



Oregon Climate Action Commission



Natural & Working Lands Fund | Annual Report
September 2026

Commission Chair and Vice Chair

- Catherine Macdonald (Chair), retired, former North America Natural Climate Solutions Director at The Nature Conservancy
- Nora Apter (Vice Chair), Oregon Director of Climate Solutions

Voting Members from Specified Sectors

- Manufacturing: Dan Thorndike, General Counsel, Medford Fabrication
- Energy: Kristen Sheeran, Director of Sustainability and Resource Planning, Portland General Electric
- Transportation: Lewis Lem, Transportation Programs Manager, Port of Portland
- Forestry: Bettina von Hagen, Managing Director and CEO, Ecotrust Forestry Management Investments and Advisory
- Agriculture: Tom Rietmann, Owner/Operator, Rietmann Ranch
- Fishing Industry: Michael Seavers, Shoreside Management, F/V Miss Sue Incorporated
- Environmental Justice: Eliza Garcia, Energy Literacy Educator, UCAN AmeriCorps
- Youth Representative: Yaseen Arifin, student at Sunset High School, Beaverton

At-large Voting Members

- Carter MacNichol, retired, former President and Managing Director of Shields Obletz Johnsen, Inc.
- Becky Steckler, land use and transportation consultant

Non-Voting Members, State Agency Leadership

- Department of Energy Director
- Department of Transportation Director
- Public Utility Commission Chair
- Department of Environmental Quality Director
- Department of Agriculture Director
- Oregon State Forester
- Water Resources Department Director
- Department of Land Conservation and Development Director
- Oregon Health Authority Director
- Oregon Business Development Department Director
- Oregon Department of Administrative Services Director
- Department of Consumer and Business Services Director
- Department of Fish and Wildlife Director
- Oregon Housing and Community Services Director
- Oregon Watershed Enhancement Executive Director

At-Large Non-Voting Members from State Agencies or Academic Institutions

- Greg Dotson, Oregon Law Professor, University of Oregon Law School
- John Wasiutynski, Multnomah County Office of Sustainability Director
- Sybil Ackerman-Munson, Chief of Staff, Oregon State Treasury

Legislative Non-Voting Members Appointed by the Senate President and House Speaker

- Senator David Brock-Smith
- Senator Jeff Golden
- Representative Mark Gamba
- Representative Bobby Levy

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Camas Prairie Restoration with the Confederated Tribes of Siletz Indians (P2)| Courtesy of the Oregon Department of Agriculture.

Executive Summary

Through the adoption of HB 3409 in 2023, the Oregon Legislature established the Natural and Working Lands Fund (Fund) to support investments in natural climate solutions. The Legislature appropriated \$10 million into the Fund for distribution to the Oregon Department of Agriculture (ODA), Oregon Department of Fish and Wildlife (ODFW), Oregon Department of Forestry (ODF), and the Oregon Watershed Enhancement Board (OWEB). The four agencies are collectively referred to as the Fund Agencies. The Oregon Climate Action Commission (Commission) approved a proposal developed by the Governor's Office and Fund Agencies for use of the Fund in January 2024. The Fund Agencies received distributions on April 17, 2024. The legislature has not appropriated additional money to the Fund since 2023. The legislature directed the Oregon Climate Action Commission with support from the Oregon Department of Energy and the Fund Agencies to provide an annual report to the Oregon Legislature by September 15 of each year.

Natural climate solutions are land management practices and other activities that sequester and store carbon from the atmosphere through natural processes while also maintaining or enhancing ecosystem resilience and human well-being.

Currently, around 84 percent of the \$10 million 2023 appropriation has been committed through contracts or spent on 14 projects. Two projects have been completed while the remainder are in progress. In January 2026, the Commission approved investment of an additional \$55,000, of remaining funds, to support development of climate resilience attributes called for in Governor Tina Kotek's Climate Resilience Executive Order 25-26. The definition of Natural Climate Solutions in statute includes actions that maintain or increase ecosystem resilience and as such development of these attributes has a direct benefit to advancing Natural Climate Solutions.

