

**Legislative
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**Joint Committee on
Ways and Means**

Sen. Betsy Johnson, Senate Co-Chair
Sen. Elizabeth Steiner Hayward, Senate Co-Chair
Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair
Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Natural Resources Subcommittee
From: John Terpening, Legislative Fiscal Office
Date: June 5, 2019
Subject: HB 5017 – Department of Environmental Quality
Work Session Recommendations

Department of Environmental Quality – Agency Totals

	2015-17 Actual	2017-19 Legislatively Approved	2019-21 Current Service Level	2019-21 LFO Recommended
General Fund	38,163,023	48,757,650	48,676,792	52,483,514
Lottery Funds	4,084,180	4,732,711	5,332,415	5,332,415
Other Funds	129,989,706	194,863,032	202,486,131	218,198,901
Other Funds (NL)	107,343,731	131,686,687	138,028,330	148,048,330
Federal Funds	22,268,911	29,266,525	30,144,724	29,524,125
Total Funds	301,849,551	409,306,605	424,668,392	453,587,285
Positions	751	766	735	776
FTE	729.99	737.17	726.84	758.80

The LFO recommended budget for the Department of Environmental Quality represents a 10.8% increase from the 2017-19 legislatively approved budget. The budget includes positions to address the permit backlog in the Air Quality program, limitation for the Electric Vehicle Rebate program, and funds the Cleaner Air Oregon program. The budget also includes several positions to address water quality issues, including the permit backlog and harmful algal bloom. The budget also includes positions related to oil spills and high hazard rail and the continuation of the Electronic Data Management System.

The budget is \$453,587,285 total funds and 776 positions (758.80 FTE). General Fund in the budget is \$52,483,514 and represents a 7.6% increase from 2017-19.

Maximum Supervisory Ratio section (include this for subject agencies):
The agency reported a maximum supervisory ratio of 1:10.25 for the 2019-21 biennium.

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 5017. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5017, with modifications. (VOTE)

Performance Measures

See attached "Legislatively Proposed 2019-21 Key Performance Measures."

Accept LFO Recommendation:

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

OR

Change LFO Recommendation:

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

Budget Notes

#1 Budget Note: Vehicle Inspection Program

While no fee increase to the Vehicle Inspection Program is included at this time, if the Department is to contemplate a fee increase in the future, the Department is directed to determine the most cost-effective method of conducting the program as required by ORS 468A.370. The Department is further directed to maintain the existing Vehicle Inspection Program stations and continue the current hours those stations are open to the public with the level of staffing provided by the 2019 Legislature.

#2 Budget Note: Clean Water State Revolving Fund Information System Project

For the Clean Water State Revolving Fund loan management software project, the Department is directed to continue to work closely with and regularly report project status to the Oregon State Chief Information Officer (OSCIO) and the Legislative Fiscal Office (LFO) throughout the projects lifecycle and to follow the Joint State CIO/LFO Stage Gate Review Process. The Department is directed to work with OSCIO and DAS to establish a contract for Business Analyst Services to develop business requirements and perform market research and alternative analysis for the project. If qualified project management services are not available within the Department, then these services should be contracted out to ensure a qualified management. The Department is directed to update and submit the project's business case, requirements and foundational project management documents to the OSCIO and LFO as part of Stage Gate 2 review and endorsement and to report back to the Joint Legislative Committee on Information Management and Technology and the Joint Committee on Ways and Means on project progress in achieving Stage Gate 2 endorsement during the 2020 Legislative session.

#3 Budget Note: Electronic Data Management System Project

The Department is directed to return to the Legislature to request approval to proceed with project execution should the project scope be significantly modified, or project cost or schedule estimates increase by more than 10% from what was reported to the Joint Legislative Committee on Information Management and Technology.

#4 Budget Note: Business Operations

The Department of Environmental Quality (DEQ), under the direction of the Department of Administrative Services - Chief Financial Office (DAS CFO), is directed to undertake a comprehensive review of DEQ's accounting and budget structure through the Statewide Financial Management Application and its alignment with the Oregon Budget Information Tracking System.

This review is to contemplate the following:

- 1) Alignment of budget structure and organizational structure
- 2) Alignment of the Department's current use of positions with legislatively authorized positions
- 3) Establishment of distinct budgeted operating areas for dedicated funds
- 4) Assessment of the current cost allocation system and solutions to reduce the number of cost allocations required
- 5) Assessment of the current calculation of indirect rate that funds the Agency Management budgeted division and solutions to provide a more stable funding model
- 6) Application of existing state accounting and budget reporting systems to reduce the reliance on antiquated and cumbersome internal processes

The Department and DAS CFO are to jointly report their findings to the Joint Committee on Ways and Means during the 2020 Legislative session.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Budget Notes. (VOTE)

OR

Change LFO Recommendation (any changes must be approved by the co-chairs):

MOTION: I move the LFO recommendation on Budget Notes, with modifications.
(VOTE)

Recommended Changes

LFO recommends a budget of \$52,483,514 General Fund, \$5,332,415 Lottery Funds, \$218,198,901 Other Funds, \$148,048,330 Other Funds Nonlimited, \$29,524,125 Federal Funds and 776 positions (758.80 FTE), which is reflected in the -1 amendment.

