

# DRAFT

## SUMMARY

Establishes state policy to increase net carbon sequestration and storage in natural and working lands. Requires certain agencies to monitor progress advancing state net carbon sequestration and storage policy and report findings to Oregon Global Warming Commission.

Directs commission to appoint natural and working lands advisory committee.

Directs certain agencies to develop natural and working lands net carbon sequestration and storage inventory.

Directs certain agencies to prepare net carbon sequestration and storage baseline and activity-based metrics and community impact metrics for net carbon sequestration and storage in natural and working lands. Directs commission to accept or modify metrics and submit report, providing adopted metrics and recommendations for legislation, to interim committees of Legislative Assembly related to environment no later than September 15, 2024.

Directs Institute for Natural Resources, in coordination with commission, to study workforce and economic development potential of strategies to increase net carbon sequestration and storage in natural and working lands and provide results to committees of Legislative Assembly related to environment no later than April 15, 2024.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to biological carbon sequestration; creating new provisions; amending ORS 468A.260; and prescribing an effective date.

Whereas Oregon's forests and other natural and working lands are among the world's most productive net carbon sinks; and

Whereas Oregon's natural and working lands should be managed to be the most resilient and robust net carbon sink we can achieve while maintaining the health of our economy and communities and enhancing social equity and

quality of life for all Oregonians; and

Whereas implementing climate-smart agriculture, forestry and conservation practices can increase resilient net carbon stocks in vegetation and soils in Oregon's natural and working lands and through the products they produce; and

Whereas climate-smart agriculture, forestry and conservation practices can provide significant benefits, including improvements in soil productivity and moisture-holding capacity, improvements in fish and wildlife habitat, protection of communities from storm surges and flooding, protection for drinking water sources, a reduction of urban heat islands and improved air quality, creation of natural resources jobs, climate mitigation, generation of increased revenue for private land managers and improvements to people's quality of life; and

Whereas because there may be costs and a need for technical assistance for land managers interested in adopting climate-smart agriculture, forestry and conservation practices, the state can help through investments in incentives and technical assistance; now, therefore,

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

**SECTION 1. As used in sections 1 to 5 of this 2023 Act:**

**(1) "Environmental justice communities" means communities of color, communities experiencing lower incomes, tribal communities, rural communities, communities with limited infrastructure and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth and persons with disabilities.**

**(2) "Natural and working lands" means:**

**(a) Lands:**

**(A) Actively used by an agricultural owner or operator for an agricultural operation, including but not limited to active engagement in farming or ranching;**

**(B) Producing forest products;**

1 (C) Consisting of forests, woodlands, grasslands, sagebrush steppes,  
2 deserts, freshwater and riparian systems, wetlands, coastal and  
3 estuarine areas or the submerged and submersible lands within  
4 Oregon's territorial sea and marine habitats associated with those  
5 lands;

6 (D) Used for recreational purposes, including, but not limited to,  
7 parks, trails, greenbelts and other similar open space lands; or

8 (E) Consisting of trees, other vegetation and soils in urban and  
9 near-urban areas, including, but not limited to, urban watersheds,  
10 street trees, park trees, residential trees and riparian habitats; and

11 (b) Lands described in paragraph (a) of this subsection that are:

12 (A) Held in trust by the United States for the benefit of any of the  
13 nine federally recognized Indian tribes in this state;

14 (B) Held in trust by the United States for the benefit of individual  
15 members of any of the nine federally recognized Indian tribes in this  
16 state;

17 (C) Within the boundaries of the reservation of any of the nine  
18 federally recognized Indian tribes in this state; or

19 (D) Otherwise owned or controlled by any of the nine federally re-  
20 cognized Indian tribes in this state.

21 SECTION 2. The Legislative Assembly declares that it is the policy  
22 of this state:

23 (1) To increase net carbon sequestration and storage in, and the  
24 resilience of, natural and working lands of this state.

25 (2) To invest in research to improve our understanding of the con-  
26 tributions of natural and working lands and the products they produce  
27 to reducing greenhouse gas emissions and increasing net carbon  
28 sequestration and storage.

29 (3) To encourage state agencies, when implementing strategies to  
30 advance carbon sequestration in natural and working lands and the  
31 products they produce, to:

1 (a) Consider the benefits of net carbon sequestration and storage  
2 strategies for environmental justice communities;

3 (b) Incorporate the interests of landowners, land managers and  
4 communities, including environmental justice communities;

5 (c) Ensure that a diversity of landowners and managers are able to  
6 voluntarily participate in incentive-based programs for net carbon  
7 sequestration and storage;

8 (d) Identify resources to provide incentives to land managers in-  
9 terested in voluntarily adopting practices that increase net carbon  
10 sequestration and storage in natural and working lands;

11 (e) Ensure that strategies and programs for net carbon  
12 sequestration and storage provide meaningful climate benefits; and

13 (f) Seek societal and economic benefits, in addition to net carbon  
14 sequestration and storage, as relevant to achieving other state goals.

