

SB 5510 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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**Department of Geology and Mineral Industries
2023-25**

PRELIMINARY

Budget Summary*

	2021-23 Legislatively Approved Budget ⁽¹⁾	2023-25 Current Service Level	2023-25 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 6,444,037	\$ 7,154,908	\$ 9,154,908	\$ 2,710,871	42.1%
Other Funds Limited	\$ 6,753,317	\$ 6,839,124	\$ 7,355,492	\$ 602,175	8.9%
Federal Funds Limited	\$ 5,765,844	\$ 5,510,086	\$ 5,522,133	\$ (243,711)	(4.2%)
Total	\$ 18,963,198	\$ 19,504,118	\$ 22,032,533	\$ 3,069,335	16.2%

Position Summary

Authorized Positions	35	34	39	4
Full-time Equivalent (FTE) positions	34.67	33.92	39.00	4.33

⁽¹⁾ Includes adjustments through January 2023

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The revenues supporting the Department of Geology and Mineral Industries (DOGAMI) consist of General Fund, Other Funds, and Federal Funds sources. Between program areas, there are significant differences in revenue composition and stability. The Geologic Survey and Services program is funded by General Fund, Other Funds revenue from project contracts with state and local agencies, and Federal Funds revenue from grants, which can vary substantially from one biennium to the next. The Mined Land Regulation and Reclamation program is traditionally funded by business license and fee revenue; however, a one-time General Fund investment has been recommended by the Natural Resources Subcommittee to support implementation of an ePermitting system in the 2023-25 biennium.

Summary of Natural Resources Subcommittee Action

Established in 1937, DOGAMI has contributed to the safety and prosperity of Oregonians through the collection and dissemination of geoscientific information and prudent regulation. The department is divided into two program areas: the Geologic Survey and Services (GS&S) program and the Mineral Land Regulation and Reclamation (MLRR) program. The budget recommended by the Subcommittee includes a total funds budget of \$22,032,533 and 39 positions (39.00 FTE).

Geologic Survey and Services

The GS&S program gathers geoscientific data and maps mineral resources and hazards. The program has prioritized geographic areas needing tsunami hazard mapping, landslide hazard studies, flooding hazard studies, and earthquake risk mapping. The information is shared with state and local policymakers for land use planning, facility siting, building code and zoning changes, and emergency planning. GS&S program staff is comprised of geologists, geomorphologists, and GIS analysts. The program's administrative staff supports both its activities and those of the MLRR program. The budget recommended by the Subcommittee includes \$15,187,859 total funds and 23 positions (22.70 FTE), which is an increase of 3.5 percent from the 2021-23 Legislatively Approved Budget.

Package 105: Coordinator, Office Spec, Position Adjustment. This package provides an additional 0.08 FTE to an existing, filled, permanent full-time Geologist (Natural Resources Specialist 3) position increasing the position to 1.00 FTE. The position is funded through a split of General Funds, Other Funds, and Federal Funds. The increase in FTE equates to an increase of \$5,815 Other Funds expenditure limitation and \$12,047 Federal Funds expenditure limitation.

Package 801: LFO Analyst Adjustments. This package shifts \$82,170 General Fund from Services and Supplies to Personal Services in order to fund an upward reclassification for the GS&S Program Manager. The Department of Administrative Services Chief Human Resources Office (DAS CHRO) has recommended the position be reclassified to a Natural Resource Protection and Sustainability Manager 2, to align with The Oregon Management Project (TOMP) classifications.

Mined Land Regulation and Reclamation

The MLRR program administers the Mined Land Regulation Act (1971) for the state and regulates mineral, aggregate, oil and gas, and geothermal exploration, extraction, and development. In addition, DOGAMI has an agreement with the Oregon Department of Environmental Quality (DEQ) to implement the federal Clean Water Act General Stormwater Permit and the State Water Pollution Control Facility Permit at aggregate mine sites. The dual goals of the permitting program are to: (1) eliminate or minimize, to the greatest extent possible, the environmental impacts of mineral development on-site and off-site, during the life of the project, using conditioned operating permits and (2) guarantee, through security bonding and reclamation plans, the disturbed area will be reclaimed to an approved secondary beneficial use at the end of mining. The budget recommended by the subcommittee includes \$6,844,674 total funds and 16 positions (16.30 FTE), which is a 59.6 percent increase from the 2021-23 Legislatively Approved Budget.