MOTION: I move adoption of the -1 amendment to HB 5017. (VOTE)

Final Subcommittee Action

LFO recommends that HB 5017, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 5017, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2017-19 Agy. Leg. Adopted	44,629,011	4,610,577	169,639,110	28,593,914	131,686,687	-	379,159,299	745	723.89
2017-19 Ebds, SS & Admin Act	4,128,639	122,134	25,223,922	672,611	-	-	30,147,306	21	13.28
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	48,757,650	4,732,711	194,863,032	29,266,525	131,686,687	-	409,306,605	766	737.17
2017-19 Leg Approved Budget (Base)	48,377,650	4,732,711	194,863,032	29,266,525	131,686,687	-	408,926,605	768	735.46
Summary of Base Adjustments	1,561,949	311,451	3,620,370	285,512	6,341,643	-	12,120,925	(33)	(8.62)
2019-21 Base Budget	49,939,599	5,044,162	198,483,402	29,552,037	138,028,330	-	421,047,530	735	726.84
010: Non-PICS Pers Svc/Vacancy Factor	636,333	85,494	2,969,516	490,191	-	-	4,181,534	-	-
020: Phase In / Out Pgm & One-time Cost	(2,967,680)	71,145	(3,522,191)	(326,538)	-	-	(6,745,264)	-	-
030: Inflation & Price List Adjustments	1,068,540	131,614	4,555,404	429,034	-	-	6,184,592	-	-
2019-21 Current Service Level	48,676,792	5,332,415	202,486,131	30,144,724	138,028,330	-	424,668,392	735	726.84
070: Revenue Reductions/Shortfall	-	-	(1,616,810)	(673,381)	-	-	(2,290,191)	(12)	(12.00)
Adjusted 2019-21 Current Service Level	48,676,792	5,332,415	200,869,321	29,471,343	138,028,330	-	422,378,201	723	714.84
Total LFO Recommended Packages	3,806,722	-	17,329,580	52,782	10,020,000	-	31,209,084	53	43.96
2019-21 Legislative Actions	52,483,514	5,332,415	218,198,901	29,524,125	148,048,330	-	453,587,285	776	758.80
Net change from 2017-19 Leg Approved Budget	3,725,864	599,704	23,335,869	257,600	16,361,643	-	44,280,680	10	21.63
Percent change from 2017-19 Leg Approved Budget	7.6%	12.7%	12.0%	0.9%	12.4%	0.0%	10.8%	1.3%	2.9%
Net change from 2019-21 Adj Current Service Level	3,806,722	-	17,329,580	52,782	10,020,000	-	31,209,084	53	43.96
Percent change from 2019-21 Adj Current Service Level	7.8%	0.0%	8.6%	0.2%	7.3%	0.0%	7.4%	7.3%	6.2%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2017-19 Agy. Leg. Adopted	13,399,383	-	53,323,301	10,066,698	-	-	76,789,382	241	231.61
2017-19 Ebds, SS & Admin Act	1,270,996	-	20,739,482	133,208	-	-	22,143,686	17	8.40
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	14,670,379	-	74,062,783	10,199,906	-	-	98,933,068	258	240.01
2017-19 Leg Approved Budget (Base)	14,670,379	-	74,062,783	10,199,906	-	-	98,933,068	258	239.80
Summary of Base Adjustments	1,267,603	-	745,808	85,834	-	-	2,099,245	(13)	(0.15)
2019-21 Base Budget	15,937,982	-	74,808,591	10,285,740	-	-	101,032,313	245	239.65
010: Non-PICS Pers Svc/Vacancy Factor	195,801	-	925,566	131,907	-	-	1,253,274	-	-
020: Phase In / Out Pgm & One-time Cost	(939,192)	-	(500,704)	(326,538)	-	-	(1,766,434)	-	-
030: Inflation & Price List Adjustments	462,367	-	898,610	174,007	-	-	1,534,984	-	-
060: Technical Adjustments	-	-	262,532	-	-	-	262,532	1	1.00
2019-21 Current Service Level	15,656,958	-	76,394,595	10,265,116	-	-	102,316,669	246	240.65
070: Revenue Reductions/Shortfall	-	-	(1,383,610)	-	-	-	(1,383,610)	(8)	(8.00)
Adjusted 2019-21 Current Service Level	15,656,958	-	75,010,985	10,265,116	-	-	100,933,059	238	232.65
Total LFO Recommended Packages	278,754	-	9,169,474	(1,247)	-	-	9,446,981	18	13.66
2019-21 Legislative Actions	15,935,712	-	84,180,459	10,263,869	-	-	110,380,040	256	246.31
Net change from 2017-19 Leg Approved Budget	1,265,333	-	10,117,676	63,963	-	-	11,446,972	(2)	6.30
Percent change from 2017-19 Leg Approved Budget	8.6%	0.0%	13.7%	0.6%	0.0%	0.0%	11.6%	(0.8%)	2.6%
Net change from 2019-21 Adj Current Service Level	278,754	-	9,169,474	(1,247)	-	-	9,446,981	18	13.66
Percent change from 2019-21 Adj Current Service Level	1.8%	0.0%	12.2%	(0.0%)	0.0%	0.0%	9.4%	7.6%	5.9%

	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 070 Revenue Shortfalls

Package Description This package reduces Other Fund expenditure limitation by \$1,383,610, removing eight positions (8.00 FTE) and taking reductions in Services and Supply costs to balance the Vehicle Inspection Program. The deficit is the result of normal increases in Personal Services and other inflationary costs.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(1,383,610)	-	-	-	(1,383,610)	(8)	(8.00)
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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 Oversee Electric Vehicle Rebate Program

Package Description This package increases Other Fund expenditure limitation by \$5,749,259 and makes a limited duration Program Analyst 3 position (1.00 FTE) permanent in order to provide continued management and oversight of the electric vehicle rebate program. The rebate program was established in HB 2017 (2017) which directed DEQ to develop and implement a rebate program that incentivizes Oregonians to purchase or lease electric vehicles. A tax on the sale of new electric vehicles funds the rebate program. The bill directs the Department of Revenue to transfer the first \$24 million in revenue per biennium to DEQ for the rebate program, with up to 10% allowed for administration. DEQ will utilize a third-party vendor for most of the rebate functions, including education and outreach. Payment to the vendor is anticipated to be around \$1.6 million in 2019-21. Of the limitation provided in this package, \$229,717 is for the position while the remainder, combined with carry-over limitation from 2017-19, will bring the total limitation for the program in 2019-21 up to the full \$24 million that will be received from the Department of Revenue.

