

SB 5516 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Taylor

Joint Committee On Ways and Means

Action Date: 06/18/21

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

Senate Vote

Yeas: 10 - Anderson, Frederick, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor

Nays: 2 - Girod, Thomsen

House Vote

Yeas: 7 - Bynum, Gomberg, McLain, Nosse, Rayfield, Sanchez, Sollman

Nays: 3 - Drazan, Leif, Stark

Exc: 1 - Smith G

Prepared By: Renee Klein, Department of Administrative Services

Reviewed By: John Terpening, Legislative Fiscal Office

**Department of Environmental Quality
2021-23**

Budget Summary*

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget ⁽¹⁾	Current Service Level	Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 50,110,873	\$ 55,952,966	\$ 61,685,946	\$ 11,575,073	23.1%
General Fund Debt Service	\$ 6,368,955	\$ 5,653,561	\$ 5,653,561	\$ (715,394)	(11.2%)
Lottery Funds	\$ 5,557,353	\$ 6,045,171	\$ 6,045,171	\$ 487,818	8.8%
Other Funds Limited	\$ 229,495,350	\$ 236,699,507	\$ 247,876,521	\$ 18,381,171	8.0%
Other Funds Nonlimited	\$ 132,200,000	\$ 200,200,000	\$ 230,350,000	\$ 98,150,000	74.2%
Other Funds Debt Service Nonlimited	\$ 17,643,330	\$ 3,630,055	\$ 13,650,055	\$ (3,993,275)	(22.6%)
Federal Funds Limited	\$ 30,280,946	\$ 31,013,286	\$ 29,850,895	\$ (430,051)	(1.4%)
Total	\$ 471,656,807	\$ 539,194,546	\$ 595,112,149	\$ 123,455,342	26.2%

Position Summary

Authorized Positions	789	774	801	12
Full-time Equivalent (FTE) positions	765.49	768.30	794.68	29.19

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Department of Environmental Quality (DEQ) is supported with General Fund, Lottery Funds, Other Funds, and Federal Funds. The Department has both Other Funds Limited and Nonlimited revenue. The limited revenue is derived mostly from licensing and permit fees and to a lesser extent by charges for services. Nonlimited revenue is tied to the Clean Water Revolving Loan Fund, which includes proceeds from bond sales, loan repayments, and Federal Funds treated as Other Funds, as well as interest earnings on that revenue.

Several fee increases are included in the budget for the 2021-23 biennium. SB 5517 (2021) ratifies fees increased to the Vehicle Inspection Program that were increased administratively. Three of the Department's packages have fee increases contingent on passage of other legislation. SB 57 (2021) increases fees for the Hazardous Waste program for the first time since 2003. SB 58 (2021) includes two new fees for the Department, one is the ability of the Department to pass on credit card convenience fees charged by banking institutions to licensees that use credit cards to pay DEQ, and the second is a surcharge of up to 4% on all invoices generated for customers using the EDMS system. The latter charge is designed specifically to fund the ongoing contracted maintenance and hosting costs of EDMS. Finally, there is a package recognizing DEQ's intention to increase fees by rule in the Asbestos Health Protection program by around 30% to fund the current program. This is the first fee increase for the program in over a decade.

Summary of Natural Resources Subcommittee Action

The Department restores, maintains, and enhances the quality of Oregon's air, water, and land. DEQ regulates industrial air pollution, conducts vehicle emissions testing, sets and enforces water quality standards, monitors river basins, measures groundwater quality, and regulates waste discharges from city sewage treatment and industrial facilities. DEQ also regulates hazardous waste disposal, promotes solid waste reduction, regulates underground storage tanks, and enhances environmental cleanup.

The Subcommittee recommended a total funds budget of \$595,112,149 and 801 positions (794.68 FTE). The budget includes \$67,339,507 General Fund, \$6,045,171 Lottery Funds, \$247,876,521 Other Funds expenditure limitation, \$244,000,055 Other Funds Nonlimited, and \$29,850,895 Federal Funds expenditure limitation. The budget represents a 26.1% increase from the 2019-21 legislatively approved budget.