Package 101: MLRR e Permitting. Currently, the MLRR program operates primarily in paper form. As a result, core business tasks, such as processing new permit applications, records requests, permit renewals, and payments are cumbersome and time consuming for program staff, customers, and the public. The department seeks to implement a paperless ePermitting system and online customer interface to improve MLRR service delivery and performance. This package appropriates a total of \$2 million General Fund on a one-time basis and establishes a limited duration Project Manager 2 (1.00 FTE) and a limited duration Information Systems Specialist 3 (1.00 FTE) to implement a modern, paperless

system. Also included in the package is a one-time funding shift of one Information Systems Specialist 5 position from Other Funds to General Fund to assist with the implementation of the package.

The project will be delivered as an extension, or “wave 4” of DEQ’s “Your DEQ Online” project. DOGAMI intends to use DEQ’s recent modernization solution as a basis for their ePermitting system, as well as utilizing DEQ’s project knowledge and staff expertise. For over two years, the departments have been working together collaboratively and engaging with Enterprise Information Systems, to develop the ePermitting proposal and implementation plan. While DOGAMI cannot directly use DEQ’s system, they can use the underlying structure to develop a fit for purpose system, realizing a streamlined, efficient and more cost-effective solution. DOGAMI’s MLRR program operates under delegated authority from DEQ, and therefore the collaboration between agencies to improve the MLRR program through this modernization effort has a natural nexus.

The subcommittee approved the following two budget notes:

Budget Note:

The Department of Geology and Mineral Industries (DOGAMI) shall report to the Joint Committee on Ways and Means during the 2024 legislative session regarding the implementation of the Department’s ePermitting system. This shall be a comprehensive report including, at a minimum, the following information:

- Project governance, management, and staffing;
- Project status, including Stage Gate status, schedule, budget, and total cost;
- Current project risks, likely impacts, and mitigation strategies;
- Other information that helps inform the Legislature on the status of the project or issues that have arisen as the result of the project.

The report shall be provided to the Joint Committee on Ways and Means no later than January 31, 2024.

Budget Note:

The Department of Geology and Mineral Industries (DOGAMI) is implementing a paperless ePermitting system and customer interface to improve process, productivity, and service delivery. The Department, in consultation with the DOGAMI Governing Board, shall develop at least one additional Key Performance Measure designed to demonstrate the efficiency and effectiveness of the new system, as it relates to Mineral Land Regulation and Reclamation permit processing. The Department should identify a meaningful measurement, method of quantifying the results, and appropriate performance target for factors including, but not limited to, timeliness and accuracy. The additional Key Performance Measure is to be established and proposed for legislative consideration during the 2025-27 budget development process.

Package 104: Consolidated Permitting Lead. This package increases Other Funds expenditure limitation by \$239,308 and re-establishes one full-time limited duration position (1.00 FTE), originally established in the 2021-23 biennium. The position related to this package would increase the capacity of the MLRR permitting process to assist with a new chemical-process goldmine permit. The level of workload for this application has increased beyond the originally established 0.75 FTE and is currently being supplemented through third-party contractors. Moreover, the agency anticipates additional applications will be submitted under the chemical mining rules. The position is funded through a cost-recovery agreement with the permit applicant.

Package 107: Unpermitted Surface Mining Program. This package increases Other Funds expenditure limitation by \$422,700 for establishment of two full-time limited duration positions (2.00 FTE), as well as Services and Supplies, to provide the MLRR program with additional capacity for site inspections and permitting. The Natural Resource Specialist 3 (1.00 FTE) is a Compliance Coordinator, providing investigation of complaints, routine site inspections, tracking of enforcement actions, and other compliance activities. The Natural Resource Specialist 2 (1.00 FTE) is a Permit Reviewer, providing interagency coordination, permit application review and outreach to applicants. Both positions are supported by permitting fee revenue. The need for these limited duration positions will reduce as the number of unpermitted sites of concern are reduced.

Package 801: LFO Analyst Adjustments. This package provides Other Fund expenditure limitation, supported by fees and charges for service, to fund an upward reclassification for the Mineral Land Regulation and Reclamation Program Manager. The DAS CHRO has recommended the position be reclassified to a Natural Resource Protection and Sustainability Manager 2, as part of TOMP classifications.

