

Requested by Senator DEMBROW

**PROPOSED AMENDMENTS TO
SENATE BILL 530**

1 On page 1 of the printed bill, delete lines 4 through 24.

2 Delete pages 2 through 7 and insert:

3 **“SECTION 1. As used in sections 1 to 11 of this 2023 Act:**

4 **“(1) ‘Biological carbon sequestration’ means the removal of carbon**
5 **from the atmosphere by plants and microorganisms and storage of**
6 **carbon dioxide in vegetation, such as grasslands, marshes or forests,**
7 **or in soils and oceans.**

8 **“(2) ‘Climate resilience’ means the capability to anticipate, prepare**
9 **for, respond to and recover from significant climate-related threats**
10 **while minimizing damage to social well-being, the economy and**
11 **ecosystem functions.**

12 **“(3) ‘Environmental justice community’ has the meaning given that**
13 **term in ORS 182.535.**

14 **“(4) ‘Natural and working lands’ means:**

15 **“(a) Lands:**

16 **“(A) Actively used by an agricultural owner or operator for an ag-**
17 **ricultural operation, including but not limited to active engagement**
18 **in farming or ranching;**

19 **“(B) Producing forest products;**

20 **“(C) Consisting of forests, woodlands, grasslands, sagebrush**
21 **steppes, deserts, freshwater and riparian systems, wetlands, coastal**

1 and estuarine areas or the submerged and submersible lands within
2 Oregon’s territorial sea and marine habitats associated with those
3 lands;

4 “(D) That are privately owned and that are eligible for special as-
5 sessment under ORS chapter 308A;

6 “(E) Used for recreational purposes, including, but not limited to,
7 parks, trails, greenbelts and other similar open space lands; or

8 “(F) Consisting of trees, other vegetation and soils in urban and
9 near-urban areas, including, but not limited to, urban watersheds,
10 street trees, park trees, residential trees and riparian habitats; and

11 “(b) Lands described in paragraph (a) of this subsection that are:

12 “(A) Held in trust by the United States for the benefit of any of the
13 nine federally recognized Indian tribes in this state;

14 “(B) Held in trust by the United States for the benefit of individual
15 members of any of the nine federally recognized Indian tribes in this
16 state;

17 “(C) Within the boundaries of the reservation of any of the nine
18 federally recognized Indian tribes in this state; or

19 “(D) Otherwise owned or controlled by any of the nine federally
20 recognized Indian tribes in this state.

21 “(5) ‘Natural climate solution’ means an activity that enhances or
22 protects net biological carbon sequestration on natural and working
23 lands, while maintaining or increasing ecosystem resilience and hu-
24 man well-being.

25 “SECTION 2. The Legislative Assembly declares that it is the policy
26 of this state to:

27 “(1) Implement strategies to advance natural climate solutions to
28 mitigate the future impacts of climate change.

29 “(2) Invest in research to improve our understanding of:

30 “(a) The effects of natural climate solutions on natural and working

1 **lands;**

2 **“(b) The climate, ecosystem and carbon benefits of products from**
3 **natural and working lands;**

4 **“(c) The contributions of natural climate solutions to reducing**
5 **greenhouse gas emissions, increasing net carbon sequestration and**
6 **storage and strengthening climate resilience; and**

7 **“(d) The cobenefits that communities and Indian tribes derive from**
8 **natural climate solutions.**

9 **“(3) Incentivize and implement natural climate solutions by:**

10 **“(a) Securing and leveraging federal and private investments in**
11 **natural climate solutions on natural and working lands;**

12 **“(b) Prioritizing the use of existing programs;**

13 **“(c) Ensuring equitable benefits of climate mitigation for environ-**
14 **mental justice communities, landowners and land managers; and**

15 **“(d) Ensuring that a diversity of landowners and managers are able**
16 **to voluntarily participate in incentive-based programs for natural cli-**
17 **mate solutions and climate resilience through activities that may in-**
18 **clude, but are not limited to:**

