
MEMORANDUM

Legislative Fiscal Office
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To: Natural Resources Subcommittee

From: Paul Siebert, Legislative Fiscal Office
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Date: 5/25/2015

Subject: HB 5018 – Department of Environmental Quality
Work Session Recommendations

Department of Environmental Quality – Agency Totals

	2011-13 Actuals	2013-15 Legislatively Approved	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	25,011,532	30,961,259	31,304,184	33,718,343
Lottery Funds	4,502,197	3,873,265	3,955,299	3,955,299
Other Funds	112,649,579	142,862,396	148,052,220	149,823,737
Other Funds NL	109,364,580	127,290,278	87,108,417	127,264,767
Federal Funds	28,811,248	28,010,107	28,654,759	29,008,196
Total Funds	280,339,136	332,997,305	299,074,879	343,770,342
Positions	732	719	724	737
FTE	714.92	706.33	712.24	721.32

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”

Accept LFO Recommendation

Move the LFO recommendation to HB 5018.

OR

Change LFO recommendation

Move the LFO recommendation to HB 5018, with modifications.

Performance Measures

See attached “Legislatively Proposed 2015-17 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

Water Quality Permitting

“The Subcommittee expressed concerns with the backlog in renewing water quality permits and directed the Department of Environmental Quality (DEQ) to undertake a review of its permitting program. To achieve this, the Department is directed to hire an outside consultant with the knowledge and skills needed to conduct an evaluation of the program and the ability to make recommendations. These recommendations will focus on improving the quality and timeliness of water quality permits issued under the NPDES program and meeting the associated metrics developed by the Blue Ribbon Committee in its 2004 report (percent of permits being current, inspections, DMR reviews and assignment of general permit coverage) or any agreed upon replacement metrics. DEQ will report to the appropriate legislative committee on or before December 2015 and again by December 2016 on progress toward completing the evaluation, meeting the program metrics and implementing recommendations that come out of the consulting work. DEQ will work with the Blue Ribbon Committee on implementing these recommendations for meeting programs goals and will provide the Blue Ribbon Committee with periodic updates on progress being made to improve the program.”

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 HB 5018:

The Legislative Fiscal Office recommends a budget of \$33,718,343 General Fund, \$3,955,299 Lottery Funds, \$149,823,737 Other Funds, \$29,008,196 Federal Funds, and 737 positions (721.32 FTE), which is reflected in the –1 amendment.

Move adoption of the -1 amendment to HB 5018

HB 5018 Final Subcommittee Action:

Final Motion:

Move HB 5018, as amended, to the full committee with a Do Pass recommendation.

