



Oregon

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Oregon Watershed Enhancement Board

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MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Meta Loftsgaarden, Executive Director

**SUBJECT: Agenda Item D: Sage Grouse Policy
April 28-29, 2015 OWEB Board Meeting**



I. Introduction

The Governor's Office requests the Board consider making available at least \$10 million over 10 years in support of sage-grouse habitat improvements across areas considered important for greater sage-grouse. Funding would come through the agency's various grant programs as appropriate for habitat restoration and would be tracked and reported to relevant state and federal agencies, including the U.S. Fish and Wildlife Service (USFWS) through a Memorandum of Agreement (MOA) to be finalized during the next month.

II. Background on Sage Grouse and Habitat

According to Oregon's Greater Sage-Grouse Action Plan, there are over 18 million acres of sage-brush/sage-steppe habitat in Oregon. These lands support the majority of the state's livestock industry along with habitat for pronghorn antelope, elk, grouse, shorebirds, redband trout, salmon, mule deer, kit fox, and greater sage-grouse. Greater sage-grouse is considered an indicator species for the health of sagebrush habitat and of other species. Oregon has recognized through its draft Greater Sage-Grouse Action Plan that livestock ranching operations that manage for ecologically sustainable native rangelands are compatible with sage-grouse conservation, and are an important asset to habitat conservation.

The sage-grouse is a wide-ranging species that requires a variety of plant community types within sagebrush habitat to meet the needs of its annual life cycle. For instance, lekking (breeding behavior) occurs in open areas to allow for conspicuous communal breeding displays, but leks are located within larger patches of sagebrush and other vegetation that afford hiding cover. In addition, areas with dense sagebrush and perennial grasses are essential to hide sage-grouse nests from predators, while moist, forb-rich communities are needed during brood-rearing to provide a protein-rich diet to chicks. Relatively dense stands of sagebrush are required during winter months when sage-grouse diets are comprised almost exclusively of sagebrush buds and leaves. Oregon's Action Plan, while focused on the habitat needs of sage grouse, is driven by and

addresses the overall health of the sagebrush ecosystem and associated habitats. The Action Plan promotes intact and functioning sagebrush landscapes.

III. Background on US Fish and Wildlife Service and the Endangered Species Act

In 2010, the USFWS determined that listing of greater sage-grouse across their existing 11-state range as a threatened species was warranted, but was precluded based on other critical work of the agency at the time. USFWS has a deadline of September 2015 to determine if conservation actions, changes in status, and new regulatory mechanism made since 2010, when the “warranted but precluded” decision was made, are enough to change its determination.

A listing of the greater sage-grouse can potentially impact eastern Oregon in a dramatic way. Effects could be wide-ranging, but are likely to include the ability for ranchers to continue grazing livestock, sustainable power generation, and development in sparsely populated eastern counties.

Oregon has seen the impacts of listing decisions across other landscapes in the state – spotted owl and coho, to name just two. The potential to stave off a coho listing was one of the reasons that the Oregon Plan and OWEB’s investments gained such momentum in the 1980s and 1990s. Investments in habitat that support coho continue to be a strong component of OWEB’s portfolio, with the hope that these investments will ultimately play a key role in delisting of Oregon Coast Coho.

IV. Background on Oregon’s Greater Sage Grouse Action Plan and Commitments to Date

In an effort to assist USFWS in making their listing decision, each state is submitting an action plan addressing threats to sage-grouse and its habitat. According to Oregon’s Action Plan, based on numerous studies and with input from affected federal, state and local jurisdictions, those threats include:

Primary – A combination of inter-related impacts from wildfire, the spread of exotic grasses, and the spread of juniper. Juniper encroachment adds to fuel loads and reduces soil moisture, leading to a vicious cycle that both increases the likelihood and severity of fire, and reduces the likelihood of reestablishment of sagebrush. Juniper also displaces native perennial bunchgrasses, which are important food sources during brood-rearing.

Secondary – Secondary threats to sage grouse include disturbance and habitat fragmentation from infrastructure (e.g., fences, roads, energy development, mining, electrical lines, improper grazing) and associated noise and predation. In the past, conversion of sagebrush to cultivated fields has also reduced the extent of sagebrush habitat. However, cultivated agriculture is not expected to expand significantly into sagebrush areas in the future. Renewable energy development and associated infrastructure was initially identified as a potential future threat for sage-grouse.

However, changes in energy markets and the lack of significant transmission capacity in this part of eastern Oregon make that threat less likely. Mining is another potential long-term threat to sage-grouse and sagebrush habitat, however there is currently little activity. Where future potential threats may arise related to these types of threats, Oregon's Action Plan addresses them through measures including new rules being advanced by the State's Land Conservation and Development Commission as well as Fish & Wildlife Commission.

In addition to identifying threats, Oregon's Action Plan and the Governor's Recommended Budget outline a number of commitments to restoring and protecting habitat critical to the greater sage-grouse. The requests are outlined as Attachment A to the staff report.

V. OWEB Commitment

Since 1999, OWEB has invested over \$8 million in for habitat projects supporting sage-grouse. This includes only those projects that identified a specific sage-grouse benefit; much more work was accomplished across the sage brush/sage-steppe range in eastern Oregon. This investment shows an ongoing commitment from both the regional review teams in the impacted area and the OWEB Board to invest in this eastern Oregon range that supports many rural communities in addition to enhancing sage-grouse habitat.

