

SB 793 A STAFF MEASURE SUMMARY

Senate Committee On Natural Resources and Wildfire

Action Date: 02/25/25

Action: Do pass with amendments. Refer to Ways and Means by prior reference. (Printed A-Eng).

Vote: 3-2-0-0

Yeas: 3 - Golden, Prozanski, Taylor

Nays: 2 - Girod, Nash

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 1/30, 2/18, 2/25

WHAT THE MEASURE DOES:

The measure establishes authority for the Department of State Lands to adopt by rule application and renewal fees, as well as compensation rates, for easements on state land within the territorial sea to construct, maintain and decommission water, gas, electric, communication or telecommunication service lines, fixtures or other facilities.

Detailed Summary:

Establishes authority for the Department of State Lands (DSL) to establish by rule application and application renewal fees and compensation rates for easements to construct, maintain, and decommission water, gas, electric, and communication service lines, fixtures, or other facilities on state lands located within the territorial sea.

Specifies that application fees and application renewal fees must be reasonably calculated to offset the costs to DSL for granting and renewing these easements. Directs the DSL Director to adopt rules to establish fees and compensation rates no later than January 1, 2027, and requires DSL to submit a report by February 15, 2026, describing DSL's progress in implementing the measure.

Directs DSL to continue to impose existing one-time application fee of \$5,000 until new fees are effective.

Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Definition of territorial sea
- Types of cables being placed within territorial sea
- Department of State Lands rulemaking process for easement fees
- Federal processes for territorial sea easement approval
- Other state fees related to territorial sea easements

EFFECT OF AMENDMENT:

The amendment replaces the measure and limits the scope of the measure to rulemaking authority related to easements in the territorial sea.

BACKGROUND:

The Department of State Lands (DSL) 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.

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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. The TSP identifies the Oregon Coast as a key location for fiber-optic cables and other utilities, and future infrastructure like renewable energy pipelines that 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.

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 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.