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February 27, 2023

Joint Committee on Semiconductors
900 Court St., NE
Salem, OR, 97301

To: Joint Committee on Semiconductors

**RE: JSEMI Meeting, 2/27/2023, 5:00 PM
DELETE Sec 10 (1), (2), and (3) of SB 4**

Dear Co-Chairs Rep. Bynum and Sen. Sollman and Members of the Committee:

Friends of Marion County (FoMC) is an independent 501(c)(3) farmland protection organization founded in 1998. Our mission is to protect farm and forestland, parks, and open space in Marion County.

SB 4 proposes a relocation or expansion in Oregon for semiconductor companies using funds from the federal CHIPS Act.

Section 10 of SB 4 grants the Governor the following authority:

"(1) On or before June 30, 2024, the Governor may, by executive order, bring within an existing urban growth boundary designated lands for the purposes of providing lands available for industrial uses that relate to the semiconductor industry, advanced manufacturing or the supply chain for semiconductors or advanced manufacturing.

(2) Lands designated by an executive order under this section must be within a site that consists of one or more tracts of land that are:

- (a) Contiguous to the city's existing urban growth boundary; and
- (b) Entirely within three miles of the city's existing urban growth boundary.

(3) In designating sites under this section, the Governor shall give consideration to the Cities of Albany, Boardman, Corvallis, Gresham, Happy Valley, Hillsboro, McMinnville, Medford, Newport, North Plains, Redmond, Scappoose, Sherwood, The Dalles, Tualatin and Wilsonville."

FARMLAND UNDER THREAT

Since Marion County is considered to have some of the most productive agricultural lands in Oregon, the county has been the

focus of conversion of this farmland to non-farm uses. Among the applications are non-farm and farm dwellings, conditional use applications for many other uses including temporary hardship dwellings, dog boarding and training facilities, educational experience centers, solar energy facilities, and many others. Several publications explain the loss of farmland to non-farm uses.^{1,2}

FoMC has been working tirelessly to protect farmland in Marion County. Salem, the largest city in Marion County and the second largest city in the State of Oregon has within its UGB the very large Mill Creek Corporate Center, 238 acres of shovel ready industrial lands.³

SB 4 PROPOSES TO UNDUE OUR WORK

With the executive order proposed in SB 4 the Governor gets to choose sites outside of the UGBs in several cities. Other cities, including Salem, have sufficient lands within their UGB's to satisfy CHIPS act needs. The Joint Committee on Semiconductors should avoid the legislature's past practice of super siting non-farm uses on farmland.

WATER USEAGE

The recent rains have obscured that fact that much of Oregon is in a decades long drought. On local nightly news programs even the rainy weather forecast is welcome with a sigh of relief. Farhang Shadman, director of the University of Arizona's specialized semiconductor research lab, said in a recent podcast with tech magazine IEEE Spectrum: "One [chip] manufacturing plant uses anywhere between 2 to 4 million gallons of very, very pure water — we call it ultrapure water — per day.

SURFACE & GROUNDWATER CONTAMINATION

The semiconductor industry also adversely impacts the environment, causing groundwater and air pollution and generating toxic waste as a by-product of the semiconductor manufacturing process.

CONCLUSION

Please delete Section 10 (1),(2), and (3) of SB4 that supersite Oregon industrial sites on farmland by the Governor, Legislature or any other designated body. Once permitted these decisions will adversely affect our farming industry, the largest and the most diverse employer in Oregon.

Thanks so much for listening.

Roger Kaye, President
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1. Summary of Uses Allowed in EFU Zones, Appendix 1, pgs. 63-69, Farmland Protection in Oregon 1961-2009, THE LONG AND WINDING ROAD: FARMLAND PROTECTION IN OREGON 1961 – 2009, SAN JOAQUIN AGRICULTURAL LAW REVIEW, VOLUME 18 2008-2009 NUMBER 1

The initial non-farm uses provided for in 1963 were public and private schools, churches, public or non-profit group parks, playgrounds or community centers, golf courses, utility facilities, and farm dwellings. Except for the deletion of farm dwellings between 1967 and 1969 there were no changes to the permitted non-farm uses. In 1973 commercial activities in conjunction with farm use, mining activities, private parks, playgrounds, hunting and fishing preserves and campgrounds, commercial power generating facilities and non-farm dwellings were added. From 1975 to 2009 there were 61 additional changes, almost all new uses.

2. Death by 1000 Cuts: A 10-Point Plan to Protect Oregon's Farmland, June, 2020, Executive Summary <https://friends.org/news/2020/6/death-1000-cuts-10-point-plan-protect-oregons-farmland>

3. Mill Creek Corporate Center website: <http://www.millcreekcorpcenter.com/location.html>