

February 6, 2025

Senator Jeff Golden, Chair Senator Todd Nash, Vice-Chair Senate Committee on Natural Resources and Wildfire

Re: Conservation Organizations Oppose SB 511, Salmon Credit Program

Chair Golden, Vice-Chair Nash and Members of the Committee,

Our organizations have long been involved in efforts to restore fish habitat in Oregon and advocacy for related environmental policies, however, we do not support SB 511. This proposed new program would not substantially contribute to the conservation and recovery of Oregon's native fish, and instead, presents appreciable risks to the state's rivers, streams, wetlands and aquatic species. Concerns include, but are not limited to:

SB 511 is premised upon degradation of existing beneficial and functional salmonid habitats and does not create a framework that contributes to the conservation or recovery of native salmonids. Simply put, the core of this bill is land development mitigation and offsets, not additive habitat restoration work. This bill purports to create a system to mitigate for destruction of existing fish habitats, with no sideboards on the type or quality of habitat lost due to development. River ecosystems are complex, and replacing existing fish habitats with degraded habitats that undergo restoration is difficult, expensive, and requires extensive time for hydraulic and geomorphic processes to achieve comparable habitat functionality.

SB 511 enables habitat destruction and mitigation projects in two different watersheds. When this concept was originally proposed during the 2022 legislative session, our groups were particularly concerned that the program would allow commercial or industrial development to harm functioning salmonid habitat in Watershed A if offset through credits tied to mitigation projects in Watershed B. While we appreciate that SB 511 narrows the program to the Coos or Coquille watersheds, that critical disconnect still exists. Section 3(1)(b) limits salmon credit generating (mitigation) projects to the Coos and Coquille watersheds, and Section 3(9) limits credit purchasing developments to the Coos and Coquille watersheds. These watersheds are geographically close to one another, but the salmonids that inhabit them are often functionally independent of one another. A salmon credit generating project in the Coquille paired with a development project in the Coos (or vice versa) will result in inappropriately dividing impacts between populations.

Existing law already allows for mitigation/banking credits. Existing law (ORS 196.600-655) already allows for mitigation/banking to offset removal-fill impacts, including the state's stream credit program. DSL has crafted rules for this program. DSL's existing program is operational, provides streamlining efficiencies to developers, and has important checks and balances not found in this bill. It is unclear why the salmon habitat improvement objectives of this bill couldn't be achieved through the current program.

Endangered Species Act (ESA) requirements would likely constrain this concept and its utility.

To recover species listed on the Endangered Species Act (ESA), we must protect and maintain their existing and functioning habitat. ESA-listed Coho salmon along with critical designated habitat exist in both the Coos and Coquille watersheds. Due to the presence of ESA-listed species, any destruction or modification of designated critical habitats will require appropriate consultation with–and approval by–federal fisheries management agencies. To our knowledge, the federal services have not opined on this legislation or its feasibility under the ESA.

Proven legal tools already exist for landowners that want to restore habitat, protect those areas in perpetuity, and receive compensation for those efforts. SB 511 is presented as a vehicle to fund conservation efforts on private land and compensate landowners for the environmental benefits provided by their land. However, numerous grant programs are already available to fund salmon restoration efforts on private land. Likewise, there are already land trusts, non-profits, and government agencies working to (1) purchase conservation easements on private lands across the state for the purpose of fish and wildlife conservation, and (2) pay landowners for those property interests. Landowners that grant a conservation easement in those contexts often receive financial compensation, and are free to use the relevant payment as they wish – including investments that would pay annual dividends like the Salmon Credit Trust Fund described in SB 511.

There is a lack of market demand by developers for a salmon credit framework. We have not seen developers argue that the state of Oregon needs this new program. Make no mistake, there is a need within fish conservation and recovery efforts for more high quality salmonid habitat in Oregon. But the real need is in restoring habitat that is additive to what already exists, and not merely attempting to replace existing, functional habitat that is degraded or destroyed by development. State agency resources (whether staff capacity or budgets), can and should be expended in the ways that will conserve and recover the state's native fish populations, not focus on offsets to land development activities.

Conclusion: We oppose SB 511. This bill creates an unnecessary and potentially harmful new program; one that will require extensive agency resources, could result in actual harm to habitat, and fails to be additive to the amount of fish habitat in Oregon. Instead of this bill, we urge the Committee and Legislature to remain focused on supporting existing, high priority programs and conservation efforts that will substantively uplift our ecosystems and native fish.

Sincerely,

James Fraser, Trout Unlimited (james.fraser@tu.org) Jennifer Fairbrother, Native Fish Society (jennifer@nativefishsociety.org) Eliza Walton, Oregon League of Conservation Voters (<u>eliza@olcv.org</u>) Kimberley Priestley, WaterWatch of Oregon (<u>kjp@waterwatch.org</u>) David A. Moskowitz, The Conservation Angler (<u>david@theconservationangler.org</u>) Kirk Blaine, Wild Salmon Center (<u>kblaine@wildsalmoncenter.org</u>)