House Agriculture and Natural Resources May 29, 2014 Hearing Room D, State Capitol

Members Present: Representative Witt, Representative Frederick, Representative Clem, Representative Esquivel, Representative Thompson, Representative Krieger, Representative Reardon, Representative Unger, Representative Whitsett

INFORMATIONAL MEETING

SAGE GROUSE CONSERVATION PARTNERSHIP

Brett Brownscombe, Natural Resources Policy Advisor, Governor's Office, discussed the potential effects of a sage grouse listing under the federal Endangered Species Act (ESA), noting that sage grouse habitat covers one-third of the state. The Sage Grouse Conservation Partnership (Sage Con) takes an "all lands, all threats" approach. A decision by the US Fish and Wildlife Service (USFWS) on whether the sage grouse warrants a listing under the ESA is expected in the fall of 2015. (In 2010, the USFWS issued a "warranted but precluded" decision.) A state plan will be released this fall. He also discussed candidate conservation assurance agreements (CCAAs) in Harney County. These land use management agreements are a proactive approach that provides protection from ESA enforcement if the plans are followed.

<u>Curt Melcher, Deputy Director, Oregon Department of Fish and Wildlife (ODFW),</u> in response to questions, indicated that 11 western states would be affected by a sage grouse listing. The annual sage grouse population in Oregon is 25 – 30,000 birds. ODFW has a long history of working with producers on a voluntary basis to improve sage grouse habitat – this began prior to any discussion of listings.

<u>Dawn Davis, Sage Grouse Coordinator, ODFW,</u> provided background on the sage grouse, a bird that requires sage brush for all of its life history needs. There was a 26 percent decline in birds from 2012 to 2013; ODFW believes this decline was due primarily to drought conditions. While it seems to be a significant drop, these numbers are still within the range of natural fluctuation. There are three main threats to the sage grouse: wildfire, invasive species and juniper encroachment. Through the Sage Con planning process, a risk assessment is being developed to strategically deploy resources.

The committee discussed predation issues related to the sage grouse.

<u>Cathy Macdonald, The Nature Conservancy,</u> noted the significant challenges facing a large portion of Oregon if the sage grouse is listed. Her comments focused on the following points: (1) the decline of sage grouse has been significant, (2) sage grouse are sensitive to disturbances (roads, buildings, etc.), and (3) getting the plan right with respect to disturbances will require an adaptive management approach.

<u>Varner Seaman, Renewable Northwest Project,</u> noted the possibility that wind and solar developments can provide an opportunity for rural development in the sage grouse areas.

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Oregon should not follow the example set by Wyoming; our approach should instead allow some areas of development to occur in core habitat areas.

<u>Judge Chris Perry, Wheeler County,</u> indicated that his county is not a sage grouse county, but believes that the people on the land will be the ones to make the sage grouse situation work.

Commissioner Dan Nichols, Harney County, noted that the committee is asking the same questions as the counties. He discussed efforts by the Harney County Soil and Water Conservation District to develop a candidate conservation agreement that was signed last week. Landowners commit to manage their property to remove threats to the bird in exchange for being protected from enforcement actions if the bird is listed. There is a large cost to administer these contracts.

<u>John O'Keeffe</u>, <u>Oregon Cattlemen Association</u>, submitted written <u>testimony</u> describing the types of impacts that might result from a sage grouse listing.

BIOMASS OVERVIEW

<u>Matt Krumenauer, Senior Policy Analyst, Oregon Department of Energy, provided the</u> committee with a <u>list</u> of bioenergy facilities in the state and a <u>presentation</u> on bioenergy in Oregon. The presentation addressed the bioenergy industry, feedstocks and facilities, the importance of the industry, and state policies and programs. The presentation also summarized the state's investment in bioenergy from January 2000 – May 2014.

WESTERN JUNIPER UTILIZATION GROUP

<u>Kendall Derby, Owner, In the Sticks, provided testimony</u> to the committee on the development of juniper as an economic opportunity. His company employs four people currently and expects to hire more. This is an Oregon product. He brought examples of his company's <u>products</u> for the committee to view.

<u>Judge Chris Perry, Wheeler County</u>, discussed the social and economic effects of juniper in his community. One job related to juniper in his community translates to 200 or more jobs in an area the size of Portland in terms of economic impact.

<u>King Williams, King, Inc.</u>, has a supply contract with the Western Juniper Utilization Group – a group that has embarked on a program to develop a juniper industry. See <u>presentation</u> submitted by Nancy Hamilton. He noted that juniper utilization is complementary to the sage grouse efforts.

<u>Ryan Temple, Sustainable Northwest Wood,</u> a wholesale distribution yard in Portland, Oregon. Juniper provides an opportunity for jobs and restoration to be closely aligned, and for all to

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succeed together. There is unlimited opportunity for job growth and development, but there are also challenges for these small businesses, including access to capital and resources.