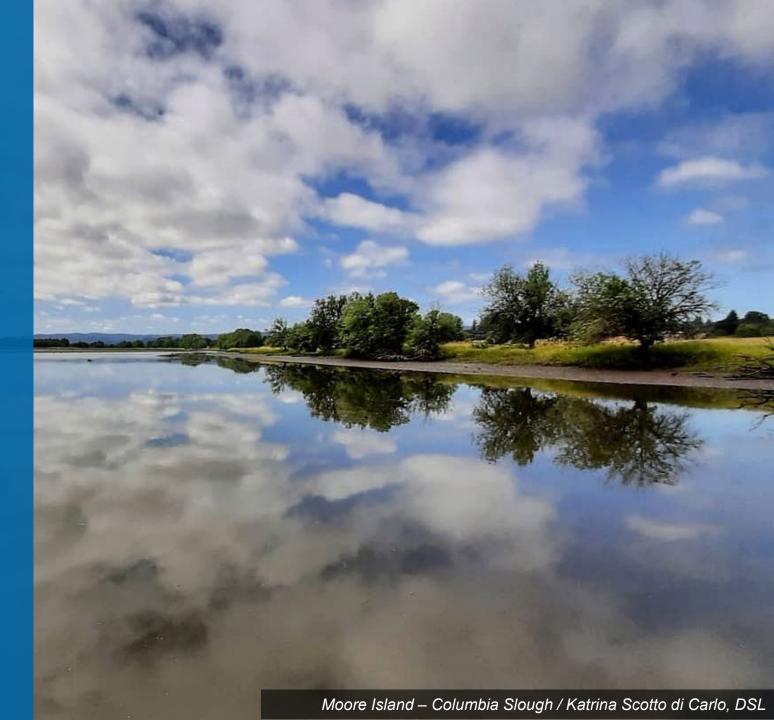


### Information Session and Public Rule Hearing

Proposed Fees for Removal-Fill Permits, General Authorizations, Wetland Determinations/Delineations

May 29, 2025 9:00 a.m.





#### 9:00 AM Information Session:

- Overview of Program and Proposed Fees
- What Changed After the First Comment Period
- Question and Answer Session

#### 9:30 AM Public Rule Hearing

Oral Comments

#### Zoom Protocols



#### Each person who wishes to speak will be asked to raise their hand.

- To raise your hand, click the reactions near the bottom of your screen and click "raise hand" or by pressing star 9 if you are on the phone.
- Will seek a balance of speaking time during discussions
- For technical support, please message us in the chat.
- Please keep your mic muted unless it is your turn to speak. Use of video is encouraged.
- We ask that all participants be respectful of each other and DSL representatives.

# **Background and Overview** Beaver dam in Cullaby Creek, Warrenton, OR / Dan Cary, DSL (retired)

#### Removal-Fill Laws



The Removal-Fill laws can be found in ORS 196.600 through 196.921. They govern the removal of material from the beds and banks or filling of the waters of this state, which include wetlands.

These laws are in place for the protection, conservation, and best use of the water resources of this state. They're administered through the Department's regulatory program, which issues permits or authorizations for the removal or filling of material.

### Need for Rulemaking



In 2023, the Oregon Legislature passed HB2238, which directs the Department to adopt, <u>by rule</u>, a tiered fee structure for removal-fill permits and wetland delineation reports, and fees for general authorizations.

Additionally, the bill puts forth that the Director will evaluate the impact of fully recovering, through fees, the cost of administering the removal-fill program associated with different project types, as well as the impacts on the waters of the state.

## Funding the Removal-Fill Program



The current removal-fill fee structure is outlined in ORS 196.815, which establishes base fees and stipulates fees will be adjusted annually based on changes to the Consumer Price Index for All Urban Consumers, West Region (All Items).

Base fees were last increased during the 2007 Regular Legislative Session (HB 2105, Chapter 849 Oregon Laws 2007).

The existing removal-fill fee structure does not align with the actual permitting process, resulting in years of unmet costs.

## Funding the Removal-Fill Program



21%

Existing fees charged for those services cover only 21% of costs associated with the removal-fill permitting process.

