

REVENUE: Revenue statement issued
 FISCAL: May have fiscal impact, statement not yet issued

Action: Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
Vote: 6 - 1 - 0
Yeas: Beyer, Cannon, Jenson, Macpherson, Smith G., Dingfelder
Nays: Burley
Exc.: -
Prepared By: Cat McGinnis, Administrator
Meeting Dates: 2/5, 2/26

WHAT THE MEASURE DOES: Increases fees for removal-fill permits issued by the Department of State Lands (DSL). Provides for annual fee increase beginning January 1, 2009, by order of the director, based on the Consumer Price Index, rounded to the nearest dollar with the revised fee effective January 1 and applicable to that calendar year. Allows DSL to waive permit fees for voluntary habitat restoration projects. Creates a general permit for removal-fill activities that are substantially similar in nature and ongoing. Declares emergency, effective July 1, 2007.

ISSUES DISCUSSED:

- Fee amounts mirror those in failed 2005 legislation and reflect pre-2005 inflation figures.
- Suggestion that annual fee increase be based on consumer price index and be rounded to nearest dollar.
- Concerns about Common School Fund covering portion of DSL program costs.
- Absence of sunset provision for annual fee increase.

EFFECT OF COMMITTEE AMENDMENT:

- Indexes annual fee increase to Consumer Price Index and allows increase by order of the director.
- Creates a general permit for removal-fill activities that are substantially similar in nature and ongoing.

BACKGROUND: Oregon's Removal-Fill Law (ORS 196.795-990), enacted in 1967, requires people who plan to remove or fill material in waters of the state to obtain a permit from the Department of State Lands. The purpose of the law is to protect public navigation, fishery and recreational uses of the state's waters, defined as "natural waterways including all tidal and nontidal bays, intermittent streams, constantly flowing streams, lakes, wetlands and other bodies of water in this state, navigable and nonnavigable, including that portion of the Pacific Ocean that is in the boundaries of this state." The law applies to all landowners, whether private or public. DSL issued 2,190 permits and authorizations over the last two fiscal years (2004-2005 and 2005-2006).

When the permit program was created in 1967, the removal permit application fee was \$25. Current fees were set in 1989. Applicants pay a base fee plus a volume fee. HB 2105 changes fees in the following amounts:

Removal application fees:		Removal volume fees:	
Private operators and their contractors	\$85 \$50	Less than 500 cubic yards	None
Public and commercial operators	\$250 \$150	500 to 4,999 cubic yards	\$125 \$75
Fill application fees:		5,000 to 50,000 cubic yards	\$250 \$150
Private operators and their contractors	\$250 \$150	Over 50,000 cubic yards	\$375 \$225
Public and commercial operators	\$620 \$375	Fill volume fees:	
		Less than 500 cubic yards	None
		500 to 2,999 cubic yards	\$125 \$75
		3,000 to 10,000 cubic yards	\$250 \$150
		Over 10,000 cubic yards	\$375 \$225