



Oregon

Kate Brown, Governor

State Marine Board

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Joint Ways and Means Subcommittee for Natural Resources

Co-Chair Senator Lew Frederick
Co-Chair Representative Brad Witt
Senator Fred Girod
Senator Kathleen Taylor
Representative Sal Esquivel
Representative Ken Helm
Representative Karin Power

Dear Co-Chair Frederick, Co-Chair Witt and Members:

This testimony is provided for HB 5022, the operations funding for the Oregon State Marine Board (OSMB). The information provided is in response to a request by the Legislative Fiscal Office in a memo dated November 28, 2016.

Agency mission, goals and historical perspective

The mission of the Oregon State Marine Board is to serve Oregon's Recreational Boating Public through education, enforcement, access and environmental stewardship for a safe and enjoyable experience. The agency was established in 1959 as a result of the growing popularity of recreational boating and the recent passage of the federal Boating Safety Act of 1958, whose purpose was to enhance federal and state boating law uniformity.

The agency's mission statement identifies four specific purposes: education, enforcement, access and environmental stewardship. Agency goals in the 2017-19 biennium will impact each of them, as explained.

Education – In 2015, the Marine Board implemented a new, K-12 boating and water safety curriculum designed to be in compliance with, and specifically focused on, key deliverables of the state's Common Core education standard. The goal of the course, titled "Water Wits", incorporates a hands-on approach and encourages Oregon schools to embrace a boating and water safety curriculum in their classrooms. This coming biennium, the agency will be actively marketing the program to schools.

The Marine Board contracted with a vendor to update and improve both the online and classroom-based mandatory education courses for motorized boaters. The updated curriculum and new instruction books will be available to boaters for the coming boating season. The agency will continue to publicize the voluntary online paddling course for non-motorized boaters.

Enforcement –The primary goals of this program are to reduce boating fatalities, accidents, and user conflicts on the water. The emphasis for this coming biennium is to focus enforcement efforts on identifying and mitigating boater behaviors that increase the potential for accidents.



In Oregon, factors of excessive speed, failure to post a proper lookout, operator inattention, insufficient lighting, and navigation rules violations continue to be the leading causes of accidents and injuries. However, only 1.70% of citations and 0.19% of warnings are related to these factors, compared to 12.3% of citations and 17.7% of warnings nationally. Although there is no clear correlation that Oregon's low warning and citation rate is linked to the number of Oregon's accidents, the comparatively low citation and warning rate may indicate that there is an opportunity to re-focus on-water enforcement. Regulatory checks and the resulting Boating Enforcement Report (BER) will remain an important part of boating safety enforcement, but the primary focus will shift to a risk-based engagement with boaters; identifying and mitigating behavioral factors that have the potential to result in accidents and fatalities.

Boating Under the Influence of Intoxicants (BUII) continues to be a concern. Training for law enforcement officers to identify impaired boaters was a goal last biennium and will continue to be a goal in the coming biennium. The agency will continue to provide training, such as Advanced Roadside Impairment Detection and Enforcement (ARIDE), for detecting impairment of any type, whether alcohol or drugs. Operation Dry Water and targeted BUII saturation patrols will continue in the coming biennium. These types of patrols are often multi-agency and allow marine officers to work with one another to sharpen skills and learn from those with more experience.

Access – Convenient and ample boating access continues to be a significant want for boaters in Oregon. The latest Statewide Boating Access & Improvement Plan (2011-2017) identified over \$179 million of preferred projects ranging from high to low in importance. Boaters identified the need for new access points, repair of older facilities, and maintenance projects such as dredging, new restrooms and resurfacing parking lots. The Marine Board is authoring a new Statewide Boating Access and Improvement Plan which will guide project construction in the coming biennium. The Marine Board will continue to promote use of materials that have less environmental impact and will last longer, such as the use of high density poly ethylene (HDPE) and aluminum construction materials for boarding floats and transient docks.

Environmental Stewardship – The agency's Policy and Environmental Section focuses on boating policies, abandoned and derelict boats, Adopt-A-River, Clean Marina and Clean Boater programs, and Aquatic Invasive Species (AIS) prevention. This coming biennium, the agency will again assist public agencies with the removal of abandoned and derelict recreational boats by maximizing its statutorily directed Salvage Vessel Subaccount. During the current biennium, 31 derelict recreational boats were removed from Oregon waterways but more than two dozen were not able to be removed this biennium. In part, this is due to the agency's removal of three abandoned former fishing vessels at a cost of \$71,870, representing almost half of the biennial budget.

The agency, in partnership with the Oregon Department of Fish & Wildlife (ODFW), will look to increase efficiency within the AIS program. This will allow inspection stations to be open longer to better protect Oregon's waterways from out-of-state boats carrying invasive weeds and mussels. HB 2321 provides recommendations for program improvements to provide additional funding for inspection stations, close enforcement gaps, and reduce the opportunities for transfer of invasive species within the state.

The Policy and Environmental Section is leading the next iteration of the agency's Strategic Plan. The Plan will be published this spring and will focus on the agency's strategic efforts for the next three biennia. Six projects were identified during the planning process with the agency external-public advisory teams. The projects are:












1. Reduce causal factors for boater conflict taking into account areas, activities and competing interests on Oregon's waterways;
2. Improve recreational boating access for all user types on Oregon's waterways;
3. Improve collaboration between law enforcement and boaters on Oregon's waterways;
4. Improve the proficiency and confidence of boaters on Oregon's waterways;
5. Establish baseline knowledge and skills of boaters who rent from liveries and build a program to attain the baseline level prior to rental; and
6. Facilitate improved two-way dialogue with current and prospective boaters and other stakeholder groups through face-to-face interactions and social media.

A key issue identified by boaters surveyed for the 2011 strategic plan identified a need that non-motorized boating be integrated into the spectrum of agency day-to-day functions. The relationship the Marine Board has with non-registered boat operators (non-motorized) is less defined than that of motorized boaters. However, non-motorized boaters increasingly use or seek access facilities, law enforcement services, and frequently petition the Board for regulations that protect or enhance their boating activity.

The growth in non-motorized boating is attracting new boaters, many of which may lack basic boating education and safety knowledge. With the assistance of an external advisory committee, feedback from 13 stakeholder meetings and an online survey, a non-motorized program was developed resulting in HB 2320. The agency has numerous goals for supporting non-motorized boaters if the bill passes.

