

**HB 5041 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Cathleen Connolly, Department of Administrative Services

**Reviewed By:** Paul Siebert, Legislative Fiscal Office

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**Oregon Watershed Enhancement Board**

**2017-19**

PRELIMINARY

**Budget Summary\***

	2015-17	2017-19	2017-19	Committee Change from 2015-17 Leg.	
	Legislatively Approved Budget <sup>(1)</sup>	Current Service Level	Committee Recommendation	Approved	
				\$ Change	% Change
Lottery Funds	\$ 55,552,250	\$ -	\$ 67,594,301	\$ 12,042,051	21.7%
Total	\$ 55,552,250	\$ -	\$ 67,594,301	\$ 12,042,051	21.7%

**Position Summary**

Authorized Positions	0	0	0
Full-time Equivalent (FTE) positions	0.00	0.00	0.00

<sup>(1)</sup> Includes adjustments through December 2016

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

The Oregon Watershed Enhancement Board (OWEB) is funded primarily with Measure 76 Lottery Funds and federal funds from the Pacific Coastal Salmon Recovery Fund. The agency also receives revenues from the sales of salmon license plates. The agency’s six-year limitation described in this budget report is funded solely with Measure 76 Lottery Funds.

**Summary of Natural Resource Subcommittee Action**

OWEB promotes and implements programs that restore, maintain, and enhance Oregon watersheds to protect the economic and social wellbeing of the state and its citizens. The board provides grants to restore and preserve local streams, rivers, wetlands and natural habitat. Community members and landowners use scientific criteria to decide jointly, what needs to be done to conserve and improve habitat in the places where they live. The Subcommittee approved a total funds budget of \$119,302,545 for the agency, with \$51,708,244 total funds approved in House Bill 5040 and the remaining \$67,594,301 total funds approved in House Bill 5041. House Bill 5040 also provides 33.00 FTE for the board.

**Operations**

See the budget report for House Bill 5040.

## Grants

For grants without a six-year limitation, please see the budget report for House Bill 5040.

### **Budget Note**

During development of the 2019-21 budget, and in subsequent biennia, the Oregon Watershed Enhancement Board shall phase-out the capital construction expenditure limitations approved for lottery moneys deposited into the Watershed Conservation Grant Fund for the 65% dedicated to local grant expenditures as usual. OWEB shall then add as technical adjustment to the Current Service Level (CSL), in package 060, the amount estimated to be deposited in the Watershed Conservation Grant Fund using the Office of Economic Analysis forecast of Lottery Revenues for June of even numbered years. This estimate will then be updated during development of the Governor's Budget and the Legislatively Adopted Budget in non-CSL packages. Ballot Measure 76 Lottery Fund expenditures will continue to be reflected in the budget as six-year expenditure limitation to allow time for grants to be fully expended.

The Subcommittee approved Package 200, Capital Grants. This package adds \$67,594,301 six-year Lottery Funds expenditure limitation for OWEB's Ballot Measure 76 Lottery Funds grant program. Measure 76 constitutionally dedicates 65 percent of the Natural Resource Lottery Funds for watershed grants to improve and enhance Oregon's water quality, native species and wildlife habitat. Because the expenditure limitation is for six years, it is established in a separate bill.

### **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 Watershed Enhancement Board  
Cathleen Connolly -- 503-373-0083

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 *	\$ -	\$ 55,552,250	\$ -	\$ -	\$ -	\$ -	\$ 55,552,250	0	0.00
2017-19 Current Service Level (CSL)*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	0.00
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>SCR 020 - Grants</b>									
Package 200: Capital Construction Grants									
Special Payments	\$ -	\$ 67,594,301	\$ -	\$ -	\$ -	\$ -	\$ 67,594,301		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ -</b>	<b>\$ 67,594,301</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 67,594,301</b>		
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ -</b>	<b>\$ 67,594,301</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 67,594,301</b>		
% Change from 2015-17 Leg Approved Budget	0.0%	21.7%	0.0%	0.0%	0.0%	0.0%	21.7%		
% Change from 2017-19 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		

\*Excludes Capital Construction Expenditures

# Legislatively Approved 2017 - 2019 Key Performance Measures

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Agency: Watershed Enhancement Board

**Mission Statement:**

To help protect and restore healthy watersheds and natural habitats that support thriving communities and strong economies.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
1. OPERATIONS - The percentage of total funding used in agency operations.		Approved	9.60	11	11
2. FUNDING FROM OTHER SOURCES - The percent of funds contributed from other sources on OWEB funded restoration projects.		Approved	No Data	40%	40%
3. GRANT-MAKING ACROSS OREGON - Percent of Oregon's 76 sub-basins (defined as 8-digit hydrologic unit code areas) within which Oregonians benefit from OWEB's grant programs.		Approved	No Data	90%	90%
4. TIMELINESS OF GRANT-MAKING - The percent of open solicitation grant agreements executed within one month after Board award.		Approved	No Data	95%	95%
5. FISH POPULATIONS - The percentage of monitored native fish species that exhibit increasing or stable levels of abundance.		Approved	71%	75%	75%
6. WATERSHED COUNCIL GOVERNANCE - Percent of OWEB funded watershed councils that demonstrate effective organizational governance and management using OWEB merit criteria.		Approved	No Data	100%	100%
7. PAYMENTS - The percentage of complete grant payment requests paid within 24 days.		Approved	100%	100%	100%
8. STREAMSIDE HABITAT - The number of riparian stream miles restored or enhanced as a result of OWEB funded grants.		Approved	No Data	233.70	233.70
9. UPLAND HABITAT - Acres of upland habitat restored or enhanced as a result of OWEB funded grants.		Approved	No Data	47,560	47,560
10. NATIVE SPECIES HABITAT AND WATER QUALITY - Percent of restoration, acquisition or technical assistance funding invested to address habitat for threatened, endangered or species of concern, or water-quality concerns identified on 303(d) listed streams.		Approved	No Data	90%	90%
11. NATIVE FISH HABITAT QUANTITY - Miles of fish habitat opened as a result of completed fish passage projects funded through OWEB grants.		Approved	No Data	138.80	138.80
12. 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	80.40%	91%	91%
	Timeliness		86.30%	91%	91%
	Helpfulness		98%	91%	91%
	Overall		90.20%	91%	91%
	Expertise		94%	91%	91%
	Accuracy		92.20%	91%	91%
2. OUTSIDE FUNDING - The percentage of funding from other sources resulting from OWEB's grant awards.		Legislatively Deleted	166%	150%	TBD

Legislatively Approved KPMS	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
3. RESTORATION - The percentage of OWEB watershed restoration investments that address established basin and watershed restoration priorities.		Legislatively Deleted	No Data	90%	TBD
6. PLANT COMMUNITIES - The percentage of improved riparian stream miles of the total number of stream miles in Oregon.		Legislatively Deleted	0.27%	1%	TBD
7. WORK PLANS - The extent to which watershed councils funded by OWEB accomplish their work plans each biennium.		Legislatively Deleted	81%	90%	TBD
8. FISH MONITORING - The percentage of native fish, where monitoring needs have been quantified, that were monitored to a level considered adequate under the Oregon Plan Monitoring Strategy and ODFW's Native Fish Status Review.		Legislatively Deleted	62%	45%	TBD
9. SALMON HABITAT QUANTITY - The percentage of potential aquatic salmon habitat made available to salmon each year.		Legislatively Deleted	0.08%	0.25%	TBD

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed changes and targets for Key Performance Measures.

**SubCommittee Action:**

The Natural Resources Subcommittee approved the LFO recommendation.