Air Quality Program

The DEQ Air Quality Program ensures Oregon meets all federal ambient air quality standards by regulating, detecting, monitoring, and analyzing data and enforcing air protection law. The Program is responsible for air quality policy, planning, and rule development. It operates the Vehicle Emission Inspection Program in the Portland Metropolitan area and in Medford. The Subcommittee recommended a total funds budget of \$126,672,118 and 276 positions (269.73 FTE), which includes the following packages:

Package 070, Revenue Shortfall. This package includes a Federal Funds expenditure reduction of \$31,850 to adjust the current service level budget to expected available federal revenue.

Package 099, Microsoft 365 Consolidation. Microsoft 365 is being consolidated within the Office of the State Information Officer and corresponding costs for each agency will be included in State Government Service Charges. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365. The total funds reduction is \$147,872.

Package 110, Maintain Effective Vehicle Inspection Services. This package includes \$1,344,336 Other Funds expenditure limitation to support the establishment of eight permanent positions (8.00 FTE) that were eliminated due to a program revenue shortfall in the 2019-21 biennium. Funding for these positions comes from fee increases to be ratified in SB 5517 (2021). These fee increases had previously been approved by the Environmental Quality Commission and were approved for ratification in the 2020 legislative session but were not completed by sine die. The Commission has since reapproved the same fee increase.

Package 111, Implement Greenhouse Gas Reduction Programs. This package includes \$1,379,834 General Fund for additional resources to continue implementation of the greenhouse gas reduction program, currently under development by the Department. Originally, this program was funded through the March 2020 Emergency Board and continues into the 2021-23 biennium. This package includes \$600,000 for compliance instrument software development and maintenance, \$300,000 to maintain existing contracts for public involvement and facilitation

services, \$100,000 for economic and emissions forecasting associated with rulemaking, and \$379,834 for Department of Justice consultation during rule development and implementation. Of the amount provided in the package, \$700,000 is considered one-time funding.

Package 112, Support Lane Regional Air Protection Agency. This package restores \$250,000 General Fund support to the Lane Regional Air Protection Agency (LRAPA) to pre-recession levels. Prior to 2007, the State provided some General Fund support to LRAPA, which used state funding to leverage local funds that are provided by Lane County and local governments, as well as to meet match-requirements for EPA funding. Restoration of this funding to LRAPA will help to ensure communities in the Lane County area continue to attain federal health-based standards for fine particulate matter.

Package 113, Implement Clean Diesel Legislation. This package includes \$365,236 General Fund to support a permanent Public Service Representative 4 position (1.00 FTE) to assist in the Department's implementation of titling and registration requirements around HB 2007 (2019). That bill established a retrofit compliance program for medium- and heavy-duty trucks registered in Clackamas, Multnomah, and Washington counties. The first deadline for compliance is in 2023 and DEQ anticipates a high volume of workload as that deadline approaches. Included in this package are one-time funds of \$150,000 for DEQ to upgrade its existing IT systems for compliance with ODOT's systems in order to properly exchange relevant information.

Package 114, Maintain Asbestos Health Protection Program. This is a revenue-only package, which assumes a fee increase for the Department's asbestos health protection program. This program works to reduce the health risks to Oregonians from exposure to asbestos during building repair, renovation, and demolition. To achieve adequate funding for the program the fee increase is anticipated to be around 30%, in order to generate approximately \$600,000 in revenue. The last increase occurred over a decade ago. Precise fee amounts will be established by the Department by rule and will take effect in 2022.

Package 801, LFO Analyst Adjustments. This package includes a comprehensive reclassification package involving seven positions within the Air Quality Division. Additional reclassification packages are also included in Water Quality, Land Quality, and Agency Management. The net effect of this reclassification for the Air Quality Division is an increase in Other Funds expenditure limitation of \$5,752.

Water Quality Program

The Water Quality Program works to achieve and maintain water quality. Program responsibilities include implementing the federal Clean Water Act, monitoring and regulating the use of water and wastewater, developing federally required plans for water quality standards, implementing the Oregon Plan for Healthy Salmon and Streams, providing financial and technical assistance, monitoring groundwater, and implementing the Safe Drinking Water Act. The Subcommittee recommended a total funds budget of \$86,836,253 and 243 positions (238.87 FTE), which includes the following packages:

Package 070, Revenue Shortfalls. This package reflects reductions of \$1,543,776 Measure 76 Lottery Funds and \$1,256,217 Federal Funds expenditure limitation, as well as 7 positions due to anticipated revenue loss. The Lottery Funds reduction reflects lower funding estimated to be allocated to DEQ for Measure 76 funded activities. This reduction in funding is a result of pandemic related closures and a loss of Lottery Funds revenue in the State. The Federal Funds reduction accounts for a decline in the amount of funding to be received for Federal Clean Water Act grants.

