

## SENATE AMENDMENTS TO SENATE BILL 1561

By COMMITTEE ON NATURAL RESOURCES AND WILDFIRE

February 15

1 On page 1 of the printed bill, line 2, after the semicolon insert “creating new provisions; re-  
2 pealing ORS 466.445 and 466.447;”.

3 Delete lines 5 through 14 and insert:

4 **“SECTION 1. (1) It is the intent of the Legislative Assembly in enacting sections 1 to 12**  
5 **of this 2024 Act to:**

6 **“(a) Establish the Oregon Environmental Restoration Fund in the State Treasury, con-**  
7 **sisting of moneys paid to the state from the Monsanto Settlement Agreement;**

8 **“(b) Provide for the investment of settlement funds and for the expenditure of earnings**  
9 **from those investments in an equitable, transparent and accountable manner; and**

10 **“(c) Ensure that, consistent with the terms of the Monsanto Settlement Agreement,**  
11 **earnings are used to supplement efforts by recognized tribal governments, executive branch**  
12 **agencies and disproportionately impacted communities for environmental remediation or**  
13 **restitutionary projects or purposes having a nexus with environmental harms to air, water,**  
14 **soil or other natural resources or human health caused by environmental contamination,**  
15 **particularly the presence of PCB.**

16 **“(2) It is the intent of the Legislative Assembly that projects or purposes for which al-**  
17 **locations or transfers made under sections 1 to 12 of this 2024 Act be consistent with the**  
18 **terms of the Monsanto Settlement Agreement.”.**

19 Delete lines 24 and 25.

20 On page 2, delete lines 1 through 27 and insert:

21 **“SECTION 3. (1) The Oregon Environmental Restoration Fund is established in the State**  
22 **Treasury, separate and distinct from the General Fund. The Oregon Environmental Resto-**  
23 **ration Fund consists of:**

24 **“(a) Proceeds from the Monsanto Settlement Agreement;**

25 **“(b) Moneys transferred to the fund by the Legislative Assembly; and**

26 **“(c) Other amounts deposited in the fund from any other public or private source.**

27 **“(2) Moneys in the Oregon Environmental Restoration Fund are continuously appropri-**  
28 **ated to the Oregon Watershed Enhancement Board to be expended, consistent with the**  
29 **terms of the Monsanto Settlement Agreement, for the following purposes:**

30 **“(a) To pay the expenses of the board and the Environmental Restoration Council in-**  
31 **curred in the administration of sections 1 to 12 of this 2024 Act; and**

32 **“(b) To carry out section 4 of this 2024 Act.**

33 **“(3) Moneys in the Oregon Environmental Restoration Fund shall be invested as provided**  
34 **in ORS 293.701 to 293.857 and the earnings from such investments shall be credited to the**  
35 **fund.**

1       “(4) The Oregon Watershed Enhancement Board shall administer the Oregon Environ-  
2       mental Restoration Fund.

3       “(5) In addition to services provided as the investment officer for the Oregon Investment  
4       Council under ORS 293.716, the State Treasurer shall provide accounting services specific to  
5       the Oregon Environmental Restoration Fund.

6       “**SECTION 4.** (1) The Environmental Restoration Council shall, based on the advice of the  
7       State Treasurer, establish a long-term distribution policy for the Oregon Environmental  
8       Restoration Fund that seeks to maintain a stable real asset value over time while providing  
9       for the transfers described in subsections (3) and (4) of this section.

10       “(2) No later than December 1 of each year, the Environmental Restoration Council shall  
11       determine the amounts that shall be transferred from the Oregon Environmental Restora-  
12       tion Fund by the Oregon Watershed Enhancement Board for the purposes of subsections (3)  
13       and (4) of this section. The amounts to be transferred shall be based on the balance of the  
14       Oregon Environmental Restoration Fund at the end of the prior fiscal year.

15       “(3) First, the board shall transfer from the Oregon Environmental Restoration Fund the  
16       amount reasonably necessary to cover the costs of the board and the Environmental Resto-  
17       ration Council in the administration of sections 1 to 12 of this 2024 Act. The amount trans-  
18       ferred under this subsection may not exceed 0.25 percent of the Oregon Environmental  
19       Restoration Fund balance at the end of the prior fiscal year, unless a greater amount is ap-  
20       proved by the Environmental Restoration Council.

