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WAYS AND MEANS

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Representative Smith, House Co-Vice Chair

**To:** Natural Resources Subcommittee  
**From:** April McDonald, Legislative Fiscal Office  
**Date:** June 2, 2025  
**Subject:** HB 5039 – Oregon Watershed Enhancement Board  
Work Session Recommendations

Oregon Watershed Enhancement Board				
Agency Totals				
FUND TYPE	2021-23 ACTUAL	2023-25 LEGISLATIVELY APPROVED	2025-27 CURRENT SERVICE LEVEL	2025-27 LFO RECOMMENDED
General Fund	29,218,032	40,770,232		2,739,667
Lottery Funds	93,945,955	116,197,727	119,644,452	120,122,595
Other Funds	2,262,698	45,819,445	4,050,459	45,490,044
Federal Funds	34,926,210	56,787,165	36,831,423	61,591,577
<b>TOTAL FUNDS</b>	<b>160,352,895</b>	<b>259,574,569</b>	<b>160,526,334</b>	<b>229,943,883</b>
Positions	46	49	33	48
FTE	42.58	45.91	33.00	47.50

HB 5039 is the primary budget bill for the Oregon Watershed Enhancement Board. HB 5040 provides six-year expenditure limitation for dedicated Lottery Fund supported grants made by the agency. The two bills together provide the expenditure authority for the upcoming biennium as recommended in the table above.

Attached are the Legislative Fiscal Office (LFO) recommendations for the 2025-27 biennial budget and Key Performance Measures for the Oregon Watershed Enhancement Board.

The recommended budget of nearly \$230 million total funds supports 48 positions (47.50 FTE) and represents a 11% decrease from the 2023-25 legislatively approved budget (LAB), and a 43% increase over the 2025-27 current service level (CSL). This increase is driven by a total of

\$69 million in recommended packages, including approximately \$3 million General Fund; \$0.5 million Lottery Funds; \$41 million Other Funds, and \$25 million in Federal Funds expenditure limitation.

The cumulative investment is represented in 14 policy packages, which focus on maintaining core services, assuring staffing capacity, and the continuation of grant delivery and support for watershed and habitat restoration programs.

## Adjustments to Current Service Level

See attached “Work Session Presentation Report.”

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

### **Accept** LFO Recommendation

MOTION: I move the LFO recommendation to HB 5039. *(vote)*

**OR**

### **Modify** LFO Recommendation

MOTION: I move the LFO recommendation to HB 5039, with modifications. *(vote)*

## Performance Measures

See attached “Legislatively Proposed 2025-27 Key Performance Measures.”

### **Accept** LFO Recommendation

MOTION: I move the LFO recommendation on Key Performance Measures. *(vote)*

**OR**

### **Modify** LFO Recommendation

MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. *(vote)*

## Amendment

LFO recommends a budget of \$2,739,667 General Fund, \$120,122,595 Lottery Funds, \$45,490,044 Other Funds, \$61,591,577 Federal Funds, and 48 positions (47.50 FTE). This total is inclusive of \$107,812,436 Lottery Funds provided for in HB 5040 as the dedicated Lottery Funds for the local grants program. The –2 amendment to HB 5039 includes operations, Federal Funds and Other Funds grant programs.

MOTION: I move adoption of the –2 amendment to HB 5039. *(vote)*

### Final Subcommittee Action

LFO recommends that HB 5039, as amended by the –2 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 5039, as amended, to the Full Committee with a do pass recommendation. *(vote)*

### Carriers

Full Committee:

House Floor:

Senate Floor:

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Cross Reference: 69100-000-00-00-00000