More than 120 implementation actions have been taken through projects and programs in 33 out of 36 Oregon counties across the state. More than 100 landowners have been contacted or received technical assistance from the programs and projects that were funded. Several hundreds more people have attended workshops and presentations about Fund work held by agency staff. Many more have benefited from ongoing and completed Fund programs and projects. Descriptions of these programs and projects — along with a progress update, outreach efforts, next steps, and measurable outcomes — were detailed by the Fund Agencies for each of the 14 programs or projects receiving funding in Appendix A.

Since January 2024, N&WL Funds have been leveraged to secure nearly \$13 million in additional funds – more than doubling the state's investment.

As directed by the Legislature, the Fund programs and projects were selected in part based on their potential to leverage additional funds from federal and other sources. This strategy has been extremely successful. Since the Commission's approval of the proposal for use of the funds in January 2024, the Fund has been leveraged to secure nearly \$13 million in additional federal and private funding to advance these programs and projects — more than doubling Oregon's investment. Of those funds, \$1.73 million has been secured

since the 2025 annual report. The amount and sources of the additional leveraged funds are also included in the program updates in Appendix A.

The Commission assessed the need for additional funding as directed by Oregon House Bill 3409. Three major themes surfaced from this inquiry, including: 1) the need for continuity of funding for NCS projects

and programs to maintain momentum, to successfully scale existing natural climate solution programs and projects, and to support new state actions related to Executive Order 25-26, 2) funding to support increased capacity for Tribal Nation collaboration, and 3) funding to maintain and expand staff capacity to accelerate the pace and scale of natural climate solutions implementation, including being able to reach more landowners and land managers across the state. Without additional allocations to the Fund and/or allocation of complementary investments in Natural Climate Solutions capacity, the momentum for the new programs and projects may falter and opportunities for leveraging additional funds from outside sources will be missed.

The Commission and the Oregon Department of Energy (ODOE) have or are nearing completion of four projects that can inform future allocation of any new appropriations to the Fund and help build capacity in Oregon to scale Natural Climate Solutions. In December 2025, ODOE and the Commission completed the state's first [Land-Based Net Carbon Inventory](#) and a [Natural Climate Solutions Workforce Development and Training Programs Needs Study](#). In July 2026, the Commission established new [voluntary net carbon sequestration and storage goals](#). Later in 2026, the state agencies responsible for implementing natural climate solutions will have completed cross-agency work on natural climate solutions, associated metrics, and agency programs. These advances can help to inform and evaluate new project selection and analysis of their climate mitigation benefits. Meeting the carbon sequestration and storage goals, and also the directives of the Executive Order, will require reporting infrastructure to track nature-based climate actions that are being implemented by state agencies and partnerships with Tribal, federal, local, and private entities. With this new information, additional funding to facilitate the development of a cross-agency implementation plan would give the Commission and agencies a clear roadmap for future investments and Executive Order implementation.

Background

Through the adoption of HB 3409 in 2023, the Legislature established the Natural and Working Lands Fund (Fund) to support investments in natural climate solutions. The Legislature appropriated \$10 million into the Fund for distribution to the Oregon Department of Agriculture (ODA), Oregon Department of Fish and Wildlife (ODFW), Oregon Department of Forestry (ODF), and the Oregon Watershed Enhancement Board (OWEB). The Legislature has not appropriated additional money to the Fund in subsequent legislative sessions. Details of the directed uses of the Fund by the named agencies as provided in ORS 468A.189 are described in Table 1.

The Natural and Working Lands Fund supports investments in natural climate solutions on Oregon's natural and working lands.

Table 1: Fund Uses as Directed by ORS 468A.189¹

Agency	Fund Uses
ODA, ODF, and OWEB	○ Provide incentives to help Tribes, landowners, land managers, and environmental justice communities adopt practices that support natural climate solutions. ○ Provide technical assistance for Tribes, landowners, land managers, and environmental justice communities to support the adoption of natural climate solutions. ○ Prioritize assistance and incentives for environmental justice communities or Tribes.²
ODFW	○ Conduct research to understand the effects of natural climate solutions, including: climate change mitigation and resilience contributions; community co-benefits resulting from natural climate solutions; as well as the climate, ecosystem, and carbon benefits of products from natural and working lands. ○ Secure federal matching funds or other sources of funding to support investments in natural climate solutions on natural and working lands. ○ Ensure the benefits of natural climate solutions are equitably distributed among Tribes, landowners, land managers, and environmental justice communities.

