



Environmental Justice Report 2024

OREGON DEPARTMENT OF STATE LANDS

Environmental Justice Report: 2024

Oregon Department of State Lands

This report from the [Oregon Department of State Lands](#) to the Oregon Environmental Justice Council highlights our policies and activities in the calendar year of 2024 regarding the Council's priorities to:

- Address environmental justice issues.
- Increase public participation of individuals and communities affected by agency decisions.
- Determine the effect of agency decisions on traditionally underrepresented communities.
- Improve plans to advance environmental justice in Oregon.
- Utilize the environmental justice mapping tool under development.

Oregon's Environmental Justice Council

In 2022, the Oregon Legislature passed [HB 4077](#) that codified the [Environmental Justice Council \(EJC\)](#) within the Office of the Governor. This statewide council is responsible for advising the Governor and state natural resource agencies on environmental justice issues. The Department of State Lands is one of those sixteen participating agencies.



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Letter from the Director

Vicki L. Walker

Dear Governor Kotek and Council Members:

The Oregon Department of State Lands respectfully submits our annual Environmental Justice report to the Environmental Justice Council.

This marks my final year sharing our work to advance environmental justice at DSL, as I will retire on July 1, 2025. Over the past seven years, our small agency has navigated significant changes while addressing new challenges in managing Oregon's rangelands, forestlands, wetlands, and waters. Increasing resilience to wildfire, drought, invasive species, and other climate-related threats remains a vital part of fostering healthy communities and creating equitable opportunities for all Oregonians to connect with our state's natural resources. At DSL, our work is truly statewide—intertwined with Oregon's diverse ecosystems and driven by enduring partnerships with public agencies, Tribes, nonprofits, and individuals.

In 2024, we continued to focus on key initiatives to advance environmental justice. These efforts included refining strategies to embed environmental justice into strategic plan projects, improving our rulemaking process to encourage more meaningful community involvement, and strengthening our capacity by expanding our Government and Community Relations team. I am deeply proud of the progress DSL has made and confident in the agency's continued dedication to this critical work.

Personally, I have learned a great deal about environmental justice during my time at DSL. These lessons have left a lasting impression, and I look forward to carrying these ideas into the next chapter of my life.

We are grateful for the insight and expertise of the Environmental Justice Council and the Governor's Office and look forward to continuing our collaborative efforts to ensure a more just and sustainable future for Oregon.

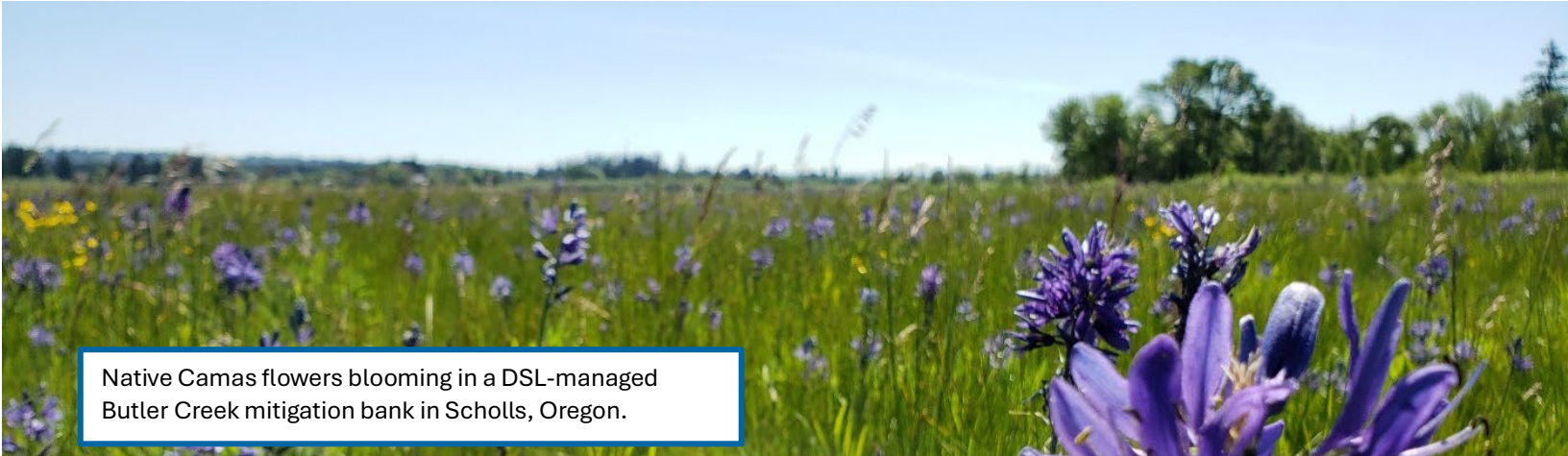
Sincerely,



Vicki L. Walker

Director

Oregon Department of State Lands



Native Camas flowers blooming in a DSL-managed Butler Creek mitigation bank in Scholls, Oregon.

AGENCY INTRODUCTION

Mission Statement

Oregon's State Land Board oversees the Common School Fund, which sends millions of dollars every year to our K-12 public schools. As the State Land Board's administrative agency, the Department of State Lands (DSL) manages school lands, protects waters and wetlands, and is the state partner for South Slough National Estuarine Research Reserve.

Agency Leadership

Vicki Walker, Director

Chris Castelli, Deputy Director of Land Management

Jimmie Phillips, Human Resources Manager

Bill Ryan, Deputy Director of Aquatic Resource Management

Jean Straight, Deputy Director of Administration

State Land Board

Established by the Oregon Constitution in 1859, the State Land Board oversees the Common School Fund and has been composed of the Governor, Secretary of State, and State Treasurer throughout its history. The Land Board oversees DSL and meets regularly to make decisions regarding school lands and Oregon-owned waterways, and to provide direction on DSL operations.



In 2024 the State Land Board included Secretary of State **LaVonne Griffin-Valade**, Governor **Tina Kotek** (Chair), and State Treasurer **Tobias Read**.

Agency Budget and Revenue Sources

2023 – 2025

A summary of DSL's Legislatively Adopted Budget for the 2023 – 2025 biennium can be found in *Appendix A: 2023-25 Legislatively Adopted Budget Detailed Analysis*.

In addition to the budget bill, DSL received a new legislatively created program and related funding to tackle abandoned and derelict vessels.

Looking ahead to 2025 – 2027

The [Governor's Recommended Budget can be found online here](#). See pages 153 – 156 for more information on DSL.

	2021-23 Actuals	2023-25 Leg Approved Budget	2025-27 Governor's Budget
General Fund	\$123,060,000	\$4,002,152	\$442,576
Lottery Funds	0	0	0
Other Funds	53,209,130	74,850,091	88,731,866
Federal Funds	2,477,678	5,580,888	6,529,002
Other Funds (Nonlimited)	14,913,221	19,052,461	20,749,534
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$193,660,029	\$103,485,592	\$116,452,978
Positions	105	113	138
Full-time Equivalent	103.38	110.78	132.66

Our Work

The Department of State Lands (www.oregon.gov/dsl) is a small agency that makes big contributions to Oregon. Our oversight benefits more natural and working lands than any other state agency. We work to protect these lands for generations to come through four main programs.



PROTECTING WATERS & WETLANDS

DSL oversees removal-fill and wetland conservation laws and use of publicly owned waterways. This work helps protect waters and wetlands for their many contributions to Oregon, like streams for swimming and fishing, wetlands to clean water and reduce flooding, and rivers where commerce thrives. [See the latest annual report.](#)



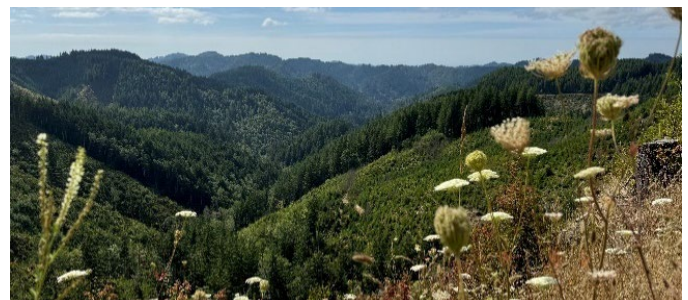
MANAGING SCHOOL LANDS

DSL manages 1.5 million acres of school lands and minerals in all 36 counties across the state. This work sends revenue to the Common School Fund and provides big community benefits – like leasing land to cattle ranchers in Eastern Oregon or helping attract family-wage businesses to Redmond through rezoning and sale of school lands. [See the latest annual report.](#)



UNDERSTANDING & EXPLORING ESTUARIES

South Slough Reserve provides research and education to support stewardship of estuaries and coastal watersheds in Oregon and beyond. Located on the South Slough inlet of the Coos Estuary in Charleston, the Reserve manages nearly 7,000 acres, including open water, wetlands, rivers, and forests. [See the latest annual report.](#)



RESEARCHING IN WORKING FORESTS

The Elliott State Forest was established northeast of Coos Bay in 1930 as Oregon's first state forest. Today, about 83,000 acres are now a nationally important center for forest science research and management that also contributes to conservation, education, recreation, Indigenous culture, and local economies in Oregon. [Learn more about the Elliott State Research Forest here.](#)

2024 HIGHLIGHTS

Agencywide

Made our services and information more accessible: In 2024, we launched a new and improved website to support people in connecting with program information and our team. Four new pages were created specifically to better communicate our [government-to-government policy](#), [information about Tribal governments](#), management of [cultural resources](#), how to [access meetings and events](#), as well as our commitments to [diversity, equity, inclusion, and the State's environmental justice priorities](#).