Or Watershed Enhancement Brd

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2023-25 Agy. Leg. Adopted</b>	<b>35,485,333</b>	<b>115,133,838</b>	<b>39,214,873</b>	<b>57,035,037</b>	-	-	<b>246,869,081</b>	<b>44</b>	<b>42.76</b>
2023-25 Ebds, SS & Admin Act	5,284,899	1,063,889	6,604,572	(247,872)	-	-	12,705,488	5	3.15
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2023-25 Leg Approved Budget</b>	<b>40,770,232</b>	<b>116,197,727</b>	<b>45,819,445</b>	<b>56,787,165</b>	-	-	<b>259,574,569</b>	<b>49</b>	<b>45.91</b>
<b>2023-25 Leg Approved Budget (Base)</b>	<b>40,770,232</b>	<b>116,197,727</b>	<b>45,819,445</b>	<b>56,787,165</b>	-	-	<b>259,574,569</b>	<b>49</b>	<b>45.91</b>
Summary of Base Adjustments	(1,266,557)	1,210,732	(1,349,138)	(1,013,449)	-	-	(2,418,412)	(16)	(12.91)
<b>2025-27 Base Budget</b>	<b>39,503,675</b>	<b>117,408,459</b>	<b>44,470,307</b>	<b>55,773,716</b>	-	-	<b>257,156,157</b>	<b>33</b>	<b>33.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	(43,544)	(75,275)	(37,368)	(61,606)	-	-	(217,793)	-	-
020: Phase In / Out Pgm & One-time Cost	(39,460,131)	1,870,282	(40,660,206)	(21,135,643)	-	-	(99,385,698)	-	-
030: Inflation & Price List Adjustments	-	364,169	182,047	2,254,956	-	-	2,801,172	-	-
060: Technical Adjustments	-	76,817	95,679	-	-	-	172,496	-	-
<b>2025-27 Current Service Level</b>	-	<b>119,644,452</b>	<b>4,050,459</b>	<b>36,831,423</b>	-	-	<b>160,526,334</b>	<b>33</b>	<b>33.00</b>
<b>Adjusted 2025-27 Current Service Level</b>	-	<b>119,644,452</b>	<b>4,050,459</b>	<b>36,831,423</b>	-	-	<b>160,526,334</b>	<b>33</b>	<b>33.00</b>
<b>Total LFO Recommended Packages</b>	<b>2,739,667</b>	<b>478,143</b>	<b>41,439,585</b>	<b>24,760,154</b>	-	-	<b>69,417,549</b>	<b>15</b>	<b>14.50</b>
<b>2025-27 Legislative Actions</b>	<b>2,739,667</b>	<b>120,122,595</b>	<b>45,490,044</b>	<b>61,591,577</b>	-	-	<b>229,943,883</b>	<b>48</b>	<b>47.50</b>
Net change from 2023-25 Leg Approved Budget	(38,030,565)	3,924,868	(329,401)	4,804,412	-	-	(29,630,686)	(1)	1.59
Percent change from 2023-25 Leg Approved Budget	(93.3%)	3.4%	(0.7%)	8.5%	0.0%	0.0%	(11.4%)	(2.0%)	3.5%
Net change from 2025-27 Adj Current Service Level	2,739,667	478,143	41,439,585	24,760,154	-	-	69,417,549	15	14.50
Percent change from 2025-27 Adj Current Service Level	100.0%	0.4%	1023.1%	67.2%	0.0%	0.0%	43.2%	45.5%	43.9%