Allocations

HB 3409 directs the Oregon Climate Action Commission (Commission), with staff support from the Oregon Department of Energy (ODOE), to determine the annual Fund allocations, coordinate with the agencies on the development and implementation of natural climate solutions programs and activities, and submit an annual report with a summary of the agencies' use of the Fund and identification of additional funding needs to the Legislative committees on the environment. Appendix A provides detailed summaries of each agency program or project supported by the Fund, with updates on implementation progress through July 2026.

Fund allocations approved by the Commission in January 2024 were authorized by the Legislature through the 2024 budget reconciliation bill, Oregon Senate Bill 5701, which went into effect on April 17, 2024, at which time spending on projects could commence.

Nearly \$10 million was allocated from the Fund for use in fiscal years 2024 through 2028. Table 2 shows that the original budget was frontloaded and planned for the vast majority of the funds to be committed and/or spent in the first two years.



¹ Oregon Statute 468a.189, sections 3 to 4. https://oregon.public.law/statutes/ors_468a.189

² Oregon Statute 182.535, section 4. https://oregon.public.law/statutes/ors_182.535

Table 2: Planned Natural & Working Lands Fund Annual Budgets

FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total
\$2,945,912	\$6,282,286	\$288,000	\$163,000	\$88,000	\$9,767,198

The 2024 Fund allocations among the four agencies are listed in Table 3.

Table 3: 2024 Natural & Working Lands Fund Allocations by Agency

Agency	2024 Allocation	Statutory Fund
OWEB	\$2,500,000	Watershed Natural Climate Solutions Fund
ODFW	\$3,038,270	Fish and Wildlife Natural Climate Solutions Fund
ODF	\$3,250,000	Forestry Natural Climate Solutions Fund
ODA	\$978,928	Agricultural Natural Climate Solutions Fund
TOTAL	\$9,767,198	-

In 2026, the Commission voted to allocate \$55,000 of the Fund’s unallocated remainder to support development of climate resilience attributes called for in [Governor Kotek’s Executive Order 25-26 \(2025\)](#), which has complementary directives to the natural climate solutions program and associated Natural and Working Lands Fund. This allocation supported [the development of climate resilience attributes](#) for Oregon’s natural working lands and waters through a literature review, collaborative design workshop, and public outreach project.

Table 4 lists the Natural & Working Land Fund allocations by programs and projects. Detailed summaries of each of the 14 programs and projects are provided in Appendix A.

Table 4: Natural & Working Lands Fund Programs and Projects and Fund Allocations

Project	Agency	Program/Project	Fund Allocation	Allocation Year
P1	ODA	Invasive Annual Grasses	\$396,000	2024
P2	ODA	Oregon Native Seed Strategy	\$582,928	2024
P3	ODFW	Floodplain Reforestation on North Santiam River	\$412,500	2024
P4	ODFW	Carbon Capture and Restoration in North-Central Oregon Rangelands	\$750,000	2024
P5	ODFW	Carbon Capture in Oregon Coastal Estuaries	\$1,100,000	2024
P6	ODFW	Red Hills Conservation Area Wildfire Risk Reduction	\$170,770	2024
P7&P8	ODFW	Natural Climate Solutions Biologist and Natural Climate Solutions Assistant Biologist	\$605,000	2024
P9	ODF	Advance Implementation of Climate-Smart Forestry	\$1,500,000	2024
P10	ODF	Climate-Smart Forestry: Tribal and EJ Partnerships	\$1,000,000	2024
P11	ODF	Establishment of Climate-Ready Seed Orchards	\$750,000	2024
P12	OWEB	Restoration & Technical Assistance Grants – Open Solicitation Programs	\$1,625,000	2024
P13	OWEB	Conservation Management Planning, Technical Assistance, Payment for Practices	\$875,000	2024
P14	ODFW	Development of resilience attributes in support of EO 25-26	\$55,000	2026
TOTAL	All	All	\$9,822,198	All