Package 099, Microsoft 365 Consolidation. Microsoft 365 is being consolidated within the Office of the State Information Officer and corresponding costs for each agency will be included in State Government Service Charges. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365. The reduction totals \$142,157 Other Funds.

Package 121, Clean Watershed Planning and Implementation. This package includes \$1,062,146 General Fund and establishes four permanent positions (2.88 FTE) to increase the Department's capacity to develop and implement clean watershed plans known as TMDLs (Total Maximum Daily Loads). TMDL's are issued as a way to improve water quality in areas that are not meeting standards. DEQ has been required by court order to revise fifteen plans focused on reducing water temperature over the next seven years in addition to the regular high-priority backlog of work that already exists. Through this package, the Department will phase-in the four positions, a Natural Resource Specialist 2, two Natural Resource Specialist 3's, and a Natural Resource Specialist 4, totaling 2.88 FTE.

Package 124, Modernize Clean Water State Revolving Fund Loan Management Software. This package provides \$1,599,000 Other Funds expenditure limitation for the procurement of a commercial off-the-shelf loan portfolio management software to replace the current Clean Water State Revolving Fund's (CWSRF) manual and outdated system. The Department was provided limitation in HB 5017 (2019) for initial scoping and development of software requirements and is currently working with Enterprise Information Services on the Stage Gate 2 procurement submittal with a goal of full procurement of the software during the 2021-23 biennium. Revenue for this project will come from an administrative fee of 0.5% charged on outstanding loans and an administrative allowance on capitalization grants from the federal Environmental Protection Agency. Of the limitation provided, \$150,000 is on-going for licensing agreements and maintenance while the remainder is one-time funding.

Package 125, Lottery Funds Restoration. This package restores the funding of \$1,543,776 Measure 76 Lottery Funds and five positions associated with the Package 070 reductions that were taken due to projected shortfalls in the 2021-23 biennium. Based on the May 2021 revenue forecast, there is now projected to be sufficient M76 Lottery Funds revenue available to restore the funding. Approval of the package allows the Department to continue ongoing water quality monitoring activities and support non-point source pollution reduction efforts.

Package 801, LFO Analyst Adjustments. This package includes \$675,007 General Fund to reflect the roll-up costs in the 2021-23 biennium for two permanent full-time positions (2.00 FTE) that were established in HB 5042 (2021) for sampling and lab testing of cyanotoxins in

waterbodies. These two positions, along with associated Services and Supplies costs total \$625,007. Also included is \$50,000 for the purchase of a nutrient analyzer for the DEQ lab, which will assist in determining what might be causing the cyanotoxins.

Additionally, this package includes \$2 million of General Fund for low cost loans to repair or replace failing septic systems. SB 1563 (2016) established this program and DEQ has received one-time funding in prior biennia. DEQ will use an outside contractor to run the program as it has done in previous biennia. Of the \$2 million, DEQ anticipates \$50,000 for administrative costs. This funding is added on a one-time basis.

This package also includes the restoration of an Environmental Engineer position (1.00 FTE) that was eliminated in Package 070 due to reductions in Federal Funds. While federal fund revenue is not sufficient to fully support the position, the Department can shift \$174,498 (or 60%) of the position onto available Other Funds with the remaining \$115,849 (or 40%) on federal dollars.

Finally, this package includes a comprehensive reclassification package involving three positions within the Water Quality Division. Additional reclassification packages are also included in Air Quality, Land Quality, and Agency Management. The net effect of this reclassification for the Water Quality Division is a decrease in General Fund of \$508, an increase in Other Funds limitation of \$105,384 and an increase in Federal Funds limitation of \$13,435. Included in this reclassification is the increase of a position from half-time to full-time resulting in a 0.50 FTE increase.

