

A-Engrossed Senate Bill 678

Ordered by the Senate June 21
Including Senate Amendments dated June 21

Sponsored by Senator KNOPP, Representative SMITH DB, Senator WEBER; Senator HANSELL (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Establishes state policy that **meaningful share of** benefits from offshore wind energy development go to local and regional communities, ecosystems and environments and economies and that interconnection of offshore energy projects be carried out in manner that promotes electric grid reliability and resilience. **Establishes state policy to support engagement between offshore wind developers and communities, to minimize adverse effects of survey activities while maximizing benefits of offshore wind development and to promote economic diversification and resilience.**

[Requires Governor, through Regional Solutions Program, to draft report for consideration by federal Bureau of Ocean Energy Management that identifies state priorities of nonmonetary factors and nonmonetary factor bidding credits to be used in bureau's multiple-factor auction format for awarding offshore wind leases. Requires Governor to release and deliver report to bureau no later than September 15, 2023.]

Directs Department of Land Conservation and Development to coordinate with agencies, local governments and communities to carry out state policies. Directs department to submit report to interim committees of Legislative Assembly related to energy development by December 31, 2024.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to offshore wind; and declaring an emergency.

3 Whereas it is the goal of the State of Oregon to plan for offshore wind energy in a manner that
4 maximizes its benefits while minimizing and mitigating any adverse effects on this state's fisheries,
5 communities, economies, ecosystems and environments; and

6 Whereas it is in the interest of this state to identify, attract and leverage investments in this
7 state's regional infrastructure, workforce and supply chain in order to support an affordable, reliable
8 and resilient electric grid; and

9 Whereas Oregon's southern coast is uniquely exposed to significant and extended disruptions to
10 its electric system without investments to the region's infrastructure, workforce and supply chain;
11 now, therefore,

12 **Be It Enacted by the People of the State of Oregon:**

13 **SECTION 1. It is the policy of the State of Oregon:**

14 **(1) That the counties and tribal territories, off whose coasts offshore wind energy is de-**
15 **veloped, benefit from the offshore wind energy development and offshore wind lease pay-**
16 **ments.**

17 **(2) That a meaningful share of the benefits from offshore wind energy development go**
18 **to local and regional communities, including coastal, fishing and tribal communities,**
19 **ecosystems and environments and economies.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (3) That, to the extent practicable, benefits from offshore wind energy development are
2 reinvested into the local and regional economies to increase economic diversification and
3 resilience through workforce training and development and local and regional supply chain
4 investments.

5 (4) That the interconnection of offshore energy projects to the Oregon coast electric grid
6 be carried out in a manner than promotes the reliability and resilience of this state's electric
7 system and reduces dependency on importing out-of-state energy.

8 **SECTION 2.** (1) The Department of Land Conservation and Development, through the
9 Oregon Coastal Management Program, shall conduct outreach and engage and coordinate
10 with state agencies, local governments and affected communities to carry out the policies
11 described in section 1 of this 2023 Act and subsection (2) of this section.

12 (2) It is the policy of the State of Oregon to:

13 (a) Support ongoing engagement between offshore wind energy developers and, at a
14 minimum, the following:

15 (A) Affected communities, including coastal, fishing and tribal communities, including
16 the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians and the Coquille Indian
17 Tribe; and

18 (B) Community and regional organizations and agencies, including:

19 (i) Southern Oregon Ocean Resources Coalition;

20 (ii) Pacific Fishery Management Council;

21 (iii) Southwestern Oregon Workforce Investment Board;

22 (iv) Oregon International Port of Coos Bay; and

23 (v) The Port of Brookings Harbor;

24 (b) Minimize and mitigate any adverse effects of survey activity related to offshore wind
25 leasing while maximizing benefits from offshore wind energy development for local and re-
26 gional:

27 (A) Communities, including coastal, fishing and tribal communities;

28 (B) Ecosystems and environments; and

29 (C) Economies, including Oregon's fishing industry; and

30 (c) Promote economic diversification and resilience through, at a minimum:

31 (A) Apprenticeships, workforce training and development;

32 (B) Use of prevailing wages, apprenticeship utilization and project labor agreements;

33 (C) For work that is not construction, use of labor peace agreements;

34 (D) Use of community benefit agreements; and

35 (E) Local and regional supply chain investments.

36 (3) The department shall conduct, or support, federal consistency reviews of offshore
37 wind leasing decisions and related actions related to offshore wind development off of the
38 Oregon coast made by the federal Bureau of Ocean Energy Management.

39 (4) The department may engage a consultant to support the department in carrying out
40 the provisions of this section.

41 **SECTION 3.** (1) The Department of Land Conservation and Development shall draft a
42 report that summarizes the department's activities in carrying out section 2 of this 2023 Act,
43 reviews state policies related to offshore wind development and provides recommendations
44 for improving state policies or further agency action.

45 (2) The department shall submit the report described in subsection (1) of this section in

1 the manner provided by ORS 192.245, and may include recommendations for legislation, to
2 the interim committees of the Legislative Assembly related to energy and development no
3 later than December 31, 2024.

4 **SECTION 4.** Section 3 of this 2023 Act is repealed on January 2, 2025.

5 **SECTION 5.** In addition to and not in lieu of any other appropriation, there is appropri-
6 ated to the Department of Land Conservation and Development, for the biennium beginning
7 July 1, 2023, out of the General Fund, the amount of \$250,000, for the purpose of carrying out
8 sections 2 and 3 of this 2023 Act.

9 **SECTION 6.** This 2023 Act being necessary for the immediate preservation of the public
10 peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect
11 on its passage.

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