

House Bill 2272

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown for Department of State Lands)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Authorizes Department of State Lands to use moneys in Restoration Subaccount of Submerged Lands Enhancement Fund to purchase insurance or to otherwise defray costs to clean up or otherwise address damage to state-owned submerged or submersible lands. Authorizes department to assess surcharge. Requires moneys collected under surcharge to be deposited in Restoration Subaccount.

Bifurcates Submerged Lands Enhancement Fund into Management and Enhancement Activities Subaccount and Restoration Subaccount.

A BILL FOR AN ACT

1
2 Relating to addressing damage to state lands; creating new provisions; and amending ORS 274.388.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2019 Act is added to and made a part of ORS 274.376 to**
5 **274.388.**

6 **SECTION 2. (1) The Department of State Lands may use moneys deposited in the Res-**
7 **toration Subaccount of the Submerged Lands Enhancement Fund established under ORS**
8 **274.388 to procure insurance coverage for the costs to clean up or otherwise address damage**
9 **to state-owned submerged or submersible lands. If the department determines that pur-**
10 **chasing insurance is appropriate, the department shall purchase insurance through the**
11 **Oregon Department of Administrative Services.**

12 **(2) In addition to or in lieu of procuring insurance coverage, the Department of State**
13 **Lands may use moneys in the Restoration Subaccount to defray the costs to clean up or**
14 **otherwise address damage to state-owned submerged or submersible lands.**

15 **(3) The Department of State Lands may assess a surcharge on the payment required for**
16 **the lease, easement, registration, access agreement or other proprietary authorization to use**
17 **or occupy state-owned submerged or submersible lands. A surcharge assessed under this**
18 **subsection must be no less than three percent and no more than 10 percent of the amount**
19 **of the payment otherwise required for the lease, easement, registration, access agreement**
20 **or other proprietary authorization. Notwithstanding ORS 273.105, moneys collected by the**
21 **Department of State Lands under this subsection must be deposited in the Restoration Sub-**
22 **account.**

23 **SECTION 3. ORS 274.388 is amended to read:**

24 **274.388. (1) The Submerged Lands Enhancement Fund is established in the State Treasury, sep-**
25 **arate and distinct from the General Fund. [*Interest earned by the Submerged Lands Enhancement***
26 ***Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Depart-***
27 ***ment of State Lands for the purposes specified in this section.*] **The Submerged Lands Enhancement****
28 **Fund shall consist of the Management and Enhancement Activities Subaccount and the**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **Restoration Subaccount. Interest earned by each subaccount shall be credited to that sub-**
 2 **account.**

3 (2) Notwithstanding ORS 273.105, the *[fund]* **Management and Enhancement Activities Sub-**
 4 **account** shall consist of:

5 (a) No more than 20 percent of the moneys collected by the Department **of State Lands** per
 6 biennium pursuant to the department's granting of leases, easements, registrations and other per-
 7 missions to use or occupy state-owned submerged or submersible lands; and

8 (b) Moneys *[collected]* **from the subaccount that were recovered** by the department under
 9 subsection *[(5)] (7)* of this section.

10 **(3) Notwithstanding ORS 273.105, the Restoration Subaccount shall consist of moneys**
 11 **collected by the department under section 2 (3) of this 2019 Act.**

12 *[(3)] (4)* Moneys in the *[Submerged Lands Enhancement Fund]* **Management and Enhancement**
 13 **Activities Subaccount are continuously appropriated to the department and** may be used to
 14 pay the expenses of the department associated with management and enhancement activities on
 15 state-owned submerged and submersible lands, including but not limited to:

16 (a) Removal, salvage, storage and disposal of abandoned or derelict structures under ORS
 17 274.379;

18 (b) Removal and disposal of marine debris;

19 (c) Assistance with the salvage, towing, storage and disposal of abandoned or derelict vessels
 20 pursuant to ORS 830.908 to 830.948; and

21 (d) Engagement in activities to improve water quality, watershed enhancement and fish and
 22 wildlife habitat on submerged and submersible lands.

23 *[(4)] (5)* The department may use moneys in the *[fund]* **Management and Enhancement Ac-**
 24 **tivities Subaccount** to provide funding to a state agency, county, city, water improvement district,
 25 watershed council, park and recreation district, port district, federally recognized Indian tribe or
 26 nonprofit organization to assist the department in completing any of the management and enhance-
 27 ment activities provided for in subsection *[(3)] (4)* of this section.

28 **(6) Moneys in the Restoration Subaccount are continuously appropriated to the depart-**
 29 **ment to be used for the purposes described in section 2 of this 2019 Act.**

30 *[(5)] (7)* The department may recover payments made from the *[fund]* **Management and En-**
 31 **hancement Activities Subaccount** from an owner of a structure or vessel who is liable for the
 32 costs of removal, salvage, storage and disposal of a structure under ORS 274.382. The department
 33 shall deposit all moneys recovered under this subsection into the *[fund]* **Management and En-**
 34 **hancement Activities Subaccount.**

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