Senate Bill 1019

Sponsored by Senator HAYDEN

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 **as introduced.**

Directs Department of State Lands to establish wetlands mitigation grant program.
Establishes Wetlands Mitigation Grant Fund.

1 **A BILL FOR AN ACT**

2 Relating to wetlands mitigation; creating new provisions; and amending ORS 541.945.

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

4 **SECTION 1. Sections 2 and 3 of this 2023 Act are added to and made part of ORS 196.600**

5 **to 196.655.**

6 **SECTION 2. (1) The Department of State Lands shall establish a grant program to defray**

7 **the costs of compensatory mitigation required to comply with a condition imposed on a per-**

8 **mit in accordance with ORS 196.825 (5) or an authorization issued in accordance with ORS**

9 **196.800 to 196.921.**

10 **(2) Grants awarded under the program may be used for the following purposes:**

11 **(a) To conduct on-site compensatory mitigation;**

12 **(b) To conduct off-site compensatory mitigation; or**

13 **(c) To make payments for credits to an approved mitigation bank.**

14 **(3) A city or county may apply for a grant under the grant program. A city or county**

15 **may partner with any public or private entity in order to support a development project of**

16 **the public or private entity. However, a grant under the program may only be awarded to a**

17 **city or county.**

18 **(4)(a) Program grants must be used to support development projects that:**

19 **(A) Will create jobs in the city or county; or**

20 **(B) Will increase the stock of affordable housing in the city or county.**

21 **(b) The department may establish additional job creation or housing affordability re-**

22 **quirements to implement this subsection.**

23 **(5) The department shall give priority in awarding grants to projects within an urban**

24 **growth boundary. Priority shall be based on the availability of buildable lands within the ur-**

25 **ban growth boundary, with highest priority given to urban growth boundaries with the lowest**

26 **inventories of buildable lands when compared to estimated housing needs.**

27 **(6) The department may adopt rules necessary to implement this section.**

28 **SECTION 3. (1) The Wetlands Mitigation Grant Fund is established in the State Treasury,**

29 **separate and distinct from the General Fund. Interest earned by the Wetlands Mitigation**

30 **Grant Fund shall be credited to the fund. Moneys in the fund are continuously appropriated**

31 **to the Department of State Lands for the purpose of awarding grants under section 2 of this**

1 **2023 Act.**

2 **(2) The Wetlands Mitigation Grant Fund consists of:**

3 **(a) Moneys transferred to the fund by the Oregon Watershed Enhancement Board under**

4 **ORS 541.945;**

5 **(b) Moneys appropriated or transferred to the fund by the Legislative Assembly;**

6 **(c) Interest earned by the fund; and**

7 **(d) Other amounts deposited in the fund from any other source.**

8 <u>SECTION 4.</u> ORS 541.945 is amended to read:

9 541.945. (1) The Watershed Conservation Operating Fund is established in the State Treasury

10 separate and distinct from the General Fund. The Watershed Conservation Operating Fund shall

11 consist of all moneys placed in the fund as provided by law. The purpose of the fund is to carry out

12 activities that support all of the purposes described in ORS 541.942. Moneys in the Watershed Con-

13 servation Operating Fund shall be used for each of the following:

14 (a) To develop, implement or update state conservation strategies or plans to protect or restore

15 native fish or wildlife habitats or to protect or restore natural watershed or ecosystem functions to

16 improve water quality or stream flows;

17 (b) To develop, implement or update regional or local strategies or plans that are consistent

18 with state strategies or plans described in paragraph (a) of this subsection;

19 (c) To develop, implement or update state strategies or plans to prevent, detect, control or

20 eradicate invasive species that threaten native fish or wildlife habitats or that impair water quality;

21 (d) To support local delivery, including but not limited to delivery by watershed councils, soil

22 and water conservation districts and other community-based organizations, of watershed education

23 activities and other programs or projects that protect or restore native fish or wildlife habitats,

24 watersheds or ecosystems;

25 (e) To pay the Oregon Watershed Enhancement Board costs of administering the Watershed

26 Conservation Grant Fund;

27 (f) To enforce fish and wildlife laws and regulations and fish and wildlife habitat protection laws

28 and regulations; and

29 (g) To reimburse the Secretary of State as described in ORS 297.230 for the costs of audits

30 performed by the Secretary of State under section 4c, Article XV of the Oregon Constitution.

31 (2) Interest accruing to the Watershed Conservation Operating Fund shall be credited to the

32 fund. Watershed Conservation Operating Fund moneys appropriated and not expended by the com-

33 pletion of a biennium shall remain in the Watershed Conservation Operating Fund.

34 (3) Any public or private source may make gifts or grants to the Watershed Conservation Op-

35 erating Fund.

36 **(4) If the amount deposited in the Watershed Conservation Operating Fund during a**

37 **biennium is greater than 100 percent of the amount deposited in the fund during the**

38 **2021-2023 biennium, 20 percent of the amount that is the difference between the amount de-**

39 **posited in the fund during the current biennium and the amount deposited in the fund during**

40 **the 2021-2023 biennium shall be transferred to the Wetlands Mitigation Grant Fund estab-**

41 **lished under section 3 of this 2023 Act.**

42 <u>SECTION 5.</u> **In addition to and not in lieu of any other appropriation, there is appropri-**

43 **ated to the Department of State Lands, for the biennium beginning July 1, 2023, out of the**

44 **General Fund, the amount of $5,000,000, for deposit in the Wetlands Mitigation Grant Fund**

45 **established under section 3 of this 2023 Act.**

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