

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by prior reference
<b>Vote:</b>	4 - 0 - 1
<b>Yeas:</b>	Boquist, Hass, Prozanski, Dingfelder
<b>Nays:</b>	0
<b>Exc.:</b>	Atkinson
<b>Prepared By:</b>	Beth Herzog, Administrator
<b>Meeting Dates:</b>	3/24, 4/2

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**WHAT THE MEASURE DOES:** Establishes that it is the policy of the state to support the maintenance, enhancement, and restoration of ecosystem services. Defines key terms. Encourages state agencies to adopt and incorporate adaptive management mechanisms. Requires that if a state agency adopts a strategy that calls for mitigation that they consider strategies that recognize the need for biological connectivity at a landscape scale, rather than an automatic preference for on-site, in-kind mitigation. Requires that the Sustainability Board (Board) convene an ecosystem services markets working group (work group). Requires that the Board report back to the legislature no later than January 1, 2011. Authorizes the Board to contract with the Institute for Natural Resources of Oregon State University. Appropriates \$120,000 to the Board for the purposes of carrying out the work group. Repeals portion of the Act pertaining to the work group after the next regular biennial legislative session convenes. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Examples of successful projects that have used ecosystem services
- Fragmentation and conversion of forest lands
- Current mitigation practices
- Resource for rural private land owners
- Holistic approach
- Increased regulation

**EFFECT OF COMMITTEE AMENDMENT:** Replaces the text of the bill.

**BACKGROUND:** “Ecosystem services” means the benefits that human communities enjoy as a result of natural processes and biological diversity. In 2008, the Institute for Natural Resources, a multi-campus research institute administered by Oregon State University, identified ecosystem service policy as a key challenge facing Oregonians. SB 513 A is considered by proponents to be the first step in authorizing and encouraging the development of ecosystem markets.