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Testimony before the Senate Environment & Natural Resources Committee Senate Bill 1511 By Jeff Stone, Executive Director Oregon Association of Nurseries February 2, 2012

Chair Dingfelder, members of the Committee, I am Jeff Stone, Executive Director for the Oregon Association of Nurseries (OAN). I appreciate this opportunity to voice the nursery and greenhouse industry's comments on Senate Bill 1511, which expands state policy on ecosystems.

Oregon nursery industry background

The nursery and greenhouse industry remains the state's largest agricultural sector despite a severe economic downturn. Oregon's nursery growers ship their products throughout the country, over 74% of nursery stock grown in our state – with over half reaching markets east of the Mississippi River. Nursery association members represent wholesale and Christmas tree growers, retailers and greenhouse operations.

Our members have spent generations as stewards of the state's natural resources. We believe that economic vitality can go hand in hand with sustainability and long-term environmental health. The development of a well-designed ecosystem services program is consistent with those beliefs and something that we support.

State ecosystem policy needs to be cooperative and market-based

The OAN is supportive of cooperative, market-based solutions to environmental regulatory issues. We are strong advocates of bringing reasoned interests together to problem solve and seek sensible and long lasting remedies. We therefore endorse the development of ecosystem services tools and markets as an option for achieving regulatory compliance.

We believe that a successful statewide ecosystem services policy must promote regulatory flexibility, clarity, and certainty. These qualities are essential to the successful development of mitigation alternatives to traditional regulatory compliance methods. Our members include many growers who specialize in native plant species used in riparian improvement and restoration projects. Therefore, we can attest to the direct positive economic impact that a well-designed ecosystem services mitigation program can have for the state. Our members are supportive of such a program.

Reward stewardship and caution against unintended policy shifts

While this bill and intent of the legislation does not mandate state competition in the ecosystems market, it must be clear that this policy is merely the beginning of a much more detailed conversation between the state and its ecosystem stakeholders.

For this reason alone we would urge the legislature to proceed with great care and caution as it looks to broaden state policy on this important issue. In particular, it is important to distinguish ecosystem services tools and markets (used in an economic context) from ecosystem services and health (used in a biological context). These same words mean different things in different contexts, and SB 1511 uses the term "ecosystem services" in both ways.

For example, Section 8 (page 5 lines 10-12) of SB 1511 contains language that would require the director of the Department of State Lands to consider "the protection, restoration, and enhancement of ecosystem services" when administering fill and removal statutes. This section uses the term in a biological sense and departs from the general policy guidance in the rest of the bill by inserting a specific requirement of a state agency. The apparent expansion of required DSL scrutiny under Section 8 causes more questions than it answers and would significantly impact our position on the bill.

Conclusion

The OAN lauds the diverse group of supporters that support SB 1511. It remains the point of view of the nursery and greenhouse industry that dealing with entire ecosystems, regardless if it complex water policy, land use, or expansion of the state's policy of ecosystem services requires thoughtful consideration. We have seen too many times well-meaning policies be comprised at the last minute and would be disappointed if SB 1511 suffered the same fate.

We look forward to working with this committee, our partners in the home building, ports and environmental community to craft a sensible policy that supports stewards of the environment.

Thank you for your time and attention.