15 (4) To encourage state agencies to use metrics designed to track  
16 progress in implementing strategies to increase net carbon  
17 sequestration and storage in natural and working lands and use met-  
18 rics to measure the positive and negative effects of those strategies  
19 on landowners, land managers and communities, including environ-  
20 mental justice communities.

21 SECTION 3. (1) The Oregon Global Warming Commission shall ap-  
22 point a natural and working lands advisory committee to advise the  
23 commission in the performance of the commission's duties related to  
24 natural and working lands.

25 (2) The advisory committee shall consist of at least 14 members,  
26 including but not limited to representatives of:

27 (a) Tribal governments;

28 (b) Local governments;

29 (c) Forest products interests or organizations;

30 (d) Agricultural interests or organizations;

31 (e) Environmental justice interests;

1 (f) Conservation interests; and

2 (g) Technical service providers.

3 (3) The Institute for Natural Resources shall provide staff support  
4 for the advisory committee. The institute may contract with a third  
5 party to provide staff support services under this subsection.

6 **SECTION 4.** The State Forestry Department, the State Department  
7 of Agriculture, the Oregon Watershed Enhancement Board and the  
8 Department of Land Conservation and Development shall monitor  
9 each respective agency's progress in advancing the policies described  
10 in section 2 of this 2023 Act and report the agency's findings to the  
11 Oregon Global Warming Commission no later than August 1 of each  
12 even-numbered year.

13 **SECTION 5.** (1) The Institute for Natural Resources, in coordination  
14 with the State Department of Energy and the Oregon Global Warming  
15 Commission, shall, in consultation with the State Forestry Depart-  
16 ment, the State Department of Agriculture, the Oregon Watershed  
17 Enhancement Board, the Department of State Lands, the Department  
18 of Land Conservation and Development and federal land management  
19 partners, develop a natural and working lands net carbon  
20 sequestration and storage inventory. The inventory must:

21 (a) Be based on the best available field-based and remote sensing  
22 data on carbon sequestration; and

23 (b) To the greatest extent possible, be developed using methods  
24 consistent with methods used to assess greenhouse gas fluxes related  
25 to land use, land change and forestry for the United States Environ-  
26 mental Protection Agency's Inventory of U.S. Greenhouse Gas Emis-  
27 sions and Sinks.

28 (2) The State Department of Energy shall update the inventory and  
29 submit a report describing the inventory to the Oregon Global Warm-  
30 ing Commission no later than August 1 of each even-numbered year.

31 (3) The Oregon Global Warming Commission shall consult with the

1 natural and working lands advisory committee appointed under sec-  
2 tion 3 of this 2023 Act to aid the commission in the performance of the  
3 commission's duties under this section.

4 **SECTION 6.** (1) As used in this section, "natural and working  
5 lands" has the meaning given that term in section 1 of this 2023 Act.

6 (2) The Institute for Natural Resources, in coordination with the  
7 Oregon Global Warming Commission, shall jointly with the State  
8 Forestry Department, the State Department of Agriculture, the  
9 Oregon Watershed Enhancement Board, the Department of State  
10 Lands and the Department of Land Conservation and Development,  
11 and in consultation with federal land management partners, develop:

12 (a) Recommendations for a net carbon sequestration and storage  
13 baseline for natural and working lands;

14 (b) Recommendations for activity-based metrics in accordance with  
15 subsection (3) of this section; and

16 (c) Recommendations for community impact metrics in accordance  
17 with subsection (4) of this section.

18 (3) Activity-based metrics must be designed to evaluate progress  
19 toward increasing net carbon sequestration and storage in, and  
20 resilience of, natural and working lands, as measured against the net  
21 carbon sequestration and storage baseline. Activity-based metrics may  
22 include, but need not be limited to, acres of lands for which certain  
23 management practices have been adopted.

24 (4) Community impact metrics must be designed to evaluate the  
25 positive and negative effects of strategies for net carbon sequestration  
26 and storage in natural and working lands on landowners, land man-  
27 agers and communities, including environmental justice communities.  
28 Community impact metrics may include, but need not be limited to:

29 (a) Metrics to measure the effects of net carbon sequestration and  
30 storage strategies on jobs, local economies, environmental integrity  
31 and public health; and

1       **(b) Metrics to evaluate the accessibility of net carbon sequestration**  
2       **and storage programs.**

3       **(5) The Institute for Natural Resources may contract with a third**  
4       **party to assist the institute in performing its duties under this section.**

