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# MEMORANDUM

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**To:** *Natural Resources Subcommittee*

**From:** *Susie Jordan, Legislative Fiscal Office*  
*(503) 986-1835*

**Date:** April 19, 2013

**Subject:** *HB 2039 relating to Outfitting and Guiding Services*  
*Work Session Recommendations*

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HB 2039 requires the Oregon State Marine Board (OSMB) to modify ORS 704.525 to make changes to regulations related to outfitting and guiding services. The measure has an emergency clause and is effective on passage.

The measure, the original staff measure summary, preliminary Joint Committee on Ways and Means staff measure summary, revenue impact statement [if available], and fiscal impact statement are available on the Oregon Legislative Information System (OLIS).

The measure previously had a public hearing and work session in the House Agriculture and Natural Resources Committee On February 19 and March 14. The Committee recommended the measure be approved.

The measure has a revenue impact from increasing the fee from \$50 to \$150 is estimated at \$12,730 OF in the 2013-15 and 2015-17 biennium. The revenue and expenditure related to HB 2039-A is anticipated in the Oregon State Marine Board's policy option package (POP) #104. No amendments are needed in HB 2039 to accommodate the fiscal impact because it will be included in the agency's budget bill.

**Motion: Move HB 2039 to the full committee with a “do pass” recommendation.**

## Assignment of Carriers

Full: \_\_\_\_\_

2nd Chamber: \_\_\_\_\_

**REVENUE: No revenue impact**

**FISCAL: Fiscal statement issued**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
<b>Vote:</b>	9 - 0 - 0
<b>Yeas:</b>	Clem, Esquivel, Krieger, McKeown, Reardon, Thompson, Unger, Whitsett, Witt
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Beth Patrino, Administrator
<b>Meeting Dates:</b>	2/19, 3/14

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**WHAT THE MEASURE DOES:** Creates and modifies provisions related to regulation of outfitting and guiding services. Clarifies law not applicable to outfitting and guiding services not offered or provided for compensation or monetary gain. Requires registration to include proof of business registration with Secretary of State and proof of first aid certification as determined by Marine Board (Board) by rule. Modifies registration requirement for United States Coast Guard (USCG) Operator Uninspected Passenger Vessel license to waterways determined by USCG to be navigable. Increases minimum liability coverage to \$500,000. Increases annual registration fee to \$150. Modifies requirement for affidavit regarding conviction of felony or misdemeanor to those related to provision of services regulated under chapter. Requires employees of outfitter and guide service to hold proof of compliance with requirements of chapter. By January 1, 2018, requires outfitter or guide to: (1) pass written test adopted by board by rule, (2) participate in drug and alcohol program defined by board by rule, (3) complete physical exam every five years as required by board by rule. Exempts person operating motor boat on waters determined to be navigable by USCG and in possession of USCG operator license. Authorizes court to order Board to revoke registration for felony or misdemeanor convictions related to provisions of services regulated by chapter. Removes specific organizations to be appointed to advisory committee; replaces with requirement that membership include eight members representing seven primary organizations provides services in state, with two representing most active organizations. Changes violation of ORS 704.030 (false statement in registration application) from Class B to Class A misdemeanor. Declares emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Guide Advisory Committee work on program changes
- Reports of illegal guides
- Requirement for USCG license

**EFFECT OF COMMITTEE AMENDMENT:** Adds definition of “charter guide” in place of “ocean guide.” Specifies felony or misdemeanor convictions related to provision of services regulated under chapter to be included in affidavit and as basis for court to order Board to revoke certificate of registration. Changes requirement for USCG operator license by 2018 to requirement that outfitter and guide (1) pass written test adopted by board by rule, (2) participate in drug and alcohol program defined by board by rule, (3) completed physical exam every five years as required by board by rule. Exempts person operating motor boat on waters determined to be navigable by USCG and in possession of USCG operator license.

**BACKGROUND:** The Outfitter and Guide Program was first established in 1984. The program focuses on registering outfitters and guides and requires liability protection for clients. The Oregon State Marine Board registers outfitters and guides annually to certify that they carry the minimum liability insurance required by law, that they have current First Aid and CPR training and, if required, have a USCG Operator License or Surety Bond. Outfitters and guides are issued an annual registration card that they are required to carry and show to anyone who asks. Employees are not issued separate registration cards. House Bill 2039A would revise the statutes governing the regulation of outfitters and guides.

4/25/2013 3:40:00 PM \*

***This summary has not been adopted or officially endorsed by action of the committee.***

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 2039 - A**Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office***Only Impacts on Original or Engrossed Versions are Considered Official***Prepared by: Krista McDowell  
Reviewed by: Susie Jordan  
Date: 3/14/2013**Measure Description:**

Creates and modifies provisions related to regulation of outfitting and guiding services.

**Government Unit(s) Affected:**

Oregon State Marine Board

**Summary of Expenditure Impact:**

	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
General Fund		
Lottery Funds		
Other Funds	212,170	212,170
Federal Funds		
<b>Total Funds</b>	<b>\$212,170</b>	<b>\$212,170</b>
Positions		
FTE		

**Summary of Revenue Impact**

	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
General Fund		
Lottery Funds		
Other Funds	12,730	12,730
Federal Funds		
<b>Total Funds</b>	<b>\$12,730</b>	<b>\$12,730</b>

**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.

**Analysis:**

This proposed legislation would require the Oregon State Marine Board (OSMB) to modify ORS 704.525 to make changes to regulations related to outfitting and guiding services. Total estimates expenditures are \$212,170 Other Funds (OF) for the 2013-15 and 2015-17 biennium. These expenditures include the following expenses per biennium: \$1,481 for agency travel, \$7,110 for fingerprinting and back ground checks of participants, \$10,000 for public outreach &amp; education, \$20,816 for potential position reclassifications', and \$172,763 for contract labor law enforcement costs.

Increased revenue anticipated from increasing the fee from \$50 to \$150 is estimated at \$12,730 OF in the 2013-15 and 2015-17 biennium. The revenue and expenditure related to HB 2039-2 is anticipated in policy option package (POP) #104.