19 **“(A) Removing barriers for Indian tribes, environmental justice**
20 **communities, landowners and land managers to engage in natural**
21 **climate solutions or access funding to support natural climate sol-**
22 **utions;**

23 **“(B) Identifying resources to provide incentives to land managers**
24 **interested in voluntarily adopting practices that optimize natural cli-**
25 **mate solutions;**

26 **“(C) Strengthening education, engagement and technical assistance**
27 **efforts for land managers, Indian tribes and environmental justice**
28 **communities;**

29 **“(D) Providing financial assistance for Indian tribes, local govern-**
30 **ments or nongovernmental organizations for the purpose of entering**

1 into voluntary transactions with willing landowners to acquire natural
2 and working lands to enhance the local benefits of natural climate
3 solutions;

4 “(E) Increasing and deploying natural climate solutions in and
5 around our urban and built environment; and

6 “(F) Optimizing the social, health, ecological, climate resilience and
7 economic benefits of natural climate solutions, including:

8 “(i) Reducing heat island effects;

9 “(ii) Improving air quality;

10 “(iii) Improving flood control;

11 “(iv) Improving soil health and productivity;

12 “(v) Improving wildfire resilience and community protection;

13 “(vi) Improving drought resilience and response;

14 “(vii) Improving stream health, wetland recovery and riparian
15 functionality;

16 “(viii) Protecting and recovering drinking watersheds for enhanced
17 water quality and quantity;

18 “(ix) Maintaining or increasing short-term, mid-term and long-term
19 fiber supplies;

20 “(x) Maintaining or increasing food supplies;

21 “(xi) Increasing the climate resilience of fish, wildlife and their
22 habitats;

23 “(xii) Improving protection for coastal communities from the im-
24 pacts of storm surge; and

25 “(xiii) Improving public health.

26 “SECTION 3. (1) The Natural and Working Lands Fund is estab-
27 lished in the State Treasury, separate and distinct from the General
28 Fund. Interest earned by the Natural and Working Lands Fund shall
29 be credited to the fund. Moneys in the Natural and Working Lands
30 Fund are continuously appropriated to the Oregon Watershed En-

1 **hancement Board for the purpose of transferring moneys to the funds**
2 **described in subsection (2) of this section as directed by the Oregon**
3 **Global Warming Commission under section 4 of this 2023 Act.**

4 **“(2) The board shall annually transfer moneys in the Natural and**
5 **Working Lands Fund to the following funds in accordance with section**
6 **4 of this 2023 Act:**

7 **“(a) The Agriculture Natural Climate Solutions Fund established**
8 **under section 12 of this 2023 Act.**

9 **“(b) The Forestry Natural Climate Solutions Fund established under**
10 **section 13 of this 2023 Act.**

11 **“(c) The Watershed Natural Climate Solutions Fund established**
12 **under section 14 of this 2023 Act.**

13 **“(d) The Fish and Wildlife Natural Climate Solutions Fund estab-**
14 **lished under section 15 of this 2023 Act.**

15 **“SECTION 4. (1)(a) The Oregon Global Warming Commission shall**
16 **annually determine amounts to be allocated from the Natural and**
17 **Working Lands Fund. The commission shall evaluate the following**
18 **factors when determining amounts to allocate under this subsection:**

19 **“(A) The expected ability of each agency to carry out programs or**
20 **other activities under this section; and**

21 **“(B) The degree to which moneys allocated to the agency may be**
22 **used to secure federal funding or other sources of funding.**

23 **“(b) Prior to determining the allocations under this subsection, the**
24 **commission shall consult with the State Department of Agriculture,**
25 **the State Forestry Department, the State Department of Fish and**
26 **Wildlife and the Oregon Watershed Enhancement Board to determine**
27 **each agency’s proposed uses for moneys allocated from the Natural**
28 **and Working Lands Fund.**

29 **“(c) In accordance with the provisions of ORS chapter 183, the**
30 **commission may adopt rules for determining the amount of allocations**

1 to agencies as provided in this subsection.