Overview of agency performance and outcome measures

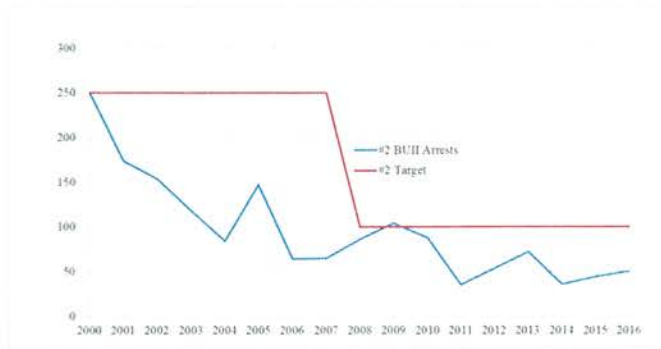
Oregon State Marine Board 2016 Key Performance Measures

	Target	Actual	Status
1. Number of boat patrol hours conducted on the water.	34,650	35,764	
2. Number of boat operators arrested for boating under the influence (BUII).	100	50	
3. Number of boating fatalities per 100,000 registered boats.	6.5	12.5	
4. Percentage of inspected boaters carrying the required mandatory Boater Education Card.	86%	97%	
5. Number of gallons of boater-generated sewage not deposited in Oregon waters due to boating facilities that benefitted from Marine Board and Clean Vessel Act funding.	750,000	603,424	
6. Ratio of matching funds from other sources to Marine Board funds.	2.10	1.99	
7. Number of days on average taken to process and award grant funds to a grantee.	25.0	19.5	
8. Number of days on average taken to process a grant reimbursement to a grantee.	2.40	9.25	
9. Percentage of customers rating as "good" or "excellent" their satisfaction with agencies availability of information, timeliness, accuracy, helpfulness and expertise.	95%	78%	
10. Percentage of total best practices met by the Board and Management.	100%	99%	
11. Number of boat inspections for aquatic invasive species done in the latest year.	15,500	16,087	

The summaries of Key Performance Measures are listed in the above table. Graphs for each of the measures are contained in the Governor's Recommended Budget, which shows the trend for each measure. Five measures were in the red and one was in the yellow. Each of those measures is addressed below.

KPM #2 – Number of boat operators arrested for boating under the influence (BUII).

The number of Boating Under the Influence of Intoxicants (BUII) arrests each year has been below 100 since 2006. The target was lowered in 2008 to reflect this trend, but this revised target has only been met once, in 2009. Enforcement of BUII laws is an agency priority. To this end, the agency has offered Advanced Roadside Impairment Detection and Evaluation (ARIDE) training to marine officers, conducted two BUII saturation patrols and worked with DA's and judges to ensure the enforceability of BUII arrests. The number slowly increased since 2014, but there is likely more room for growth as the agency continues to focus enforcement in this area.



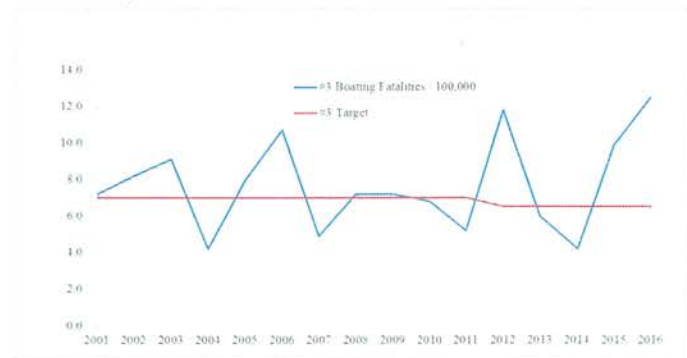
The Marine Board participates in Operation Dry Water, a national annual BUII intervention campaign in June. In 2015, 84 deputies and state troopers from 29 agencies participated with 1204 hours of on-water and shore patrol. Four operators were tested for intoxication with one arrested for BUII.

In 2016, 75 deputies and state troopers from 26 agencies participated with 1084 hours of on-water and shore patrol. Twenty operators were tested for intoxication with two arrested for BUII. Saturation patrols were held in this past biennium on Lake Billy Chinook and Foster Reservoir. These patrols involved officers from multiple counties and state troopers. The patrol on Lake Billy Chinook resulted in four BUII arrests and six arrests were made on Foster Reservoir.

In 2015, Oregon ranked 25 in the number of boats registered within the state and 24 in the number of boat operators arrested for BUIIs, when compared to 56 states and territories. Oregon has 1.4% of all registered boats in the U.S. and conducted 1.3% of the BUII arrests. This comparative demonstrates that Oregon's numbers are about what would be expected. While the numbers are below the target, the arrests seem consistent with national trends.

KPM #3 – Number of boating fatalities per 100,000 registered boats.

This measure continues to compare total boating fatalities (registered and non-registered boats) per 100,000 registered boats. It does not reflect the growth in non-motorized boating and the slowly decreasing trend of motorized boats, which continues to skew this ratio. As in past years, the ratio is about even between registered and non-registered boats, with 9 fatalities for registered boat operators and



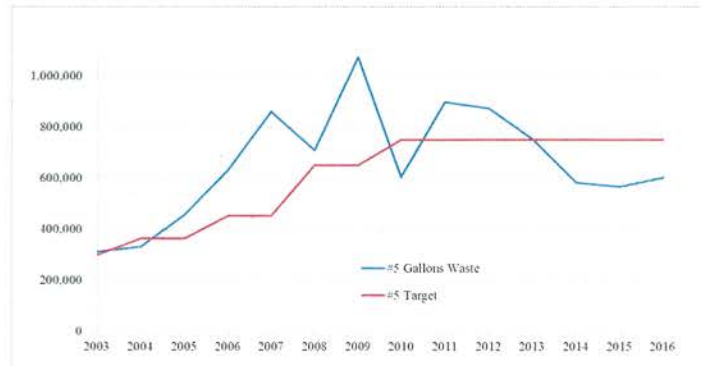
10 for non-registered boat operators this past year. Twelve of the eighteen fatalities are known to not have been wearing a lifejacket. This year, three fatalities occurred on one boat when it capsized in the surf; none of the occupants were wearing a lifejacket.

