

---

# MEMORANDUM

Legislative Fiscal Office  
900 Court St. NE, Room H-178  
Salem, Oregon 97301  
Phone 503-986-1828  
FAX 503-373-7807

---

---

**To:** Natural Resources Subcommittee

**From:** Paul Siebert, Legislative Fiscal Office  
(503) 986-1843

**Date:** May 22, 2013

**Subject:** SB 5520 – Department of Environmental Quality  
Work Session Recommendations

## Department of Environmental Quality – Agency Totals

	2009-11 Actual	2011-13 Legislatively Approved	2013-15 Current Service Level	2013-15 LFO Recommended
General Fund	36,444,631	25,011,536	28,696,448	30,668,989
Lottery Funds	5,610,171	4,502,197	4,746,582	3,828,439
Other Funds	117,306,094	140,225,902	147,797,195	140,223,554
Other Funds NL	137,436,517	125,666,802	87,120,278	127,290,278
Federal Funds	26,452,507	31,628,115	31,367,282	27,577,321
<b>Total Funds</b>	<b>\$323,249,920</b>	<b>\$327,034,552</b>	<b>\$299,727,785</b>	<b>\$329,588,581</b>
Positions	810	725	715	716
FTE	790.13	710.92	708.42	705.58

Attached are the recommendations from the Legislative Fiscal Office for the Department of Environmental Quality.

### **Adjustments to Current Service Level:**

See attached "Work Session Presentation Report" dated 5/16/2013

### ***Accept LFO Recommendation***

*Move the LFO recommendation to SB 5520.*

**OR**

### ***Change LFO recommendation***

*Move the LFO recommendation to SB 5520, with modifications.*

### **Performance Measures**

See attached “Legislatively Proposed 2013-15 Key Performance Measures” form.

### **Accept LFO Recommendation**

*Move the LFO recommendation on Key Performance Measures*

**OR**

### **Change LFO recommendation**

*Move the LFO recommendation on Key Performance Measures, with modifications.*

## **Budget Notes**

### **#1 New Ozone Air Quality Standards**

“The Department of Environmental Quality shall report to the appropriate committee of the Seventy-Eighth Legislative Assembly on:

The status of any national ambient air quality standards proposed, under consideration for proposal, or adopted by the US EPA pertaining to ozone; and the department’s plan and timetable for developing and implementing a comprehensive strategy to meet the revised national ambient air quality standards for ozone upon adoption by the US EPA. The plan shall describe how the department will analyze: current ozone levels and trends as compared to the ozone standard; air pollution sources contributing to ozone pollution; emission reduction strategies needed to achieve and maintain compliance with the ozone standard; impacts on human health and the environment; compliance with state and federal law; impacts on affected economic sectors; and other information determined to be relevant by the department.

The plan shall also describe how the department will assess the Vehicle Inspection Program, including but not limited to: what, if any, modifications to the program are needed to meet the ozone standard and reduce other pollutants such as air toxics; the impact on affected economic sectors of any changes to the Vehicle Inspection Program; options for exempting vehicles from the inspection requirement and the impact on the vehicle registration process of any changes to the Vehicle Inspection Program. The exemption options and impact analysis would be done in consultation with the Driver and Motor Vehicle Division of the Department of Transportation.”

### **#2 Onsite Septic Program Fees**

“The Department of Environmental Quality shall work with cities, counties and other stakeholders to identify innovative ways to utilize the fees assessed for the onsite septic program. The intended outcomes are to increase the quality and efficiency of how onsite septic services are delivered across the state. This may include re-examining the fee schedules and the viability of how the program is currently implemented through a combination of DEQ and contract-county programs. The Association of Oregon Counties has indicated it will provide staff support for these efforts and the Department shall report back during the 2014 legislative session with recommendations for improving the operations of the onsite septic program.”

### #3 Onsite Septic Program Groundwater Protection

“DEQ is instructed to continue to support the South Deschutes County and North Klamath County Groundwater Protection Project Steering Committee to finalize recommendations to address groundwater protection from onsite septic systems in the South Deschutes County and North Klamath County geographic area. Prior to taking action on any recommendation, DEQ will report back to the Ways and Means Subcommittee on Natural Resources or to the House Committee on Energy and Environment no later than the February 2014 Legislative session on its evaluation of the committee’s recommendations.

DEQ shall also research how other states have conducted cost-benefit analyses of the cost of septic system upgrades relative to environmental impacts and public health risks. DEQ shall report to the legislative committee no later than the 2014 Legislative session on its findings and its plans for undertaking such an evaluation for South Deschutes and North Klamath counties”

#### **Accept LFO Recommendation**

*Move the LFO recommended budget note*

**OR**

#### **Change LFO recommendation – any changes must be approved by the co-chairs**

*Move the LFO recommended budget note, with modifications.*

#### **Recommended Changes to SB 5520:**

The Legislative Fiscal Office recommends a budget of \$30,668,989 General Fund, \$3,828,439 Lottery Funds, \$267,513,832 Other Funds,\$27,577,321 Federal Funds, and 716 positions (705.58 FTE) and that Senate Bill 5520 be amended accordingly.

Insert the following changes into SB 5520:

a)	<b>Page 1, Section 1; General Fund:</b> (1) In line 8, delete “\$5,641,585” and insert “\$5,743,266” (2) In line 9, delete “\$19,578,029” and insert “\$19,642,248” (3) In line 10, delete “\$552,042” and insert “\$759,682” (4) Delete line 11 (5) In line 12, delete “\$4,729,793” and insert “\$4,523,793”
b)	<b>Page 1, Section 2; Other Funds:</b> (2) In line 21, delete “\$41,040,257” and insert “\$41,811,460” (2) In line 22, delete “\$22,631,900” and insert “\$22,098,217” (3) In line 23, delete “\$55,320,410” and insert “\$54,663,188” (4) Delete line 24 (5) In line line 25, delete “\$21,680,696” and insert “\$21,650,689”

c)	<b>Page 2, Section 3; Lottery Funds from Parks and Natural Resources Fund:</b> In line 2, delete "\$3,899,218" and insert "\$3,828,439"
d)	<b>Page 2, Section 4; Federal Funds:</b> (3) In line 16, delete "\$7,474,922" and insert "\$7,695,762" (2) In line 17, delete "\$11,949,074" and insert "\$12,507,146" (3) In line 18, delete "\$7,477,894" and insert "\$7,374,413" (4) Delete line 19

**SB 5020 Final Subcommittee Action:**

***Final Motion:***

*Move SB 5020 to the full committee with a "do pass" recommendation, as modified.*