Summary of Performance Measure Action

See attached Legislatively Adopted 2023-25 Key Performance Measures form.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Geology and Mineral Industries
Sione Filimoehala--971-707-8779

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2021-23 Legislatively Approved Budget at Jan 2023 *	\$ 6,444,037	\$ -	\$ 6,753,317	\$ -	\$ 5,765,844	\$ -	18,963,198	35	34.67
2023-25 Current Service Level (CSL)*	\$ 7,154,908	\$ -	\$ 6,839,124	\$ -	\$ 5,510,086	\$ -	19,504,118	34	33.92
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 010 - Geologic Survey									
Package 105: Coordinator, Office Spec, Position									
Personal Services	\$ -	\$ -	\$ 5,815	\$ -	\$ 12,047	\$ -	17,862	0	0.08
Package 801: LFO Analyst Adjustments									
Personal Services	\$ 82,170	\$ -	\$ -	\$ -	\$ -	\$ -	82,170	0	0.00
Services and Supplies	\$ (82,170)	\$ -	\$ -	\$ -	\$ -	\$ -	(82,170)		
SCR 020 - Mined Land Reclamation									
Package 101: ePermitting									
Personal Services	\$ 600,419	\$ -	\$ (181,894)	\$ -	\$ -	\$ -	418,525	2	2.00
Services and Supplies	\$ 1,399,581	\$ -	\$ -	\$ -	\$ -	\$ -	1,399,581		
Package 104: Consolidated Permitting Lead									
Personal Services	\$ -	\$ -	\$ 232,592	\$ -	\$ -	\$ -	232,592	1	1.00
Services and Supplies	\$ -	\$ -	\$ 6,716	\$ -	\$ -	\$ -	6,716		
Package 107: Unpermitted Surface Mining Program									
Personal Services	\$ -	\$ -	\$ 391,641	\$ -	\$ -	\$ -	391,641	2	2.00
Services and Supplies	\$ -	\$ -	\$ 31,059	\$ -	\$ -	\$ -	31,059		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 30,439	\$ -	\$ -	\$ -	30,439	0	0.00
TOTAL ADJUSTMENTS	\$ 2,000,000	\$ -	\$ 516,368	\$ -	\$ 12,047	\$ -	2,528,415	5	5.00
SUBCOMMITTEE RECOMMENDATION *	\$ 9,154,908	\$ -	\$ 7,355,492	\$ -	\$ 5,522,133	\$ -	22,032,533	39	39.00
% Change from 2021-23 Leg Approved Budget	42.1%	0.0%	8.9%	0.0%	(4.2%)	0.0%	16.2%	11.4%	12.5%
% Change from 2023-25 Current Service Level	28.0%	0.0%	7.6%	0.0%	0.2%	0.0%	13.0%	14.7%	15.0%

*Excludes Capital Construction Expenditures

PRELIMINARY

Legislatively Approved 2023 - 2025 Key Performance Measures

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Agency: Department of Geology and Mineral Industries

Mission Statement:

Provide earth science information and regulation to make Oregon safe and prosperous.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
1. HAZARD AND RISK ASSESSMENT COMPLETION - Percent of population residing in Oregon Urban Growth Boundary Areas (UGBs) that have completed geologic hazard and risk assessments that are suitable to initiate Department of Land Conservation and Development goal 7 planning for earthquake, landslide, tsunami, coastal erosion, volcanic and flooding hazards.		Approved	68%	67%	72%
2. DETAILED GEOLOGIC MAP COMPLETION - Percent of Oregon where geologic data in the form of high resolution maps have been completed to be used for local problem solving.		Approved	62.80%	67%	68%
3. LIDAR DATA COMPLETION - Percent of Oregon (sq. miles) with lidar data at USGS quality level 2 or better.		Approved	60.50%	58%	60%
4. MINE SITE INSPECTIONS - Percent of active mine sites inspected annually.		Approved		20%	25%
5. 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.	Helpfulness	Approved	74.60%	95%	95%
	Overall		80.70%	95%	95%
	Accuracy		78.10%	95%	95%
	Expertise		78.10%	95%	95%
	Availability of Information		78.90%	95%	95%
	Timeliness		77.20%	95%	95%
6. GOVERNANCE - Percent of yes responses by Governing Board members to the set of best practices.		Approved	100%	100%	100%
4. PERCENT OF MINE SITES INSPECTED BIENNIALY - Percent of permitted mine sites inspected biennially.		Legislatively Deleted	7%		

LFO Recommendation:

The Department has a budget note included with SB 5510 directing development of at least one additional Key Performance Measure for the 2025-27 biennial budget. The measure, or measures, shall be designed to demonstrate the efficiency and effectiveness of the new ePermitting system, with regard to the timeliness and accuracy of permit processing.

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets.

SubCommittee Action:

The Natural Resources Subcommittee approved the Key Performance Measures and targets, as presented.