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Operations

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2023-25 Agy. Leg. Adopted</b>	<b>1,324,989</b>	<b>9,191,684</b>	<b>1,023,938</b>	<b>4,375,038</b>	-	-	<b>15,915,649</b>	<b>43</b>	<b>41.88</b>
2023-25 Ebds, SS & Admin Act	5,284,899	1,063,889	2,266,408	(247,872)	-	-	8,367,324	5	3.15
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2023-25 Leg Approved Budget</b>	<b>6,609,888</b>	<b>10,255,573</b>	<b>3,290,346</b>	<b>4,127,166</b>	-	-	<b>24,282,973</b>	<b>48</b>	<b>45.03</b>
<b>2023-25 Leg Approved Budget (Base)</b>	<b>6,609,888</b>	<b>10,255,573</b>	<b>3,290,346</b>	<b>4,127,166</b>	-	-	<b>24,282,973</b>	<b>48</b>	<b>45.03</b>
Summary of Base Adjustments	(1,266,557)	1,210,732	(1,349,138)	(1,013,449)	-	-	(2,418,412)	(15)	(12.03)
<b>2025-27 Base Budget</b>	<b>5,343,331</b>	<b>11,466,305</b>	<b>1,941,208</b>	<b>3,113,717</b>	-	-	<b>21,864,561</b>	<b>33</b>	<b>33.00</b>
010: Non-PICS Pers Svc/Vacancy Factor	(43,544)	(75,275)	(37,368)	(61,606)	-	-	(217,793)	-	-
020: Phase In / Out Pgm & One-time Cost	(5,299,787)	-	(535,696)	(220,533)	-	-	(6,056,016)	-	-
030: Inflation & Price List Adjustments	-	364,169	81,054	29,731	-	-	474,954	-	-
060: Technical Adjustments	-	76,817	95,679	-	-	-	172,496	-	-
<b>2025-27 Current Service Level</b>	-	<b>11,832,016</b>	<b>1,544,877</b>	<b>2,861,309</b>	-	-	<b>16,238,202</b>	<b>33</b>	<b>33.00</b>
<b>Adjusted 2025-27 Current Service Level</b>	-	<b>11,832,016</b>	<b>1,544,877</b>	<b>2,861,309</b>	-	-	<b>16,238,202</b>	<b>33</b>	<b>33.00</b>
<b>Total LFO Recommended Packages</b>	<b>739,667</b>	<b>478,143</b>	<b>3,179,585</b>	<b>760,154</b>	-	-	<b>5,157,549</b>	<b>15</b>	<b>14.50</b>
<b>2025-27 Legislative Actions</b>	<b>739,667</b>	<b>12,310,159</b>	<b>4,724,462</b>	<b>3,621,463</b>	-	-	<b>21,395,751</b>	<b>48</b>	<b>47.50</b>
Net change from 2023-25 Leg Approved Budget	(5,870,221)	2,054,586	1,434,116	(505,703)	-	-	(2,887,222)	-	2.47
Percent change from 2023-25 Leg Approved Budget	(88.8%)	20.0%	43.6%	(12.3%)	0.0%	0.0%	(11.9%)	0.0%	5.5%
Net change from 2025-27 Adj Current Service Level	739,667	478,143	3,179,585	760,154	-	-	5,157,549	15	14.50
Percent change from 2025-27 Adj Current Service Level	100.0%	4.0%	205.8%	26.6%	0.0%	0.0%	31.8%	45.5%	43.9%

	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 100 Acquisition & Special Program Manager**

Package Description This package provides equal amounts of General Fund, Lottery Funds, and Other Funds expenditure limitation totaling \$509,001 to convert an existing limited duration management position to permanent and provide associated services and supplies. The position will oversee the agency's land & water acquisitions, stewardship activities, the Oregon Agricultural Heritage Program, and the Drinking Water Source Protection program. This permanent, full-time Natural Resource Protection and Sustainability Manager (1.00 FTE) will serve as the Acquisition and Special Programs Manager for the agency.

LFO Recommendation Approve the package.

LFO Recommended	169,667	169,667	169,667	-	-	-	509,001	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 101 Core Grant Program Staffing Capacity

Package Description This package provides \$286,813 in Lottery Funds to establish one permanent, full-time Natural Resource Specialist 4 (1.00 FTE), as well as associated services and supplies. This position will provide proactive and ongoing support to grant making programs throughout the agency, including partnership coordination on streamflow restoration, sage-grouse recovery, forest health, and salmon and steelhead recovery projects.

LFO Recommendation Approve the package.

LFO Recommended	-	286,813	-	-	-	-	286,813	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 Land Acquisition Stewardship & Compliance**

Package Description This net-zero package establishes a Natural Resources Specialist 3 (1.00 FTE) by shifting \$279,777 Lottery Funds from services and supplies to establish the position. The permanent, full-time position will coordinate engagement with grantees about stewardship and compliance and fulfill the agency's responsibilities related to baseline documentation and management plan review for land acquisitions.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	-	-	-	-	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 104 Communications Staffing Realignment

Package Description This package provides \$21,663 in Lottery Funds to reclassify an Electronic Publishing and Design Specialist 2 to an Electronic Publishing and Design Specialist 3 to better align the position classification to the body of work assigned.