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	<b>25,073,542</b>	<b>4,502,197</b>	<b>140,225,902</b>	<b>30,728,115</b>	<b>125,666,802</b>	-	<b>326,196,558</b>	<b>725</b>	<b>710.92</b>
2011-13 Ebds, SS & Admin Act	(62,006)	-	-	900,000	-	-	837,994	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	<b>25,011,536</b>	<b>4,502,197</b>	<b>140,225,902</b>	<b>31,628,115</b>	<b>125,666,802</b>	-	<b>327,034,552</b>	<b>725</b>	<b>710.92</b>
<b>2011-13 Leg Approved Budget (Base)</b>	<b>25,011,536</b>	<b>4,502,197</b>	<b>140,225,902</b>	<b>30,728,115</b>	<b>125,666,802</b>	-	<b>326,134,552</b>	<b>725</b>	<b>710.92</b>
Summary of Base Adjustments	644,649	115,511	8,180,967	1,071,731	(38,546,524)	-	(28,533,666)	(9)	(1.50)
<b>2013-15 Base Budget</b>	<b>25,656,185</b>	<b>4,617,708</b>	<b>148,406,869</b>	<b>31,799,846</b>	<b>87,120,278</b>	-	<b>297,600,886</b>	<b>716</b>	<b>709.42</b>
010: Non-PICS Pers Svc/Vacancy Factor	302,831	93,240	144,419	(30,305)	-	-	510,185	-	-
020: Phase In / Out Pgm & One-time Cost	17,378	-	262,563	-	-	-	279,941	-	-
030: Inflation & Price List Adjustments	236,019	35,634	635,668	417,239	-	-	1,324,560	-	-
050: Fundshifts and Revenue Reductions	2,484,035	-	(1,652,950)	(818,872)	-	-	12,213	(1)	(1.00)
060: Technical Adjustments	-	-	626	(626)	-	-	-	-	-
<b>2013-15 Current Service Level</b>	<b>28,696,448</b>	<b>4,746,582</b>	<b>147,797,195</b>	<b>31,367,282</b>	<b>87,120,278</b>	-	<b>299,727,785</b>	<b>715</b>	<b>708.42</b>
070: Revenue Reductions/Shortfall	149	(813,072)	(6,838,951)	(3,363,078)	-	-	(11,014,952)	(24)	(24.88)
<b>Adjusted 2013-15 Current Service Level</b>	<b>28,696,597</b>	<b>3,933,510</b>	<b>140,958,244</b>	<b>28,004,204</b>	<b>87,120,278</b>	-	<b>288,712,833</b>	<b>691</b>	<b>683.54</b>
<b>Total LFO Recommended Packages</b>	<b>1,972,392</b>	<b>(105,071)</b>	<b>(734,690)</b>	<b>(426,883)</b>	<b>40,170,000</b>	-	<b>40,875,748</b>	<b>25</b>	<b>22.04</b>
<b>2013-15 Legislative Actions</b>	<b>30,668,989</b>	<b>3,828,439</b>	<b>140,223,554</b>	<b>27,577,321</b>	<b>127,290,278</b>	-	<b>329,588,581</b>	<b>716</b>	<b>705.58</b>
Net change from 2011-13 Leg Approved Budget	5,657,453	(673,758)	(2,348)	(4,050,794)	1,623,476	-	2,554,029	(9)	(5.34)
Percent change from 2011-13 Leg Approved Budget	22.6%	(15.0%)	0.0%	(12.8%)	1.3%	0.0%	0.8%	(1.2%)	(0.8%)
Net change from 2013-15 Current Service Level	1,972,392	(105,071)	(734,690)	(426,883)	40,170,000	-	40,875,748	25	22.04
Percent change from 2013-15 Current Service Level	6.9%	(2.7%)	(0.5%)	(1.5%)	46.1%	0.0%	14.2%	3.6%	3.2%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	<b>5,279,047</b>	-	<b>40,029,534</b>	<b>7,247,963</b>	-	-	<b>52,556,544</b>	<b>227</b>	<b>222.75</b>
2011-13 Ebds, SS & Admin Act	-	-	-	1,200,000	-	-	1,200,000	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	<b>5,279,047</b>	-	<b>40,029,534</b>	<b>8,447,963</b>	-	-	<b>53,756,544</b>	<b>227</b>	<b>222.75</b>
<b>2011-13 Leg Approved Budget (Base)</b>	<b>5,279,047</b>	-	<b>40,029,534</b>	<b>7,247,963</b>	-	-	<b>52,556,544</b>	<b>227</b>	<b>222.75</b>
Summary of Base Adjustments	290,369	-	2,670,150	173,592	-	-	3,134,111	(3)	0.52
<b>2013-15 Base Budget</b>	<b>5,569,416</b>	-	<b>42,699,684</b>	<b>7,421,555</b>	-	-	<b>55,690,655</b>	<b>224</b>	<b>223.27</b>
010: Non-PICS Pers Svc/Vacancy Factor	56,662	-	(11,070)	(1,239)	-	-	44,353	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	94,414	-	-	-	94,414	-	-
030: Inflation & Price List Adjustments	50,869	-	446,246	98,616	-	-	595,731	-	-
050: Fundshifts and Revenue Reductions	-	-	5	(5)	-	-	-	-	-
060: Technical Adjustments	-	-	(29,914)	(626)	-	-	(30,540)	-	-
<b>2013-15 Current Service Level</b>	<b>5,676,947</b>	-	<b>43,199,365</b>	<b>7,518,301</b>	-	-	<b>56,394,613</b>	<b>224</b>	<b>223.27</b>
070: Revenue Reductions/Shortfall	-	-	(1,332,802)	(14,781)	-	-	(1,347,583)	(6)	(6.67)
<b>Adjusted 2013-15 Current Service Level</b>	<b>5,676,947</b>	-	<b>41,866,563</b>	<b>7,503,520</b>	-	-	<b>55,047,030</b>	<b>218</b>	<b>216.60</b>
<b>Total LFO Recommended Packages</b>	<b>66,319</b>	-	<b>(55,103)</b>	<b>192,242</b>	-	-	<b>203,458</b>	<b>4</b>	<b>4.27</b>
<b>2013-15 Legislative Actions</b>	<b>5,743,266</b>	-	<b>41,811,460</b>	<b>7,695,762</b>	-	-	<b>55,250,488</b>	<b>222</b>	<b>220.87</b>
Net change from 2011-13 Leg Approved Budget	464,219	-	1,781,926	(752,201)	-	-	1,493,944	(5)	(1.88)
Percent change from 2011-13 Leg Approved Budget	8.8%	0.0%	4.5%	(8.9%)	0.0%	0.0%	2.8%	(2.2%)	(0.8%)
Net change from 2013-15 Current Service Level	66,319	-	(55,103)	192,242	-	-	203,458	4	4.27
Percent change from 2013-15 Current Service Level	1.2%	0.0%	(0.1%)	2.6%	0.0%	0.0%	0.4%	1.8%	2.0%

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
--	---------------------	----------------------	--------------------	----------------------	-------------------------------	---------------------------------	--------------------	------------------	-----------------------------------

**Package 070 Revenue Shortfalls**

Package Description This package reduces the existing budget level because costs have increased beyond what the current Air Contaminant Discharge Permit fee rate will support. Package 111 would restore some of the reduction. This package eliminates two ACDP permit writers and one rule writer.

LFO Recommendation Approve

<b>LFO Recommended</b>	-	-	<b>(1,332,802)</b>	<b>(14,781)</b>	-	-	<b>(1,347,583)</b>	<b>(6)</b>	<b>(6.67)</b>
------------------------	---	---	--------------------	-----------------	---	---	--------------------	------------	---------------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 090 Analyst Adjustments**

Package Description This package reflects the impact on agency management indirect charges from PERS rate changes.