LFO Recommendation Approve the package.

LFO Recommended	-	-	5,749,259	-	-	-	5,749,259	1	1.00
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Air Quality

	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 114 Reduce Wood Smoke Pollution

Package Description This package provides a one-time \$500,000 General Fund appropriation to support local efforts to reduce wood smoke in communities that are violating or at risk of violating federal air quality standards. EPA designates areas that don't meet national ambient air quality standards as "nonattainment". Having EPA declare a community as nonattainment triggers legal requirements imposed on new and potentially existing industry. Currently Klamath Falls and Oakridge have the nonattainment designation. Lakeview, Prineville, Medford, Eugene, Hillsboro, La Grande and Burns are at risk of exceeding federal fine particulate standards. DEQ's base budget includes \$172,000 to support local programs regarding wood smoke.

LFO Recommendation Approve the package.

LFO Recommended	500,000	-	-	-	-	-	500,000	-	-
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Air Quality

	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 116 Eliminate the Air Quality Backlog

Package Description This package provides \$636,574 Other Funds expenditure limitation and includes 8 permanent positions (3.66 FTE) that are phased-in to coincide with a fee increase to the state Air Contaminant Discharge Permit (ACDP). The eight positions are to specifically address the air quality permitting backlog that a 2018 Secretary of State audit found that 40% of both the federal Title V and state ACDP permits are not renewed on time. Six of the positions are permit writers funded through the ACDP fee increase and two positions are for Title V work funded with Title V revenue.

The package also assumes an ACDP fee increase in order to generate about \$3.1 million in revenue in 2019-21. This fee increase is anticipated to be around a 70% increase and would be sufficient for the next two biennia. The current projected 2019-21 ending fund balance for the ACDP program is negative without a fee increase. The last ACDP fee increase was 20% in 2014. Title V fees do not need an increase as statute allows DEQ to annually adjust Title V fees equal to consumer price index. The roll-up costs for 2021-23 for the 8.00 FTE is \$2,028,879.

LFO Recommendation Approve the package.

LFO Recommended	-	-	636,574	-	-	-	636,574	8	3.66
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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 119 Implement Air Toxics Permitting Program

Package Description This package includes \$2,581,253 Other Funds expenditure limitation and makes permanent 11 positions (11.00 FTE) that were limited duration, to implement the air toxics permitting program known as Cleaner Air Oregon. During the 2018 legislative session, SB 1541 authorized the 11 limited duration positions for DEQ and limitation to support 2.60 FTE for Oregon Health Authority (OHA) to finish development and begin implementation of the air toxics permitting program. Legislation authorized the Environmental Quality Commission (EQC) to establish a schedule of fees sufficient to cover direct and indirect costs of implementing Cleaner Air Oregon. The fees schedule for this program was adopted by the EQC in November and are included in HB 5018 for ratification. The fees will create an annual base fee and a one-time activity fee and is expected to generate \$4,847,282 Other Funds revenue in 2019-21 to support the program. The fees are set at the statutory cap of 35% over base permit fees paid in 2018. This cap is in place until 2024.

LFO Recommendation Approve the package.

LFO Recommended	-	-	2,581,253	-	-	-	2,581,253	11	11.00
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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 801 LFO Analyst Adjustments

Package Description This package eliminates two vacant positions and fund shifts \$222,273 General Fund and \$39,101 Federal Funds from personal services to services and supplies within the Air Quality program for the laboratory. The fund shift has a net zero effect on the overall budget for 2019-21. The two positions were long-term vacancies being held open to utilize the budget to fund other lab activities, including contracting with operators to monitor rural air toxic monitoring stations. This fund shift will properly align budget with actual expenditures.

This package also includes a comprehensive reclass package involving nine positions within the Air Quality program, including transferring a position from the Land Quality Division. The net effect of this reclassification for the Air Quality Division is an increase in OF limitation of \$202,388, a decrease in FF limitation of \$1,247, and one additional position (1.00 FTE).

Finally, this package eliminates an administrative support position for the Cleaner Air Oregon program, totaling \$221,246 General Fund, to achieve the Joint Committee on Ways and Means Co-Chair reductions to meet Genral Fund targets.

LFO Recommendation Approve the package.

LFO Recommended	(221,246)	-	202,388	(1,247)	-	-	(20,105)	(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)
2017-19 Agy. Leg. Adopted	25,538,818	4,610,577	24,538,164	11,321,612	-	-	66,009,171	230	218.75
2017-19 Ebds, SS & Admin Act	879,137	122,134	282,389	463,489	-	-	1,747,149	4	1.50
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	26,417,955	4,732,711	24,820,553	11,785,101	-	-	67,756,320	234	220.25
2017-19 Leg Approved Budget (Base)	26,037,955	4,732,711	24,820,553	11,785,101	-	-	67,376,320	230	218.75
Summary of Base Adjustments	534,685	311,451	735,166	155,815	-	-	1,737,117	(6)	(0.69)
2019-21 Base Budget	26,572,640	5,044,162	25,555,719	11,940,916	-	-	69,113,437	224	218.06
010: Non-PICS Pers Svc/Vacancy Factor	446,057	85,494	571,279	218,356	-	-	1,321,186	-	-
020: Phase In / Out Pgm & One-time Cost	(1,500,000)	71,145	(12,437)	-	-	-	(1,441,292)	-	-
030: Inflation & Price List Adjustments	587,818	131,614	236,907	169,452	-	-	1,125,791	-	-
2019-21 Current Service Level	26,106,515	5,332,415	26,351,468	12,328,724	-	-	70,119,122	224	218.06
070: Revenue Reductions/Shortfall	-	-	(233,200)	(673,381)	-	-	(906,581)	(4)	(4.00)
Adjusted 2019-21 Current Service Level	26,106,515	5,332,415	26,118,268	11,655,343	-	-	69,212,541	220	214.06
Total LFO Recommended Packages	3,277,951	-	1,916,603	54,029	-	-	5,248,583	21	17.55
2019-21 Legislative Actions	29,384,466	5,332,415	28,034,871	11,709,372	-	-	74,461,124	241	231.61
Net change from 2017-19 Leg Approved Budget	2,966,511	599,704	3,214,318	(75,729)	-	-	6,704,804	7	11.36
Percent change from 2017-19 Leg Approved Budget	11.2%	12.7%	13.0%	(0.6%)	0.0%	0.0%	9.9%	3.0%	5.2%
Net change from 2019-21 Adj Current Service Level	3,277,951	-	1,916,603	54,029	-	-	5,248,583	21	17.55
Percent change from 2019-21 Adj Current Service Level	12.6%	0.0%	7.3%	0.5%	0.0%	0.0%	7.6%	9.6%	8.2%

	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 070 Revenue Shortfalls

Package Description This package reduces Federal Funds by \$673,381 and Other Fund by \$233,200, removing four positions (4.00 FTE). Federal revenue associated with the Federal Clean Water Act have been declining while costs due to normal inflation have been increasing. Of these four positions, three are federally funded and one is funded through Other Funds.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(233,200)	(673,381)	-	-	(906,581)	(4)	(4.00)
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Water Quality

	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 120 Minimize Impacts from Urban & Hwy Stormwater

Package Description This package includes \$421,696 General Fund to support two permanent full-time Water Quality Specialist NRS-2 positions (0.88 FTE) to work with the municipal separate storm sewer systems (MS4) permits. The package also provides \$152,143 Other Funds expenditure limitation and a limited duration full-time NRS-4 Transportation Stormwater Specialist position (0.50 FTE) to work specifically on ODOT's MS4 stormwater permit renewal. The two agencies have reached an initial agreement to fund the full-time position for one year and will reconvene on supporting work for permit implementation and monitoring beyond that first year. If there are any adjustments to the position need for the second year of the biennium, DEQ can return to the 2020 Legislature with a request.

LFO Recommendation Approve the package.

LFO Recommended	421,696	-	152,143	-	-	-	573,839	3	2.26
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Water Quality

	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 122 Setting and Implementing WQ Standards

Package Description This package includes \$195,557 General Fund for a permanent full-time NRS-4 Water Quality Standards Specialist position (0.88 FTE) and \$296,717 Other Funds for a permanent full-time NRS-3 Water Quality Standards Analyst position (0.75 FTE). These positions will provide capacity for timely development and implementation of water quality standards that serve as the basis for clean water plans (TMDLs). DEQ currently has three positions (2.80 FTE) working on water quality standards, which is one of the largest factor in permitting delays. The Other Funds for this package is derived from the fee increase assumed in Pkg. 127 that is expected to generate \$1,170,185 in 2019-21 through about a 17% fee increase on wastewater permit fees. This increase is in addition to the annual 3% increase already assumed in the budget.

LFO Recommendation Approve the package.

LFO Recommended	195,557	-	296,717	-	-	-	492,274	2	1.63
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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 123 Harmful Algae Bloom Response and Assessment

Package Description This package includes a \$579,590 General Fund appropriation and two permanent full-time positions (2.00 FTE), a Chemist and a Project Manager. The positions will monitor and analyze water samples as part of Oregon Health Authority's rules for drinking water testing around Harmful Algal Bloom. These two positions were originally approved by the September 2018 Emergency Board.

LFO Recommendation Approve the package.

LFO Recommended	579,590	-	-	-	-	-	579,590	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 125 Effectively Managing the CWSRF Loan Portfolio

Package Description This package includes \$169,392 Other Funds expenditure limitation to establish a Loan Specialist position (0.88 FTE) to ensure stable and efficient loan servicing and effective financial management of DEQ's Clean Water State Revolving Loan Fund (CWSRF). The Loan Specialist would be responsible for assessing with loan application review, financial capability review, processing disbursement requests, performing eligible cost analysis, developing and maintaining accounting records, and tracking financial transactions within the CWSRF program. The position is funded through a 0.5% fee on unpaid principal balances of issued loans that goes in to the Administrative Fund for the program. The CWSRF currently has 178 active loans and funds 10 to 15 new loans per year. There is only one other Loan Specialist who manages all aspects of the loans. Adding an additional Loan Specialist would alleviate some of the workload and allow for the program to invest time in process and service improvements as well as optimizing financial management of the loan fund.

LFO Recommendation Approve the package.

LFO Recommended	-	-	169,392	-	-	-	169,392	1	0.88
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Water Quality

	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 126 Klamath Basin Water Quality Improvements

Package Description This package includes \$232,603 General Fund and a permanent full-time NRS-3 position (0.88 FTE) to support efforts to improve water quality and aquatic habitat in the Klamath Basin.

LFO Recommendation Approve the package.

LFO Recommended	232,603	-	-	-	-	-	232,603	1	0.88
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Water Quality

	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 127 Water Quality Permit Program Improvements

Package Description This package includes \$913,132 General Fund and \$873,468 Other Funds for a total cost of \$1,786,600 in 2019-21. The package includes the establishment of 9 positions (6.76 FTE) phased-in to coincide with revenue from a fee increase, and increasing an existing position from part-time to full-time. Together these positions intended to improve DEQ's regulation of wastewater and stormwater discharges, including improved permit timeliness and quality. DEQ has struggled with permit processing backlog for some time. In 2015, the legislature directed DEQ to hire an independent consultant to review and make recommendations on how to improve permit quality and timeliness. Recommendations were made in 2016 with short-term and long-term solutions. One of the recommendations was a fee increase for Wastewater Permitting Program. The fee increase anticipated to fund this package, and Pkg 122 is anticipated to generate \$1,170,185 Other Funds revenue in 2019-21. The fee increase represents a 17% increase to wastewater permit fees and will retain the historical ratio of 60/40 fund split for this program between fees and General Fund support. The positions will work to ensuring timely issuance of quality permits, verifying compliance with permit conditions, complying with federal e-reporting requirements, improving availability of permit and program information to the public, and improving opportunities for stakeholder engagement.

The positions include an Admin Specialist 1 (0.50 FTE), a Program Analyst 3 (1.00 FTE), three NRS-3's (0.50 FTE), two NRS-2's (0.75 FTE), an NRS-1 (0.50 FTE), and ISS-6 (0.88 FTE) and an ISS-2 (0.88 FTE).

LFO Recommendation Approve the package.

LFO Recommended	913,132	-	873,468	-	-	-	1,786,600	9	6.76
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Water Quality

	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 128 Improving Water Quality Outcomes

Package Description This package includes \$296,277 General Fund appropriation for a permanent NRS-4 position (1.00 FTE) to increase the Department's capacity to produce information that is used for prioritizing and guiding watershed restoration efforts.

LFO Recommendation Approve the package.

LFO Recommended	296,277	-	-	-	-	-	296,277	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 129 Developing and Implementing Clean Water Plans

Package Description The package includes a \$772,096 General Fund appropriation to fund three permanent positions (2.64 FTE) to develop and issue clean water plans, and enable DEQ to establish monitoring stations that provide real time water quality data to the public and decision makers. The positions are two NRS-4's and a Program Analyst 4 all phased-in (0.88 FTE each) to develop and issue TDMLs. Currently, the Department has 2.80 FTE that works on TMDLs, which supports the permit issuance process.

LFO Recommendation Approve the package.

LFO Recommended	772,096	-	-	-	-	-	772,096	3	2.64
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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 163 Clean Water SRF Loan Management Software

Package Description This package provides \$500,000 Other Funds one-time expenditure limitation for the Department to work with the Oregon State Chief Information Officer to hire a contract Business Analyst to assist with project planning for eventual procurement of an off-the shelf loan management software to replace DEQ's manual and outdated systems. The replacement would provide a secure system that would increase efficiency, improve customer service and reduce the risk of errors. The primary source of funds for CWSRF are federal capitalization grants and repayments of principal and interest on existing loans. The main priority of CWSRF is to assist local governments by providing low interest loans for wastewater and other clean water investments.

LFO Recommendation Approve the package.

LFO Recommended	-	-	500,000	-	-	-	500,000	-	-
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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 \$133,000 General Fund and the elimination of a vacant NRS-5 groundwater hydrologist position in order to reach the Joint Committee on Ways and Means Co-Chair reduction targets for the General Fund. The work will be covered by other similar positions in Water Quality and Land Quality Divisions.

This package also includes a comprehensive reclass package involving thirteen positions within the Water Quality program and increasing a position from half-time to full-time. The net effect of this reclassification for the Water Quality Division is a decrease in OF limitation of \$75,117, an increase in FF limitation of \$54,029, and an increase of 0.50 FTE. There are offsetting reductions in Services and Supplies for \$477 General Fund and \$3,839 Lottery Funds.

Finally, this package includes \$25,000 of Other Funds revenue to reflect fee increases for the Underground Control Injection fees paid by owners and operators of injection wells. This fee increase was adopted administratively in September and requires ratification in HB 5018. The fees have not been increased since establishment in 2007 and represents a 7% increase to support the current program.

LFO Recommendation Approve the package.

LFO Recommended	(133,000)	-	(75,117)	54,029	-	-	(154,088)	(1)	(0.50)
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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)
2017-19 Agy. Leg. Adopted	1,115,830	-	65,227,337	7,205,604	-	-	73,548,771	186	189.10
2017-19 Ebds, SS & Admin Act	39,660	-	800,523	75,914	-	-	916,097	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	1,155,490	-	66,027,860	7,281,518	-	-	74,464,868	186	189.10
2017-19 Leg Approved Budget (Base)	1,155,490	-	66,027,860	7,281,518	-	-	74,464,868	186	189.10
Summary of Base Adjustments	79,121	-	1,334,513	43,863	-	-	1,457,497	(1)	(0.25)
2019-21 Base Budget	1,234,611	-	67,362,373	7,325,381	-	-	75,922,365	185	188.85
010: Non-PICS Pers Svc/Vacancy Factor	20,223	-	973,318	139,928	-	-	1,133,469	-	-
020: Phase In / Out Pgm & One-time Cost	(50,000)	-	-	-	-	-	(50,000)	-	-
030: Inflation & Price List Adjustments	18,355	-	1,337,753	85,575	-	-	1,441,683	-	-
060: Technical Adjustments	-	-	(262,532)	-	-	-	(262,532)	(1)	(1.00)
2019-21 Current Service Level	1,223,189	-	69,410,912	7,550,884	-	-	78,184,985	184	187.85
Adjusted 2019-21 Current Service Level	1,223,189	-	69,410,912	7,550,884	-	-	78,184,985	184	187.85
Total LFO Recommended Packages	(297,000)	-	3,645,904	-	-	-	3,348,904	6	4.75
2019-21 Legislative Actions	926,189	-	73,056,816	7,550,884	-	-	81,533,889	190	192.60
Net change from 2017-19 Leg Approved Budget	(229,301)	-	7,028,956	269,366	-	-	7,069,021	4	3.50
Percent change from 2017-19 Leg Approved Budget	(19.8%)	0.0%	10.7%	3.7%	0.0%	0.0%	9.5%	2.2%	1.9%
Net change from 2019-21 Adj Current Service Level	(297,000)	-	3,645,904	-	-	-	3,348,904	6	4.75
Percent change from 2019-21 Adj Current Service Level	(24.3%)	0.0%	5.3%	0.0%	0.0%	0.0%	4.3%	3.3%	2.5%

