. Smith DB; Sen. Roblan

**Committees:** House Agriculture and Natural Resources, Joint Ways and Means

**Background and Current Law:** Carbon sequestration is the process by which atmospheric carbon dioxide is taken up by trees, grasses, and other plants through photosynthesis, and stored as carbon in trunks, branches, foliage, roots, and soils. Both forests and grasslands commonly function as "carbon sinks," absorbing more carbon dioxide than they release. In addition to natural ecosystems' role in sequestering carbon, industrial methods such as Carbon Dioxide Capture and Sequestration (CCS) can also transfer atmospheric carbon dioxide into long-term storage. CCS is a set of technologies that capture and transfer compressed carbon dioxide from coal- and gas-fired power plants and large industrial sources, and inject it into deep, underground rock formations. Carbon dioxide is among the primary greenhouse gases in the Earth's atmosphere, along with water vapor, methane, nitrous oxide, and ozone.

**Bill Summary:** House Bill 4109 would have directed the Oregon Department of Environmental Quality and Oregon Department of Forestry to study opportunities for state actions to promote carbon sequestration and to report findings to the Legislative Assembly.

### [House Bill 4118](#)

Effective Date: April 10, 2018

#### Good Neighbor Authority Agreement Priorities and Goals

**Chief Sponsors:** Reps. Bonham, Smith DB

**Committees:** House Agriculture and Natural Resources, Joint Ways and Means

**Background and Current Law:** The Good Neighbor Authority (GNA) allows the United States Forest Service (USFS) to enter into cooperative agreements with states so that states can perform forest management and watershed restoration services on National Forest System lands. A GNA Master Agreement between the USFS and State of Oregon was signed in March of 2016. The Agreement allows federal funds to be used by state agency staff or contractors for work on federal public land and provides formal authorization for local projects across land ownership boundaries. Currently, 14 local projects are underway.

**Bill Summary:** House Bill 4118 requires the Oregon Department of Forestry and Oregon Department of Fish and Wildlife to work with federal land management agencies to prioritize certain projects under the Good Neighbor Authority Agreement and gives \$500,000 to those priority projects. The measure also requires the Governor and Portland State University to develop recommendations on Agreement goals.

**Oregon Laws 2018:** Chapter 96

### [House Bill 4124](#)

Effective Date: April 13, 2018

#### Land Use Board of Appeals Remand Process

**Chief Sponsors:** Reps. Witt, Smith DB; Sen. Johnson; Rep. Heard; Sen. Roblan

**Committees:** House Agriculture and Natural Resources, Senate Environment and Natural Resources

**Background and Current Law:** The Land Use Board of Appeals (LUBA) was created to simplify the land use appeals process, speed resolution of land use disputes, and provide consistent interpretation of state and local land use laws. LUBA reviews final land use decisions and limited land use decisions, and issues a final opinion and order to affirm, reverse, or remand a challenged decision. Currently, upon remand of a LUBA decision, county governing bodies conduct hearings and make a decision for lands designated under a statewide planning goal addressing agricultural lands or forestlands.

**Bill Summary:** House Bill 4124 allows a county governing body to have the planning commission or a hearings officer conduct hearings and make decisions on cases involving designated agricultural lands or forestlands following a Land Use Board of Appeals remand decision, and retains county governing body authority to review and issue final decisions.

**Oregon Laws 2018:** Chapter 117