LFO Recommendation Approve

<b>LFO Recommended</b>	(1,172)	-	-	-	-	-	(1,172)	-	-
------------------------	---------	---	---	---	---	---	---------	---	---



	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve

LFO Recommended	(19,129)	-	(140,465)	(8,533)	-	-	(168,127)	-	-
-----------------	----------	---	-----------	---------	---	---	-----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 092 PERS Taxation Policy**

Package Description This package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30%.

LFO Recommendation Approve

LFO Recommended	(8,372)	-	(77,015)	(11,153)	-	-	(96,540)	-	-
-----------------	---------	---	----------	----------	---	---	----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 093 Other PERS Adjustments**

Package Description This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2%.

An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>(61,214)</b>	<b>-</b>	<b>(615,381)</b>	<b>(89,120)</b>	<b>-</b>	<b>-</b>	<b>(765,715)</b>	<b>-</b>	<b>-</b>
------------------------	-----------------	----------	------------------	-----------------	----------	----------	------------------	----------	----------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 111 Maintain an Effective ACDP Permit Program**

Package Description This package restores 55 percent of the FTE eliminated in Package 070. The restorations are based on a 20% increase on all ACDP fees. The positions perform permitting, inspections, source testing and planning and are needed to maintain an effective and timely program. The last fee change was a 20% increase in 2007.

LFO Recommendation Approve

<b>LFO Recommended</b>	-	-	810,671	-	-	-	810,671	3	3.67
------------------------	---	---	---------	---	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 811 Technical Adjustments**

Package Description Corrects price list adjustments made in pkg. 030 for telecom and data processing charges that should have been taken in programs, but were taken in GRB from Agency Management.

LFO Recommendation Approve

LFO Recommended	319	-	(32,913)	(2,608)	-	-	(35,202)	-	-
-----------------	-----	---	----------	---------	---	---	----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 812 Remove Cross Media Program**

Package Description DEQ has a small Program Area in the budget called Cross Program that contains four small miscellaneous programs that didn't fit consistently into the other major program areas. DEQ has no parallel organizational structure that matches this program and has decided that it makes sense to eliminate this SCR and shift the program funding into the other program areas. The programs affected include:

Green Permits – a voluntary, incentive-based program that rewards facilities for achieving environmental results beyond regulatory requirements. Shift to Agency Management

Tax Credits – the program sunset and all that remains is managing existing credits to ensure the equipment is still in use. This fund will ultimately completely phase out. Shift to Agency Management

Network Exchange Grants – a system for information sharing between EPA, the 50 states and other regulators, known as the National Environmental Information Exchange Network. Shift to Water Quality

Pollution Prevention Grants – The grants give states and tribes the ability to assist businesses, government and industries identify environmental strategies, comply with federal and state environmental regulations and how to address economic needs without increasing harm to the environment. Shift to Air Quality

Regional Solution Teams (RST) – solve problems and maximize economic development opportunities at the state, regional and local level. The cross program portion of RST is GF and will be shifted to the three major programs based on estimated split of work between the program areas.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>155,887</b>	<b>-</b>	<b>-</b>	<b>303,656</b>	<b>-</b>	<b>-</b>	<b>459,543</b>	<b>1</b>	<b>0.60</b>
------------------------	----------------	----------	----------	----------------	----------	----------	----------------	----------	-------------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	<b>13,207,530</b>	<b>4,502,197</b>	<b>22,264,450</b>	<b>12,116,112</b>	-	-	<b>52,090,289</b>	<b>209</b>	<b>201.83</b>
2011-13 Ebds, SS & Admin Act	(169,003)	-	-	-	-	-	(169,003)	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	<b>13,038,527</b>	<b>4,502,197</b>	<b>22,264,450</b>	<b>12,116,112</b>	-	-	<b>51,921,286</b>	<b>209</b>	<b>201.83</b>
<b>2011-13 Leg Approved Budget (Base)</b>	<b>13,038,527</b>	<b>4,502,197</b>	<b>22,264,450</b>	<b>12,116,112</b>	-	-	<b>51,921,286</b>	<b>209</b>	<b>201.83</b>
Summary of Base Adjustments	1,198,745	115,511	2,816,435	632,458	-	-	4,763,149	2	3.72
<b>2013-15 Base Budget</b>	<b>14,237,272</b>	<b>4,617,708</b>	<b>25,080,885</b>	<b>12,748,570</b>	-	-	<b>56,684,435</b>	<b>211</b>	<b>205.55</b>
010: Non-PICS Pers Svc/Vacancy Factor	163,065	93,240	85,889	14,840	-	-	357,034	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	137,697	-	-	-	137,697	-	-
030: Inflation & Price List Adjustments	178,843	35,634	185,365	159,568	-	-	559,410	-	-
050: Fundshifts and Revenue Reductions	2,484,035	-	(2,483,644)	9,518	-	-	9,909	(1)	(1.00)
060: Technical Adjustments	-	-	(34,268)	-	-	-	(34,268)	-	-
<b>2013-15 Current Service Level</b>	<b>17,063,215</b>	<b>4,746,582</b>	<b>22,971,924</b>	<b>12,932,496</b>	-	-	<b>57,714,217</b>	<b>210</b>	<b>204.55</b>
070: Revenue Reductions/Shortfall	149	(813,072)	(1,913,770)	(948,269)	-	-	(3,674,962)	(14)	(14.21)
<b>Adjusted 2013-15 Current Service Level</b>	<b>17,063,364</b>	<b>3,933,510</b>	<b>21,058,154</b>	<b>11,984,227</b>	-	-	<b>54,039,255</b>	<b>196</b>	<b>190.34</b>
<b>Total LFO Recommended Packages</b>	<b>2,578,884</b>	<b>(105,071)</b>	<b>1,040,063</b>	<b>522,919</b>	-	-	<b>4,036,795</b>	<b>25</b>	<b>21.37</b>
<b>2013-15 Legislative Actions</b>	<b>19,642,248</b>	<b>3,828,439</b>	<b>22,098,217</b>	<b>12,507,146</b>	-	-	<b>58,076,050</b>	<b>221</b>	<b>211.71</b>
Net change from 2011-13 Leg Approved Budget	6,603,721	(673,758)	(166,233)	391,034	-	-	6,154,764	12	9.88
Percent change from 2011-13 Leg Approved Budget	50.6%	(15.0%)	(0.7%)	3.2%	0.0%	0.0%	11.9%	5.7%	4.9%
Net change from 2013-15 Current Service Level	2,578,884	(105,071)	1,040,063	522,919	-	-	4,036,795	25	21.37
Percent change from 2013-15 Current Service Level	15.1%	(2.7%)	4.9%	4.4%	0.0%	0.0%	7.5%	12.8%	11.2%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 070 Revenue Shortfalls**