LFO Recommendation Approve the package.

LFO Recommended	-	21,663	-	-	-	-	21,663	-	-
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Operations

	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 OAHP Staffing Continuity**

Package Description This package provides \$455,555 in one-time Other Funds expenditure limitation to reauthorize two limited duration positions supporting the Oregon Agricultural Heritage Program for the first year of the biennium. Positions include an Operations and Policy Analyst 4 (0.50 FTE) to continue serving as the OAHP Coordinator, and a Natural Resource Specialist 4 (0.50 FTE) to continue serving as the Easements Specialist. The package request aligns with the available ending balance in the Oregon Agricultural Heritage Program Fund.

LFO Recommendation Approve the package.

LFO Recommended	-	-	455,555	-	-	-	455,555	2	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 106 Water Acquisition Staffing Continuity**

Package Description This package includes \$745,000 in Other Funds expenditure limitation to convert two limited duration positions to permanent, full-time positions, and provides associated services and supplies to administer water acquisition grants at OWEB. Positions include an Operations and Policy Analyst 4 (1.00 FTE) to serve as the Grants Coordinator, and an Administrative Specialist 2 (1.00 FTE) to serve as Grant Support Specialist.

LFO Recommendation Approve the package.

LFO Recommended	-	-	745,000	-	-	-	745,000	2	2.00
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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 107 ERC Staffing Continuity

Package Description This package provides \$331,969 in one-time Other Funds expenditure limitation to reauthorize a limited duration Natural Resource Specialist 4 (1.00 FTE), including related services and supplies, and \$416,387 in Other Funds expenditure limitation to establish a permanent, full-time Program Analyst 4 (1.00 FTE), including related services and supplies, to provide staffing continuity for the Environmental Restoration Council. In the 2024 legislative session, SB 1561 established the Oregon Environmental Restoration Fund (OERF) to receive and manage monies from the Monsanto settlement agreement. OWEB administers the fund, and supports the Environmental Restoration Council, which oversees distribution of funds. These positions will coordinate rulemaking, assist with developing strategic priorities, provide technical support, project management, and administration of the grant program, supported by allowable administrative funding from the OERF.

LFO Recommendation Approve the package.

LFO Recommended	-	-	748,356	-	-	-	748,356	2	2.00
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Operations

	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 108 ERC Staffing Capacity**

Package Description This package provides \$417,492 in Other Funds expenditure limitation to establish two permanent, full-time positions (2.00 FTE), as well as associated services and supplies, to administer the Oregon Environmental Restoration Fund. Positions include an Information Systems Specialist 4 (1.00 FTE) to provide database support, and an Accounting Technician (1.00 FTE) to process grantee payments and program transactions.

LFO Recommendation Approve the package.

LFO Recommended	-	-	417,492	-	-	-	417,492	2	2.00
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Operations

	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 109 NHPA Compliance Staffing Continuity**

Package Description OWEB has served as the state's administrator of the Pacific Coastal Salmon Recovery Fund (PCSRF) program through National Oceanic and Atmospheric Administration for over 20 years. This package provides \$351,000 in Federal Funds expenditure limitation to continue and make permanent a Natural Resource Specialist 4 position (1.00 FTE), including related services and supplies, to assure compliance with the National Historic Preservation Act under the agency's annual PCSRF award.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	351,000	-	-	351,000	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 110 Federal Programs Staffing Continuity

Package Description This package includes \$380,000 in one-time Federal Funds expenditure limitation to continue a limited duration Natural Resource Specialist 4 (1.00 FTE) and provides for position-related services and supplies. The position will continue to serve as a Federal Program Specialist, supporting administration of funding from the Bureau of Land Management for the Good Neighbor Authority program, and from the U.S. Department of Agriculture, for Farm Bill technical assistance grants.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	380,000	-	-	380,000	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 111 Core IT Infrastructure Staffing Realignment

