

B-Engrossed
House Bill 3337

Ordered by the House June 27
Including House Amendments dated April 11 and June 27

Sponsored by Representatives GARRETT, GILLIAM; Representatives BAILEY, BOONE, BUCKLEY, DEMBROW, GOMBERG, REARDON, VEGA PEDERSON

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.

Directs Governor's office to convene work group on ecosystem services.

[Expands state policy relating to ecosystems.] Adds ecosystem services to principles guiding state land use program.

Directs Governor's office to *[facilitate]* review *[of]* state conservation plans.

[Authorizes state agencies to allow use of payments for ecosystems services as compensatory mitigation. Specifies circumstances under which state agency may purchase credits for ecosystem services.]

Encourages state agencies and local governments to consider use of natural infrastructure.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to ecosystem services; creating new provisions; amending ORS 197.010; and declaring an
3 emergency.

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

5
6 **ECOSYSTEM SERVICES WORK GROUP**

7
8 **SECTION 1. (1) The Governor's office shall convene a work group that represents public**
9 **and private interests in ecosystem services, including, but not limited to, farming, ranching,**
10 **timber, nursery, municipal, conservation, water quality, real estate and wetlands interests,**
11 **to:**

12 **(a) Identify impediments to the State of Oregon's ability to employ ecosystem services**
13 **and tools to meet conservation goals within the context of agency programs, while providing**
14 **socio-economic benefits for landowners who employ good stewardship;**

15 **(b) Prioritize solutions to address the impediments specified in paragraph (a) of this**
16 **subsection;**

17 **(c) Propose pilot projects that apply prioritized solutions and demonstrate how these**
18 **solutions may overcome impediments to the use of ecosystem services approaches and tools;**
19 **and**

20 **(d) Consider the role of state agencies and local governments in the use of public funds**
21 **to achieve measurable ecological outcomes in the course of:**

22 **(A) Complying with mitigation or regulatory requirements;**

23 **(B) Advancing the missions of the state agencies and the interests of the local govern-**

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 **ments;**

2 (C) **Administering grant programs;**

3 (D) **Administering landowner incentive programs; and**

4 (E) **Engaging in voluntary ecosystem services markets.**

5 (2) **The Oregon Watershed Enhancement Board shall provide staff support to the**
6 **Governor's office for purposes related to the provisions of this section.**

7 (3) **The Governor's office shall transmit the work group's report to the interim legislative**
8 **committees related to the environment and natural resources or other appropriate legislative**
9 **committees on or before January 1, 2015.**

10 **SECTION 2. Section 1 of this 2013 Act is repealed on January 2, 2015.**

11
12 **ECOSYSTEM SERVICES IN LAND USE, MANAGEMENT**
13 **AND INFRASTRUCTURE DECISIONS**
14

15 **SECTION 3.** ORS 197.010 is amended to read:

16 197.010. The Legislative Assembly declares that:

17 (1) In order to ensure the highest possible level of livability in Oregon, it is necessary to provide
18 for properly prepared and coordinated comprehensive plans for cities and counties, regional areas
19 and the state as a whole. These comprehensive plans:

20 (a) Must be adopted by the appropriate governing body at the local and state levels;

21 (b) Are expressions of public policy in the form of policy statements, generalized maps and
22 standards and guidelines;

23 (c) Shall be the basis for more specific rules and land use regulations which implement the pol-
24 icies expressed through the comprehensive plans;

25 (d) Shall be prepared to assure that all public actions are consistent and coordinated with the
26 policies expressed through the comprehensive plans; and

27 (e) Shall be regularly reviewed and, if necessary, amended to keep them consistent with the
28 changing needs and desires of the public they are designed to serve.

29 (2)(a) The overarching principles guiding the land use program in the State of Oregon are to:

30 (A) Provide a healthy environment;

31 (B) Sustain a prosperous economy;

32 (C) Ensure a desirable quality of life; and

33 (D) Equitably allocate the benefits and burdens of land use planning.

34 (b) Additionally, the land use program should, but is not required to[,]:

35 (A) Help communities achieve sustainable development patterns [*and*];

36 (B) Manage the effects of climate change[.];

37 (C) **Maintain and enhance ecosystem services, as defined in ORS 468.581, for present and**
38 **future generations; and**

39 (D) **Consider the use of natural infrastructure in place of engineered solutions.**

40 (c) The overarching principles in paragraph (a) of this subsection and the purposes in paragraph
41 (b) of this subsection provide guidance to:

42 (A) The Legislative Assembly when enacting a law regulating land use.