Package Description This package, in conjunction with package 050, eliminates two positions (North & Mid Coast Basin nonpoint source and TMDL work), federal special payments, 3.25 FTE in the onsite septic system program, and 6.25 FTE in the wastewater permitting program because of a decline in fee and federal revenues and increased operating costs. Fee revenue is down largely due to the economic downturn.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>149</b>	<b>(813,072)</b>	<b>(1,913,770)</b>	<b>(948,269)</b>	<b>-</b>	<b>-</b>	<b>(3,674,962)</b>	<b>(14)</b>	<b>(14.21)</b>
------------------------	------------	------------------	--------------------	------------------	----------	----------	--------------------	-------------	----------------



	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
--	---------------------	----------------------	--------------------	----------------------	-------------------------------	---------------------------------	--------------------	------------------	-----------------------------------

**Package 090 Analyst Adjustments**

Package Description This package restores Lottery Fund reductions taken in package 070: Revenue Shortfalls with General Fund and restores some of the Other Fund and Federal Fund reductions in package 070: Revenue Shortfalls with General Fund.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>1,507,451</b>	<b>(997)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,506,454</b>	<b>6</b>	<b>6.00</b>
------------------------	------------------	--------------	----------	----------	----------	----------	------------------	----------	-------------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor's 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>(100,884)</b>	<b>(14,715)</b>	<b>(151,890)</b>	<b>(1,479)</b>	<b>-</b>	<b>-</b>	<b>(268,968)</b>	<b>-</b>	<b>-</b>
------------------------	------------------	-----------------	------------------	----------------	----------	----------	------------------	----------	----------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 092 PERS Taxation Policy**

Package Description This package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30%.

LFO Recommendation Approve

LFO Recommended	(35,713)	(10,328)	(47,500)	(18,716)	-	-	(112,257)	-	-
-----------------	----------	----------	----------	----------	---	---	-----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 093 Other PERS Adjustments**

Package Description This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2%.

An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>(258,116)</b>	<b>(77,695)</b>	<b>(379,556)</b>	<b>(149,546)</b>	<b>-</b>	<b>-</b>	<b>(864,913)</b>	<b>-</b>	<b>-</b>
------------------------	------------------	-----------------	------------------	------------------	----------	----------	------------------	----------	----------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 120 Onsite Septic System Program**

Package Description This package restores a portion of the onsite program package 070 reductions including a permit coordinator that provides customer service and restores 0.50 FTE of an existing regional onsite wastewater specialist that works with contract counties. It depends on increasing the license fees for installers and pumpers, increases the county surcharge fee and eliminates the surcharge exemption for licenses.

LFO Recommendation Approve

LFO Recommended	-	-	274,454	-	-	-	274,454	1	1.50
-----------------	---	---	---------	---	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 122 Oregon Plan Monitoring**

Package Description This package would restart the collection of water quality & biological data for assessing watershed health conditions in areas with ESA-listed fish. DEQ coordinates data with other agency monitoring efforts. The program had been eliminated in previous biennia due to budget constraints.

LFO Recommendation Approve

LFO Recommended	238,161	-	-	-	-	-	238,161	2	1.26
-----------------	---------	---	---	---	---	---	---------	---	------

**Water Quality**

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 124 Water Quality 401 Certification**

Package Description This package would fully fund 0.40 FTE that DEQ cannot currently afford through a fee increase. The concept revises the fee table as directed by HB 2185 (2009). The package also provides resources to address the increased complexity of dredge & fill program.

LFO Recommendation Approve

LFO Recommended	-	-	544,677	-	-	-	544,677	3	2.50
-----------------	---	---	---------	---	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 126 Wastewater Operator Certification**

Package Description This package restores reductions from package 070 through a fee increase. The fee increase revises the fee table in order to maintain an adequate level of funding and staffing for the program and pay for program's portion of updated online licensing software.

LFO Recommendation Approve

LFO Recommended	-	-	71,198	(3)	-	-	71,195	-	0.20
-----------------	---	---	--------	-----	---	---	--------	---	------



	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 127 IWRS – Implementation**

Package Description This package invests in collaborating across agencies for development/implementation of salmon recovery & water quality improvement plans (e.g., TMDLs, AgWQMPs) and an integrated monitoring strategy. It supports local integrated water resource planning efforts through technical assistance & water quality information.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>474,187</b>	-	-	-	-	-	<b>474,187</b>	<b>3</b>	<b>2.25</b>
------------------------	----------------	---	---	---	---	---	----------------	----------	-------------

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
--	---------------------	----------------------	--------------------	----------------------	-------------------------------	---------------------------------	--------------------	------------------	-----------------------------------

**Package 128 Statewide Groundwater Monitoring**

Package Description This package provides resources to Implement an ongoing statewide groundwater quality monitoring program to assess status and trends. Under this funding plan the entire state would be assessed every 10 years. The Capital Outlay portion of the package is one-time in nature and phases-out after the 2013-15 biennium.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>460,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460,000</b>	<b>2</b>	<b>0.66</b>
------------------------	----------------	----------	----------	----------	----------	----------	----------------	----------	-------------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 320 Pesticide Stewardship Partnership**

Package Description This package is part of a joint effort with the Oregon Department of Agriculture. DEQ would monitor water and conduct laboratory analysis of pesticides in samples. The funding for this package provides Other Funds from a revenue transfer from the Oregon Department of Agriculture. The Other Funds transfer-in is increased by \$116,010 to cover indirect charges that fund the Administration program area.

LFO Recommendation Approve.

<b>LFO Recommended</b>	-	-	747,942	-	-	-	747,942	5	4.00
------------------------	---	---	---------	---	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 811 Technical Adjustments**

Package Description Corrects price list adjustments made in pkg. 030 for telecom and data processing charges that should have been taken in programs, but were taken in GRB from Agency Management.

LFO Recommendation Approve

LFO Recommended	2,614	(1,336)	(19,262)	(4,779)	-	-	(22,763)	-	-
-----------------	-------	---------	----------	---------	---	---	----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 812 Remove Cross Media Program**

Package Description DEQ has a small Program Area in the budget called Cross Program that contains four small miscellaneous programs that didn't fit consistently into the other major program areas. DEQ has no parallel organizational structure that matches this program and has decided that it makes sense to eliminate this SCR and shift the program funding into the other program areas. The programs affected include:

Green Permits – a voluntary, incentive-based program that rewards facilities for achieving environmental results beyond regulatory requirements. Shift to Agency Management

Tax Credits – the program sunset and all that remains is managing existing credits to ensure the equipment is still in use. This fund will ultimately completely phase out. Shift to Agency Management

Network Exchange Grants – a system for information sharing between EPA, the 50 states and other regulators, known as the National Environmental Information Exchange Network. Shift to Water Quality

Pollution Prevention Grants – The grants give states and tribes the ability to assist businesses, government and industries identify environmental strategies, comply with federal and state environmental regulations and how to address economic needs without increasing harm to the environment. Shift to Air Quality

