

# OVERVIEW OF THE OREGON AND CALIFORNIA LANDS ACT OF 1937

The Oregon and California Railroad Revested Lands, known as the O&C Lands, lie in a checkerboard pattern through eighteen counties of western Oregon. These lands contain more than 2.4 million acres of forests with a diversity of plant and animal species, recreation areas, mining claims, grazing lands, cultural and historical resources, scenic areas, wild and scenic rivers, and wilderness. The history of the O&C lands dates back to 1866 when Congress established a land grant to promote rapid completion of a railroad line connecting the Central Pacific line in Marysville, California to Portland, Oregon.

The Oregon and California Revested Lands Act of 1937 established that the lands were classified as timberlands to be managed for permanent forest production, and the timber was to be sold, cut, and removed in conformity with the principle of sustained yield for the purpose of providing a permanent source of timber supply. The Act also provided for protecting watersheds, regulating stream flow, contributing to the economic stability of local communities and industries, and providing recreational facilities. The Oregon and California Railroad lands continue to be unique public trust. This is a summary of that story...

1866

- In 1866, Congress established a land grant to promote the rapid completion of two railroads, the California and Oregon Railroad connecting the Central Pacific rail line in Marysville California to the Oregon border and the Oregon and California Railroad connecting Portland, Oregon to the California and Oregon railroad line at the Oregon Border.



1916

- In 1916, Congress revested the title on about 2.9 million acres of the land deeded to the Oregon and California Railroad Company after the company violated the terms of the grant. In 1919, Congress reconveyed about 93,000 acres of Coos Bay Wagon Road lands due to similar circumstances.

1937

- In 1937, Congress passed The O&C Lands Act (Public Law 75-405). The O&C Act provided for: Permanent forest production; protection of watersheds and regulation of stream flow; contribution toward the economic stability of local communities and timber industry; creation of recreational facilities; and provisions for reimbursing the O&C counties the loss of tax revenues from the O&C lands.



1937

- The O&C Lands Act provided for an initial Allowable Sale Quantity of not less than 500 million board feet (MMBF) of timber until the annual productive capability of the lands could be determined. The declared Allowable Sale Quantity for the Bureau of Land Management (BLM) O&C lands has changed over time from 500 MMBF per year in 1937 to 1,185 MMBF per year in 1983 to 211 MMBF in 1994, (as prescribed under the Northwest Forest Plan).





1939

- The O&C Lands Act provided that 50 percent of receipts from the sale of O&C timber was to be distributed among the 18 O&C counties. An additional 25 percent of the receipts were to be distributed to the O&C counties after the U.S. Department of the Treasury was reimbursed for money advanced to make payments, in lieu of taxes, prior to 1937. The last 25 percent was to be paid into the Federal Treasury (to be available upon appropriation) by Congress to administer O&C lands. How receipts collected for timber harvested from the Coos Bay Wagon Road Lands were handled was not addressed by the O&C Act of 1937. In 1939 the Coos Bay Wagon Road Act of 1939 became law. The 1939 Act established an in lieu tax payment program for paying Coos and Douglas Counties in lieu of taxes for the Coos Bay Wagon Road Lands.

1953



- In 1953, the O&C counties offered to return one-third of their share (25 percent of total timber receipts) to the Federal Government for the development and management of the O&C lands. Also in 1953, Congress amended the O&C Lands Act to allow for the creation of this “plowback” fund.

1955

- Initially the plowback monies were used almost exclusively for road construction, providing access to both Federal and private lands for timber management. In 1955, other uses, such as reforestation and young stand management, began to occur through utilization of these dollars. The O&C counties viewed this as an investment in order to secure future timber sale revenues.

1981

- The plowback fund existed from 1953 to 1981, resulting in over \$340 million being “contributed” by the counties to the management of O&C lands.

1982

- In 1982, Congress made the O&C appropriation a direct appropriation to the BLM. Under this approach, 50 percent of the total timber receipts are transferred to the U.S. Department of the Treasury as reimbursement for all or part of the direct O&C appropriation.

1980s

- As controversy increased over the harvest of public timber in the Northwest in the late 1980s, Congress recognized that the potential reduction in timber sale volume and revenues associated with the controversy would cause extreme financial uncertainty for the O&C counties.

1991

- To stabilize payments to the O&C counties, appropriations language in 1991, 1992, and 1993 included provisions for a “floor” payment to the O&C counties. The “floor” was equal to the annual average payments covering the five year period between 1986 to 1990.

1994

- In 1994, the Northwest Forest Plan was established to provide a stable supply of timber and protection of fish and wildlife habitat for 22.1 million acres of Federal forest in western Oregon, western Washington, and northern California (2.7 million acres of BLM-administered forests).

2000

- Since 2000, payments to O&C counties have been legislated under the Secure Rural Schools and Community Self-Determination Act and successor legislation. In addition to payments to counties, the Act called for the establishment of Resource Advisory Committees to give local citizens a forum for recommending on-the-ground projects such as culvert replacement, stream restoration, and noxious weed control to benefit O&C lands.

For additional information about the O&C Act in western Oregon, visit the BLM online at: <http://www.blm.gov/or/rac/ctypayhistory.php>



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