43 (B) A public body, as defined in ORS 174.109, when the public body:

44 (i) Adopts or interprets goals, comprehensive plans and land use regulations implementing the
45 plans, or administrative rules implementing a provision of ORS chapter 195, 196, 197, 215 or 227; or

1 (ii) Interprets a law governing land use.

2 (d) Use of the overarching principles in paragraph (a) of this subsection and the purposes in
3 paragraph (b) of this subsection is not a legal requirement for the Legislative Assembly or other
4 public body and is not judicially enforceable.

5 (3) The equitable balance between state and local government interests can best be achieved by
6 resolution of conflicts using alternative dispute resolution techniques such as mediation,
7 collaborative planning and arbitration. Such dispute resolution techniques are particularly suitable
8 for conflicts arising over periodic review, comprehensive plan and land use regulations, amendments,
9 enforcement issues and local interpretation of state land use policy.

10
11 **GOVERNOR'S OFFICE**

12
13 **SECTION 4. (1) Before June 30, 2015, the Governor's office, with assistance from the**
14 **Oregon Watershed Enhancement Board, shall:**

15 (a) Review relevant local, state, regional and federal conservation plans and laws that
16 could impact ecosystem services as defined in ORS 468.581 and develop a process for these
17 plans and laws to be spatially aligned and coordinated, with a focus on potential cost savings
18 and efficiencies in the implementation of the conservation plans and laws.

19 (b) Propose statewide goals and measurable objectives that support the maintenance,
20 enhancement and restoration of ecosystem services as described in ORS 468.583 to the in-
21 terim legislative committees related to the environment and natural resources or other ap-
22 propriate legislative committees on or before June 30, 2015.

23 (2)(a) The work required by this section shall be informed and guided by the efforts of
24 the work group convened under section 1 of this 2013 Act.

25 (b) The Governor's office and the board shall provide periodic reports on the progress of
26 the work required by this section to the work group convened under section 1 of this 2013
27 Act.

28 **SECTION 5. Section 4 of this 2013 Act is repealed on January 2, 2016.**

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30 **STATE AGENCIES AND LOCAL GOVERNMENTS**

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32 **SECTION 6. Sections 7 and 8 of this 2013 Act are added to and made a part of ORS 468.581**
33 **to 468.587.**

34 **SECTION 7. (1)(a) State agencies and local governments are encouraged, to the extent**
35 **practicable, to compare costs and consider natural infrastructure as part of or as an alter-**
36 **native to:**

37 (A) Traditionally engineered means of mitigating or addressing the environmental im-
38 pacts of new development or redevelopment;

39 (B) Traditional approaches to public habitat or ecosystem investments; and

40 (C) Traditional approaches to attaining the objectives of public infrastructure develop-
41 ment or redevelopment.

42 (b) The Oregon Watershed Enhancement Board shall coordinate with state agencies, lo-
43 cal governments and the private sector to develop technical assistance tools that support and
44 facilitate the objectives in subsection (1)(a) of this section.

45 (2) State agencies may participate in public-private partnerships to develop, test and im-

1 **plement ecosystem services approaches and methodologies.**

2 **SECTION 8. In implementing conservation, restoration and regulatory compliance pro-**
3 **grams, state agencies and local governments are encouraged, to the greatest extent practi-**
4 **cable, to undertake projects and programs that:**

5 (1) **Provide incentives to private landowners for implementation of conservation meas-**
6 **ures on their property;**

7 (2) **Are more cost effective than current approaches;**

8 (3) **Ensure long-term environmental stewardship;**

9 (4) **Address multiple conservation values, especially resilience to challenges related to**
10 **climate change, carbon sequestration, water quantity and quality and biodiversity;**

11 (5) **Emphasize the protection of high-quality, functioning ecosystems first, and then focus**
12 **on the restoration of ecosystems where such restoration efforts are most likely to be suc-**
13 **cessful; and**

14 (6) **Are consistent with any state conservation plans.**

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16 **CAPTIONS**

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18 **SECTION 9. The unit captions used in this 2013 Act are provided only for the convenience**
19 **of the reader and do not become part of the statutory law of this state or express any leg-**
20 **islative intent in the enactment of this 2013 Act.**

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22 **EMERGENCY CLAUSE**

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24 **SECTION 10. This 2013 Act being necessary for the immediate preservation of the public**
25 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
26 **on its passage.**

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