

SB 511 -1 STAFF MEASURE SUMMARY

Senate Committee On Natural Resources and Wildfire

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/6

WHAT THE MEASURE DOES:

The measure directs the Department of State Lands (DSL) to collaborate with the Department of Fish and Wildlife to develop a Salmon Credit Pilot Program (Program) that would encourage and create a financial incentive for landowners to engage in voluntary salmonoid habitat restoration projects; and to allow a person to purchase salmon credits from projects located within the Coquille or Coos watershed basins, in order to comply with a condition imposed on removal of material from or fill of waters (Oregon Revised Statutes 196.800-196.921) permits, authorization, or resolution of violations. Establishes a Salmon Credit Trust Fund, provides reimbursement options for credit purchasers, and requires federal collaboration for necessary permits, with a six-year limit on project approval after the establishment of the federal permit. Takes effect on the 91st day following adjournment sine die.

Fiscal impact: May have fiscal impact, but no statement yet issued.

Revenue impact: May have revenue impact, but no statement yet issued.

Detailed Summary:

The measure directs the Department of State Lands (DSL) to collaborate with the Department of Fish and Wildlife to develop a Salmon Credit Pilot Program (Program) to improve the health of wild coho and chinook salmon in the Coquille watershed basin. Requires DSL to encourage and create a financial incentive for landowners to engage in voluntary salmonid habitat restoration projects; and to allow a person to purchase salmon credits, from projects located within the Coquille or Coos watershed basins, in order to comply with a condition imposed on removal of material from or fill of waters (ORS 196.800 to 196.921) permits, authorizations, or resolution of a violations. Requires that in the establishment phase of the program, DSL must identify waters of the state, agricultural lands, and forestlands that would be suitable for Salmon Credit Projects (Projects).

Requires DSL to define requirements for Projects, including specifying project types, ensuring protection of salmonid habitats, prioritizing projects that enhance water resources and migration values, providing tools to measure these values, establishing procedures for project inspection and certification, setting a salmon credit price, and defining methods for calculating dividend payments. Specifies that credit generators must design projects in a way that avoids damage to or interference with adjacent properties and ensures compliance with relevant laws and statutes. Requires DSL to collaborate with the Department of Agriculture (ODA) and the Water Resources Department (OWRD) to ensure that if a project is located on farmland or forestland, the portion of land used for the project will be classified accordingly (as exclusive farm use or for growing and harvesting trees). Stipulates that wetlands certified as a mitigation bank cannot be approved for a project.

Requires DSL to establish procedures for inspecting Projects every three years to ensure compliance with the Program's requirements. Establishes credit generator application requirements and timelines, requiring that upon completion and certification of a Project, the credit generator must grant the state a permanent easement for the part of the property where the project is located to ensure the land is preserved as salmonid habitat. Stipulates that the Project does not impact the landowner's rights to hunt or fish on the property.

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Requires DSL to provide salmon credit purchasers with a list of available credits and potential Projects. Clarifies that credit purchasers may choose to assume the actual costs of a Project, with those costs deducted from the total price of the credits purchased. Establishes rights for credit purchasers and responsibilities for DSL regarding reimbursement. Authorizes DSL to set fees for Program implementation and Project applications. Establishes a Salmon Credit Trust Fund within the State Treasury to pay salmon credit dividends, with interest earned credited to the fund. Requires DSL and ODFW to consult with the United States Army Corps of Engineers to identify or develop federal programmatic permits for restoration activities. Mandates that DSL will not approve any salmon credit project after January 2 of the sixth year following the establishment of the federal permit. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Replaces language to limit the use of salmon credits to mitigation required within the Coquille and Coos watershed basins. Limits projects to the Coquille and Coos watershed basins.

BACKGROUND:

Oregon Coast Coho and Willamette River Chinook Salmon are currently listed as threatened under the Federal Endangered Species Act. Additionally, the Lower Columbia River Chinook populations are threatened, and Spring Run Chinook in the Upper Columbia are endangered. Both are listed as sensitive species in Oregon.