	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 131 Maintain Heating Oil Tank Program

Package Description This package is contingent on passage of SB 40 which will increase heating oil tank fees anticipated to generate \$368,754 Other Funds revenue in 2019-21. The program has four positions, yet current fees only support three positions at current level of activity and does not provide a sufficient fund balance to continue the program. The license fees were last set in 1999 and certification fees were last raised in 2007. This fee increase is anticipated to fully fund the four positions in the program and provide a sufficient fund balance going forward.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	-	-	-	-	-	-
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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 132 Maintain and Enhance Oil Spill Prevention

Package Description This package is contingent on passage of SB 41, which will increase oil spill prevention fees paid by vessels and oil pipelines transporting bulk petroleum. The revenue from the fee increase is anticipated to be \$1,074,981 in 2019-21. The revenue will support the existing 3.35 FTE in the program and the addition of a permanent full-time ISS-5 position (1.00 FTE) to assist with preparing plans for oil and hazardous material spill response. There is corresponding increase of \$224,097 Other Funds expenditure limitation for the position included in this package. The last fee increase in this program was in 2015.

LFO Recommendation Approve the package.

LFO Recommended	-	-	224,097	-	-	-	224,097	1	1.00
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Land Quality

	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 133 Safe Transport of Hazardous Materials by Rail

Package Description The package is contingent on passage of HB 2209 which includes establishment of an annual fee of 0.05% of gross operating revenues of railroads as well as a fee of \$20 on railroad oil tank cars. The gross operating revenue funding is anticipated to be \$550,737 in 2019-21, with fees starting January 1, 2020. Included in this package is \$461,394 Other Funds expenditure limitation and two permanent full-time positions (1.25 FTE) funded by the new fee for the purpose of planning, preparedness for and response to oil and hazardous material spills along high hazard rail corridors. The positions are phased-in to coincide with expected revenue.

LFO Recommendation Approve the package.

LFO Recommended	-	-	461,394	-	-	-	461,394	2	1.25
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Land Quality

	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 136 Solid Waste Orphan Site Cleanups

Package Description The package includes \$3,147,316 Other Funds expenditure limitation and three limited duration positions (3.00 FTE) for Solid Waste Orphan Site Account (SWOSA) related work to support the increased use of the funds. Funding will be provided from existing revenues. In 1989 the legislature created SWOSA to help pay for cleanup of “orphaned” sites where the disposal of solid waste resulted in the release of hazardous substances into the environment. Since 1993, DEQ has collected \$0.13 per ton of all domestic solid waste disposed in Oregon or transported out of state for disposal. This fee provides funding for site investigations and cleanup actions. With the additional limitation DEQ’s plan of action is to inventory eligible solid waste disposal sites, prioritize the list statewide, investigate as needed, and commence cleanup work. At the end of the biennium, DEQ will evaluate if the need is ongoing and if so, may request the three positions to be made permanent in 2021-23 biennium.

LFO Recommendation Approve the package.

LFO Recommended	-	-	3,147,316	-	-	-	3,147,316	3	3.00
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Land Quality

	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 elimination of a regional solutions position in the Northwest Region Office totaling \$297,000 General Fund to achieve the Joint Committee on Ways and Means Co-Chair target of reducing General Fund.

The package also includes a comprehensive reclass package involving eight positions within the Land Quality program including moving a position to the Air Quality Division. The net effect of this reclassification for the Land Quality Division is a reduction in OF limitation of \$186,903 and one position (0.50 FTE).

Finally, this package includes \$1,894,400 Other Funds revenue from a proposed fee increase to Hazardous Waste fees. The current fees no longer support the program and is expected to have a deficit by the end of the biennium. The proposal would increase the annual hazardous waste activity verification fee from \$300 to \$540 for small generators and \$525 to \$945 for large generators. The proposal also increases the fee for annual hazardous waste permits for storage, multi-disposal, and multi-treatment. The last time these fees were raised was 2007.

LFO Recommendation Approve the package.