Land Quality Program

This program includes hazardous waste management and reduction, solid waste management and reduction, underground storage tank compliance, site assessment, site response, underground storage tank cleanup, spill prevention and management, voluntary cleanup, and policy and program development. The Subcommittee recommended a total funds budget of \$89,012,392 and 189 positions (192.78 FTE), which includes the following packages:

Package 099, Microsoft 365 Consolidation. Microsoft 365 is being consolidated within the Office of the State Information Officer and corresponding costs for each agency will be included in State Government Service Charges. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365. The total reduction is \$101,223 Other Funds.

Package 133, Update Hazardous Waste Fees. This is a revenue-only package contingent on approval of the fee proposal in SB 57 (2021). The fee revenue would be used to fund the current program, which provides oversight of hazardous waste generators and investigates clean-up sites contaminated with hazardous substances. The current disposal fees have not been updated since 2003. With the fee increase the Department anticipates an additional \$1 million Other Funds revenue per biennium to support the program.

Package 134, Authorize Solid Waste Orphan Site Positions. This package includes \$531,768 Other Funds expenditure limitation and funds two permanent positions (2.00 FTE) to continue work to facilitate and oversee cleanup of solid waste orphan sites utilizing the Solid Waste Orphan Account. The positions were originally approved in HB 5017 (2019) as limited duration. Existing revenues are sufficient to cover the positions.

Package 801, LFO Analyst Adjustments. This package includes a comprehensive reclassification package involving nine positions within the Land Quality Division. Additional reclassification packages are also included in Air Quality, Water Quality, and Agency Management. The net effect of this reclassification for the Land Quality Division is an increase in Other Funds expenditure limitation of \$13,105 and a decrease in Federal Funds expenditure limitation of \$3,608.

Agency Management Program

This program provides support to the Environmental Quality Commission, as well as leadership, central services, and technical support to the Department. The program includes the Office of the Director, the Public Affairs Office, and the Management Services Division. The Subcommittee recommended a total funds budget of \$42,637,770 and 93 positions (93.30 FTE). The Subcommittee approved the following budget note for the Department:

Budget Note:

Environmental Data Management System Project – The Department of Environmental Quality (DEQ) is in the process of implementing an Environmental Data Management System (EDMS) Project. The project involves the consolidation or replacement of aging, disparate agency systems within a single off-the-shelf solution designed to standardize and automate key business processes across DEQ's Air, Water and Land programs. DEQ is directed to provide a comprehensive report on the status of the EDMS project to the Joint Legislative Committee on Information Management and Technology (JLCIMT) during the 2022 Legislative Session. The report shall, at minimum, include updated status information on:

- Project governance, management, and staffing
- Project scope, schedule, and budget
- Current or planned procurements/contracts (at the time of the report)
- Legacy system & data conversion planning/activities
- Risks and challenges
- Independent quality assurance findings
- Any other information that would inform the JLCIMT or other Legislative
- Committees about the status of this project/initiative.

The Subcommittee recommended the following packages:

Package 099, Microsoft 365 Consolidation. Microsoft 365 is being consolidated within the Office of the State Information Officer and corresponding costs for each agency will be included in State Government Service Charges. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365. The total decrease is \$158,255 Other Funds.

Package 140, Environmental Data Management System Bond Proceeds Contract. This package provides \$3.1 million Other Funds expenditure limitation to use existing bond proceeds to cover vendor contract costs for the Environmental Data Management System (EDMS) through the end of the 2021-23 biennium. The bond funds are from a \$5 million bond sale in May 2020 and were initially planned to be fully spent during the 2019-21 biennium, but to provide time to address quality assurance feedback and also due to delays experienced during the pandemic, project timelines have been re-evaluated and the project will continue in the 2021-23 biennium.

Package 141, Environmental Data Management System Maintenance Funding. This package includes \$1.6 million of Other Funds expenditure limitation to cover the ongoing costs of the maintenance contract for EDMS. The revenue for this package is contingent on passage of SB 58 (2021), which would provide DEQ with authority to implement a surcharge on all invoices generated for customers using the EDMS system. The surcharge would be capped in statute at 4% and modified depending on the volume and amounts of the invoices generated.