Regional Solution Teams (RST) – solve problems and maximize economic development opportunities at the state, regional and local level. The cross program portion of RST is GF and will be shifted to the three major programs based on estimated split of work between the program areas.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>291,184</b>	<b>-</b>	<b>-</b>	<b>697,442</b>	<b>-</b>	<b>-</b>	<b>988,626</b>	<b>3</b>	<b>3.00</b>
------------------------	----------------	----------	----------	----------------	----------	----------	----------------	----------	-------------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	<b>540,805</b>	-	<b>55,715,331</b>	<b>10,412,170</b>	-	-	<b>66,668,306</b>	<b>203</b>	<b>203.84</b>
2011-13 Ebds, SS & Admin Act	(86,615)	-	-	-	-	-	(86,615)	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	<b>454,190</b>	-	<b>55,715,331</b>	<b>10,412,170</b>	-	-	<b>66,581,691</b>	<b>203</b>	<b>203.84</b>
<b>2011-13 Leg Approved Budget (Base)</b>	<b>454,190</b>	-	<b>55,715,331</b>	<b>10,412,170</b>	-	-	<b>66,581,691</b>	<b>203</b>	<b>203.84</b>
Summary of Base Adjustments	14,873	-	1,807,306	218,596	-	-	2,040,775	(8)	(7.14)
<b>2013-15 Base Budget</b>	<b>469,063</b>	-	<b>57,522,637</b>	<b>10,630,766</b>	-	-	<b>68,622,466</b>	<b>195</b>	<b>196.70</b>
010: Non-PICS Pers Svc/Vacancy Factor	65,439	-	(73,560)	(40,168)	-	-	(48,289)	-	-
020: Phase In / Out Pgm & One-time Cost	17,378	-	30,452	-	-	-	47,830	-	-
030: Inflation & Price List Adjustments	2,298	-	805,852	142,471	-	-	950,621	-	-
050: Fundshifts and Revenue Reductions	-	-	830,689	(828,385)	-	-	2,304	-	-
060: Technical Adjustments	-	-	(18,582)	-	-	-	(18,582)	-	-
<b>2013-15 Current Service Level</b>	<b>554,178</b>	-	<b>59,097,488</b>	<b>9,904,684</b>	-	-	<b>69,556,350</b>	<b>195</b>	<b>196.70</b>
070: Revenue Reductions/Shortfall	-	-	(3,592,379)	(2,400,028)	-	-	(5,992,407)	(4)	(4.00)
<b>Adjusted 2013-15 Current Service Level</b>	<b>554,178</b>	-	<b>55,505,109</b>	<b>7,504,656</b>	-	-	<b>63,563,943</b>	<b>191</b>	<b>192.70</b>
<b>Total LFO Recommended Packages</b>	<b>205,504</b>	-	<b>(841,921)</b>	<b>(130,243)</b>	-	-	<b>(766,660)</b>	<b>1</b>	<b>0.80</b>
<b>2013-15 Legislative Actions</b>	<b>759,682</b>	-	<b>54,663,188</b>	<b>7,374,413</b>	-	-	<b>62,797,283</b>	<b>192</b>	<b>193.50</b>
Net change from 2011-13 Leg Approved Budget	305,492	-	(1,052,143)	(3,037,757)	-	-	(3,784,408)	(11)	(10.34)
Percent change from 2011-13 Leg Approved Budget	67.3%	0.0%	(1.9%)	(29.2%)	0.0%	0.0%	(5.7%)	(5.4%)	(5.1%)
Net change from 2013-15 Current Service Level	205,504	-	(841,921)	(130,243)	-	-	(766,660)	1	0.80
Percent change from 2013-15 Current Service Level	37.1%	0.0%	(1.5%)	(1.7%)	0.0%	0.0%	(1.2%)	0.5%	0.4%

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
--	---------------------	----------------------	--------------------	----------------------	-------------------------------	---------------------------------	--------------------	------------------	-----------------------------------

**Package 070 Revenue Shortfalls**

Package Description This package eliminates FTE dedicated to the Umatilla Chemical Agent Disposal Facility closure, eliminates expenditure authority for ARRA federal funds, McCormick & Baxter Superfund Site, and for E-Waste Recycling.

LFO Recommendation Approve

<b>LFO Recommended</b>	-	-	<b>(3,592,379)</b>	<b>(2,400,028)</b>	-	-	<b>(5,992,407)</b>	<b>(4)</b>	<b>(4.00)</b>
------------------------	---	---	--------------------	--------------------	---	---	--------------------	------------	---------------

**Land Quality**

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
--	---------------------	----------------------	--------------------	----------------------	-------------------------------	---------------------------------	--------------------	------------------	-----------------------------------

**Package 090 Analyst Adjustments**

Package Description This package reflects the impact on agency management indirect charges from PERS rate changes.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>(78)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(78)</b>	<b>-</b>	<b>-</b>
------------------------	-------------	----------	----------	----------	----------	----------	-------------	----------	----------



	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve

<b>LFO Recommended</b>	(1,135)	-	(25,223)	(1,827)	-	-	(28,185)	-	-
------------------------	---------	---	----------	---------	---	---	----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 092 PERS Taxation Policy**

Package Description This package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30%.

LFO Recommendation Approve

LFO Recommended	(513)	-	(88,645)	(13,860)	-	-	(103,018)	-	-
-----------------	-------	---	----------	----------	---	---	-----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 093 Other PERS Adjustments**

Package Description This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2%.

An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>(3,719)</b>	<b>-</b>	<b>(708,311)</b>	<b>(110,749)</b>	<b>-</b>	<b>-</b>	<b>(822,779)</b>	<b>-</b>	<b>-</b>
------------------------	----------------	----------	------------------	------------------	----------	----------	------------------	----------	----------

Land Quality

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 131 Paint Product Stewardship – Permanent Program**

Package Description Reflects revenues from HB 2048A that would make the Paint Stewardship Pilot Program permanent and charge \$10,000 for a plan review and \$40,000 for an annual fee to cover the Department’s administrative costs. This is a revenue only package.

LFO Recommendation Approve.

LFO Recommended	-	-	-	-	-	-	-	-	-
-----------------	---	---	---	---	---	---	---	---	---

**Land Quality**

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
--	---------------------	----------------------	--------------------	----------------------	-------------------------------	---------------------------------	--------------------	------------------	-----------------------------------

**Package 810 LFO Analyst Adjustments**

Package Description This package reflects a net \$10,000 revenue reduction from solid waste treatment facility fees due to anticipated adoption of a revised fee table that changes how facilities utilizing conversion technology are regulated. This is a revenue only package.

LFO Recommendation Approve This is a revenue only package.

<b>LFO Recommended</b>	-	-	-	-	-	-	-	-	-
------------------------	---	---	---	---	---	---	---	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 811 Technical Adjustments**

Package Description Corrects price list adjustments made in pkg. 030 for telecom and data processing charges that should have been taken in programs, but were taken in GRB from Agency Management.

