

SB 5520 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Department of Environmental Quality
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
General Fund	\$ 80,191,250	\$ 77,469,517	\$ 79,152,028	\$ (1,039,222)	(1.3%)
General Fund Debt Service	\$ 10,086,375	\$ 6,155,503	\$ 6,155,503	\$ (3,930,872)	(39.0%)
Lottery Funds	\$ 6,812,996	\$ 7,038,076	\$ 7,038,076	\$ 225,080	3.3%
Other Funds Limited	\$ 322,451,914	\$ 329,977,392	\$ 346,894,304	\$ 24,442,390	7.6%
Other Funds Debt Service	\$ 271,000	\$ -	\$ -	\$ (271,000)	(100.0%)
Other Funds Nonlimited	\$ 270,280,000	\$ 270,280,000	\$ 340,360,000	\$ 70,080,000	25.9%
Other Funds Debt Service Nonlimited	\$ 21,071,800	\$ 2,191,975	\$ 22,271,975	\$ 1,200,175	5.7%
Federal Funds Limited	\$ 69,463,861	\$ 44,036,857	\$ 164,535,060	\$ 95,071,199	136.9%
Total	\$ 780,629,196	\$ 737,149,320	\$ 966,406,946	\$ 185,777,750	23.8%

Position Summary

Authorized Positions	873	862	894	21
Full-time Equivalent (FTE) positions	857.59	856.30	885.36	27.77

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Department of Environmental Quality (DEQ) is funded primarily with Other Funds but also receives General Fund, Measure 76 dedicated Lottery Funds, and Federal Funds. Other Funds revenue is provided by a variety of fees, permits, and charges for services. A large part of both the revenues and expenditures are budgeted as Other Funds Nonlimited, which supports two programs at DEQ: the Clean Water State Revolving Fund (CWSRF) loan program and the Orphan Site Cleanup program. CWSRF makes low interest loans to communities for the construction or upgrade of sewage treatment facilities, and the Orphan Site Cleanup program investigates and cleans up polluted sites where the owner cannot be identified, or the owner is unable or unwilling to perform the necessary cleanup actions.

Summary of Natural Resources Subcommittee Action

The mission of DEQ is to be a leader in restoring, maintaining, and enhancing the quality of Oregon's air, water, and land. To achieve this mission, the Department administers laws regulating air, water, and land pollution. The United States Environmental Protection Agency has

delegated its authority to DEQ to implement federal environmental programs in Oregon. The Department regulates industrial air pollution and works to reduce vehicle pollution through emissions testing and diesel fuel programs. It sets and enforces water quality standards, monitors river basins, measures groundwater quality, and regulates waste discharges from city sewage treatment and industrial facilities. It also regulates hazardous waste disposal, promotes solid waste reduction, regulates underground storage tanks, and enhances environmental cleanup. This work is done under the direction of the five-member Environmental Quality Commission.

The Subcommittee recommended a budget of \$966,406,946 total funds, which includes \$85,307,531 General Fund, \$7,038,076 Lottery Funds, \$346,894,304 Other Funds expenditure limitation, \$362,631,975 Other Funds Nonlimited, \$164,535,060 Federal Funds expenditure limitation, and 894 positions (885.36 FTE), which represents a total funds increase of \$185,777,750 (23.8%) from the 2023-25 legislatively approved budget.

Air Quality

The Air Quality Program is responsible for air quality standards in Oregon, under the federal Clean Air Act and state statutes. The Program focuses on managing and restoring Oregon's air to protect people from breathing harmful toxins and pollution, reduce greenhouse gases, ensure visibility, and maintain the ability of business and industry to locate and thrive in our communities. The staff is responsible for regulating and monitoring air toxins, data analysis, enforcement, policy and planning, and rule development. The only area of the state not covered by DEQ is the Lane Regional Air Pollution Authority area. DEQ receives an appropriation for the Lane Regional Air Pollution Authority, which it passes on to the regional authority. The Program works to reduce air pollution posing a threat to human health and the environment, including emissions from vehicles, woodstoves, fuels, solvents, field burning, asbestos removal, power generation, industry and other pollution sources. The Program also works closely with the Oregon Health Authority on Cleaner Air Oregon, an initiative to update industrial air toxics regulations.

