

Oregon Watershed Enhancement Board				
	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
Lottery Funds	62,582,581	58,227,336	6,755,388	59,963,820
Other Funds	899,683	1,852,224	1,552,060	17,921,067
Federal Funds	30,224,432	32,817,029	21,266,418	37,339,587
Total Funds	93,706,696	92,896,589	29,573,866	115,224,474
Positions	32	32	29	36
FTE	31.50	32.00	29.00	35.50
* includes Emergency Board and administrative actions through December 2014				

Program Description

OWEB was established in 1999 by the legislation implementing Ballot Measure 66, which established the framework for the full allocation of the measure’s constitutionally dedicated lottery revenue. Ballot Measure 66, passed by the voters in November 1998, amended Section 4, Article XV of the Oregon Constitution to dedicate 15% of net lottery proceeds to be split between state parks and salmon, watershed, and habitat restoration. Ballot Measure 66 was replaced by Ballot Measure 76, which passed in November 2010, and reauthorized the dedication of 15% of net lottery proceeds to state parks (7.5%) and fish, wildlife, and habitat conservation (7.5%). The Ballot Measure 76 reauthorization changed the way the dedicated Lottery Funds could be spent. Under the old dedication, the Lottery revenues were divided into two parts, 65% for capital expenditures and 35% for operations expenditures and state agencies were eligible to expend Lottery Funds from either category. Under Ballot Measure 76, 65% is now restricted to grants for non-state agencies. Only the 35% for operations can be used to support state agency programs.

OWEB is designated as the single state agency charged with administration of the salmon and watershed portion of the dedicated lottery revenues required under Ballot Measure 76. OWEB consists of 11 voting members, including five voting members from state natural resource agency boards and commissions and six public members appointed by the Governor and confirmed by the Senate. OWEB distributes funding for projects, offers technical assistance on grant proposals, and coordinates with other state natural resource agencies

CSL Summary and Issues

Current Service Level is significantly lower than the 2013-15 approved budget because six-year expenditure limitation is provided for grants, which like 6-year capital construction expenditures, is phased-out during CSL development.

Flat or declining Lottery revenues paired with standard increases in the costs of state programs supported by the 35% dedicated to operations challenges to ability of the funding to support even current service level operations for state programs receiving dedicated Lottery Funds.

Policy Issues

Independent Multidisciplinary Science Team (IMST) – The IMST was formed in 1997. It has struggled to operate recently and they are projected to use only about \$76,000 of the \$235,000 M76 allocated to them in 13-15. The need for any 2015-17 IMST Ballot Measure 76 allocations should be examined.

The agency’s reductions options list includes a number of fund shifts of regional review team coordinator positions and a monitoring position off of dedicated Lottery Funds to Federal Funds from the Pacific Coastal Salmon Recovery Fund (PSCRF).

The agency has a proposal to continue three positions approved last biennium as limited duration. The positions would be funded with a combination of Lottery Funds and PCSRF Federal Funds.

The agency has another proposal to add limited duration positions to work on grants administration and conservation outcomes.

Co-Chairs’ Budget Framework Discussion

No specific budget details or issues were identified in the Co-Chairs’ budget framework for this agency.