

A-Engrossed
House Bill 2603

Ordered by the House April 8
Including House Amendments dated April 8

Sponsored by Representative GOMBERG (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.

Requires owners or operators of undersea [*fiber optic telecommunication*] cables to obtain financial assurances **for installation and removal of cable** and create plan for removal of cable.

Directs [*Department of State Lands*] **Ocean Policy Advisory Council** to [*study permitting processes for undersea fiber optic telecommunication cables and report results of study to interim committees of Legislative Assembly related to environment no later than September 15, 2022.*] **propose amendments to Territorial Sea Plan regarding placement of undersea cables within territorial sea.**

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to undersea cables; and prescribing an effective date.

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

4 **SECTION 1. (1) As used in this section, "undersea cable" includes a cable used to conduct**
5 **electricity or light that is placed on state-owned submerged or submersible lands within the**
6 **territorial sea and any facilities associated with the cable.**

7 **(2) An applicant for an easement to place an undersea cable within the territorial sea**
8 **shall acquire and maintain, until construction of the undersea cable is completed, financial**
9 **assurance to ensure that the applicant constructs the undersea cable according to the terms**
10 **and conditions of the easement. The amount of financial assurance required under this sub-**
11 **section shall be an amount determined by the Department of State Lands to be sufficient**
12 **based on the scale of the project.**

13 **(3) At least 180 days before decommissioning an undersea cable, the owner or operator**
14 **of the undersea cable shall submit to the department for approval a decommissioning plan**
15 **that includes:**

16 **(a) A cost estimate, prepared by a person qualified by experience and knowledge to pre-**
17 **pare the estimate, for decommissioning the cable and restoring the area authorized by the**
18 **easement to its previous natural condition;**

19 **(b) A detailed description of and proposed schedule for the decommissioning and resto-**
20 **ration work, including any corrective action that may be required under the easement; and**

21 **(c) A proposed form of financial assurance in an amount equal to the cost estimate under**
22 **paragraph (a) of this subsection.**

23 **(4) Within 30 days of receiving a decommissioning plan under subsection (3) of this sec-**
24 **tion, the department shall approve the plan or request revisions to the plan or additional**
25 **information. If, after receiving revisions to the decommissioning plan or additional infor-**

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 mation, the department rejects the plan, the owner or operator of the undersea cable must
2 within 90 days submit to the department an application for an easement for the
3 encroachment created by the undersea cable.

4 (5) The owner or operator of an undersea cable may not begin decommissioning and
5 restoration work unless:

6 (a) The department has approved a decommissioning plan under subsection (4) of this
7 section;

8 (b) The owner or operator has acquired the financial assurance required under subsection
9 (3) of this section; and

10 (c) The owner or operator has provided to the department notice that the work will begin
11 at least 60 days prior to beginning the work.

12 (6) The financial assurance requirements established by subsections (2) and (3) of this
13 section may be satisfied by furnishing a financial assurance instrument that is:

14 (a) A surety bond, cash deposit or certificate of deposit; and

15 (b) In the name of the State of Oregon.

16 **SECTION 2.** (1) The Ocean Policy Advisory Council, in consultation with the Department
17 of Land Conservation and Development, the Department of State Lands and relevant local
18 governments and tribal governments, shall review and propose amendments to the part of
19 the Territorial Sea Plan that addresses the placement of cables, pipelines and other utilities
20 in the territorial sea. The review must consider fee structures and state and federal review
21 processes, including permitting processes, for the placement of undersea cables on state-
22 owned submerged or submersible land within the territorial sea and under the ocean shore
23 and the siting of associated landing sites.

24 (2) In developing recommendations for amendments to the Territorial Sea Plan under
25 this section, the council shall evaluate:

26 (a) A unified permitting process for the placement of undersea cables that allows for
27 coordination between appropriate state agencies, tribal governments and local governments.

28 (b) Suitable landing sites, including a mapping analysis of opportunities, limitations and
29 requirements for landing sites.

30 (c) The impact of other state agencies, laws, zoning requirements or statewide planning
31 goals on potential undersea cable sites.

32 (d) Changes to fees structures and financing associated with administrative costs and the
33 protection and management of the territorial sea and ocean shore.

34 (e) Requirements for public information meetings or other methods for engaging com-
35 munities, tribal governments, ocean users and industries affected by a proposed undersea
36 cable.

37 (f) An application process that may include:

38 (A) A needs analysis that takes into account the socioeconomic and environmental needs
39 of the area;

40 (B) A geological study conducted by a registered professional geologist experienced in
41 coastal processes;

42 (C) Consultation with Oregon sea floor experts, such as an expert affiliated with an
43 Oregon university;

44 (D) A detailed drilling, mitigation and accident response plan; and

45 (E) A study of the impact of drilling on biological resources, including migratory species,

1 and on resources that are of economic, aesthetic, recreational, social or historic importance
2 to the people of this state.

3 (g) Requirements for interagency preapplication process meetings.

4 (h) Standards for undersea cables in the states of California and Washington.

5 (i) Coordination or consultation with tribal governments on potential impacts of undersea
6 cables on cultural and traditional resources.

7 (3) The council may consult with any of the following state agencies when conducting the
8 review and developing recommendations for amendments under this section:

9 (a) The State Parks and Recreation Department;

10 (b) The Department of Environmental Quality;

11 (c) The State Department of Fish and Wildlife;

12 (d) The State Department of Geology and Mineral Industries; or

13 (e) Any other state agency with relevant expertise.

14 **SECTION 3.** The Ocean Policy Advisory Council shall develop recommendations for
15 amendments to the Territorial Sea Plan under section 2 of this 2021 Act no later than two
16 years after the effective date of this 2021 Act.

17 **SECTION 4.** Sections 2 and 3 of this 2021 Act are repealed on January 2, 2024.

18 **SECTION 5.** (1) Section 1 of this 2021 Act becomes operative on January 1, 2022.

19 (2) The Department of State Lands may take any action before the operative date speci-
20 fied in subsection (1) of this section that is necessary for the department to exercise, on and
21 after the operative date specified in subsection (1) of this section, all of the duties, functions
22 and powers conferred on the department by section 1 of this 2021 Act.

23 **SECTION 6.** This 2021 Act takes effect on the 91st day after the date on which the 2021
24 regular session of the Eighty-first Legislative Assembly adjourns sine die.

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