The Fund is supporting programs and projects that implement natural climate solutions across Oregon’s natural and working land sectors, including natural lands, rangelands, forestlands, agricultural lands, and blue carbon ecosystems. The Fund allocations targeted investments in existing programs and projects where additional funding could advance the pace and scale of natural climate solutions. Approved investments were also designed to leverage millions of dollars in federal and other non-state funding. The agencies have been successful in securing additional funds from federal and other sources.

The Fund allocations are advancing natural climate solutions through incentives, technical assistance, and on-the-ground projects with a focus on accessibility and funding for Tribes and environmental justice communities. The technical and direct financial assistance being provided through the Fund’s programs and projects are helping to remove barriers for Tribes, environmental justice communities, landowners, and land managers to engage in natural climate solutions or access funding to support natural climate solutions. These investments provide important co-benefits including increased climate resilience of fish and other wildlife; wildfire resilience; water source protection; improved soil



health and productivity; and improving forest and stream health, wetland recovery, and riparian function — among many others.

Fund Remainder

Remaining funds are the result of interest accrued and total approximately \$157,000. Fund agencies will supply proposals or a proposal for the Commission for use of the unallocated remainder later this year.

Implementation Progress: 2026

The four Natural and Working Lands agencies received their initial Fund distributions on April 17, 2024. The following subsections outline notable progress updates for each project and programmatic investment, as well as additional funds leveraged by programs and projects since the last annual report.



Camas Prairie Restoration with the Confederated Tribes of Siletz Indians (P2) | Photo courtesy of ODA.

Committed and Spent Funds

Most programs and projects are proceeding on schedule. Since the April 2024 distributions, 84 percent of funds have been committed or issued, up from 59 percent of funds issued in the 2025 update. Two programs and projects have been completed and several more have committed or issued 90 percent or more of their allocation. Table 5 shows Fund allocations, funds committed or issued by year, and the percent of the allocation that has been committed or issued as of July 2026. Agencies have succeeded in leveraging these funds to attract additional funding from other state, federal, and non-governmental sources. In cases where federal funding has been leveraged, agencies have prioritized expending federal funds first out of concern for the certainty of this funding source (see below section on Leveraging Funds). Detailed information on project fund commitment and spending, along with other funding leveraged, can be found in Appendix A.

Table 5. Funds Committed to or Issued to Natural and Working Land Fund Projects and Programs

Project	Agency	NWL Fund Allocations*	2024 Funds Committed or Issued	2025 Funds Committed or Issued	2026 Funds Committed or Issued	Percent of Allocation Committed or Issued
P1	ODA	\$396,000	\$39,600	\$26,387	\$34,360	25%
P2	ODA	\$582,928	\$288,595	\$260,027	\$34,310	100%
P3	ODFW	\$412,500	\$0	\$218,481	\$53,206	66%
P4	ODFW	\$750,000	\$0	\$526,308	\$145,817	90%
P5	ODFW	\$1,100,000	\$680,000	\$420,000	\$0	100%
P6	ODFW	\$170,770	\$0	\$64,170	\$106,600	100%
P7&P8	ODFW	\$605,000	\$0	\$162,920	\$291,097	75%
P9	ODF	\$1,500,000	\$0	\$0	\$875,059	58%
P10	ODF	\$1,000,000	\$0	\$0	\$1,000,000	100%
P11	ODF	\$750,000	\$0	\$750,000	\$0	100%
P12	OWEB	\$1,625,000	\$0	\$1,497,476	\$0	92%
P13	OWEB	\$875,000	\$0	\$752,524	\$0	86%
P14	ODFW/ OWEB	\$55,000	\$0	\$0	\$55,000	100%
TOTAL	All	\$9,822,198	\$1,008,195	\$4,678,293	\$2,595,449	84%