Collaborated with LCIS, the Cultural Resource Cluster, and Natural Resources Workgroup: DSL staff participated in these meetings throughout the year, and DSL provided ongoing updates on the Elliott State Research Forest, rulemakings, legislative concepts, and the new abandoned and derelict vessels program. We're always seeking ways to be a good partner and share resources when possible. For example, we hosted the February 2024 meeting of LCIS in our Land Board Room.

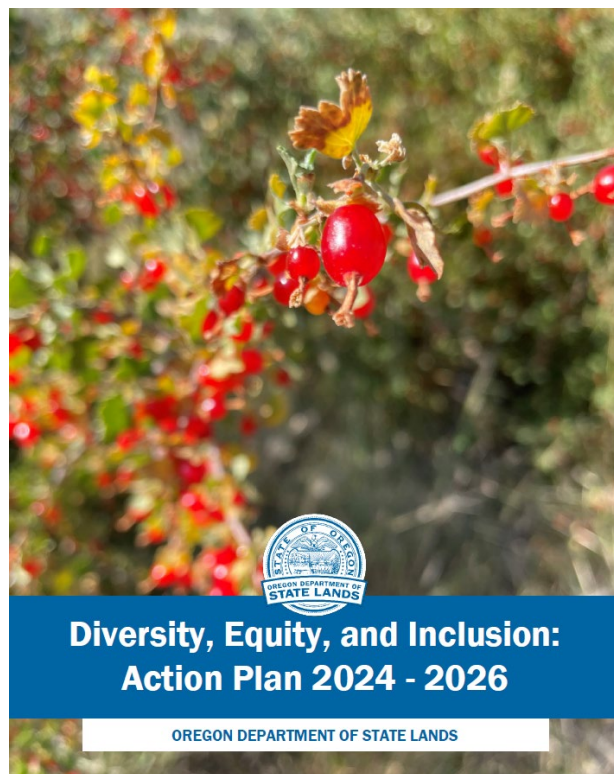
Invested in a new Government and Community Relations team: An idea seeded in 2023, this past year the team has continued to evolve to be better staffed and resourced to support Tribal collaboration.

Adopted our first two-year DEI Action Plan: as a companion plan to our strategic plan, this action plan focuses on workforce development, inclusive communications, community engagement, and operationalizing DEI.

DSL's 2025-27 Agency Budget Request: Includes a funding request for staffing and resources that support community engagement.

Engagement and Tribal consultation on rulemakings: In 2024, invitations for communication, participation on advisory committees, and/or consultation were sent out for the following [rulemakings \(learn more here\)](#):

- (Division 89) General authorizations in Oregon's wetlands, rivers, streams, lakes, or other waters – *Rules adopted, effective July 1, 2024*
- (Division 126) Authorizing communication site facilities on State-owned land – *Rules adopted, effective December 13, 2024*
- (Division 142) Rocky shore habitats – *Proposed rules*
- (Division 85/89/90/93) Removal-fill and wetland delineation program fees – *Advisory Committee concluded, public comment period open January 2025*
- (Division 82) Leases, licenses, and registrations on Oregon-owned waterways – *Rulemaking Advisory Committee underway*



See DSL's two-year [DEI Action Plan \(PDF\)](#) on our [website here](#).



Aquatic Resource Management Program: Protecting Waters and Wetlands

Villines Mitigation Bank

DSL is seeking to address the barriers the Cow Creek Band of Umpqua Tribe of Indians (CCBUTI) experienced when seeking approval of the Villines Mitigation Bank in Douglas County. Direct consultation began in 2023 and staff-to-staff coordination is ongoing to identify a potential new approach to mitigation bank sponsorship by CCBUTI that is acceptable to both the State and the Tribe.

Abandoned and Derelict Vessels (ADV)

ADV Workgroup: DSL convened an ADV Workgroup from September 2023 – April 2024 to provide input on the new statewide ADV program. The 20+ workgroup members brought a variety of perspectives and expertise, including ports, marinas, local government, waterway recreation, environmental protection, and vessel salvage. Meetings were open to community members and agendas always included time for community input. The findings were summarized in a program framework that went out for broader community input in 2024 and then presented to the State Land Board. This work shaped near-term projects as well as proposed legislation for the 2025 session.

Grant Funding to Expand Services: DSL partnered with the Oregon Public Ports Association to apply for a federal grant funding opportunity for ADV removal (the results of the competition will be announced in 2025). DSL staff and public ports staff reached out to Tribal partners and community members to share information about the proposal and invite feedback regarding concerns, needs, and preferences.

Collaboration to Protect Cultural Resources: DSL staff maintained ongoing communication with Confederated Tribes of Grand Ronde regarding an occupied liveaboard vessel that ran aground in a sensitive area along the bank of the Columbia River. We were ultimately able to influence the owner of the vessel to follow through with a plan to move the vessel without harming Tribal resources.

Administrative Rulemaking for Rocky Shore Habitats

DSL is working to update rules in OAR 141-142 that guide the establishment and management of marine reserves and marine protected areas in Oregon’s territorial sea. These rules must be amended to include updated designations of rocky habitat sites, in conformance with the community-informed work already done by Oregon’s Ocean Policy Advisory Council and Department of Land and Conservation Development on updating Oregon’s Territorial Sea Plan: Part Three. DSL received comments from Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians (CTCLUSI), and the final proposed rule language includes additions to address those requests.

The new ADV Program is starting the long-term work to address the lifecycle of boats that may otherwise contaminate water, degrade habitat, damage property and cultural resources, and create navigational hazards. The work is complicated and requires persistent collaboration.

Real Property Program: Managing School Lands

Partnerships in Land Management

In October 2024, the Land Board adopted a new ten-year Asset Management Plan which guides management of Oregon's 681,000 acres of school lands to generate revenue for the Common School Fund. The new plan includes an increased focus on renewable energy, partnership projects, and wildfire resiliency. Pursuing these priorities is already underway.

For example, DSL staff are partnering with Confederated Tribes of the Umatilla Indian Reservation (CTUIR) to acquire grant funding for fuels reduction/forest resiliency work in Umatilla County. The 320-acre Johnson Creek project would serve both CTUIR lands and adjacent lands managed by DSL. Strategic removal of vegetation that could serve as fuel is critical to mitigating wildfire risk, particularly in fire-prone areas like Eastern Oregon. The project is awaiting funding approval from the BIA Reserve Treaty Rights Lands Bipartisan Infrastructure Law program.

New Rules Guiding Communication Site Leases

DSL currently manages 28 leases for communication site facilities across 6 locations. These are predominantly in SE Oregon serving rural and remote communities who might not otherwise have access to emergency services or cell services. These facilities support wireless cellular service, internet service, emergency communications, technologies that detect wildfires or seismic activities, cable and radio broadcast, local radio users, and more. For example, the Burns Paiute Tribe maintains a facility on Steens Mountain in Harney County which aids communication services, including phone and internet, as well as service for Tribal emergency radio support.

In 2024, rulemaking was completed to update rules guiding management of these leases. New communication sites are not common, but there is a future need with the expansion of broadband and cellular services throughout the state.

Navigating Cultural Resource Concerns

DSL program staff, supported by our archaeologist, regularly address cultural resource concerns on DSL-managed lands and communicate with potentially impacted Tribes. For example, at a location south of Prineville there is a proposal to locate a solar farm on a few land parcels managed by DSL, adjacent to land owned by the Bureau of Land Management as well as private property. After consultation with Confederated Tribes of the Warm Springs and the Burns Paiute Tribe, the area proposed to be leased from DSL has been reduced approximately 60 acres to address cultural resource concerns.



Beyond leasing rangelands for grazing, there is ongoing stewardship and management of rangelands to promote healthy functioning ecosystems. Partnerships are essential to implement habitat improvement projects like fuels reduction, seeding disturbed ground, and noxious weed management.



Elliott State Research Forest: Researching in Working Forests

People of many different perspectives – including interests of conservation, timber, school funding, recreation, local government, and Tribes – came together to explore and ultimately endorse a research forest as the right solution for the Elliott State Forest. The Elliott is now being transformed to a publicly owned research forest, a nationally important center for science that also contributes to Oregon-based conservation, recreation, education, equity and economies.

Forest Management Plan Establishes the Research Forest

In October 2024, the State Land Board officially established the Elliott State Research Forest with the adoption of the initial [Forest Management Plan](#). Feedback on the draft Forest Management Plan was gathered from the public, local and federal partners, Tribal governments, and the ESRF Board. Opportunities included listening sessions, public comment period, and ESRF Board meetings. Over 400 public comments were received during this period, and a summary of key themes and comments can be found in the [Community Engagement Report](#).

The Elliott is both a natural and cultural resource for many Tribes. The plan contains intentional placeholders for addressing how Indigenous approaches to forest stewardship and research will be integrated with Western approaches.