For those fatalities where a lifejacket was worn, two had inflatable belt packs that did not deploy, two likely died of medical issues, one became trapped underwater due to river hydraulics and one had their PFD caught on a limb.

The agency's new enforcement strategy and updated boating education course books and presentation materials may help to reduce accidents on Oregon's waterways. However, as with past years, a majority of fatalities were the result of drownings, many of which could have been prevented had the occupant worn a lifejacket. The continued growth of non-motorized boating, with a significant number of new boaters lacking education, will continue to be a factor. HB 2320, if passed, will help address both enforcement and education gaps for non-motorized boaters.

KPM #5 – Number of gallons of boater generated-sewage not deposited in Oregon waters as a result of Marine Board floating restrooms, terrestrial restrooms and pumpout/dump station facilities.

Targets are based on the estimated amount of recreational boater-generated sewage that is expected to be properly disposed of in facilities funded with federal Clean Vessel Act funds and Marine Board state boater fund grants. OSMB requires facility operators to track and report annual sewage waste collection volumes, facility usage and maintenance.

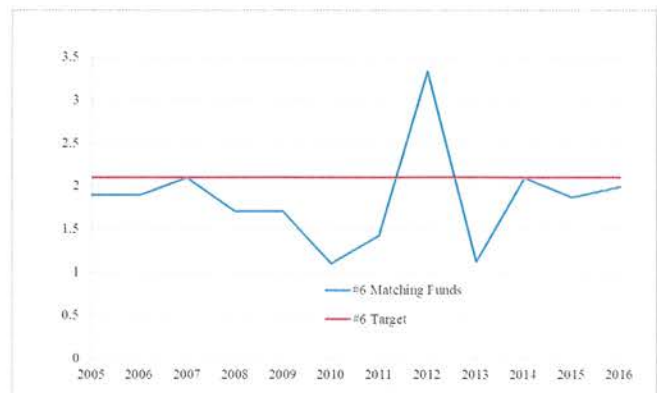


OSMB requires facility operators to track and report annual sewage waste collection volumes, facility usage and maintenance.

In the second year of the biennium, operators reported a 9% volume increase from the previous year. However, as many pumpouts, dump stations and floating restrooms are located on lakes and reservoirs, low water conditions contributed to less use, resulting in a below target number.

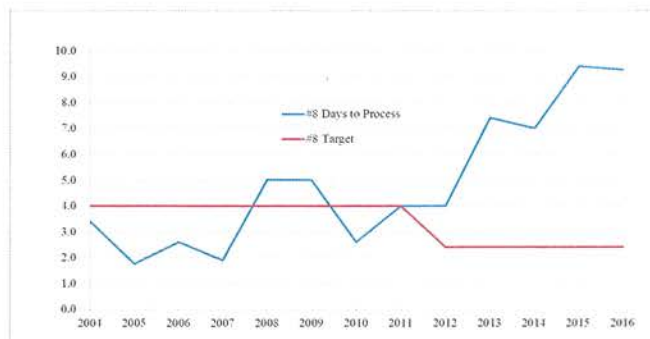
KPM #6 Measure of matching funds from other sources to Marine Board funds.

The agency continues to improve the measure of matching funds to Marine Board funds. In the past three years, the agency has been very close to its target. Most of the matching funds come from federal dollars. The agency continues to work with public agencies to identify additional matching funds that can support boating access projects.



KPM #8 Average number of days it takes to process requests for grant reimbursements.

Processing grant requests for reimbursement requires agency staff time and utilization of the State Accounting system (SFMA). The ability of agency staff to process requests also relies on the accuracy and eligibility of supporting documentation supplied by the grant recipient. Requests for additional information or clarification of material submitted can cause delays in processing. Agency fiscal processes add an additional step when reimbursement requests are reviewed by an engineer. An engineering review ensures the work has been completed at a satisfactory level prior to the Director's signature. These combined factors may result in a process delay.



The Marine Board needs to continue to process reimbursement requests and voucher payments in a timely fashion. However, it is equally important that the paperwork given to the agency is complete and the work is executed at a satisfactory level, prior to reimbursement. The agency will continue to review and refine procedures and practices to improve both the level of service and the quality of construction.

KPM #9

Customer satisfaction ratings continue to be low as the agency transitions to a new registration database. The two year process of updating customer records and merging boating and education records together, as boat registration renewals come due is complete for those that have renewed over the past two years. Many of the glitches in the database were resolved and the agency has cleared approximately six months of backlogged titles. All boating title and registration document processing is up-to-date through January 31, 2017.



This backlog of title document processing, as well as, the changes associated with the online registration and titling system has resulted in customer dissatisfaction. With the title processing up-to-date and customers now entering their second renewal cycle using the online system, it is anticipated that customer satisfaction statistics will begin to increase and will likely resume historic high levels within the next 2-4 years.

Summary of Programs

The Office of the Director is responsible for providing overall leadership and direction for the agency. The office provides administrative support to the five-member State Marine Board and is responsible for state boating law administration, policy and personnel management, and public information and outreach.

The agency's public information and outreach is multi-faceted. The agency writes and distributes press releases, creates/distributes online boating safety flip books, maintains the agency website, engages in social media, promotes continuing education and agency programs, and distributes public service announcements to the media. This ongoing public communication assists boaters with knowledge of waterway obstructions, construction, boating facility closures, marine events, clean marinas, ethanol free gasoline locations, locating boat ramps and providing updates on boating regulations.

The Office of the Director is also responsible for the agency sections of Registration and Titling, Business Services, Education, Policy and Environmental, Law Enforcement, and Boating Facilities.

The Registration and Titling Section administers the major agency business activity of titling and registering approximately 157,000 recreational boats. This section also titles approximately 2,440 floating homes and boathouses. Registration specialists prepare and process approximately 92,000 title transactions and boat registration renewal notices annually and coordinate online renewal services. Boat registrations are valid for two calendar years.

The Business Services Section provides agency-wide business functions including accounting, budgeting, purchasing, federal grant administration, payroll, inventory control, and cash management. The section also provides support for all data processing and information technology within the agency.

The Education Program within the Boating Safety Section supports compliance through the combined efforts of education and enforcement. The education component is responsible for implementing the statewide mandatory boater education program. Since the program's 2001 inception, 341,942 cards have been issued. In the past year, 11,185 new cards were issued along with 2,699 replacement cards.

