

SB 793 A STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

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Meeting Dates: 6/5, 6/13

WHAT THE MEASURE DOES:

Modifies and increases existing authority for the Department of State Lands (DSL) to conduct rulemaking to establish one-time application fees, renewal fees, and compensation rates for easements to construct, maintain, and decommission water, gas, electric, communication, or telecommunication service lines, fixtures, or other facilities on state lands located within the territorial sea.

Clarifies that application and renewal fees must be reasonably calculated to offset DSL's costs for granting and renewing such easements. Directs the Director of DSL to adopt rules establishing the fee structure no later than January 1, 2027, and requires DSL to submit a report to the Legislature by February 15, 2026, on the department's progress in implementing the amendments to ORS 273.058. Maintains that DSL shall continue to impose the \$5,000 one-time application fee for easements within the territorial sea until new rules take effect.

ISSUES DISCUSSED:

- Fiscal impact of the measure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Department of State Lands works on behalf of the State Land Board to manage land and mineral and energy rights statewide. Lands managed by DSL include agricultural, forested, and grazing lands; industrial, commercial, and residential lands; mineral and energy resources; and special stewardship lands. Revenue from leases, easements, and other authorizations to use school lands goes to Oregon's Common School Fund. Oregon's territorial sea, a 3-mile strip of ocean under state jurisdiction, is managed by both state and federal agencies for public benefit. The Oregon Territorial Sea Plan (TSP), adopted in 1994, provides goals and policies for managing resources within this area. TSP contends that the Oregon Coast is a key location for fiber-optic cables and other utilities, and future infrastructure like renewable energy pipelines may also use the seafloor. TSP maintains that to avoid conflicts with other ocean uses and minimize environmental impacts, easements and infrastructure installations in the territorial sea require careful planning. Easements on State Land within the territorial sea must adhere to specific policies for routing and installing infrastructure in this area, which also aid federal agencies regulating infrastructure in adjacent federal waters. The measure would modify and increase the DSL's rulemaking authority to adopt new rules for establishing fees for easements on state land. Easements are required for commercial use of state-owned lands, including long-term structures such as roadways, utility lines, pipelines, and railroads. Entities must apply for easements from the Department of State Lands (DSL) for construction, maintenance, and decommissioning of infrastructure on state land, paying applicable fees. Under current law, DSL charges a one-time application fee of \$5,000 for easements within the territorial sea and \$750 for easements on other state lands.