LC 3163 2015 Regular Session 2/24/15 (MAM/ps)

DRAFT

SUMMARY

Requires Department of State Lands to adopt pilot program for providing general authorization for voluntary stream restoration and beaver recovery through construction of artificial beaver dams. Requires department to report on program to Legislative Assembly on or before January 1, 2025.

Sunsets program January 2, 2027.

Declares emergency, effective on passage.

A BILL FOR AN ACT

2 Relating to artificial beaver dams; creating new provisions; amending ORS

3 509.585; and declaring an emergency.

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

5 <u>SECTION 1.</u> The Legislative Assembly finds and declares that:

6 (1) Many small streams in eastern Oregon were historically inhab-7 ited by beaver populations and strongly influenced by beavers' unique 8 ability to modify their physical surroundings. Beaver dams had the 9 effect of slowing the flow of water, allowing for natural overflow onto 10 surrounding floodplains and providing many positive benefits to 11 stream ecosystems and to the hydrologic functioning of streams.

(2) Due, in part, to the near eradication of the once-prevalent beaver populations, many stream systems have become severely degraded during the past century, developing deeply eroded and incised stream channels that have lost connectivity with the natural historic floodplain. These changes to the stream systems have resulted in adverse environmental and economic impacts.

18 (3) The public policy of the State of Oregon is to encourage and

support a program for voluntary stream restoration actions by private
landowners that can help restore both environmental and economic
health to eastern Oregon through the construction of artificial beaver
dams.

5 **SECTION 2. (1) As used in this section:**

6 (a) "Artificial beaver dams" means a series of low-profile structures 7 constructed for the purpose of delaying or slowing, but not preventing, 8 water flow to raise the water table and water surface elevations within 9 incised or eroded streams, and to promote restoration of stream and 10 habitat conditions suitable for beaver recovery.

11 (b) "Game fish" has the meaning given that term in ORS 496.009.

(c) "Historic floodplain" means channel-adjacent areas and surfaces
 constructed by fluvial processes that functioned as floodplains or areas
 for overbank deposition prior to channel incision.

(d) "Incised or eroded stream" means a stream that has been 15 scoured by erosion to the extent that the channel bed elevation has 16 lowered relative to its historic floodplain and the stream has lost 17connectivity with the historic floodplain, as characterized by the loss 18 of natural wetland, riparian and meadow conditions in the adjacent 19 surfaces, the absence of overbank flooding or deposition, the loss of 20diversity of fish and animal species or the presence of invasive dry 21land species, including but not limited to sagebrush, bunch grass, 22juniper and pine, that have encroached from adjacent uplands. 23

(e) "Qualifying stream" means an incised or eroded stream, or a
 designated reach of an incised or eroded stream, that, prior to com mencement of a restoration project:

(A) Has average stream flows of less than three cubic feet per second during at least two months of each year;

(B) Does not provide spawning, rearing or food producing areas for
game fish; and

31 (C) Is not utilized by native redband trout.

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(2)(a) The Department of State Lands shall by rule establish a pilot
program for voluntary stream restoration and beaver recovery
through the construction of artificial beaver dams on qualifying
streams located in the Malheur Lake drainage basin.

5 (b) The pilot program adopted under this subsection shall provide 6 for general authorization pursuant to ORS 196.850 or another form of 7 general permitting under ORS 196.600 to 196.905 for voluntary projects 8 to construct artificial beaver dams.

9 (c) The pilot program shall include a requirement for monitoring 10 and shall identify criteria for evaluating the pilot program.

(3)(a) Voluntary restoration projects authorized pursuant to sub section (2) of this section are exempt from fish passage requirements
 under ORS 509.585.

(b)(A) Notwithstanding paragraph (a) of this subsection, a landowner participating in voluntary stream restoration under a general authorization shall work collaboratively with the State Department of Fish and Wildlife to provide appropriate fish passage for any game fish or redband trout populations that return to the incised or eroded stream due to the voluntary restoration project.

(B) The construction of fish passage structures under subparagraph
(A) of this paragraph may only be required by the State Department
of Fish and Wildlife subject to available funding for the construction
in the Fish Passage Fund established under ORS 497.139.

(4) Removal of brush and trees from stream banks and riparian
areas as part of a voluntary restoration project authorized under subsection (2) of this section are not subject to riparian management requirements established under the Oregon Forest Practices Act.