The Education Program also provides leadership and coordination for statewide boating and water safety through mandatory boater education campaigns and school education programs. The Education Program develops and distributes materials to promote safe boating, including brochures and larger table-top publications, as well as, providing grants to non-profits for boating safety training.

The Policy and Environmental Section is comprised of the Clean Marina, Abandoned/Derelict Boat, Aquatic Invasive Species Protection, and the Oregon Adopt-A-River programs. The Clean Marina program has 64 certified marinas statewide that meet or exceeded standards for best practices. There are 16 additional facilities in the process of achieving program standards to obtain certification.

The Policy and Environmental Section develops waterway management plans, conducts special studies and maintains liaison with other government units and interest groups. The Section also develops and coordinates rulemaking, statutorily mandated triennial boating surveys, and the quadrennial fuel usage survey.

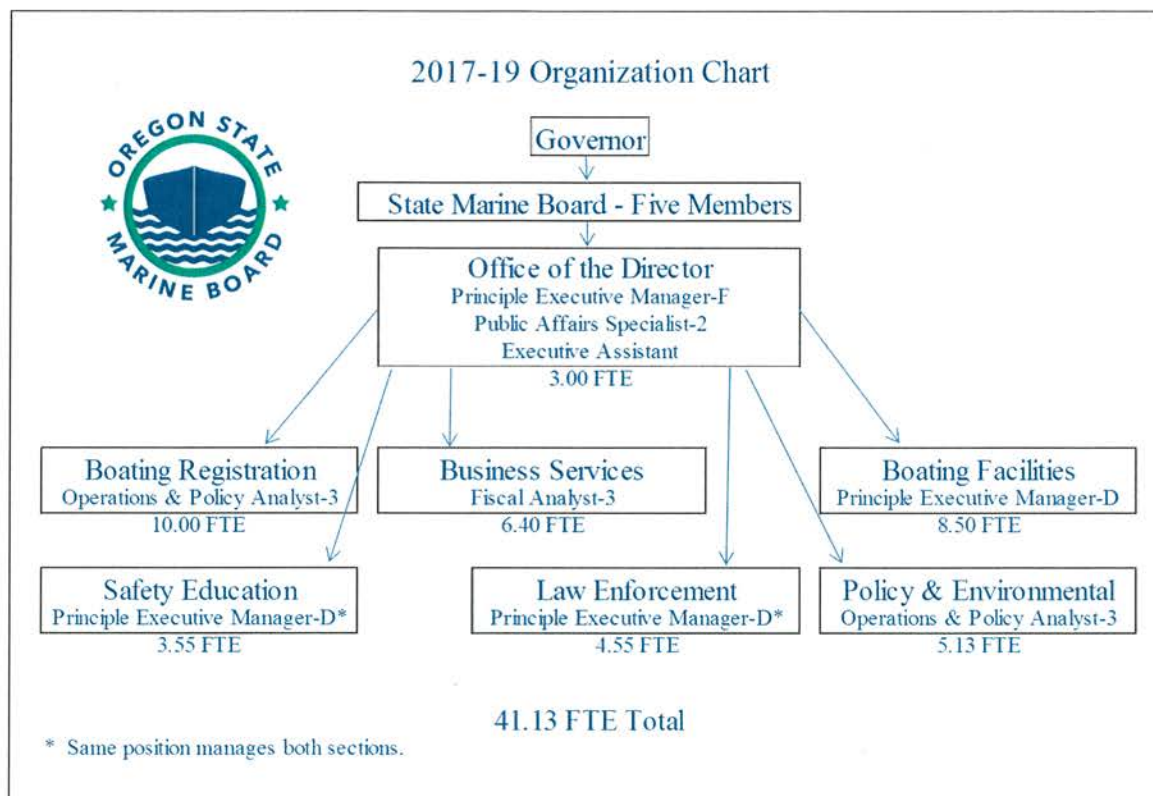
During the past two years, the Policy and Environmental Section, partnered with eight public agencies to remove 31 abandoned or derelict vessels from the state's waterways. This represents the largest number of boats removed in any given biennium by the agency and was made possible, in large part, by the passage of HB 2233 in the 2013 legislative session. This bill streamlined the process for seizing and disposing of these vessels, reducing red tape and unreasonable timelines for removing boats from the water.

The 2009 Legislature, with the intent of protecting the state from aquatic invasive species, enacted law and instructed the agency to develop the Aquatic Invasive Species Prevention Program. 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's waterways. Program funds are provided to ODFW, through an interagency agreement, to perform roadside boat inspections for aquatic invasive species (AIS). During the past year, 16,087 boats were inspected at check stations located close to Oregon's borders.

The Law Enforcement Program provides funding and training support for 32 county Sheriff's Offices and the Oregon State Police to enforce state boating laws and educate about safe boating practices. This program provides funding and subject matter experts for marine patrol boat procurement, maintenance and repair. The program provides relevant training to marine officers, gathers and analyzes law enforcement statistics, and participates in national programs to reduce accidents and fatalities. A revenue mix of boat registrations and titles, partnered with US Coast Guard Recreational Boater Safety grant funds, support this program. During this past year, more than 48,966 boaters were contacted by law enforcement. This program also registers 1,350 outfitters and guides, and licenses 60 ocean charter vessels and provides oversight and enforcement of guide and charter laws.

The Boating Facilities Program provides grants and technical assistance for the maintenance and improvement of public recreational boating facilities statewide. Boating facility grants are available to cities, counties, ports and park districts, state and federal agencies. Boating facility grants can be used for the acquisition, development and improvement of public boating access. The program administers federal grants available through Boating Infrastructure Grants (BIG) and Clean Vessel Act (CVA) programs. Private marinas can apply for grants to improve vessel waste collection facilities (pumpout and dump stations). Annual grants are also available to cities, counties, ports, park districts and state agencies to augment the maintenance of public boating access sites. Engineering, design, and project administration services, including project planning and needs assessments, are part of this program. Program staff provides technical assistance in acquiring environmental permits and reviews projects for impacts to navigation. Thirty-five boating facility projects were completed in 13-15 biennium.

