



Oregon

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**Testimony of
Bill Ryan, Assistant Director
Aquatic Resource Management Program
Department of State Lands
on
House Bill 2460A
Senate Committee on Environment and Natural Resources
May 6, 2015**

Thank you for the opportunity to testify in support of HB 2460A, which would allow the Department of State Lands to charge an application fee for public utility easements on state-owned lands.

The Department manages submerged and submersible land under navigable and tidally influenced waterways, including the territorial sea, to protect the public's right to use these waterways for 'public trust' rights of navigation, recreation, fisheries and commerce. When a use is proposed on these lands – such as a commercial marina or cable crossing – the Department assesses a fee to partially compensate for the loss of public trust rights, and to partially cover administrative costs to review the use.

The Department typically charges an application fee plus compensation for a wide variety of uses on these lands. Authorizations include leases, licenses and easements. All revenue from waterway authorizations is deposited in the Common School Fund, whose investment earnings are distributed to K-12 public schools twice a year.

As background information on HB 2640A it is important to note that in the earlier part of the 20th century, Oregon was committed to bringing electricity and other utilities to rural parts of the state. The Legislature helped facilitate this process through certain actions, such as granting utilities "the right and privilege to construct, maintain and operate water, gas, electric or communication service lines, fixtures and other facilities....across rivers or over any lands belonging to the state, free of charge...." (ORS 758.010).

Though the statute directs the Department to oversee the location of any proposed utility lines, and the Department fulfills this requirement through administering easements, we currently cannot collect even an administrative fee for this work for utility

easements outside of city limits. This policy is out of step with our oversight and administration of all other authorizations for use of state-owned land.

HB 2460A would allow the Department to assess a one-time application fee – of \$750 for most easements and \$5,000 for easements in the Territorial Sea – for utility lines and facilities. The proposed application fees are consistent with our fees for use of these waterways by other entities and within city limits.

We expect the revenue impact to the Department would be approximately \$23,750 in additional revenues for the 2015-17 biennium.

We want to extend our thanks to the representatives of the public utility industry who took the time to meet with us, and helped draft amendments that worked for everyone. We really appreciate their time and effort spent making this a better bill.

Thank you, and I would be happy to answer any questions you may have.