

Oregon State Marine Board 2027-29 Budget



Agenda

Statewide budget process and timelines
Current efforts
Historical References
Challenges facing OSMB 2027-29 Budget
Moving Forward- Funding Options

Budget Process

Budget Kick- Off March 17th

Legislative concepts due to CFO in April

Agency Requested Budget (ARB) due end of July

Governor's Budget (GB) released in December

Legislatively Approved Budget (LAB) Approved June/July 2027

COST CUTTING MEASURES

Transitioning to different cell carrier

Over two year period reduced BSA fleet vehicles from five to one

Eliminated out of state travel

Reduced lodging costs by requiring marine LE partners to double occupancy rooms during training

Reduce availability of student capacity for non-contracted agencies, fewer instructors

Pausing all new marine LE boat builds (\$700,00 savings)

RFP for floating docks and floating restrooms

Revenue Sources

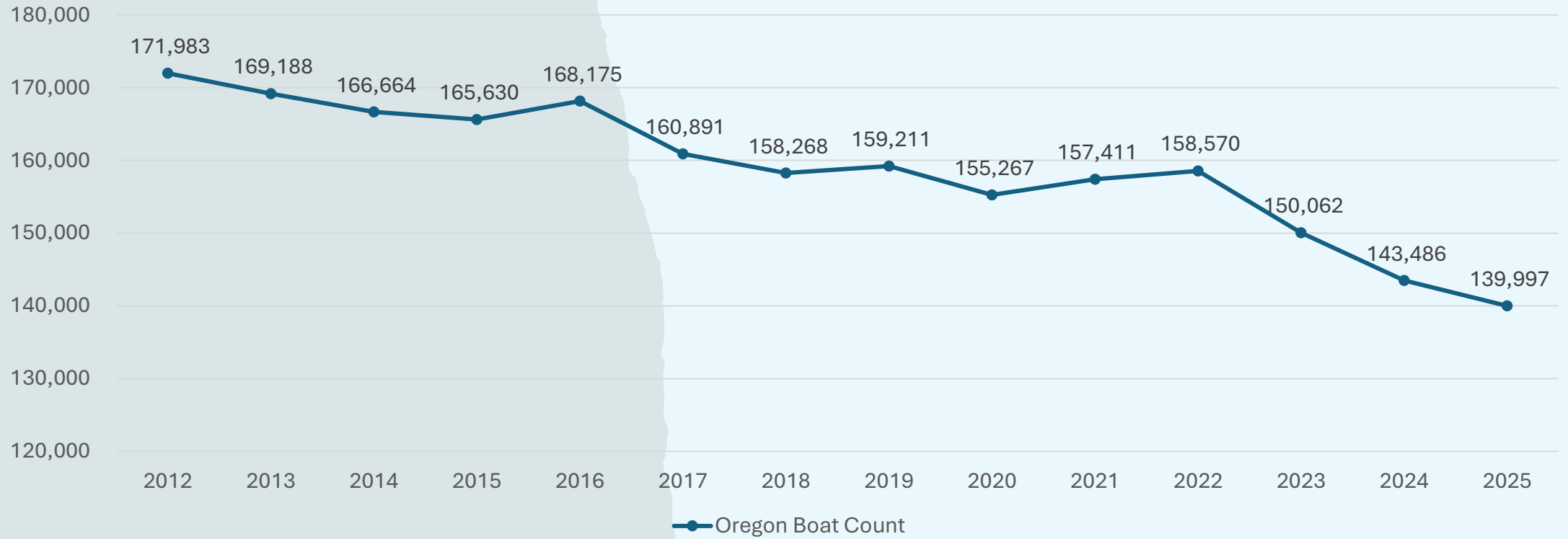
- Licenses & Fees (46%)
 - Boat Registration (pleasure, livery, amphibious)
 - Boat Titling (Boat titles & Floating Homes)
 - Charter Boats
 - Education Certificate
 - Towed Watersports
- Fuel Tax (30%)
- Federal Grants (21%)
 - USCG RBS
 - USFWS – CVA & BIG
- Other Revenue (3%)
 - Sportfish Grant
 - Late Fees
 - Interest Income

Expenses

- Agency administrative expenses (rent, utilities, IT equipment, office supplies, etc.)
- Majority of staff (91% of FTE)
- Boating Education Program
- Law Enforcement Contracts
- Motorized Facility Grants & Maintenance Agreements
- Omits: Outfitter & Guides, Waterway Access, and Aquatic Invasive Species

89% of Agency Budget!

History of Boat Count



Challenges facing 2027-29 Budget

	2023-25	2025-27	2027-29
Est. Beginning Balance	14,146,051	14,704,383	8,942,092
Revenues			
Licenses & Fees	16,499,452	15,685,480	14,744,351
Fuel Tax	10,449,085	10,063,511	9,468,775
Federal Grants	6,039,545	7,022,955	7,409,218
Other - Sportfish Grant/Late Fees/Interest	1,781,458	995,687	730,183
Total Revenues	34,769,539	33,767,633	32,352,527
Expenditures			
Law Enforcement (Omit O&G)	14,898,355	17,019,285	17,955,346
Facilities (Omit WWA)	9,634,862	11,103,636	11,714,337
Admin & Ed	9,677,989	11,407,003	12,034,388
Total Expenditures	34,211,207	39,529,924	41,704,071
Surplus/(Deficit)	558,333	(5,762,291)	(9,351,544)
Est. Ending Balance	14,704,383	8,942,092	(409,452)

*Straight line method for monthly expenditure budget

1,737,670

*3 month target

5,213,009

*6 month target

10,426,018

Key Assumptions:

Fuel Tax numbers for 2025-27 and 2027-29 are revised to match most recent trends without 6 cent increase

6% decrease in Licenses & Fees in 2027-29

Estimated Salary Pot for COLA's and Step Increases included in 2025-27

5.50% inflation factor estimate in 2027-29

Six Year Model- Key Assumptions

- Revenue Growth – 6% decrease in Licenses & Fees in 2027-29; 3% decrease in the following two biennia
- 5.5% Inflation Factor used in 2027-29; 4% in the following two biennia
 - Ending Balance targeted at 3-month operating expenditures
Roughly \$5.5 - \$6.5 million

Proposed Fee Increases 2027-2029

Fee	Current Fee	New Fee	% Change	Last Fee Increase
Certificate of Number	\$5.95/ft	???	???	2019
Amphibious Vehicle	\$6	\$10	67%	
Duplicate Cert of Number	\$15	\$25	67%	2015
Duplicate Cert of # & Decals	\$15	\$25	67%	2015
Certificate of Title Floating Property	\$100	\$200	100%	2015
Title Owner or Location Change	\$100	\$200	100%	2015
Identifying Plate, Floating Property	\$50	\$100	100%	2015
Duplicate Certificate of Title F.P	\$50	\$100	100%	2015
Certificate of Title	\$75	\$150	100%	2019
Duplicate Certificate of Title (if no owner or lender change)	\$25	\$50	100%	2015
Dealer Boat ID Number	\$45	\$75	67%	2015
Dealer Boat ID Number Additional	\$10	\$15	50%	2015
Mandatory Education Card	\$20	\$30	50%	2019
Duplicate Mandatory Education Card	\$16	\$25	56%	2019
Late Fee	\$25	\$50	100%	

Fee Increase Option 1: Standard

Option 1 – Standard Fee Increase

\$9.75 per foot (64% increase)

Funds the agency at current service level

Maintains same pricing model of charging \$xx/ft

Standard Fee Increase Option

Option 1 - Standard Fee Increase

\$9.75/ft (64% Increase)