Agency organizational information



Budget drivers, risk and environmental factors

Cost drivers for the agency include marine patrol contracts, boating facility maintenance and construction, internal agency operational costs and ODFW inspection station costs. Major cost drivers for marine patrol contracts are wages, retirement, and healthcare costs that continue to rise at a rate far exceeding the normal state-assigned inflation rate. The decline in fuel prices is a welcome reduction, but this is only a recent trend and does not offset the other costs. Additionally, construction costs for boating facilities have increased and continue to rise. This fluctuation is driven by the cost of materials, labor, and increased expenses to adhere to permit requirements. Agency personnel costs associated with wages, retirement and healthcare continue to rise. Similarly, within the AIS program, personnel costs for ODFW inspectors have increased.

Primary revenue drivers include the number of registered boats, the amount of fuel use per boat as reflected in the Quadrennial Fuel Use Survey, the number of Aquatic Invasive Species Permits sold and changes to federal revenue available to the agency from the Sport Fish Restoration and Boating Trust Fund (SFRBTF). As the number of boats has decreased over the past seven years, the registration revenue has followed. The amount of fuel usage per boat decreased in the 2010 Quadrennial Fuel Usage Survey and again the 2014 survey. Average fuel use dropped from 126.8 gallons per recreational boat (16ft – 25ft) in the 2006 survey to 99.7 gallons per boat in 2010, and to 82.6 gallons per boat in 2014. The first drop in usage was offset by a \$.06 increase to the fuel tax, but the current drop will negatively impact the agency's revenue by approximately \$2 million per biennium, a 19% drop.

Since the Marine Board is statutorily required to conduct a quadrennial survey to determine fuel usage, the recent drop in fuel prices, which may increase fuel usage, will not positively impact the calculation for fuel tax revenue until the 2018 survey. Federal revenue is impacted by the number of registered boats in the state and the amount of money the state spends on recreational boating safety. Oregon's share of the overall obligation to states will fluctuate as these numbers change. Federal funds for boating facility projects are dependent upon need and available match dollars.

The service drivers have increased despite fewer registered boats. Registrations have declined, but motorized boat use days and non-motorized boat use days on Oregon waterways have increased. This increase reflects the significant upward trends in motorized and non-motorized boating use that were reflected in the 2011 Statewide Comprehensive Outdoor Recreation Program (SCORP) survey, completed by Oregon State Parks and Recreation. Anecdotally, boating facility managers are seeing more usage of their facilities, and law enforcement agencies are seeing heavy usage on the waterways and an increase in user conflicts. The significant growth by non-motorized boating has changed the dynamics on the waterways, and this user groups is having a significant impact. However, no funds are appropriated from non-motorized boaters, with the exception of the dedicated funding for the AIS program. On average, in recent years, non-motorized boaters account nearly one-half of all recreational boating fatalities. Boating facilities continue to deteriorate and new motorized and mixed use facilities are being requested by boaters and facility providers. In some cases, parking lots are being expanded to handle the additional capacity for non-motorized boaters. The legislature recognized this issue and directed the agency in a budget note to bring forward a non-motorized program this biennium. HB 2320 responds to this note.

Major changes in the past 6 years by biennia

- 2011 – Established three limited duration positions as permanent with the AISPP
- 2013 – HB 2233 made significant changes to Abandoned and Derelict Boat Program
- 2013 – HB 2039 made regulatory changes to the Guide and Outfitter Program and increased fees
- 2013 – SB 25 provided new definition for Charter Boat and made administrative changes to Charter Boat Program
- 2015 – HB 2459 increased fees related to registering and titling boats, floating homes and boathouses.

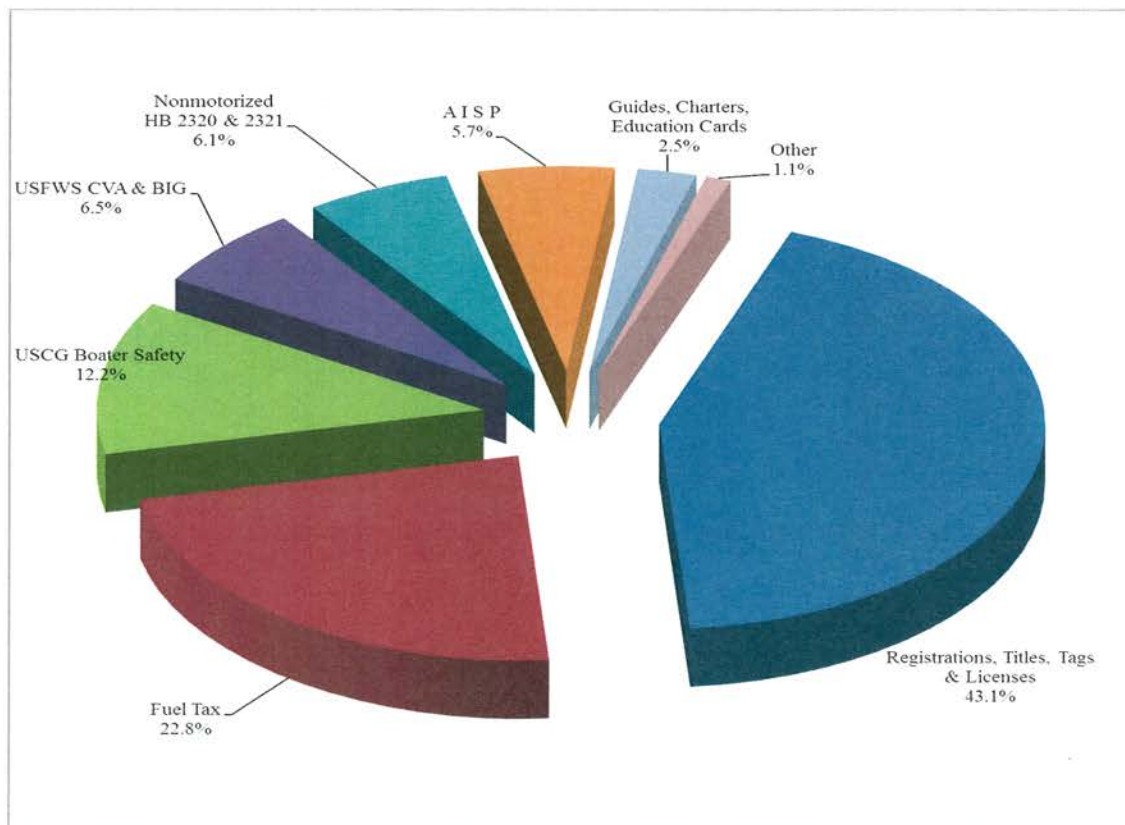
Actions taken to maintain costs, improve service, consolidate or work with other agencies and data on efficiencies gained

- 2011 – Eliminated three positions (2.5 FTE) funded by the Boating Safety, Law Enforcement and Facility Account
- 2011 – Removed funding for media contracts and billboards and increased reliance on alternative media
- 2011 – Implemented new allocation formula for law enforcement contracts in alignment with triennial survey data as required in ORS 830.140(2)
- 2012 – Changed county law enforcement invoicing procedures to provide quarterly reimbursements and promote better accountability
- 2013 – Implemented fleet management process for OSMB boats to reduce inventory, track condition and maintenance and establish a replacement schedule
- 2013 – Established new design criteria for boarding floats using High Density Poly Ethylene (HDPE) floats with aluminum construction; higher cost, but more environmentally friendly and more than doubles the lifespan of a float.

