

**HB 4091 STAFF MEASURE SUMMARY**

**Senate Committee On Environment and Natural Resources**

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**Prepared By:** Beth Patrino, LPRO Analyst

**Meeting Dates:** 2/18

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**WHAT THE MEASURE DOES:**

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

*No subsequent referral*

*Fiscal impact statement issued*

*No revenue 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 designated to be placed into the State Wildlife Fund, a low-interest fund designed for short-term investment. However, the ILF option has not yet been used by developers. The Oregon Department of Fish and Wildlife (ODFW) has calculated the impact of different interest rates on ILF costs, and determined that by using a combination of short- and intermediate-term accounts, the ILF cost can be reduced by approximately 10 percent for a 30-year impact, and up to 25 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 for impacts to sage-grouse habitat, and would continuously appropriate fund moneys to the ODFW to support efforts to restore, protect, enhance, or increase habitat for sage-grouse.