

## **Department of Fish and Wildlife**

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To:

The Honorable Ken Helm, Chair House Committee on Agriculture, Land Use, Natural Resources, and Water



## House Bill 2206-4

Debbie Colbert, Deputy Director for Fish and Wildlife Programs Oregon Department of Fish and Wildlife

The Oregon Department of Fish and Wildlife (ODFW) appreciates this opportunity to provide information relevant to the House Bill 2206 - 4 amendments and has no position on the bill or amendments.

HB 2206-4 would pilot a new mitigation program in the Coos and Coquille Watersheds for development of salmon credits through the Department of State Lands (DSL). The credits created by the new program would be purchased by developers to mitigate for habitat degradation caused by their activities elsewhere in the Coos or Coquille watershed.

ODFW participated in the interim workgroup evaluating this concept and, while the -4 amendment narrows the geographic scope of the original bill, it does not address technical issues flagged by the agency in the work group discussions:

- Complexity without regulatory assurance: Even as a pilot, it establishes a new and complex mitigation program and leaves open critical questions around federal regulatory compliance that could put participants at risk.
- Business case for credits uncertain: DSL currently oversees programs that issue habitat-based credits for wetland and stream mitigation. It is not clear how the salmon credit, which is a species-based credit, would align with or complement the existing DSL programs. Without regulatory certainty for applicants that a salmon credit would offset compensatory mitigation requirements, there may be an absence of market demand for the use of salmon credits, which could affect the viability of the new program.
- Potential for watershed winners/losers: The -4 amendments would allow for habitat degradation to occur in one watershed and restoration in a different watershed. This disconnect on proximity of impacts could exacerbate issues for salmon populations in basins where degradation is not offset by restoration within basin.
- Accountability and durability of projects: With a complex program of this nature, it will take significant resources, even on a pilot basis, to ensure the durability of salmon credit projects.

ODFW supports efforts to increase the pace and scale of restoration and to explore innovative ideas and solutions to address the limiting factors and threats affecting salmonid populations. We would be happy to continue to work with the bill proponents and other partners on ways to incentivize this important work.

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