**Does not total \$10 million due to allocations dedicated to funding a fiscal agent provided to OWEB pursuant to HB 3409 (2023).*

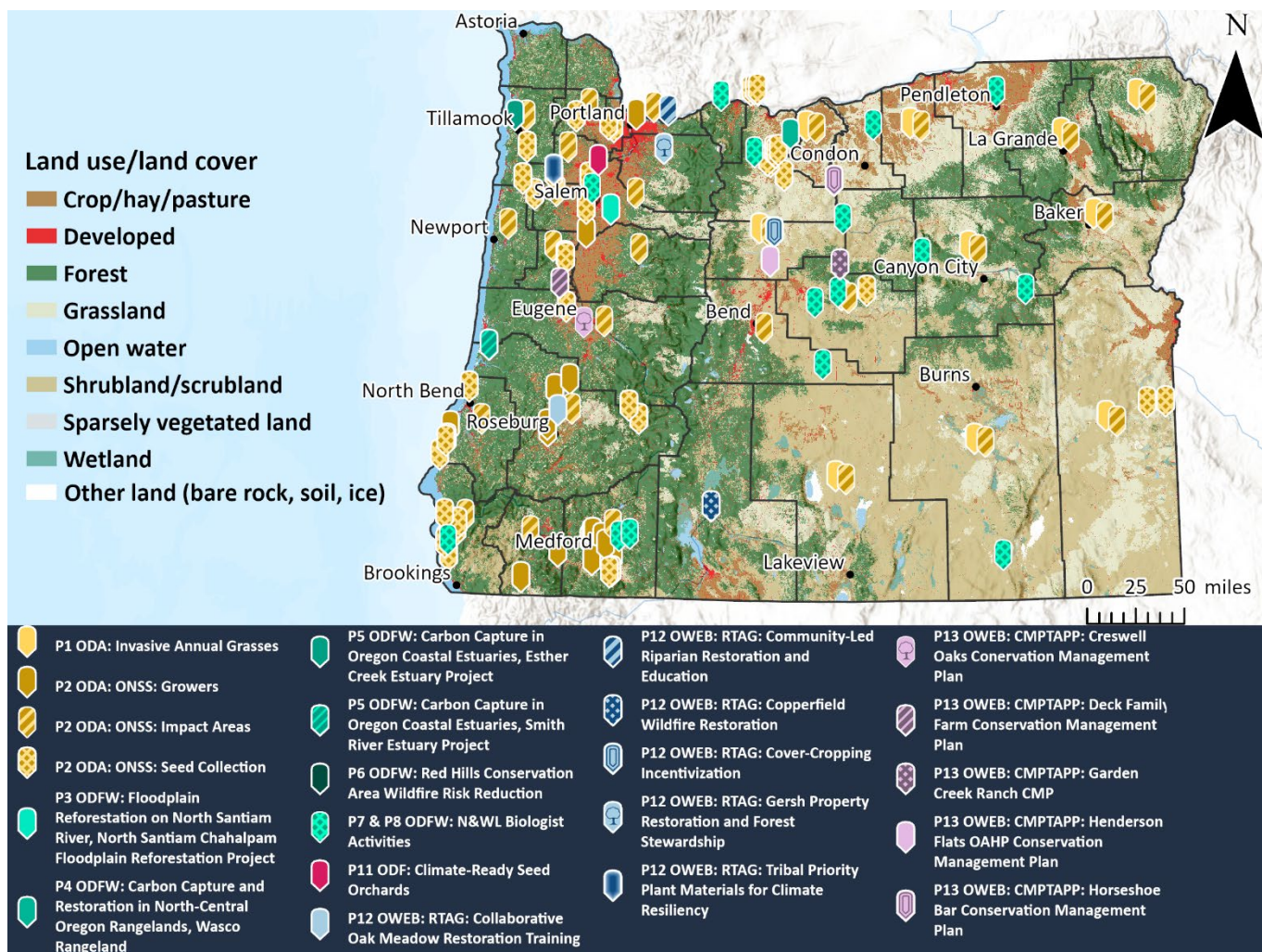


Condon sixth grade class planting cottonwoods for a restoration nursery to support future riparian restoration in Gilliam County with Western Beavers staff, Gilliam Soil and Water Conservation District staff, ODFW biologist, and volunteers (P7)| Photo courtesy of ODFW.