LFO Recommendation Approve

LFO Recommended	(96)	-	(19,742)	(3,807)	-	-	(23,645)	-	-
-----------------	------	---	----------	---------	---	---	----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 812 Remove Cross Media Program**

Package Description DEQ has a small Program Area in the budget called Cross Program that contains four small miscellaneous programs that didn't fit consistently into the other major program areas. DEQ has no parallel organizational structure that matches this program and has decided that it makes sense to eliminate this SCR and shift the program funding into the other program areas. The programs affected include:

Green Permits – a voluntary, incentive-based program that rewards facilities for achieving environmental results beyond regulatory requirements. Shift to Agency Management

Tax Credits – the program sunset and all that remains is managing existing credits to ensure the equipment is still in use. This fund will ultimately completely phase out. Shift to Agency Management

Network Exchange Grants – a system for information sharing between EPA, the 50 states and other regulators, known as the National Environmental Information Exchange Network. Shift to Water Quality

Pollution Prevention Grants – The grants give states and tribes the ability to assist businesses, government and industries identify environmental strategies, comply with federal and state environmental regulations and how to address economic needs without increasing harm to the environment. Shift to Air Quality

Regional Solution Teams (RST) – solve problems and maximize economic development opportunities at the state, regional and local level. The cross program portion of RST is GF and will be shifted to the three major programs based on estimated split of work between the program areas.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>211,045</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>211,045</b>	<b>1</b>	<b>0.80</b>
------------------------	----------------	----------	----------	----------	----------	----------	----------------	----------	-------------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	-	-	21,815,825	-	-	-	21,815,825	80	77.50
2011-13 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	-	-	21,815,825	-	-	-	21,815,825	80	77.50
<b>2011-13 Leg Approved Budget (Base)</b>	-	-	21,815,825	-	-	-	21,815,825	80	77.50
Summary of Base Adjustments	-	-	1,134,928	-	-	-	1,134,928	-	1.50
<b>2013-15 Base Budget</b>	-	-	22,950,753	-	-	-	22,950,753	80	79.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	144,191	-	-	-	144,191	-	-
030: Inflation & Price List Adjustments	-	-	(802,613)	-	-	-	(802,613)	-	-
060: Technical Adjustments	-	-	83,390	-	-	-	83,390	-	-
<b>2013-15 Current Service Level</b>	-	-	22,375,721	-	-	-	22,375,721	80	79.00
<b>Adjusted 2013-15 Current Service Level</b>	-	-	22,375,721	-	-	-	22,375,721	80	79.00
<b>Total LFO Recommended Packages</b>	-	-	(725,032)	-	-	-	(725,032)	1	0.50
<b>2013-15 Legislative Actions</b>	-	-	21,650,689	-	-	-	21,650,689	81	79.50
Net change from 2011-13 Leg Approved Budget	-	-	(165,136)	-	-	-	(165,136)	1	2.00
Percent change from 2011-13 Leg Approved Budget	0.0%	0.0%	(0.8%)	0.0%	0.0%	0.0%	(0.8%)	1.3%	2.6%
Net change from 2013-15 Current Service Level	-	-	(725,032)	-	-	-	(725,032)	1	0.50
Percent change from 2013-15 Current Service Level	0.0%	0.0%	(3.2%)	0.0%	0.0%	0.0%	(3.2%)	1.3%	0.6%



	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 090 Analyst Adjustments**

Package Description This package reflects the revenue adjustments resulting from the various PERS and inflation adjustments in this program unit. The net revenue reduction is \$63,940.

LFO Recommendation Approve This is a revenue only package

**LFO Recommended** - - - - -

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve

<b>LFO Recommended</b>	-	-	(625,230)	-	-	-	(625,230)	-	-
------------------------	---	---	-----------	---	---	---	-----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 092 PERS Taxation Policy**

Package Description This package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30%.

LFO Recommendation Approve

LFO Recommended	-	-	(38,795)	-	-	-	(38,795)	-	-
-----------------	---	---	----------	---	---	---	----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 093 Other PERS Adjustments**

Package Description This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2%.

An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve

<b>LFO Recommended</b>	-	-	(310,004)	-	-	-	(310,004)	-	-
------------------------	---	---	-----------	---	---	---	-----------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 811 Technical Adjustments**

Package Description Corrects price list adjustments made in pkg. 030 for telecom and data processing charges that should have been taken in programs, but were taken in GRB from Agency Management.

LFO Recommendation Approve

LFO Recommended	-	-	99,254	-	-	-	99,254	-	-
-----------------	---	---	--------	---	---	---	--------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 812 Remove Cross Media Program**

Package Description DEQ has a small Program Area in the budget called Cross Program that contains four small miscellaneous programs that didn't fit consistently into the other major program areas. DEQ has no parallel organizational structure that matches this program and has decided that it makes sense to eliminate this SCR and shift the program funding into the other program areas. The programs affected include:

Green Permits – a voluntary, incentive-based program that rewards facilities for achieving environmental results beyond regulatory requirements. Shift to Agency Management

Tax Credits – the program sunset and all that remains is managing existing credits to ensure the equipment is still in use. This fund will ultimately completely phase out. Shift to Agency Management

Network Exchange Grants – a system for information sharing between EPA, the 50 states and other regulators, known as the National Environmental Information Exchange Network. Shift to Water Quality

Pollution Prevention Grants – The grants give states and tribes the ability to assist businesses, government and industries identify environmental strategies, comply with federal and state environmental regulations and how to address economic needs without increasing harm to the environment. Shift to Air Quality

Regional Solution Teams (RST) – solve problems and maximize economic development opportunities at the state, regional and local level. The cross program portion of RST is GF and will be shifted to the three major programs based on estimated split of work between the program areas.

LFO Recommendation Approve

<b>LFO Recommended</b>	-	-	149,743	-	-	-	149,743	1	0.50
------------------------	---	---	---------	---	---	---	---------	---	------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	<b>666,592</b>	-	<b>162,162</b>	<b>951,870</b>	-	-	<b>1,780,624</b>	<b>6</b>	<b>5.00</b>
2011-13 Ebds, SS & Admin Act	-	-	-	(300,000)	-	-	(300,000)	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	<b>666,592</b>	-	<b>162,162</b>	<b>651,870</b>	-	-	<b>1,480,624</b>	<b>6</b>	<b>5.00</b>
<b>2011-13 Leg Approved Budget (Base)</b>	<b>666,592</b>	-	<b>162,162</b>	<b>951,870</b>	-	-	<b>1,780,624</b>	<b>6</b>	<b>5.00</b>
Summary of Base Adjustments	(15,951)	-	(9,252)	47,085	-	-	21,882	-	(0.10)
<b>2013-15 Base Budget</b>	<b>650,641</b>	-	<b>152,910</b>	<b>998,955</b>	-	-	<b>1,802,506</b>	<b>6</b>	<b>4.90</b>
010: Non-PICS Pers Svc/Vacancy Factor	17,665	-	(1,031)	(3,738)	-	-	12,896	-	-
030: Inflation & Price List Adjustments	4,009	-	818	16,584	-	-	21,411	-	-
<b>2013-15 Current Service Level</b>	<b>672,315</b>	-	<b>152,697</b>	<b>1,011,801</b>	-	-	<b>1,836,813</b>	<b>6</b>	<b>4.90</b>
<b>Adjusted 2013-15 Current Service Level</b>	<b>672,315</b>	-	<b>152,697</b>	<b>1,011,801</b>	-	-	<b>1,836,813</b>	<b>6</b>	<b>4.90</b>
<b>Total LFO Recommended Packages</b>	<b>(672,315)</b>	-	<b>(152,697)</b>	<b>(1,011,801)</b>	-	-	<b>(1,836,813)</b>	<b>(6)</b>	<b>(4.90)</b>
<b>2013-15 Legislative Actions</b>	-	-	-	-	-	-	-	-	-
Net change from 2011-13 Leg Approved Budget	(666,592)	-	(162,162)	(651,870)	-	-	(1,480,624)	(6)	(5.00)
Percent change from 2011-13 Leg Approved Budget	(100.0%)	0.0%	(100.0%)	(100.0%)	0.0%	0.0%	(100.0%)	(100.0%)	(100.0%)
Net change from 2013-15 Current Service Level	(672,315)	-	(152,697)	(1,011,801)	-	-	(1,836,813)	(6)	(4.90)
Percent change from 2013-15 Current Service Level	(100.0%)	0.0%	(100.0%)	(100.0%)	0.0%	0.0%	(100.0%)	(100.0%)	(100.0%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 090 Analyst Adjustments**

Package Description This package reflects savings from lower agency management indirect charges due to PERS rate changes.