	2025-27	2027-29	2029-31	2031-33
Est. Beginning Balance	14,704,383	8,942,092	10,389,606	9,523,855
Revenues				
Licenses & Fees	15,685,480	25,225,684	24,468,913	23,734,846
Fuel Tax	10,063,511	9,468,775	9,184,712	8,909,170
Federal Grants	7,022,955	7,409,218	7,705,587	8,013,810
Other - Sportfish Grant/Late Fees/Interest	995,687	1,047,908	1,147,271	947,193
Total Revenues	33,767,633	43,151,585	42,506,483	41,605,019
Expenditures				
Law Enforcement (Omit O&G)	17,019,285	17,955,346	18,673,560	19,420,502
Facilities (Omit WWA)	11,103,636	11,714,337	12,182,910	12,670,227
Admin & Ed	11,407,003	12,034,388	12,515,764	13,016,394
Total Expenditures	39,529,924	41,704,071	43,372,234	45,107,123
Surplus/(Deficit)	(5,762,291)	1,447,514	(865,751)	(3,502,104)
Est. Ending Balance	8,942,092	10,389,606	9,523,855	6,021,751

Fee Increase Option 2

Option 2 – Standard Fee Increase with 5% LE & FAC Reductions

\$9.00 per foot (saves \$0.75/ft off standard) (51% Increase)

5% reductions applied independently to Law Enforcement and Facilities Programs

Reductions are applied after inflation

Around \$1.5 million reduction; eliminates inflation for LE & FAC

Fee Increase with 5% Reduction Option

Option 2 - Fee Increase with LE & FAC Reductions

5% Reductions - \$9.00/ft (51% Increase)

	2025-27	2027-29	2029-31	2031-33
Est. Beginning Balance	14,704,383	8,942,092	10,342,104	9,534,120
Revenues				
Licenses & Fees	15,685,480	23,694,698	22,983,857	22,294,341
Fuel Tax	10,063,511	9,468,775	9,184,712	8,909,170
Federal Grants	7,022,955	7,409,218	7,705,587	8,013,810
Other - Sportfish Grant/Late Fees/Interest	995,687	1,047,908	1,147,271	947,193
Total Revenues	33,767,633	41,620,599	41,021,426	40,164,514
Expenditures				
Law Enforcement (Omit O&G)	17,019,285	17,057,579	17,739,882	18,449,477
Facilities (Omit WWA)	11,103,636	11,128,620	11,573,765	12,036,716
Admin & Ed	11,407,003	12,034,388	12,515,764	13,016,394
Total Expenditures	39,529,924	40,220,587	41,829,410	43,502,587
Surplus/(Deficit)	(5,762,291)	1,400,012	(807,984)	(3,338,072)
Est. Ending Balance	8,942,092	10,342,104	9,534,120	6,196,048

Fee Increase Option 3

Option 3 – Standard Fee Increase with 7.5% LE & FAC Reductions

\$8.50 per foot (saves \$1.25/ft off standard) (43% increase)

7.5% reductions applied independently to Law Enforcement and Facilities Programs

Reductions are applied after inflation

Around \$2.2 million reduction; overall expenditure decrease from 2025-27 biennium (roughly \$50K)

Fee Increase with 7.5% Reduction Option

Option 3 - Fee Increase with LE & FAC Reductions

7.5% Reductions - \$8.50/ft (43% Increase)

	2025-27	2027-29	2029-31	2031-33
Est. Beginning Balance	14,704,383	8,942,092	10,063,189	9,036,579
Revenues				
Licenses & Fees	15,685,480	22,674,040	21,993,819	21,334,004
Fuel Tax	10,063,511	9,468,775	9,184,712	8,909,170
Federal Grants	7,022,955	7,409,218	7,705,587	8,013,810
Other - Sportfish Grant/Late Fees/Interest	995,687	1,047,908	1,147,271	947,193
Total Revenues	33,767,633	40,599,941	40,031,388	39,204,178
Expenditures				
Law Enforcement (Omit O&G)	17,019,285	16,608,695	17,273,043	17,963,965
Facilities (Omit WWA)	11,103,636	10,835,762	11,269,192	11,719,960
Admin & Ed	11,407,003	12,034,388	12,515,764	13,016,394
Total Expenditures	39,529,924	39,478,845	41,057,999	42,700,319
Surplus/(Deficit)	(5,762,291)	1,121,096	(1,026,610)	(3,496,141)
Est. Ending Balance	8,942,092	10,063,189	9,036,579	5,540,438

