

Senate Bill 256

Sponsored by Senator ROBLAN, Representatives GOMBERG, SMITH DB; Senators BEYER, BURDICK, DEMBROW, FREDERICK, GOLDEN, HASS, JOHNSON, MANNING JR, MONNES ANDERSON, PROZANSKI, RILEY, STEINER HAYWARD, TAYLOR, WAGNER, Representatives HELM, HOLVEY, MCKEOWN, NOSSE, PILUSO (Presession filed.)

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**.

Repeals sunset on moratorium on oil, gas and sulfur leasing in territorial sea.

Prohibits Department of State Lands from leasing submerged and submersible lands within territorial sea for exploration, development or production of oil, gas or sulfur in territorial sea or for activities in furtherance of exploration, development or production within federal waters adjacent to territorial sea.

A BILL FOR AN ACT

1
2 Relating to ocean resources; creating new provisions; amending ORS 274.705 and 390.620 and section
3 1, chapter 11, Oregon Laws 2010; and repealing section 2, chapter 11, Oregon Laws 2010.

4 Whereas Oregon residents and visitors to this state enjoy Oregon's beaches and the Pacific
5 Ocean for recreational, commercial and educational activities, all of which support our coastal
6 economy; and

7 Whereas coastal tourism and recreation and the commercial and recreational fishing industries
8 in Oregon support more than 27,500 jobs and generate approximately \$2 billion in gross domestic
9 product; and

10 Whereas Oregon residents value this state's ocean and coast, which provide habitat for a vast
11 array of plants and wildlife, including fish, whales and sea birds, that depend on a healthy and clean
12 environment; and

13 Whereas offshore oil, gas and sulfur drilling and exploration off the Pacific coast put at risk
14 from oil spills and other damage this state's coastal resources and the communities and industries
15 that depend on them; and

16 Whereas offshore oil, gas and sulfur drilling, exploration and associated development threaten
17 marine fisheries, tourism, recreation, wildlife, human health and climate; now, therefore,

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

19 **SECTION 1. Section 2, chapter 11, Oregon Laws 2010, is repealed.**

20 **SECTION 2.** ORS 274.705 is amended to read:

21 274.705. As used in ORS 274.705 to 274.860, unless the context requires otherwise:

22 (1) **"Development" includes geophysical activity, drilling, platform construction, pipeline**
23 **construction, operation of onshore support facilities and any other activities undertaken**
24 **following the discovery of oil, gas or sulfur, the principal purpose of which is to prepare for**
25 **the ultimate production of the oil, gas or sulfur.**

26 (2) **"Exploration" means any activity the principal purpose of which is to define, charac-**
27 **terize or evaluate oil, gas or sulfur resources for possible commercial development or pro-**
28 **duction.**

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 [(1)] (3) “Filled lands” includes submerged and submersible lands reclaimed artificially through
 2 raising such lands above the highest probable elevation of the tides to form dry land, by placement
 3 of a fill or deposit of earth, rock, sand or other solid imperishable material.

4 [(2)] (4) “Gas” means all natural gas and all other fluid hydrocarbons not defined as oil in sub-
 5 section [(4)] (6) of this section, including condensate originally in the gaseous phase in the reservoir.

6 [(3)] (5) “Lease” means an oil, gas and sulfur lease issued pursuant to ORS 274.705 to 274.860.

7 [(4)] (6) “Oil” means crude petroleum oil and all other hydrocarbons, regardless of gravity,
 8 which are produced in liquid form by ordinary production methods, but does not include liquid
 9 hydrocarbons that were originally in a gaseous phase in the reservoir.

10 [(5)] (7) “Person,” in addition to the meanings defined by ORS 174.100, includes quasi-public
 11 corporations, political subdivisions and governmental agencies and instrumentalities.

12 (8) **“Production” means any activity the principal purpose of which is to engage in,
 13 monitor or conduct operations or maintenance related to the active extraction and trans-
 14 portation of oil, gas or sulfur from tidal submerged lands.**

15 [(6)] (9) “Structure” means any construction works, including but not limited to derricks, pipe-
 16 lines, lines for the transmission and distribution of electricity, telephone lines, wharves, piers, slips,
 17 warehouses and units designed to act as groins, jetties, seawalls, breakwaters or bulkheads.

