



Oregon

Theodore R. Kulongoski, Governor

Oregon Watershed Enhancement Board

775 Summer Street NE, Suite 360

Salem, OR 97301-1290

(503) 986-0178

FAX (503) 986-0199

www.oregon.gov/OWEB



July 23, 2009

MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Tom Byler, Executive Director

**SUBJECT: Agenda Item A: Delegation of Distribution Authority and Grant Award for Legislative Allocations of Measure 66 Lottery Funds and Pacific Coastal Salmon Recovery Funds
July 29, 2009 Special Board Meeting via Teleconference**

I. Introduction

This report requests the Board delegate authority to the Executive Director to distribute Measure 66 Lottery funds that the 2009 Legislature has specifically allocated to a particular entity or use. This report also requests Board action to allocate Pacific Coastal Salmon Recovery Funds (PCSRF) for similar purposes.

II. Background

Since 1999, the Oregon Legislative Assembly has allocated portions of Measure 66 funds and PCSRF funds to other entities. These allocations have typically gone to other state natural resources agencies and groups focused on watershed health issues, such as the Lower Columbia River Estuary Partnership and the Independent Multidisciplinary Science Team. It is important for the recipient entities to obtain these funds as early in the new biennium as possible to meet their budget needs.

In the case of Measure 66, the funds are essentially passed through the OWEB budget to these other entities. No formal Board action is required to transfer these funds. However, in a May 18, 2005, letter of advice, the Attorney General's office identified management actions to clarify the authority and responsibility of OWEB in overseeing the distribution and use of Measure 66 funds in cases where the Legislature allocated funds to other entities. This included the option for the Board to delegate distribution authority to the OWEB Executive Director. This approach was adopted by the Board in August 2005 for the 2005-2007 biennium and in July 2007 for the 2007-2009 biennium. This action strengthens OWEB's oversight capabilities related to the legislatively allocated funds and includes requiring interagency agreements to track expenditures and uses of Measure 66 funds.

In the case of PCSRF funds, Board action is necessary to award a grant to carry out the legislative allocation. OWEB enters into interagency agreements with PCSRF recipients to track and report on the uses of these funds.

III. 2000-2011 Legislative Appropriations

The 2009-2011 legislative appropriations to other entities are contained in Tables 1 and 2 below.

For the 2009-2011 biennium, the Legislature allocated separate line items of \$5 million to support the capacity of soil and water conservation districts (SWCDs) and watershed councils. The \$5 million each for SWCDs and watershed councils includes \$1.25 million in Measure 66 non-capital funds and \$3.75 million of PCSRF funds. The Board awarded the necessary funding to watershed councils as part of the \$5 million council support grant award at its June meeting. Similarly, staff propose the Board award \$3.75 million in PCSRF funds to help carry out the legislative allocation for SWCD support. For purposes of awarding and distributing these funds, and to be consistent with legislative intent, OWEB staff again recommend entering into an interagency agreement to have ODA administer the funding to individual SWCDs. This action will promote a seamless transition and allow continuity in SWCD oversight.

The Legislature also allocated funding for the Independent Multidisciplinary Science Team (IMST) from both Measure 66 non-capital and PCSRF funds. IMST therefore appears in both appropriation tables.

Table 1. Measure 66 Legislative Appropriations

Entity/Recipient	Amount	Source of Funds
Oregon Department of Fish and Wildlife	\$4,403,869	Measure 66 capital
Oregon Department of Fish and Wildlife	\$927,570	Measure 66 non-capital
Oregon State Police	\$272,563	Measure 66 capital
Oregon State Police	\$6,325,505	Measure 66 non-capital
Department of Environmental Quality	\$5,551,244	Measure 66 non-capital
Department of Agriculture	\$5,191,094	Measure 66 capital
Department of Agriculture	\$4,705,277	Measure 66 non-capital
Dept. of Geology and Mineral Industries	\$499,223	Measure 66 capital (R&D)
Independent Multidisciplinary Science Team	\$220,000	Measure 66 non-capital
Lower Columbia River Estuary Partnership	\$242,286	Measure 66 non-capital
Soil and Water Conservation Districts	\$1,250,000	Measure 66 non-capital

Table 2. PCSRF Legislative Appropriations

Entity/Recipient	Amount	Source of Funds
Soil and Water Conservation Districts	\$3,750,000	PCSRF
OWEB – Federal Reporting Specialist	\$153,680	PCSRF
Independent Multidisciplinary Science Team	\$220,000	PCSRF
Oregon Department of Fish and Wildlife	\$5,113,455	PCSRF

IV. Recommendation

Staff recommend the Board:

- A. Delegate distribution authority to the Executive Director to enter into the agreements necessary for the Measure 66 Lottery funds that the Legislature allocated for the 2009-2011 biennium in accordance with Table 1 of Section III of this report; and
- B. Allocate PCSRF and delegate authority to the Executive Director to enter into the agreements necessary to distribute funding in accordance with Table 2 of Section III of this report.