

**HB 4091 STAFF MEASURE SUMMARY**

**House Committee On Natural Resources**

---

**Prepared By:** Laura Kentnesse, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 2/4, 2/6

---

**WHAT THE MEASURE DOES:**

Establishes the Sage-Grouse Mitigation Program In-Lieu Fee Fund (Fund) in the State Treasury. Requires that the Fund consist of moneys received as fees in lieu of compensatory mitigation, pursuant to Oregon Department of Fish and Wildlife (ODFW) rules adopted to implement the Oregon Sage-Grouse Action Plan and Executive Order 15-18 issued on September 16, 2015. Continuously appropriates Fund moneys to ODFW for supporting efforts to restore, protect, enhance, or increase habitat for sage grouse, including related administrative costs, related research or assessment activities, or insurance for sage-grouse habitat. Allows Fund moneys, with the approval of the State Treasurer, to be invested in an investment pool designed for intermediate-term investment, and requires investment earnings to be credited to the Fund.

*REVENUE: No revenue impact.*

*FISCAL: Has indeterminate fiscal impact.*

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Oregon currently has an in-lieu fee (ILF) option as an alternative to compensatory mitigation for development impacts to sage-grouse habitat. All ILF funds are placed into the State Wildlife Fund which has a low interest rate and is designed for short-term investment. An assessment of the impact of different interest rates on ILF costs for developers was conducted by the Department of Fish and Wildlife (ODFW), and it showed that by using a combination of short- and intermediate-term accounts, the ILF cost can be reduced by approximately 7 percent for a 30-year impact, and up to 35 percent for a 100-year impact.

House Bill 4091 would establish the Sage-Grouse Mitigation Program In-Lieu Fee Fund to receive fees in lieu of compensatory mitigation, and would continuously appropriate fund moneys to the ODFW to support efforts to restore, protect, enhance, or increase habitat for sage grouse, including related administrative costs, related research or assessment activities, or insurance for sage-grouse habitat.