

HB 4102 STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

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Meeting Dates: 2/12, 2/14

WHAT THE MEASURE DOES:

The measure specifies the sources of moneys in the Natural and Working Lands Fund.

- *FISCAL: No fiscal impact*
- *REVENUE: No revenue impact*

Detailed summary:

The measure specifies that the sources of moneys in the Natural and Working Lands Fund consist of moneys appropriated to the fund by the Legislative Assembly and moneys deposited in the fund from any other public or private source. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- History of Natural and Working Lands Fund
- Examples of ways landowners are managing lands to store carbon
- California's carbon market and potential carbon market in Oregon
- Possible sources of non-state funding for Natural and Working Lands Fund

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

On March 10, 2020, Governor Brown issued Executive Order 20-04 directing state agencies to take actions to reduce and regulate greenhouse gas emissions. The order directed the Oregon Climate Action Commission (Commission), formerly Oregon Global Warming Commission, to work with the Oregon Department of Agriculture, Oregon Department of Forestry, and the Oregon Watershed Enhancement Board to develop and submit a proposal for setting a carbon sequestration and storage goal for Oregon's "natural and working lands." Natural and working lands are defined as farming and ranching lands, working forest lands, lands used for recreation, urban green spaces, and other land types such as grasslands, sagebrush steppes, deserts, freshwater and riparian systems, wetlands, coastal and estuarine areas, and submerged and submersible lands. In 2021, the Commission published the "Natural and Working Lands Proposal." The proposal recommended outcome-based goals, the establishment of activity-based and community impact metrics, and four broad strategies to achieve the stated goals.

Provisions in House Bill 3409 (2023) established a state policy to advance natural climate solutions to mitigate the future impacts of climate change on natural and working lands. The measure directed the Commission and certain state agencies to establish a baseline for net biological carbon sequestration and storage on natural and working lands, in addition to activity-based and community-impact metrics, to evaluate progress toward meeting sequestration and storage goals against the established baseline. It created a fund to provide incentives and financial assistance to help landowners and managers, Indian tribes, and environmental justice communities adopt natural climate solutions. It also seeded the fund with \$10 million. The Commission and agencies were also directed to develop a net biological carbon sequestration and storage inventory, study relevant workforce and training programs, and appoint an advisory committee to make recommendations related to the natural climate solutions program.