28 **SECTION 3.** ORS 509.585 is amended to read:

509.585. (1) It is the policy of the State of Oregon to provide for upstream and downstream passage for native migratory fish and the Legislative Assembly finds that cooperation and collaboration between public and private

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entities is necessary to accomplish the policy goal of providing passage for
native migratory fish and to achieve the enhancement and restoration of
Oregon's native salmonid populations, as envisioned by the Oregon Plan.
Therefore, except as provided in ORS chapter 509, fish passage is required
in all waters of this state in which native migratory fish are currently or
have historically been present.

7 (2) Except as otherwise provided by this section, section 2 of this 2015 8 Act or ORS 509.645, a person owning or operating an artificial obstruction 9 may not construct or maintain any artificial obstruction across any waters 10 of this state that are inhabited, or historically inhabited, by native migratory 11 fish without providing passage for native migratory fish.

12(3) The State Department of Fish and Wildlife shall complete and maintain a statewide inventory of artificial obstructions in order to prioritize 13 enforcement actions based on the needs of native migratory fish. This 14 prioritization shall include, but need not be limited to, the degree of impact 15 of the artificial obstruction on the native migratory fish, the biological sta-16 tus of the native migratory fish stocks in question and any other factor es-17tablished by the department by rule. The department shall establish a list 18 of priority projects for enforcement purposes. Priority artificial obstructions 19 are subject to the State Fish and Wildlife Commission's authority as pro-2021vided in ORS 509.625. Unless requested by persons owning or operating an artificial obstruction, the department shall primarily direct its enforcement 22authority toward priority projects, emergencies and projects described in 23subsection (4) of this section. The priority project list shall be subject to 24periodic review and amendment by the department and to formal review and 25amendment by the commission no less frequently than once every five years. 26

(4) A person owning or operating an artificial obstruction shall, prior to construction, fundamental change in permit status or abandonment of the artificial obstruction in any waters of this state, obtain a determination from the department as to whether native migratory fish are or historically have been present in the waters. If the department determines that native migratory fish are or historically have been present in the waters, the person owning or operating the artificial obstruction shall either submit a proposal for fish passage to the department or apply for a waiver pursuant to subsection (7) of this section. Approval of the proposed fish passage facility or of the alternatives to fish passage must be obtained from the department prior to construction, permit modification or abandonment of the artificial obstruction.

(5) Consistent with the purpose and goals of the Oregon Plan, the department shall seek cooperative partnerships to remedy fish passage problems and to ensure that problems are corrected as soon as possible. The department and the person owning or operating the artificial obstruction are encouraged to negotiate the terms and conditions of fish passage or alternatives to fish passage, including appropriate cost sharing. The negotiations may include, but are not limited to, consideration of equitable factors.

(6) The department shall submit a proposed determination of the required fish passage or alternatives to fish passage to the commission for approval. The determination may be the result of the negotiations described in subsection (5) of this section or, if no agreement was reached in the negotiations, a determination proposed by the department. If a protest is not filed within the time period specified in ORS 509.645, the proposed determination shall become a final order.

(7)(a) The commission shall waive the requirement for fish passage if the commission determines that the alternatives to fish passage proposed by the person owning or operating the artificial obstruction provide a net benefit to native migratory fish.

(b) Net benefit to native migratory fish is determined under this subsection by comparing the benefit to native migratory fish that would occur if the artificial obstruction had fish passage to the benefit to native migratory fish that would occur using the proposed alternatives to fish passage. Alternatives to fish passage must result in a benefit to fish greater than that provided by the artificial obstruction with fish passage. The net benefit to

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1 fish shall be determined based upon conditions that exist at the time of comparison. $\mathbf{2}$ (c) The State Fish and Wildlife Director shall develop rules establishing 3 general criteria for determining the adequacy of fish passage and of alter-4 natives to fish passage. The general criteria shall include, but not be limited 5to: 6 7 (A) The geographic scope in which alternatives must be conducted; (B) The type and quality of habitat; 8 (C) The species affected; 9 (D) The status of the native migratory fish stocks; 10 (E) Standards for monitoring, evaluating and adaptive management; 11 12(F) The feasibility of fish passage and alternatives to fish passage; (G) Quantified baseline conditions; 13 (H) Historic conditions; 14 (I) Existing native migratory fish management plans; 15 (J) Financial or other incentives and the application of incentives; 16 (K) Data collection and evaluation; and 17(L) Consistency with the purpose and goals of the Oregon Plan. 18 (d) To the extent feasible, the department shall coordinate its require-19 ments for adequate fish passage or alternatives to fish passage with any 20federal requirements. 21(8) A person owning or operating an artificial obstruction may at any 22time petition the commission to waive the requirement for fish passage in 23exchange for agreed-upon alternatives to fish passage that provide a net 24benefit to native migratory fish as determined in subsection (7) of this sec-25tion. 26

(9)(a) Artificial obstructions without fish passage are exempt from therequirement to provide fish passage if the commission:

29 (A) Finds that a lack of fish passage has been effectively mitigated;

30 (B) Has granted a legal waiver for the artificial obstruction; or

31 (C) Finds there is no appreciable benefit to providing fish passage.