The Subcommittee recommended a budget of \$290,297,257 total funds, which includes \$26,566,173 General Fund, \$128,108,307 Other Funds expenditure limitation, \$135,622,777 Federal Funds expenditure limitation, and 292 positions (288.79 FTE). The Subcommittee recommended the following packages:

Package 082, September 2024 Emergency Board. This package provides \$114.7 million Federal Funds expenditure limitation as well as six permanent full-time positions (6.00 FTE) to continue implementation of the Climate Pollution Reduction Grant awarded by the U.S. Environmental Protection Agency. An initial amount of Federal Funds expenditure limitation and the six positions were approved by the Emergency Board in September 2024.

Package 110, Air Contaminant Discharge Permitting Support. This package proposes a 20% increase to the fees supporting the Air Contaminant Discharge Permitting (ACDP) program, through rule, and establishes five permanent full-time positions (5.00 FTE) to maintain service levels and oversight in the program. The additional staff includes an Administrative Specialist 1, an Environmental Engineer 2, a Natural Resource

Protection and Sustainability Manager 2, and two Environmental Engineer 3 positions. ACDP regulates industrial sources not subject to the federal Title V permit program, and the proposed fee increases would be effective in 2026.

Package 111, Support for Greenhouse Gas Reporting Program. This package proposes modification of the fee cap for the Greenhouse Gas Reporting program to maintain current service levels. The package includes a revenue increase of \$950,000 in the 2025-27 biennium.

Package 112, Accelerate Cleaner Air Oregon Risk Assessments. This package provides \$1 million Other Funds expenditure limitation and establishes three permanent, full-time positions (3.00 FTE) to support the Cleaner Air Oregon program and accelerate the pace of risk assessments. The Department reports the program currently has sufficient revenue to support the additional positions for two biennia. A Natural Resource Specialist 4 (1.00 FTE) and two Environmental Engineer 3 positions (2.00 FTE) will provide dedicated technical staff for specific sources, to offer expertise and assistance, and expedite the process for facilities.

Package 171, Agency Reclass Package. This package provides \$16,342 Other Funds expenditure limitation to support three reclassifications to better align position classifications to the body of work assigned. All position actions have been reviewed and approved by the Department of Administrative Services Chief Human Resources Office. Reclassifications include:

- Operations and Policy Analyst 2 to a Program Analyst 2
- Representation change for an Operations and Policy Analyst 2 from management service
- Natural Resource Specialist 4 to a level 5

Package 801, LFO Analyst Adjustments. This package provides just over \$1 million General Fund and establishes three permanent, full-time positions (2.25 FTE), including a Natural Resource Specialist 4 (0.75 FTE) and two Environmental Engineer 3 positions (1.50 FTE) at step 7. The additional staff will implement a new program element under the Climate Protection Program intended to work with industry, environmental advocates, and interested parties to update rules, establishing facility-specific carbon intensity baselines for each of the facilities and their activities. Additionally, the package provides \$6.5 million in Federal Funds expenditure limitation to continue implementation of the Clean Heavy-Duty Vehicles grant program awarded in December 2024, which will accelerate the adoption and deployment of eligible Class 6 and 7 zero-emission vehicles. In Oregon, this will primarily fund the purchase of clean school buses.

Package 802, Vacant Position Reductions. This package reduces General Fund by approximately \$0.6 million for the elimination of two long-term vacancies (2.00 FTE) that have been vacant between 18 and 44 months, as well as the associated services and supplies. Positions include a Scientific Instrument Technician (1.00 FTE) and a Program Analyst 3 (1.00 FTE).

Package 804, Position Rebalance. This Package reduces General Fund by \$6,242 and Other Funds expenditure limitation by \$21,155 in the Air Quality division as the result of several position actions to better align classifications to the body of work assigned. This package isolates the

Department's balanced reclassifications requested as part of Package 170. The General Fund cost of reclassifications for both the Air Quality and Water Quality divisions has been covered by a reduction to services and supplies. All positions have been reviewed and approved by the Department of Administrative Services Chief Human Resources Office. Reclassifications include:

- Office Specialist 2 to a Supply Specialist 2
- Office Specialist 2 to a Procurement and Contract Assistant
- Natural Resource Protection and Sustainability Manager 2 to Natural Resource Protection and Sustainability Manager 3
- Natural Resource Specialist 3 to Natural Resource Specialist 4
- Information Systems Specialist 6 to Information Systems Specialist 3
- Natural Resource Specialist 3 to Natural Resource Specialist 2
- Abolish a Natural Resource Specialist 4 to establish a Natural Resource Protection and Sustainability Manager 2

Water Quality

The Water Quality Program assesses environmental conditions through monitoring and scientific analysis. The Program sets quality standards to ensure the water is clean, develops pollution control strategies, creates clean water management plans with local communities, and regulates industrial and municipal sources of water pollution through permits, inspections, and enforcement. Much of the work is done locally; however, DEQ staff directly manage the regulation of wastewater treatment plants, septic system permitting to protect groundwater, and the regulation of industrial discharge to the state's waters. The Program works closely with the Oregon Water Resources Department and other state agencies to achieve goals and objectives of Oregon's Integrated Water Resources Strategy.

The Subcommittee recommended a budget of \$113,880,863 total funds, which includes \$47,345,738 General Fund, \$7,038,076 Lottery Funds, \$40,413,657 Other Funds expenditure limitation, \$19,083,392 Federal Funds expenditure limitation, and 261 positions (253.94 FTE). The Subcommittee recommended the following packages:

Package 070, Revenue Reductions. The package reduces Federal Funds expenditure limitation by \$1.1 million, Other Funds expenditure limitation by \$0.9 million, and eliminates five permanent, full-time positions (5.00 FTE). These reductions are necessary to adjust the current service level budget to available revenue. Federal funding for the Clean Water Act has remained relatively flat for several biennia, while operational costs have increased. As a result, two filled Water Quality positions (2.00 FTE) that serve as a basin coordinator and a permit writer have been abolished. The reduction of Other Funds expenditure limitation and three positions (3.00 FTE) is the result of a fee revenue shortfall in the Onsite Septic System program.

Package 120, Maintain Fee-Funded Water Quality Programs. This package authorizes fee increases in the Onsite Septic System program; the Wastewater Operator Certification program; the Dredge/Fill Water Quality Certification program; and the Underground Injection Control program to maintain current service levels in the 2025-27 biennium. The package also provides \$0.7 million Other Funds expenditure limitation for the Onsite Septic System program and restores two permanent, full-time positions (2.00 FTE) eliminated in Package 070.

Package 121, Water Infrastructure Grant and Loan Support. This package provides \$0.2 million Other Funds expenditure limitation, \$0.3 million Federal Funds expenditure limitation, and authorizes the establishment of two permanent, full-time positions (2.00 FTE) to enhance community engagement and technical assistance for the Clean Water State Revolving Fund grant program. This program provides financial assistance for community water infrastructure projects. Revenue supporting the package comes in loan repayments as well as annual federal capitalization grants from the U.S. Environmental Protection Agency.

Package 170, Address Critical Resource Gaps. This package provides \$1.3 million General Fund and three permanent, full-time positions (2.88 FTE) to restore two filled, permanent, full-time Natural Resource Specialist 4 positions (2.00 FTE) abolished in Package 070 due to a Federal Funds shortfall in the Water Pollution Control grant funding. The positions include a permit writer and a basin coordinator that support the timeliness of permit issuance. Additionally, the package establishes an Environmental Law Specialist (0.88 FTE) for the Office of Compliance and Enforcement.

Package 171, Agency Reclass Package. This package includes a net zero position reclassification from a Natural Resource Specialist 3 (1.00 FTE) to a Program Analyst 2 (1.00 FTE) to better align the position classification to the body of work assigned. This position action has been reviewed and approved by the Department of Administrative Services Chief Human Resources Office.

Package 804, Position Rebalance. This package includes \$6,242 General Fund and reduces Other Funds expenditure limitation by \$22,725 for the Water Quality program. This package isolates the Department's balanced reclassifications requested as part of Package 170 and the General Fund cost of reclassifications for both the Air Quality and Water Quality programs has been covered by a reduction to services and supplies in the Air Quality Program. All positions have been reviewed and approved by the Department of Administrative Services Chief Human Resources Office.

