

**77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY**

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: HB 3337-B

Carrier – House: Rep. Bailey

Carrier – Senate: Sen. Edwards

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 17 – 8 – 1

House

Yeas: Barker, Buckley, Frederick, Huffman, Jenson, Komp, Nathanson, Read, Smith, Tomei, Williamson

Nays: Freeman, Hanna, Richardson

Exc: McLane

Senate

Yeas: Bates, Devlin, Edwards, Johnson, Monroe, Steiner Hayward

Nays: Girod, Hansell, Thomsen, Whitsett, Winters

Exc:

Prepared By: Lisa Pearson, Department of Administrative Services

Reviewed By: Krista McDowell, Legislative Fiscal Office

Meeting Date: June 26, 2013

Agency

Oregon Watershed Enhancement Board

Biennium

2013-15

Budget Summary*

	2011-13 Legislatively Approved Budget ⁽¹⁾	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
				\$\$ Change	% Change
Federal Funds	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total	\$ 0	\$ 0	\$ 0	\$ 0	0.0%

Position Summary

Authorized Positions	0	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.00	1.00	1.00

⁽¹⁾ Includes adjustments through December 2012

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Oregon Watershed Enhancement Board (OWEB) is funded primarily with Measure 76 Lottery Funds and federal Pacific Coastal Salmon Recovery Funds (PCSRF). The agency also receives revenues from the sales of salmon license plates.

Summary of Natural Resources Subcommittee Action

House Bill 3337 implements many recommendations from a legislatively required workgroup on ecosystems services. Ecosystem services are benefits that human communities enjoy as a result of natural processes and biological diversity. In 2009, the legislature passed Senate Bill 513, which directed OWEB to convene a work group to address additional issues and to report back to the 2011 Legislature. Senate Bill 513 also outlined an approach to ecosystem services that set the stage for the development of programs that provide incentives for private landowners to provide these services, or to establish market-based programs in which regulated parties or voluntary buyers purchase specific conservation outcomes. House Bill 3337 shifts \$195,322 Federal Funds expenditure limitation between expenditure categories to fund one limited duration position (1.00 FTE) to continue ecosystems services work. The Federal Funds are from the Pacific Coastal Salmon Recovery Fund. The fiscal impact of the changes in this bill to state agencies other than OWEB from such provision as allowing state agencies to purchase ecological outcomes or using natural infrastructure in lieu of artificial infrastructure has yet to be determined.

House Bill 3337 includes the following elements:

- Adds conservation and maintenance of ecosystems as a goal in state policy relating to ecosystems and land use.
- Directs the Governor's Office, with OWEB, to review government conservation plans from all levels of government and to propose a process for alignment of the plans by December 31, 2014.
- Requires development of statewide goals for maintenance, enhancement and restoration of ecosystem services.
- Encourages state agencies and local governments to adopt programs to conserve or enhance ecosystem services.
- Allows state agencies and local governments to use payments for ecosystem services if compensatory mitigation is used, and provides guidelines for compensatory mitigation.
- Encourages state agencies and local governments to compare to the extent practicable costs related to natural infrastructure as part of or in lieu of development projects and artificial infrastructure.
- Allows state agencies to purchase measurable ecological outcomes
- Requires all information be available to the public.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 3337-B

Oregon Watershed Enhancement Board
Lisa Pearson -- 503-373-7501

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2011-13 Legislatively Approved Budget at Dec 2012	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00
2013-15 ORBITS printed Current Service Level (CSL)	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	0.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
010 - Operations									
Ecosystems Position									
Personal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 171,377	\$ -	\$ 171,377	1 1.00
Services and Supplies	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,945	\$ -	\$ 23,945	0 0.00
020 - Grants									
Ecosystems Position									
Special Payment account 6085	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (195,322)	\$ -	\$ (195,322)	0 0.00
TOTAL ADJUSTMENTS	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	1 1.00
SUBCOMMITTEE RECOMMENDATION *	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0	1 1.00
% Change from 2011-13 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% Change from 2013-15 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	