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(b) The commission shall review, at least once every seven years, the ar-1 tificial obstructions exempted under this subsection that do not have an ex- $\mathbf{2}$ emption expiration date to determine whether the exemption should be 3 renewed. The commission may revoke or amend an exemption if it finds that 4 circumstances have changed such that the relevant requirements for the ex-5emption no longer apply. The person owning or operating the artificial ob-6 struction may protest the decision by the commission pursuant to ORS 7 509.645. 8

9 (10) If the fundamental change in permit status is an expiration of a li-10 cense of a federally licensed hydroelectric project, the commission's deter-11 mination shall be submitted to the Federal Energy Regulatory Commission 12 as required by ORS 543A.060 to 543A.410.

(11) To the extent that the requirements of this section are preempted by the Federal Power Act or by the laws governing hydroelectric projects located in waters governed jointly by Oregon and another state, federally licensed hydroelectric projects are exempt from the requirements of this section.

(12) A person subject to a decision of the commission under this section
shall have the right to a contested case hearing according to the applicable
provisions of ORS chapter 183.

21 **SECTION 4.** ORS 509.585, as amended by section 3 of this 2015 Act, is 22 amended to read:

509.585. (1) It is the policy of the State of Oregon to provide for upstream 23and downstream passage for native migratory fish and the Legislative As-24sembly finds that cooperation and collaboration between public and private 25entities is necessary to accomplish the policy goal of providing passage for 26native migratory fish and to achieve the enhancement and restoration of 27Oregon's native salmonid populations, as envisioned by the Oregon Plan. 28Therefore, except as provided in ORS chapter 509, fish passage is required 29in all waters of this state in which native migratory fish are currently or 30 31 have historically been present.

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1 (2) Except as otherwise provided by this section[, section 2 of this 2015 2 Act] or ORS 509.645, a person owning or operating an artificial obstruction 3 may not construct or maintain any artificial obstruction across any waters 4 of this state that are inhabited, or historically inhabited, by native migratory 5 fish without providing passage for native migratory fish.

(3) The State Department of Fish and Wildlife shall complete and main-6 tain a statewide inventory of artificial obstructions in order to prioritize 7 enforcement actions based on the needs of native migratory fish. This 8 prioritization shall include, but need not be limited to, the degree of impact 9 of the artificial obstruction on the native migratory fish, the biological sta-10 tus of the native migratory fish stocks in question and any other factor es-11 12tablished by the department by rule. The department shall establish a list of priority projects for enforcement purposes. Priority artificial obstructions 13 are subject to the State Fish and Wildlife Commission's authority as pro-14 vided in ORS 509.625. Unless requested by persons owning or operating an 15 artificial obstruction, the department shall primarily direct its enforcement 16 authority toward priority projects, emergencies and projects described in 17subsection (4) of this section. The priority project list shall be subject to 18 periodic review and amendment by the department and to formal review and 19 amendment by the commission no less frequently than once every five years. 20

21(4) A person owning or operating an artificial obstruction shall, prior to construction, fundamental change in permit status or abandonment of the 22artificial obstruction in any waters of this state, obtain a determination from 23the department as to whether native migratory fish are or historically have 24been present in the waters. If the department determines that native migra-25tory fish are or historically have been present in the waters, the person 26owning or operating the artificial obstruction shall either submit a proposal 27for fish passage to the department or apply for a waiver pursuant to sub-28section (7) of this section. Approval of the proposed fish passage facility or 29 of the alternatives to fish passage must be obtained from the department 30 prior to construction, permit modification or abandonment of the artificial 31

1 obstruction.

(5) Consistent with the purpose and goals of the Oregon Plan, the department shall seek cooperative partnerships to remedy fish passage problems and to ensure that problems are corrected as soon as possible. The department and the person owning or operating the artificial obstruction are encouraged to negotiate the terms and conditions of fish passage or alternatives to fish passage, including appropriate cost sharing. The negotiations may include, but are not limited to, consideration of equitable factors.

