
MEMORANDUM

Legislative Fiscal Office
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To: Natural Resources Subcommittee

From: Linda Gilbert, Legislative Fiscal Office
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Date: April 21, 2015

Subject: HB 5037 – Department of State Lands
Work Session Recommendations

Department of State Lands - Agency Totals

	2011-13 Actuals	2013-15 Legislatively Approved *	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	681,266	-	-	-
Other Funds	24,318,252	32,188,584	27,261,518	36,100,866
Other Funds Non-Limited	27,703,187	10,234,249	10,234,249	10,234,249
Federal Funds	4,417,118	2,881,911	1,634,429	1,634,429
Total Funds	57,119,823	45,304,744	39,130,196	47,969,544
Positions	107	107	105	108
FTE	105.42	106.00	104.00	107.00

* includes Emergency Board and administrative actions through December 2014

Attached are the recommendations from the Legislative Fiscal Office for the Department of State Lands. The recommendations include:

- Continued legal and forensic expertise related to the Portland Harbor Superfund Site, including one limited duration position,
- Limitation and a limited duration position for public outreach efforts around the Elliott State Forest disposition,
- Authorization to commence an agricultural conversion project on state grazing lands,
- Authorization for a permanent position to address internal controls for Common School Fund financial reporting,
- Limitation for 2014 fire season expense incurred by the Bureau of Land Management,
- Limitation for the 2014 agency reorganization and remodeling final expenses,

- Authority to reclassify a position at the South Slough National Estuarine Research Reserve, and
- Infrastructure equipment such as servers, smart phones, satellite phones, and a replacement truck lease.

Adjustments to Current Service Level:

See attached Work Session Presentation Report

Accept LFO Recommendation

Move the LFO recommendation to HB 5037

OR

Change the LFO recommendation

Move the LFO recommendation to HB 5037, with modifications

Performance Measures

See attached Legislatively Proposed 2015-17 key performance measures form.

Accept LFO Recommendation

Move the LFO recommendation on key performance measures

OR

Change the LFO recommendation

Move the LFO recommendation on key performance measures, with modifications

Budget Note

There are no budget notes associated with this appropriation measure.

Recommended Changes to HB 5037:

The Legislative Fiscal Office recommends a budget of \$36,100,866 Other Funds, \$1,634,429 Federal Funds, and 108 positions (107.00 FTE), and that House Bill 5037 be amended accordingly.

Following is the content of the -2 amendment.

Page 1, Section 1, Other Funds

Line 11 – Delete [\$28,133,205] and insert **\$31,291,047**.

Line 16 – Delete [\$1,961,875] and insert **\$1,962,130**.

Line 17 – Delete [\$758,250] and insert **\$1,026,250**.

Move the LFO recommendation to adopt the -2 amendment to HB 5037

HB 5037 Final Subcommittee Action:

Final Motion:

Move HB 5037, as amended, to the Full Committee with a Do Pass recommendation

Carriers:

Full _____

House _____

Senate _____

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	29,740,188	1,831,671	10,234,249	-	41,806,108	107	106.00
2013-15 Ebds, SS & Admin Act	-	-	2,448,396	1,050,240	-	-	3,498,636	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	32,188,584	2,881,911	10,234,249	-	45,304,744	107	106.00
2013-15 Leg Approved Budget (Base)	-	-	30,563,139	2,881,911	10,234,249	-	43,679,299	107	106.00
Summary of Base Adjustments	-	-	(53,220)	18,392	-	-	(34,828)	(2)	(2.00)
2015-17 Base Budget	-	-	30,509,919	2,900,303	10,234,249	-	43,644,471	105	104.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	204,387	13,862	-	-	218,249	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(4,544,966)	(1,287,966)	-	-	(5,832,932)	-	-
030: Inflation & Price List Adjustments	-	-	1,092,178	8,230	-	-	1,100,408	-	-
2015-17 Current Service Level	-	-	27,261,518	1,634,429	10,234,249	-	39,130,196	105	104.00
Adjusted 2015-17 Current Service Level	-	-	27,261,518	1,634,429	10,234,249	-	39,130,196	105	104.00
Total LFO Recommended Packages	-	-	8,839,348	-	-	-	8,839,348	3	3.00
2015-17 Legislative Actions	-	-	36,100,866	1,634,429	10,234,249	-	47,969,544	108	107.00
Net change from 2013-15 Leg Approved Budget	-	-	3,912,282	(1,247,482)	-	-	2,664,800	1	1.00
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	12.2%	(43.3%)	0.0%	0.0%	5.9%	0.9%	0.9%
Net change from 2015-17 Current Service Level	-	-	8,839,348	-	-	-	8,839,348	3	3.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	32.4%	0.0%	0.0%	0.0%	22.6%	2.9%	2.9%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	24,708,557	230,166	10,234,249	-	35,172,972	90	89.00
2013-15 Ebds, SS & Admin Act	-	-	1,474,685	16,339	-	-	1,491,024	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	26,183,242	246,505	10,234,249	-	36,663,996	90	89.00
2013-15 Leg Approved Budget (Base)	-	-	25,732,797	246,505	10,234,249	-	36,213,551	90	89.00
Summary of Base Adjustments	-	-	11,471	-	-	-	11,471	(1)	(1.50)
2015-17 Base Budget	-	-	25,744,268	246,505	10,234,249	-	36,225,022	89	87.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	197,599	490	-	-	198,089	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(3,786,440)	(230,166)	-	-	(4,016,606)	-	-
030: Inflation & Price List Adjustments	-	-	1,019,272	-	-	-	1,019,272	-	-
2015-17 Current Service Level	-	-	23,174,699	16,829	10,234,249	-	33,425,777	89	87.50
Adjusted 2015-17 Current Service Level	-	-	23,174,699	16,829	10,234,249	-	33,425,777	89	87.50
Total LFO Recommended Packages	-	-	8,116,348	-	-	-	8,116,348	3	3.00
2015-17 Legislative Actions	-	-	31,291,047	16,829	10,234,249	-	41,542,125	92	90.50
Net change from 2013-15 Leg Approved Budget	-	-	5,107,805	(229,676)	-	-	4,878,129	2	1.50
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	19.5%	(93.2%)	0.0%	0.0%	13.3%	2.2%	1.7%
Net change from 2015-17 Current Service Level	-	-	8,116,348	-	-	-	8,116,348	3	3.00
Percent change from 2015-17 Current Service Level	0.0%	0.0%	35.0%	0.0%	0.0%	0.0%	24.3%	3.4%	3.4%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 101 Portland Harbor Clean Up

Package Description This package continues funding for legal expertise related to the Portland Harbor Superfund Site and for one limited duration Natural Resources Specialist 4 (1.00 FTE). The ongoing cost allocation discovery process for the Portland Harbor requires legal expertise to reduce potential costs in the future. Similar budget packages were approved in the 2011-13 biennium and the 2013-15 biennium. In both biennia, the Department required an expenditure limitation increase in the biennium closeout appropriation bill to handle higher-than-expected costs. The cost allocation process and legal questions are expected to continue for at least three more years, ending when the EPA issues a Record of Decision. Funding is partly provided by insurance policy payouts, with the Common School Fund picking up the rest. The Department recalculated the total expected 2015-17 cost, based on updated estimates from the contractor. The total is now expected to be \$1.08 million more than this package. When actual costs are better known, the Department can report to the Legislature in early 2017 and request any needed budget adjustments then.

LFO Recommendation Recommended.

LFO Recommended	-	-	4,746,229	-	-	-	4,746,229	1	1.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 102 Improved Internal Controls

Package Description This package adds expenditure limitation and one permanent Accountant 4 position to provide accurate and complete financial statements for the Common School Fund diversified portfolio. DSL produced two annual financial statements that were audited by an independent firm and found to lack the necessary internal controls/separation of duties for reconciliation of substantial accounts. Given the importance of the internal control issue, the Department self-financed a limited duration Accountant 4 during 2013-15, which resulted in a clean independent audit. This package makes the limited duration position permanent. The limited duration incumbent will transition into the permanent position July 1, 2015.

LFO Recommendation Recommended

LFO Recommended	-	-	294,311	-	-	-	294,311	1	1.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 103 Replace and Upgrade Equipment

Package Description This package addresses increasingly challenging maintenance and service issues with aging IT equipment and the Department's 1997 truck. It adds Other Funds expenditure limitation to replace three old servers and equipment for staff who work in central Oregon. Included are 32 smart phones with upgraded GIS data collection capacity, three satellite phones to use in remote locations, and the lease of a heavy duty pickup. It is intended to improve customer service through use of the smart phones, and the satellite phones would reduce safety risks for employees.