2 “(2) The Oregon Watershed Enhancement Board shall transfer
3 moneys under section 3 of this 2023 Act when directed to do so by the
4 commission in the amounts determined by the commission.

5 “(3) The State Department of Agriculture, the State Forestry De-
6 partment and the Oregon Watershed Enhancement Board shall use
7 moneys allocated from the Natural and Working Lands Fund to es-
8 tablish and implement programs to:

9 “(a) Provide incentives to help landowners, Indian tribes, land
10 managers and environmental justice communities adopt practices that
11 support natural climate solutions; and

12 “(b) Provide financial assistance for technical support for landown-
13 ers, Indian tribes, land managers and environmental justice commu-
14 nities for the adoption of natural climate solutions.

15 “(4) Of the moneys expended by each agency pursuant to subsection
16 (3) of this section, priority shall be given to expenditures for:

17 “(a) Technical assistance to environmental justice communities or
18 Indian tribes; and

19 “(b) Incentives for programs or activities supported by an environ-
20 mental justice community or supported by a resolution of an Indian
21 tribe, with priority given to those projects or activities administered
22 or proposed by an environmental justice community or an Indian
23 tribe.

24 “(5) The State Department of Fish and Wildlife shall use moneys
25 allocated from the Natural and Working Lands Fund to promote na-
26 tural climate solutions and mitigate the future impacts of climate
27 change by:

28 “(a) Conducting research to understand:

29 “(A) The effects of natural climate solutions on natural and work-
30 ing lands;

1 **“(B) The climate, ecosystem and carbon benefits of products from**
2 **natural and working lands;**

3 **“(C) The contributions of natural climate solutions to reducing**
4 **greenhouse gas emissions, increasing net carbon sequestration and**
5 **storage and strengthening climate resilience; and**

6 **“(D) The cobenefits to communities and Indian tribes that derive**
7 **from natural climate solutions.**

8 **“(b)(A) Relying on existing programs where possible, securing fed-**
9 **eral matching funds or other sources of funding to support invest-**
10 **ments in natural climate solutions on natural and working lands.**

11 **“(B) In carrying out this paragraph, the department shall ensure**
12 **the benefits of natural climate solutions are equitably distributed**
13 **among landowners, Indian tribes, land managers and environmental**
14 **justice communities.**

15 **“(6) The State Department of Agriculture, the State Forestry De-**
16 **partment, the State Department of Fish and Wildlife and the Oregon**
17 **Watershed Enhancement Board, in consultation with the Oregon**
18 **Global Warming Commission, may adopt rules as necessary to carry**
19 **out the programs described in this section. Rules adopted by agencies**
20 **administering programs for financial assistance or incentives may in-**
21 **clude, but need not be limited to, rules establishing application pro-**
22 **cedures, eligibility criteria, maximum amounts for individual grant**
23 **awards and reporting requirements for grant recipients.**

24 **“(7) The Oregon Global Warming Commission, the State Depart-**
25 **ment of Agriculture, the State Forestry Department, the State De-**
26 **partment of Fish and Wildlife and the Oregon Watershed**
27 **Enhancement Board shall jointly:**

28 **“(a) Coordinate, to the maximum extent practicable, on the devel-**
29 **opment and implementation of programs and activities related to na-**
30 **tural climate solutions to reduce duplication and overlapping or**

1 **redundant efforts;**

2 **“(b) Review, at regular intervals, progress made in implementing**
3 **natural climate solutions and barriers to future implementation;**

4 **“(c) Identify opportunities for cross-agency coordination on natural**
5 **climate solutions; and**

6 **“(d) Identify opportunities for leveraging natural climate solution**
7 **capacities across agencies.**

8 **“(8) The Oregon Global Warming Commission shall provide a sum-**
9 **mary of the uses of the Natural and Working Lands Fund, and identify**
10 **additional funding needs, in a report to the committees of the Legis-**
11 **lative Assembly related to the environment, in the manner provided**
12 **by ORS 192.245, no later than September 15 of each year.**