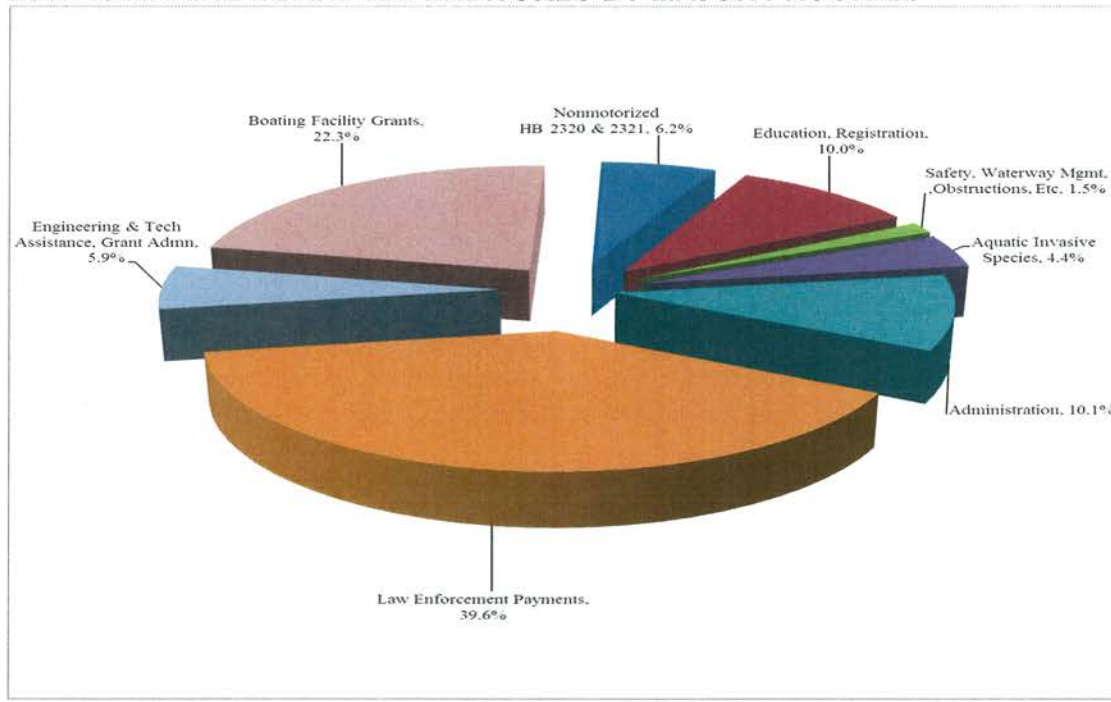
- 2014 – Established a Policy and Environmental Section from existing positions to more efficiently manage agency environmental programs.
- 2015 – Implemented new registration and titling system. Increased online opportunities to title and register boats, consolidated boating, guiding, AIS, and education accounts to users and reduced inaccuracies inherent in prior system. Aligned with Coast Guard's 2017 requirements.
- 2016 – Obtained Debris Removal Grant from National Oceanic and Atmospheric Administration (NOAA) to assist with commercial vessel removal. Initiated Abandoned and Derelict Commercial Vessel Task Force
- 2017 – Changed the information technology in-house servers from Novel to the more standard Microsoft server platform administered by Department of Administrative (DAS)-Enterprise Technology Services. The savings the agency realizes by not purchasing future and maintaining new equipment, or paying annual licensing fees, counters the DAS monthly charges. The DAS service provides up-to-date equipment and 24/7 maintenance and reliability, while also, adding to DAS's economies of scale.

Major budget information, caseload, fees, revenue summary

2017-19 MARINE BOARD REVENUES



2017-19 MARINE BOARD EXPENDITURES BY MAJOR PROGRAM



Fee	Amt	Fee	Amt
Boat Registration	\$4.50 per foot	Outfitter Guide Registration OR Resident	\$150
Rental Setup	\$90	Outfitter Guide Registration Non-Resident Charges OR	\$500 - \$800
Rental Registration	\$10	Outfitter Guide Registration Non-Resident Not Charge OR	\$150
Amphibious Vehicle DMV Titled	\$6	Resident Hunt Tag Initial	\$75
Duplicate Registration	\$15	Resident Hunt Tag Renewal	\$25
Duplicate Registration with Decals	\$15	Duplicate Guide Registration	\$5
Dealer Registration 1st Vessel	\$45		
Dealer Registration extra Vessels	\$10	AISP Motorized Permit 2 yr.	\$5
		AISP Annual Tag	\$5
Title	\$50	AISP 2 yr. Tag	\$10
Duplicate Title No Changes	\$25	AISP Tag Out of State	\$20
Late Title	\$25	AISP Livery 6-10	\$30
		AISP Livery 11-20	\$55
Floating Home Title	\$100	AISP Livery 21+	\$100
Floating Home Plate	\$50		
Floating Home Title with Changes	\$100	<i>AISP Weekly Tag</i>	<i>\$1</i>
Duplicate Floating Home Title	\$50		
Late Title Penalty Floating Home	\$25	<i>Nonmotorized Annual Tag</i>	<i>\$12</i>
		<i>Nonmotorized 2 yr. Tag</i>	<i>\$20</i>
Mandatory Education Permit	\$10	<i>Nonmotorized Weekly Tag</i>	<i>\$4</i>
Duplicate Mandatory Education Permit	\$8	<i>Nonmotorized Livery 6-10</i>	<i>\$60</i>
		<i>Nonmotorized Livery 11-20</i>	<i>\$110</i>
Charter Resident	\$50	<i>Nonmotorized Livery 21+</i>	<i>\$200</i>
Charter Documented with USCG	\$100		
Charter Non-Resident	\$100		
Duplicate Charter Registration	\$5		

Summary of proposed legislation and budget impact

HB 2320

Budget Note (2015): 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 legislative concept for implementation of the fee.

