

Proposed Fees and Compensation Rates

Undersea Infrastructure Easements in Oregon’s Territorial Sea

About the Summary of Proposed Fees and Compensation

This document provides a summary of proposed changes by the Oregon Department of State Lands (DSL) to application fees and compensation rates for undersea infrastructure located on submerged and submersible land within Oregon’s territorial sea:

- Application fees for new easements, renewals, and encroachments
- Compensation rates for new easements, renewals, and encroachments

While the full set of proposed changes to Oregon Administrative Rules 141-083 includes a wide range of updates—such as revisions to policy language, definitions, application process, decommission and recovery, and encroachment—this summary focuses specifically on the proposed changes to fee structure required by SB 793 (2025).

These new fees and compensation rates will be effective January 1, 2027.

Questions?

Contact Danielle Boudreaux, Rulemaking Coordinator at dsl.rules@dsl.oregon.gov

Learn more

See more information about this rulemaking (OAR 141-083) and all related materials on the DSL website at: <https://www.oregon.gov/dsl/Pages/rulemaking.aspx>

These are the proposed fees and compensation rates as of April 2026 and are subject to change following input from the Rulemaking Advisory Committee and future public comment period. Visit the DSL website for the most current information.

Easements for Undersea Infrastructure on State-Owned Submerged and Submersible Land

Any person who wants to place the undersea infrastructure in the Territorial Sea shall obtain an easement from DSL and approval by the State Land Board. Easements must be renewed every twenty (20) years.

Definitions:

- **“Easement”**: an authorization issued by DSL to a holder allowing the placement of infrastructure on, affixed to, or buried under the seafloor of the territorial sea and ocean shore. An easement does not grant the holder any other proprietary rights. An easement is issued to a specific person, for a specific use of a parcel of state-owned land, for a specific amount of time.
- **“Encroachment”**: a development or use, such as, but not limited to a structure, fill, or pile of aggregate, that overlaps on, or otherwise occupies or restricts the full use of state-owned land. An encroachment may be a cable, pipe, conduit, fixture, or other structure that has been abandoned in place. An encroachment may also occur when the holder of an easement, granted by the department, extends their use outside of the area authorized by that easement or adds a use or development not authorized. Encroachments are generally unauthorized, unless an encroachment easement is granted pursuant to OAR 141-083.
- **“State Land Board”**: the constitutionally created body consisting of the Governor, Secretary of State, and State Treasurer that is responsible for managing state-owned submerged and submersible lands of the territorial sea, as well as other lands placed under its jurisdiction.
- **“Territorial Sea”**: the ocean and seafloor area from the mean low water seaward three nautical miles.
- **“Undersea infrastructure”**: includes any infrastructure, including cables, pipelines, utilities, or fixtures on, affixed to, or buried under the seafloor in the state territorial sea or ocean shore or both.

Application Fees

Significant changes include:

- **Increased current application fees to reflect staff time.** This includes a completeness review of the application, coordination with federal, state, local agencies, and other interested parties, holding public meetings, Joint Agency Review Team meetings under the Territorial Sea Plan, technical review, field inspection, coordination with the Department of Justice, and preparing the authorization for the State Land Board review and approval. Other services may include researching records, reviewing resource appraisals, surveys, or other studies, and site visits and monitoring .
- **Introduction of an application fee for encroachments.**
- **Annual increases:** Effective January 1, 2035, the director may increase application fees annually by no more than 5 percent.

Easements: New and Renewals	Current Fee (2025)	Proposed Fee
New Application Fee	\$5,000	\$15,000
Renewal Application Fee	\$5,000	\$7,500
Encroachment Application Fee	None	\$7,500

Compensation Rates

Easements allow the use of Oregon's territorial sea while compensating Oregonians for the usage of this public resource. Compensation is a one-time payment that goes into the Common School Fund, benefiting K-12 education.

Prior to SB 793 (2025), DSL negotiated payment to the Common School Fund for each undersea cable provider in order to remove a future imposition of fees clause from the easement.

Through this rulemaking, DSL will establish the compensation rate for undersea infrastructure in rule. Compensation formulas are based on our research of other coastal states.

Compensation Formula: Cables and Other Utilities

(a) For cables and other utilities with a diameter up to 3 inches:

$$\text{COMP} = \$3 \times L \times T$$

(b) For cables and other utilities with a diameter of 3 or more inches:

$$\text{COMP} = \$3 \times L \times D \times T$$

The variables include:

- **L** = Linear feet of the proposed easement.
- **D** = Diameter (in inches) of the cable or other utilities.
- **T** = Term of the proposed easement (in years).
- **COMP** = Compensation due to the department for the authorization.

Compensation Formula: Fixtures

Compensation fee for fixtures:

$$\text{COMP} = \$3 \times LA \times T$$

The variables include:

- **LA** = Authorized use area in square feet of state-owned submerged and submersible land.
- **T** = Term of the proposed easement (in years).
- **COMP** = Compensation due to the department for the authorization.

Compensation Formula: Encroachment for Cables and Other Utilities

(a) For cables and other utilities with a diameter up to 3 inches:

$$\text{COMP}_{\text{enc}} = \$7 \times L \times T$$

(b) For cables and other utilities with a diameter of 3 or more inches:

$$\text{COMP}_{\text{enc}} = \$7 \times L \times D \times T$$

The variables include:

- **L** = Linear feet of the proposed encroachment easement.

- **D** = Diameter (in inches) of the cable or other utilities.
- **T** = Term of the proposed permanent encroachment easement will be 100 years.
- **COMP_{enc}** = Compensation due to the department for the encroachment authorization.

Compensation Formula: Encroachment for Fixtures

Compensation fee for fixtures:

$$\mathbf{COMP_{enc} = SM \times LA \times T}$$

The variables include:

- **SM** = Statewide Maximum value per square foot.
The statewide maximum value per square foot was established on July 1, 2018, at \$11.93. It increases each year on July 1 by 3 percent.
- **LA** = Authorized use area in square feet of state-owned submerged and submersible land.
- **T** = Term of the proposed encroachment easement (100 years).
- **COMP_{enc}** = Compensation due to the department for the encroachment authorization.