

Senate Bill 513

Sponsored by Senator DEVLIN; Senator ATKINSON, Representatives GARRETT, GILLIAM

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes policy regarding ecosystem services. Makes legislative findings regarding ecosystem services. Encourages state agencies to take certain actions related to ecosystem services and ecosystem services markets.

Requires Sustainability Board to convene ecosystem working group. Sunsets working group on date of convening of next regular biennial legislative session.

Appropriates moneys from General Fund to Sustainability Board for purpose of ecosystem working group.

A BILL FOR AN ACT

1
2 Relating to ecosystems; and appropriating money.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. As used in sections 1 to 5 of this 2009 Act:**

5 (1) **"Adaptive management mechanisms" means the processes of implementing programs**
6 **in a scientifically based, systematically structured approach that tests and monitors as-**
7 **sumptions and predictions in management activities and then uses the resulting information**
8 **to improve programs and management activities.**

9 (2) **"Ecological values" means clean air, clean and abundant water, fish and wildlife**
10 **habitat and other values that are generally considered public goods.**

11 (3) **"Ecosystem market" means a system in which providers of ecosystem services can**
12 **access financing to protect, restore and maintain ecological values.**

13 (4) **"Ecosystem services" means the benefits that human communities enjoy as a result**
14 **of natural processes and biological diversity.**

15 (5) **"Ecosystem services markets" means the full spectrum of regulatory, quasi-**
16 **regulatory and voluntary mitigation markets.**

17 (6) **"Payment for ecosystem services" means arrangements through which the benefi-**
18 **ciaries of ecosystem services pay back the providers of ecosystem services.**

19 **SECTION 2. It is the policy of this state to support the maintenance, enhancement and**
20 **restoration of ecosystem services throughout Oregon, focusing on the protection of land,**
21 **water, air, soil and native flora and fauna.**

22 **SECTION 3. The Legislative Assembly finds that:**

23 (1) **Maintaining sustainable rural and urban landscapes is important for the quality of life**
24 **of all Oregonians. Sustainable forestry, agriculture and ranching practices can help to**
25 **maintain and restore the vitality of Oregon's communities while also helping to preserve**
26 **Oregon's natural landscapes and ecosystems. It is necessary to assist landowners in gaining**
27 **access to additional sources of revenue such as emerging ecosystem services markets and**
28 **to help landowners diversify their incomes, improve the ecological functions of their lands**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 and pass along their lands and the lands' associated benefits to future generations.

2 (2) Employment and economic opportunities are important to Oregonians in order to
3 maintain a high quality of life and prosperity. A scarcity of land that is available for devel-
4 opment is a significant limiting factor in some regions of Oregon. Oregon needs a system
5 that will direct development in suitable locations and ensure that ecological conditions im-
6 prove.

7 (3) Many different local, state and federal agencies and the private sector have obli-
8 gations to protect natural resources, to regulate the use of natural resources and to promote
9 economic development while also minimizing adverse impacts to natural resources. However,
10 these efforts are generally fragmented, uncoordinated and often work at cross-purposes.

11 (4) Oregon's natural resources, and the ways these natural resources are used, are im-
12 portant to Oregonians. These natural resources include native flora and fauna. These natural
13 resources provide food and shelter, flood control, water filtration, clean air, fish and wildlife
14 habitat, recreational opportunities, aesthetic benefits, jobs and a high quality of life for all
15 Oregonians. Science has demonstrated the importance of these natural resources to our daily
16 lives. Science has also shown that many natural resources have been degraded in the past
17 and continue to deteriorate in ways which humankind is only beginning to understand. The
18 adverse impacts of climate change may stress some natural resources to the point that they
19 are no longer viable. It is necessary to improve the overall health of our natural resources
20 in order to maintain these resources for present and future generations.

21 (5) The conservation and restoration of ecosystem services will help address impacts as-
22 sociated with climate change and help natural resources adapt to these impacts. New or
23 improved regulatory schemes and increased public awareness will make additional natural
24 resources available to protect and enhance ecosystem services. Oregon has the opportunity
25 to become a leader in developing and improving the ecological effectiveness and economic
26 viability of payments for ecosystem services.

27 **SECTION 4.** (1) State agencies are encouraged to adopt and incorporate adaptive man-
28 agement mechanisms in their programs in order to support the maintenance, restoration and
29 enhancement of ecosystem services.

30 (2) State agencies are encouraged to use ecosystem services markets as a means to meet
31 mitigation needs, after carefully avoiding the most sensitive resources and minimizing ad-
32 verse impacts where development occurs. When a state agency adopts a strategy or a deci-
33 sion that calls for the mitigation of potentially adverse environmental consequences, the
34 state agency must consider mitigation strategies that recognize the need for biological
35 connectivity and appropriate mitigation.

36 **SECTION 5.** (1)(a) The Sustainability Board shall convene an ecosystems working group
37 consisting of representatives of local and state agencies, and representatives of other parties
38 including but not limited to federal agencies, Indian tribes, the private sector, developers and
39 landowners and conservation organizations.

40 (b) Representatives chosen from the parties specified in paragraph (a) of this subsection
41 must be active in improving the ecological effectiveness of ecosystem services markets.

42 (2) The ecosystems working group shall:

43 (a) Study and propose overarching goals to guide the development of ecosystem services
44 markets in Oregon;

45 (b) Address entities that would be most appropriate to guide, facilitate and implement

1 an ecosystem market in Oregon;

2 (c) Address the need for a consistent methodology to describe and quantify ecological
3 values and in doing so consider methodologies that have been developed or are in the process
4 of being developed;

5 (d) Make recommendations concerning the development of appropriate ecological evalu-
6 ation and accounting systems;

7 (e) Consider the appropriate role of government participation in ecosystem services
8 markets in order to ensure that state agencies maintain a positive influence in maximizing
9 ecological, social and economic benefits for the public and private sector; and

10 (f) Propose potential policies to help stimulate demand for payments for ecosystem ser-
11 vices, in particular the development of regulatory and voluntary ecosystem services markets.

12 (3) No later than January 1, 2011, the Sustainability Board shall submit a report regard-
13 ing its work conducted under this section, and may include recommendations for legislation,
14 to the Legislative Assembly in the manner provided by ORS 192.245.

15 (4) The Sustainability Board may contract with the Institute for Natural Resources of
16 Oregon State University to carry out the provisions of this section.

17 **SECTION 6.** Section 5 of this 2009 Act is repealed on the date of the convening of the next
18 regular biennial legislative session.

19 **SECTION 7.** (1) There is appropriated to the Sustainability Board, for the biennium be-
20 ginning July 1, 2009, out of the General Fund, the amount of \$250,000 for the purpose of
21 carrying out the provisions of section 5 of this 2009 Act.

22 (2) Notwithstanding ORS 184.435 (2), any moneys appropriated by subsection (1) of this
23 section that are unexpended and unobligated on June 30, 2011, shall revert to the General
24 Fund and be available for general governmental expenses.

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