

BUDGET REPORT AND MEASURE SUMMARY

Joint Committee On Ways and Means

Action:

Action Date:

Vote:

Prepared By: Travis Miller, Department of Administrative Services

Reviewed By: Timothy Walker, Legislative Fiscal Office

Agency: Oregon State Marine Board

Biennium: 2015-17

Budget Summary*

	2013-15 Legislatively Approved Budget ⁽¹⁾	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 26,214,465	\$ 24,456,874	\$ 26,244,249	\$ 29,784	0.1%
Federal Funds Limited	\$ 7,450,387	\$ 6,964,524	\$ 7,464,524	\$ 14,137	0.2%
Total	\$ 33,664,852	\$ 31,421,398	\$ 33,708,773	\$ 43,921	0.1%

Position Summary

Authorized Positions	40	40	38	-2
Full-time Equivalent (FTE) positions	39.50	39.50	38.00	-1.50

⁽¹⁾ Includes adjustments through December 2014

* Excludes Capital Construction expenditures

Revenue Summary

The Oregon State Marine Board (OSMB) is funded by three major revenue sources, business license and fees, motor boat fuel tax revenues and federal grant funds. On average, Other Funds have accounted for nearly 80.0 percent of revenue and Federal Funds have accounted for the remaining 20.0 percent. In terms of Other Funds, boat registrations and titling—account for more than 50.0 percent of all revenue. Registration fees are set by statute and vary based on type and size of vessel. Just over 23.0 percent of all revenue, or approximately \$8.0 million, comes from the fuel tax. The amount is determined by the Oregon Motorboat Fuel Use Survey, conducted every four years and last completed in September of 2014. The Board also collects fees to support the aquatic invasive species program, charging \$5 for motorboats, \$5 for manually propelled boats over 10 feet in length and \$20 for nonresidents and annual fees for operators of boat liveries; these revenues are deposited into a dedicated account. In terms of Federal Funds, the Board receives funding from the U.S. Coast Guard’s Recreation Boating Safety grant program, the Boating Infrastructure Grant program and the Clean Vessel Act program. Going forward decreased revenue projections for motorboat fuel tax are expected in the 2015-17 biennium; and Federal Funds primarily provided by the Sport Fish Restoration and Boating Trust Fund are expected to remain flat.

In House Bill 2459 (2015), the Legislature approved a fee increase on registered vessels from \$3 per foot to \$4.50 per foot, effective November 2015 and approved increases for a variety of user-specific fees, including:

- Boat Rentals Business of five boats biennial setup fee \$55 to \$90
- Boat Rental biennial per-boat fee \$6 to \$10
- Duplicate Registration or Certificate of Number \$10 to \$15
- Duplicate Decals \$10 to \$15
- Dealer biennial setup fee \$28 to \$45

- Dealer biennial per-boat fee \$6 to \$10
- Boat Certificate of Title original or transfer \$30 to \$50
- Duplicate Title with no changes \$15 to \$25
- Floating Home or Boathouse Certificate of Title original or transfer \$20 to \$100
- Floating Home or Boathouse Title Owner or Location change \$20 to \$100
- Floating Home or Boathouse Identifying Plate \$20 to \$50
- Floating Home or Boathouse Duplicate Title \$20 to \$50

Over a decade has passed since the Board last instituted a comprehensive fee increase in 2003. The user-specific fees were increased to cover inflationary costs and the staff time associated with the provision of particular services. In several cases, the creation of a Duplicate Title for instance, the cost of staff time exceeded the amount of revenue generated.

Summary of Natural Resources Subcommittee Action

Established in 1959, OSMB promotes the safe and enjoyable use of state waters for recreational boating through education, enforcement, access and environmental stewardship. The Board is responsible for registering and titling all recreational motorized and sailboats 12 feet and longer in the state, providing boater education, marine law enforcement, facility access and mitigating the effects of invasive species on native waters.

The Joint Subcommittee on Natural Resources approved a total funds budget of \$33,708,773 and 38.00 FTE. The total funds budget is an increase of 0.1 percent from the 2013-15 Legislatively Approved Budget through December 2014 and an increase of 7.3 percent from the 2015-17 current service level at agency request budget. The budget includes \$26,244,249 Other Funds expenditure limitation and \$7,464,524 Federal Funds expenditure limitation.

