



NETWORK of OREGON

WATERSHED COUNCILS

July 19th, 2023

To: Watershed Council Directors
From: The Network of Oregon Watershed Councils (NOWC) Government Relations Committee (GRC)
Re: Summary of the 2023 Oregon Legislative Session

Dear Watershed Council Colleagues,

*Following the close of Oregon's most recent legislative session, NOWC's [Government Relations Committee \(GRC\)](#) offers the following summary for bills that the GRC found of interest to councils collectively, and actively tracked during and just after the session. **I encourage you to forward this summary to your Board and staff so that we can all take note of upcoming policy changes that may affect our work on the ground.***

The primary purpose of the NOWC GRC is to make policy and legislative recommendations, and develop and engage in an organized advocacy strategy that leverages our strengths and saves your time and capacity. We began the session looking at several dozen proposed bills that we evaluated for impact level; we regularly compared notes with [Oregon Conservation Partners](#) COLT and OACD, and with OWEB staff along the way. We focused our efforts on bills related to council and conservation work that had a high probability of passage. We provided verbal/written testimony on ten of these bills, and also met in-person with state senators/representatives in Salem. We hope you find this summary helpful.

NOWC also tracks what is happening in the state and federal agencies in an ongoing manner, following the issues being addressed by their staff and boards. For this work, we need all the help we can gather up. This means you and your organization! Please connect with me if you (or a member of your staff/Board) have interest in joining our committee and gaining advocacy experience. You also have regular contact with agency folks and sometimes conversations with them can alert us to potential changes that could impact councils. If you hear something, or learn of something that you think other councils could benefit from knowing, please pass it on to one of our Government Relations Committee members, or to our Executive Director, Vanessa Green.

I want to express gratitude for all the hard work of the GRC with a special thanks to Vanessa and all those who contributed to this summary.

Chris Gannon

*Chair of the NOWC Government Relations Committee, NOWC Board Member,
Director of the Crooked River Watershed Council*

[HB 2010](#), Relating to Water

Multiple water-related bills that the NOWC GRC tracked were packaged into this bill; this review summarizes only those bills. The total bill will fund about \$110 million in water-related programs. This bill becomes law immediately unless the Governor vetoes by July 25th, 2023.

- **Community Drinking Water Enhancement and Protection Fund (originally [HB2813](#))**, this program allows for grants of up to \$3 million for water suppliers to protect, restore, or enhance drinking water sources. It creates a fund to support this program, and the grants will be managed by OWEB. The bill sets some limits on grants and other provisions. OWEB rulemaking will be scheduled to identify the application process and requirements.
- **Aquifer Recharge Due Diligence Program/Fund (originally [SB455](#))**, within the Oregon Business Development Department. Municipalities, special districts, tribes, and counties can apply. Grants can be for test pits, modeling, boring and soil sampling, design, and engineering, monitoring, sampling and other conservation projects. These funds are not directly eligible for WCs but may be relevant for partnerships. OBDD Rulemaking will be scheduled to identify the application process and requirements.
- **Chewaucan River Watershed (originally [HB3099](#))**, initiates a collaborative process for water management in the Chewaucan River watershed.
- **Harney County groundwater (originally [HB3130](#))**, Supports the creation of voluntary groundwater agreements in the Greater Harney Valley Groundwater Area of Concern.
- **Place-based Integrated Water Resource Planning Program (originally [HB 3163](#))**, establishes definitions for the Water Resources Department's (WRD) place-based planning program and sets up the Place-based Water Planning Fund to fund eligible implementation and coordination costs for agencies and local place-based planning activities. Grants are for the purpose of data collection, technical assistance, training, necessary gatherings, and consultations. Our colleagues Kelly Timchak (Lower Rogue) and Daniel Newberry (Johnson Creek) contributed to the drafting for this Bill. Last March, **NOWC submitted a [Letter of Support](#)**.
- **Juniper Removal Fund (originally [HB 3142](#))**, creates a fund directed by the Department of Administrative Services (DAS) to SWCDs in Crook, Jefferson, Klamath, Deschutes, Harney, and Lake counties for the removal of Western Juniper. NOWC met with the chief sponsor to suggest a friendly amendment to include watershed councils for this bill and for future iterations of this type of legislation.

~Summarized by Andy Maggi, NOWC Region 1 Board member, Board member of the Scappoose Bay Watershed Council

[HB 2071](#): Relating to Revenue, signed by the Speaker on June 24th

This bill will extend sunset provisions through 2030 for tax credits to install fish screens, by-pass devices and fishways.

~Summarized by Vanessa Green, NOWC Executive Director

HB2527: Relating to wildlife habitat special assessment – Signed by the Speaker on June 29th, awaiting the Governor’s signature.

This bill relates to habitat special assessment by the state of Oregon. It updates the requirements of a wildlife habitat conservation and management plan as well as the eligibility criteria for assessment and the procedures for application and approval. It also creates the impetus for periodic inspections of plan areas as well as consequences for non-compliance. This bill is relevant to watershed councils that work heavily with private landowners as it will likely create greater impetus for conservation work on private lands. WC's have an opportunity to serve a need created by this bill for greater habitat work both instream and in uplands.