Package 142, Credit Card Convenience Fee. This package is contingent on passage of SB 58 (2021), which would provide DEQ the authority to pass credit card transaction fees on to customers that are choosing to use credit cards as a form of payment. These transaction fees are charged by financial institutions and are not controlled by DEQ. There is no expenditure limitation requirement with this package as these fees may be charged directly to the customer by the credit card processing company.

Package 143, Enhance Agency Support Staffing. This package includes \$2,959,689 Other Funds expenditure limitation and establishes 11 positions (11.00 FTE) to support staffing needs in the Central Services Division of Agency Management. Adding these positions allows the Division to meet increased Department-wide demands on human resources, facilities, financial services, and ongoing support for EDMS. Six of these positions were originally slated for approval in the 2020 Legislative Session. Since that time, with the demands placed on the administration of the agency by the pandemic and expanding programs, five more positions have been identified as necessary. Of the eleven positions, two are limited duration.

The positions include making the Principle Executive Manager E and the Project Manager for the EDMS project permanent; establishing a Facilities and Fleet position; adding an Accountant 4 and Accountant Tech 3 in the financial services section; adding a position in Human Resources; two Operations and Policy Analyst 3 positions (one of which is a Diversity, Equity and Inclusion coordinator and the other a limited duration position to assist with budget structure realignment); two Information Services and Support positions to provide increased help desk resources; and finally a limited duration Training and Development Specialist position to help onboard staff to the EDMS system as it becomes

more operational. All of these positions are funded through Other Funds via the indirect charge to each of the Department's program areas. DEQ anticipates the indirect rate to be around 20% in 2021-23.

Package 801, LFO Analyst Adjustments. This package includes a comprehensive reclassification package involving five positions within the Agency Management Division. Additional reclassification packages are also included in Air Quality, Water Quality, and Land Quality Division. The net effect of this reclassification for Agency Management is a decrease in Other Funds expenditure limitation of \$7,011.

Nonlimited

This program contains the Department's bond proceeds for its State Revolving Fund and Sewer Assessment Deferral Loan programs, as well as the Orphan Site bond program. The Clean Water State Revolving Fund provides below market interest rate loans to local municipalities for wastewater collection, treatment and disposal systems; nonpoint source water pollution control and for implementation plans for federally designated estuaries. The match is required to access federal grant funds for these purposes; the match rate is one state dollar for five federal dollars. The Subcommittee recommended a total funds budget of \$230,350,000 and no FTE, which includes the following packages:

Package 181, Clean Water State Revolving Fund Capitalization Grant Loans. This package includes \$30,150,000 Nonlimited Other Funds from the issuance of bonds in order to issue \$30.0 million in Clean Water State Revolving Fund (CWSRF) loans. Without the funding provided in this request, DEQ would need to decline \$15.0 million per year in federal capitalization grants. The Federal Water Quality Act of 1987 created the state CWSRF. The federal act requires states to match federal dollars with state funds in an amount at least equal to 20% of the federal capital grant. DEQ issues General Obligation Bonds for the purpose of the match, which has been authorized by the state Bond Bill each biennium. This funding ensures communities are provided with affordable financing options for wastewater treatment and other clean water projects. The debt service for this package is included in Package 191.

Package 182, Revenue Transfer – Clean Water State Revolving Loan Funds. This package represents a transfer of revenue totaling \$1,449,000 to the Water Quality Program to support the CWSRF program's procurement of loan management software included in Package 124. Without this transfer the Department will be unable to fund the software update.

Pollution Control Bond Fund Debt Service

This program contains the Department's Limited and Nonlimited Debt Service for its State Revolving Fund (SRF) and Sewer Assessment Deferral Loan programs, as well as the Orphan Site bond program. The Subcommittee recommended a total funds budget of \$19,603,616 and no FTE, which includes the following packages:

Package 183, Clean Up Contaminated Orphan Sites Bond Issuance Costs. This package includes \$300,000 Other Funds expenditure limitation to cover bond issuance costs associated with two bond sales totaling \$10 million to pay for cleanup of high priority contaminated sites. The bond

funding associated with this package is being considered in the Capital Construction Subcommittee. If approved, the revenue and additional limitation, including debt service, will included in the Bond Bill.