Elliott State Research Forest Board

The [Elliott State Research Forest Board of Directors](#) was appointed by the State Land Board in 2024 and meets regularly to ensure ongoing public accountability, transparency, and meaningful engagement. Meetings of the Board are open to community to attend. Although not formal Tribal representatives, several Board members have long standing knowledge of indigenous priorities and values in this space. This includes Mike Kennedy (retired Natural Resource Director of CTSI), Michael Wilson (retired Natural Resource Director of Confederated Tribes of Grand Ronde), and Melissa Cribbins (former legal counsel for the Coquille Indian Tribe).

Shutter Creek Development and Headquarters Planning

Shutter Creek, an empty former correctional facility on the Oregon Coast, has been transferred from the federal government to the state for use as the research forest headquarters. In 2023, Senator Jeff Merkley and Senator Ron Wyden secured \$4 million for property security, maintenance, renovations, and rehabilitation. DSL will soon advance a public visioning and partnership planning process for redevelopment of the property, an effort that will include robust Tribal and community collaboration.

The forest management plan, adopted in October 2024, will guide DSL in managing the research forest for multiple values, including conservation, education, recreation, Indigenous culture, and support for local economies.

South Slough Reserve: Understanding and Exploring Estuaries

Reserve Management Commission

There are nine members of the [Reserve Management Commission](#) who have been appointed by the Governor and serve as representatives of specific institutions, agencies, Tribes, and other constituencies. By statute, one commission seat is reserved for Tribal representation at all times. The seat held by the CTCLUSI since fall of 2017 was transferred to the Coquille Indian Tribe in the fall of 2022 and continues until fall 2026. This seat is currently represented by Laurabeth Barton, who in 2024 was also voted in as the Vice-Chair of the Commission.

Water Quality Monitoring

Reserve science staff continue to collaborate with the Coquille Indian Tribe and CTCLUSI to manage real-time water quality stations and to discuss data related to water quality in Coos Bay. Reserve staff have also been providing technical support to the Coquille Indian Tribe staff for new water quality monitoring efforts in Coos Bay and to help link Tribal station data to the Northwest Association of Networked Ocean Observation Systems.

Accessible Education and Training for Coastal and Tribal Communities

The Reserve offers programming designed to connect all learners to our estuaries and coastal watersheds.

Community classes provide people of all ages and backgrounds with the chance to learn through activities like bird watching, kayaking along water trails, and nature-based crafts. Reducing or removing barriers to education supports all Oregonians, and most of this programming is free to attend and very popular with the local coastal communities.

Science camps encourage kids and teens to connect with the natural world and learn about research and stewardship. Based on feedback from the last several years, the Reserve implemented a new lottery system for 2024 summer camp sign-ups and will continue to do so in 2025. The two-week sign-up window increases equitable access for community members with limited internet access and time.

Reserve staff continue to work with Tribal staff to deliver education programs, trainings, and summer camps. For example:

- South Slough staff are working with members of the CTCLUSI to establish a traditional garden of first foods and culturally significant plants as part of the Wasson Valley restoration project.



Eelgrass meadows at the Reserve have declined since 2016. Staff are investigating causes of the decline, experimenting with restoration methods, and testing the use of unmanned aerial vehicles to map eelgrass in the estuary. Key to this work is monitoring data. Pictured here staff and partners go out in the field at nighttime to collect this data.

- In November 2024, the Reserve and CTCLUSI co-developed a program to celebrate, implement and educate about co-stewardship between the Reserve and partner Tribes. The two-day Biocultural workshop taught participants, both Tribal and non-Tribal Citizens, about culturally significant plants and how they were traditionally used. Plants were then identified and planted as part of an ecological restoration project.

Partner on Projects on the Reserve

Reserve staff communicate regularly with the CTCLUSI and the Coquille Indian Tribe staff to coordinate cultural reviews for restoration and research projects, maintenance work requiring soil disturbance, and newly acquired lands in the Reserve.

Both Tribes serve as partners on the current **Wasson Creek Watershed Restoration project**. The Tribes have been integral in providing staff support and information to meet National Historic Preservation Act Section 106 compliance for restoration planning. In 2024, the Reserve hosted our Tribal partners to share a meal and stories of the Wasson Valley, a special place that holds cultural significance for many. This event celebrated the Reserve's 50th anniversary and breaking ground on the Wasson Creek Watershed Restoration project.

Reserve staff acquired funding for another project in partnership with other national estuarine research reserves and traveled to the He'eia NERR in Hawaii, in April 2024, with Tribal members of both the Coquille and CTCLUSI as part of the grant **Integrating Indigenous knowledge and NERR science and monitoring to improve estuarine stewardship and management, with shared benefits for birds and local communities**. The project involved The Pacific Birds Habitat Joint Venture and NERRs in Hawai'i, Alaska, Washington and Oregon and their Indigenous communities. The project also intentionally invited multigenerational participation, including Elders, parents, and children, which added to the richness and depth of the experience. Multiple generations from both the Coquille and CTCLUSI attended the week-long workshop.

The Reserve also regularly works with Tribal staff and Tribal members to provide opportunities for cultural plant gathering and Tribal program requests, as needed.



In August 2024, the South Slough Reserve hosted dignitaries from state, federal, and Tribal governments to cut the ribbon on our new exhibits at the Visitor Center. It was a tremendous moment honoring the 50 years of care and collaboration. Pictured L-R: Laurabeth Barton (Tribal Council Representative of the Coquille Indian Tribe), Dr. Richard Spinrad (NOAA), Governor Tina Kotek, CTCLUSI Chief Doug Barrett, Secretary of State LaVonne Griffin-Valade, and State Treasurer Tobias Read.

POLICY, PROCESS, & TOOLS

Address Environmental Justice Issues and Determine Impacts on Communities

ORS 182.550 Section 1: Address environmental justice issues

ORS 182.550 Section 3: Determine the effect of agencies' decisions on environmental justice communities.

Strategic Plan Projects

An important outcome of creating DSL's two-year DEI Action Plan was highlighting the need to operationalize diversity, equity, inclusion, and environmental justice into all strategic planning projects. DSL is revising the project charter template to include a DEI Impact Statement as well as initial guidance to support staff in revising existing charters or in crafting new ones.

Rulemaking

With input from rulemaking advisory committees, a Racial Equity Impact Statement is developed for every rulemaking. This is required of all state agencies via House Bill 2993 (2021).

Application and Permit Reviews

Monitoring of agency impacts is centered on impacts to water resources and public trust values, as well as protection of cultural resources on Oregon-owned waterways and the state-owned uplands. All applications for permitting and uses of state-owned lands require a Land Use Compatibility Statement. This determines whether a DSL permit or approval will be consistent with local government comprehensive plans and land use regulations.

Customer Service Survey

Although not specific to environmental justice communities, inviting direct feedback from the people we serve and those who are impacted by agency decisions is critical to improving our policies, processes, and tools for all Oregonians. Every two years DSL conducts a customer satisfaction survey. In addition to examining the results internally, they're sent to the Oregon legislature as a key performance measure. All state agencies strive to meet the same standards for customer service, and report on their performance when presenting budget information.

Environmental Justice Mapping Tool

ORS 182.550 Section 5: Utilize the environmental justice mapping tool

The DSL's Environmental Justice Liaison participates in multiple planning efforts to stay informed and provide input in planning meetings, data gathering, surveys, focus groups, etc. when requested:

- Environmental Justice Council meetings
- Environmental Justice Liaison meetings
- Environmental Justice Data Inventory Group

We're actively examining our current processes and practices to determine how they can be adapted to integrate the new statewide tool in development. Anticipated to launch in 2027, the release of the tool aligns with the next cycle of DSL's strategic plan. In the interim we are looking at how the Environmental Protection Agency's EJScreen platform can be used to analyze local environmental justice communities potentially impacted by projects and shape the public participation efforts.

DSL uses the statutory definition of environmental justice communities (ORS 182.535 Section 4):

“Environmental justice community” includes communities of color, communities experiencing lower incomes, communities experiencing health inequities, tribal communities, rural communities, remote communities, coastal communities, communities with limited infrastructure and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth and persons with disabilities.

Trainings

Across the agency, DSL encourages staff participation in trainings, workshops, and community events to raise awareness of concepts and application of diversity, equity, inclusion, environmental justice, and tribal relations. Some examples of training activities in 2024 include:

2024 Cultural Resources and Archaeology Awareness Training: DSL's Community Engagement Specialist / Environmental Justice Liaison attended this year's weeklong training hosted by Oregon Parks and Recreation Department (OPRD). This was a valuable opportunity to meet with Tribal members and staff, and connect DSL policies and responsibilities to real-world impacts. There are several DSL staff who have expressed interest in attending in 2025 if OPRD extends the opportunity to partner agencies again. We're excited about the recently released ["Heart and Spirit of Tribal Consultation" video series from the Commission](#), which can deepen DSL staff knowledge on the perspectives of each Tribe on sovereignty.

DSL's Diversity, Equity, and Inclusion Committee: DEI Dialogues

DSL's Diversity, Equity, and Inclusion Committee fosters an inclusive environment for all staff, promotes an agencywide climate of equity and anti-racism, and seeks to operationalize DEI in serving DSL's mission.