Budget Note: The Marine Board is directed to continue public outreach to non-motorized boaters with respect to a methodology for licensing non-motorized boats and return to the 2017 Legislative Assembly with a formal proposal and a legislative concept for implementation of the fee.

Administration and Education Program - 001

The Administration and Education Program is the boater services component of the Marine Board. It is responsible for vessel titling and registration activities including floating homes and boathouses, outfitter and guide registration and ocean charter boat licensing. The Program also administers state boating laws, develops waterway management plans, serves as liaison with other government units, conducts boating accident analyses and boater surveys, coordinates the Adopt-a-River program and provides the agency's central business functions. Education activities include implementation of mandatory boater education, coordination of statewide water safety school programs, development and distribution of safe boating promotional materials and the production of public information materials for distribution to the media. The Natural Resources Subcommittee approved a total funds budget of \$6,516,466 and 22.60 FTE. This budget includes \$6,299,840 Other Funds and \$216,626 Federal Funds.

The Subcommittee approved the following adjustments to the Board's current service level budget:

Package 101: Fee Changes to Maintain Current Operations. The package increases revenue (House Bill 2459) by raising existing fees, reduces Other Funds expenditure limitation by \$239,412 and abolishes two positions, including a Public Service Representative 3 (1.00 FTE) and a Public Service Representative 4 (0.50 FTE).

Law Enforcement - 002

The Law Enforcement program provides on-water safety patrol and boating law enforcement for 600 boatable lakes, 75 major rivers and over 363 miles of coastline and provides public education services including a variety of school education programs. Services are provided through contracts with 32 county sheriffs and the Oregon State Police (OSP) for general services statewide and specific services in the four remaining counties. The program also provides patrol boats and specialized enforcement equipment, develops and offers basic and advanced training for county marine patrol officers, maintains a marine law enforcement database and reporting system, performs contract administration functions and retains responsibility for the waterway marking system. By statute, boating enforcement is the first priority for the use of boating funds after the cost of administration (ORS 830.230(2)). Approximately 67.0 percent of the Law Enforcement program's requested budget is distributed to counties and OSP as Special Payments for law enforcement contracts. The Joint Subcommittee approved a total funds budget of \$14,085,739 and 4.80 FTE. This budget includes \$10,143,756 Other Funds expenditure limitation and \$3,941,983 Federal Funds expenditure limitation.

The Subcommittee approved the following adjustments to the Board's current service level budget:

Package 201: Fee Changes to Maintain Current Operations. The package provides \$918,200 permanent expenditure limitation to maintain marine enforcement patrol contracts at current levels with slightly increased costs. The package is funded with revenue from the agency's fee increase.

Facility Grants - 003

The Boating Facilities program provides grants and technical assistance for the maintenance and improvement of public recreational boating facilities statewide. Boating facilities grants are available to cities, counties, ports and park districts, state agencies and federal agencies. Boating facility grants can be used for the acquisition, development and improvement of public boating access. Eligible projects include boat launch ramps, parking, restrooms, courtesy docks, transient tie-up facilities and other boating-related facilities. Grants rely on partnerships and the leveraging of other financial resources such as federal funds, private funds and donations, and other local and state funds. The Subcommittee approved a total funds budget of \$11,112,220 and 9.00 FTE. The budget includes \$7,806,305 Other Funds expenditure limitation and \$3,305,915 Federal Funds expenditure limitation.

The Subcommittee approved the following adjustments to the Board's Current Service Level budget:

Package 301: Fee Changes to Maintain Current Operations. The package provides \$1,608,587 total funds permanent expenditure limitation to restore and increase funding for grants to cities, counties, ports and state and federal agencies to replace aging boat facilities or build new facilities to serve the boating public. The package is funded with revenue from the agency's fee increase.

Aquatic and Invasive Species

The Aquatic Invasive Species (AIS) program purpose is to mitigate the effects of invasive species on native waters through inspecting and decontaminating watercraft. The AIS Protection Program became an independent budget structure during the 2011 Legislative session and was formerly under the Education Section. This program was created as a result of a law enacted by the 2009 Legislature with the intent of protecting the state from invasive species. This program manages the permitting process and education and outreach efforts which impact non-motorized boaters, motorized boaters and out of state visitors bringing their boats to recreate on Oregon waterways. Funding from the program is also provided to Oregon Department of Fish and Wildlife through an interagency agreement to perform roadside boat inspections for AIS. The Subcommittee approved an Other Funds budget of \$1,994,348 and 1.60 FTE. This is a continuation of current services under the 2013-15 biennium.