Package 191, Clean Water State Revolving Fund Bond Debt Service. This package includes \$10,020,000 Other Funds Nonlimited to pay debt service for General Obligation Bonds issued to meet the state match for federal capitalization grants to maintain the CWSRF. This package covers \$10.02 million of debt service bonds of short duration, which are fully redeemed during the 2021-23 biennium with no carryover into subsequent biennia. DEQ sources all debt service from interest earnings from the CWSRF program, which allows these General Obligation Bonds to seem "self-financed."

Summary of Performance Measure Action

See attached "Legislatively Approved 2021-23 Key Performance Measures."

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Environmental Quality
 Renee Klein -- 971-283-1841

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2019-21 Legislatively Approved Budget at Jan. 2021*	\$ 56,479,828	\$ 5,557,353	\$ 229,495,350	\$ 149,843,330	\$ 30,280,946	\$ -	471,656,807	789	765.49
2021-23 Current Service Level (CSL)*	\$ 61,606,527	\$ 6,045,171	\$ 236,699,507	\$ 203,830,055	\$ 31,013,286	\$ -	539,194,546	774	768.30
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 001 - Air Quality									
Package 070: Revenue Shortfall									
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (31,850)	\$ (31,850)		
Package 099: Microsoft 365 Consolidation									
Services and Supplies	\$ -	\$ -	\$ (147,872)	\$ -	\$ -	\$ -	\$ (147,872)		
Package 110: Maintain Effective Vehicle Inspection Services									
Personal Services	\$ -	\$ -	\$ 1,036,336	\$ -	\$ -	\$ -	\$ 1,036,336	8	8.00
Services and Supplies	\$ -	\$ -	\$ 308,000	\$ -	\$ -	\$ -	\$ 308,000		
Package 111: Implement Greenhouse Gas Reduction Program									
Services and Supplies	\$ 1,379,834	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,379,834		
Package 112: Support Lane Regional Air Protection Agency									
Special Payments - 6025 Dist. To Other Gov Unit	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000		
Package 113: Implement Clean Diesel Legislation									
Personal Services	\$ 146,063	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,063	1	1.00
Services and Supplies	\$ 219,173	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 219,173		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 5,752	\$ -	\$ -	\$ -	\$ 5,752	0	0.00
SCR 002 - Water Quality									
Package 070: Revenue Shortfalls									
Personal Services	\$ 1,045	\$ (1,118,932)	\$ -	\$ -	\$ (441,534)	\$ -	\$ (1,559,421)	-7	-7.00
Services and Supplies	\$ 220	\$ (424,844)	\$ -	\$ -	\$ (185,603)	\$ -	\$ (610,227)		
Special Payments	\$ -	\$ -	\$ -	\$ -	\$ (629,080)	\$ -	\$ (629,080)		
Package 099: Microsoft 365 Consolidation									
Services and Supplies	\$ -	\$ -	\$ (142,157)	\$ -	\$ -	\$ -	\$ (142,157)		
Package 121: Clean Watershed Planning & Implementation									
Personal Services	\$ 536,419	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 536,419	4	2.88
Services and Supplies	\$ 525,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 525,727		
Package 124: Modernize CWSRF Loan Mgmt Software									
Services and Supplies	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000		
Capital Outlay	\$ -	\$ -	\$ 1,449,000	\$ -	\$ -	\$ -	\$ 1,449,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 125: Lottery Funds Restoration									
Personal Services	\$ -	\$ 1,118,932	\$ -	\$ -	\$ -	\$ -	\$ 1,118,932	5	5.00
Services and Supplies	\$ -	\$ 424,844	\$ -	\$ -	\$ -	\$ -	\$ 424,844		
Package 801: LFO Analyst Adjustment									
Personal Services	\$ 331,816	\$ -	\$ 279,882	\$ -	\$ 129,284	\$ -	\$ 740,982	3	3.50
Services and Supplies	\$ 342,683	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 342,683		
Capital Outlay	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000		
Special Payments	\$ 1,950,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,950,000		
SCR 003 - Land Quality									
Package 099: Microsoft 365 Consolidation									
Services and Supplies	\$ -	\$ -	\$ (101,223)	\$ -	\$ -	\$ -	\$ (101,223)		
Package 134: Authorize Solid Waste Orphan Site									
Personal Services	\$ -	\$ -	\$ 375,840	\$ -	\$ -	\$ -	\$ 375,840	2	2.00
Services and Supplies	\$ -	\$ -	\$ 155,928	\$ -	\$ -	\$ -	\$ 155,928		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 13,105	\$ -	\$ (3,608)	\$ -	\$ 9,497	0	0.00
SCR 004 - Agency Management									
Package 099: Microsoft 365 Consolidation									
Services and Supplies	\$ -	\$ -	\$ (158,255)	\$ -	\$ -	\$ -	\$ (158,255)		
Package 140: EDMS Bond Contract									
Services and Supplies	\$ -	\$ -	\$ 3,100,000	\$ -	\$ -	\$ -	\$ 3,100,000		
Package 141: EDMS Maintenance Funding									
Services and Supplies	\$ -	\$ -	\$ 1,600,000	\$ -	\$ -	\$ -	\$ 1,600,000		
Package 143: Enhance Agency Support Staffing									
Personal Services	\$ -	\$ -	\$ 2,497,689	\$ -	\$ -	\$ -	\$ 2,497,689	11	11.00
Services and Supplies	\$ -	\$ -	\$ 462,000	\$ -	\$ -	\$ -	\$ 462,000		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ (7,011)	\$ -	\$ -	\$ -	\$ (7,011)	0	0.00
SCR 008 - Non-Limited									
Package 181: CWSRF Capitalization Grant Loans									
Services and Supplies	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000		
Special Payments - 6080 Loans Made - Other	\$ -	\$ -	\$ -	\$ 30,000,000	\$ -	\$ -	\$ 30,000,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 009 - PCBF Debt Service									
Package 183: Clean Up Orphan Sites Bond Issuance Services and Supplies	\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000		
Package 191: CWSRF Bond Debt Service Debt Service	\$ -	\$ -	\$ -	\$ 10,020,000	\$ -	\$ -	\$ 10,020,000		
TOTAL ADJUSTMENTS	\$ 5,732,980	\$ -	\$ 11,177,014	\$ 40,170,000	\$ (1,162,391)	\$ -	\$ 55,917,603	27	26.38
SUBCOMMITTEE RECOMMENDATION *	\$ 67,339,507	\$ 6,045,171	\$ 247,876,521	\$ 244,000,055	\$ 29,850,895	\$ -	\$ 595,112,149	801	794.68
% Change from 2019-21 Leg Approved Budget	19.2%	8.8%	8.0%	62.8%	(1.4%)	0.0%	26.2%	1.5%	3.8%
% Change from 2021-23 Current Service Level	9.3%	0.0%	4.7%	19.7%	(3.7%)	0.0%	10.4%	3.5%	3.4%