More recently, Soil and Water Conservation Districts (SWCDs) across eight eastern Oregon counties have signed a Candidate Conservation Agreements with Assurances (CCAAs) covering all of the Greater Sage Grouse habitat on private lands in Oregon. These CCAAs are voluntary agreements between the SWCDs and USFWS that identify threats to a candidate species; plan measures to address the treats and conserve the species; and identify willing landowners and develop agreements with them. Conservation measures are designed and implemented along with evaluation of their effectiveness. In exchange, landowners are protected from further regulation if the species is listed.

As a result of these CCAAs, it is anticipated over 350 landowners will agree to participate and develop site-specific plans to identify and implement habitat improvements that provide for the long-term conservation of sage grouse and its habitat as well as advance sustainable ranching operations. OWEB, the Natural Resources Conservation Service, Oregon Department of Fish and Wildlife and others will be called on to invest in that work.

VI. Funding Request

To show that Oregon is fully committed to restoring and protecting habitat for the greater sage-grouse and advancing sustainable rural economies, in addition to the funding requested through the Governor's Recommended Budget for the 2015-17 biennium, the Governor's Office requests OWEB make available at least a \$10 million investment across its grant programs over the next ten years. The Governor recognizes that this is an extraordinary request – but eastern Oregon is in an extraordinary situation with the pending listing and the widespread consequences that listing would bring. This amount will accelerate the level of investment in Oregon, reflecting recent commitments by the federal government to sage grouse funding in Oregon and the increased demand that will come from local partners through development of site specific plans under the CCAAs. While it is recognized that any commitment will be limited by funding available in a given biennium, the fact that OWEB's funding is constitutionally assured provides a significantly higher level of certainty to the USFWS.

The Governor's Office recognizes the unique nature of this request, and were it not for the extraordinary situation and potential impacts of the pending USFWS ESA listing decision on one-third of the state's land base, rural economies, communities and habitat, this request would not come before the Board. The State has faced ESA decisions in the past (i.e., coast coho, spotted owl). However they are rare, and it is even more rare that Oregon faces a decision point that is as far-reaching in nature and where the State has such a direct opportunity to influence a listing decision in the way that is now available for the Greater Sage-Grouse. The warranted-but-precluded listing gives Oregon and ten other western states an unprecedented opportunity to prove their commitment in advance of a listing decision. The request for OWEB to commit and track its investments is one critical piece of that story.

OWEB is recognized for its commitment to ensuring strong restoration investments through its vetting processes. Whether through Regional Review Teams for open solicitation grants, or the Board's approval of funding through the Oregon Plan priorities or Focused Investment spending plan line items, the Governor's Office assumes OWEB will continue its rigorous review process, ensuring that only high quality investments with a direct tie to either on-the-ground habitat improvements or work needed to ensure the best investments are made (technical assistance, capacity, landowner outreach, monitoring, etc.) count toward the requested investment. In addition, OWEB will obtain input and advice on priorities from local entities including the CCAA Advisory Committee. Details for tracking investments through OWEB to report to USFWS would be detailed through Memorandum(s) of Understanding to be completed subsequent to the Board's decision.

VII. Recommendation

The Governor's Office requests the OWEB Board make available at least \$10 million through its granting programs over the next ten years in support of projects located in Oregon's sage steppe ecosystem directed to improve Greater Sage Grouse habitat, along with co-benefits to other species native to this ecosystem. This can include both on-the-ground restoration and management projects as well as the technical assistance, capacity, landowner outreach and monitoring necessary to ensure successful habitat improvements. OWEB will track and report investments meeting this criteria.

Attachments

A: Oregon's Action Plan and Governor's Recommended Budget Requests

**Proposed Sage Grouse / Wild-bird Conservation-related Investments:
2015 Legislative Session**

<u>Source</u>	<u>Name</u>	<u>Brief Description</u>	<u>Amount (biennial)</u>
Governor's Rec. Budget (2015-17)	Rangeland Wildfire (ODF POP 120)	Support for Rural Fire Protection Associations and other capacity and efforts to effectively manage wildfire, protect, and promote protect priority sage grouse habitat	\$1,659,000
	Invasive Annual Grass and Juniper (ODA POP 390)	Enhanced partnership investments working with landowners and other entities to inventory, treat, and track invasive species and related habitat restoration efforts.	\$500,000
	Pre- and Post-Fire Habitat Resilience (ODFW POP 132)	Investment funds for on-the-ground actions that restore habitat quality and resilience to fire as well as promote recovery of native habitat post-fire.	\$1,350,000
	Mitigation Program (ODFW POP 130)	Coordination personnel for implementing All-Lands Mitigation Approach	\$350,000
	Sage Grouse Initiative (ODFW POP 105)	Partnership position support working w/ landowners, NRCS and others to address sage grouse habitat threats while improving sustainability of working ranches.	\$90,000
	State Coordinator + Grants (DLCD 108)	Coordination of All-Lands approach to habitat disturbance; local grants for county land use program implementation.	\$438,000
	Oregon Invasive Species Council (ODA POP 320)	Improves Oregon's overall response to invasive species, including in sage grouse habitats.	\$100,000
HB 2401	Wild Bird Conservation Act	New funding source; tax on wild bird seed sales to support avian conservation actions (50% dedicated to priority sage grouse habitats) and diversify ODFW budget structure.	\$3-4 mil.
OWEB	Focused Investment Partnership	Funding from state lottery dollars dedicated to focal habitats including sage-steppe; advances conifer removal and other priority sage grouse conservation actions.	≥ \$10 mil. over 10 yrs.
** OCA Legislation	**Brand surcharge	**New funding source; contingent upon No ESA listing; funds dedicated to habitat / other efforts in concert w/ livestock grazing	\$800,000