



Oregon

Tina Kotek, Governor

Department of State Lands

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State Land Board

March 25, 2025

Tina Kotek
Governor

Joint Committee on Transportation

Co-Chair McLain, Co-Chair Gorsek, Vice Chairs Starr and Boshart Davis, and Members
of the Committee

Tobias Read
Secretary of State

Vicki Walker, Director of Department of State Lands
Bill Ryan, Deputy Director of Aquatic Resource Management

Elizabeth Steiner
State Treasurer

Re: Testimony on Senate Bill 357

Co-Chair McLain, Co-Chair Gorsek, Vice-Chair Starr, Vice-Chair Boshart Davis and Members of the Committee. My name is Vicki Walker, I am the Director of the Department of State Lands, and I am Bill Ryan the Deputy Director of Aquatic Resource Management of the Oregon Department of State Lands. We appreciate the opportunity to speak with you today about Senate Bill 357, which appears to be identical to SB 949 from the 2023 Session.

The Department of State Lands has no position on this bill but has identified two potentially major impacts to our stewardship of public waterways and the Common School Fund.

First, the Department is a public body that oversees waterways, and as such, would be subject to the maintenance dredging charges proposed in this bill. Paying for port dredging is likely to have a significant financial impact on the Department. Dredging costs would likely exceed revenue generated by waterway leases and other use authorizations, which would ultimately then come from the Common School Fund and cost Oregon students.

It is the Department's constitutional charge to raise money for the Common School Fund and SB 357 directly counters those efforts as written. It is important to provide for Oregon students. A record \$76.8 million went to Oregon's K-12 public school districts from the Common School Fund in 2025. Managing the Common School Fund to provide a sustainable funding source for schools is DSL's mission, and drawing money from students to support dredging costs is not compatible with the purpose of the Common School Fund.

Second, and of great concern, there are potential implications for public ownership of waterways. The people of Oregon own the submerged and submersible lands of the state's navigable and tidally influenced waterways, which include major rivers and the territorial sea.

Ports and other businesses who use the public's waterways must be authorized to do so by DSL, through a waterway lease or other authorization. SB 357 creates a statutory definition of port waters as "waters owned or controlled by the port." This definition does not align with state waterway definitions and seems overly broad to include state-owned waterways that would not fall under port jurisdiction. Any statutory definition of waterway ownership must be carefully examined and fully considered to avoid impacts to the absolute fact of public waterway ownership.

The Department greatly values the partnership of ports and is committed to working collaboratively on solutions for maintenance dredging. In addition to overseeing the state's publicly owned waterways, we oversee Oregon's Removal-Fill Law and would welcome conversations on this issue from the perspectives of both waterway ownership and regulation.

Thank you for the opportunity to provide this testimony. We are happy to answer any questions.