13 **“(9) The State Department of Energy shall provide staff support to**
14 **the commission for the purpose of carrying out the commission’s re-**
15 **sponsibilities under this section. The department may contract with a**
16 **third party to provide staff support services described in this sub-**
17 **section.**

18 **“SECTION 5. (1) No later than December 1 of each even-numbered**
19 **year, the Oregon Global Warming Commission, in consultation with**
20 **the State Department of Energy, the State Department of Agriculture,**
21 **the State Forestry Department, the State Department of Fish and**
22 **Wildlife and the Oregon Watershed Enhancement Board, shall submit**
23 **a report, in the manner provided by ORS 192.245, to the interim com-**
24 **mittees of the Legislative Assembly related to the environment and**
25 **the Governor. The report shall include:**

26 **“(a) A list of projects funded by the Natural and Working Lands**
27 **Fund during the previous 24 months and the amount expended for**
28 **each project.**

29 **“(b) A summary of state, federal and private sources of funding for**
30 **natural climate solutions projects funded by the Natural and Working**

1 **Lands Fund established under section 3 of this 2023 Act.**

2 **“(c) An assessment of projects described in paragraphs (a) and (b)**
3 **of this subsection in light of the baseline and metrics adopted under**
4 **section 6 of this 2023 Act.**

5 **“(d) A list of projects, grants or other activities that are planned**
6 **for the upcoming calendar year.**

7 **“(e) A list of projects deployed in environmental justice communi-**
8 **ties.**

9 **“(2) Before finalizing the report under subsection (1) of this section,**
10 **the commission shall solicit public comment on the report and include**
11 **a summary of comments received in the final version of the report**
12 **submitted to the Legislative Assembly and Governor.**

13 **“(3) The State Department of Energy shall provide staff support to**
14 **the commission for the purpose of preparing the report under this**
15 **section. The department may contract with a third party to provide**
16 **staff support services described in this subsection.**

17 **“SECTION 6. (1) The State Department of Energy and the Oregon**
18 **Global Warming Commission shall, in coordination with the State**
19 **Forestry Department, the State Department of Agriculture, the State**
20 **Department of Fish and Wildlife, the Oregon Watershed Enhancement**
21 **Board the Department of State Lands, the State Parks and Recreation**
22 **Department and the Department of Land Conservation and Develop-**
23 **ment, and in consultation with relevant federal agencies, establish and**
24 **maintain:**

25 **“(a) A net biological carbon sequestration and storage baseline for**
26 **natural and working lands;**

27 **“(b) Activity-based metrics in accordance with subsection (3) of this**
28 **section; and**

29 **“(c) Community impact metrics in accordance with subsection (4)**
30 **of this section.**

1 **“(2) The net biological carbon sequestration and storage baseline**
2 **may use 1990 as a baseline year if the department determines that**
3 **there is adequate information to support setting the baseline at that**
4 **year.**

5 **“(3) Activity-based metrics shall be used to evaluate progress to-**
6 **ward increasing net biological carbon sequestration and storage in**
7 **natural and working lands, as measured against the net carbon**
8 **sequestration and storage baseline. Activity-based metrics may in-**
9 **clude, but need not be limited to, acres of lands for which certain**
10 **management practices have been adopted.**

11 **“(4) Community impact metrics shall be used to evaluate the posi-**
12 **tive and negative effects, over time, of strategies for net biological**
13 **carbon sequestration and storage in natural and working lands on**
14 **landowners, land managers and communities. Community impact**
15 **metrics may include, but need not be limited to:**

16 **“(a) Metrics to measure the effects of net biological carbon**
17 **sequestration and storage strategies on jobs, local economies, envi-**
18 **ronmental integrity and public health; and**

19 **“(b) Metrics to evaluate the accessibility of a diverse range of**
20 **landowners to net biological carbon sequestration and storage pro-**
21 **grams.**

22 **“(5) Before finalizing the net biological carbon sequestration and**
23 **storage baseline, activity-based metrics and community impact met-**
24 **rics, the State Department of Energy and the commission shall make**
25 **draft versions publicly available and receive comments from the pub-**
26 **lic, state agencies and the advisory committee established under sec-**
27 **tion 10 of this 2023 Act.**

28 **“(6) The State Department of Energy and the Oregon Global**
29 **Warming Commission, in consultation with the State Forestry De-**
30 **partment, the State Department of Agriculture, the Oregon Watershed**

1 Enhancement Board, the State Department of Fish and Wildlife, shall,
2 no later than January 1, 2025, establish nonbinding biological carbon
3 sequestration and storage goals for Oregon’s natural and working
4 lands and update those goals as new information becomes available.