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	29,936,112	3,824,782	139,956,679	27,563,182	127,290,278	-	328,571,033	719	706.33
2013-15 Ebds, SS & Admin Act	1,025,147	48,483	2,905,717	446,925	-	-	4,426,272	1	(1.46)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	30,961,259	3,873,265	142,862,396	28,010,107	127,290,278	-	332,997,305	720	704.87
2013-15 Leg Approved Budget (Base)	30,961,259	3,873,265	142,862,396	28,010,107	127,290,278	-	332,997,305	720	704.87
Summary of Base Adjustments	(195,502)	36,727	1,288,193	357,143	(40,181,861)	-	(38,695,300)	4	6.89
2015-17 Base Budget	30,765,757	3,909,992	144,150,589	28,367,250	87,108,417	-	294,302,005	724	711.76
010: Non-PICS Pers Svc/Vacancy Factor	158,450	20,968	678,051	90,325	-	-	947,794	-	-
020: Phase In / Out Pgm & One-time Cost	(166,402)	-	(53,738)	-	-	-	(220,140)	-	0.48
030: Inflation & Price List Adjustments	546,379	27,128	3,130,599	366,307	-	-	4,070,413	-	-
050: Fundshifts and Revenue Reductions	-	(2,789)	446,761	(468,085)	-	-	(24,113)	-	-
060: Technical Adjustments	-	-	(300,042)	298,962	-	-	(1,080)	-	-
2015-17 Current Service Level	31,304,184	3,955,299	148,052,220	28,654,759	87,108,417	-	299,074,879	724	712.24
070: Revenue Reductions/Shortfall	-	-	(2,235,188)	(726,563)	-	-	(2,961,751)	(15)	(17.39)
Adjusted 2015-17 Current Service Level	31,304,184	3,955,299	145,817,032	27,928,196	87,108,417	-	296,113,128	709	694.85
Total LFO Recommended Packages	2,414,159	-	4,006,705	1,080,000	40,156,350	-	47,657,214	28	26.47
2015-17 Legislative Actions	33,718,343	3,955,299	149,823,737	29,008,196	127,264,767	-	343,770,342	737	721.32
Net change from 2013-15 Leg Approved Budget	2,757,084	82,034	6,961,341	998,089	(25,511)	-	10,773,037	17	16.45
Percent change from 2013-15 Leg Approved Budget	8.9%	2.1%	4.9%	3.6%	(0.0%)	0.0%	3.2%	2.4%	2.3%
Net change from 2015-17 Current Service Level	2,414,159	-	4,006,705	1,080,000	40,156,350	-	47,657,214	28	26.47
Percent change from 2015-17 Current Service Level	7.7%	0.0%	2.8%	3.9%	46.1%	0.0%	16.1%	4.0%	3.8%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	5,575,145	-	41,793,073	7,693,810	-	-	55,062,028	222	220.87
2013-15 Ebds, SS & Admin Act	509,048	-	833,171	125,603	-	-	1,467,822	3	1.04
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	6,084,193	-	42,626,244	7,819,413	-	-	56,529,850	225	221.91
2013-15 Leg Approved Budget (Base)	6,084,193	-	42,626,244	7,819,413	-	-	56,529,850	225	221.91
Summary of Base Adjustments	(261,717)	-	752,183	106,260	-	-	596,726	(1)	(0.42)
2015-17 Base Budget	5,822,476	-	43,378,427	7,925,673	-	-	57,126,576	224	221.49
010: Non-PICS Pers Svc/Vacancy Factor	3,336	-	176,668	22,932	-	-	202,936	-	-
020: Phase In / Out Pgm & One-time Cost	(73,104)	-	-	-	-	-	(73,104)	-	0.48
030: Inflation & Price List Adjustments	117,679	-	506,408	119,832	-	-	743,919	-	-
050: Fundshifts and Revenue Reductions	-	-	1	-	-	-	1	-	-
060: Technical Adjustments	-	-	(39,913)	9,616	-	-	(30,297)	2	0.61
2015-17 Current Service Level	5,870,387	-	44,021,591	8,078,053	-	-	57,970,031	226	222.58
Adjusted 2015-17 Current Service Level	5,870,387	-	44,021,591	8,078,053	-	-	57,970,031	226	222.58
Total LFO Recommended Packages	361,562	-	-	1,080,000	-	-	1,441,562	3	1.52
2015-17 Legislative Actions	6,231,949	-	44,021,591	9,158,053	-	-	59,411,593	229	224.10
Net change from 2013-15 Leg Approved Budget	147,756	-	1,395,347	1,338,640	-	-	2,881,743	4	2.19
Percent change from 2013-15 Leg Approved Budget	2.4%	0.0%	3.3%	17.1%	0.0%	0.0%	5.1%	1.8%	1.0%
Net change from 2015-17 Current Service Level	361,562	-	-	1,080,000	-	-	1,441,562	3	1.52
Percent change from 2015-17 Current Service Level	6.2%	0.0%	0.0%	13.4%	0.0%	0.0%	2.5%	1.3%	0.7%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 111 Continue Air Toxics Monitoring

Package Description During the 2014 legislative session a one-time \$375,000 General Fund appropriation was made to purchase equipment and conduct a year-long air toxics study of Swan Island. This package adds \$361,562 GF for 3 lab positions (2.00 FTE when fully phased-in) to make use of the already purchased monitoring equipment at other sites around the state.

LFO Recommendation Approve

LFO Recommended	361,562	-	-	-	-	-	361,562	3	1.52
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 115 Coordinate AQ Scientific Data Contract

Package Description Provides Federal Funds expenditure limitation for a contract with the Northwest International Air Quality Environmental Science and Technology Consortium for meteorological, emission and modeling data using funding from the EPA earmarked for this use by the Air Quality agencies of Oregon, Washington, and Idaho. The three states take turns coordinating the contract. Idaho has coordinated the contract for the last eight years and it is now Oregon's turn.

