Summary of Proposed Fees and Compensation

Waterway Leases, Licenses, and Registrations on Oregon-Owned Waterways

About the Summary of Proposed Fees and Compensation

This document summarizes proposed changes to fees and compensation for structures located on submerged and submersible land. These updates are part of a broader rulemaking effort by the Oregon Department of State Lands (DSL), see below for an overview, and the fees and compensation summarized here include:

- Waterway registration authorizations (for small private structures)
- Waterway leases (for medium or large private structures)
- Public facility licenses

Only proposed revisions under OAR 141-082 are highlighted here. There are no changes proposed to application fees or compensation for wharf certifications, or other fees related to Oregon's waters—such as special use licenses, waterway and the territorial sea easements, or sand and gravel leases. These are not part of the current rulemaking effort.

About the Rulemaking Comment Period

DSL is seeking comments on proposed changes to administrative rules (OAR 141-082) to achieve sustainable operations in managing waterway authorizations for marinas, ports, docks, floating homes, and more, as well as implementing best management practices to protect the health and safety of Oregon's waterways.

The comment period is open from July 1 - August 15, 2025 (closes at 5 p.m. Pacific).

Learn more:

- See the public notice and how to comment and/or attend a public hearing here (PDF)
- Review the full set of proposed changes to rule language in OAR 141-082 here (PDF)
- All rulemaking materials can be found at https://www.oregon.gov/dsl/Pages/rulemaking.aspx

Questions?

Contact us at DSL.Rulemaking@dsl.oregon.gov

Waterway Registration Authorization (Small Private Structures on Submerged and Submersible Land)

Small or medium-sized private structures placed in, upon, or over Oregon-owned waterways require a waterway registration authorization. These include docks, boat houses, and other similar structures 2,500 square feet or smaller, as well as floating recreational cabins smaller than 1,500 square feet. This excludes commercial activity.

Registration authorizations must be renewed every five (5) years.

Application Fees

Waterway Registration Authorizations: New and Renewals	Current Fee (2025)	Proposed Fee
Dock/float or boat house (1,000 square feet or less)	\$250	\$400
Dock/float or boat house (1,001 to 2,000 square feet)	\$500	\$700
Dock/float or boat house (2,001 to 2,500 square feet)	\$600	\$800
Floating recreational cabin	\$700	\$1,000
Other structures determined by Director	Not less than	Not to exceed
	\$250	\$1,000
Riprap and tide gates	None	None
Structures maintained by a diking or drainage district	None	None
Rights of way established prior to November 1, 1981	None	None
for any county or city road		
Voluntary habitat restoration work	None	None

Annual Compensation

No annual compensation is required.

Related to these fees, what notable changes are proposed?

- Revised application fees: Increase current application fees to reflect staff time required to process applications. An annual increase in application fees is not proposed.
- Redefine fee limits for "other structures determined by Director" to keep costs affordable: Under current rules, it is not possible to have a no cost (\$0) application for small, low-risk structures and there is no maximum limit. In the proposed rules, the fee limit is flipped to have a maximum of \$1,000 and no minimum. This approach can help people and nonprofits access a low or no-cost registration when seeking to place a low-impact waterway structure.

See all changes proposed to OAR 141-082-0335 here.

Waterway Lease (Medium or Large Private Structures on Submerged and Submersible Land)

Large private structures placed in, upon, or over Oregon-owned waterways require a waterway lease. These include docks, floating homes, and other structures 2,500 square feet or larger, as well as floating recreational cabins over 1,500 square feet. This includes all commercial activity.

Leases must be renewed **every five (5) years**. If the renewal is for an existing lease, the term can be **up to fifteen 15 years**. This is dependent on Department approval and considering factors such as access to the waterway for the public, length of structure use, and more (see rule language in section OAR 141-082-0285 for more details.)

Application Fees

Fee Type	Waterway Lease Application Fees	Current Fee (2025)	Proposed Fee	
Applying for or	New application	\$750	\$1,000	
renewing a	Renewal			
lease	No change of area or use classification	\$375	\$500	
	Includes change(s)	\$750	\$1,000	
Modifying an	Amendment			
active lease	No change of area or use classification	\$375	\$500	
	Includes change(s)	\$750	\$1,000	
	Assignment or Sublease	\$750	\$1,000	
	Bank consent agreement	\$375	\$500	
Additional fees (as applicable)	Late renewal	No fee	\$500	
	Lease holdover	No fee	\$500	
	DOJ consultation	No fee	\$500	

Definitions:

- **Assignment**: A transfer by the lessee or licensee, with the Department's approval of the rights of use and occupancy of the authorized area or premises to another person or entity.
- Sublease: An agreement between the lessee and a third party to use the lease area.
- **Bank consent agreement**: A document used when rights under a waterway use authorization are held as collateral for repayment of a loan.
- Late renewal: A renewal application submitted less than 30 days prior to the authorization's expiration date.
- Lease holdover: When a lease expires without a renewal being approved. With a few exceptions, the terms and conditions of the expired lease are in "holdover", meaning they still apply despite the expiration.
- **DOJ consultation:** When a lease requires DOJ sufficiency review (a statutory requirement for authorizations where the lease payment over the term of the agreement exceeds a specific value: currently \$250K) or when someone requests substantive changes to the terms and conditions.

