HOUSE AMENDMENTS TO HOUSE BILL 2436

By COMMITTEE ON AGRICULTURE AND LAND USE

April 16

In line 2 of the printed bill, delete the period and insert "; creating new provisions; amending

ORS 196.643; and declaring an emergency.". $\mathbf{2}$ 3 Delete lines 4 through 13 and insert: "SECTION 1. (1) As used in this section: 4 5 "(a)(A) 'Development activities' includes dredging, filling, grading, paving, excavation and other activities related to making man-made changes to improved or unimproved real estate. 6 7 "(B) 'Development activities' does not include farming, ranching or forestry activities, or activities that would otherwise be considered development activities under subparagraph 8 9 (A) of this paragraph if the activities are associated with: 10 "(i) Farming, ranching or forestry activities; or 11 "(ii) Activities by a district organized under ORS chapter 545, 547, 552, 553 or 554, in-12 cluding activities that occur outside the district's boundaries but that are related to the 13 district's operations. 14 "(b) 'Mining and activities associated with mining' includes any activity involving ex-15traction of materials from the ground that is subject to regulation by the State Department 16 of Geology and Mineral Industries, the processing or manufacturing of the materials, mining 17 reclamation activities and voluntary restoration activities associated with a mining opera-18 tion. 19 (2) The Department of State Lands shall develop a proposal, including recommendations 20 for legislation to be introduced during the 2020 regular session of the Legislative Assembly, 21for partial assumption by the department of the authority to administer permits for the 22discharge of dredge or fill materials under section 404 of the Federal Water Pollution Control 23 Act (P.L. 92-500, as amended). 24 "(3) In developing the proposal, the Department of State Lands shall collaborate with the 25Department of Justice, the Department of Environmental Quality, the Department of Land Conservation and Development, the State Department of Fish and Wildlife, the State De-2627partment of Agriculture, the State Forestry Department, the State Department of Geology 28and Mineral Industries, the National Marine Fisheries Service, the United States Fish and 29 Wildlife Service, the United States Environmental Protection Agency and representatives of any other state or federal agency as the Department of State Lands determines is necessary 30 31 for developing the proposal in a manner that will satisfy federal and state legal requirements. 32"(4) The proposal shall include provisions necessary for the Department of State Lands 33 to assume authority to administer permits for the discharge of dredge or fill materials under 34 section 404 of the Federal Water Pollution Control Act (P.L. 92-500, as amended) only for:

1

- 1 "(b) Mining and activities associated with mining; and
- 2 "(c) The creation and operation of mitigation banks.
- 3 "(5)(a) The proposal shall include:

4 "(A) Recommendations, in both narrative form and in the form of requested draft stat-5 utory language, for the enactment of statutes, or for the amendment or repeal of ORS 6 196.600 to 196.905, section 2, chapter 45, Oregon Laws 1989, sections 1 to 14, chapter 516, 7 Oregon Laws 2001, or any other statutes or session laws, as necessary to demonstrate that 8 the statutory laws and regulations of the State of Oregon provide adequate legal authority 9 for the state to receive a grant of authority from the United States Environmental Pro-10 tection Agency to implement the program for partial assumption; and

11 "(B) Any other provisions that the department determines are necessary to provide the 12 Legislative Assembly the opportunity, during the 2020 regular session of the Legislative As-13 sembly, to take all actions necessary to allow for the department to formally submit to the 14 United States Environmental Protection Agency a complete application for partial assump-15 tion, such that the United States Environmental Protection Agency may have the opportu-16 nity to review and consider approval of the application before the convening of the 2021 17 regular session of the Legislative Assembly.

