

HB 5022 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Robert Otero, Department of Administrative Services

Reviewed By: Theresa McHugh, Legislative Fiscal Office

**Marine Board
2017-19**

PRELIMINARY

Budget Summary*

	2015-17 Legislatively Approved Budget ⁽¹⁾	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 26,508,351	\$ 27,578,318	\$ 27,259,745	\$ 751,394	2.8%
Federal Funds Limited	\$ 7,467,774	\$ 6,632,414	\$ 6,632,414	\$ (835,360)	(11.2%)
Total	\$ 33,976,125	\$ 34,210,732	\$ 33,892,159	\$ (83,966)	(0.3%)

Position Summary

Authorized Positions	38	38	39	1
Full-time Equivalent (FTE) positions	38.00	38.00	39.00	1.00

⁽¹⁾ Includes adjustments through December 2016

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Oregon State Marine Board (OSMB) is primarily funded by three major revenue sources: business license and fees, fuel tax revenues and federal grant funds. On average, Other Funds have accounted for nearly 82 percent of revenue with Federal Funds accounting for the remaining 18 percent. In terms of Other Funds, boat registrations and titling account for more than 43 percent of all revenue. Registration fees are set by statute and vary based on type and size of vessel. Just over 23 percent of all revenue, or approximately \$8.0 million, comes from the fuel tax, which is determined by the Oregon Motorboat Fuel Use Survey. OSMB also collects fees to support the Aquatic Invasive Species program 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, a minimal growth in revenue projections for motorboat fuel tax is expected in the 2017-19 biennium; and Federal Funds, primarily provided by the Sport Fish Restoration and Boating Trust Fund, are expected to remain flat. The agency's ending balance is projected to be just under \$5.1 million, which is equivalent to approximately 4.5 months of operating costs.

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 Subcommittee on Natural Resources approved a total funds budget of \$33,892,159 and 39 positions (39.00 FTE). The total funds budget is a decrease of 0.3 percent from the 2015-17 Legislatively Approved Budget through December 2016 and an increase of 0.4 percent from the 2017-19 adjusted Current Service Level at Agency Request Budget. The budget includes \$27,259,745 Other Funds expenditure limitation and \$6,632,414 Federal Funds expenditure limitation.

Administration and Education Program

The Administration and Education Program is the boater services component of the Marine Board. It is mainly responsible for vessel titling and registration, administration, and education. The program 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. The Subcommittee approved a total funds budget of \$7,513,375 and 25.10 FTE. This budget includes \$7,288,135 Other Funds and \$225,240 Federal Funds.

The Subcommittee approved the following package for this program (the funds and position are part of the budget described above):

Package 102, Guide and Outfitter Program Improvements - Increases Other Funds expenditure limitation by \$125,323 and one permanent position (1.00 FTE) for the Guide and Outfitter Program. The position will provide customer service support and administrative oversight for the program.

Law Enforcement

The Law Enforcement Program provides statewide boating law administration and contracts for boating law enforcement and related services on over 600 boatable lakes, 75 major rivers, and 15 estuaries totaling more than 787,000 acres of water and provides public education services, including a variety of school education programs. Services are provided through contracts with county sheriffs and the Oregon State Police (OSP). 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. The Subcommittee approved a total funds budget of \$14,614,262 and 4.55 FTE. This budget includes \$10,526,425 Other Funds expenditure limitation and \$4,087,837 Federal Funds expenditure limitation.

Facility Grants

The Boating Facilities program provides grants and technical assistance for the maintenance and improvement of public recreational boating facilities statewide. 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 \$10,163,209 and 8.00 FTE. The budget includes \$7,843,872 Other Funds expenditure limitation and \$2,319,337 Federal Funds expenditure limitation.

Aquatic and Invasive Species

The Aquatic Invasive Species (AIS) program's purpose is to mitigate the effects of invasive species on native waters through inspecting and decontaminating watercraft. This program was created as a result of a law enacted by the Legislature in 2009 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. The Subcommittee approved an Other Funds budget of \$1,601,313 and 1.35 FTE.

Summary of Performance Measure Action

See attached Legislatively Adopted 2017-19 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon State Marine Board
Robert Otero -- 503-983-8670

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2015-17 Legislatively Approved Budget at Dec 2016 *	\$ -	\$ -	\$ 26,508,351	\$ -	\$ 7,467,774	\$ -	33,976,125	38	38.00
2017-19 Current Service Level (CSL)*	\$ -	\$ -	\$ 27,578,318	\$ -	\$ 6,632,414	\$ -	34,210,732	38	38.00
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 001 - Administration/Education									
Package 102: Guide and Outfitter Program Improvements									
Personal Services	\$ -	\$ -	\$ 125,323	\$ -	\$ -	\$ -	125,323	1	1.00
SCR 004 - Aquatic and Invasive Species									
Package 070: Revenue Reductions/Shortfall									
Services and Supplies	\$ -	\$ -	\$ (125,896)	\$ -	\$ -	\$ -	(125,896)	0	0.00
Special Payments	\$ -	\$ -	\$ (318,000)	\$ -	\$ -	\$ -	(318,000)		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ (318,573)	\$ -	\$ -	\$ -	(318,573)	1	1.00
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 27,259,745	\$ -	\$ 6,632,414	\$ -	33,892,159	39	39.00
% Change from 2015-17 Leg Approved Budget	0.0%	0.0%	2.8%	0.0%	(11.2%)	0.0%	(0.2%)	2.6%	2.6%
% Change from 2017-19 Current Service Level	0.0%	0.0%	(1.2%)	0.0%	0.0%	0.0%	(0.9%)	2.6%	2.6%

*Excludes Capital Construction Expenditures

Legislatively Approved 2017 - 2019 Key Performance Measures

Published: 5/10/2017 2:37:11 PM

Agency: Marine Board

Mission Statement:

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

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
1. Number of boat patrol hours conducted on the water.		Approved	35,764	34,650	35,000
2. Number of boat operators arrested for boating under the Influence of Intoxicants (BUII).		Approved	50	100	100
3. Boating fatalities per 100,000 registered boats.		Approved	12.50	6.50	6.50
4. Percent of inspected boaters who are in compliance with the requirement to carry a Mandatory Boater Education Card		Approved	97%	95%	95%
5. Number of gallons of boater generated-sewage not deposited in Oregon waters as a result of Marine Board facilities.		Approved	603,424	750,000	750,000
6. Ratio of matching funds from other sources to Marine Board funds.		Approved	1.99	2.10	2.10
7. Average number of days it takes to process and award grant funds.		Approved	19.50	20	20
8. Average number of days it takes to process requests for grant reimbursements.		Approved	9.25	8	7
9. Customer Service - 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	85%	95%	95%
	Helpfulness		78.10%	95%	95%
	Availability of Information		77.10%	95%	95%
	Expertise		72.40%	95%	95%
	Timeliness		79.10%	95%	95%
	Overall		78.30%	95%	95%
10. Percent of total best practices met by the Board.		Approved	99%	100%	100%
11. Number of boat Inspections for aquatic invasive species with actual inspections.		Approved	16,087	15,500	16,000

LFO Recommendation:

LFO recommends approval of the Key Performance Measures and targets as proposed.

SubCommittee Action:

The Subcommittee approved the LFO recommendation.