Package Description	This package provides \$29,154 in Federal Funds expenditure limitation to reclassify two permanent, federally funded positions to better align the classifications to the body of work assigned.								
LFO Recommendation	Approve the package.								
LFO Recommended	-	-	-	29,154	-	-	29,154	-	-



	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 801 LFO Analyst Adjustments**

Package Description On a one-time basis, this package provides \$570,000 General Fund, and \$403,515 in Other Funds expenditure limitation to re-authorize two limited duration, full-time positions (2.00 FTE), including an Operations and Policy Analyst 4 (OPA 4) and a Natural Resource Specialist 4 (NRS 4). The General Fund appropriation establishes the NRS 4 and provides associated services and supplies to implement the Drinking Water Source protection program. The Other Funds expenditure limitation establishes the OPA 4 and provides associated services and supplies for the Natural and Working Lands grant program.

Additionally, this package includes a one-time appropriation of \$2 million General Fund for deposit in the Oregon Agricultural Heritage Fund along with a corresponding increase of \$2 million in Other Funds expenditure limitation to expend monies deposited into the Fund. Of the \$2 million Other Funds increase, \$240,000, equal to 12% of the deposit, and an additional 0.50 FTE is provided to the Operations division for program administration.

LFO Recommendation Approve the package.

LFO Recommended	570,000	-	643,515	-	-	-	1,213,515	2	2.50
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Grants

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2023-25 Agy. Leg. Adopted</b>	<b>34,160,344</b>	<b>105,942,154</b>	<b>38,190,935</b>	<b>52,659,999</b>	-	-	<b>230,953,432</b>	<b>1</b>	<b>0.88</b>
2023-25 Ebds, SS & Admin Act	-	-	4,338,164	-	-	-	4,338,164	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2023-25 Leg Approved Budget</b>	<b>34,160,344</b>	<b>105,942,154</b>	<b>42,529,099</b>	<b>52,659,999</b>	-	-	<b>235,291,596</b>	<b>1</b>	<b>0.88</b>
<b>2023-25 Leg Approved Budget (Base)</b>	<b>34,160,344</b>	<b>105,942,154</b>	<b>42,529,099</b>	<b>52,659,999</b>	-	-	<b>235,291,596</b>	<b>1</b>	<b>0.88</b>
Summary of Base Adjustments	-	-	-	-	-	-	-	(1)	(0.88)
<b>2025-27 Base Budget</b>	<b>34,160,344</b>	<b>105,942,154</b>	<b>42,529,099</b>	<b>52,659,999</b>	-	-	<b>235,291,596</b>	-	-
020: Phase In / Out Pgm & One-time Cost	(34,160,344)	1,870,282	(40,124,510)	(20,915,110)	-	-	(93,329,682)	-	-
030: Inflation & Price List Adjustments	-	-	100,993	2,225,225	-	-	2,326,218	-	-
<b>2025-27 Current Service Level</b>	-	<b>107,812,436</b>	<b>2,505,582</b>	<b>33,970,114</b>	-	-	<b>144,288,132</b>	-	-
<b>Adjusted 2025-27 Current Service Level</b>	-	<b>107,812,436</b>	<b>2,505,582</b>	<b>33,970,114</b>	-	-	<b>144,288,132</b>	-	-
<b>Total LFO Recommended Packages</b>	<b>2,000,000</b>	-	<b>38,260,000</b>	<b>24,000,000</b>	-	-	<b>64,260,000</b>	-	-
<b>2025-27 Legislative Actions</b>	<b>2,000,000</b>	<b>107,812,436</b>	<b>40,765,582</b>	<b>57,970,114</b>	-	-	<b>208,548,132</b>	-	-
Net change from 2023-25 Leg Approved Budget	(32,160,344)	1,870,282	(1,763,517)	5,310,115	-	-	(26,743,464)	(1)	(0.88)
Percent change from 2023-25 Leg Approved Budget	(94.2%)	1.8%	(4.2%)	10.1%	0.0%	0.0%	(11.4%)	(100.0%)	(100.0%)
Net change from 2025-27 Adj Current Service Level	2,000,000	-	38,260,000	24,000,000	-	-	64,260,000	-	-
Percent change from 2025-27 Adj Current Service Level	100.0%	0.0%	1527.0%	70.7%	0.0%	0.0%	44.5%	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 200 Grant Continuity & Add'l Limit-Federal Funds