Geographic Distribution

Project activities have occurred in 33 out of 36 Oregon counties and total more than 120 actions, including floodplain restoration, post-wildfire reforestation, and native seed collection. Figure 1 shows the locations of Fund project and program activities by agency across Oregon since 2024. Where spatial information was only available at the resolution of the county, program activities are shown near the central point of the identified county. Among the agencies, more than 100 landowners have been contacted or have received technical assistance from these projects, and several hundreds more people have attended workshops and presentations about Fund work held by agency staff.

Figure 1. Location of N&WL Programs and Projects and Related Activities



Abbreviations: ONSS = Oregon Native Seed Strategy; RTAG = Restoration and Technical Assistance Grants; CMPTAPP = Conservation Management Planning, Technical Assistance, and Payment for Practices

Natural Climate Solutions Project or Program Implementation Highlights

Department of Agriculture (ODA)

Invasive Annual Grasses (P1): ODA staff have made **18 field visits** and completed **seven consultations** for invasive annual grasses control work in **10 counties**. ODA has worked with Confederated Tribes of the Umatilla, private landowners, and the Eastern Oregon Agricultural Research Station to evaluate the effects of herbicide treatments on invasive annual grasses. ODA convened a rangeland summit and drone application workshop that were attended by over 130 people.

Oregon Native Seed Strategy (P2): **Five Tribes** received grants through this initiative, and **four** have completed their grant projects. ODA staff collected seeds from **25 at-risk plant species across 13 counties**. Funding has helped Tribes replant after wildfires, purchase seed cleaning equipment, and collect seeds from culturally significant plant species for Tribal conservation and restoration efforts. The plant stock produced by these seeds will provide species and ecosystem benefits and support cultural lifeways.

Department of Fish and Wildlife (ODFW)

Floodplain Reforestation on the North Santiam River (P3): Understory plant establishment has occurred on **32 acres** of floodplain forest in the Chahalpam Wildlife Area. Additional watering, mowing, and weed suppression is planned for 2027 to help this former agricultural area convert to forest.

Red Hills Conservation Area Wildfire Risk Reduction (P6): **Thirty-seven acres** have been thinned to release Oregon white oaks being overtopped by competing conifers in the Willamette Valley. **Completed in June 2025**, this project **harvested approximately 477 million board feet with revenue generated returned to the site** for additional land stewardship and restoration activities.

Focused Staff Capacity (P7 & P8): Two staff dedicated to leveraging these state funds and supporting landowner implementation continues to pay off. With **an additional \$1.46 million** secured since the last report, staff applied for seven additional grants and connected **15** partners with funding opportunities, developed technical guidance for natural climate solution implementation (publishing soon), and created four story maps to communicate the benefits of the funded projects. See details on the ODFW [Natural and Working Lands Program](#) webpage.



Department of Forestry (ODF)

Advance Implementation of Climate-Smart Forestry (P9): ODF is partnering with special districts, like soil and water conservation districts, to develop tools needed to implement natural climate solutions including development of a **Northwest Oregon Climate-informed Forestry Guide** and tools to help small and traditionally disadvantaged landowners understand their forest carbon options and markets. ODF is supporting establishment of a seed orchard in south-central Oregon that will focus on seed supply for climate adapted seed throughout eastern Oregon. This work helps to meet the demand for guidance to implement climate-smart forestry at the parcel scale.

Plant Materials Pipeline (P11): Implementation of the ODF seed orchard project ensures that there is climate ready/adapted seed in the future that can meet the demand of natural climate solution implementation. The current inventory in the Oregon Seed Bank at the J.E. Schroeder Seed Orchard is about **15,000 pounds**, valued at nearly **\$5 million**. Efforts to build capacity around additional species are also underway including acorn collection from the iconic Oregon white oaks of the Willamette Valley.