Land Quality

The Land Quality Program issues permits for facilities to ensure responsible management of solid waste and works with watersheds to minimize waste disposal. The Program maintains reports on the use of toxic substances and generation of hazardous waste and provides technical assistance to businesses. Staff also provide oversight for the investigation and cleanup of contaminated properties and issues operating certificates to gas stations. The Program coordinates with federal, state, and local government partners to respond to spills of dangerous materials. The Program also contains the ballast water program, which seeks to control invasive species being introduced into

Oregon water by the ballast water of ships. Because of its responsibility to address marine oil spills, this program is responsible for coordinating with federal, state, and local partners to address emergency spills.

The Subcommittee recommended a budget of \$136,774,938 total funds, which includes \$2,943,780 General Fund, \$124,002,267 Other Funds expenditure limitation, \$9,828,891 Federal Funds expenditure limitation, and 226 positions (228.58 FTE). The Subcommittee recommended the following packages:

Package 130, Stabilize Leaking Underground Storage Tanks. This package provides \$0.6 million Other Funds expenditure limitation to make two limited duration positions permanent (2.00 FTE) to stabilize the Leaking Underground Storage Tank program. The positions are supported by cost recovery funding from the Leaking Underground Storage Tank program, Heating Oil Tank program, and Environmental Cleanup program. Both workload and the revenue recovered are sufficient to necessitate and pay for the positions permanently.

Package 131, Support Environmental Cleanup Program Actions. This package provides \$0.7 million Other Funds expenditure limitation and establishes three permanent, full-time positions (2.63 FTE) to oversee and implement cleanup activities at two high priority cleanup sites: Columbia Slough and Armstrong World Industries. New Environmental Cleanup program staff are funded through the settlement agreements and include a Procurement and Contract Specialist 3 (0.92 FTE) and two Natural Resource Specialist 2 positions (1.71 FTE).

Package 132, Fuel Tank Seismic Stability. This package provides \$0.3 million Other Funds expenditure limitation and establishes one full-time Operations and Policy Analyst 4 (1.00 FTE) to make permanent an existing limited duration position necessary for continued implementation of Senate Bill 1567 (2022), which outlines the requirements of the Department's Fuel Tank Seismic Stability program. Existing revenue in the Fuel Tank Seismic Stability Fund is sufficient to support the position.

Package 133, Support Materials Management Implementation. This package provides approximately \$1 million Other Funds expenditure limitation and establishes four permanent, full-time positions (3.55 FTE) to support the statewide solid waste management plan for the Materials Management program. Additional staff includes an Operations and Policy Analyst 2 (0.92 FTE), an Operations and Policy Analyst 3 (0.92 FTE), and conversion of a limited duration Natural Resource Specialist 3 and a limited duration Natural Resource Specialist 4 to permanent (0.83 FTE and 0.88 FTE). The positions are supported by existing revenue from solid waste disposal fees.

Package 134, Orphan Limitation for 23-25 Bond Proceeds. This package provides \$10 million Other Funds expenditure limitation to spend proceeds from a General Obligation bond issuance authorized in through House Bill 5005 (2023). The bond proceeds will replenish the Orphan Site Account, which is used to fund investigations and cleanup at sites where responsible parties are unknown, unable, or unwilling to perform cleanup at the site.

Package 171, Agency Reclass Package. This package provides \$67,728 Other Funds expenditure limitation to support two position reclassifications to better align staffing resources to the body of work assigned. All position actions have been reviewed and approved by the Department of Administrative Services Chief Human Resources Office.

Agency Management

DEQ's Agency Management Program provides leadership, fiscal management, central services, and technical support to the department. The program includes the Office of the Director, the Central Services Program, the Office of Policy and Analysis, and the Office of Compliance and Enforcement. The Subcommittee recommended a budget of \$56,666,410 total funds, which includes \$2,296,337 General Fund, \$54,370,073 Other Funds expenditure limitation, and 115 positions (114.05 FTE). The Subcommittee recommended the following packages:

Package 140, Maintain Agency Support Staff. This package includes \$1.3 million Other Funds expenditure limitation and establishment of five permanent, full-time positions (3.75 FTE) to support central support functions for the agency. Positions include:

- Information Systems Specialist 7 (0.50 FTE) to support agency-wide information technology systems and closely work with the Department of Administrative Services, Cyber Security Services, to implement state security standards;
- Information Systems Specialist 4 (1.00 FTE) to provide helpdesk support and external user support;
- Business Operations Administrator 1 (1.00 FTE) converts an existing limited duration position to permanent and provides executive leadership in the division; and
- Two Operations and Policy Analyst 3 positions (0.75 FTE and 0.50 FTE) - one to serve as a policy and project manager for agency-wide strategic planning, and the other to lead the policy team and develop and update agency-wide policies.

Package 143, State Data Center. This package provides \$0.3 million Other Funds expenditure limitation to support the Department's expanded use of State Data Center services. The Department plans to transition several additional servers, including multiple database servers, to the State Data Center during the 2025-27 biennium. The expenditure limitation is supported by revenue from the Agency's internal assessment for indirect costs.

Package 171, Agency Reclass Package. This package reduces Other Funds expenditure limitation by \$48,806 for the Agency Management program as the net result of several position actions to better align staffing resources to the body of work assigned. All position actions have been reviewed and approved by the Department of Administrative Services Chief Human Resources Office.

Non-limited

The Nonlimited Program contains the Department's bond proceeds for its State Revolving Fund. The Clean Water State Revolving Fund (CWSRF) and the Orphan Site Account. CWSRF provides below market interest rate loans to local municipalities for wastewater treatment facilities and upgrades, sewer replacement and rehabilitation, stormwater controls, irrigation improvements, and certain types of nonpoint

source projects such as animal waste management or stream restoration. CWSRF is implemented through DEQ's Water Quality program budget. The Orphan Site Account is used to fund investigations and cleanup at sites where parties responsible for the pollution are unknown, unable, or unwilling to perform cleanup-related work. The Orphan Site Account is also used to meet Oregon obligations at federally funded Superfund sites.

The Subcommittee recommended a budget includes \$340,360,000 Other Funds Nonlimited. The Subcommittee recommended the following package:

Package 181, Clean Water SRF – Loans and Bonds. This package includes \$70.1 million Other Funds Nonlimited CWSRF loans. 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. The Department 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 cost of bond issuance is included in this package; however, the debt service is included in Package 191.

PCBF Debt Service

The PCBF Debt Service Program exists as a storehouse for the Department to make debt service payments. The Program is typically used to support loans from CWSRF. The Subcommittee recommended a budget of \$28,427,478 total funds, including \$6,155,503 General Fund and \$22,271,975 Other Funds Nonlimited. The Subcommittee recommended the following package:

Package 191, Clean Water SRF – Debt Service. This package includes \$20.1 million Other Funds Nonlimited for debt service related to General Obligation bonds issued to meet the state match for federal capitalization grants to maintain the Clean Water State Revolving Fund. The bonds are short-term and fully redeemed during the 2025-27 biennium with no carryover into subsequent biennia. The Department sources all debt service from interest earnings in the fund, deeming these General Obligation bonds as "self-financed."

Summary of Performance Measure Action

See attached Legislatively Adopted 2025-27 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Environmental Quality
Sione Filimoehala -- 971-707-8779

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 *	\$ 90,277,625	\$ 6,812,996	\$ 322,722,914	\$ 291,351,800	\$ 69,463,861	\$ -	\$ 780,629,196	873	857.59
2025-27 Current Service Level (CSL)*	\$ 83,625,020	\$ 7,038,076	\$ 329,977,392	\$ 272,471,975	\$ 44,036,857	\$ -	\$ 737,149,320	862	856.30
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 001 - Air Quality									
Package 082: September 2024 Emergency Board									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 1,636,260	\$ -	\$ 1,636,260	6	6.00
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ 76,564,362	\$ -	\$ 76,564,362		
Special Payments	\$ -	\$ -	\$ -	\$ -	\$ 36,541,617	\$ -	\$ 36,541,617		
Package 110: Air Contaminant Discharge Permitting Support									
Personal Services	\$ -	\$ -	\$ 1,363,384	\$ -	\$ -	\$ -	\$ 1,363,384	5	5.00
Services and Supplies	\$ -	\$ -	\$ 192,500	\$ -	\$ -	\$ -	\$ 192,500		
Package 112: Accelerate Cleaner Air Oregon Risk Assessments									
Personal Services	\$ -	\$ -	\$ 891,262	\$ -	\$ -	\$ -	\$ 891,262	3	3.00
Services and Supplies	\$ -	\$ -	\$ 115,500	\$ -	\$ -	\$ -	\$ 115,500		
Package 171: Agency Reclass Package									
Personal Services	\$ -	\$ -	\$ 16,342	\$ -	\$ -	\$ -	\$ 16,342	0	0.00
Package 801: LFO Analyst Adjustments									
Personal Services	\$ 768,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 768,790	3	2.25
Services and Supplies	\$ 286,501	\$ -	\$ -	\$ -	\$ 6,543,857	\$ -	\$ 6,830,358		
Package 802: Vacant Position Reductions									
Personal Services	\$ (549,339)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (549,339)	(2)	(2.00)
Services and Supplies	\$ (77,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (77,000)		
Package 804: Position Rebalance									
Personal Services	\$ (6,242)	\$ -	\$ (21,155)	\$ -	\$ -	\$ -	\$ (27,397)	0	0.00
SCR 002 - Water Quality									
Package 070: Revenue Shortfalls									
Personal Services	\$ -	\$ -	\$ (900,133)	\$ -	\$ (708,580)	\$ -	\$ (1,608,713)	(5)	(5.00)
Special Payments	\$ -	\$ -	\$ -	\$ -	\$ (355,523)	\$ -	\$ (355,523)		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 121: Water Infrastructure Grants and Loan Support									
Personal Services	\$ -	\$ -	203,440	\$ -	237,710	\$ -	441,150	2	2.00
Services and Supplies	\$ -	\$ -	38,500	\$ -	38,500	\$ -	77,000		
Package 170: Address Critical Resource Gaps									
Personal Services	\$ 964,332	\$ -	-	\$ -	-	\$ -	964,332	3	2.88
Services and Supplies	\$ 289,227	\$ -	-	\$ -	-	\$ -	289,227		
Package 804: Position Rebalance									
Personal Services	\$ 4,952	\$ -	(22,725)	\$ -	-	\$ -	(17,773)	0	0.00
Services and Supplies	\$ 1,290	\$ -	-	\$ -	-	\$ -	1,290		
SCR 003 - Land Quality									
Package 130: Stabilize Leaking Underground Storage Tanks									
Personal Services	\$ -	\$ -	548,846	\$ -	-	\$ -	548,846	2	2.00
Services and Supplies	\$ -	\$ -	77,000	\$ -	-	\$ -	77,000		
Package 131: Support Environmental Cleanup Program Actions									
Personal Services	\$ -	\$ -	613,255	\$ -	-	\$ -	613,255	3	2.63
Services and Supplies	\$ -	\$ -	101,062	\$ -	-	\$ -	101,062		
Package 132: Fuel Tank Seismic Stability									
Personal Services	\$ -	\$ -	277,738	\$ -	-	\$ -	277,738	1	1.00
Services and Supplies	\$ -	\$ -	38,500	\$ -	-	\$ -	38,500		
Package 133: Support Materials Management Implementation									
Personal Services	\$ -	\$ -	892,163	\$ -	-	\$ -	892,163	4	3.55
Services and Supplies	\$ -	\$ -	136,226	\$ -	-	\$ -	136,226		
Package 134: Orphan Limitation for 23-25 Bond Proceeds									
Services and Supplies	\$ -	\$ -	10,000,000	\$ -	-	\$ -	10,000,000		
Package 171: Agency Reclass Package									
Personal Services	\$ -	\$ -	67,728	\$ -	-	\$ -	67,728	0	0.00
SCR 004 - Agency Management									
Package 140: Maintain Agency Support Staff									
Personal Services	\$ -	\$ -	1,203,016	\$ -	-	\$ -	1,203,016	5	3.75
Services and Supplies	\$ -	\$ -	144,375	\$ -	-	\$ -	144,375		
Package 143: State Data Center									
Services and Supplies	\$ -	\$ -	335,000	\$ -	-	\$ -	335,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 171: Agency Reclass Package									
Personal Services	\$ -	\$ -	\$ (48,806)	\$ -	\$ -	\$ -	\$ (48,806)	0	0.00
SCR 008 - Nonlimited									
Package 181: Clean Water SRF - Loans and Bonds									
Services and Supplies	\$ -	\$ -	\$ -	\$ 80,000	\$ -	\$ -	\$ 80,000		
Special Payments	\$ -	\$ -	\$ -	\$ 70,000,000	\$ -	\$ -	\$ 70,000,000		
SCR 009 - Debt Service									
Package 191: Clean Water SRF - Debt Service									
Debt Service	\$ -	\$ -	\$ -	\$ 20,080,000	\$ -	\$ -	\$ 20,080,000		
TOTAL ADJUSTMENTS	\$ 1,682,511	\$ -	\$ 16,916,912	\$ 90,160,000	\$ 120,498,203	\$ -	\$ 229,257,626	32	29.06
SUBCOMMITTEE RECOMMENDATION *	\$ 85,307,531	\$ 7,038,076	\$ 346,894,304	\$ 362,631,975	\$ 164,535,060	\$ -	\$ 966,406,946	894	885.36
% Change from 2023-25 Leg Approved Budget	(5.5%)	3.3%	7.5%	24.5%	136.9%	0.0%	23.8%	2.4%	3.2%
% Change from 2025-27 Current Service Level	2.0%	0.0%	5.1%	33.1%	273.6%	0.0%	31.1%	3.7%	3.4%

