



Division of State Lands

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OREGON STATE
LAND BOARD

NEIL GOLDSCHMIDT
Governor

BARBARA ROBERTS
Secretary of State

ANTHONY MEEKER
State Treasurer

The Oregon State Land Board met in regular session on November 27, 1990, 10:00 a.m. in Hearing Room B of the State Capitol Building, Salem, Oregon.

Present were:

Barbara Roberts	Secretary of State
Anthony Meeker	State Treasurer

Assistants

Marilynne Keyser
Michael Ryan

Dept. of Justice

Melinda Bruce

Staff

Martha O. Pagel
Pam Wiley
Janet Neuman
Gary Van Horn
Jim Barlow
Cindy Lord
Diane Reynolds
John Lilly
Jeff Kroft
Renata McCartney
Faye Pitts
Loree Underwood
Gail Lowry

The meeting was called to order by Secretary of State Barbara Roberts. The topics discussed and the results of those discussions are listed as follows. Further details of those discussions may be obtained in the transcript of the meeting available at the Division of State Lands, 775 Summer Street NE, Salem, OR 97310.

Consent Agenda

Removal-Fill

Request to initiate rulemaking procedures for general amendments to existing rules relating to the removal-fill permitting program.

Unclaimed Property

Request to initiate rulemaking procedures for general amendments to existing rules relating to procedures for reporting unclaimed property.

Sand and Gravel

Request to initiate rulemaking procedures for general amendments to existing rules relating to sand and gravel leases on submerged and submersible lands.

Treasurer Meeker moved the consent agenda be approved. Secretary Roberts seconded the motion and the decision was unanimous.

**Medical/Dental
Student Loan Program**

Briefing and request for authority to proceed with proposals for legislative changes to the Medical/Dental Student Loan Program.

Director Pagel introduced Assistant Director Gary Van Horn. He reported that earnings for this program have averaged 1 1/2 - 2 percent below the average earnings on the Common School Fund (CSF), lower primarily due to the administrative costs involved. Legislation has been drafted to enable the program to be continued with modifications to simplify administration and yield earnings at the same level of return as the CSF. The proposal would also establish a limit of \$600,000 per year to be loaned to students (up to 150 new loans at the maximum amount of \$4,000 per year). The recommended changes should improve the return on this investment and reduce the complexity and workload associated with the program.

Secretary Roberts suggested the program require that the students be Oregon residents and that grade point averages be monitored carefully. She also suggested requirements that those receiving medical loans be sent to medically underserved areas.

Treasurer Meeker responded that he was unsure how many medical students would be willing to accept a loan with requirements limiting where they could practice after graduation.

Lois Davis from the Oregon Health Sciences University spoke next regarding a program she works with that is specifically designed to encourage access to health care practices in rural areas.

Jeff Lee, from the Oregon State Scholarship Commission responded to a question by Treasurer Meeker about making these loans more like those of the National Student Loan Program or the Guaranteed Student Loan Program. He stated that since the cost of these programs to the federal government averages \$3 for every \$10 loaned, attempting to do this would complicate the program, making it more expensive to operate. His recommendation was to make efforts to reduce administrative costs. One suggestion was to hire the collections to be done by other college loan programs as they do their own collecting, since many individuals borrowing from this program have borrowed from other programs to the maximum.

Treasurer Meeker moved the staff recommendation to proceed with the legislation be adopted. Secretary Roberts seconded the motion and it was unanimous. Director Pagel said the Division would come back with a follow-up report.

Ocean Resources

Briefing on Ocean Resources Management Plan.

Director Pagel explained DSL's part in the ocean resources planning process. She and Jeff Kroft, Minerals Supervisor, have been very involved in meeting with other state agencies in development of the Ocean Resources Management Plan. Jeff Kroft discussed that document and its recommendations, emphasizing that, if adopted, it would form the official policies of the state of Oregon in regard to its ocean resources. No action was needed. The item was presented for information purposes only.

LWRMP

Briefing on program to update the Lower Willamette River Management Plan.

Deputy Director Pam Wiley reminded the Board about several past key issues involving development on the Willamette River as it flows through Portland. She reinforced the need for updating the Lower Willamette River Management Plan, the policy document adopted by the Board in 1974. The Board gave approval last year for DSL to go to the Emergency Board to obtain a position and funding to hire a person to update that plan. She introduced John Lilly, who has been hired as the coordinator to update the LWRMP.

John Lilly described to the Board, with the aid of a map, the area of the Willamette River that is included in the plan. He explained that ten percent of the total recreational boating of the entire river occurs on this 18-mile river segment. This does not include the commercial boating that takes place in that area.

Mr. Lilly reported that two committees have been formed. The first is a technical team consisting of members of other state agencies. The other is a policy review committee comprised of 11 members including individuals from the City of Portland, the Marine Board, and others. He reported that two public meetings were held, in the St. Johns area and at Oaks Park to receive public comment.

Treasurer Meeker commented that a representative from the Oregon Yacht Club should be involved in the development of the plan. Secretary of State Roberts suggested that we also encourage OMSI be a participant in the process.

No Board decision was necessary. The meeting was adjourned.

Martha O. Pagel
Director

Barbara Roberts
Secretary of State