21       “(4) Second, the board shall transfer from the Oregon Environmental Restoration Fund  
22       the amount determined pursuant to the long-term distribution policy developed under sub-  
23       section (1) of this section, to be allocated as follows:

24       “(a) Fifty percent shall be transferred to the State Agency Program Fund established  
25       under section 10 of this 2024 Act;

26       “(b) Twenty-five percent shall be transferred to the Disproportionately Impacted Com-  
27       munity Fund established under section 11 of this 2024 Act; and

28       “(c) Twenty-five percent shall be transferred to the Tribal Nation Natural Resource  
29       Program Fund established under section 12 of this 2024 Act.”.

30       After line 33, insert:

31       “(e) The Attorney General or the Attorney General’s designee.”.

32       In line 34, delete “(e)(A) Five” and insert “(f)(A) Six”.

33       In line 36, delete “and” and insert “or”.

34       On page 3, line 40, after “agencies” insert “that have a nexus with the projects and purposes  
35       described in the Monsanto Settlement Agreement”.

36       In line 42, delete “environmental”.

37       In line 43, delete “characterization, remediation or restitution”.

38       On page 4, line 21, delete “environmental charac-”.

39       In line 22, delete “terization, remediation or restitution”.

40       On page 5, line 9, delete “environmental characterization, remediation or restitution”.

41       Delete lines 29 through 45.

42       On page 6, delete line 1 and insert:

43       “**SECTION 9.** (1) The Environmental Restoration Council, in consultation with state  
44       agencies described in section 6 (1) of this 2024 Act and the Environmental Justice Council,  
45       shall establish strategic priorities for amounts expended from the State Agency Program

1 **Fund established under section 10 of this 2024 Act and the Disproportionately Impacted**  
2 **Community Fund established under section 11 of this 2024 Act. Before adopting strategic**  
3 **priorities, the Environmental Restoration Council shall compile and review relevant data or**  
4 **other scientific information.**

5 **“(2) Strategic priorities may include guidelines for distributing amounts on an annual or**  
6 **biennial basis, and for committing to funding projects for more than one biennium, as ap-**  
7 **propriate for facilitating program outcomes and continuity.**

8 **“(3) Priorities established under this section are not subject to the requirements of ORS**  
9 **chapter 183.**

10 **“(4) The council may only establish or amend priorities under this section after a public**  
11 **hearing and an opportunity for public comment.”.**

12 Delete lines 8 through 10 and insert:

13 **“(3) Moneys in the State Agency Program Fund are continuously appropriated to the Oregon**  
14 **Watershed Enhancement Board for the purpose of making allocations in amounts and for durations**  
15 **approved by the Environmental Restoration Council under section 6 of this 2024 Act. To facilitate**  
16 **program outcomes and continuity, moneys in the fund may be committed for funding state agency**  
17 **projects or programs for multiple biennia.”.**

18 After line 13, insert:

19 **“(5) The Oregon Watershed Enhancement Board shall administer the State Agency Program**  
20 **Fund.”.**

21 After line 26, insert:

22 **“(5) The Oregon Watershed Enhancement Board shall administer the Disproportionately Im-**  
23 **acted Community Fund.”.**

24 After line 39, insert:

25 **“(5) The Oregon Watershed Enhancement Board shall administer the Tribal Nation Natural**  
26 **Resource Program Fund.”.**

27 Delete lines 40 through 42 and insert:

28 **“SECTION 13. Notwithstanding section 4 of this 2024 Act, the Environmental Restoration**  
29 **Council shall first determine the amounts to be transferred under section 4 of this 2024 Act**  
30 **no later than December 1, 2025.”.**

31 On page 7, line 1, delete “One” and insert “Two”.

32 Delete lines 3 through 45.

33 On page 8, delete lines 1 through 13 and insert:

34 **“SECTION 15. No later than September 15, 2073, the Environmental Restoration Council**  
35 **shall submit a report to the interim committees of the Legislative Assembly related to the**  
36 **environment in the manner provided by ORS 192.245. The report must evaluate and make**  
37 **recommendations as to whether the long-term distribution strategy developed by the council**  
38 **under section 4 of this 2024 Act should continue to seek to maintain a stable real asset value**  
39 **over time, notwithstanding the amendments to section 4 of this 2024 Act by section 16 of this**  
40 **2024 Act, or whether the distribution strategy should seek to distribute amounts from the**  
41 **Oregon Environmental Restoration Fund so that no balance remains in the fund after a pe-**  
42 **riod of 50 years.**