Package Description This package provides \$14 million in one-time Federal Funds expenditure limitation to support the continuity of grant funded projects awarded in previous biennia and not fully expended. The package also provides \$10 million in Federal Funds expenditure limitation for additional federal grants that OWEB expects to administer, such as Pacific Coastal Salmon Recovery funding from the National Oceanic and Atmospheric Administration.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	24,000,000	-	-	24,000,000	-	-
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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 201 Grant Continuity & Add'l Limit-Other Funds

Package Description This package provides \$30 million in one-time Other Funds expenditure limitation to support the continuity of grant funded projects awarded in previous biennia and not fully expended, as well as funding previously received and not yet committed. Program continuity includes Water Acquisition grants, Oregon Agricultural Heritage Program grants, Drinking Water Source Protection grants, and Watershed Natural Climate Solution grants.

The package also provides \$7 million in Other Funds expenditure limitation to administer new grant funds anticipated from Idaho Power for water quality and salmon habitat improvement.

LFO Recommendation Approve the package.

LFO Recommended	-	-	37,000,000	-	-	-	37,000,000	-	-
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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 801 LFO Analyst Adjustments

Package Description This package includes a reduction of \$500,000 in Other Funds expenditure limitation for Forest Health Collaborative Grants which fund collaborative restoration projects on Oregon's federal lands. The General Fund transfer from the Oregon Department of Forestry has been eliminated, and this represents a commensurate reduction in the agency's budget.

Additionally, this package includes a one-time appropriation of \$2 million General Fund for deposit in the Oregon Agricultural Heritage Fund along with a corresponding increase of \$2 million in Other Funds expenditure limitation to expend monies deposited into the Fund. Of the \$2 million Other Funds increase, \$1.8 million is included in the Grants division to provide awards, and \$0.2 million is provided in the Operations division for program administration.

LFO Recommendation Approve the package.

LFO Recommended	2,000,000	-	1,260,000	-	-	-	3,260,000	-	-
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# Legislatively Proposed 2025 - 2027 Key Performance Measures

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**Agency:** Oregon Watershed Enhancement Board

**Mission Statement:**

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

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. OPERATIONS - The percentage of total funding used in agency operations.		Approved	12.23	12	12
2. FUNDING FROM OTHER SOURCES - The percent of funds contributed from other sources on OWEB funded restoration projects.		Approved	55.13%	60%	60%
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	92.10%	92%	92%
4. TIMELINESS OF GRANT-MAKING - The percent of open solicitation grant agreements executed within one month after Board award.		Approved	48%	50%	50%
5. FISH POPULATIONS - The percentage of monitored native fish species that exhibit increasing or stable levels of abundance.		Approved	94%	95%	95%
6. WATERSHED COUNCIL GOVERNANCE - Percent of OWEB funded watershed councils that demonstrate effective organizational governance and management using OWEB merit criteria.		Approved	96%	100%	100%
7. PAYMENTS - The percentage of complete grant payment requests paid within 24 days.		Approved	94.67%	100%	100%
8. STREAMSIDE HABITAT - The number of riparian stream miles restored or enhanced as a result of OWEB funded grants.		Approved	167.14	241	241
9. UPLAND HABITAT - Acres of upland habitat restored or enhanced as a result of OWEB funded grants.		Approved	39,582	48,727	48,727
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	89%	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	124.45	157.20	157.20
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	78%	90%	90%
	Timeliness		86.50%	90%	90%
	Helpfulness		93.55%	90%	90%
	Overall		88%	90%	90%
	Expertise		90%	90%	90%
	Accuracy		86%	90%	90%

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed key performance measures and targets.

SubCommittee Action: