

HB 5010 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Rep. Lively

Joint Committee On Ways and Means

Action Date: 06/06/25

Action: Do pass with amendments. (Printed A-Eng.)

House Vote

Yeas: 9 - Bowman, Evans, Gomberg, Levy E, Owens, Ruiz, Sanchez, Smith G, Valderrama

Nays: 3 - Breese-Iverson, Cate, Drazan

Senate Vote

Yeas: 8 - Broadman, Campos, Frederick, Girod, Lieber, President Wagner, Smith DB, Sollman

Nays: 3 - Anderson, Bonham, McLane

Exc: 1 - Manning Jr

Prepared By: Kendra Beck, Department of Administrative Services

Reviewed By: Katie Bannikov, Legislative Fiscal Office

Department of Geology and Mineral Industries

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	\$ 9,844,208	\$ 8,722,685	\$ 10,687,685	\$ 843,477	8.6%
Other Funds Limited	\$ 8,491,135	\$ 7,520,530	\$ 20,069,258	\$ 11,578,123	136.4%
Federal Funds Limited	\$ 5,663,435	\$ 5,988,729	\$ 5,988,729	\$ 325,294	5.7%
Total	\$ 23,998,778	\$ 22,231,944	\$ 36,745,672	\$ 12,746,894	53.1%

Position Summary

Authorized Positions	41	36	50	9
Full-time Equivalent (FTE) positions	40.50	36.00	48.80	8.30

⁽¹⁾ Includes adjustments through January 2025

* 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 (GS&S) 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 Mineral Land Regulation and Reclamation (MLRR) 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 continued implementation of an ePermitting system in the 2025-27 biennium.

The budget for GS&S includes limitation that assumes the program will continue to apply for and receive grants from Federal Emergency Management Administration's Cooperating Technical Partners program, National Weather Service's National Tsunami Hazard Mitigation program, U.S. Geological Survey's STATEMAP program, and U.S. Geological Survey's National Geological and Geophysical Data Preservation program, all of which are typically annual awards the Department has received for at least eight years, with some up to 32 years. This budget allows the Department to prospectively apply for these specific grants, without formally requesting approval through the Legislative process, due to the long-term consistency of receiving these funds.

The Natural Resources Subcommittee recommended budget includes a fee restructure and increase for the MLRR program in conjunction with Senate Bill 836 (2025) to more closely align program revenues with permitting and customer service demands. With the approval of the Subcommittee's recommended budget, MLRR's projected ending balance is equivalent to four months of operating expenses.

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 Subcommittee recommended a budget of \$36,745,672 total funds, which includes \$10,687,685 General Fund, \$20,069,258 Other Funds expenditure limitation, \$5,988,729 Federal Funds expenditure limitation, and 50 positions (48.80 FTE). The budget represents a total funds increase of 53.1% from the 2023-25 legislatively approved budget.

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 Geographic Information Systems (GIS) analysts. The program's administrative staff supports both its activities and those of the MLRR program.

The Subcommittee recommended a total budget of \$27,596,571, which includes \$8,862,685 General Fund, \$12,745,157 Other Funds expenditure limitation, \$5,988,729 Federal Funds expenditure limitation, and 29 positions (28.22 FTE). The recommended budget includes the following packages:

Package 100: GS&S – ESRI Cost Increase. This package provides \$140,000 General Fund to meet increased Environmental Systems Research Institute (ESRI) licensing fees. The software is used by most of the agency staff for GIS core services. The requested amount represents the price agreement cost of the licenses above the budgeted current service level for the agency.

Package 102: GS&S – Subsurface Geology and Mapping Program. This package increases Other Funds expenditure limitation by \$10 million, one-time, and establishes four limited duration, full-time positions (3.52 FTE) for a pilot program for building shovel-ready geologic carbon sequestration projects. The Department is working with the Department of State Lands (DSL) to develop opportunities on state lands. DSL is providing one-time funding of \$10 million for this project and DOGAMI expects to leverage these funds to obtain funding from other partners such as federal agencies, universities, and non-profit organizations in future biennia.

Mineral 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 Subcommittee recommended a total budget of \$9,149,101, which includes \$1,825,000 General Fund, \$7,324,101 Other Funds expenditure limitation, and 21 positions (20.58 FTE). The recommended budget includes the following packages:

Package 101: MLRR – ePermitting. This package provides \$1,825,000 General Fund, one-time, for the ePermitting project initiated in the 2023-25 biennium. This project relies on the completion of DEQ’s online project and will leverage processes developed by DEQ to decrease costs.

Of this amount, \$1.3 million, will be reverted due to a delay with completing DEQ’s online project in the 2023-25 biennium and reappropriated in this package. Additionally, there is \$500,000 for the anticipated total cost to complete the project in the 2025-27 biennium. Lastly, this package re-establishes one existing limited duration full-time Information Systems Specialist 3 (1.00 FTE) as permanent to support the system. This position will be supported by Other Funds revenue after the 2025-27 biennium.

The Department is directed to propose a minimum of one new Key Performance Measure during the 2027-29 budget development process regarding permit application processing against regulatory timelines.

Package 103: MLRR – Fee Increase and Program Right-Sizing. This package increases Other Funds expenditure limitation by \$1,625,046 and establishes six permanent, full-time positions (5.28 FTE) and associated services and supplies in the MLRR program. The positions will assist with permitting service levels and increased site inspections for compliance.

DOGAMI contracted for a process audit that was received in spring 2025. This package addresses a portion of the audit recommendations, and the Department will be required to report to the Legislature in 2027, on the implementation status related to the audit recommendations.

Lastly, this package includes \$3.1 million Other Funds revenue associated with a fee increase authorized in SB 836 (2025).

Package 104: MLRR – Program Establishment. This package increases Other Funds expenditure limitation by \$923,682 and establishes three permanent, full-time positions (3.00 FTE) that were previously limited duration. The positions include one Natural Resource Specialist (NRS) 2 position, one NRS 3 position, and one NRS 4 position, which will continue to support mining permit and compliance efforts. The Subcommittee approved the following budget notes:

Budget Note: ePermitting System

The Department of Geology and Mineral Industries shall report to the Natural Resources Subcommittee of the Joint Committee on Ways and Means during the 2026 legislative session on the status of the Department’s ePermitting system. The report must provide an update on the project and should include, at a minimum, the following information:

- Project governance, management, and staffing;
- Project status, including Stage Gate status, timeline, 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.

Budget Note: MLRR Process Audit

The Department of Geology and Mineral Industries Mineral Land Regulation and Reclamation program underwent a process audit in spring 2025 that identified staffing needs and options for operational efficiencies. While expected revenue from fee increases in the 2025-27 biennium will sustain program operations for the 2025-27 biennium and increase staffing to reduce the current permit backlog and increase the number of site inspections across the state, the revenue is not sufficient to fully implement the audits findings.

The Department is directed to report to the Natural Resources Subcommittee of the Joint Committee on Ways and Means during the 2027 session on the status of audit findings implemented, progress made of the permit backlog and anticipated completion date, the average number of days to process a permit application by application type, and the projected cost and related fee increase necessary to fully implement the process audit findings.

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 Geology and Mineral Industries
Kendra Beck – 503-400-4747

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 *	\$ 9,844,208	\$ -	\$ 8,491,135	\$ -	\$ 5,663,435	\$ -	\$ 23,998,778	41	40.50
2025-27 Current Service Level (CSL)*	\$ 8,722,685	\$ -	\$ 7,520,530	\$ -	\$ 5,988,729	\$ -	\$ 22,231,944	36	36.00
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 010 - Geologic Survey									
Package 100: GS&S - ESRI Cost Increase									
Services and Supplies	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,000		
Package 102: GS&S - Subsurface Geology and Mapping Program									
Personal Services	\$ -	\$ -	\$ 1,044,493	\$ -	\$ -	\$ -	\$ 1,044,493	4	3.52
Services and Supplies	\$ -	\$ -	\$ 8,955,507	\$ -	\$ -	\$ -	\$ 8,955,507		
SCR 020 - Mined Land Reclamation									
Package 101: MLRR - ePermitting									
Personal Services	\$ 228,840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 228,840	1	1.00
Services and Supplies	\$ 1,596,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,596,160		
Package 103: MLRR - Fee Increase and Program Right-Sizing									
Personal Services	\$ -	\$ -	\$ 1,353,275	\$ -	\$ -	\$ -	\$ 1,353,275	6	5.28
Services and Supplies	\$ -	\$ -	\$ 271,771	\$ -	\$ -	\$ -	\$ 271,771		
Package 104: MLRR - Program Establishment									
Personal Services	\$ -	\$ -	\$ 889,332	\$ -	\$ -	\$ -	\$ 889,332	3	3.00
Services and Supplies	\$ -	\$ -	\$ 34,350	\$ -	\$ -	\$ -	\$ 34,350		
TOTAL ADJUSTMENTS	\$ 1,965,000	\$ -	\$ 12,548,728	\$ -	\$ -	\$ -	\$ 14,513,728	14	12.80
SUBCOMMITTEE RECOMMENDATION *	\$ 10,687,685	\$ -	\$ 20,069,258	\$ -	\$ 5,988,729	\$ -	\$ 36,745,672	50	48.80
% Change from 2023-25 Leg Approved Budget	8.6%	0.0%	136.4%	0.0%	5.7%	0.0%	53.1%	22.0%	20.5%
% Change from 2025-27 Current Service Level	22.5%	0.0%	166.9%	0.0%	0.0%	0.0%	65.3%	38.9%	35.6%

*Excludes Capital Construction Expenditures

Legislatively Approved 2025 - 2027 Key Performance Measures

Published: 6/3/2025 4:55:29 PM

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 2026	Target 2027
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	72.40%	77%	82%
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	63.50%	65%	67%
3. LIDAR DATA COMPLETION - Percent of Oregon (sq. miles) with lidar data at USGS quality level 2 or better.		Approved	76.30%	80%	85%
4. MINE SITE INSPECTIONS - Percent of active mine sites inspected annually.		Approved	14%	25%	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	66.30%	95%	95%
	Overall		62.90%	95%	95%
	Accuracy		63.30%	95%	95%
	Expertise		68.90%	95%	95%
	Availability of Information		61.50%	95%	95%
	Timeliness		61.50%	95%	95%
6. GOVERNANCE - Percent of yes responses by Governing Board members to the set of best practices.		Approved	100%	100%	100%

LFO Recommendation:

The Department is directed to propose a minimum of one new Key Performance Measure during the 2027-29 budget development process regarding permit application processing against regulatory timelines.

The Legislative Fiscal Office recommends approval of the Key Performance Measures and targets, as presented.

SubCommittee Action:

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