Summary of Performance Measure Action

See attached Legislatively Adopted 2015-17 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5522-A

Oregon State Marine Board
Travis Miller (503) 373-1109

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2013-15 Legislatively Approved Budget at Dec 2014 *	\$ -	\$ -	\$ 26,214,465	\$ -	\$ 7,450,387	\$ -	\$ 33,664,852	40	39.50
2015-17 Current Service Level (CSL)*	\$ -	\$ -	\$ 24,456,874	\$ -	\$ 6,964,524	\$ -	\$ 31,421,398	40	39.50
SUBCOMMITTEE ADJUSTMENTS (from ARB CSL)									
SCR 001 - Administration/Education									
Package 101: Fee Changes to Maintain Current Operations									
Personal Services	\$ -	\$ -	\$ (192,212)	\$ -	\$ -	\$ -	\$ (192,212)	-2	-1.50
Services and Supplies	\$ -	\$ -	\$ (47,200)	\$ -	\$ -	\$ -	\$ (47,200)		
SCR 002 - Law Enforcement Program									
Package 201: Fee Changes to Maintain Current Operations									
Special Payments	\$ -	\$ -	\$ 918,200	\$ -	\$ -	\$ -	\$ 918,200		
SCR 003 - Facility Programs									
Package 301: Fee Changes to Maintain Current Operations									
Special Payments	\$ -	\$ -	\$ 1,108,587	\$ -	\$ 500,000	\$ -	\$ 1,608,587		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 1,787,375	\$ -	\$ 500,000	\$ -	\$ 2,287,375	-2	-1.50
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 26,244,249	\$ -	\$ 7,464,524	\$ -	\$ 33,708,773	38	38.00

% Change from 2013-15 Leg Approved Budget

0.0% 0.0% 0.1% 0.0% 0.2% 0.0% 0.1%

% Change from 2015-17 Current Service Level

0.0% 0.0% 7.3% 0.0% 7.2% 0.0% 7.3%

*Excludes Capital Construction Expenditures

Legislatively Approved 2015-2017 Key Performance Measures

Agency: MARINE BOARD, OREGON STATE

Mission: Serving Oregon's recreational boating public through education, enforcement, access, and environmental stewardship for a safe and enjoyable experience.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - Number of boat patrol hours conducted on the water.		Approved KPM	33,699.00	34,650.00	34,650.00
2 - Number of boat operators arrested for boating under the Influence (BUII).		Approved KPM	36.00	100.00	100.00
3 - Boating fatalities per 100,000 registered boats.		Approved KPM	4.20	6.50	6.50
4 - Percent of inspected boaters who are in compliance with the requirement to carry a Mandatory Boater Education Card		Approved KPM	92.00	86.00	86.00
5 - Number of gallons of boater generated-sewage not deposited in Oregon waters as a result of Marine Board facilities.		Approved KPM	583,884.00	750,000.00	750,000.00
6 - Ratio of matching funds from other sources to Marine Board funds.		Approved KPM	2.10	2.10	2.10
7 - Average number of days it takes to process and award grant funds.		Approved KPM	13.00	25.00	25.00
8 - Average number of days it takes to process requests for grant reimbursements.		Approved KPM	7.00	2.40	2.40
9 - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.		Approved KPM	95.00		
9 - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Accuracy	Approved KPM	96.10	95.00	95.00
9 - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Availability of Information	Approved KPM	95.00	95.00	95.00
9 - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Approved KPM	95.00	95.00	95.00

Agency: MARINE BOARD, OREGON STATE

Mission: Serving Oregon's recreational boating public through education, enforcement, access, and environmental stewardship for a safe and enjoyable experience.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
9 - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Helpfulness	Approved KPM	95.00	95.00	95.00
9 - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Overall	Approved KPM	95.00	95.00	95.00
9 - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Timeliness	Approved KPM	94.10	95.00	95.00
10 - Percent of total best practices met by the Board.		Approved KPM	92.40	100.00	100.00
11 - Number of boat Inspections for aquatic invasive species with actual inspections.		Approved KPM	11,490.00	5,000.00	5,000.00

LFO Recommendation:

Approve KPM's.

Sub-Committee Action:

The Subcommittee approved the KPM's.