LFO Recommendation Approve

LFO Recommended	-	-	-	680,000	-	-	680,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description The package adds \$400,000 Federal Funds expenditure limitation for a Clean Diesel Grant, for which the application was approved at the February 27th meeting of the Joint Committee on Ways & Means. The total grant award was for \$1.5M, however the agency has some existing expenditure limitation in the diesel program it can use for most of the awarded grant.

LFO Recommendation Approve

LFO Recommended	-	-	-	400,000	-	-	400,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	19,153,687	3,824,782	22,218,418	12,505,065	-	-	57,701,952	224	212.46
2013-15 Ebds, SS & Admin Act	500,212	48,483	739,530	241,391	-	-	1,529,616	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	19,653,899	3,873,265	22,957,948	12,746,456	-	-	59,231,568	224	212.46
2013-15 Leg Approved Budget (Base)	19,653,899	3,873,265	22,957,948	12,746,456	-	-	59,231,568	224	212.46
Summary of Base Adjustments	724,629	36,727	(187,612)	122,258	-	-	696,002	2	4.81
2015-17 Base Budget	20,378,528	3,909,992	22,770,336	12,868,714	-	-	59,927,570	226	217.27
010: Non-PICS Pers Svc/Vacancy Factor	152,263	20,968	83,422	25,860	-	-	282,513	-	-
020: Phase In / Out Pgm & One-time Cost	(93,298)	-	(53,738)	-	-	-	(147,036)	-	-
030: Inflation & Price List Adjustments	471,945	27,128	180,646	168,370	-	-	848,089	-	-
050: Fundshifts and Revenue Reductions	-	(2,789)	255,280	(282,337)	-	-	(29,846)	-	-
060: Technical Adjustments	-	-	809,547	311,536	-	-	1,121,083	2	4.94
2015-17 Current Service Level	20,909,438	3,955,299	24,045,493	13,092,143	-	-	62,002,373	228	222.21
070: Revenue Reductions/Shortfall	-	-	(924,232)	(501,727)	-	-	(1,425,959)	(8)	(9.29)
Adjusted 2015-17 Current Service Level	20,909,438	3,955,299	23,121,261	12,590,416	-	-	60,576,414	220	212.92
Total LFO Recommended Packages	2,043,095	-	723,530	-	-	-	2,766,625	11	11.00
2015-17 Legislative Actions	22,952,533	3,955,299	23,844,791	12,590,416	-	-	63,343,039	231	223.92
Net change from 2013-15 Leg Approved Budget	3,298,634	82,034	886,843	(156,040)	-	-	4,111,471	7	11.46
Percent change from 2013-15 Leg Approved Budget	16.8%	2.1%	3.9%	(1.2%)	0.0%	0.0%	6.9%	3.1%	5.4%
Net change from 2015-17 Current Service Level	2,043,095	-	723,530	-	-	-	2,766,625	11	11.00
Percent change from 2015-17 Current Service Level	9.8%	0.0%	3.1%	0.0%	0.0%	0.0%	4.6%	5.0%	5.2%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description Increased costs and falling funding in the Water Quality program caused cuts of \$924,000 Other Funds, \$500,000 Federal Funds and 9.29 FTE. General Fund is added later to restore 6.00 FTE in wastewater permitting (pkg. 123) and 2.00 FTE in the non-point pollution with General Fund (package 126).

LFO Recommendation Approve

LFO Recommended	-	-	(924,232)	(501,727)	-	-	(1,425,959)	(8)	(9.29)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 120 WQSIS Replacement

Package Description Funding to pay for a new wastewater permitting software module to replace the old system. This would be the first part of a consolidated permitting system for all DEQ permits.

LFO Recommendation Approve

LFO Recommended	452,719	-	105,673	-	-	-	558,392	1	1.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 121 WQ Assessment

Package Description This package enhances agency's ability to assess and report water quality data. EPA has partially disapproved the 2012 biennial Integrated Report on impaired water bodies and is expected to disapprove the 2014 report because the reports fall far short of meeting the most basic federal requirements of using all readily available water quality data. The package adds \$491,435 General Fund to support three new positions that would be phased-in over the 2015-17 biennium.

