

HB 5040 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Reviewed By: April McDonald, Legislative Fiscal Office

**Oregon Watershed Enhancement Board
2025-27**

Budget Summary*

| | 2023-25 Legislatively Approved Budget ⁽¹⁾ | 2025-27 Current Service Level | 2025-27 Committee Recommendation | Committee Change from 2023-25 Leg. Approved | |
|---------------|---|----------------------------------|-------------------------------------|--|----------|
| | | | | \$ Change | % Change |
| Lottery Funds | \$ 105,942,154 | \$ 107,812,436 | \$ 107,812,436 | \$ 1,870,282 | 1.8% |
| Total | \$ 105,942,154 | \$ 107,812,436 | \$ 107,812,436 | \$ 1,870,282 | 1.8% |

Position Summary

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

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

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

Summary of Natural Resources Subcommittee Action

OWEB promotes and implements programs to restore, maintain, and enhance Oregon watersheds to protect the economic and social wellbeing of the state and its citizens. OWEB provides grants to restore and preserve local streams, rivers, wetlands, and natural habitat. OWEB is led by an 18-member citizen board that meets four times a year to act on applications for grant funding to accomplish watershed restoration activities and establish Oregon's long-term strategy for achieving sustainable watershed health. The Subcommittee recommended total funds of \$229.9 million for OWEB, which includes \$107.8 million Lottery Funds included in House Bill 5040 and the remaining \$122.1 million total funds included in House Bill 5039 (2025).

Operations

No funding is included in House Bill 5040 for the operations program; funding for the program is included in House Bill 5039 (2025).

Grants

Senate Bill 5040 provides six-year limitation for grants funded with constitutionally dedicated Measure 76 Lottery Funds. An allocation of 7.5% net lottery proceeds is deposited into OWEB's Natural Resources subaccount for the purpose of financing projects to restore and protect

native salmonids, watersheds, habitats, and water quality in Oregon. Of the total deposited, 70% is dedicated to grants and 30% to operations, which is allocated to five agencies including OWEB. House Bill 5040 includes the 70% allocation, as well as some carryover balance and interest earned totaling \$107.8 million. All other funding for the Agency, including grants without six-year limitation, are included in House Bill 5039 (2025).

Summary of Performance Measure Action

See attached Legislatively Adopted 2025-27 Key Performance Measures form associated with House Bill 5039.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Watershed Enhancement Board
Angela Parada – 971-720-0987

| DESCRIPTION | GENERAL FUND | LOTTERY FUNDS | OTHER FUNDS | | FEDERAL FUNDS | | TOTAL ALL FUNDS | POS | FTE |
|---|-----------------|------------------|-------------|------------|---------------|------------|-----------------------|------|------|
| | | | LIMITED | NONLIMITED | LIMITED | NONLIMITED | | | |
| 2023-25 Legislatively Approved Budget at Jan 2025 * | \$ - | \$ 105,942,154 | \$ - | \$ - | \$ - | \$ - | \$ 105,942,154 | 0 | 0.00 |
| 2025-27 Current Service Level (CSL)* | \$ - | \$ 107,812,436 | \$ - | \$ - | \$ - | \$ - | \$ 107,812,436 | 0 | 0.00 |
| TOTAL ADJUSTMENTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 0 | 0.00 |
| SUBCOMMITTEE RECOMMENDATION * | \$ - | \$ 107,812,436 | \$ - | \$ - | \$ - | \$ - | \$ 107,812,436 | 0 | 0.00 |
| % Change from 2023-25 Leg Approved Budget | 0.0% | 1.8% | 0.0% | 0.0% | 0.0% | 0.0% | 1.8% | 0.0% | 0.0% |
| % Change from 2025-27 Current Service Level | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

*Excludes Capital Construction Expenditures