5 “(7) The State Department of Energy may contract with a third
6 party to assist the department in performing its duties under this
7 section.

8 **“SECTION 7. (1) The State Department of Energy and the Oregon**
9 **Global Warming Commission, in coordination with the State Forestry**
10 **Department, the State Department of Agriculture, the Oregon**
11 **Watershed Enhancement Board, the Department of State Lands, the**
12 **Department of Land Conservation and Development and federal land**
13 **management partners, shall develop a natural and working lands net**
14 **biological carbon sequestration and storage inventory. The inventory**
15 **must:**

16 “(a) Be based on the best available field-based and remote sensing
17 data on biological carbon sequestration;

18 “(b) To the greatest extent possible, be developed using methods
19 consistent with methods used to assess greenhouse gas fluxes related
20 to land use, land change and forestry for the United States Environ-
21 mental Protection Agency’s Inventory of U.S. Greenhouse Gas Emis-
22 sions and Sinks; and

23 “(c) Where feasible, utilize information from the environmental
24 justice mapping tool developed under section 12, chapter 58, Oregon
25 Laws 2022.

26 “(2) Before finalizing the inventory, the State Department of En-
27 ergy and the commission shall make a draft version publicly available
28 and receive comments from the public, state agencies and the advisory
29 committee established under section 10 of this 2023 Act.

30 “(3) The State Department of Energy shall update the inventory and

1 submit a report describing the inventory to the Oregon Global Warm-
2 ing Commission no later than December 1 of each even-numbered
3 year.

4 “(4) The State Department of Energy may contract with a third
5 party to assist the department in performing its duties under this
6 section.

7 **“SECTION 8.** (1) The State Department of Energy, in coordination
8 with the Oregon Global Warming Commission, shall study the
9 workforce and training programs needed to support adoption of na-
10 tural climate solutions on natural and working lands.

11 “(2) The department shall provide the results of the study, and may
12 include recommendations for legislation, in a report to the committees
13 of the Legislative Assembly related to the environment, in the manner
14 provided under ORS 192.245, no later than September 15, 2024.

15 “(3) The department may contract with a third party to assist the
16 department in performing its duties under this section.

17 **“SECTION 9.** Section 8 of this 2023 Act is repealed on January 2,
18 2025.

19 **“SECTION 10.** (1) The Oregon Global Warming Commission may
20 appoint a natural and working lands advisory committee to advise the
21 commission in the performance of the commission’s duties under
22 sections 1 to 11 of this 2023 Act. The commission shall seek recom-
23 mendations for committee members from industry and advocacy as-
24 sociations where appropriate.

25 “(2) The advisory committee shall consist of at least 15 members
26 appointed as follows:

27 “(a) One member with expertise in tribal culture, customs and
28 government;

29 “(b) One local government representative from a county whose
30 primary economic activity is derived from the agriculture, forestry,

1 fishing and hunting industries, as described by code 11 of the North
2 American Industry Classification System;

3 “(c) One member with expertise in urban forestry or parks man-
4 agement;

5 “(d) Three members with experience in forestry or forest products,
6 including one member who is a private forest landowner with less than
7 5,000 acres of forestland;

8 “(e) Two members with expertise in agriculture, including one
9 member who owns a small family farming operation;

10 “(f) One member with expertise in livestock;

11 “(g) One member with expertise in blue carbon;

12 “(h) One member with expertise in environmental justice;

13 “(i) Two members with expertise in conservation or environmental
14 management; and

15 “(j) Two members with expertise in landowner technical assistance.