LFO Recommended	(297,000)	-	(186,903)	-	-	-	(483,903)	-	(0.50)
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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)
2017-19 Agy. Leg. Adopted	750,000	-	26,550,308	-	-	-	27,300,308	88	84.43
2017-19 Ebds, SS & Admin Act	1,104,979	-	3,401,528	-	-	-	4,506,507	-	3.38
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	1,854,979	-	29,951,836	-	-	-	31,806,815	88	87.81
2017-19 Leg Approved Budget (Base)	1,854,979	-	29,951,836	-	-	-	31,806,815	94	87.81
Summary of Base Adjustments	(1,350,743)	-	804,883	-	-	-	(545,860)	(13)	(7.53)
2019-21 Base Budget	504,236	-	30,756,719	-	-	-	31,260,955	81	80.28
010: Non-PICS Pers Svc/Vacancy Factor	(25,748)	-	499,353	-	-	-	473,605	-	-
020: Phase In / Out Pgm & One-time Cost	(478,488)	-	(3,009,050)	-	-	-	(3,487,538)	-	-
030: Inflation & Price List Adjustments	-	-	2,082,134	-	-	-	2,082,134	-	-
2019-21 Current Service Level	-	-	30,329,156	-	-	-	30,329,156	81	80.28
Adjusted 2019-21 Current Service Level	-	-	30,329,156	-	-	-	30,329,156	81	80.28
Total LFO Recommended Packages	547,017	-	2,597,599	-	-	-	3,144,616	8	8.00
2019-21 Legislative Actions	547,017	-	32,926,755	-	-	-	33,473,772	89	88.28
Net change from 2017-19 Leg Approved Budget	(1,307,962)	-	2,974,919	-	-	-	1,666,957	1	0.47
Percent change from 2017-19 Leg Approved Budget	(70.5%)	0.0%	9.9%	0.0%	0.0%	0.0%	5.2%	1.1%	0.5%
Net change from 2019-21 Adj Current Service Level	547,017	-	2,597,599	-	-	-	3,144,616	8	8.00
Percent change from 2019-21 Adj Current Service Level	100.0%	0.0%	8.6%	0.0%	0.0%	0.0%	10.4%	9.9%	10.0%

	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 140 Electronic Data Management System Projects

Package Description This package includes \$2,449,485 Other Funds expenditure limitation and the continuation of 7 limited duration positions (7.00 FTE) to continue the next phase of the Environmental Data Management System (EDMS). EDMS will be an interactive, up to date and transparent system for permitting and business processes that will standardize and streamline internal processes. In May 2019, DEQ achieved Stage Gate 3 endorsement and approval with conditions from the Office of the State Chief Information Officer (OSCIO) and the Legislative Fiscal Office to proceed with software core system build. Core system implementation will include specific permitting and business functionality and is expected to create a stable foundation for future modules. The Other Funds limitation provided in this package is to expend the carry-over revenue from the May 2018 bond sale. The Department has an additional request for \$5 million in bonds to be sold in May 2020 which is being considered. If approved, the revenue and additional limitation, including cost of issuance and debt service, will be included in the Bond Bill.

LFO Recommendation Approve the package.

LFO Recommended	392,302	-	2,449,485	-	-	-	2,841,787	7	7.00
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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 143 Agency Auditor

Package Description This package includes \$285,277 total funds and adds a permanent full-time Internal Auditor 3 position (1.00 FTE). A 2017 Secretary of State assessment of DEQ identified nine findings and 22 risks to the department. In recent years DEQ has been unable to meet internal audit requirements for an agency of its size. Given the Secretary of State findings, backlog of internal audits, and new programs such as VW Settlement, Electric Vehicle Rebates, and Cleaner Air Oregon this is ample work for a full-time internal auditor. The funding mechanism for this position is General Fund and Other Fund via an indirect charge to each of the department's program areas. Cost is \$154,715 GF and \$130,562 OF.

LFO Recommendation Approve the package.

LFO Recommended	154,715	-	130,562	-	-	-	285,277	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 801 LFO Analyst Adjustments

Package Description This package includes a comprehensive reclass package involving three positions within the Agency Management program. The net effect of this reclassification is an increase in OF limitation of \$17,552.

LFO Recommendation Approve the package.

LFO Recommended	-	-	17,552	-	-	-	17,552	-	-
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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)
2017-19 Agy. Leg. Adopted	-	-	-	-	115,898,800	-	115,898,800	-	-
2017-19 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	-	-	-	-	115,898,800	-	115,898,800	-	-
2017-19 Leg Approved Budget (Base)	-	-	-	-	115,898,800	-	115,898,800	-	-
Summary of Base Adjustments	-	-	-	-	16,301,200	-	16,301,200	-	-
2019-21 Base Budget	-	-	-	-	132,200,000	-	132,200,000	-	-
2019-21 Current Service Level	-	-	-	-	132,200,000	-	132,200,000	-	-
Adjusted 2019-21 Current Service Level	-	-	-	-	132,200,000	-	132,200,000	-	-
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2019-21 Legislative Actions	-	-	-	-	132,200,000	-	132,200,000	-	-
Net change from 2017-19 Leg Approved Budget	-	-	-	-	16,301,200	-	16,301,200	-	-
Percent change from 2017-19 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	14.1%	0.0%	14.1%	0.0%	0.0%
Net change from 2019-21 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2019-21 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	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 181 Clean Water SRF Capitalization Loans & Bonds

Package Description This package allows for \$30,150,000 non-limited Other Funds from the issuance of bonds in order to issue \$30.0 million in Clean Water State Revolving Fund (CWSRF) loans. Without this request, DEQ would need to decline \$15.0 million per year in federal capitalization grants. The Federal Water Quality Act of 1987 created the state CWSRF. The federal act requires states to match federal dollars with state funds in an amount at least equal to 20% of the federal capital grant. DEQ issues General Obligation Bonds for the purpose of the match, which has been authorized by the state Bond Bill each biennium. This funding ensures communities are provided with affordable financing options for wastewater treatment and other clean water projects. The Department has sufficient non-limited budget of \$132,200,000 for the 2019-21 biennium for this program, so the package represents only the revenue need of \$30 million Federal Fund and \$10 million for the General Obligation Bonds. The debt service related to this package is included in package 191.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	-	-	-	-	-	-
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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)
2017-19 Agy. Leg. Adopted	3,824,980	-	-	-	15,787,887	-	19,612,867	-	-
2017-19 Ebds, SS & Admin Act	833,867	-	-	-	-	-	833,867	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2017-19 Leg Approved Budget	4,658,847	-	-	-	15,787,887	-	20,446,734	-	-
2017-19 Leg Approved Budget (Base)	4,658,847	-	-	-	15,787,887	-	20,446,734	-	-
Summary of Base Adjustments	1,031,283	-	-	-	(9,959,557)	-	(8,928,274)	-	-
2019-21 Base Budget	5,690,130	-	-	-	5,828,330	-	11,518,460	-	-
2019-21 Current Service Level	5,690,130	-	-	-	5,828,330	-	11,518,460	-	-
Adjusted 2019-21 Current Service Level	5,690,130	-	-	-	5,828,330	-	11,518,460	-	-
Total LFO Recommended Packages	-	-	-	-	10,020,000	-	10,020,000	-	-
2019-21 Legislative Actions	5,690,130	-	-	-	15,848,330	-	21,538,460	-	-
Net change from 2017-19 Leg Approved Budget	1,031,283	-	-	-	60,443	-	1,091,726	-	-
Percent change from 2017-19 Leg Approved Budget	22.1%	0.0%	0.0%	0.0%	0.4%	0.0%	5.3%	0.0%	0.0%
Net change from 2019-21 Adj Current Service Level	-	-	-	-	10,020,000	-	10,020,000	-	-
Percent change from 2019-21 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	171.9%	0.0%	87.0%	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 191 Clean Water SRF Bond Debt Service