5       **(6) The Oregon Global Warming Commission shall accept or modify**  
6       **the draft net carbon sequestration and storage baseline, activity-based**  
7       **metrics and community impact metrics developed under subsection (2)**  
8       **of this section. The commission shall submit the final net carbon**  
9       **sequestration and storage baseline, activity-based metrics and com-**  
10       **munity impact metrics, and recommendations for legislation, in a re-**  
11       **port to the interim committees of the Legislative Assembly related to**  
12       **the environment, in the manner provided under ORS 192.245, no later**  
13       **than September 15, 2024.**

14       **(7) The Oregon Global Warming Commission shall consult with the**  
15       **natural and working lands advisory committee appointed under sec-**  
16       **tion 3 of this 2023 Act:**

17       **(a) To aid the commission in the performance of the commission's**  
18       **duties under subsection (2) of this section; and**

19       **(b) Before accepting or modifying the net carbon sequestration and**  
20       **storage baseline, activity-based metrics and community impact met-**  
21       **rics pursuant to subsection (6) of this section.**

22       **SECTION 7. (1) As used in this section:**

23       **(a) "Climate-smart agriculture, forestry and conservation**  
24       **practices" means practices that:**

25       **(A) Protect and restore resilient carbon stocks in native ecosystems**  
26       **and increase resilient carbon stocks in vegetation and soils in natural**  
27       **and working lands;**

28       **(B) Reduce carbon emissions; or**

29       **(C) Increase carbon storage in the products produced by natural and**  
30       **working lands.**

31       **(b) "Natural and working lands" has the meaning given that term**

1 in section 1 of this 2023 Act.

2 (2) The Institute for Natural Resources, in coordination with the  
3 Oregon Global Warming Commission, shall study the workforce and  
4 economic development potential of strategies to increase net carbon  
5 sequestration and storage in natural and working lands. The study  
6 shall include an evaluation of the need for expanding programs for  
7 climate-smart agriculture, forestry and conservation practices, in-  
8 cluding but not limited to an assessment of:

9 (a) Costs and benefits of different natural and working lands net  
10 carbon sequestration and storage strategies;

11 (b) Potential benefits to the state from expanding the adoption of  
12 climate-smart agriculture, forestry and conservation practices, in-  
13 cluding but not limited to improving social equity, the economy,  
14 health outcomes, jobs, resilience to climate change, producer income  
15 and fish and wildlife habitats;

16 (c) Expansion of technical assistance provider capacity; and

17 (d) Expansion or modifications of training programs for technical  
18 assistance providers.

19 (3) The Institute for Natural Resources shall provide the results of  
20 the study, and may include recommendations for legislation, in a re-  
21 port to the committees of the Legislative Assembly related to the en-  
22 vironment, in the manner provided under ORS 192.245, no later than  
23 April 15, 2024.

24 (4) The Institute for Natural Resources may contract with a third  
25 party to assist the institute in performing its duties under this section.

26 (5) The Oregon Global Warming Commission shall consult with the  
27 natural and working lands advisory committee appointed under sec-  
28 tion 3 of this 2023 Act to aid the commission in the performance of the  
29 commission's duties under this section.

30 SECTION 8. (1) Notwithstanding section 4 of this 2023 Act, the re-  
31 ports by agencies to the Oregon Global Warming Commission under



1 **section 4 of this 2023 Act are first due no later than August 1, 2025.**

2 **(2) Notwithstanding section 5 of this 2023 Act, the report by the**  
3 **State Department of Energy to the Oregon Global Warming Commis-**  
4 **sion under section 5 of this 2023 Act is first due no later than April 30,**  
5 **2025.**

6 **SECTION 9. Sections 6 and 7 of this 2023 Act are repealed on Jan-**  
7 **uary 2, 2025.**

8 **SECTION 10. ORS 468A.260 is amended to read:**

9 **468A.260. (1) The Oregon Global Warming Commission shall submit a re-**  
10 **port to the Legislative Assembly, in the manner provided by ORS 192.245,**  
11 **by March 31 of each odd-numbered year that describes Oregon's progress**  
12 **toward achievement of the greenhouse gas emissions reduction goals estab-**  
13 **lished by ORS 468A.205. The report may include relevant issues and trends**  
14 **of significance, including trends of greenhouse gas emissions, emerging pub-**  
15 **lic policy and technological advances. The report also may discuss measures**  
16 **the state may adopt to mitigate the impacts of global warming on the envi-**  
17 **ronment, the economy and the residents of Oregon and to prepare for those**  
18 **impacts.**

19 **(2) The commission shall include in the report submitted under**  
20 **subsection (1) of this section a description of the activities in**  
21 **furtherance of the policies for net carbon sequestration and storage**  
22 **in natural and working lands described in section 2 of this 2023 Act**  
23 **that were taken by the commission or reported to the commission**  
24 **under section 4 of this 2023 Act.**

25 **SECTION 11. This 2023 Act takes effect on the 91st day after the**  
26 **date on which the 2023 regular session of the Eighty-second Legislative**  
27 **Assembly adjourns sine die.**