\$2.7M

The Common School Fund is heavily subsidizing the program. An average of \$2.7 million is expended annually to cover the gap.

#### Common School Fund



DSL is the administrative agency of the State Land Board, which oversees the lands Oregon was granted at statehood to help fund public schools, and the Common School Fund.

Every one of Oregon's 197 public school districts receives money from the Common School Fund every year.

School Year	Total Distributed to Oregon's Schools
2024	\$74.2 million
2023	\$72.2 million
2022	\$64.2 million

Multiple DSL key performance measures and strategic initiatives are aimed at eliminating or reducing Common School Fund subsidy of our programs.

### Determining the Proposed Fees



To determine the tiered fee structure, DSL staff looked closely at the complexity (e.g., length of time for review, size and scope of the project) of each type of permit/authorization and wetland delineation the Department reviews, as well as the benefits to the environment.

Additionally, several data sets were included in the calculation of the proposed fees:

- Fiscal data (i.e., revenues, expenditures, staff salary)
- Staff time tracking data
- Annual permit application data
- Annual general authorization notifications
- Annual number of wetland determinations/delineations received



## Public Comment Received by DSL



#### Removal-fill application type definitions revised:

DSL received a comment noting that many projects by public entities benefit the public and are not for profit and therefore should be charged lower fees.

In response, DSL updated the definitions for Application Type A and Type B to focus on the nature of the project—specifically whether it is for-profit or not—regardless of who is applying.

## Changes Resulting from Public Comment



#### Fee increases and cost recovery adjustment:

To reflect the revised applicant definitions, DSL rebalanced the fee structure, which resulted in some fee increases.

To prevent excessive increases, the overall cost recovery target was reduced from 85% to 80%, striking a balance between affordability and program sustainability.

However, this will result in fewer costs being recovered.

## Changes Resulting from Internal Review



#### Hourly charges are limited to Tier 5 applicants:

Initially, the proposed rules allowed DSL to charge an additional hourly rate for both Tier 4 and Tier 5 projects if staff time exceeded the standard fee.

This has been revised: the hourly rate now applies only to Tier 5.

### Changes Resulting from DOJ Review



#### Revisions to billing processes:

In response to legal counsel, changes include how DSL will bill tier fees and other fees for removal-fill applications, how much time applicants have to pay, and the consequences of non-payment.

#### **New Proposed Effective Date**



Updated fees will be effective September 1, 2025, and subsequent increases are scheduled to fall on September 1:

The original effective date of July 1 is now delayed due to the need for a second comment period.





#### **ARE WETLANDS PRESENT?**

- Currently, all determinations (offsite/office and onsite) are free.
- Going forward, offsite (office)
   determinations of the presence of
   wetlands completed by DSL staff
   continue to be free but an onsite
   determination (onsite) fee will now be
   \$450, increasing annually to cost \$660
   by September 1, 2029.

# ODOT Vernal Pool Mitigation Bank / Grey Wolf, DSL

#### MAPPING THE BOUNDARIES OF THE WETLANDS

- The current wetland delineation review fee is \$575.
- Under the new tiered structure proposed, starting September 1, 2025, the review fee will range from \$600 to \$3,500 depending on the acres of wetland delineated and, under tier 3, the size of the study area. The fee will increase annually and will range from \$1,295 to \$5,386 by September 1, 2029.



#### LOW IMPACT ACTIVITIES ON WETLANDS AND WATERS

Certain removal and fill activities have been pre-approved under a general authorization because they have minimal impacts to wetlands and waterways. The fee for a general authorization notice review is currently \$250 for some activities while others are free. Under the new fee structure, general authorizations will cost \$450 starting September 1, 2025, and increase to \$660 by September 1, 2029.