Annual Compensation

Waterway use authorizations allow certain uses of Oregon-owned rivers, lakes, territorial sea, and other waterways while compensating Oregonians for usage of these public resources. Revenue from waterway use authorizations goes into the Common School Fund, benefitting K-12 education. A limited amount of revenue is used for the Submerged Lands Enhancement Fund grants (learn more on page 6).

Annual Lease Payment Formula

This formula calculates the first year of the annual lease payment for each parcel in the lease area. Parcels are based on a change in use or by adjacent tax lot boundaries. Following the first year, the payment will **increase**3% **annually** for the duration of the lease. Upon renewal of a lease, the annual lease payment will be recalculated using the below formula.

Adjacent Land Value (Value per (Value per Square Foot) X Rental Rate (Percentage) X Authorized Area (Square Feet) Annual Lease Payment

- Adjacent Land Value: as determined by the <u>County Assessor's office</u>, expressed as a value per square foot
- Rental Rate: expressed as a percentage.
 - The rate starts at 3%. It can't go below 3% or above 8%.
 - The rate goes up or down based on the activity type authorized by DSL or applied for (see below table for Rental Rate Modifiers). These modifiers are cumulative. The same modifier can also be applied multiple times, for example, a waterway can be both a State Scenic Waterway as well as Essential Salmonid Habitat, combining for an additional one (1) percent added to the Rental Rate
 - o For multi-use leases, the Rental Rate will be calculated separately for each individual use.
- Authorized Area: the area or premises requested for use, expressed in square feet.
- Annual Lease Payment: calculated by multiplying the Adjacent Land Value, Rental Rate, and Authorized Area together, as seen in the formula.

Rental Rate Modifiers

Below are the additional considerations, as identified in the proposed changes to OAR 141-082-0305(3), when calculating the Rental Rate. These are discretionary and intended to be used by DSL to adjust rental rates due to case specific considerations related to the location and/or the nature of the activity or due to the actions of the lessee/applicant. Some authorized activity types are listed that have no impact on the rental rate.

Rental Rate Modifier	+/- (%)	Additional Information
a) Beneficial Waterways Program	- 0.75%	Applies when lessee/applicant participates in a local, state, federal program that requires them to meet certain standards (which often exceed current legal requirements). For example, the Clean Marina Program with Oregon State Marine Board.
b) Public access provided	- 0.75%	Provides free or at a nominal cost access to the waterway to all members of the public, without restriction.

c) Waterway or other designation	+ 0.5%	Used when the activity occurs on a waterway that has or is within a local, state, or federal designation because of the waterway's environmental, recreational, or cultural value. For example, Essential Salmonid Habitat, State Scenic Waterway, Oregon's coastal management zone, or OAR 141-142 designated marine protected areas, etc.
d) Use classifications	Categories of activities identified in rule OAR 141-082-0305(12) and used by the department to adjust the rental rate used for calculating a lease's annual payment due.	
(a) Noncommercial Use	+ 0.10%	Owner oriented structures not open to the public (i.e. HOA docks; Yacht club marinas).
(b) Personal Recreational Use	no change	Structures associated with residential use and dedicated to recreational purposes.
(c) Commercial Use	+ 0.25%	Activity that results in or is associated with monetary gain.
(d) Aquaculture Facilities	+ 0.10%	Structures dedicated to aquaculture not otherwise regulated by the Oregon Department of Agriculture.
(e) Historic Vessel and/or Structure	no change	Vessels or structures owned by a not-for-profit and eligible or listed in the National Register of Historic Places, as determined by State Historic Preservation Office (SHPO).
(f) Log Raft and Log Storage	no change	Structures and areas used for mooring and storing log rafts or used for confining loose logs, grading and sorting logs, or feeding wood products to a mill.
(g) Marinas	+ 0.25%	A facility providing boat berthing, docking and mooring, and incidental services for recreational, commercial, and/or charter fishing boats.
(h) Marine Industrial Use	+ 0.50%	Structures or uses which involve (in-part or wholly) the fabrication, assembly, processing, or manufacture of products, structures or vessels from raw materials or fabricated parts, or otherwise involves industrial activities requiring proximity to a waterway. Included in this definition is sea water desalination and mineral extraction and processing facilities.
(i) Marine Services Use	+ 0.50%	Structures or uses which provide boat berthing, docking and mooring for tugboats, barges, and other marine industrial workboats and structures associated with other marine service uses such as fish processing plants.
(j) Non-Marine Use	+ 0.50%	Structures or uses, which otherwise do not require proximity to a waterway. Uses include but are not limited to: single and multifamily residences, hotels and motels, restaurants, offices, retail stores, parking lots and structures, and warehouses.
(k) Other use classifications	case by case	Reserved for exceptional cases when a use does not fit in any of the above classifications. Requires Director consent and approval. Director will set the amount to modify the rental rate on a case-by-case basis.
(f) Other methods or information case by case	case by case	Reserved for exceptional cases and intended to apply only when there are reasonable and valid considerations not listed in rule that otherwise should be utilized by the Department, or the Department is required by law to consider. Requires Director consent and approval. Director will set the amount this classification modifies the rental rate on a case-by-case basis.