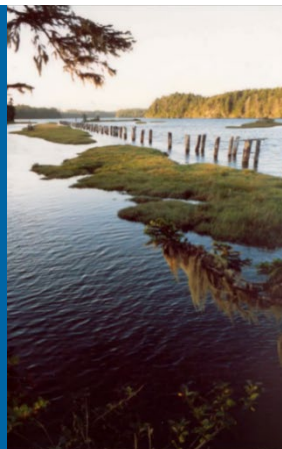
In 2024, the Committee began a new event series called "DEI Dialogues" open to all DSL staff. A discussion series centered on a video, article, comic, book, or podcast; the bulk of each session is spent in open and inclusive dialogue. Three events were hosted in 2024 with over 100 participants:

- Indigenous Data Sovereignty
- What's in a Name? Exploring Gender, Identity, and the Power of Self-Naming
- Cultural Appropriation vs. Cultural Appreciation

Statewide Trainings on DEI

Throughout 2024, DSL's Director, Human Resources Manager, and Environmental Justice Liaison participated in the quarterly DEI Cohort meetings led by the DAS Office of Cultural Change. This Office is currently developing a series of statewide trainings to advance core concepts of diversity, equity, and inclusion for all State of Oregon staff. Foundational knowledge of these core concepts will support natural resource agencies in building upon more complex and advanced topics in advancing environmental justice.

Sabra Comet is the Coastal Training Program Coordinator at the South Slough Reserve and a member of the Osage Nation. They have a master's degree in Environmental Management, focusing on Indigenous natural resources management. Sabra is co-authoring a paper with the NERRS Science collaborative on Indigenous data sovereignty. They hosted a conversation with DSL staff on the history of exploitation of Tribes in the U.S. as well as why data sovereignty (ownership and direct input) is so important.



WHAT IS 'DATA SOVEREIGNTY'?

Primary policy decider, ownership, storage of primary source/original 'raw' data

Dictates ethical policies and procedures

Upkeep of permissions from data sources

Oversees analyses/products using data



Public Participation and Meaningful Involvement

ORS 182.550 Section 2: Increase public participation of individuals and communities affected by agencies' decisions.

Identifying Community Considerations

DSL is committed to providing access to meaningful engagement through inclusive public service and access to information. DSL's Community Engagement Specialist / Environmental Justice Liaison and the project team begin by identifying community and partner interests and where on the spectrum decisions might impact or interest them. This process supports targeted public noticing for the comment period and the outcome of decisions, as well as forming advisory committees.

Concurrently, DSL considers the impacts to Tribal governments and offers consultation or coordination as appropriate. *For more information, see page 17.*

DSL anticipates integrating Oregon's Environmental Justice Mapping Tool into this process when this tool becomes available in 2027.

Meaningful Involvement: Public Comment, Meetings, and Advisory Committees

When public meetings are held regarding local projects, the Department seeks to host those meetings in person near the site of the project as well as a hybrid option to increase access. In 2023, DSL invested in portable hybrid technology to support these efforts.

- **Projects in wetlands and waterways.** Projects in wetlands and rivers, streams, lakes, or other waters usually require a removal-fill permit to protect the state's water resources. 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. Application status, materials, and opportunities to comment are online, and the State Agency Coordination Program supports the notice and public comment process. Sometimes these projects require more opportunities for public participation, and a public meeting will be held.
- **Land sales and exchanges:** Approximately 1.5 million acres of surface and subsurface lands across Oregon are managed by DSL, and occasionally those lands are sold or exchanged for land at full market value to maximize revenue for the Common School Fund. Status of pending or finalized land transactions and opportunities to comment are online. Sometimes these require more opportunities for public participation, and a public meeting will be held.
- **Rulemaking:** Throughout each year, DSL proposes rules that determine how DSL and other state agencies operate, including how they interpret and implement state laws. Administrative rules can also describe agency practices and policies. The rulemaking process is designed so there are several opportunities for people or organizations to provide feedback on a proposed rule by holding informational meetings and

Determining Impact on Communities

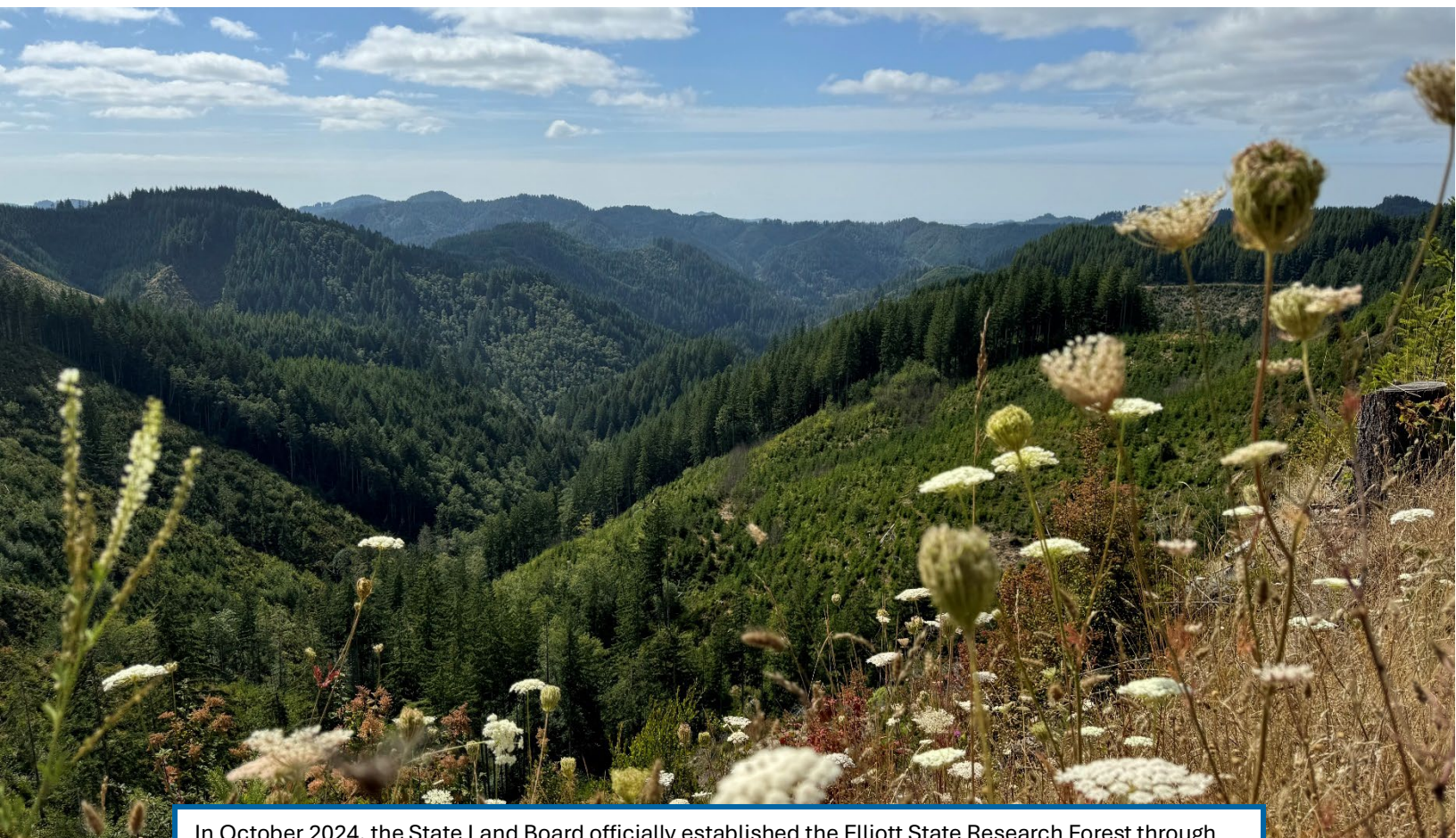
People/groups who may be directly affected by the proposed changes. Through impacts to their property, activities, business operations, etc. For example, people or businesses who apply for removal-fill permits in wetlands and waterways, currently lease state-owned lands or waterways, or use state-owned land for recreation.

People/groups with interests or concerns that may be affected by the proposed changes. Those who have a connection to the issue the decision is related to. For example, conservation groups interested in protecting natural resources, building groups interested in reducing barriers to development, economic development or business entities, etc.

People/groups who should be made aware of the proposed changes. Typically includes government agencies, law enforcement agencies, local legislators, and the public (either the public in a specific geographic location, or statewide for proposed changes that could affect many Oregonians.)

public hearings, convening Rulemaking Advisory committees, and inviting public comment. All advisory committee meetings are noticed and open to anyone to attend and listen in, and meeting agendas include allocated time to hear comments from people outside the advisory committee.

- **State Land Board:** The Land Board oversees DSL and meets regularly to make decisions regarding school lands and state-owned waterways, and to provide direction on DSL operations. Anyone can attend these meetings (online or in-person), and there are opportunities to submit testimony in writing or verbally.
- **Elliott State Research Forest Board of Directors:** In April 2024, the State Land Board adopted a formal oversight structure of the Elliott to ensure public transparency, accountability, and oversight in administration of the new program. This included the [creation of a new Board](#) for the research forest. Board meetings are open to the community to attend, and meeting recordings are posted online.
- **Agency Budget Request:** DSL develops agency budget requests that includes direct outreach to interested parties and community-based organizations, webinars, and opportunities for written and verbal comments both to DSL and directly to the State Land Board.



