A-Engrossed

Senate Bill 1534

Ordered by the Senate February 14
Including Senate Amendments dated February 14

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

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

Directs commission to appoint natural and working lands [and waters] advisory committee.

Directs Institute for Natural Resources certain agencies to develop net natural and working lands [and waters] net carbon sequestration and storage inventory.

Directs certain agencies to prepare 2010 to 2019 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 [and waters]. 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, 2023.

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 waters] and provide results to committees of Legislative Assembly related to environment no later than March April 15, 2023.

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 in-
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 2022 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;

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

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

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

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

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

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

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

(D) Otherwise owned or controlled by any of the nine federally recognized Indian tribes in this state.

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

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

(2) To invest in research to improve our understanding of the contributions of natural and working lands and the products they produce to reducing greenhouse gas emissions and increasing net carbon sequestration and storage.

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

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

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

(c) Ensure that a diversity of landowners and managers are able to voluntarily partic-
ipate in incentive-based programs for net carbon sequestration and storage;
(d) Identify resources to provide incentives to land managers interested in voluntarily
adopting practices that increase net carbon sequestration and storage in natural and working
lands;
(e) Ensure that strategies and programs for net carbon sequestration and storage provide
meaningful climate benefits; and
(f) Seek societal and economic benefits, in addition to net carbon sequestration and
storage, as relevant to achieving other state goals.
(4) To encourage state agencies to use metrics designed to track progress in imple-
menting strategies to increase net carbon sequestration and storage in natural and working
lands and use metrics to measure the positive and negative effects of those strategies on
landowners, land managers and communities, including environmental justice communities.
SECTION 3. (1) The Oregon Global Warming Commission shall appoint a natural and
working lands advisory committee to advise the commission in the performance of the
commission's duties related to natural and working lands.
(2) The advisory committee shall consist of at least 14 members, including but not limited
to representatives of:
(a) Tribal governments;
(b) Local governments;
(c) Forest products interests or organizations;
(d) Agricultural interests or organizations;
(e) Environmental justice interests;
(f) Conservation interests; and
(g) Technical service providers.
(3) The Institute for Natural Resources shall provide staff support for the advisory
committee. The institute may contract with a third party to provide staff support services
under this subsection.
SECTION 4. The State Forestry Department, the State Department of Agriculture, the
Oregon Watershed Enhancement Board and the Department of Land Conservation and De-
velopment shall monitor each respective agency's progress in advancing the policies de-
scribed in section 2 of this 2022 Act and report the agency's findings to the Oregon Global
Warming Commission no later than August 1 of each even-numbered year.
SECTION 5. (1) The Institute for Natural Resources, in coordination with the State De-
partment of Energy and the Oregon Global Warming Commission, shall, in consultation with
the State Forestry Department, the State Department of Agriculture, the Oregon Watershed
Enhancement Board, the Department of State Lands, the Department of Land Conservation
and Development and federal land management partners, develop a natural and working
lands net carbon sequestration and storage inventory. The inventory must:
(a) Be based on the best available field-based and remote sensing data on carbon
sequestration; and
(b) To the greatest extent possible, be developed using methods consistent with methods
used to assess greenhouse gas fluxes related to land use, land change and forestry for the
United States Environmental Protection Agency's Inventory of U.S. Greenhouse Gas Emis-
sions and Sinks.
(2) The State Department of Energy shall update the inventory and submit a report de-
scribing the inventory to the Oregon Global Warming Commission no later than August 1 of each even-numbered year.

(3) The Oregon Global Warming Commission shall consult with the natural and working lands advisory committee appointed under section 3 of this 2022 Act to aid the commission in the performance of the commission's duties under this section.

SECTION 6. (1) As used in this section, “natural and working lands” has the meaning given that term in section 1 of this 2022 Act.

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

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

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

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

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

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

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

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

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

(6) The Oregon Global Warming Commission shall accept or modify the draft net carbon sequestration and storage baseline, activity-based metrics and community impact metrics developed under subsection (2) of this section. The commission shall submit the final net carbon sequestration and storage baseline, activity-based metrics and community impact metrics, and recommendations for legislation, in a report to the interim committees of the Legislative Assembly related to the environment, in the manner provided under ORS 192.245, no later than September 15, 2023.

(7) The Oregon Global Warming Commission shall consult with the natural and working lands advisory committee appointed under section 3 of this 2022 Act:

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

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

SECTION 7. (1) As used in this section:
(a) “Climate-smart agriculture, forestry and conservation practices” means practices that:
(A) Protect and restore resilient carbon stocks in native ecosystems and increase resilient carbon stocks in vegetation and soils in natural and working lands;
(B) Reduce carbon emissions; or
(C) Increase carbon storage in the products produced by natural and working lands.
(b) “Natural and working lands” has the meaning given that term in section 1 of this 2022 Act.
(2) The Institute for Natural Resources, in coordination with the Oregon Global Warming Commission, shall study the workforce and economic development potential of strategies to increase net carbon sequestration and storage in natural and working lands. The study shall include an evaluation of the need for expanding programs for climate-smart agriculture, forestry and conservation practices, including but not limited to an assessment of:
(a) Costs and benefits of different natural and working lands net carbon sequestration and storage strategies;
(b) Potential benefits to the state from expanding the adoption of climate-smart agriculture, forestry and conservation practices, including but not limited to improving social equity, the economy, health outcomes, jobs, resilience to climate change, producer income and fish and wildlife habitats;
(c) Expansion of technical assistance provider capacity; and
(d) Expansion or modifications of training programs for technical assistance providers.
(3) The Institute for Natural Resources shall provide the results of the study, and may include recommendations for legislation, in a report to the committees of the Legislative Assembly related to the environment, in the manner provided under ORS 192.245, no later than April 15, 2023.
(4) The Institute for Natural Resources may contract with a third party to assist the institute in performing its duties under this section.
(5) The Oregon Global Warming Commission shall consult with the natural and working lands advisory committee appointed under section 3 of this 2022 Act to aid the commission in the performance of the commission’s duties under this section.

SECTION 8. (1) Notwithstanding section 4 of this 2022 Act, the reports by agencies to the Oregon Global Warming Commission under section 4 of this 2022 Act are first due no later than August 1, 2024.
(2) Notwithstanding section 5 of this 2022 Act, the report by the State Department of Energy to the Oregon Global Warming Commission under section 5 of this 2022 Act is first due no later than April 30, 2024.

SECTION 9. Sections 6 and 7 of this 2022 Act are repealed on January 2, 2024.

SECTION 10. ORS 468A.260 is amended to read:
468A.260. (1) The Oregon Global Warming Commission shall submit a report to the Legislative Assembly, in the manner provided by ORS 192.245, by [March 31] September 15 of each odd-numbered year that describes Oregon’s progress toward achievement of the greenhouse gas emissions reduction goals established by ORS 468A.205. The report may include relevant issues and
trends of significance, including trends of greenhouse gas emissions, emerging public policy and technological advances. The report also may discuss measures the state may adopt to mitigate the impacts of global warming on the environment, the economy and the residents of Oregon and to prepare for those impacts.

(2) The commission shall include in the report submitted under subsection (1) of this section a description of the activities in furtherance of the policies for net carbon sequestration and storage in natural and working lands described in section 2 of this 2022 Act that were taken by the commission or reported to the commission under section 4 of this 2022 Act.

SECTION 11. This 2022 Act takes effect on the 91st day after the date on which the 2022 regular session of the Eighty-first Legislative Assembly adjourns sine die.