9 (6) The department shall submit a proposed determination of the required 10 fish passage or alternatives to fish passage to the commission for approval. 11 The determination may be the result of the negotiations described in sub-12 section (5) of this section or, if no agreement was reached in the negoti-13 ations, a determination proposed by the department. If a protest is not filed 14 within the time period specified in ORS 509.645, the proposed determination 15 shall become a final order.

16 (7)(a) The commission shall waive the requirement for fish passage if the 17 commission determines that the alternatives to fish passage proposed by the 18 person owning or operating the artificial obstruction provide a net benefit 19 to native migratory fish.

(b) Net benefit to native migratory fish is determined under this sub-20section by comparing the benefit to native migratory fish that would occur 21if the artificial obstruction had fish passage to the benefit to native migra-22tory fish that would occur using the proposed alternatives to fish passage. 23Alternatives to fish passage must result in a benefit to fish greater than that 24provided by the artificial obstruction with fish passage. The net benefit to 25fish shall be determined based upon conditions that exist at the time of 26comparison. 27

(c) The State Fish and Wildlife Director shall develop rules establishing
general criteria for determining the adequacy of fish passage and of alternatives to fish passage. The general criteria shall include, but not be limited
to:

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1 (A) The geographic scope in which alternatives must be conducted;

2 (B) The type and quality of habitat;

3 (C) The species affected;

4 (D) The status of the native migratory fish stocks;

5 (E) Standards for monitoring, evaluating and adaptive management;

6 (F) The feasibility of fish passage and alternatives to fish passage;

7 (G) Quantified baseline conditions;

8 (H) Historic conditions;

9 (I) Existing native migratory fish management plans;

10 (J) Financial or other incentives and the application of incentives;

11 (K) Data collection and evaluation; and

12 (L) Consistency with the purpose and goals of the Oregon Plan.

(d) To the extent feasible, the department shall coordinate its require ments for adequate fish passage or alternatives to fish passage with any
 federal requirements.

16 (8) A person owning or operating an artificial obstruction may at any 17 time petition the commission to waive the requirement for fish passage in 18 exchange for agreed-upon alternatives to fish passage that provide a net 19 benefit to native migratory fish as determined in subsection (7) of this sec-20 tion.

(9)(a) Artificial obstructions without fish passage are exempt from the
 requirement to provide fish passage if the commission:

23 (A) Finds that a lack of fish passage has been effectively mitigated;

(B) Has granted a legal waiver for the artificial obstruction; or

25 (C) Finds there is no appreciable benefit to providing fish passage.

(b) The commission shall review, at least once every seven years, the artificial obstructions exempted under this subsection that do not have an exemption expiration date to determine whether the exemption should be renewed. The commission may revoke or amend an exemption if it finds that circumstances have changed such that the relevant requirements for the exemption no longer apply. The person owning or operating the artificial obstruction may protest the decision by the commission pursuant to ORS
 509.645.

3 (10) If the fundamental change in permit status is an expiration of a li-4 cense of a federally licensed hydroelectric project, the commission's deter-5 mination shall be submitted to the Federal Energy Regulatory Commission 6 as required by ORS 543A.060 to 543A.410.

7 (11) To the extent that the requirements of this section are preempted by 8 the Federal Power Act or by the laws governing hydroelectric projects lo-9 cated in waters governed jointly by Oregon and another state, federally li-10 censed hydroelectric projects are exempt from the requirements of this 11 section.

(12) A person subject to a decision of the commission under this section
shall have the right to a contested case hearing according to the applicable
provisions of ORS chapter 183.

<u>SECTION 4.</u> The Department of State Lands shall adopt rules and
 begin administration of the pilot program required under section 2 of
 this 2015 Act no later than one year after the effective date of this 2015
 Act.

<u>SECTION 5.</u> The Department of State Lands shall report to the Legislative Assembly on the identified environmental and economic impacts resulting from the pilot program required under section 2 of this 2015 Act no later than January 1, 2025.

23 <u>SECTION 6.</u> Sections 1 and 2 of this 2015 Act are repealed on Jan-24 uary 2, 2027.

25 <u>SECTION 7.</u> The amendments to ORS 509.585 by section 4 of this 26 2015 Act become operative on January 2, 2027.

27 <u>SECTION 8.</u> This 2015 Act being necessary for the immediate pres-28 ervation of the public peace, health and safety, an emergency is de-29 clared to exist, and this 2015 Act takes effect on its passage.

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