Minimum and Maximum Annual Lease Payment

Regardless of the amount calculated for the annual lease payment, a minimum and maximum applies for each parcel within the lease area.

Effective	Minimum Annual	Maximum Annual
Date	Lease Payment Lease Payme	
	(per parcel)	(per parcel)
July 1, 2026	\$1,200	\$150,000
July 1, 2031	\$1,400	
July 1, 2036	\$1,600	\$175,000
July 1, 2041	\$1,800	

Annual Surcharge: Submerged Lands Enhancement Fund

Projects that enhance, improve, or protect the beds and banks of Oregon-owned waterways often benefit water quality, surrounding wildlife, and waterway users. In 2017, DSL worked with the state legislature to establish the <u>Submerged Lands Enhancement Fund</u>, which makes grants available for these types of projects. The fund is financed by up to 20 percent of the revenue from waterway authorizations.

This proposed surcharge would be billed annually, along with the annual lease payment due.

Annual Surcharge	Current Fee (2025)	Proposed Fee
Submerged Lands	\$0	\$100
Enhancement Fund		

Related to these fees and compensation, what notable changes are proposed?

- Revised application fees:
 - o Increase application fees to reflect staff time required to process applications, and to increase annually by 5% to track with inflation.
 - o Introduce three new additional fees that (as applicable) reflect the additional staff time and resources needed to process: 1) late renewal, 2) lease holdover, and 3) DOJ consultation.
- Reduce to a single approach to compensation, using "modifiers" to adjust the rates based on location and type of activity. Currently three different methods, this change ensures fair and consistent annual lease payments for all parcels. Introducing the "modifiers" allows the compensation to reflect the nuanced and unique nature of each leasehold parcel.
- **Update the minimum for compensation rates and add a maximum:** Addresses concerns of inequality arising from lessees with intensive uses or exceptionally large leaseholds paying the same amount as small leaseholds with high value adjacent property.
- Add an annual surcharge for waterway improvement grants: This is a sustainable funding source that contributes to the percentage set aside for the Submerged Lands Enhancement Fund.
- Limit the duration of new leases to five (5) years: Reduce lease terms to align with industry standards, allowing staff to review leases and waterway use more often and making sure DSL is more active in managing waterways. New leases are limited to five years, with extensions available upon renewal for lessees in good standing.

See all changes proposed to OAR 141-082-0305 and 0306 here.

Public Facility License (Structures on Submerged and Submersible Land)

Structures owned, operated, maintained, or used by public agencies that charge no or minimal fees to users may hold a public facility license. Examples that may qualify for a public facility license include boat ramps, transient use docks, public fishing or crabbing piers, viewing structures, and navigational aids.

Licenses must be renewed every fifteen (15) years.

Application Fees

Fee Type	Public Facility Licenses	Current Fee (2025)	Proposed Fee	
Applying for or	New application	\$750	\$1,000	
renewing a	Renewal			
license	No change of area or use classification	\$375	\$500	
	Includes change(s)	\$750	\$1,000	
Modifying an	Amendment			
active license	No change of area or use classification	\$375	\$500	
	Includes change(s)	\$750	\$1,000	
	Assignment or Sublease	\$750	\$1,000	
	Bank consent agreement	\$375	\$500	
All application fees for public facility licenses shall increase by 5% annually on July 1st.				

Annual Compensation

No annual compensation is required.

Related to these fees, what notable changes are proposed?

• **Revised application fees:** Increase application fees to reflect staff time required to process applications, and increase annually by 5% to track with inflation.

See all changes proposed to OAR 141-082-0306 here.