In October 2024, the State Land Board officially established the Elliott State Research Forest through adoption of the initial forest management plan. Many years in the making, feedback on this plan was gathered from the public, partners, government entities (including sovereign Tribal nations) and the Elliott State Research Forest Board. Over [400 public comments were received in Summer 2024](#), and DSL staff consulted the ESRF Board in responding to each comment and updating the final plan. Learn more about Oregon's first state research forest here: <https://www.oregon.gov/dsl/Pages/Elliott.aspx>

Consultation and Coordination with Tribal Governments

In addition to meaningful involvement with the public, DSL places a high priority on being accessible to and actively communicating with the nine federally recognized Tribes in Oregon: Burns Paiute Tribe; Confederated Tribes of Coos, Lower Umpqua, and Siuslaw; Confederated Tribes of the Grand Ronde Community of Oregon; Confederated Tribes of Siletz Indians of Oregon; Confederated Tribes of the Umatilla Indian Reservation; Confederated Tribes of Warm Springs Reservation of Oregon; Coquille Indian Tribe; Cow Creek Band of the Umpqua Tribe; and the Klamath Tribes.

Government-to-Government Policy

This work is aligned with our values in collaboration, inclusion and natural resource stewardship. DSL's policy on State/Tribal Government-to-Government Relations guides our work with Tribal governments.

Some of the ways we pursue this work agencywide:

- Reaching out early and regularly to Tribal representatives about DSL actions likely to affect Tribal members, natural resources, or cultural resources of Tribal interest.
- Carefully and thoughtfully consider Tribal comments concerning pending decisions and actions.
- Helping Tribes protect cultural and natural resources in Oregon through our programs.
- Providing opportunities for meaningful engagement, including government-to-government consultations, participation in Rulemaking Advisory Committees for proposed rules, and other staff-to-staff level informal collaboration.
- Meeting regularly with individual Tribal governments, participating in Tribal-state workgroups focused on natural resource management and protection of Tribal cultural resources, and attending the annual State-Tribal Summit.
- Training DSL employees on Tribal government, sovereignty and issues of interest to Tribal nations.
- Consulting with DSL's archaeologist, and the State's Physical Anthropologist at LCIS on the geographic or issue-level Tribal interests.



A comprehensive overview of DSL's policies and processes for government-to-government relations across the agency and within each program can be found online in our [State / Tribal Government-to-Government Report \(PDF\)](#)

Tribal Relations Collaborative

The Tribal Relations Collaborative at DSL, formed as a pilot in 2023, connects the new Government and Community Relations team with staff across all our programs to promote collaborative solutions and resource sharing. As the new Government and Community Relations Team evolves, we will continue to advance our processes to cultivate relationships with the Tribal governments. Responsibilities include fulfilling expectations in the Government-to-Government Policy, communicating across programs on Tribal interactions happening agencywide, support relationship building, recommend process improvements and resource development such as training and guidance.

ENVIRONMENTAL JUSTICE PROGRESS

ORS 182.550 Section 4: Improve plans to further improve environmental justice in Oregon.

Environmental Justice in Strategic Plans

Agencywide Strategic Plan 2022 - 2027

DSL's [five-year strategic plan \(FY July 1, 2022 – June 30, 2027\)](#) is focused on advancing agencywide goals, and the plan contains multiple initiatives connected to environmental justice, equity, and inclusion. Learn more about current initiatives underway on page 20.

Diversity, Equity and Inclusion (DEI) Action Plan 2024 - 2026

A companion to our strategic plan, our first [two-year DEI Action plan \(July 1, 2024 – June 30, 2026\)](#) is focused on actions that advance five key outcomes:

- DEI is operationalized and understood across the agency.
- We have a culturally, racially, ethnically, and linguistically diverse workforce.
- Our staff support an inclusive culture of belonging.
- We offer meaningful community engagement opportunities at all levels.
- Our communication is inclusive and accessible.

All Oregonians benefit from the Department of State Lands' programs. Centering diversity, equity, and inclusion principles offers a better avenue to communicate and collaborate with the people directly impacted by our programs. This includes Tribes, property owners and developers, environmental consultants, state agencies and municipalities, outdoor recreationalists, educators and students, and businesses. Indirectly, this includes people seeking housing and anyone living near Oregon-owned waterways or public trust lands. Among those impacted are people from communities of color, people from lower-income households, Tribal communities, and other communities who have been historically excluded and underrepresented in public processes.

Policy and Legislation

Our policy and legislation initiatives are in alignment with our strategic plan goals. Direction on how those align is guided by the Governor's Office, the State Land Board, and the legislature. As DSL drafts each session's legislative concepts, Racial Equity Impact Statements are shared with the Governor's Office.

There is no agency impacted legislation from the last legislative session where Environmental Justice Council engagement is cited in the legislation.

Barriers and Opportunities

As a small agency of Oregon, it's critical for DSL to collaborate with sister agencies to share resources and collaborate on solutions. To further develop and implement environmental justice policies at DSL or more broadly across the State of Oregon, please consider the following four core areas:

- Increase Funding and Budget Support
- Staff Capacity and Training
- Enterprise-wide Policies and Guidance
- Leadership and Interagency Collaboration on Tools and Resources

For more details about these four focus areas, please see **Appendix C for the Executive Summary: Agency Needs in Advancing Environmental Justice** co-written by the Environmental Justice Liaisons and Environmental Justice Coordinator in September 2024.

LOOKING AHEAD

Advancing environmental justice within DSL programs, policies, and practices is key to improving our customer service and public involvement practices, rulemaking outreach, and permit review processes.

DSL will continue to:

- Attend the Environmental Justice Council meetings to offer information or insight as needed. Consultation may be requested in the future on rulemaking activities that may impact environmental justice communities.
- Attend the Environmental Justice Liaison meetings to share resources, coordinate to respond to requests from the Council, and partner on interagency initiatives.
- Participate in the development of the statewide Environmental Justice Mapping Tool.
- Participate in government-to-government activities such as the Cultural Resources and Natural Resources Workgroup meetings, as well as any State or Tribal trainings offered.
- Track and evaluate legislative developments and evolving priorities to inform decision-making and be a good partner on advancing environmental justice. For example, pay attention to the collaborative work of the Task Force on Tribal Consultation and forthcoming guidance.
- Expand staff knowledge of DEI and environmental justice concepts through events hosted by DSL's DEI Committee.
- Review our approach to community engagement to identify opportunities for improvement through process, tools, or other resources.

Looking ahead to the next three years, DSL will be pursuing several action items in our 2022-2027 Strategic Plan and/or 2024-2026 DEI Action Plan that support or advance meaningful participation in agency decision-making, advance environmental justice, or more broadly increasing access and inclusion to our services:

- Implement DEI Impact Statements into new Strategic Plan project charters and consider ways to revisit active projects underway to address benefits and burdens to environmental justice communities.
- Examine current practices for engaging Tribal governments to identify improvement opportunities, such as: updating our government-to-government policy and coordination with the State Historic Preservation Office on strategies to better evaluate cultural resources through state permitting.
- Host an LCIS-led training for DSL staff. We'll also be exploring long-term, sustainable agencywide staff trainings on Tribal history in Oregon and best practices in consultation.
- Modernize our permitting and information system and increase access to our services and participation opportunities for wetland and waterway permits and land management decisions. Finalize the development of and implement a new customer service portal that will increase access to participation opportunities for DSL wetland and waterway permits and land management decisions.
- Examine our agencywide needs for language translation to support education, research, recreation, community involvement, and stewardship of natural resources as a regulatory agency.
- Open the 2025 – 2027 grant cycle for the Submerged Lands Enhancement Fund to support local governments, community-based organizations, and Tribes in waterway stewardship projects. Examine opportunities to increase access to, and positive impacts on, environmental justice communities through this grant program.

For additional information about any of these topics or to provide feedback on this report, please contact Community Engagement Specialist and Environmental Justice Liaison **Cait McCusker** at cait.mccusker@dsl.oregon.gov.

Appendix A: 2023-25 Legislatively Adopted Budget Detailed Analysis

DEPARTMENT OF STATE LANDS

Analyst: Gibson

Agency Totals

	2019-21 Actual	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 Legislatively Adopted
General Fund	--	123,060,000	--	--
Other Funds	45,105,039	59,984,088	36,782,322	67,106,620
Other Funds (NL)	13,659,966	16,727,890	8,052,461	8,502,461
Federal Funds	1,745,507	3,473,851	2,282,521	5,925,269
Total Funds	\$60,510,512	\$203,245,829	\$47,117,304	\$81,084,350
Positions	115	105	102	113
FTE	112.63	103.38	100.50	110.78

Overview

The Department of State Lands (DSL) is the administrative arm of the State Land Board. The Board, created under the Oregon Constitution, consists of the Governor, the Secretary of State, and the State Treasurer. The Board is responsible for managing the assets of the Common School Fund. These assets include equity investments managed by the Oregon Investment Council and the State Treasurer on behalf of the Board and over two million acres of state lands deeded at statehood in trust for education, and other lands designated by statute. In managing these assets, the Board adheres to the constitutional standard of “obtaining the greatest benefit for the people of the state, consistent with the conservation of... [the]...resource under sound techniques of land management.” By statute, related programs, such as removal-fill and wetlands are assigned to DSL. The agency also manages the South Slough National Estuarine Research Reserve.

For budget purposes, the Department is organized around four areas:

- Common School Fund – 93 positions (91.28 FTE). Consists of Land Management, Aquatic Resource Management, Business Operations and Support Services, and the Director’s Office.
- Oregon Wetlands Revolving Fund – 0.50 FTE. Established in 1987 to provide financial resources to acquire wetlands banking and wetlands mitigation sites; to accomplish wetlands restoration, enhancement, and creation; and to cover administrative costs.
- South Slough National Estuarine Research Reserve (SSNERR) – 20 positions (19.00 FTE). The SSNERR is a tidal inlet of the Coos estuary six miles southwest of Coos Bay. The area was designated in 1974 as the first national estuarine research reserve and consists of 1,000 acres of tidelands and open water surrounded by a 3,800-acre upland border. The total acreage is part of the U.S. National Estuarine Research Reserve System established by the Coastal Zone Management Act of 1972. SSNERR operates an interpretive center and maintains nature trails for hikers and canoeists. It also conducts a variety of research, education, and stewardship programs. Its laboratory work is co-located with the Oregon Institute of Marine Biology in Charleston, which is operated by the University of Oregon.
- Capital Improvements – no positions or FTE. Manages property as assets of the Common School Fund. Expenditures in this program include land rehabilitation and conversion; small infrastructure design and construction projects; facilities rehabilitation; general maintenance and repair; weed control; and response to environmental hazards.

Revenue Sources and Relationships

Other Funds revenue for the Department is derived from program operations and investment income. Statutory program operations generate revenue from waterway, hydroelectric, sand, and gravel leases; unclaimed property dividends; and removal-fill permit fees.

DSL derives statutory revenues from investment earnings on unclaimed property held in trust within the Common School Fund. With the transfer of administration of the unclaimed property program to the Oregon State Treasurer (OST), a portion of those earnings will be used to fund the administration of those programs at OST. Refinements were made by HB 2158 (2021) to provide the specific statutory framework for the OST administration of the program.

Constitutional revenue is primarily investment income on that portion of the of the Common School Fund derived from assets generated from periodic land sales and other revenue generated from property holdings for deposit in the Common School Fund and to a lesser extent, investment income derived from escheated estates. Common School Fund revenues also include receipts from timber harvests on Common School forest land. The Department of Forestry (ODF) manages forest land for DSL. Budgeted revenues for the 2023-25 biennium from timber sales on CSF lands managed by ODF are \$7.5 million and budgeted costs of ODF management on those lands is \$4.82 million.

Common School Fund revenue distributions to the Department of Education are made on an annual basis. Because these funds are directly transferred to the Department of Education, they are not included as part of the DSL budget. Estimated total distributions for the 2023-25 biennium are \$160 million.

Federal Funds received by the Department from the U.S. Environmental Protection Agency, Office of Coastal Resource Management; National Oceanic Atmospheric Administration, Department of Commerce; and U.S. Fish and Wildlife Service, support the wetlands program, permit streamlining efforts, and the SSNERR. Federal Fund receipts are estimated at \$5.9 million for the 2023-25 biennium. If other federal funds become available during the biennium, DSL will need to request additional expenditure limitation. State match requirements range from 30% to 50% depending on the individual grants and is provided from in-kind contributions, private donations, and some Common School Fund expenditures.

Budget Environment

The Common School Fund (CSF) is a constitutional trust created to manage the assets derived from the common school trust lands granted to Oregon by the federal government at statehood. These lands originally comprised 6% of the state's land for the support of schools, plus land for a state university. Revenues from these lands and any associated mineral, timber, or other resources are dedicated to the Common School Fund. The state holds title to the mineral rights for approximately four million acres.

The Oregon constitution (Article VIII) requires the Legislative Assembly to provide by law how moneys in the Common School Fund shall be invested and distributed, and to appropriate, in each biennium, money from the fund for public education. ORS 273.105 delegates this responsibility to the State Land Board. From 1999 to 2009, distributions were based on a sliding scale of percentages of a three-year rolling average of the annual growth in the CSF's market value, with lower percentages used when fund growth was relatively sluggish.

From 2010 through 2018, the distribution target had been fixed at a rate of either 4% of the past three years' rolling average CSF balance when the average balance of the fund has increased by 11% or less, or 5% when the average balance has increased by 11% or greater. Following the passage of SB 1566 (2018), the State Land Board was presented an updated distribution study that was requested by State Treasury staff from a third-party consulting firm. Based on a number of factors including the target asset allocation of the fund, growth of unclaimed property inflows, and the distribution provisions of SB 1566, the report recommended that the distribution policy for the earnings of the Common School Fund to the State School Fund be limited to no more than 3.5% of the balance of the Common School Fund in order to maintain the stable real asset value of the fund.

The Portland Harbor Superfund Site remains an issue for the agency. The site is the result of more than a century of industrial use along the Willamette River. The EPA listed the area from the Columbia Slough to the Broadway Bridge as a Superfund Site in December 2000. Clean-up costs are anticipated to be significant. The state's potential exposure to liability for the cleanup costs are due to state-owned submerged and submersible lands in

the area as well as contaminations due to run-offs from Oregon Department of Transportation owned bridges, abutments, and adjoining lands.

Currently the agency is engaged in a two-part strategy of building a legal argument that limits the state's liability for the cost of the Portland harbor clean-up, and a project-centric approach to remedial design and cleanup efforts that serve to minimize the total potential costs to the state, and to encourage other potentially responsible parties to begin cleanup work at the site. A record of decision was issued by EPA in January of 2017 that outlines a thirteen-year clean-up period with a total non-discounted cost of roughly \$1.7 billion. The portion of these costs attributed to the state has not yet been determined. DSL has been using payments received from insurance companies on policies purchased by former owners and lessees of state lands to pay a portion of the Attorney General costs for the legal defense, but those funds are not anticipated to cover ongoing costs.

In addition to the funding for the legal defense costs, SB 5530 (2017) established the Portland Harbor Cleanup Fund to support the coordination of, and participation in, any contracts or agreements relating to or arising out of the Portland Harbor Superfund Site that may include investigation of baseline conditions, investigation of key sediment sites, potential infrastructure needs related to contaminated sediments, development and administration of a comprehensive data management system for the site, satisfaction of obligations under any settlement or administrative order, work required by EPA in connection with the site, and other activities directly related to minimizing the state's liability for costs related to the Portland Harbor Superfund Site.

Legislatively Adopted Budget

The 2023-25 biennium legislatively adopted total funds budget for the Department of State Lands is \$81,084,350 supporting 113 authorized positions (110.78 FTE). This is a \$122.2 million (or 60%) reduction from the 2021-23 legislatively approved budget. The reduction is due primarily to the phase out of a one-time \$121 million appropriation of General Fund that was made in the prior biennium to finalize the financial decoupling of the Elliott State Forest from the Common School Fund as discussed in the current service level section below.

Current Service Level - The Current Service Level (CSL) contains the cumulative authorized expenditure and staffing levels for ongoing program activities and specific limited-duration activities that are brought forward from the prior biennium to provide a starting place for the formation of the legislatively adopted budget. The 2023-25 current service level budget for the Department of State Lands is \$156.2 million (or 76.8%) lower than the legislatively approved budget for the 2021-23 biennium. This dramatic change is due to the removal of one-time expenditure authorizations that were approved in the prior biennium, the largest of which was a \$121 million General Fund appropriation for deposit in the Common School Fund to complete the financial decoupling of the Elliott State Forest from the Common School Fund. Two other one-time General Fund appropriations made in the prior biennium were phased out. These totaled \$2.1 million and were made to capitalize the Oregon Ocean Science Trust fund for the purpose of making wildlife and habitat conservation grants. \$16.5 million in Other Fund expenditure limitation was removed from the budget for one-time authorized expenditures in the 2021-23 biennium that included: costs of contracted management and maintenance of the Elliott State Forest, legal and project costs related to the Portland Harbor Superfund site, and work on the agency's Lands Administration System replacement project.

Modifications and additions to the current service level budget for the agency were affected through the adoption of policy bills with budgetary impacts and the adoption of various policy bills and budget bills including the agency's primary budget bill; HB 5037, and the end of session omnibus budget bill; SB 5506.

Policy Bills - In the 2022 legislative session, the Legislative Assembly enacted SB 1546, which officially established the Elliott State Research Forest from lands formerly constituting the Elliott State Forest. The act decoupled the Elliott State Forest from the Common School Fund and established the publicly owned Elliott State Research Forest and the Elliott State Research Forest Authority, a new state agency tasked with operating and overseeing the Forest and necessary infrastructure. The measure had an operative date of January 1, 2024, for the

establishment of the new state agency conditioned on a number of tasks being completed on or before July 1, 2023.

Senate Bill 161 changed the date by which certain tasks to establish the Elliott State Research Forest must be accomplished from July 1st to December 31, 2023. The measure also changed the requirements related to federal and state responsibilities for a final habitat conservation plan and final environmental impact statement and changed the date for the State Land Board to report to the Legislature on the status of the completion of the required tasks from September 15, 2023 to February 15, 2024.