Package Description This package includes \$10,020,000 to obtain limitation to provide debt service for General Obligation Bonds issued to meet the state match for up to three federal capitalization grants to maintain the CWSRF as discussed in Pkg 181. This package covers \$10.02 million of debt service for Bonds of short duration, which are fully redeemed during the 2019-21 biennium with no carryover into subsequent biennia. DEQ sources all debt service from interest earnings from the CWSRF program which allows these General Obligation Bonds to seem “self-financed”.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	-	10,020,000	-	10,020,000	-	-
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Legislatively Proposed 2019 - 2021 Key Performance Measures

Published: 6/2/2019 7:02:02 AM

Agency: Environmental Quality, Department of

Mission Statement:

To be a leader in restoring, maintaining and enhancing the quality of Oregon's air, water and land.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
2. AIR QUALITY DIESEL EMISSIONS - Quantity of diesel particulate emissions (in tons).		Approved	2,486	1,837	1,837
3. AIR QUALITY CONDITIONS - National Standards: Number of days when air is unhealthy for sensitive groups and all groups.	a) National Standards Number of days when air is unhealthy for sensitive groups	Approved	191	20	20
	b) National Standards Number of days when air is unhealthy for all groups		177	3	3
4. AIR QUALITY - AIR TOXICS - Air Toxics Trends in Larger and Smaller Communities	a) Air Toxics Trends in Large Communities	Approved	11	7	7
	b) Air Toxics Trends in Smaller Communities		10	5	5
6. PERMIT TIMELINESS - Percentage of individual wastewater discharge permits issued within 270 days.		Approved	17%	75%	75%
7. UPDATED PERMITS - Percent of total wastewater permits that are current.		Approved	58%	75%	90%
8. WATER QUALITY CONDITIONS - Percent of monitored stream sites with significantly increasing trends in water quality.	a) Percent of monitored stream sites with significantly improving trends in water quality	Approved	30%	40%	50%
	b) Percent of monitored stream sites with significantly declining trends in water quality		9%	7%	5%
	c) Percent of monitored stream sites with good to excellent water quality		51%	60%	75%
9. CLEANUP - Properties with known contamination cleaned up	a) Percent of heating oil tank sites cleaned up	Approved	85.70%	90%	90%
	b) Percent of regulated underground storage tank sites cleaned up		89.10%	90%	95%
	c) Percent of hazardous substance sites (non-tank) cleaned up		48.30%	60%	75%
10. MATERIALS MANAGEMENT - Waste generation		Approved	5,529,121	4,871,739	4,000,000
11. MATERIALS MANAGEMENT - Waste recovery		Approved	42.10%	52%	60%
12. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	a) Expertise	Approved	75%	95%	95%
	b) Availability of Information		64%	95%	95%
	c) Helpfulness		76%	95%	95%
	d) Accuracy		73%	95%	95%
	e) Timeliness		65%	95%	95%
	f) Overall		69%	95%	95%
13. ERT - Percent of local participants who rank DEQ involvement in Economic Revitalization Team process as good to excellent.		Approved	75%	80%	90%

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
14. BOARDS AND COMMISSIONS - Percent of total best practices met by the Environmental Quality Commission.		Approved	96%	100%	100%
15. Permit Timeliness - Issuance of new permits - Percentage of new air quality permits that are issued within timeliness targets.	Permit Timeliness - Issuance of new permits (Air Contaminant Discharge Permits)	Proposed New	No Data	90%	90%
	b) Permit Timeliness - Issuance of new permits (Title V Permits)		No Data	90%	90%
16. Permit Timeliness - Issuance of Permit Modifications - Percentage of air quality permit modifications issued within the target timeliness period.	Permit Timeliness - Issuance of Permit Modifications (Air Contaminant Discharge Permits)	Proposed New	No Data	90%	90%
	b) Permit Timeliness - Issuance of Permit Modifications (Title V Permits)		No Data	90%	90%
17. Permit Timeliness - Current Permits - Percent of air quality permits that are current (not on administration extension)	Permit Timeliness - Current Permits (Air Contaminant Discharge Permits)	Proposed New	No Data	80%	80%
	Permit Timeliness - Current Permits (Title V Permits)		No Data	80%	80%
1. PERMIT TIMELINESS - Percentage of air contaminant discharge permits issued within the target period.		Proposed Delete	78%	TBD	TBD
5. PERMIT TIMELINESS - Percent of Title V operating permits issued with the target period.		Proposed Delete	42%	TBD	TBD

LFO Recommendation:

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets, which includes the deletion of two measures and three new measures.

SubCommittee Action: