

Climate Change Statutes

STATE OF OREGON

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Current through the 2009 Legislative Session of the Oregon General Assembly.

§ 526.780. Agreements for forestry carbon offsets; requirements; disposition of proceeds

- (1) The State Forester may enter into agreements with nonfederal forest landowners as a means to market, register, transfer or sell forestry carbon offsets on behalf of the landowners to provide a stewardship incentive for nonfederal forestlands.
- (2) The State Forester may enter into an agreement described in this section if all of the following criteria are met:
 - (a) The agreement must ensure continuous management of the nonfederal forestlands at a standard that, in the judgment of the State Forester, would not occur in the absence of the agreement.
 - (b) Any forestry carbon offsets managed by the agreement must be attributable to the subject nonfederal forestland as determined by the forestry carbon offset accounting system established in <u>ORS 526.783</u>.
 - (c) Prices for the transfer or sale of forestry carbon offsets may be negotiated on behalf of the nonfederal forest landowner and must be at or greater than fair market value.
 - (d) The agreement must provide for the following distribution of proceeds from the transfer or sale of forest carbon offsets attributable to the subject nonfederal forestland:
 - (A) Not less than 50 percent to the nonfederal forest landowner;
 - (B) Not more than 25 percent to the State Forester to fund programs providing coordinated technical, financial or management planning assistance to nonindustrial private forest landowners; and
 - (C) Not more than 25 percent to the State Forester to fund administration of the forestry carbon offset program.
- (3) All revenues received and any interest earned on moneys distributed to the State Forester under subsection (1)(d)(B) and (C) of this section shall be credited to the State Forestry Department Account and may be expended only for the purposes stated in subsection (1)(d)(B) and (C) of this section.
- (4) A person or governmental agency may create a forestry carbon offset by performing, financing or otherwise causing one or more of the following activities:

- (a) Afforestation or reforestation of underproducing lands that are not subject to required reforestation under the Oregon Forest Practices Act;
- (b) Forest management activities not required under law existing at the point of creation of the forestry carbon offset, including but not limited to the following practices:
 - (A) Stand density control treatments in overstocked, underproducing stands of timber;
 - (B) Silvicultural practices that increase forest stand biomass, including but not limited to structure based management, variable retention, uneven age management, longer rotation ages and no harvest reserves;
 - (C) Expanded riparian buffers and other leave areas; and
 - (D) Deferred harvest rotations past 50 years or the age of economic maturity, whichever is longer; and
- (c) Other activities as defined by rule by the State Board of Forestry.

§ 526.783. Development of forestry carbon offset accounting system

As a means of consistently reporting forestry carbon offsets created through programs established under <u>ORS 526.725</u>, <u>526.780</u> to <u>526.789</u>, <u>530.050</u> or <u>530.500</u>, the State Forester shall develop a forestry carbon offset accounting system for the registration, transfer or sale of forestry carbon offsets. The forestry carbon offset accounting system shall:

- (1) Use accepted principles and standards relating to creating, measuring, monitoring, marketing, verifying, registering, transferring and selling carbon offsets used as mitigation for carbon dioxide emissions; and
- (2) Be consistent with any rules adopted by the State Board of Forestry under ORS 526.786.

§ 526.786. Rule making for forestry carbon offsets

- (1) The State Board of Forestry may develop administrative rules that define principles and standards relating to the creation, measurement, accounting, marketing, verifying, registering, transferring and selling of forestry carbon offsets from nonfederal forestlands.
- (2) Rules adopted by the board under this section shall set standards to ensure that in order to be marketed, registered, transferred or sold, a forestry carbon offset must be created as a result of forest management activities that:
 - (a) Have the effect of increasing carbon storage on forestlands as measured by a forestry carbon offset accounting system;
 - (b) Would not otherwise occur but for the carbon storage objective; and
 - (c) Provide environmental, social and economic benefits for Oregon and its citizens, including but not limited to, protection or enhancement of long term timber supplies, native fish and wildlife habitat and water quality.
- (3) Rules adopted by the board under this section shall establish principles to ensure that the forestry carbon offset accounting system shall:

- (a) Account for relevant sources of carbon dioxide emission debits and credits for carbon storage or sequestration;
- (b) Account for the duration and permanence of the carbon dioxide storage or emission reductions;
- (c) Include provisions for establishing the appropriate baseline for projects, practices, rotation ages, harvest schedules and ownership from which measured carbon dioxide emission debits, and credits for carbon storage or sequestration are made;
- (d) Account for other relevant and measurable greenhouse gas consequences, specifically credits and debits expressed as a carbon dioxide emissions equivalent, when establishing baselines or otherwise as appropriate;
- (e) Account for the specific forest management practices used on-site and include provisions for monitoring carbon dioxide emission debits and credits for carbon storage or sequestration, from the implementation of specific practices;
- (f) Account for continuing carbon dioxide emission debits, and credits for carbon storage or sequestration, based on the end product use of harvested biomass;
- (g) Account for environmental, social and economic benefits of forestry carbon offsets and ensure that practices with unsustainable, long term consequences are not used to create forestry carbon offsets;
- (h) Allow for public access to information in monitoring reports; and
- (i) Encourage third-party verification of forestry carbon offsets.
- (4) Rules adopted by the board under this section may address qualifications for persons and agencies that provide third-party verification and registration of forestry carbon offsets.
- (5) Rules adopted by the board under this section shall be developed with the assistance of an advisory committee appointed by the board. The advisory committee shall consist of at least nine persons and shall contain:
 - (a) Persons from businesses, governmental agencies and nongovernmental organizations with knowledge and experience in the accounting of greenhouse gas emissions, sequestration and storage;
 - (b) At least one person from a nongovernmental forestry conservation organization;
 - (c) At least one nonindustrial private forest landowner or a representative of an organization that represents nonindustrial private forest landowners;
 - (d) One representative of the State Department of Energy;
 - (e) One representative of the State Department of Fish and Wildlife, or a designee of the State Department of Fish and Wildlife;
 - (f) One representative of the Department of Environmental Quality, or a designee of the Department of Environmental Quality;
 - (g) At least one representative from a qualified organization, as defined in ORS 469.503; and

(h) At least one representative from the State Forestry Department who shall serve as the secretary to the advisory committee.

§ 526.789. Marketing, sale or transfer of forestry carbon offsets independent of program

Nothing in <u>ORS 526.005</u>, <u>526.725</u>, <u>526.780</u> to 526.789, <u>530.050</u> or <u>530.500</u> shall prohibit any person or governmental agency from marketing, selling or transferring forestry carbon offsets independently from the State Forester program established under <u>ORS 526.725</u>, <u>526.780</u> to 526.789, <u>530.050</u> or <u>530.500</u>. Rules adopted by the State Board of Forestry pursuant to <u>ORS 526.786</u> may not prohibit any person from marketing, selling or transferring forestry carbon offsets using principles and standards different than those adopted by the board.