

HB 2206 A STAFF MEASURE SUMMARY**House Committee On Agriculture, Land Use, Natural Resources, and Water**

Action Date: 04/04/23**Action:** Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)**Vote:** 6-2-1-0**Yeas:** 6 - Hartman, Helm, Levy B, McLain, Owens, Scharf**Nays:** 2 - Gamba, Marsh**Exc:** 1 - Boice**Fiscal:** Fiscal impact issued**Revenue:** Revenue impact issued**Prepared By:** Anna Glueder, LPRO Analyst**Meeting Dates:** 4/4

WHAT THE MEASURE DOES:

Requires the Oregon Department of State Lands (DSL) in consultation with the Oregon Department of Fish and Wildlife (ODFW) to, by rule, develop and staff a salmon credit pilot program that encourages and creates financial incentives for landowners to engage in voluntary salmonid habitat restoration projects and allows persons to purchase salmon credits in order to comply with a condition imposed on a permit, to improve the health of wild coho and chinook salmon in the Coquille and Coos watershed. Requires DSL to identify suitable waters and adjacent agricultural lands and forestlands using existing state and federal maps of salmonid habitat, establish requirements for the salmon credit projects while prioritizing projects that will provide the greatest increase in functions and values of water resources associated with salmon credit projects and the ability to fulfill required mitigation values, utilize current tools for measuring the functions and values of associated water resources. Requires DSL to establish procedures for inspection, certification and recertification of salmon credit projects, a specified salmon credit price, and a method for calculating the amount of salmon credit dividend payments. Poses certain requirements on the credit generator and directs DSL to coordinate with the Oregon Department of Agriculture (ODA) and Oregon Water Resources Department (OWRD) to ensure their fulfillment. Requires project areas located on an exclusive farm use zone or forestland to be deemed to be used exclusively for farm use or for the purpose of growing and harvesting trees respectively. Excludes certain wetlands from approval as a salmon credit project and specifies that the purchase of a salmon credit does not change the existing mitigation obligations underlying the salmon credit purchase. Specifies the application procedure and approval timeline, the period for which this approval remains valid and the project's restoration activity timeline. Requires the credit generator to notify DSL upon project completion and to convey a permanent easement to the state for the portion of the property on which the salmon project is located without affecting the existing rights of the landowner to hunt or fish on the property. Specifies DSL's role in managing and administering the salmon credit program and the responsibilities and entitlements of the credit purchaser and credit generator. Authorizes DSL to charge application and purchasing fees and credits funds received via fees to the Common School Fund. Establishes the Salmon Credit Trust Fund and continuously appropriates fund moneys to DSL for the purposes of paying salmon credit dividends. Directs DSL and ODFW in consultation with the U.S. Army Corps of Engineers and other relevant state agencies to develop or identify an existing programmatic general permit to authorize restoration activities under the salmon credit program and requires DSL to notify the legislature upon the establishment of such permit. Becomes operative on the date that a federal programmatic general permit is established and prohibits DSL from approving any salmon credit project prior to January 2 of the sixth year following its establishment. Authorizes DSL to take any action necessary to exercise duties associated with the

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salmon credit program prior to the operative date. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Fill and removal permitting requirements
- Effect of measure on fill and removal permitting process
- Outcome of the salmon credit work group process

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

Salmonoids include seven different species, including the Pink Chum, Koho, Masu, Chinook, Sockeye and Atlantic Salmon. Their habitats differ by species, but in general Salmonoids hatch and grow in freshwater rivers, streams and creeks before they move into the ocean during adulthood. The Department of State Lands maintains Oregon's official salmonid habitat map which uses scientific data from the Oregon Department of Fish and Wildlife to identify areas that are critical for salmonoids to thrive.

House Bill 2206 A would require the Oregon Department of State Lands in consultation with the Oregon Department of Fish and Wildlife to, by rule, develop and staff a salmon credit pilot program that encourages and creates financial incentives for landowners to engage in voluntary salmonid habitat restoration projects and allows persons to purchase salmon credits in order to comply with a condition imposed on a permit, to improve the health of wild coho and chinook salmon in the Coquille and Coos watershed.