~Summarized by Alex Rice, Project Manager, North Fork John Day Watershed Council

HB2737: Relating to transfers of state property – Allows state agencies to sell, lease or donate state real property (state owned land, including any rights associated with the land) of agency to eligible Indian tribes ("Eligible Indian tribe" is defined in ORS 307.181 to include the Burns Paiute Tribe; the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians; the Confederated Tribes of the Grand Ronde Community of Oregon; the Confederated Tribes of Siletz Indians of Oregon; the Confederated Tribes of the Umatilla Indian Reservation; the Confederated Tribes of Warm Springs Reservation of Oregon; the Coquille Indian Tribe; the Cow Creek Band of Umpqua Tribe of Indians; or the Klamath Tribes - Federal Recognized Tribes). Signed by the Speaker on June 24th, Signed by Senate President, awaiting the Governor’s signature.

Current Oregon statute prevents the state from owning more land than is necessary to conduct official business, both now and in the foreseeable future; it provides for the sale or lease of property to private ownership. Right of first refusal in purchase or lease of state-owned land goes to: lessees of the land; where intended activity or use is similar to adjacent properties; adjacent landowners; residents within the region; and persons outside the region. For a number of reasons, under the current statute, Oregon has not been currently allowed to sell, lease, or donate these properties to Tribes.

~Summarized by Andy Maggi, NOWC Region 1 Board member, Board member of the Scappoose Bay Watershed Council

HB3409: Relating to climate –

Multiple bills related to climate were packaged in HB 3409. The following includes the bills that are most applicable to watershed councils; there are additional climate components and other sections on topics such as housing and electric vehicles and some administrative changes. The entire package has approximately \$90 million in funding. The legislation has an emergency clause, so it is effective on the date of passage unless vetoed by the Governor.

- **Natural Climate Solutions on Natural and Working Lands** (originally [SB 530](#)) establishes state policy for carbon sequestration in natural and working lands. The legislation creates the Natural and Working Lands Fund and allocates \$10 million for associated grants, which will be appropriated to OWEB, and OWEB will then transfer funds to the participating agencies under the direction of the Oregon Global Warming Commission (OGWC). Money will be distributed to these agency funds: Agriculture Natural Climate Fund (ODA), Forestry Natural Climate Fund (ODFW), Watershed Natural Climate Fund (OWEB), Fish and Wildlife Natural Climate Fund (ODFW). This provision also sets up a Natural Working Lands Advisory Committee. OGWC will conduct a rulemaking on dissemination of the grant funds. The relevant agencies will conduct rulemaking regarding their application processes, eligibility criteria, maximum amounts, and reporting requirements. OGWC will establish the Natural and Working Lands Advisory Committee as detailed in the legislation. By January 1, 2025, OGWC in working with other agencies, will establish carbon sequestration and storage goals for natural and working lands.
- **Community Green Infrastructure Grant Program** (originally [HB 3016](#)) establishes a grant fund to support conservation related to the improvement and creation of green infrastructure projects and the development of a tree canopy assessment tool. DLCD and ODF will administer the grants. Watershed councils and other nonprofits would be able to apply, as well as municipalities and districts. An advisory committee may be appointed to include city, county, special district, environmental justice communities, the nursery industry, recreation entities, educators, tribes, and others. A total of \$6.5 million is allocated for project grants, and funding for ODF for staffing is also provided. DLCD Rulemaking will be required to set up the grant program. **NOWC submitted a [letter of support](#) for this in March.**
- **Relating to the Oregon Global Warming Commission** (originally [SB522](#)) re-names the Oregon Global Warming Commission to the Oregon Climate Action Commission, adds the Executive Director of OWEB to the Commission's non-voting members.

~Summarized by Andy Maggi, NOWC Region 1 Board member, Board member of the Scappoose Bay Watershed Council

[HB3464](#): Relating to protecting beavers to mitigate climate change effects – signed by the Speaker on June 24th. The title of this bill is a little bit tricky, yes? This bill removes beavers from the definition of “predatory animal”. It allows the taking of beaver under wildlife laws if the beaver damages or imminently threatens infrastructure or agricultural crops, and by owners of small forestland if the beaver causes damage. It requires ODFW to adopt rules defining damage. It requires ODFW to produce an annual report related to the taking of beavers.

~Summarized by Vanessa Green, NOWC Executive Director

[SB543](#) Relating to prohibitions for certain products, prohibits food vendors from using polystyrene foam containers in the sale of prepared food. – signed by the Governor on May 8th, goes into effect January 1st, 2024.

Last February, NOWC submitted a [letter of support for this bill](#), emphasizing the resources, time and effort it takes for watershed councils to organize the removal of accumulated garbage/litter composed of single-use plastic/polystyrene packaging. We mentioned the environmental impact of plastic degradation in waterways, and how it affects human habitats and food chains. This legislation supports a statewide transition to compostable products and promotes ecologically responsible business practices that should positively affect the health of our watersheds.

