

The State Land Board met in regular session on August 5, 1997 in the Land Board Room of the State Lands Building, 775 Summer Street NE, Salem, Oregon 97310.

Present were:

John Kitzhaber	Governor
Phil Keisling	Secretary of State
Jim Hill	State Treasurer

<u>Assistants</u>	<u>Staff</u>	<u>Dept. of Justice</u>
Paula Burgess	Paul Cleary	(no representative)
Rollie Wisbrock	John Lilly	
Rick Hanson	Steve Purchase	
	Jenifer Robison	
	Gail Lowry	

Governor Kitzhaber called the meeting to order at 9:05 am. The topics discussed and the results of those discussions are listed as follows. Further details of the discussions may be obtained in the written transcript of the meeting available at the Division of State Lands, 775 Summer Street NE, Salem, Oregon 97310 (phone: (503) 378-3805).

***DSL Agenda*** Request for approval of the Division of State Lands' short-term (1997-1999) agenda.

Director Cleary reviewed the list of items on the short-term agenda, which he said will serve as the work plan for the Division for the next 18-24 months. He said the bottom line is increasing efficiency, while reducing paperwork and simplifying processes in all program areas.

Secretary of State Keisling moved the agency's proposed short-term agenda be approved. State Treasurer Hill seconded the motion and the decision was unanimous.

## **Consent Agenda**

- Rulemaking** Request for authorization to initiate rulemaking to revise the following administrative rules to conform with 1997 statutory revisions: (1) Procedures for Administration of Unclaimed Property; (2) Procedures for Administration of Estates - Probate; and (3) Procedures for Administration of Escheat Property.
- Rulemaking.** Request for authorization to initiate rulemaking to develop a new General Authorization to control sediment removal from tidally-influenced and gated ditches/streams/channels in the agricultural areas of the Oregon coast.
- Rulemaking** Request for authorization to initiate rulemaking to revise current rules governing public uses of the South Slough National Estuarine Research Reserve.
- Scenic Waterways** Request for approval of various scenic waterway permits for recreational placer mining activities located within state scenic waterways.
- Scenic Waterways** Request by Rogue Mail Boat Service, Inc. to renew a removal-fill permit to enhance channel depth within the Rogue River State Scenic Waterway.
- Scenic Waterways** Request by Rogue River Jet Boat Tours to renew a removal-fill permit to enhance channel depth at Illahe Island within the Rogue River State Scenic Waterway.
- Minutes** Request for approval of the June 10, 1997 minutes of the State Land Board meeting.

Director Cleary briefly reviewed the items on the Consent Agenda. Secretary of State Keisling moved the Consent Agenda be approved. State Treasurer Hill seconded the motion and the approval was unanimous.

## **Informational Agenda**

### **Legislation** Report on the 1997 Legislative Session.

Director Cleary said the session went very well for the Division. He reported that all the agency-sponsored legislation passed and the budget was approved as presented. He explained that the South Slough Reserve's non-educational program funding was shifted from the General Fund to the Common School Fund. He said this puts a floor under South Slough's funding, but also puts a ceiling on it as well, since statutory costs must be kept within the confines of the statutory program revenues. Director Cleary reviewed several other bills impacting the Division.

Secretary of State Keisling expressed his concern over the Legislature requiring the agency to rely on statutory program revenue, rather than the General Fund for the South Slough Reserve. He asked what kind of cushion is available before the agency may have to use other revenues for these programs. Director Cleary explained that a large part of the statutory revenue stream comes from sand and gravel royalties and other waterway leasing. He said dealing with endangered species or fish concerns could impact those revenues dramatically. Cleary said he would get specific figures to the Board regarding the projected statutory program revenues and costs. He added that the agency would be watching the cushion closely and reported that the Ways and Means Committee indicated a willingness for the agency to come back to the Emergency Board for possible General Fund moneys, if the statutory revenue ceiling was reached.

The Land Board members expressed their appreciation for the good job done by Director Cleary during the Legislative Session. Cleary thanked them and gave credit to the "good team" he has behind him.

### **Wetlands** Report on *Recommendations for a Nonregulatory Wetland Restoration Program for Oregon*.

Director Cleary introduced Jim Good, Coastal Resource Specialist with the Oregon Sea Grant Program at the Oregon State University, who gave a brief overview of the report entitled *Recommendations for a Nonregulatory Wetland Restoration Program for Oregon*.

Good discussed the need for an improved non-regulatory wetland restoration program in the state. He reviewed some of the goals and recommendations of the report. He said no major new separate initiatives are being proposed, but emphasis is being placed on better integration of wetland restoration activities into existing programs. He noted that some legislative changes will need to be proposed and a modest amount of new resources are needed to implement the recommendations in the report.

Secretary of State Keisling commended Good on the report. He emphasized the lack of permanent, dedicated funding for what he called the "green infrastructure" in the state, saying that we're paying the consequences of this lack of funding over and over again. He said he welcomed ideas for ways to increase awareness of the needs here and for showing how much can be done with a relatively modest investment.

State Treasurer Hill asked if there were specific recommendations for the Land Board. Good replied that there were none specifically targeted for the Board, but said as the Board governs the Division, they could provide support, encouragement and assistance in attempting to get the modest resources needed to do the job.

Governor Kitzhaber also praised the report, saying it fits into the philosophy of trying to change the natural resource debate in the state from one of conflict and win/lose or lose/lose to something much more productive. He said the report will be a tremendous contribution to that effort.

The meeting was adjourned at 9:30.

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John A. Kitzhaber, Governor

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Paul R. Cleary, Director