

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass and Rescind the Subsequent Referral to the Committee on Ways and Means and Be Referred to the Committee on Rules
Vote:	5 - 0 - 0
Yeas:	Hass, Olsen, Prozanski, Thomsen, Dingfelder
Nays:	0
Exc.:	0
Prepared By:	Beth Patrino, Administrator
Meeting Dates:	2/2, 2/14

WHAT THE MEASURE DOES: Expands state policy on ecosystem services. Directs Governor’s Office, working with Oregon Watershed Enhancement Board (OWEB), to facilitate review of relevant conservation plans that could affect ecosystem services and propose process for such plans to be spatially aligned and coordinated. Directs Institute for Natural Resources to provide information on public domain integrated ecosystem services methodologies that meet criteria. Authorizes state agencies and local governments to use ecosystem services credits for compensatory mitigation and water quality credit trading. Encourages OWEB to coordinate with others to develop technical assistance tools that support and facilitate the use of natural infrastructure as part of, or in lieu of, new development projects and infrastructure. Authorizes state agency to purchase or receive credits for ecosystem services. Adds protection, restoration and enhancement of ecosystem services to state policy on water quality and fill-removal. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- How ecosystem markets function
- Examples of ecosystem markets and market protocols
- How such markets might work in a regulatory context

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The term “ecosystem services” refers to the collective set of benefits that derive from natural ecosystems. These benefits include both products, such as clean drinking water, and processes, such as the decomposition of wastes. In 2009, the Legislative Assembly passed into law Senate Bill 513, which included several provisions relating to ecosystem services and required the establishment of a work group on ecosystem services markets. Several provisions of Senate Bill 1511 are the result of recommendations by that work group.