

**74th OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: SB 5526

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Burley
Carrier – Senate: Sen. Avakian**

Action: Do Pass

Vote: 20 – 0 – 1

House – Yeas: D. Edwards, Galizio, Garrard, Hanna, Jenson, Morgan, Nathanson, Nolan, Shields

– Nays:

– Exc:

Senate – Yeas: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett

– Nays:

– Exc: Winters

Prepared By: Lisa Pearson, Department of Administrative Services

Reviewed By: Susie Jordan, Legislative Fiscal Office

Meeting Date: 2/23/07

Agency

State Marine Board

Budget Page

F-26

LFO Analysis Page

314

Biennium

2007-09

Senators: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,
Schrader, Verger, Westlund, Whitsett, Winters

Senator Kurt Schrader, Co-Chair

Representatives: D. Edwards, Galizio, Garrard, Hanna, Jenson,
Morgan, Nathanson, Nolan, Shields

Representative Mary Nolan, Co-Chair

Senator Richard Devlin, Natural Resources Subcommittee Chair

Budget Summary*

	2005-07		2007-09		Percentage Committee
	Legislatively Approved Budget (1)	Governor's Budget	Committee Recommendation	Difference from Governor's Budget	Change from Governor's Budget
Other Funds	23,812,183	25,241,906	25,241,906	0	0.0%
Federal Funds	6,189,251	8,583,252	8,583,252	0	0.0%
Total	\$ 30,001,434	\$ 33,825,158	\$ 33,825,158	\$ 0	0.0%

Position Summary

Authorized Positions	40	40	40	0
Full-time Equivalent (FTE) Positions	39.00	39.00	39.00	0.00

(1) Includes adjustments through the December 2006 meeting of the Emergency Board

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Oregon State Marine Board is supported by motorboat fuel taxes, federal grants, and fees. The 2003 Legislature authorized a restructure of registration and title fees charged by the Marine Board which continue to address the Marine Board revenue requirements. No changes in fees were proposed for the 2007-09 biennium. The subcommittee discussed the adequacy of fee revenues over the long term while recognizing those revenues are adequate for the 2007-09 biennium.

Summary of Subcommittee Action

The Marine Board promotes the safe and enjoyable use of state waters for recreational boating. The agency provides boat registration and titling, marine law enforcement, boating facilities, public access, and boating safety education services. The Joint Subcommittee on Natural Resources approved a total funds budget of \$33,825,158 and 39.00 full-time equivalent positions.

The Agency had requested blanket authorization to apply for federal grants without seeking legislative approval for each application; the Subcommittee directed the Marine Board to continue seeking legislative permission for grants when detailed information and specific grant information is available.

Administration and Education

The Administration and Education unit supports the work of the five-member Marine Board and performs several other agency program functions. This program includes the registration, licensing, or titling of over 196,000 motor boats, sailboats, floating homes, boathouses, ocean charter boats, personal watercraft, outfitters, and guides. This program also develops educational materials, safety guidelines, waterway management plans, and boating regulations. This program includes the administration of the statewide mandatory boater education program. The Joint Subcommittee approved a total funds budget of \$5,823,741 and 23.84 full-time equivalent positions. No adjustments to the program's base or essential packages were made at this time; any adjustments for services provided by central agencies such as the Department of Administrative Services will be made in a separate dis-appropriation bill later.

Package 101: Administration/Education Coast Guard Federal Funds Increase was approved without modification. This package adds Federal Funds expenditure limitation to pay for more boating safety publications and outreach materials, to pay for travel to national and regional boating safety meetings, and to pay for the installation of low power AM radio stations near coastal bars to notify boaters of hazardous conditions. Funding comes from National Recreational Boating Safety grants from the U.S. Coast Guard.

Package 102: The Joint Subcommittee approved the Clean Marina Program without modification. This package adds Other Funds expenditure limitation to continue providing technical advice and educational information to reduce environmental impacts of marina operations and boating. Also, this program provides public recognition of marinas that comply with state and federal requirements voluntarily. Funding comes from existing watercraft registration, boat titling, charter license, boater education, and guide/outfitter license fees revenue.

Package 103: Administration/Education Position Reclassifications was approved without modification. This package adds Other Funds expenditure limitation to cover the additional costs of positions resulting from reclassifications of existing positions. The Department of Administrative Services Human Resources Services Division (HRSD) reviewed these positions and determined they were currently misclassified. Funding comes from existing watercraft registration, boat titling, charter license, boater education, and guide/outfitter license fee revenues.

Law Enforcement

The Law Enforcement program contracts with and provides training for county sheriffs and the Oregon State Police to provide on-water marine enforcement patrols. Approximately 85 percent of the program's budget is spent as Special Payments for law enforcement contracts. The Joint Subcommittee approved a total funds budget of \$13,701,404 and 4.83 full-time equivalent positions. As with the Administration and Education program, no adjustments to the program's base or essential packages were made at this time.

Package 201: The Joint Subcommittee approved the Law Enforcement Coast Guard Federal Funds Increase without modification. This package increases expenditure limitation for special payments to counties for law enforcement work. It also includes an increase in funding for temporary positions. The increased funding for temporary positions is for 12 months of seasonal work (six months in each year of the biennium). The temporary seasonal staff will assist with program training and field evaluations. Funding for the package comes from the federal Recreational Boating Safety (RBS) Grant program. The package assumes the Coast Guard will provide \$4.2 million biennially (\$2.1 million annually) through this federal program.

Package 203: Law Enforcement Position Reclassifications was approved without modification. This package increases Other Funds expenditure limitation to cover the additional costs of positions resulting from reclassifications of existing positions. The Department of Administrative Services Human Resources Services Division (HRSD) reviewed these positions and determined they were currently misclassified. This package is funded with existing watercraft registration, boat titling, charter license, boater education, and guide/outfitter license fee revenues.

Facility Grants

The Facility Grants program awards grants to federal, state, and local governments to design and construct marine access facilities throughout the state. Over half of the program's budget is distributed to various entities as Special Payments for acquisition, development, and maintenance of these marine facilities. The Joint Subcommittee approved a total funds budget of \$14,300,013 and 10.33 full-time equivalent positions. As with the Administration and Education program, and the Law Enforcement Program, no adjustments to the program's base or essential packages were made at this time.

Package 301: The Joint Subcommittee approved the Facility Boating Infrastructure Grant Federal Grant Funds Increase without modification. This package increases Federal Funds expenditure limitation for boating infrastructure grants. In June 2006, the Department of the Interior Fish and Wildlife Service announced Oregon had successfully competed for \$1.8 million of federal funds. (These funds are from the federal Sport Fish Restoration and Boating Trust Fund, which consists of excise taxes on fishing and boating equipment, and boat fuels). None of the \$1.8 million was spent during the 2005-07 biennium, leaving the entire amount available for use in the 2007-09 biennium. The funding will be used to protect and improve the Gleason Transient Tie-up and Wave Wall on the Columbia River and the Maple Street Transient Tie-up in Florence. It will also help develop boat access to Sandy Beach on Government Island in the Columbia River.

Package 302: Grant Program Carry Forward Increase was approved without modification. This package increases facility grant expenditure limitation by \$500,000 to cover projects that are not completed within a biennium. Project completion dates can vary due to permitting delays, weather, the contracting process and other factors. This has caused problems in budgeting and accounting.

Package 303: The Joint Subcommittee approved the Facility Position Reclassifications without modification. This package increases Other Funds expenditure limitation to cover the additional costs of positions resulting from reclassifications of existing positions. The Department of Administrative Services Human Resources Services Division (HRSD) reviewed these positions and determined they were currently misclassified. Funding comes from Other Funds from watercraft registration, boat titling, charter license, boater education, and guide/outfitter license fees.

Package 304: Continue Statewide Facility Enhancements was approved without modification. This package continues the level of funding approved by the 2005 Legislature for statewide facility improvements, allowing the Board to make additional grants to local governments for boating facilities. These include ramps, docks, restrooms, parking and other related facilities. The 2005 Legislature approved \$750,000 for these purposes but specified the amount was to phase-out. There was some concern that the additional grant amount might not be sustainable. It appears there will be sufficient revenue to cover the \$750,000 grant increase for the 2007-09 biennium.

Summary of Performance Measure Action

The Joint Subcommittee adopted performance measures as shown on the attached Legislatively Adopted 2007-09 Key Performance Measures form.

During public hearings, Subcommittee members noted that some of the Key Performance Measures related to behaviors that seemed beyond the agency's ability to control. So, the Subcommittee asked the State Marine Board director to confer with his Board on whether all of the adopted measures are within the agency's ability to control, and to report back on this subject during the agency's budget review with the next Legislative Assembly.