18 (10) **“Territorial sea” has the meaning given that term in ORS 196.405.**

19 [(7)] (11) “Tidal submerged lands” means lands lying below the line of mean low tide in the beds
 20 of all tidal waters within the boundaries of this state as heretofore or hereafter established.

21 **SECTION 3. Section 1, chapter 11, Oregon Laws 2010, is added to and made a part of ORS**
 22 **274.705 to 274.860.**

23 **SECTION 4.** Section 1, chapter 11, Oregon Laws 2010, is amended to read:

24 **Sec. 1.** (1) Notwithstanding **any other provision of** ORS 274.705 to 274.860 or 520.240, [*any form*
 25 *of leasing for purposes of exploration, development or production of oil, gas or sulfur is prohibited in*
 26 *the territorial sea.*] **the Department of State Lands is prohibited from leasing any of the sub-**
 27 **merged and submersible lands within the territorial sea for:**

28 (a) **The exploration, development or production of oil, gas or sulfur in the territorial sea;**
 29 **or**

30 (b) **Activities in furtherance of the exploration, development or production of oil, gas or**
 31 **sulfur within federal waters adjacent to the territorial sea.**

32 (2) The provisions of subsection (1) of this section do not apply:

33 (a) To exploration for scientific or academic research purposes, or geologic survey activities of
 34 the State Department of Geology and Mineral Industries.

35 (b) In the event the Governor determines that an oil embargo substantially affects the supply
 36 of oil to the United States.

37 (3) Any exploration for oil, gas or sulfur in the territorial sea allowed under ORS 274.705 to
 38 274.860 by the State Land Board or the Department of State Lands must conform to standards of the
 39 Oregon Ocean Resources Management Program established under ORS 196.405 to 196.515.

40 [(4) *For the purposes of this section:*]

41 [(a) *“Gas” means:*]

42 [(A) *All natural gas, gas hydrates and all fluid hydrocarbons not defined as oil in this subsection;*
 43 *and]*

44 [(B) *Condensate originally in the gaseous phase in the reservoir.*]

45 [(b) *“Oil” means crude petroleum oil and all other hydrocarbons produced in liquid form by ordi-*

1 nary production methods, regardless of gravity, other than liquid hydrocarbons originally in a gaseous
2 phase in the reservoir.]

3 [(c) "Territorial sea" has the meaning given that term in ORS 196.405.]

4 **(4) Nothing in this section is intended to impair or supersede any conflicting federal law**
5 **applicable within the territorial sea.**

6 **SECTION 5.** ORS 390.620 is amended to read:

7 390.620. (1) No portion of the lands described by ORS 390.610 or any interest either therein now
8 or hereafter acquired by the State of Oregon or any political subdivision thereof shall be alienated
9 except as expressly provided by state law. The State Parks and Recreation Department and the
10 State Land Board shall have concurrent jurisdiction to undertake appropriate court proceedings,
11 when necessary, to protect, settle and confirm all such public rights and easements in the State of
12 Oregon.

13 (2) No portion of the ocean shore declared a state recreation area by ORS 390.610 shall be al-
14 ienated by any of the agencies of the state except as provided by law.

15 (3) In carrying out its duties under subsection (1) of this section with respect to lands and in-
16 terests in land within the ocean shore, the State Land Board shall act with respect to the portion
17 of the tidal submerged lands, as defined in ORS 274.705 [(7)], and the submersible lands, as defined
18 in ORS 274.005 (8), that are situated within the ocean shore as it does with respect to other state-
19 owned submerged and submersible lands within navigable waters of this state.

20 (4) In carrying out its duties under subsection (1) of this section with respect to lands and in-
21 terests in land within the ocean shore, the State Parks and Recreation Department shall act with
22 respect to such lands and interests as it does with respect to other lands and interests within state
23 recreation areas.

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