Watershed Enhancement Board (OWEB)

Restoration & Technical Assistance Grants – Open Solicitation Programs (P12): OWEB awarded **five restoration projects** and **one technical assistance award**. **Over 384 acres of land** have been restored, had their ecological function repaired, or treated for invasives and wildfire risk.

Conservation Management Planning, Technical Assistance, and Payment for Practices (P13): This program funded **five projects** creating a combined impact area of **38,235 acres**. The awardees are developing their conservation plans for OWEB approval.



Test plot showing untreated grassland with invasive medusa head grasses (left) and grassland treated for invasive annual grasses (right)(P1) | Photo courtesy of ODA.

Leveraging Funds

The Fund investment package was designed to include programs and projects that have potential to leverage additional funds from federal and other sources. Since the Commission’s approval of the Natural & Working Lands Fund Proposal in January 2024, the \$10 million in state funds allocated to the Fund has been leveraged to support an additional nearly \$13 million in grant funding requests and agency or grantee funding and in-kind matches — more than doubling the state’s investment. Agencies secured over \$1.73 million of these additional funds since the 2025 annual report, including \$1.46 million secured by the natural climate solutions biologists hired as part of Projects 7 and 8. Focused staff capacity for seeking additional funding sources using the original fund as seed money has paid dividends. Over the last year, uncertainty has grown over some federal funding sources.

Table 6 describes how the Fund projects and programs have been leveraged to secure additional funding as of July 2026. Funds have been leveraged in several ways, whether formally as required match to qualify for grants, to create a multi-source funding package to complete a project, or to draw interest from private funding sources.

Table 6. Leveraged and Additional Funding by Projects and Programs

Project or Program	Leveraged and Additional Funding
Invasive Annual Grasses (ODA; P1)	Leveraged project funds to secure up an additional \$89,436 from the National Fish and Wildlife Foundation in 2026. Previously leveraged project funds to secure \$1.76 million in federal funds from the Natural Resource Conservation Service. Have received \$438,402 from NRCS so far, but there is uncertainty over federal funding that has delayed the hiring of the second Rangeland Health Specialist. ODA has shifted spend strategy to exhaust currently secured federal funds first. This has allowed for continued interest accrual on Funds that can be further leveraged to accomplish project objectives.
Oregon Native Seed Strategy (ODA; P2)	Leveraged project funds to secure an additional \$89,436 from the National Fish and Wildlife Foundation program and \$78,000 from other federal sources in 2026. Previously leveraged funds to secure \$3.32 million from federal sources.
Floodplain Reforestation on the North Santiam River (ODFW and partners; P3)	The Confederated Tribes of Grand Ronde have secured \$1.6 million in restoration funds from state, federal, and non-government sources since 2024. No additional funds were secured in 2026.
Carbon Capture and Restoration in North-Central Oregon Rangelands (ODFW; P4)	Leveraged project funds to secure an additional \$26,000 from federal and private sources in 2026. Previously leveraged project funds to secure \$251,914 in state funding and \$20,000 from the Mule Deer Initiative (federal Pittman-Robertson Wildlife Restoration Funds).
Carbon Capture in Coastal Estuaries (ODFW; P5)	Previously leveraged project funds to secure an additional \$2.98 million from state and federal sources. Project was completed in 2025, and no new funds have been secured.

Project or Program	Leveraged and Additional Funding
Red Hills Conservation Area Wildfire Risk Reduction (P6)	Previously leveraged project funds to secure \$170,213 from NFWF and private sources. Generated \$522,218 in private timber revenue to be used to complete additional fire resilience and oak restoration work on the property.
Natural Climate Solutions Biologist and Assistant Biologist (ODFW; P7 & P8)	Leveraged project funds to secure \$1.46 million in from federal sources in 2026 (see Appendix A for details on sources). Previously leveraged project funds to secure \$229,500 for habitat restoration through federal Pittman-Robertson Wildlife Restoration Funds and private sources.
Establishment of Climate-Ready Seed Orchards (ODF; P11)	Previously leveraged project funds to secure \$160,000 from federal sources.
Restoration and Technical Assistance Grants (OWEB; P12)	Previously leveraged project funds to secure an additional \$350,000, shared across Projects 12 and 13, in federal funding from the Natural Resource Conservation Service. Funded projects have proposed at least \$631,000 in other funding and in-kind match but the realized match may not be reported until projects have been completed.
Conservation Management Planning, Technical Assistance, and Payment for Practices (OWEB; P13)	Previously leveraged project funds to secure an additional \$350,000, shared across Projects 12 and 13, from the same federal funding cooperative agreement from Project 12. Funded projects have secured an additional \$83,339 in other funding and in-kind match.



