SB 165-3 (LC 291) 4/1/25 (STN/ps)

Requested by SENATE COMMITTEE ON JUDICIARY

PROPOSED AMENDMENTS TO SENATE BILL 165

1 On page 1 of the printed bill, line 2, delete the second "and".

2 In line 3, before the period insert "; and declaring an emergency".

3 Delete lines 5 through 28 and delete <u>page 2</u> and insert:

4 "SECTION 1. ORS 274.950 is amended to read:

⁵ "274.950. (1) Except as provided in subsection (2) of this section, the State

6 Land Board may not in any manner assert title to historically filled lands,

7 [as defined in ORS 274.905,] or assert a right to minerals or geothermal

resources in the historically filled lands, unless, prior to December 31,
2025:

"(a) The board [makes] has made a declaration under ORS 274.954 (2023
 Edition) that asserts title to the historically filled lands; and

"(b) Notice of the board's declaration was given as required under ORS
274.956 (2023 Edition).

14 "(2) Subsection (1) of this section does not apply to:

"(a) Historically filled lands[, as defined in ORS 274.905, over] for which
the State Land Board [asserted] or the Department of State Lands has
taken action to assert title to prior to January 1, 2016;

18 "(b) Historically filled lands fronting upon the Pacific Ocean; [or]

"(c) Lands in that portion of the Lower Willamette River that includes
the Portland Harbor Superfund Site; or

21 "(d) Historically filled lands within city limits, or the mineral and

geothermal resource rights in those lands, zoned to allow for commercial, industrial or marine industrial uses on the effective date of this 2025 Act, that the board or the department has taken action to assert title to on or before December 31, 2028.

5 "[(3) Nothing contained in ORS 274.950 to 274.956 shall divest the State of
6 Oregon of its rights to minerals, oil, gas and sulfur.]

"(3) Notwithstanding ORS 273.780, unless the Department of State
Lands determines that a significant mineral or geothermal resource
exists in the historically filled lands:

"(a) In a conveyance of historically filled lands, the department
 may not reserve mineral and geothermal resource rights claimed pur suant to this section; and

"(b) Any mineral or geothermal resource rights in historically filled
 lands claimed pursuant to this section and reserved by the state prior
 to the effective date of this 2025 Act shall be released by the depart ment and transferred to the owner of the historically filled lands.

"(4) No later than December 31, 2028, the Department of State Lands
may record a notice of historically filled lands with the county clerk
of each county in this state. The notice shall:

"(a) Include a summary of state-owned submerged and submersible
lands within the county where historically filled lands may be located;
"(b) State that the State Land Board may not assert title to any
historically filled lands unless the requirements of subsection (1) of
this section have been satisfied or an exception described in subsection
(2) of this section applies;

"(c) For any historically filled lands for which the requirements of subsection (1) of this section have been satisfied or an exception described in subsection (2) of this section applies, provide a legal description of the historically filled lands or a reference to a recorded survey; 1 "(d) State that the state's ownership of the submerged and 2 submersible lands adjacent to historically filled lands is the line of 3 ordinary high water; and

4 "(e) Provide contact information for the department for questions
5 or inquiries related to historically filled lands.

6 "(5) As used in this section and section 2 of this 2025 Act:

"(a) 'Geothermal resources' has the meaning given that term in
ORS 522.005.

9 "(b) 'Historically filled lands' has the meaning given that term in
10 ORS 274.905.

11 "(c) 'Mineral' has the meaning given that term in ORS 273.775.

"SECTION 2. (1) In any negotiation with a property owner affected by a declaration under ORS 274.954 regarding historically filled lands described in ORS 274.950 (2)(d), the Department of State Lands shall prioritize the goal of public access to the waterway and need not obtain the fair market value of the historically filled lands.

"(2) Notwithstanding ORS 273.780, the department may convey the
 mineral and geothermal resource rights of property conveyed pursuant
 to this section.

20 "SECTION 3. ORS 274.952, 274.954 and 274.956 are repealed.

²¹ **"SECTION 4.** ORS 274.915 is amended to read:

"274.915. (1) Except as otherwise provided in ORS 274.905 to 274.940, the
Department of State Lands may sell, lease or trade submersible or submerged
lands owned by the state in the same manner as provided for submersible
lands in this chapter or ORS chapter 273.

"(2) Except as otherwise provided in ORS 274.905 to 274.940, the department may sell, lease or trade new lands created upon submersible or submerged lands owned by the state in the same manner as provided for lands acquired as an investment for the Common School Fund in ORS 273.117 or ORS chapter 273.

SB 165-3 4/1/25 Proposed Amendments to SB 165 "(3) Except as otherwise provided in ORS 274.905 to 274.940 and 274.950
[to 274.956], the State Land Board shall adopt rules under which the department may sell, lease or trade historically filled lands owned by the state.

4 "<u>SECTION 5.</u> The amendments to ORS 274.915 by section 4 of this
5 2025 Act and the repeal of ORS 274.952, 274.954 and 274.956 by section 3
6 of this 2025 Act become operative on January 2, 2029.

"SECTION 6. This 2025 Act being necessary for the immediate
preservation of the public peace, health and safety, an emergency is
declared to exist, and this 2025 Act takes effect on its passage.".

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