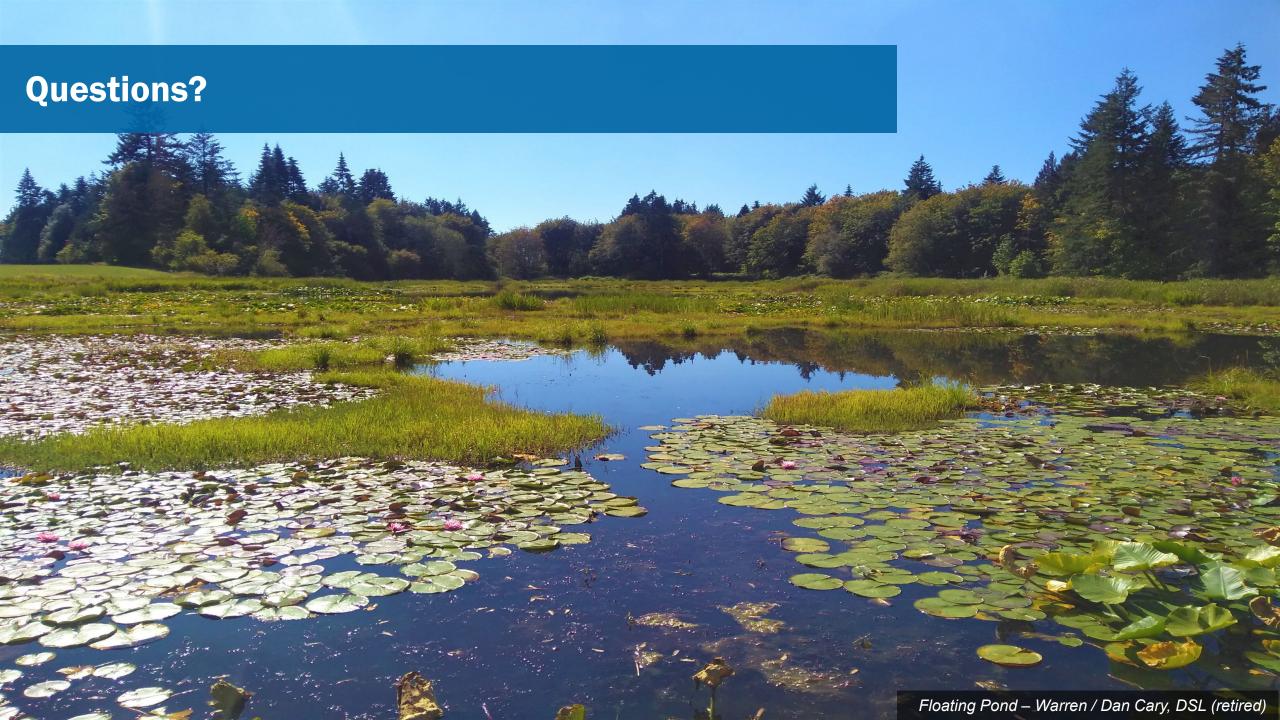
#### REMOVING OR FILLING MATERIALS IN WETLANDS AND WATERS(Current Fees)

- The most a removal-fill permit currently costs is \$1,027 for a private applicant or \$1,635 for a public or commercial applicant.
- For applications that do not require a removal-fill permit, there is currently no cost to the applicant.
- Certain removal-fill permit activities, such as voluntary habitat restoration and erosion control, do not require a fee.



#### REMOVING OR FILLING MATERIALS IN WETLANDS AND WATERS

Under the new tiered structure proposed, starting September 1, 2025; permit applicants will be charged a base fee plus the applicable tier fee. Fees will depend on the type of application, the impacts to wetlands and waters, and factors that increase the complexity of the application review. Fees start as low as \$700 for a base application fee only to upwards of \$23,100 for an application in tier 5. Fees will increase annually and will range from \$964 upwards of \$33,509 by September 1, 2029.





Commenters have a 3-minute time limit. Please state your name and affiliation.

## Provide Written Comment

Written comments may be submitted through May 31, 2025, at 5:00 p.m. by:



#### **Email**

dsl.rules@dsl.oregon.gov



#### **Online form**

https://www.oregon.gov/dsl/Pages/rulemaking.a spx



#### Mail Oregon Department of State Lands

775 Summer St. NE, Suite 100

Salem, OR 97301





#### Thank You!

**DSL.rules@dsl.oregon.gov** 

oregon.gov/dsl