Although there were no changes to appropriations or expenditure authority directly contained in the bill, the change of dates eliminated the period of time between the completion of the tasks and the handover of operations of the Elliott State Forest from the Department of State Lands to the Elliott State Research Forest Authority. This period had originally thought to be used for the finalization of operational plans and to allow for the discussion of the initial 18-month budget for the Authority. In anticipation of the adoption of SB 161, budgetary resources were provided to DSL in its primary budget bill, HB 5037, to continue custodial management contracts, to fund the payment of fire patrol assessments from the Oregon Department of Forestry, and for the addition of a position to serve as a transition coordinator.

House Bill 2914 established the Oregon Abandoned and Derelict Vessel Program in the Department of State Lands. The program is intended to address abandoned vessels and derelict vessels; and ensure that state-owned submerged and submersible lands are managed for the public interests in fishery, navigation, commerce and Recreation. The measure also established the Oregon Abandoned and Derelict Vessel Fund which is continuously appropriated to DSL for the program. However, HB 2914 did not identify an ongoing funding source for the capitalization of the fund. This was addressed by the Legislature in SB 5506, the end of session omnibus budget bill, with the authorization to expend \$17.8 million transferred to the fund from the monies received by the Department of Justice for the recent Monsanto settlement.

Budget Bill impacts - HB 3114 (2022) provided a \$1,060,000 General Fund appropriation for deposit in the Oregon Ocean Science Fund for distribution by the Oregon Ocean Science Trust in consultation with the Oregon Coordinating Council on Ocean Acidification and Hypoxia. The agency was provided a corresponding increase in Other Funds expenditure limitation for the monies deposited in the fund for distribution of the grant funding. It was anticipated that \$600,000 of the grant funds would remain undistributed at the end of the 2021-23 biennium. Therefore, policy package 111 was adopted providing \$600,000 Other Funds expenditure limitation from the Oregon Ocean Science Fund established under ORS 196.567 to allow the agency to complete the distribution of grants for science and monitoring on nearshore keystone species including sea otters, nearshore marine ecosystems, kelp and eelgrass habitat, and sequestration of blue carbon.

The budget includes funding for continued protection of the state's interests in the cost allocation and natural resource damage assessment work for the Portland Harbor Superfund Site. The funding includes 2023-25 biennium expenditure authority for anticipated Department of Justice legal expenses to defend the state's interests specifically connected to the State Land Board's jurisdiction and authorities, continuation of a limited-duration Natural Resource Specialist 4 project coordinator position (1.00 FTE) that has been funded in the past three biennia, and provides for professional services contract work for environmental consulting and remediation project design development. The personal services and associated operational expenses for the position total \$316,166. The remaining cost of the package is for estimated Attorney General costs of \$1.1 million and \$1.4 million in professional services contracts. This funding has been included in the agency's budget since the 2011-13 biennium as shown in the following table.

	Personal Services	Attorney General	Professional Services	Total
2011-13 (pop 103)		200,000	500,000	700,000
2013-15 (pop 101)	171,374	708,027	2,635,369	3,514,770
2015-17 (pop 101)	186,916	639,633	3,912,000	4,738,549
Dec. 2016 E-Board	0	1,625,000	2,084,000	3,709,000
2017-19 (pop 101)	218,857	2,500,000	3,607,680	6,326,537
2019-21 (pop 101)	251,873	2,293,604	4,218,582	6,764,059
2021-23 (pop 101)	485,190	3,000,000	4,459,041	7,944,231
2023-25 (pop 101)	316,166	1,050,000	1,355,900	2,722,066
Total	\$1,630,376	\$12,016,264	\$22,772,572	\$36,419,212

In addition to the legal defense costs detailed above, \$2.1 million Other Funds expenditure limitation was provided for remediation design work and initial project work within the site through the Portland Harbor Cleanup Fund. The majority of this work is a continuation of projects that were started in the 2019-21 biennium. These include funding support for remedial design work in the Swan Island and Willamette Cove areas, contracted public relations/communication, land management, contracted database development and administration, and assorted engineering costs.

The Legislature adjusted position authority related to waterway and removal-fill programs with the adoption of policy package 104. The package authorizes the establishment of two Natural Resource Specialist positions in the removal-fill program. The first of these is a Compliance Specialist position (0.76 FTE) for ensuring permit conditions are met by performing onsite post-construction reviews, monitoring to ensure compliance with permit conditions, mitigation report reviews, and other actions to ensure compliance. The second position (1.00 FTE) converts an administratively created position from the 2021-23 biennium for removal fill program administration to an authorized, ongoing, full-time position. The package also makes permanent a Natural Resources Specialist position (1.00 FTE) that had been approved as limited duration during the 2021 legislative session dealing with the legal defense and investigation of the potential liabilities of the state related to the Portland Harbor Superfund site. In practice, the position was used, and will continue to function, as a waterway permitting and compliance position in the Metro area with working title of Metro Waterway Coordinator. A second, new, Waterway Compliance Specialist position (0.76 FTE) was also authorized in the package. Lastly, the package includes funding and authorization to establish a limited duration Submerged Cable Specialist position (0.76 FTE) to lead the Department's work in undersea cable permitting processes as directed by HB 2603 (2021). There had been a delay in filling the position in the prior biennium due to a failed recruitment. Total funding, including positions and associated costs is \$957,147 Other Funds.

An increase of \$200,000 Other Funds expenditure limitation from the Submerged Lands Enhancement Fund for the 2021-23 biennium was approved. Statute allows for DSL to deposit up to 20% of the monies collected by DSL for leases, easements, registrations, and other permissions for the use of state-owned submerged or submersible lands. The funds are granted to entities engaging in eligible activities including marine debris cleanup, abandoned and derelict vessel removal, and habitat and water quality enhancements.

Wetlands program work funded via federal grant funding that has been ongoing over the past biennia was continued in the legislatively adopted budget with the inclusion of \$192,748 Federal Funds expenditure limitation to allow the agency to complete work related to a U.S. Environmental Protection Agency grant supporting database and document delivery systems for the Oregon Wetland GIS project. DSL applied for funding assistance from the EPA under the Wetland Program Development grant program and was originally awarded \$146,116 in January of 2022, but the grant was subsequently increased by \$100,000 in June of 2022. DSL is using the funding to prepare documents and datasets in coordination with the Lange Council of Governments that will allow the agency to display wetland information on existing web-based mapping platforms. The project is anticipated to be completed by the end of March 2024.

As noted above in the policy bills with budgetary impacts section, Increased Other Funds expenditure limitation of \$18.8 million was approved for the Department of State Lands for expenditure of allocated monies deposited in the Abandoned and Derelict Vessel Fund established by HB 2914. The fiscal impact statement for HB 2914 notes that DSL intended to use the funding to set up a discrete budgetary unit and operating program that includes a program manager, project manager, procurement specialist, natural resources specialist, and administrative positions. However, no additional position authority was included in the adopted budget for the agency. It is assumed that once the policy framework development is completed and the agency has developed a program budget, it will return to the Legislature during the 2024 session with a detailed position request.

For the past three biennia, DSL has been working on a project to replace the information technology systems that support their Lands Administration functions. The current Land Administration System (LAS) was initially deployed in 1999. In the 2021-23 biennium the agency completed planning work on the project achieving stage gate 2 and stage gate 3 endorsements and moving the project in to the current implementation phase. The new permitting and information system known as the Oregon Water and Land Stewardship (OWLS) system will allow for the agency-facing management and reporting as well as public-facing access for the application for permits, submittal and access to project documents, and payment of associated fees. Two policy packages were approved for inclusion in the adopted budget: packages 105 and 106. With these packages, one of the two administratively established business analyst positions that were created by the agency in the prior biennium related to the replacement of the system, is established as an ongoing, budgeted permanent position (1.00 FTE) in the upcoming biennium. The position will continue to support the implementation of the new permitting and information system, however as that project fully moves from planning to implementation, this position will transition into providing more generalized data analysis and decision support functions for the agency. Additionally, the budget includes resources for the continuance of a limited duration project management position (1.00 FTE). The current project schedule projects the completion of the project by June 2024.

The adopted budget provides \$1,575,996 Other Funds expenditure limitation and authorizes the establishment of an Operations and Policy Analyst position (1.00 FTE) to serve as the transition coordinator through the handover of the operations of the Elliott State Forest to the Elliott State Research Forest Authority as of January 1, 2024. There were changes to the timeline for certain required tasks related to the handoff of the forest that were made in SB 161 as discussed in the policy bills with budgetary impacts section above. Most of the expenditure authority (\$1.2 million) supports fire patrol assessments and professional services contracts for maintenance activities including maintaining the road system for safe public access, reforestation as required under the Oregon Forest Practices Act, and general property administration.

