

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 3013

STATUS: A Engrossed

SUBJECT: Marine Reserves

GOVERNMENT UNIT AFFECTED: Department of Fish and Wildlife, Department of State Lands, Parks and Recreations Department, and Department of Higher Education

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DATE: May 21, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES:		
Department of Fish and Wildlife		
Personal Services – Other Funds (OF)	\$ 986,462	Unknown
Services and Supplies – OF	\$ 293,538	
Contracts – OF	\$ 400,000	
Sea Grant Outreach - OF	\$ 100,000	
Vessel Charters – OF	\$ 140,000	
Grants to Local Community Teams - OF	\$ 80,000	
Total Other Funds Expenditures	\$ 2,000,000	
REVENUES:		
Department of Fish and Wildlife		
Transfer for Department of State Lands – Other Funds	\$ 1,000,000	Unknown
POSITIONS / FTE:		
Department of Fish and Wildlife	8.0/8.0	

EFFECTIVE DATE: July 1, 2009.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The bill directs the Department of Fish and Wildlife (ODFW), Fish and Wildlife Commission, State Land Board and relevant state agencies to implement the November 29, 2008 recommendations from the Ocean Policy Advisory Council; directs ODFW to develop a work plan; ODFW shall recommend potential marine reserve designations consistent with Executive Order 08-07; directs ODFW to report on results of work plan to an interim legislative committee before November 30-2010; directs Department of State Lands to transfer \$1 million to ODFW for the biennium beginning July 1, 2009 from Other Funds that are not constitutionally dedicated to the Common School Fund; directs that any designation of marine reserves include commitments by relevant state agencies to pursue long-term funding necessary to enforce prohibitions, research, monitoring and education; allows that if funding cannot be secured that agencies managing reserves may make recommendations to the Fish and Wildlife Commission and Legislative Assembly and initiate actions to scale down or suspend fisheries prohibitions in the marine reserves; directs that designation of marine reserves requires periodic reporting by ODFW on accomplishment of goals; and, allows ODFW and the State Land Board to adjust rules related to marine reserve size, location and restrictions.

ODFW indicates that the bill will require that the Department adopt rules to establish, study, monitor, evaluate, and enforce two pilot marine reserves; study and evaluate three potential marine reserves; and, support the development of a marine reserve proposal at a sixth site. In completing the requirements of the measure ODFW will do the following:

- *Conduct Habitat, biological and Socio-economic surveys.* Surveys will use scientific survey methods and local experiential knowledge from ocean users where possible. The habitat, biological, and socioeconomic surveys will be completed by staff and contracted researchers. Outside contracts are expected to be \$400,000 and vessel charters for data gathering \$140,000 in the 2009-11 biennium.
- *Coordinate local community ocean resource teams.* Staff support and grants will be provided to existing and new local community action teams. A total of \$80,000 will be provided to community teams to assist with further evaluation of proposed marine reserve sites.
- *Coordinate delivery of outreach and education.* ODFW anticipates contracting with the Oregon Sea Grant Program at Oregon State University to assist with design, development, coordination, and delivery of outreach for community action teams, other interest groups, and the public. ODFW anticipates paying \$100,000 to Oregon State University for this support.
- *Provide staff to complete activities related to rulemaking, monitoring, evaluating, enforcing and reporting on pilot and potential marine reserves.* ODFW anticipates needing the following full-time limited duration positions (8.0 FTE) in the 2009-11 biennium: One Natural Resource Specialist (NRS) 4; two NRS 3; one NRS 2; three Experimental Biology Aides; and, one Supervising Fish & Wildlife Biologist positions. Staff will be involved in completing and integrating complex scientific studies, public coordination, analysis, and reporting. Personal services costs are expected to be \$986,462 and related services and supplies expenditures for field equipment, office expenses and travel are estimated at \$293,528 for the 2009-11 biennium.

Total Other Funds expenditures to implement the bill are \$2 million for the 2009-11 biennium. In addition to the \$1 million Other Funds transfer from Department of State Lands (DSL), ODFW anticipates obtaining an additional \$1 million in donations and grants to implement this program. At this time ODFW indicates that non-profit organizations have expressed interest in funding the projects, but no hard commitments have been obtained. The Legislative Fiscal Office is concerned about the implications of funding a project at the level requested by the agency without a secure funding vehicle being identified. Further, ODFW anticipates additional costs in the 2011-13 biennium; however, these expenditures are not known at this time and will likely be dependent on funding obtained. ODFW anticipates addressing this in the 2011-13 budget requests.

DSL indicates that their role within the bill is primarily rulemaking and that this additional effort can be accommodated with existing resources. DSL also anticipates using New Carissa settlement money as the funding source for the \$1 million that will be transferred to ODFW.

Department of Parks and Recreation anticipates that passage of the bill will require the Department to be involved in a number of tasks such as prohibiting harvesting of seaweed within marine reserves, monitoring of intertidal health within reserves, developing and implementing marine reserve education materials, and participating in work plan development. The Department anticipates needing a portion of a NRS 3 position to complete these activities. The Department's budget requests Lottery Funds for a position to work on issues related to ocean shores, which would include marine reserves. If this request is approved, the Department anticipates being able to support implementation of the bill within those resources.

Any revenues paid to the Sea Grants Program for outreach efforts would be Other Funds revenue to the Department of Higher Education (DHED). As these revenues are for contract services, DHED anticipates that expenditures will be equivalent to any revenues received.