Fee Increase Comparisons

Scenario	Old Fee	New Fee	Variance	% Change	Ending Balance
Option 1 – Standard	\$5.95	\$9.75	\$3.80	64%	\$6,021,751
Option 2 – 5% LE & FAC Reductions	\$5.95	\$9.00	\$3.05	51%	\$6,196,048
Option 3 – 7.5% LE & FAC Reductions	\$5.95	\$8.50	\$2.55	43%	\$5,540,438

***3 month target**

\$5,213,009

***6 month target**

\$10,426,018

New Fees for Boaters

Scenario	10 Foot Boat		15 Foot Boat		25 Foot Boat	
	Old Fee	New Fee	Old Fee	New Fee	Old Fee	New Fee
Option 1 – Standard	\$67.50	\$105.50	\$97.25	\$154.25	\$162.70	\$251.75
Option 2 – 5% LE & FAC Reductions	\$67.50	\$98.00	\$97.25	\$143.00	\$162.70	\$233.00
Option 3 – 7.5% LE & FAC Reductions	\$67.50	\$93.00	\$97.25	\$135.50	\$162.70	\$220.50

Budget- Reduction Package

No Fee Increase

18% Reductions to LE & FAC expenditures

	2025-27	2027-29
Est. Beginning Balance	14,704,383	8,942,092
Revenues		
Licenses & Fees	15,685,480	14,744,351
Fuel Tax	10,063,511	9,468,775
Federal Grants	7,022,955	7,409,218
Other - Sportfish Grant/Late Fees/Interest	995,687	1,047,908
Total Revenues	33,767,633	32,670,252
Expenditures		
Law Enforcement (Omit O&G)	17,019,285	14,745,053
Facilities (Omit WWA)	11,103,636	9,619,894
Admin & Ed	11,407,003	12,034,388
Total Expenditures	39,529,924	36,399,335
Surplus/(Deficit)	(5,762,291)	(3,729,083)
Est. Ending Balance	8,942,092	5,213,009

State Comparisons

Lifetime (12 year) Ownership Cost Comparison by State

Boat / State 12-yr Reg Sales / Use Tax/Excise 12-yr Total Estimated

Polar 12 V Hull + 5 hp (\$5,000)

Boat / State	12-yr Reg	Sales / Use Tax/Excise	12-yr Total Estimated
Oregon (using \$9.75 per foot + \$8)	\$750	\$0	\$750
Washington	\$300	\$785 (8.5% sales)	\$1,085
Idaho	\$495	\$300 (6%)	\$795
California	\$260	\$425 (8.5%)	\$685

Alumacraft 16' + 70 hp (\$30,000)

Boat / State	12-yr Reg	Sales / Use Tax/Excise	12-yr Total Estimated
Oregon (using \$9.75 + \$8)	\$984	\$0	\$984
Washington	\$420	\$1,860 (8.5% sales)	\$2,280
Idaho	\$495	\$1,800 (6%)	\$2,295
California	\$260	\$2,550 (8.5%)	\$2,810

Super Vee Pro 23' + 175 hp (\$85,000)

Boat / State	12-yr Reg	Sales / Use Tax/Excise	12-yr Total Estimated
Oregon (using \$9.75 + \$8)	\$1,394	\$0	\$1,394
Washington	\$720	\$12,385 (8.5% sales)	\$13,105
Idaho	\$495	\$5,100 (6%)	\$5,595
California	\$260	\$7,225 (8.5%)	\$7,485

AI Generated

Key Assumptions & Notes

Category

Notes

Exclusions

Insurance, fuel, maintenance, moorage, depreciation

Sales Tax

Applied at purchase unless exempt

Washington

Excise varies by classification & locality

California

County property or vessel taxes may apply

Oregon

Lowest overall due to no sales tax

Questions?