LFO Recommendation Recommended

LFO Recommended	-	-	204,682	-	-	-	204,682	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 106 Easement Application Admin Fee

Package Description This package affects revenue only and depends on passage of House Bill 2460. There is no specific associated expenditure limitation. It brings revenue generated by new fees in HB 2460 into the agency budget. The new fees cover processing costs for easement applications and territorial sea cable-crossings. The easement fee is \$750 and is expected to generate \$18,750 in 2015-17. The territorial sea fee would be \$5,000; one such fee is expected to be collected, bringing the total 2015-17 revenue to \$23,750.

LFO Recommendation Recommended

LFO Recommended	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 802 Elliott State Forest Alternatives Study

Package Description This package provides a limited duration project manager to continue to lead the effort to develop and expand robust recommendations with respect to disposition of the Elliott State Forest. The next recommendation suite is due to the Land Board in June 2015. There is also limitation for 1400 hours of temporary staff time to lead the public outreach efforts and support the project manager. Personal Services totals \$394,900. Services and supplies include travel, telecommunications, legal services, title research, and other S&S for \$272,100

LFO Recommendation Recommended.

LFO Recommended	-	-	667,000	-	-	-	667,000	1	1.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 803 2014 Fire Suppression Expense

Package Description This package provides expenditure limitation for the Department to pay the BLM for invoiced expenses associated with Buzzard Complex wildfire fighting in 2014. In total, 398,596 acres of rangeland were burned, of which 77,982 were under DSL management. The total cost was \$11.3 million; DSL's share is \$2.2 million.

LFO Recommendation Recommended

LFO Recommended	-	-	2,204,126	-	-	-	2,204,126	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	1,845,481	-	-	-	1,845,481	1	1.00
2013-15 Ebds, SS & Admin Act	-	-	9,169	-	-	-	9,169	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	1,854,650	-	-	-	1,854,650	1	1.00
2013-15 Leg Approved Budget (Base)	-	-	1,854,650	-	-	-	1,854,650	1	1.00
Summary of Base Adjustments	-	-	(80,395)	-	-	-	(80,395)	(1)	(0.50)
2015-17 Base Budget	-	-	1,774,255	-	-	-	1,774,255	-	0.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(3,130)	-	-	-	(3,130)	-	-
030: Inflation & Price List Adjustments	-	-	50,314	-	-	-	50,314	-	-
2015-17 Current Service Level	-	-	1,821,439	-	-	-	1,821,439	-	0.50
Adjusted 2015-17 Current Service Level	-	-	1,821,439	-	-	-	1,821,439	-	0.50
2015-17 Legislative Actions	-	-	1,821,439	-	-	-	1,821,439	-	0.50
Net change from 2013-15 Leg Approved Budget	-	-	(33,211)	-	-	-	(33,211)	(1)	(0.50)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(1.8%)	0.0%	0.0%	0.0%	(1.8%)	(100.0%)	(50.0%)
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	57,800	-	-	57,800	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	57,800	-	-	57,800	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	57,800	-	-	57,800	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	57,800	-	-	57,800	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	-	(57,800)	-	-	(57,800)	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
2015-17 Legislative Actions	-	-	-	-	-	-	-	-	-
Net change from 2013-15 Leg Approved Budget	-	-	-	(57,800)	-	-	(57,800)	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	0.0%	(100.0%)	0.0%	0.0%	(100.0%)	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	2,284,373	1,543,705	-	-	3,828,078	16	16.00
2013-15 Ebds, SS & Admin Act	-	-	96,902	1,033,901	-	-	1,130,803	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	2,381,275	2,577,606	-	-	4,958,881	16	16.00
2013-15 Leg Approved Budget (Base)	-	-	2,381,275	2,577,606	-	-	4,958,881	16	16.00
Summary of Base Adjustments	-	-	15,704	18,392	-	-	34,096	-	-
2015-17 Base Budget	-	-	2,396,979	2,595,998	-	-	4,992,977	16	16.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	9,918	13,372	-	-	23,290	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(458,526)	(1,000,000)	-	-	(1,458,526)	-	-
030: Inflation & Price List Adjustments	-	-	13,759	8,230	-	-	21,989	-	-
2015-17 Current Service Level	-	-	1,962,130	1,617,600	-	-	3,579,730	16	16.00
Adjusted 2015-17 Current Service Level	-	-	1,962,130	1,617,600	-	-	3,579,730	16	16.00
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2015-17 Legislative Actions	-	-	1,962,130	1,617,600	-	-	3,579,730	16	16.00
Net change from 2013-15 Leg Approved Budget	-	-	(419,145)	(960,006)	-	-	(1,379,151)	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(17.6%)	(37.2%)	0.0%	0.0%	(27.8%)	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 104 Program Alignment

Package Description This package reclassifies a Natural Resources Specialist 3 to a Policy Analyst 4 by shifting funds from Services and Supplies to Personal Services. The SSNERR is organized into three functions: Administration and Facilities; Science; and Education. This package affects the lead Education position.

LFO Recommendation Recommended

LFO Recommended	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	901,777	-	-	-	901,777	-	-
2013-15 Ebds, SS & Admin Act	-	-	867,640	-	-	-	867,640	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	1,769,417	-	-	-	1,769,417	-	-
2013-15 Leg Approved Budget (Base)	-	-	594,417	-	-	-	594,417	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	594,417	-	-	-	594,417	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(300,000)	-	-	-	(300,000)	-	-
030: Inflation & Price List Adjustments	-	-	8,833	-	-	-	8,833	-	-
2015-17 Current Service Level	-	-	303,250	-	-	-	303,250	-	-
Adjusted 2015-17 Current Service Level	-	-	303,250	-	-	-	303,250	-	-
Total LFO Recommended Packages	-	-	723,000	-	-	-	723,000	-	-
2015-17 Legislative Actions	-	-	1,026,250	-	-	-	1,026,250	-	-
Net change from 2013-15 Leg Approved Budget	-	-	(743,167)	-	-	-	(743,167)	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(42.0%)	0.0%	0.0%	0.0%	(42.0%)	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	723,000	-	-	-	723,000	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	238.4%	0.0%	0.0%	0.0%	238.4%	0.0%	0.0%

Capital Improvements

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 105 Agriculture Development

Package Description This package provides Other Funds expenditure limitation to develop 750 acres of rangeland for agriculture, which brings a larger revenue stream from leases. Development involves partnering with an interested lessee, where the Department pays for underground water and electricity and the lessee provides watering pivots above ground and pays a higher per-acre rate to the Department (Common School Fund). The return on investment over 20 years is expected to be \$40,000 per year. As grazing land the CSF receives \$2-\$3 per acre; when put into agricultural use, the expected rate per acre will be \$55, and includes 2% per year inflation. At the current grazing rate, revenue on this acreage is \$1,875 per year; under the agricultural rate it will be \$41,250 in the first full year of operation. This is the third such conversion undertaken by the Department since the Land Board directed the Department to manage CSF assets to achieve a higher rate of return.

LFO Recommendation Recommended

LFO Recommended	-	-	455,000	-	-	-	455,000	-	-
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Capital Improvements

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 805 State Lands Building Remodel

Package Description This package is the final limitation for the 2014 Department reorganization and corresponding State Lands Building remodel. Due to schedule slip, \$143,000 of the limitation already provided for 2013-15 needs to be carried over to 2015-17. In addition, the Department has identified \$125,000 of other changes that need to be made such as funding the phone system upgrade, internal moving expenses, and conference room furniture that had been overlooked in original planning. The remodel is being done in two stages, with half the floor space at a time. This means the Department avoids the expense of an offsite lease while the work is being done.