LFO Recommendation Approve

<b>LFO Recommended</b>	(120)	-	-	-	-	-	(120)	-	-
------------------------	-------	---	---	---	---	---	-------	---	---



	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 091 Statewide Administrative Savings**

Package Description This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor’s 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

LFO Recommendation Approve

<b>LFO Recommended</b>	(1,175)	-	-	-	-	-	(1,175)	-	-
------------------------	---------	---	---	---	---	---	---------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 092 PERS Taxation Policy**

Package Description This package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30%.

LFO Recommendation Approve

LFO Recommended	(1,520)	-	(325)	(1,142)	-	-	(2,987)	-	-
-----------------	---------	---	-------	---------	---	---	---------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 093 Other PERS Adjustments**

Package Description This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2%.

An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9%. However, no employer rate is reduced below its 2011-13 biennium rate.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>(11,560)</b>	<b>-</b>	<b>(2,596)</b>	<b>(9,126)</b>	<b>-</b>	<b>-</b>	<b>(23,282)</b>	<b>-</b>	<b>-</b>
------------------------	-----------------	----------	----------------	----------------	----------	----------	-----------------	----------	----------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 811 Technical Adjustments**

Package Description Corrects price list adjustments made in pkg. 030 for telecom and data processing charges that should have been taken in programs, but were taken in GRB from Agency Management.

LFO Recommendation Approve

LFO Recommended	176	-	(33)	(435)	-	-	(292)	-	-
-----------------	-----	---	------	-------	---	---	-------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 812 Remove Cross Media Program**

Package Description DEQ has a small Program Area in the budget called Cross Program that contains four small miscellaneous programs that didn't fit consistently into the other major program areas. DEQ has no parallel organizational structure that matches this program and has decided that it makes sense to eliminate this SCR and shift the program funding into the other program areas. The programs affected include:

Green Permits – a voluntary, incentive-based program that rewards facilities for achieving environmental results beyond regulatory requirements. Shift to Agency Management

Tax Credits – the program sunset and all that remains is managing existing credits to ensure the equipment is still in use. This fund will ultimately completely phase out. Shift to Agency Management

Network Exchange Grants – a system for information sharing between EPA, the 50 states and other regulators, known as the National Environmental Information Exchange Network. Shift to Water Quality

Pollution Prevention Grants – The grants give states and tribes the ability to assist businesses, government and industries identify environmental strategies, comply with federal and state environmental regulations and how to address economic needs without increasing harm to the environment. Shift to Air Quality

Regional Solution Teams (RST) – solve problems and maximize economic development opportunities at the state, regional and local level. The cross program portion of RST is GF and will be shifted to the three major programs based on estimated split of work between the program areas.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>(658,116)</b>	<b>-</b>	<b>(149,743)</b>	<b>(1,001,098)</b>	<b>-</b>	<b>-</b>	<b>(1,808,957)</b>	<b>(6)</b>	<b>(4.90)</b>
------------------------	------------------	----------	------------------	--------------------	----------	----------	--------------------	------------	---------------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	-	-	-	-	109,516,601	-	109,516,601	-	-
2011-13 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	-	-	-	-	109,516,601	-	109,516,601	-	-
<b>2011-13 Leg Approved Budget (Base)</b>	-	-	-	-	109,516,601	-	109,516,601	-	-
Summary of Base Adjustments	-	-	-	-	(29,516,601)	-	(29,516,601)	-	-
<b>2013-15 Base Budget</b>	-	-	-	-	80,000,000	-	80,000,000	-	-
<b>2013-15 Current Service Level</b>	-	-	-	-	80,000,000	-	80,000,000	-	-
<b>Adjusted 2013-15 Current Service Level</b>	-	-	-	-	80,000,000	-	80,000,000	-	-
<b>Total LFO Recommended Packages</b>	-	-	-	-	30,150,000	-	30,150,000	-	-
<b>2013-15 Legislative Actions</b>	-	-	-	-	110,150,000	-	110,150,000	-	-
Net change from 2011-13 Leg Approved Budget	-	-	-	-	633,399	-	633,399	-	-
Percent change from 2011-13 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.6%	0.0%	0.6%	0.0%	0.0%
Net change from 2013-15 Current Service Level	-	-	-	-	30,150,000	-	30,150,000	-	-
Percent change from 2013-15 Current Service Level	0.0%	0.0%	0.0%	0.0%	37.7%	0.0%	37.7%	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)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 181 Clean Water SRF Capitalization Grant Loans**

Package Description This package reflects non-limited expenditure approval to fund \$150,000 of bond issuance costs, including legal and other fees, associated with bonds issued to provide the state match component of up to three federal capitalization grants to maintain Oregon's Clean Water State Revolving Fund. The package also seeks limitation to provide \$30 million of additional CWSRF loans using the federal grant monies received. This package reflects non-limited expenditure of \$150,000 in bond issuance costs, including legal and other fees, associated with bonds issued to provide the state match component of up to three federal capitalization grants to maintain Oregon's Clean Water State Revolving Fund. The package also reflects \$30 million of additional CWSRF loans using the federal grant monies received. The CWSRF provides below market interest rate loans to public agencies, including counties and municipalities, for three kinds of water pollution abatement projects: wastewater collection, treatment, and disposal systems; nonpoint source water pollution control measures; and implementation of management plans for federally designated estuaries (Tillamook and Lower Columbia River).