LFO Recommendation Approve

LFO Recommended	491,435	-	-	-	-	-	491,435	3	2.25
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 123 Wastewater Permitting Restoration

Package Description This package restores 5 positions (6.00 FTE) in wastewater permitting with General Fund. The DEQ states that if this package and POP 120 are approved the additional state support would restore the program to 60% fees/40% state/federal funds split. In addition, 2 NRS4 positions are added to help address the permitting backlog, which will increase the General Fund support percentage.

LFO Recommendation Approve

LFO Recommended	919,012	-	617,857	-	-	-	1,536,869	7	7.75
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 126 Reducing Nonpoint Source Pollution

Package Description Adds \$403,568 General Fund to backfill two Federal Fund supported positions eliminated due to insufficient Federal Funds revenue in Pkg 070.

LFO Recommendation Approve

LFO Recommended	403,568	-	-	-	-	-	403,568	2	2.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description Eliminates two administrative support Office Specialist positions.

LFO Recommendation Approve

LFO Recommended	(223,639)	-	-	-	-	-	(223,639)	(2)	(2.00)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 802 Position Realignment

Package Description This package makes changes between expenditure categories of six positions split funded between General Fund and M76 Lottery Funds. The change would correct misalignment due to past fund shifting of these positions. The shifts include increasing General Fund by \$252,330 Personal Services and 1.23 FTE, while reducing Services & Supplies by \$252,330. M76 Lottery Funds support is reduced by \$252,330 Personal Services and 1.23 FTE, while increasing Services & Supplies by \$252,330. The package has no net increase on expenditures or FTE.

LFO Recommendation Approve

LFO Recommended	-	-	-	-	-	-	-	-	-
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Land Quality

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	683,487	-	54,616,918	7,364,307	-	-	62,664,712	192	193.50
2013-15 Ebds, SS & Admin Act	15,887	-	493,024	79,931	-	-	588,842	(3)	(2.50)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	699,374	-	55,109,942	7,444,238	-	-	63,253,554	189	191.00
2013-15 Leg Approved Budget (Base)	699,374	-	55,109,942	7,444,238	-	-	63,253,554	189	191.00
Summary of Base Adjustments	21,017	-	380,852	128,625	-	-	530,494	3	1.50
2015-17 Base Budget	720,391	-	55,490,794	7,572,863	-	-	63,784,048	192	192.50
010: Non-PICS Pers Svc/Vacancy Factor	2,851	-	140,495	41,533	-	-	184,879	-	-
030: Inflation & Price List Adjustments	(43,245)	-	815,575	78,105	-	-	850,435	-	-
050: Fundshifts and Revenue Reductions	-	-	186,706	(185,748)	-	-	958	-	-
060: Technical Adjustments	-	-	(1,128,387)	(22,190)	-	-	(1,150,577)	(5)	(5.85)
2015-17 Current Service Level	679,997	-	55,505,183	7,484,563	-	-	63,669,743	187	186.65
070: Revenue Reductions/Shortfall	-	-	(1,310,956)	(224,836)	-	-	(1,535,792)	(7)	(8.10)
Adjusted 2015-17 Current Service Level	679,997	-	54,194,227	7,259,727	-	-	62,133,951	180	178.55
Total LFO Recommended Packages	(4,148)	-	2,184,962	-	-	-	2,180,814	8	8.55
2015-17 Legislative Actions	675,849	-	56,379,189	7,259,727	-	-	64,314,765	188	187.10
Net change from 2013-15 Leg Approved Budget	(23,525)	-	1,269,247	(184,511)	-	-	1,061,211	(1)	(3.90)
Percent change from 2013-15 Leg Approved Budget	(3.4%)	0.0%	2.3%	(2.5%)	0.0%	0.0%	1.7%	(0.5%)	(2.0%)
Net change from 2015-17 Current Service Level	(4,148)	-	2,184,962	-	-	-	2,180,814	8	8.55
Percent change from 2015-17 Current Service Level	(0.6%)	0.0%	4.0%	0.0%	0.0%	0.0%	3.5%	4.4%	4.8%

Land Quality

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description Balances expenditures to revenues assumed in the Current Service Level by making reductions in the solid waste program. Solid waste permit fee revenue has not been adequate to support regulating facilities, so tipping fee revenues have been used to supplement the program.

LFO Recommendation Approve

LFO Recommended	-	-	(1,310,956)	(224,836)	-	-	(1,535,792)	(7)	(8.10)
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Land Quality

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 132 Implement Material Management Vision 2050

Package Description Positions cut in package 070 would be restored and repurposed to promote and enhance waste reduction and recycling and to award grants to local governments for recycling and solid waste planning activities. Work by these seven positions would include food waste prevention, voluntary business initiatives, toxics reduction, and sustainable consumption.

LFO Recommendation Approve

LFO Recommended	-	-	1,878,724	-	-	-	1,878,724	7	7.00
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Land Quality

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 136 Continue Ballast Water Monitor/Enforcement

Package Description This package adds \$32,000 GF and \$15,000 Other Funds from an increase of the ballast water inspection fee from \$70 to \$88 per vessel arrival. The additional General Fund would maintain the traditional program funding split of 50% General Fund/50% Other Funds and maintain the 1.60 FTE currently working on this program.

LFO Recommendation Approve

LFO Recommended	32,003	-	15,298	-	-	-	47,301	-	0.20
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 138 Continue Oil Spill Response Planning

Package Description Adds \$290,940 Other Funds expenditure limitation from increases to fees paid by large cargo vessels, vessels that carry oil shipments, petroleum facilities and pipelines that would be used to enhance the current program and restore cuts caused by insufficient revenues. This additional funding would restore the program to 3.35 FTE and allow it to investigate reported spills within 90 days, review spill contingency plans, and conduct drills to prepare for marine oil spills.

LFO Recommendation Approve

LFO Recommended	-	-	290,940	-	-	-	290,940	1	1.35
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description Eliminates \$36,151 General Fund support for 0.12 FTE in the Hazardous Waste program and shifts \$24,531 Other Funds from S&S to Personal Services to support the FTE with Other Funds.

LFO Recommendation Approve

LFO Recommended	(36,151)	-	-	-	-	-	(36,151)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	21,328,270	-	-	-	21,328,270	81	79.50
2013-15 Ebds, SS & Admin Act	-	-	839,992	-	-	-	839,992	1	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	22,168,262	-	-	-	22,168,262	82	79.50
2013-15 Leg Approved Budget (Base)	-	-	22,168,262	-	-	-	22,168,262	82	79.50
Summary of Base Adjustments	-	-	342,770	-	-	-	342,770	-	1.00
2015-17 Base Budget	-	-	22,511,032	-	-	-	22,511,032	82	80.50
010: Non-PICS Pers Svc/Vacancy Factor	-	-	277,466	-	-	-	277,466	-	-
030: Inflation & Price List Adjustments	-	-	1,627,970	-	-	-	1,627,970	-	-
050: Fundshifts and Revenue Reductions	-	-	4,774	-	-	-	4,774	-	-
060: Technical Adjustments	-	-	58,711	-	-	-	58,711	1	0.30
2015-17 Current Service Level	-	-	24,479,953	-	-	-	24,479,953	83	80.80
Adjusted 2015-17 Current Service Level	-	-	24,479,953	-	-	-	24,479,953	83	80.80
Total LFO Recommended Packages	-	-	1,098,213	-	-	-	1,098,213	6	5.40
2015-17 Legislative Actions	-	-	25,578,166	-	-	-	25,578,166	89	86.20
Net change from 2013-15 Leg Approved Budget	-	-	3,409,904	-	-	-	3,409,904	7	6.70
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	15.4%	0.0%	0.0%	0.0%	15.4%	8.5%	8.4%
Net change from 2015-17 Current Service Level	-	-	1,098,213	-	-	-	1,098,213	6	5.40
Percent change from 2015-17 Current Service Level	0.0%	0.0%	4.5%	0.0%	0.0%	0.0%	4.5%	7.2%	6.7%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 150 Process Improvement

Package Description This package continues and accelerates outcomes-based management reforms designed to identify, measure, and improve the performance of core agency processes. It adds \$1,098,213 Other Funds expenditure limitation and 6 positions to continue this work. The package is funded through indirect charges from increased program funding above Current Service Level and ending balance funds in Agency Management.

