



Oregon Forest Industries Council

Land use and private property rights

Keeping private forest lands in forest use requires policies that ensure such lands can be managed profitably as forests.

Overview

Oregon's land use laws are some of the most restrictive in the country. Residential, commercial and industrial development is generally allowed only inside urban growth boundaries. In most cases, forest land lying outside those boundaries is restricted to only forestry purposes. Alternative uses are prohibited by law, even if such uses could generate a higher rate of return for the landowner.

Although Oregon's land use program conceptually calls for compensating landowners for lost property values, funds have never been appropriated for that purpose. Accordingly, Oregon's land use laws have been controversial and have been the subject of a series of ballot measures over the years. Recently, two measures have passed to require compensation for "regulatory takings" or, alternatively, to require government to waive restrictive regulations. Most recently, a measure passed that largely reversed those property rights initiatives.

Despite the trade-offs involved, forest landowners in Oregon have generally supported the state's land use laws over the years. Intensive forest management does not mix well with residential use. Conflicts and a heightened risk of forest fires are inevitable if such mixed uses are allowed. Nevertheless, Oregon's unique land use program creates some perverse effects for forestland owners. Through mechanisms like conservation easements and the sale of development rights, landowners in other states are paid for forgoing development opportunities. In Oregon, such opportunities are prohibited by law. The public gets the benefits of restricting private forest land in forest use at no charge to the public, while private forest land owners cannot pursue a higher and better use for their lands. Meanwhile, forest practices are heavily regulated in Oregon – adding substantial costs for forest landowners that their competitors in the southeast and elsewhere do not have to bear.

Position

If the state wants to keep forest land in forest use, and maintain forest landowner support for Oregon's land use laws, it must ensure that those lands can be managed profitably and efficiently for that purpose. Regulations under the Forest Practices Act need to remain reasonable and appropriate. As seen in neighboring states, excessive regulation of forest practices has been a primary factor in the rapid conversion of forest lands to non-forest uses.

OFIC would support legislation (or a ballot measure) that would provide a "regulatory shield" for forest landowners to prevent the insidious attrition of private property rights that would occur through the adoption of excessive and unnecessary forest practices regulations in the future.