



Oregon

Kate Brown, Governor

Department of State Lands

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April 27, 2021

State Land Board

To: Representative Zach Hudson, Chair, House Committee on Agriculture and Natural Resources
Representative Vikki Breese-Iverson, Vice-Chair, House Committee on Agriculture and Natural Resources
Representative Susan McLain, Vice-Chair, House Committee on Agriculture and Natural Resources
Members, House Committee on Agriculture and Natural Resources

Kate Brown
Governor

Shemia Fagan
Secretary of State

Tobias Read
State Treasurer

From: Vicki Walker, Director, Oregon Department of State Lands

Re: Testimony on Senate Bill 126

Chair Hudson, Vice Chairs Breese-Iverson and McLain, and Members of the Committee:

The Oregon Department of State Lands appreciates your consideration of Senate Bill 126. I am pleased to provide this testimony in support of the bill.

SB 126 was introduced by Governor Brown at the request of the Department and the State Land Board, to adjust the South Slough National Estuarine Research Reserve management area to include lands already owned and managed by the state as Special Stewardship Lands. This adjustment is necessary for those lands to become eligible for federal funding and less dependent on the Common School Fund.

First, some background on the Reserve to provide context on the proposed change. The South Slough National Estuarine Research Reserve was created in 1974 as the first site in a national network of reserves. The system now spans all US coastlines, with 29 reserves managed for the purposes of long-term research, education, stewardship, and public access. The system is administered as a partnership between the National Oceanic and Atmospheric Administration (NOAA) and coastal states.

In Oregon, the Legislature established the South Slough Reserve through ORS 273.553, which also designated the Department as the state partner for the Reserve. The Reserve is governed by the South Slough Reserve Management Commission, chaired by the Director of DSL, which includes members from the community, including the Coos County Board of Commissioners, Port of Coos Bay, university marine biology programs, local K-12 schools, and Tribes.

The South Slough Reserve provides public recreation opportunities, including hiking, paddling, fishing, and hunting. The Reserve is also home to commercial uses, like oyster aquaculture.

Additionally, the Reserve hosts several unique research and education opportunities for the community, schools, and visitors, to support a deeper understanding and better management of coastal watersheds and estuaries. Some examples of these opportunities are the Reserve's long-term wetland and water quality monitoring projects, including measuring trends in pH and dissolved oxygen to help oyster growers balance the effects of ocean acidification and hypoxia.

The Reserve is also an important research site for restoration projects designed to improve habitat for Coho salmon and reduce risk of wildfire. Most recently, the Reserve has involved community members in research to better understand lamprey populations along the Oregon Coast.

From 2015 to 2020, the Reserve brought in more than \$5.6 million in funding to support Reserve-based projects and programs. In the most recent competitive funding cycle of the National Estuarine Research Reserve System's Science Collaborative, the Reserve was also a partner in successful research proposals that awarded over \$1.9 million to Oregon academic and nonprofit partners.

In 2011 and 2014, the Reserve purchased lands north and south of Valino Island, including Indian Point, that had previously been identified as priority acquisitions through a lengthy collaborative process with local community members and leaders, including representatives from Coos County, the cities of Coos Bay and North Bend, the Port of Coos Bay, timber and business interests, oyster growers, and Tribes. The lands were purchased using federal grant funding; the purchase was approved by the Reserve's Management Commission, the Oregon Legislature, and the State Land Board.

These lands are now managed by the Reserve as Special Stewardship Lands, but due to the current statutory language of ORS 273.553, have not been brought into the federally recognized administrative boundary. SB 126 would simply amend the existing statute to allow the Reserve to include these lands in its next official boundary update with NOAA, which will include a robust public participation process. It is important to note this statutory change does not alter any regulations or requirements for adjacent landowners, nor does it impact existing uses or public access and recreation.

SB 126 is needed because the current statute references Valino Island as the northern boundary of the Reserve, which means the Reserve cannot use federal funding designated for national estuarine research reserves to manage its lands north of the island until they are included in the federally-recognized boundary. As a result, state funding from Common School Fund investment returns is currently used to cover management expenses for the 781 acres north of Valino Island.

Our mission at the Department of State Lands is to ensure a Common School Fund legacy through sound management of our trust responsibilities. SB 126 will enable the Reserve to access federal funding opportunities specified for national estuarine research reserves to support collaborative projects to enhance public access, recreation, and stewardship.

Examples of potential projects include:

- Infrastructure improvements to public access points, like parking areas, trails, and paddle launches
- Interpretive signage to highlight the important history and diverse economic interests of the community, including water-dependent economic drivers like fisheries and the seafood industry, boatbuilding, and shipping
- Management of invasive species impacting the health of the estuary and watershed, such as gorse which is a significant fire hazard
- Restoration projects to improve the forest health and reduce the risk of wildfire to the Reserve and surrounding community

Neighboring property owners and local businesses have expressed appreciation for these types of projects in our recent community information sessions regarding SB 126. The South Slough Reserve Management Commission endorsed and supports SB 126; as do both the Coquille Indian Tribe and the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians. The International Port of Coos Bay also supports the bill and agreed to work with the Reserve during the NOAA boundary application process should SB 126 become law.

We are confident that by allowing this change in statute, the Reserve has the opportunity to bring in federal dollars that will continue to enhance the coastal economy, and support local contracting and supplier jobs.

Thank you for the opportunity to provide this testimony. The Department is happy to answer any questions you may have.