This legislative concept addresses the requirements of the Budget Note and proposes to create a new section of ORS Chapter 830, Non-Motorized Boating Program. Establishes a Non-motorized Boating Program Fund.

Voluntary Education: Sets minimum standards for courses and examinations. Provide grants and incentives to partners to carry out program.

Safety: Contracts for marine patrols in areas with significant non-motorized use. May contract for removal of obstructions that are deemed hazards to safe navigation.

Access: Provides grants to assist public agencies with the purchase, construction, renovation, expansion or development of non-motorized boating facilities, whitewater parks and competition courses.

Non-Motorized Boating Permit Rules: Requires a person 14 years of age and older, operating any boat lengths to purchase and carry a permit. Allows the non-motorized permit to be combined with the aquatic invasive species prevention permit. Exemptions exist for certain circumstances.

Other Program Concepts: Defines a "non-motorized craft" as an object, not propelled by machinery or defined as a boat, capable of supporting a person in the water. Requires life jacket wear, as designated by the Board, when operated on all rivers and streams. Failure to wear a life jacket on a river and stream, punishable by maximum fine of \$30.

Fiscal Impact	2017-2019	2019-2021
Revenue	\$2,161,885	\$2,946,009
Expenditures		
Staff	\$ 270,180	\$ 410,332
S&S	\$ 201,373	\$ 238,245
Capital Outlay	\$ 37,500	\$ 52,250
Special Payments	\$1,362,022	\$1,409,693
Total	\$1,871,075	\$2,110,520

HB 2321

Requires boaters to drain standing water after a boat is removed from a waterbody and before the boat is transported away from the boat launch or retrieval area by opening all drain plugs, bailers, valves or other devices used to control the draining of water from ballast tanks, bilges, livewells and motorwells. Boats must be transported within the state in this manner. The penalty for failure to comply is a Class D violation with a presumptive fine of \$30 for non-motorized boats and \$50 for motorized boats.

Requires a person transporting a boat to return to an inspection station if stopped by law enforcement for bypassing a mandatory inspection station, provided the station is open and within five miles of the location of the stop. Failure to return to the inspection station is a Class C misdemeanor.

Clarifies persons 14 years of age and older are required to carry a permit when operating a non-motorized boat. Requires person to cooperate with recommended decontamination process at check station. Removes the exemption for boats under 10 feet and requires all boats to carry an AIS permit.

Fiscal Impact	2017-2019	2019-2021
Revenue	\$419,537	\$569,463
Expenditures		
Staff	\$ 38,680	\$ 54,668
S&S	\$ 9,855	\$ 16,155
Special Payments	\$318,001	\$328,454
Total	\$366,536	\$399,277

Thank you for your review and consideration on this budgetary matter. Please allow me to answer any questions you may have.

Sincerely,



Scott Brewen, Director

APPENDIX:

- A. ORS 291.216 reductions (OSMB excused from LFO's 15% reduction exercise)
- B. Audits, recent budget changes, technology plans
- C. Other Funds ending balance form

10/25% REDUCTIONS OPTIONS (ORS 291.216)

APPENDIX A

<p>3. Administration – reduce accounting and IT staff and discretionary operating costs.</p>	<p>Positions # 0002082 and #0002080 would be abolished. Information technology data backup services would be eliminated and other discretionary costs would be discovered. Would cause reduced computer uptime and impact efficient revenue accounting.</p>	<p>\$293,941 State Funds – Fuel Tax and Boat Registration and Title fees. \$11,881 – Information Technology Services \$282,060 Staffing (1.65) FTE</p>	<p>Priority 3 – per ORS 830.140 (1)(2) and ORS 830.150 (1)(2). Additionally, these positions are shared with item #11.</p>
<p>4. Law Enforcement Program – reduce contracts to law enforcement agencies and reduce boat purchases for counties.</p>	<p>OSMB would offer lower contract amounts to county sheriff departments and the Oregon State Police. Boat purchases could be reduced.</p>	<p>\$408,784 Federal Funds – USFWS Recreational Boating Safety Grant. \$326,784 Contracts \$82,000 Boat purchases</p>	<p>Priority 4 – per ORS 830.140 (1)(2) and ORS 830.150 (1)(2). This is similar to #5 but causes less impact to the law enforcement community.</p>
<p>5. Law Enforcement Program – reduce contracts to law enforcement agencies, training support and reduce boat purchases for counties.</p>	<p>OSMB would offer lower contract amounts to county sheriff departments and the Oregon State Police. Boat purchases could be curtailed. Position #0002021 is abolished which effects the availability of specialized marine patrol training.</p>	<p>\$1,052,643 State Funds – Gas Tax and Boat Registration and Title fees. \$752,643 Contracts \$82,000 Boat purchases \$ 218,000 Staffing (1.00) FTE</p>	<p>Priority 5 – per ORS 830.140 (1)(2) and ORS 830.150 (1)(2).</p>
<p>6. Education Program - reduce educational grants and supplies.</p>	<p>OSMB would offer lower or eliminate educational grant awards and reduce materials used for training.</p>	<p>\$22,520 Federal Funds – USFWS Recreational Boating Safety Grant.</p>	<p>Priority 6 – per ORS 830.140 (1)(2) and ORS 830.150 (1)(2). The statute primarily supports administration and education programs which causes this to be a lower priority for reduction.</p>
<p>7. Education Program - reduce educational grants and supplies.</p>	<p>OSMB would offer reduce or eliminate educational grant awards and reduce materials used for training.</p>	<p>\$60,000 State Funds – Mandatory education card fees.</p>	<p>Priority 7 – per ORS 830.140 (1)(2) and ORS 830.150 (1)(2). The statute primarily supports administration and education programs which causes this to be a lower priority for reduction.</p>

10/25% REDUCTIONS OPTIONS (ORS 291.216)