LFO Recommendation Approve

LFO Recommended	-	-	1,098,213	-	-	-	1,098,213	6	5.40
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	-	-	-	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2015-17 Base Budget	-	-	-	-	-	-	-	-	-
2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
2015-17 Legislative Actions	-	-	-	-	-	-	-	-	-
Net change from 2013-15 Leg Approved Budget	-	-	-	-	-	-	-	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	110,150,000	-	110,150,000	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	-	-	110,150,000	-	110,150,000	-	-
2013-15 Leg Approved Budget (Base)	-	-	-	-	110,150,000	-	110,150,000	-	-
Summary of Base Adjustments	-	-	-	-	(27,750,000)	-	(27,750,000)	-	-
2015-17 Base Budget	-	-	-	-	82,400,000	-	82,400,000	-	-
2015-17 Current Service Level	-	-	-	-	82,400,000	-	82,400,000	-	-
Adjusted 2015-17 Current Service Level	-	-	-	-	82,400,000	-	82,400,000	-	-
Total LFO Recommended Packages	-	-	-	-	30,150,000	-	30,150,000	-	-
2015-17 Legislative Actions	-	-	-	-	112,550,000	-	112,550,000	-	-
Net change from 2013-15 Leg Approved Budget	-	-	-	-	2,400,000	-	2,400,000	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	2.2%	0.0%	2.2%	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	30,150,000	-	30,150,000	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	36.6%	0.0%	36.6%	0.0%	0.0%

Non-Limited

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 181 Clean Water SRF Capitalization Grant Loans

Package Description This package adds \$30,150,000 non limited Other Funds from bond proceeds to capitalize the Clean Water State Revolving Fund, pay \$150,000 in bond issuance costs, and establishes the maximum amount of expenditures from the Fund. The Clean Water State Revolving Fund provides affordable financing alternatives for wastewater treatment, non-point source control, and management plans for federally designated estuaries. Recipients are public agencies, such as municipalities and counties

LFO Recommendation Approve

LFO Recommended	-	-	-	-	30,150,000	-	30,150,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	4,523,793	-	-	-	17,140,278	-	21,664,071	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	4,523,793	-	-	-	17,140,278	-	21,664,071	-	-
2013-15 Leg Approved Budget (Base)	4,523,793	-	-	-	17,140,278	-	21,664,071	-	-
Summary of Base Adjustments	(679,431)	-	-	-	(12,431,861)	-	(13,111,292)	-	-
2015-17 Base Budget	3,844,362	-	-	-	4,708,417	-	8,552,779	-	-
2015-17 Current Service Level	3,844,362	-	-	-	4,708,417	-	8,552,779	-	-
Adjusted 2015-17 Current Service Level	3,844,362	-	-	-	4,708,417	-	8,552,779	-	-
Total LFO Recommended Packages	13,650	-	-	-	10,006,350	-	10,020,000	-	-
2015-17 Legislative Actions	3,858,012	-	-	-	14,714,767	-	18,572,779	-	-
Net change from 2013-15 Leg Approved Budget	(665,781)	-	-	-	(2,425,511)	-	(3,091,292)	-	-
Percent change from 2013-15 Leg Approved Budget	(14.7%)	0.0%	0.0%	0.0%	(14.2%)	0.0%	(14.3%)	0.0%	0.0%
Net change from 2015-17 Current Service Level	13,650	-	-	-	10,006,350	-	10,020,000	-	-
Percent change from 2015-17 Current Service Level	0.4%	0.0%	0.0%	0.0%	212.5%	0.0%	117.2%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 191 Clean Water SRF Bond Debt Service

Package Description Provides for debt service payments 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	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This package makes base budget debt service adjustments to correct implementation of 2013-15 debt service savings from bond refunding which were all captured in the 2013-15 LAB.