~Summarized by Vanessa Green, NOWC Executive Director

[SB606](#) Relating to compensation for nonprofit organizations that provide services on behalf of the state, establishes a task force on modernizing grant funding and contracting – signed by the Speaker on June 25th, awaiting the Governor’s signature.

Last March, NOWC provided a [letter of support for this bill](#) – since then, it was significantly diluted through amendments. Although it passed, it will not have much immediate effect on watershed councils but has potential to change the funding landscape down the road. It will establish a taskforce to examine the state’s granting and procurement practices and make recommendations to modernize grant funding and contracting that “prioritize cost recovery” – i.e. establishing policies for on-going reimbursement rather than requiring project completion. These recommendations will pertain to several state departments and agencies, which include the department of justice but do not include OWEB.

~Summarized by Vanessa Green, NOWC Executive Director

[SB5506](#) Relating to state financial administration (the end of session “Christmas Tree” bill), signed by the Speaker on July 6th. This bill allocates remaining General Funds to a wide variety of state departments and agencies, for a wide variety of purposes. Some of those pertaining to watershed councils include:

- \$4 million in lottery bonds to OWEB, these funds are specifically allocated to the source water protection/land acquisition grants program established in HB 2010.
- \$1 million for ODA’s wolf compensation fund;
- \$1 million for ODFW to procure a third-party assessment of hatchery resiliency;
- \$8.75 million for ODFW fish passage projects;
- \$5 million for ODFW wildlife passage projects;
- \$50 million for irrigation district modernization projects, to assist as a federal match;
- \$1.2 million for Mid-Columbia, Morrow, and Umatilla drought relief aquifer recharge and recovery project;
- \$1.5 million to the High Desert Partnership to allocate water in Harney County;
- \$100k to Oregon Consensus (at PSU) for a tribal water work group.

~Summarized by Vanessa Green, NOWC Executive Director

[SB5509](#) Relating to the financial administration of the State Department of Fish and Wildlife (ODFW budget) – signed by the Speaker on June 22nd, awaiting the Governor’s signature.

The ODFW budget includes several Policy Option Packages (POPs) which will fund key programs and staff positions:

- 101 – Restores the Assistant Fish Passage Coordinator position;
- 105 – Private Forest Accord: Provides \$10 million General Fund; proves \$12 million Other Funds expenditure limitation;
- 107 – Provides one permanent Instream Flow Restoration Biologist position and one permanent Water Planning Coordinator position;
- 110 – Provides two permanent positions to develop and implement an agency strategy for monitoring, analyzing and reporting water temperatures; includes \$750k for instream gauges;
- 112 – Oregon Conservation and Recreation Fund (OCRF): Provides \$1 million General Fund and \$1 million Other Funds expenditure limitation for drought related projects. Last March, **NOWC submitted a [letter of support](#) focused on this POP.**
- Makes permanent the Klamath Salmon Restoration Coordinator position and funds the existing plan to lead implementation for the reintroduction plan.
- Makes permanent five existing field biologists housed in NRCS offices around the state.

~Summarized by Vanessa Green, NOWC Executive Director

[SB 5539](#) and [SB5540](#), Relating to the financial administration of the Oregon Watershed Enhancement Board (OWEB budget) – signed by the Speaker on June 23rd, awaiting the Governor’s signature. In April, **NOWC coordinated a suite of [verbal testimony](#) (timestamps 10:40 and 41:50) and submitted [written testimony](#) in support of the OWEB budget.** A comprehensive description of OWEB’s budget is included in the first three pages of the [OWEB Director’s July report to the OWEB Board](#). Highlights include:

- The adopted budget continues existing permanent staffing in OWEB's base budget and includes several limited duration positions.
- The adopted budget adds to the agency's organizational structure to partially fulfill OWEB's needs.
- Two of the adopted policy packages provide staffing continuity for the Oregon Agricultural Heritage Program (OAHP) and the Water Acquisitions Program, for a total of three positions.
- The adopted budget provides the necessary General Funds for continuity of the Drought and Fire Disaster relief grants committed in 2021-2023 so that they can carry into the next biennium and continues three staff positions to administer the grants.
- The adopted policy packages allow OWEB to accept federal funds to continue the agency's climate work, comply with federal historic and cultural resource requirements, provide technical support for tide gate replacement planning, administer grant funds from

multiple federal agencies, and accept other funds to administer grants to support water quality and salmon habitat improvements.

- The adopted budget assumes a change in Measure 76 lottery funds allocation from 65% grants/35% operations to 70% grants/30% operations.

~ THANK YOU! ~

To the NOWC Government Relations Committee for the tremendous lift, collective expertise and collegiality this legislative session!

- **Chair: Chris Gannon**, Crooked River Watershed Council, Region 4 Board member
- **Andy Maggi**, Scappoose Bay Watershed Council, Region 1 Board member
- **Alex Rice**, North Fork John Day Watershed Council
- **Guy Sievert**, Nestucca, Neskowin & Sand Lake Watershed Council, At-large Board member