16 “(3) The commission may appoint additional members as needed to
17 provide additional expertise or represent other interests.

18 “(4) The State Department of Energy shall provide staff support for
19 the advisory committee. The department may contract with a third
20 party to provide staff support services under this subsection.

21 **“SECTION 11.** The Oregon Global Warming Commission shall es-
22 tablish a process for consultation with representatives of federally re-
23 cognized Indian tribes in this state to advise the commission on the
24 performance of its duties under sections 1 to 11 of this 2023 Act, in-
25 cluding the identification of opportunities to support indigenous prac-
26 tices and knowledge from tribal nations to sequester and store carbon
27 on natural and working lands.

28 **“SECTION 12.** (1) The Agriculture Natural Climate Solutions Fund
29 is established in the State Treasury, separate and distinct from the
30 General Fund. Interest earned by the Agriculture Natural Climate

1 Solutions Fund shall be credited to the fund. Moneys in the fund are
2 continuously appropriated to State Department of Agriculture to:

3 “(a) Carry out the provisions of section 4 (3) of this 2023 Act; and

4 “(b) For the administrative expenses of the department in imple-
5 menting section 4 of this 2023 Act, except that no more than 10 percent
6 of moneys may be used for administrative expenses.

7 “(2) The Agriculture Natural Climate Solutions Fund consists of
8 moneys transferred to the fund under section 3 of this 2023 Act.

9 **“SECTION 13.** (1) The Forestry Natural Climate Solutions Fund is
10 established in the State Treasury, separate and distinct from the
11 General Fund. Interest earned by the Forestry Natural Climate Sol-
12 utions Fund shall be credited to the fund. Moneys in the fund are
13 continuously appropriated to the State Forestry Department to:

14 “(a) Carry out the provisions of section 4 (3) of this 2023 Act; and

15 “(b) For the administrative expenses of the department in imple-
16 menting section 4 of this 2023 Act, except that no more than 10 percent
17 of moneys may be used for administrative expenses.

18 “(2) The Forestry Natural Climate Solutions Fund consists of mon-
19 eys transferred to the fund under section 3 of this 2023 Act.

20 **“SECTION 14.** (1) The Watershed Natural Climate Solutions Fund
21 is established in the State Treasury, separate and distinct from the
22 General Fund. Interest earned by the Watershed Natural Climate Sol-
23 utions Fund shall be credited to the fund. Moneys in the fund are
24 continuously appropriated to the Oregon Watershed Enhancement
25 Board to:

26 “(a) Carry out the provisions of section 4 (3) of this 2023 Act; and

27 “(b) For the administrative expenses of the board in implementing
28 section 4 of this 2023 Act, except that no more than 10 percent of
29 moneys may be used for administrative expenses.

30 “(2) The Watershed Natural Climate Solutions Fund consists of

1 moneys transferred to the fund under section 3 of this 2023 Act.

2 **“SECTION 15. (1) The Fish and Wildlife Natural Climate Solutions**
3 **Fund is established in the State Treasury, separate and distinct from**
4 **the General Fund. Interest earned by the Fish and Wildlife Natural**
5 **Climate Solutions Fund shall be credited to the fund. Moneys in the**
6 **fund are continuously appropriated to the State Department of Fish**
7 **and Wildlife to:**

8 **“(a) Carry out the provisions of section 4 (5) of this 2023 Act; and**

9 **“(b) For the administrative expenses of the department in imple-**
10 **menting section 4 of this 2023 Act, except that no more than 10 percent**
11 **of moneys may be used for administrative expenses.**

12 **“(2) The Fish and Wildlife Natural Climate Solutions Fund consists**
13 **of moneys transferred to the fund under section 3 of this 2023 Act.**

14 **“SECTION 16. This 2023 Act takes effect on the 91st day after the**
15 **date on which the 2023 regular session of the Eighty-second Legislative**
16 **Assembly adjourns sine die.”.**

17