Legislatively Approved 2025 - 2027 Key Performance Measures

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Agency: Department of Environmental Quality

Mission Statement:

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

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. AIR QUALITY DIESEL EMISSIONS - Quantity of diesel particulate emissions (in tons).		Approved	1,699	2,100	2,100
2. 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	91	25	25
	b) National Standards Number of days when air is unhealthy for all groups		109	6	6
3. AIR QUALITY - AIR TOXICS - Air Toxics Trends in Larger and Smaller Communities	a) Air Toxics Trends in Large Communities	Approved	19.40	8	8
	b) Air Toxics Trends in Smaller Communities		19.50	8	8
4. Permit Timeliness - Issuance of new permits - Percentage of new air quality permits that are issued within timeliness targets.	a) Permit Timeliness - Issuance of new permits (Air Contaminant Discharge Permits)	Approved	39%	80%	80%
	b) Permit Timeliness - Issuance of new permits (Title V Permits)		50%	80%	80%
5. Permit Timeliness - Issuance of Permit Modifications - Percentage of air quality permit modifications issued within the target timeliness period.	a) Permit Timeliness - Issuance of Permit Modifications (Air Contaminant Discharge Permits)	Approved	68%	80%	80%
	b) Permit Timeliness - Issuance of Permit Modifications (Title V Permits)		64%	80%	80%
6. Permit Timeliness - Current Permits - Percent of air quality permits that are current (not on administration extension)	a) Permit Timeliness - Current Permits (Air Contaminant Discharge Permits)	Approved	80%	80%	80%
	b) Permit Timeliness - Current Permits (Title V Permits)		62%	80%	80%
7. PERMIT TIMELINESS - Percentage of individual wastewater discharge permits issued within 270 days.		Approved	19%	50%	50%
8. UPDATED PERMITS - Percent of total wastewater permits that are current.		Approved	70%	75%	75%
9. 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	7%	20%	20%
	b) Percent of monitored stream sites with significantly declining trends in water quality		24%	15%	15%
	c) Percent of monitored stream sites with good to excellent water quality		50%	60%	60%
10. CLEANUP - Properties with known contamination cleaned up	a) Percent of heating oil tank sites cleaned up	Approved	87.64%	90%	90%
	b) Percent of regulated underground storage tank sites cleaned up		90.49%	95%	95%
	c) Percent of hazardous substance sites (non-tank) cleaned up		57.09%	65%	65%
11. MATERIALS MANAGEMENT - Waste generation		Approved	6,091,756	4,500,000	4,500,000
12. MATERIALS MANAGEMENT - Waste recovery		Approved	39.41%	50%	50%

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
13. 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	81%	90%	90%
	b) Availability of Information		67%	90%	90%
	c) Helpfulness		79%	90%	90%
	d) Accuracy		73%	90%	90%
	e) Timeliness		68%	90%	90%
	f) Overall		73%	90%	90%
14. ERT - Percent of local participants who rank DEQ involvement in Economic Revitalization Team process as good to excellent.		Approved	89%	90%	90%
15. BOARDS AND COMMISSIONS - Percent of total best practices met by the Environmental Quality Commission.		Approved	87%	100%	100%

LFO Recommendation:

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 recommended by the Legislative Fiscal Office.