HB 3346 A STAFF MEASURE SUMMARY

House Committee On Agriculture, Land Use, Natural Resources, and Water

Action Date: 03/26/25

Action: Do pass with amendments and be referred to

Ways and Means. (Printed A-Eng.)

Vote: 9-0-0-0

Yeas: 9 - Boice, Hartman, Helm, Levy B, Marsh, McDonald, McLain, Owens, Scharf

Fiscal: Fiscal impact issued **Revenue:** No revenue impact

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Meeting Dates: 3/3, 3/26

WHAT THE MEASURE DOES:

The measure requires the Department of Land Conservation and Development, in consultation with the Departments of Revenue, Energy, and Water Resources to study and submit a report to an interim legislative committee on issues regarding small-scale renewable energy facilities sited in areas classified as critical groundwater areas east of the Cascade Mountains.

Detailed Summary

Requires the Department of Land Conservation and Development, in consultation with the Department of Revenue, Oregon Department of Energy, and the Oregon Water Resources Department to study issues regarding small-scale renewable energy facilities sited in areas classified as critical groundwater areas east of the Cascade Mountains and to submmit a report to a land use related interim committee of the Legislature by November 30, 2026.

Requires the study to include the following components:

- Potential changes to legislation, statewide land use planning goals, Land Conservation and Development Commission rules, local government comprehensive plans, or land use regulations to facilitate facility approval by a conditional use process rather than as a goal exception.
- Potential legislative changes to reduce property tax burdens for facilities, including reductions to special assessment disqualification and additional tax liabilities for properties converted from farm use.
- Feasibility of electric cooperatives participating in facility development and investment.
- Land use siting issues specific to different energy facility types and generation capacities.

ISSUES DISCUSSED:

- Ability of transmission lines to sustain additional power supply
- Interest of using irrigation pivot corners for placement of solar panels
- Interest of consumer-owned utilities to integrate additional power into the system
- Potential impacts on proposed placement of solar panels on irrigation pivot corners on Exclusive Farm Use specific taxation

EFFECT OF AMENDMENT:

The amendment replaces the measure.

BACKGROUND:

Center pivot irrigation, invented in 1948, improves water distribution in crop fields compared to flood irrigation. However, using circular irrigation systems on square parcels creates un-irrigated, corners which can account for up to 15-20 percent of the field's area. Critical groundwater area (CGA) is a statutory designation that allows the

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Water Resources Commission, in rule, to not only limit the issuance of new groundwater rights but also impose a range of restrictions on existing ground water rights. Oregon currently has seven CGAs.

Oregon's Statewide Planning Goals and Guidelines indicate the state's preference for restricting urbanization and preserving farmland. The statewide planning program sets standards and criteria for protecting farmland that are applied by cities and counties through local comprehensive plans and land use ordinances. Under current Oregon law, lands zoned for exclusive farm use (EFU) have a set of allowable activities and structures and generally exclude small-scale renewable energy facilities such as solar panels.