Although not explicitly connected to the Elliott State Research Forest, an application from the Department of State Lands to the U.S. General Services Administration was made and approved for the conversion of the land that was the former site of the Shutter Creek Correctional Facility from corrections use to wildlife conservation. There had been conversations regarding the possible use of these lands and facilities as a research headquarters for the Elliott State Research Forest. The Department of State Lands received earmarked grant funding from the U.S. Department of Housing and Urban Development for the planning and initial project costs for redevelopment of the Shutter Creek site in association with the creation of the Elliott State Research Forest and its related research infrastructure. Total funding earmarked was \$4 million, however a \$500,000 Federal Funds expenditure limitation was established by the Legislature to comport to anticipated expenditures in the upcoming biennium, with expenditure limitation for the remaining amount anticipated to be requested in future biennia.

Several policy packages that were adopted by the Legislature dealt with increasing Federal Funds expenditure limitation for projects or operations at the South Slough Estuarian Research Reserve funded with federal grants received in the prior biennium or anticipated to be received in the upcoming biennium. Following the development of the current service level, a request to apply for a National Oceanic and Atmospheric Agency capacity building grant and the additional Federal Funds expenditure limitation to expend the first \$100,000 of a total \$300,000 grant award was approved by the Emergency Board at the December 2022 meeting. The remaining \$200,000 Federal Funds expenditure limitation was established by the legislature in the 2023-25

biennium via policy package 90. This action allows the agency to expend the remaining grant proceeds in the upcoming biennium. The grant covers planning and due diligence work in partnership with the Wild Rivers Land Trust for two possible land acquisition projects that are adjacent to the South Slough Research Reserve to allow for future habitat and wetland restoration projects.

Federal Funds expenditure limitation for the South Slough National Estuarian Research Reserve was further increased by \$250,000 for the completion of renovations of existing public restrooms, facilities, and exhibits funded by a grant award made in the prior biennium from the National Oceanic and Atmospheric Administration through the Land Acquisition and Construction program.

A \$3.5 million grant award from the National Oceanic and Atmospheric Administration for watershed enhancement ecological restoration work on the Wasson Creek Watershed was received by the South Slough. The legislatively adopted budget establishes Federal Funds expenditure limitation of \$2.5 million that represents anticipated 2023-25 expenditures from the grant award. The work is anticipated to continue through March of 2027. Permission to apply for the grant funding was provided by the Emergency Board during the December 2022 meeting of the Board. The grant award was made in March of 2023. A limited duration Natural Resource Specialist Technician position (1.00 FTE) to assist with grant implementation, data collection and analysis, and reporting was authorized to be established.

In addition to the enhanced federal funding, the budget provides Other Funds expenditure limitation of \$163,728 and authorizes the establishment of a permanent, ongoing, seasonal Park Ranger Assistant position (0.50 FTE) and converts an existing part-time GIS Specialist position to full-time. The Park Ranger Assistant position will support enhanced maintenance of trails and public access points for the South Slough Reserve and the expanded GIS Specialist position will increase capacity for mapping, enhanced management of lands and waters with geographic information, and other essential GIS support for both the Reserve and other DSL programs.

Appendix B: Definitions and Legislative References

Key Definitions

Environmental Justice: (ORS 182.535 Section 3)

“Environmental justice” means the equal protection from environmental and health risks, fair treatment and meaningful involvement in decision making of all people regardless of race, color, national origin, immigration status, income or other identities with respect to the development, implementation and enforcement of environmental laws, regulations and policies that affect the environment in which people live, work, learn and practice spirituality and culture.

Environmental Justice Community: (ORS 182.535 Section 4)

“Environmental justice community” includes communities of color, communities experiencing lower incomes, communities experiencing health inequities, tribal communities, rural communities, remote communities, coastal communities, communities with limited infrastructure and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth and persons with disabilities.

Meaningful Involvement: (ORS 182.535 Section 7)

“Meaningful involvement” means:

- a) Members of vulnerable populations have appropriate opportunities to participate in decisions about a proposed activity that will affect their environment or health;
- b) Public involvement can influence a decision maker’s decision;
- c) The concerns of all participants involved are considered in the decision-making process; and
- d) Decision makers seek out and facilitate the involvement of members of vulnerable populations

Environmental Burdens: (ORS 182.535 Section 2)

Environmental burden” means the environmental and health risks to communities caused by the combined historic, current and projected future effects of:

- a) Exposure to conventional pollution and toxic hazards in the air or in or on water or land;
- b) Adverse environmental conditions caused or made worse by other contamination or pollution; and
- c) Changes in the environment resulting from climate change, such as water insecurity, drought, flooding, wildfire, smoke and other air pollution, extreme heat, loss of traditional cultural resources or foods, ocean acidification, sea-level rise and increases in infectious disease.

Legislative References

House Bill 4077 (2022)

Legislation establishing the Environmental Justice Council, the Council's responsibility to develop an environmental justice mapping tool, develop a biannual report to the Governor, and the requirement for natural resource agencies to submit an annual report to the Environmental Justice Council. [See House Bill 4077.](#)

Senate Bill 420 (2007)

Legislation establishing the Environmental Justice Task Force, the predecessor for the Environmental Justice Council. It also includes requirements for the Task Force to submit biannual reports to the Governor and the requirement for natural resource agencies to submit an annual report to the Environmental Justice Task Force. [See Senate Bill 420.](#)

ORS 182.550 Reports by natural resource agencies

All directors of natural resource agencies, and other agency directors as the Governor may designate, shall report annually to the Environmental Justice Council and to the Governor on the results of the agencies' efforts to:

1. Address environmental justice issues;
2. Increase public participation of individuals and communities affected by agencies' decisions;
3. Determine the effect of the agencies' decisions on environmental justice communities;
4. Improve plans to further the progress of environmental justice in Oregon; and
5. Utilize the environmental justice mapping tool developed under section 12 of this 2022 Act.

Appendix C: Executive Summary: Agency Needs in Advancing Environmental Justice



Environmental Justice Council

Executive Summary Advancing Environmental Justice in the State of Oregon: Summary of Agency Needs

The following priorities have been identified to advance environmental justice in the State of Oregon based on Agency Annual Reports submitted in January 2024.



Increase Funding and Budget Support

Increased funding is crucial to support environmental justice efforts. This includes budget support for staff positions, community engagement activities and events, community compensation for participation, legal costs, training, translation services, tools, and specific program initiatives.



Staff Capacity and Training

Increase staff capacity by funding new positions dedicated to environmental justice, as well as providing new and existing staff with the necessary training. Many natural resource agencies would benefit from staff dedicated to environmental justice to set and articulate a vision for environmental justice, develop agency-level policies and procedures, and support practices across teams. Providing new and existing staff with enterprise-wide, required training on diversity, equity, inclusion, and belonging concepts will establish a level-setting foundation. This would enable agencies to build off this foundation with more advanced training in environmental justice (e.g. identifying communities, environmental justice assessments, environmental justice engagement strategies, etc.) and related training such as facilitation, conflict management, plain language, and culturally relevant communication.



Enterprise-wide Policies and Guidance

The establishment of enterprise-wide policies, associated funding, and clear statewide direction on contracts and contracting to address priorities such as language translation and interpretation, community engagement vendor contracting, community compensation for participation, and administrative and legal support. This comprehensive approach is essential for the effective implementation of environmental justice policies.



Leadership and Interagency Collaboration on Tools and Resources

It is important for agency leadership to consistently advocate for and resource environmental justice policies, opportunities for interagency collaboration, and guidance for staff.

State agencies currently participate in the DAS Office of Cultural Change quarterly DEI Cohorts which is a current example of interagency collaboration. Agency leadership continued participation in the DAS Office of Cultural Change quarterly DEI Cohorts can support this effort, but this alone will not address collaboration needs related to environmental justice.

Agencies need interagency collaboration to share resources, best practices, and tools to effectively engage with environmental justice communities including GIS and data collection tools, translation services, communication platforms, and outreach materials.

Coordination of agency community engagement also addresses concerns about overburdening community-based organizations and community member capacity when seeking feedback for public processes such as rule making, listening sessions, focus groups, etc.



Environmental Justice Council



Summary

Oregon has sixteen natural resources agencies listed under House Bill 4077, and all the agencies listed below are required to submit annual reports to the Environmental Justice Council for the previous year in January the following year.

They include:

- Department of Agriculture (ODA)
- Department of Environmental Quality (DEQ)
- Department of Land Conservation and Development (DLCD)
- Department of Geology and Mineral Industries (DOGAMI)
- Department of State Lands (DSL)
- Department of Forestry (ODF)
- Department of Fish and Wildlife (ODFW)
- Department of Energy (ODOE)
- Department of Transportation (ODOT)
- Oregon Health Authority (OHA)
- Parks and Recreation Department (OPRD)
- Public Utilities Commission (OPUC)
- State Fire Marshal (OSFM)
- State Marine Board (OSMB)
- Watershed Enhancement Board (OWEB)
- Water Resources Department (WRD)

Annual reports submitted in January 2024 for calendar year 2023 are available on the [Environmental Justice Council website](#) for review.

These agencies all demonstrated various levels of funding, staffing, and readiness to implement the Oregon standard of “meaningful involvement”. Specific details regarding agency needs can be found on each of the agencies respective 2023 annual reports.

This document is intended as an executive summary of the needs from most natural resources agencies. Each agencies needs may differ and are reflected in their individual annual reports.

2024 annual reports will be submitted in January 2025, and they are expected to be available on the Environmental Justice Council website no later than March 1, 2025 for activities covering calendar year 2024.