APPENDIX A

8. Registration Section, and Adopt-a-River Contract – reduce postage and eliminate the contract.	OSMB would reduce customer response time. Mailings for renewal reminders could be eliminated. Other services and supplies.	\$102,000 State Funds – Gas Tax and Boat Registration and Title fees. \$40,000 Postage \$62,000 Contract with SOLV	Priority 8 – per ORS 830.140 (1)(2) and ORS 830.150 (1)(2). The statute primarily supports administration. The agency is funded by boaters making service to the payer the highest priority service to maintain. Program brings in agency revenue.
9. Abandoned and Derelict Vessel & Clean Marina Programs remove staffing	OSMB would reduce response time to vessel hazards. Marina's would have less incentive to provide high service and environmental friendly services.	\$195,000 State Funds – Gas Tax and Boat Registration and Title Fees. \$187,000 Staffing (1.00 FTE) \$8,000 Other	Priority 9 – The program is funded by boaters. Compliance and program popularity are high, making this a lower priority.
10. Guides and Outfitters – reduce law enforcement contracts with OSP and Counties.	OSMB would reduce or eliminate certain contracts with Oregon State Police and county sheriffs to enforce regulations from the current \$410,500 limitation.	\$65,340 State Funds – Fees from annual Guide and Outfitter registrations. \$65,340 Contracts	Priority 10 – per ORS 704.020. This program is self-funding. High performance in Guide/Outfitter compliance make this a lower priority.
11. Aquatic Invasive Species Program – reduce accounting and IT staff and some discretionary operating costs. Eliminate program manager. Transfer program management to ODFW.	Positions # 0002082, #0002081 and #0002080 would be abolished. Other costs would include those related to research, outreach and education, and perhaps law enforcement. Would cause reduced information systems and communications uptime and customer service.	\$268,200 State Funds – Sales of Aquatic Invasive Species Boat Tags. \$268,200 Staffing (1.35) FTE	Priority 11 – per ORS 830.140 (1)(2) and ORS 830.150 (1)(2). Additionally, some of these positions are shared with item #3. Extreme environmental, commercial and municipal damage could happen without adequate program management.

Oregon State Marine Board
2017 Ways and Means Natural Resources Subcommittee Presentation
Appendix B

HB 4131 & HB 2020

OSMB has fewer than 100 positions and is not required to meet the 11:1 staff to supervisor ratio.

Agency Audits

The last audit was in 2010 and was reported on in prior Legislative sessions.

Recent Changes

There are no significant agency budget changes other than 2015 Legislation raising most fees.

Proposed Technology Projects

None. The agency is shifting from in-house servers and file storage to DAS Enterprise Technology Services and replaces desktop workstations on a four-year cycle.

Appendix: C
 Agency: Oregon State Marine Board
 Contact Person: Christian Gorrud, Business Services Manager, 503-378-2630

(a) Other Fund Type	(b) Program Area (SCR)	(c) Treasury Fund #/Name	(d) Category/Description	(e) Constitutional and/or Statutory reference	(f) 2015-17 Ending Balance		(g) 2017-19 Ending Balance		(i) Comments
					In LAB	Revised	In CSL	Revised	
Limited	25000-001-000-00000 Administration & Education Program	1087/Boating Safety, Law Enforce & Facilities	Operations	ORS Chapter 830 and 704	4,409,495	5,875,282	5,117,449	5,240,422	(f) ORBITS less incorrect revenue adjustments for Feb 2016. (g) The 13-15 EB actual Treasury cash exceeded ORBITS by \$1.06M. That was not known when LAB was made. LAB should have been \$5,466k. Projected 15-17 loss is \$409k less than in ORBITS. (i) ARB POP's include fee increases exceeding expenditure increases.
									Approximately 3.7 months coverage of OF/FF limitation. Minimum cash flow is approx \$2.5 million based on the worst net cash flow month.
Limited	25000-004-000-00000 Aquatic Invasive Species Prevention Program	3881/Aquatic Invasive Species Prevention Fund	Operations	ORS Chapter 830	(16,430)	207,063	(217,524)	257,863	(f) ORBITS less incorret revenue adjustment for Feb 2016. (g) The 13-15 EB actual Treasury cash was under ORBITS by \$83k. That was not known when LAB was made. LAB should have been <\$99k>. Projected 15-17 loss is \$306k less than in ORBITS. (i) ARB POPs (070/401) includes a revenue increase and expenditure reductions.
									Approximately 3.1 months coverage of OF limitation. Minimum cash flow is approx \$80,000 based on the worst net cash flow month.

Objective: Provide updated Other Funds ending balance information for potential use in the development of the 2017-19 legislatively adopted budget.

Instructions:

- Column (a): Select one of the following: Limited, Nonlimited, Capital Improvement, Capital Construction, Debt Service, or Debt Service Nonlimited.
- Column (b): Select the appropriate Summary Cross Reference number and name from those included in the 2015-17 Legislatively Approved Budget. If this changed from previous structures, please note the change in Comments (Column (j))
- Column (c): Select the appropriate, statutorily established Treasury Fund name and account number where fund balance resides. If the official fund or account name is different than the commonly used reference, please include the working title of the fund or account in Column (j).
- Column (d): Select one of the following: Operations, Trust Fund, Grant Fund, Investment Pool, Loan Program, or Other. If "Other", please specify. If "Operations", in Comments (Column (j)), specify the number of months the reserve covers, the methodology used to determine the reserve amount, and the minimum need for cash flow purposes.
- Column (e): List the Constitutional, Federal, or Statutory references that establishes or limits the use of the funds.
- Columns (f) and (h): Use the appropriate, audited amount from the 2015-17 Legislatively Approved Budget and the 2017-19 Current Service Level as of the Agency Request Budget.
- Columns (g) and (i): Provide updated ending balances based on revised expenditure patterns or revenue trends. Do not include adjustments for reduction options that have been submitted unless the options have already been implemented as part of the 2015-17 General Fund approved budget or otherwise incorporated in the 2015-17 LAB. The revised column (i) can be used for the balances included in the Governor's budget if available at the time of submittal. Provide a description of revisions in Comments (Column (j)).
- Column (j): **Please note any reasons for significant changes in balances previously reported during the 2015 session.**

Additional Materials: If the revised ending balances (Columns (g) or (i)) reflect a variance greater than 5% or \$50,000 from the amounts included in the LAB (Columns (f) or (h)), attach supporting memo or spreadsheet to detail the revised forecast.