

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2069**

81st Oregon Legislative Assembly – 2021 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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Prepared by: Tim Walker  
Reviewed by: Amanda Beitel, John Terpening  
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**Measure Description:**

Establishes Sage Grouse Mitigation Program In-Lieu Fee Fund.

**Government Unit(s) Affected:**

Oregon State Treasurer (OST), Department of Fish and Wildlife (ODFW)

**Summary of Fiscal Impact:**

Costs related to the measure are indeterminate at this time - See explanatory analysis.

**Analysis:**

The measure establishes the Sage Grouse Mitigation in-Lieu Fee Fund in the State Treasury separate and distinct from the General Fund, and credits interest earned back to the fund. The fund is designed to include fees paid by developers in lieu of compensatory mitigation that developers must undertake if their projects impact sage-grouse habitat. This in-lieu of fee program has been in place since 2015.

Moneys in the fund are appropriated to Oregon Department of Fish and Wildlife (ODFW) to restore, protect, enhance or increase habitat for sage grouse. Developers whose projects impact sage grouse habitat could choose to deposit monies into the Sage Grouse Mitigation In-Lieu Fund instead of undertaking mitigation action themselves. The Department would then use these funds for sage grouse mitigation projects designed for restoration, protection, enhancement, or increased habitat for sage grouse. The fund can also be used for related administrative costs, research or assessment activities, or insurance for sage grouse habitat. The measure also allows these funds to be invested in an intermediate-term investment pool, with earnings going back into the fund.

The fiscal impact is indeterminate as it is unclear at what point developers will decide to pay into this fund and how much money will be flowing into the fund. ODFW anticipates that their existing Sage-Grouse Mitigation Coordinator will absorb the work of administering this fund and does not need any position authority or expenditure limitation at this time. Once developers do pay into the fund, ODFW plans to distribute fund moneys as grants to support sage-grouse habitat. ODFW may need to request additional expenditure limitation or position authority from the Legislature depending on how many developers choose to make payments to the Sage-Grouse Mitigation Program In-Lieu Fee Fund.

There is not expected to be any fiscal impact to the Oregon State Treasurer.