18 (b) The recommendations required under paragraph (a) of this subsection must include 19 recommendations on the amendments to statutes and session laws necessary to ensure that, if any of the amendments to ORS 196.800, 196.810, 196.825, 196.850, 196.895, 196.905, 196.990, 2021390.835, 421.628 and 459.047 by sections 1 to 10, chapter 516, Oregon Laws 2001, or the repeal 22of section 2, chapter 45, Oregon Laws 1989, by section 13, chapter 516, Oregon Laws 2001, 23become operative, the operation will not result in permitting or regulatory requirements pursuant to ORS 196.600 to 196.905 on and after the operative date that exceed the permitting 24 25or regulatory requirements pursuant to ORS 196.600 to 196.905 (2018 Edition) for activities 26 for which the Department of State Lands is not directed to propose assumption of authority 27to administer permits as described in subsection (4) of this section.

28 29 "<u>SECTION 2.</u> Section 1 of this 2019 Act is repealed on January 2, 2021.

"<u>SECTION 3.</u> ORS 196.643 is amended to read:

"196.643. (1) A person who provides off-site compensatory mitigation in order to comply with a condition imposed on a permit in accordance with ORS 196.825 (5), an authorization issued in accordance with ORS 196.800 to 196.905 or a resolution of a violation of ORS 196.800 to 196.905 may make a payment for credits to **an approved mitigation bank with available credits or to** the Oregon Removal-Fill Mitigation Fund. [when:]

35

"[(a) Credits from an approved mitigation bank are not available; or]

36 "[(b)(A) Credits from an approved mitigation bank were not available in a region at the time the 37 first payment for credits was made to the Oregon Removal-Fill Mitigation Fund; and]

38 "[(B) The expenses associated with a Department of State Lands mitigation bank project in the 39 region in accordance with this section and ORS 196.650 have not been fully recovered by the Depart-40 ment of State Lands.]

41 "(2) Any payments for off-site compensatory mitigation made to the Oregon Removal-Fill Miti-42 gation Fund under subsection (1) of this section must be sufficient to cover the costs and expenses 43 of land acquisition, project design and engineering, construction, planting, monitoring, maintenance, 44 long-term management and protection activities, administration and other costs and expenses related 45 to the off-site compensatory mitigation, which may vary depending on the region of this state where 1 the off-site compensatory mitigation is conducted, and shall be calculated by the Department of State

2 Lands as follows:

"(a) If the off-site compensatory mitigation project and project costs and expenses are identified
at the time of payment to the Oregon Removal-Fill Mitigation Fund, the department shall calculate
the payment based on the actual costs and expenses of the off-site compensatory mitigation.

6 "(b) If the off-site compensatory mitigation project and project costs and expenses are not iden-7 tified at the time of payment to the Oregon Removal-Fill Mitigation Fund, the department shall 8 calculate the payment based on the estimate of costs and expenses for off-site compensatory miti-9 gation, as set forth in rules adopted by the department, for the region of this state where the de-10 partment, to the greatest extent practicable, determines the off-site compensatory mitigation may 11 be conducted.

"(3) No later than December 1 of each year, the Director of the Department of State Lands shall submit to the Legislative Assembly and the State Land Board a detailed report that specifies:

14 "(a) The costs and expenses related to off-site compensatory mitigation, including variations and 15 trends in costs and expenses over time.

16 "(b) Efforts undertaken by the department to reduce the costs and expenses specified in para-17 graph (a) of this subsection.

18 "(c) Efforts undertaken by the department to improve efficiencies of the department related to 19 off-site compensatory mitigation.

"(d) The effectiveness of the July 2010 'Oregon Rapid Wetland Assessment Protocol' of the department in protecting the functions and values of wetlands through off-site compensatory mitigation.

"<u>SECTION 4.</u> In addition to and not in lieu of any other appropriation, there is appropriated to the Department of State Lands, for the biennium beginning July 1, 2019, out of the
 General Fund, the amount of \$_____, which may be expended for the purposes of carrying
 out section 1 of this 2019 Act.

27 "<u>SECTION 5.</u> This 2019 Act being necessary for the immediate preservation of the public
28 peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect
29 on its passage.".

30