LFO Recommendation Approve

LFO Recommended	13,650	-	-	-	(13,650)	-	-	-	-
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Legislatively Proposed 2015-2017 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 2016	Target 2017
5 - WATER QUALITY TMDLs: Percent of impaired waterbody miles for which a TMDL has been approved.		Proposed Delete KPM	78.00	81.00	81.00
7 - TOXICS PREVENTION AND REDUCTION: Pounds of mercury removed from the environment through DEQ's efforts.		Proposed Delete KPM	13.00	120.00	120.00
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	85.00	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	85.00	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	85.00	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	85.00	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.	Overall	Approved KPM	85.00	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	85.00	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 2016	Target 2017
2 - PERMIT TIMELINESS: Percentage of air contaminant discharge permits issued within the target period.		Approved KPM	80.00		
3 - PERMIT TIMELINESS: Percentage of individual wastewater discharge permits issued within 270 days.		Approved KPM	14.00	50.00	50.00
4 - UPDATED PERMITS: Percent of total wastewater permits that are current.		Approved KPM	58.00	80.00	80.00
6 a - CLEANUP: Percent of identified Oregon hazardous substance sites cleaned up: overall.		Approved KPM	82.00	85.00	85.00
6 b - CLEANUP: Percent of identified Oregon hazardous substance sites cleaned up: regulated and heating oil tanks.		Approved KPM	83.00	85.00	85.00
6 c - CLEANUP: Percent of identified Oregon hazardous substance sites cleaned up: non-tank hazardous substance releases.		Approved KPM	43.00	45.00	45.00
8 - SOLID WASTE - Pounds of municipal solid waste landfilled or incinerated per capita.		Approved KPM	1,238.00	1,391.00	1,374.00
9 a - WATER QUALITY CONDITIONS - Percent of monitored stream sites with significantly increasing trends in water quality.		Approved KPM	18.00	20.00	20.00
9 b - WATER QUALITY CONDITIONS - Percent of monitored stream sites with decreasing trends in water quality.		Approved KPM	12.00	0.00	0.00
9 c - WATER QUALITY CONDITIONS – Percent of monitored stream sites with water quality in good to excellent condition.		Approved KPM	50.00	50.00	50.00
10 - AIR QUALITY DIESEL EMISSIONS: Quantity of diesel particulate emissions.		Approved KPM	3,903.00	1,175.00	250.00
11 a - AIR QUALITY CONDITIONS - National Standards: Number of days when air is unhealthy for sensitive groups.		Approved KPM	212.00	20.00	20.00
11 b - AIR QUALITY CONDITIONS - National Standards: Number of days when air is unhealthy for all groups.		Approved KPM	68.00	3.00	3.00
12 a - AIR QUALITY - AIR TOXICS - Air Toxics Trends in Larger Communities		Approved KPM	18.00	15.00	15.00
12 b - AIR QUALITY - AIR TOXICS - Air Toxics Trends in Smaller Communities		Approved KPM	13.00	9.00	9.00

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 2016	Target 2017
13 - ERT: Percent of local participants who rank DEQ involvement in Economic Revitalization Team process as good to excellent.		Approved KPM	72.00	80.00	80.00
14 - PERMIT TIMELINESS: Percent of Title V operating permits issued with the target period.		Approved KPM	88.00	90.00	90.00
15 - BOARDS AND COMMISSIONS: Percent of total best practices met by the Environmental Quality Commission.		Approved KPM	98.00	100.00	100.00

LFO Recommendation:

Eliminate KPM #5 and KPM #7. The Department will propose new measures as part of their 2017-19 budget development.

Sub-Committee Action:

**PROPOSED AMENDMENTS TO
HOUSE BILL 5018**

1 On page 1 of the printed bill, line 8, delete “\$6,226,100” and insert
2 “\$6,231,949”.

3 In line 9, delete “\$24,416,403” and insert “\$22,952,533”.

4 In line 20, delete “\$44,005,079” and insert “\$44,021,591”.

5 In line 21, delete “\$23,821,841” and insert “\$23,844,791”.

6 In line 22, delete “\$56,329,846” and insert “\$56,379,189”.

7 In line 23, delete “\$25,116,593” and insert “\$25,578,166”.

8 In line 25, delete “\$3,813,355” and insert “\$3,955,299”.

9 On page 2, line 13, delete “\$8,755,886” and insert “\$9,158,053”.

10 In line 14, delete “\$12,588,105” and insert “\$12,590,416”.

11 In line 15, delete “\$7,256,669” and insert “\$7,259,727”.

12