LFO Recommendation Approve

LFO Recommended	-	-	-	-	30,150,000	-	30,150,000	-	-
-----------------	---	---	---	---	------------	---	------------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
<b>2011-13 Agy. Leg. Adopted</b>	<b>5,379,568</b>	-	<b>238,600</b>	-	<b>16,150,201</b>	-	<b>21,768,369</b>	-	-
2011-13 Ebds, SS & Admin Act	193,612	-	-	-	-	-	193,612	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2011-13 Leg Approved Budget</b>	<b>5,573,180</b>	-	<b>238,600</b>	-	<b>16,150,201</b>	-	<b>21,961,981</b>	-	-
<b>2011-13 Leg Approved Budget (Base)</b>	<b>5,573,180</b>	-	<b>238,600</b>	-	<b>16,150,201</b>	-	<b>21,961,981</b>	-	-
Summary of Base Adjustments	(843,387)	-	(238,600)	-	(9,029,923)	-	(10,111,910)	-	-
<b>2013-15 Base Budget</b>	<b>4,729,793</b>	-	-	-	<b>7,120,278</b>	-	<b>11,850,071</b>	-	-
<b>2013-15 Current Service Level</b>	<b>4,729,793</b>	-	-	-	<b>7,120,278</b>	-	<b>11,850,071</b>	-	-
<b>Adjusted 2013-15 Current Service Level</b>	<b>4,729,793</b>	-	-	-	<b>7,120,278</b>	-	<b>11,850,071</b>	-	-
<b>Total LFO Recommended Packages</b>	<b>(206,000)</b>	-	-	-	<b>10,020,000</b>	-	<b>9,814,000</b>	-	-
<b>2013-15 Legislative Actions</b>	<b>4,523,793</b>	-	-	-	<b>17,140,278</b>	-	<b>21,664,071</b>	-	-
Net change from 2011-13 Leg Approved Budget	(1,049,387)	-	(238,600)	-	990,077	-	(297,910)	-	-
Percent change from 2011-13 Leg Approved Budget	(18.8%)	0.0%	(100.0%)	0.0%	6.1%	0.0%	(1.4%)	0.0%	0.0%
Net change from 2013-15 Current Service Level	(206,000)	-	-	-	10,020,000	-	9,814,000	-	-
Percent change from 2013-15 Current Service Level	(4.4%)	0.0%	0.0%	0.0%	140.7%	0.0%	82.8%	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)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 191 Clean Water SRF Bond Debt Service**

Package Description This package provides debt services associated with Package 181 in the Nonlimited program. Together, the two packages provide funds for the Clean Water State Revolving Fund.

LFO Recommendation Approve

LFO Recommended	-	-	-	-	10,020,000	-	10,020,000	-	-
-----------------	---	---	---	---	------------	---	------------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 810 LFO Analyst Adjustments**

Package Description This package assumes General Fund debt service savings from refinancing of 2003 series orphan site bonds.

LFO Recommendation Approve

<b>LFO Recommended</b>	<b>(206,000)</b>	-	-	-	-	-	<b>(206,000)</b>	-	-
------------------------	------------------	---	---	---	---	---	------------------	---	---

## Legislatively Proposed 2013-2015 Key Performance Measures

**Agency:** ENVIRONMENTAL QUALITY, DEPARTMENT of

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

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
13 a - AIR QUALITY - AIR TOXICS - Air Toxics Trends in Larger Communities		Proposed New KPM			
13 b - AIR QUALITY - AIR TOXICS - Air Toxics Trends in Smaller Communities		Proposed New KPM			
6 - UMATILLA: Cumulative percent of chemical agent destroyed at Umatilla Chemical Demilitarization Facility (UMCDF).		Proposed Delete KPM	100.00		
13 a - AIR QUALITY - AIR TOXICS - Percent of Oregonians at risk from toxic air pollutants that contribute to cancer.		Proposed Delete KPM	93.00		90.00
13 b - AIR QUALITY - AIR TOXICS - Percent of Oregonians at risk from toxic air pollutants that contribute to respiratory problems and other non-cancer health effects.		Proposed Delete KPM	91.00		90.00
1 - 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.	Accuracy	Approved KPM	69.00	85.00	85.00
1 - 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.	Availability of Information	Approved KPM	64.00	85.00	85.00
1 - 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.	Expertise	Approved KPM	75.00	85.00	85.00
1 - 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.	Helpfulness	Approved KPM	79.00	85.00	85.00

**Agency: ENVIRONMENTAL QUALITY, DEPARTMENT of**

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

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - 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.	Overall	Approved KPM	72.00	85.00	85.00
1 - 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.	Timeliness	Approved KPM	66.00	85.00	85.00
2 - PERMIT TIMELINESS: Percentage of air contaminant discharge permits issued within the target period.		Approved KPM	79.00	90.00	90.00
3 - PERMIT TIMELINESS: Percentage of individual wastewater discharge permits issued within 270 days.		Approved KPM	21.00	50.00	50.00
4 - UPDATED PERMITS: Percent of total wastewater permits that are current.		Approved KPM	69.00	80.00	80.00
5 - WATER QUALITY TMDLs: Percent of impaired waterbody miles for which a TMDL has been approved.		Approved KPM	75.00	81.00	81.00
7 a - CLEANUP: Percent of identified Oregon hazardous waste sites cleaned up: overall.		Approved KPM	81.00	80.00	80.00
7 b - CLEANUP: Percent of identified Oregon hazardous waste sites cleaned up: tanks.		Approved KPM	83.00	83.00	83.00
7 c - CLEANUP: Percent of identified Oregon hazardous waste sites cleaned up: hazardous substances.		Approved KPM	39.00	39.00	39.00
8 - TOXICS PREVENTION AND REDUCTION: Pounds of mercury removed from the environment through DEQ's efforts.		Approved KPM	58.00	120.00	120.00
9 - SOLID WASTE - Pounds of municipal solid waste landfilled or incinerated per capita.		Approved KPM	1,264.00	1,400.00	1,400.00
10 a - WATER QUALITY CONDITIONS - Percent of monitored stream sites with significantly increasing trends in water quality.		Approved KPM	18.00	10.00	10.00
10 b - WATER QUALITY CONDITIONS - Percent of monitored stream sites with decreasing trends in water quality.		Approved KPM	14.00	5.00	5.00

**Agency: ENVIRONMENTAL QUALITY, DEPARTMENT of**

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

<b>Legislatively Proposed KPMs</b>	<b>Customer Service Category</b>	<b>Agency Request</b>	<b>Most Current Result</b>	<b>Target 2014</b>	<b>Target 2015</b>
10 c - WATER QUALITY CONDITIONS – Percent of monitored stream sites with water quality in good to excellent condition.		Approved KPM	50.00	45.00	45.00
11 - AIR QUALITY DIESEL EMISSIONS: Quantity of diesel particulate emissions.		Approved KPM	2,962.00	1,175.00	
12 a - AIR QUALITY CONDITIONS - National Standards: Number of days when air is unhealthy for sensitive groups.		Approved KPM	78.00	20.00	20.00
12 b - AIR QUALITY CONDITIONS - National Standards: Number of days when air is unhealthy for all groups.		Approved KPM	6.00	3.00	3.00
14 - ERT: Percent of local participants who rank DEQ involvement in Economic Revitalization Team process as good to excellent.		Approved KPM	75.00	80.00	80.00
15 - PERMIT TIMELINESS: Percent of Title V operating permits issued with the target period.		Approved KPM	68.00	90.00	90.00
16 - BOARDS AND COMMISSIONS: Percent of total best practices met by the Environmental Quality Commission.		Approved KPM	97.00	100.00	100.00

**LFO Recommendation:**

Approve the Key Performance Measures as modified. Delete #6 - Umatilla chemical agent cleanup because this program has ended. Replace #13a and #13b - Air Toxics.

**Sub-Committee Action:**