Joint Committee on Ways and Means

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Subcommittee on Natural Resources

Sen. Chris Edwards, Co-Chair Rep. Ben Unger, Co-Chair Sen. Jackie Dingfelder Sen. Chuck Thomsen Rep. Jules Bailey Rep. Bruce Hanna

MEMORANDUM

To: Natural Resource Subcommittee

From: Paul Siebert, Legislative Fiscal Office; 503-986-1843

Date: February 28, 2013

Re: House Bill 5048 & 5049, Oregon Watershed Enhancement Board, Thursday March 7th & Monday

March 11th, in Hearing Room 170 at 1:00 PM.

The Oregon Watershed Enhancement Board (OWEB) is designated as the single state agency charged with administration of the 7.5% of all Lottery Funds that are constitutionally dedicated for the funding of wildlife and wildlife habitat protection, restoration, and enhancement projects. The agency is charged with operating a grant program that makes funding available for protection, restoration, and enhancement projects.

Budget Notes: The following budget notes were included in the 2011-13 budget bills for OWEB:

Budget Note:

The Subcommittee directs OWEB to examine new operational guidelines for Oregon's Independent Multidisciplinary Science Team (IMST) in order to improve its operations and usefulness to OWEB and other state agencies. As part of its review, OWEB is directed to propose any necessary changes including a new structure for Team membership and new operations guidelines, if necessary, that would allow the IMST to more efficiently and effectively meet its scientific role regarding the Oregon Plan for Salmon and Watersheds. In carrying out this review, OWEB is expected to work with the Governor's Office and consult with appropriate state natural resources agencies and other interested stakeholders. OWEB will report its recommendations to the legislature prior to January 1, 2013.

Budget Note:

The Subcommittee recognizes that watershed councils are essential partners in accomplishing projects to protect, enhance and restore native fish and wildlife habitat and water quality and quantity. The Subcommittee thinks that after over a decade of millions of dollars in state investments in watershed council support grants, it is appropriate to review council's activities and oversight.

The Subcommittee directs OWEB to:

- 1. Work with appropriate local government entities to review the process for establishing and overseeing watershed councils, and identify whether any statutory or rule changes are needed.
- 2. Enhance watershed council reporting to OWEB for accountability and tracking of accomplishments.
- 3. Review criteria used to determine council eligibility for council support grants, to better ensure that investments go to groups that reflect the interests of the watershed and have proven successful in accomplishing their work plans in the past.
- 4. Report to the Seventy-sixth Legislative Assembly regarding progress and recommendations.

<u>Secretary of State Audits:</u> There were no Secretary of State audits examining OWEB operations issued this biennium.

The last audit performed by the Secretary of State was issued in January 2011 and can be reviewed at the following web link: http://www.sos.state.or.us/audits/pages/state audits/full/2011/2011-01.pdf

<u>LFO agency budget review:</u> (separate document on OLIS)

<u>Additional Materials:</u> On OLIS you will also find the agency PowerPoint presentation, presentation appendices, and the 2013-15 Governor's Budget document.