LFO Recommendation Recommended

LFO Recommended	-	-	268,000	-	-	-	268,000	-	-
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Legislatively Proposed 2015-2017 Key Performance Measures

Agency: STATE LANDS, DEPARTMENT OF

Mission: The mission of the Department of State Lands is to ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - Increase in Deposits to the Common School Fund - Percent annual increase in amount of cash generated by agency activities deposited to the Common School Fund.		Approved KPM	21.90	1.50	1.50
2 a - Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for forest lands.		Approved KPM	118.00	36.00	36.00
2 b - Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for all other activities of the agency.		Approved KPM	50.33	36.00	36.00
3 - Increase in Revenues from Land Management Activities - Percent increase in revenues generated by all Land Management activities, exclusive of timber harvest receipts.		Approved KPM	5.77	5.40	5.50
4 - Complete Management Plans or Policies – Percent of DSL lands and waterways with completed area management plans or policies.		Approved KPM	89.00	95.00	95.00
5 - No Net Loss of Wetlands - Change in wetland acreage due to permit actions.		Approved KPM	57.00	0.00	0.00
6 - Number of Days for a Permit Decision - Average number of days for an agency permit decision after receipt of a complete application.		Approved KPM	57.90	60.00	60.00
7 - Annual Resolution of Removal-Fill Permit Non-Compliance - Percent of removal-fill permit non-compliance conditions that have a final resolution in place within 12 months from date non-compliance is determined.		Approved KPM	42.00	50.00	50.00
8 - Annual Resolution of Removal-Fill Violations Related to Unauthorized Activities-Percent of removal-fill violations that have a final resolution in place within 12 months of receipt of a complaint generating determination of a violation.		Approved KPM	63.00	50.00	50.00

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Mission: The mission of the Department of State Lands is to ensure a legacy for Oregonians and their public schools through sound stewardship of lands, wetlands, waterways, unclaimed property, estates and the Common School Fund.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
9 - Agency Response Time to Wetland Delineation Reports - Average number of days for the agency initial review and response to a complete wetland delineation report.		Approved KPM	86.00	60.00	60.00
10 - Agency Response Time for Wetland Land Use Notices - Average number of days for an agency response to wetland land use notices.		Approved KPM	8.70	22.00	22.00
11 - Use of Payment to Provide Moneys - Percent payment-to-provide money received in Mitigation Bank Fund obligated and committed within one year.		Approved KPM	100.00	100.00	100.00
12 - Increase Unclaimed Property Holder Reporting. - Percent annual increase in amount of unclaimed property reported and remitted annually.		Approved KPM	62.80	60.00	60.00
13 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	87.00	93.00	93.00
13 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	81.50	93.00	93.00
13 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	88.00	93.00	93.00
13 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	87.00	93.00	93.00
13 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	84.60	93.00	93.00

Agency: STATE LANDS, DEPARTMENT OF

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
13 - Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	83.00	93.00	93.00
15 - South Slough National Estuarine Research Reserve Operation Costs Leveraged. - Percent of SSNERR operations funded from sources other than CSF, including leverage from grants, fees, program revenues and gifts.		Approved KPM	23.80	10.00	10.00
16 - South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.		Approved KPM	75.00	100.00	100.00
17 - Best Practices - Percent of total best practices met by the Land Board.		Approved KPM	93.00	100.00	100.00

LFO Recommendation:

The target on KPM #16 - South Slough, percent of education programs that use structured assessment process surveys to help respond to audience needs - should be increased to 100%. The South Slough education program has been performing above target for the last three years.

KPM #3 - increase in revenues from non-timber land management - has exceeded its target and LFO recommends a small target increase in 2016 and 2017. As the measure includes revenues from Waterways, and as the agency has recently reorganized, it will make sense in the future to separate Waterways revenue from this measure.

KPM #9 is reporting "red" performance. It deals with the number of days to respond to a wetland delineation report. The internal target is 60 days. Since 2011, the actual average number of days has increased. With the 2014 agency reorganization and full staffing, the agency believes it can meet the target. For context, the statutory target is 120 days, which the agency is well within achieving.

The agency should consider re-writing KPM #11, which deals with timeframe for reinvesting wetland mitigation bank funds. The agency reports attaining its 100% goal since 2008. Either the timeframe or the nature of the measure should be changed.

Sub-Committee Action:

HB 5037-2
(LC 9037)
4/16/15 (TR/ps)

**PROPOSED AMENDMENTS TO
HOUSE BILL 5037**

1 On page 1 of the printed bill, line 11, delete “\$28,133,205” and insert
2 “\$31,291,047”.

3 In line 16, delete “\$1,961,875” and insert “\$1,962,130”.

4 In line 17, delete “\$758,250” and insert “\$1,026,250”.

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