ODFW natural climate solutions biologist working with growers to support Fund restoration work (P7 and P8)|Photo courtesy of ODFW.

Executive Order 25-26: Promoting Resilience of Lands and Waters

Issued in September of 2025, Executive Order 25-26 (Executive Order) directs 14 agencies to take urgent action to promote resilience of Oregon's communities and natural and working lands and waters. It requests coordination with the Commission and ODOE's natural climate solutions program.

Because natural climate solutions are defined as nature-based actions that promote resilience and provide climate mitigation benefits, the projects in which the Fund invests help advance the Executive Order's directives. The Executive Order establishes several directives and resilience goals, including protecting, conserving, connecting, or restoring Oregon's lands and waters for climate resilience, which will also help achieve the newly established natural and working lands net carbon sequestration goals.

Additional Funding Needs and Opportunities

Per statute, the Commission is directed to report on additional funding needs in the annual report to the legislature. Appendix A provides details about individual program or project investment needs and opportunities identified by the Fund Agencies. Summarized here are three major themes that emerged that could be funded with additional allocations to the fund or complementary investments:

- **Project/Program Funding Continuity and Expansion:** Momentum continues to build on projects and programs that were initiated through the first allocation of the Fund. With additional funding, agencies could continue what they have started, expand their landowner networks, and scale up their projects to generate more landscape-scale and community-scale benefits.
- **Tribal Nation Collaboration Capacity Funding:** Agencies reported that building capacity for co-development of projects and programs between the agencies and the nine federally recognized Tribes is necessary for meeting needs of immediate projects and for fulfilling agency missions.
- **Agency Staff Capacity Funding:** Additional capacity would provide more touchpoints with partners and private landowners, additional ability to seek other funding opportunities, more collaborative engagement, and more opportunity to build tools that bring transparency to stakeholders. The summary statistics in this report demonstrate the benefit of focused staff time in securing additional funding and to assist landowners across the state.

The Commission and the Oregon Department of Energy (ODOE) have or are nearing completion of four projects that can inform future allocation of any new appropriations to the Fund and help build capacity in Oregon to scale Natural Climate Solutions. In December 2025, ODOE and the Commission completed the state's first [Land-Based Net Carbon Inventory](#) and a [Natural Climate Solutions Workforce Development and Training Programs Needs Study](#). In July 2026, the Commission established new [voluntary net carbon sequestration and storage goals](#). Later in 2026, the state agencies responsible for implementing natural climate solutions will have completed cross-agency work on natural climate solutions, associated metrics, and agency programs. These advances can help to inform and evaluate new project selection and analysis of their climate mitigation benefits. Meeting the carbon sequestration and storage goals and directives in Governor Kotek's Executive Order 25-26, will require tracking nature-based climate actions that are being implemented by state agencies, as well as Tribal, federal, local, and private entities. Funding for a new tracking and reporting infrastructure will be necessary to meet statutory requirements associated with natural climate solutions and the Executive Order directives. Additional funding to facilitate the development of a cross-agency implementation plan would give the Commission and agencies a clear roadmap for future Fund investments and Executive

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Order implementation. ODOE will continue to leverage its natural climate solutions capacity to advance the Executive Order’s directives.



Former agricultural land near the Lower Deschutes River, now part of ODFW’s Lower Deschutes Wildlife Area and home to bighorn sheep and residential and migratory mule deer, is being restored to native sagebrush steppe (P4) | Photo courtesy ODOE.

For More Information

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