43 **“SECTION 16. Section 4 of this 2024 Act is amended to read:**

44 **“Sec. 4. (1) The Environmental Restoration Council shall, based on the advice of the State**  
45 **Treasurer, establish a long-term distribution policy for the Oregon Environmental Restoration Fund**

1 that *[seeks to maintain a stable real asset value over time while providing]* **provides** for the transfers  
2 described in subsections (3) and (4) of this section.

3 “(2) No later than December 1 of each year, the Environmental Restoration Council shall de-  
4 termine the amounts that shall be transferred from the Oregon Environmental Restoration Fund by  
5 the Oregon Watershed Enhancement Board for the purposes of subsections (3) and (4) of this section.  
6 The amounts to be transferred shall be based on the balance of the Oregon Environmental Resto-  
7 ration Fund at the end of the prior fiscal year.

8 “(3) First, the board shall transfer from the Oregon Environmental Restoration Fund the amount  
9 reasonably necessary to cover the costs of the board and the Environmental Restoration Council in  
10 the administration of sections 1 to 12 of this 2024 Act. The amount transferred under this subsection  
11 may not exceed 0.25 percent of the Oregon Environmental Restoration Fund balance at the end of  
12 the prior fiscal year, unless a greater amount is approved by the Environmental Restoration Council.

13 “(4) Second, the board shall transfer from the Oregon Environmental Restoration Fund the  
14 amount determined pursuant to the long-term distribution policy developed under subsection (1) of  
15 this section, to be allocated as follows:

16 “(a) Fifty percent shall be transferred to the State Agency Program Fund established under  
17 section 10 of this 2024 Act;

18 “(b) Twenty-five percent shall be transferred to the Disproportionately Impacted Community  
19 Fund established under section 11 of this 2024 Act; and

20 “(c) Twenty-five percent shall be transferred to the Tribal Nation Natural Resource Program  
21 Fund established under section 12 of this 2024 Act.

22 “**SECTION 17. The amendments to section 4 of this 2024 Act by section 16 of this 2024**  
23 **Act become operative on January 1, 2075.**

24 “**SECTION 18. (1) For the biennium ending June 30, 2025, the Oregon Department of Ad-**  
25 **ministrative Services shall distribute moneys in the Polychlorinated Biphenyls Remediation**  
26 **and Restitution Account established under ORS 466.447 as described in subsection (2) of this**  
27 **section.**

28 “**(2) There is allocated for the biennium ending June 30, 2025, from the Polychlorinated**  
29 **Biphenyls Remediation and Restitution Account, the amount of \$5,000,000, to the Oregon**  
30 **Watershed Enhancement Board to implement sections 1 to 12 of this 2024 Act.**

31 “**SECTION 19. Notwithstanding ORS 466.447, the Oregon Department of Administrative**  
32 **Services shall transfer all moneys in the Polychlorinated Biphenyls Remediation and**  
33 **Restitution Account established under ORS 466.447, except for the amount allocated under**  
34 **section 18 (2) of this 2024 Act, to the Oregon Environmental Restoration Fund established**  
35 **under section 3 of this 2024 Act, to be expended for the purposes described in section 3 of this**  
36 **2024 Act.**

37 “**SECTION 20. The Polychlorinated Biphenyls Remediation and Restitution Account es-**  
38 **tablished under ORS 466.447 is abolished. Any moneys remaining in the account on the op-**  
39 **erative date of this section shall be transferred to the Oregon Environmental Restoration**  
40 **Fund established under section 3 of this 2024 Act.**

41 “**SECTION 21. ORS 466.445 and 466.447 are repealed.**

42 “**SECTION 22. Sections 20 and 21 of this 2024 Act become operative on January 2, 2026.**”.

43 In line 14, delete “20” and insert “23”.