*Excludes Capital Construction Expenditures

Legislatively Approved 2021 - 2023 Key Performance Measures

Published: 6/17/2021 2:27:40 PM

Agency: Environmental Quality, Department of

Mission Statement:

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

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. AIR QUALITY DIESEL EMISSIONS - Quantity of diesel particulate emissions (in tons).		Approved	2,394	2,100	1,800
2. AIR QUALITY CONDITIONS - National Standards: Number of days when air is unhealthy for sensitive groups and all groups.	a) National Standards Number of days when air is unhealthy for sensitive groups	Approved	37	25	20
	b) National Standards Number of days when air is unhealthy for all groups		9	6	3
3. AIR QUALITY - AIR TOXICS - Air Toxics Trends in Larger and Smaller Communities	a) Air Toxics Trends in Large Communities	Approved	10	8	6
	b) Air Toxics Trends in Smaller Communities		10	8	6
4. Permit Timeliness - Issuance of new permits - Percentage of new air quality permits that are issued within timeliness targets.	Permit Timeliness - Issuance of new permits (Air Contaminant Discharge Permits)	Approved	74%	80%	80%
	b) Permit Timeliness - Issuance of new permits (Title V Permits)		0%	80%	80%
5. Permit Timeliness - Issuance of Permit Modifications - Percentage of air quality permit modifications issued within the target timeliness period.	Permit Timeliness - Issuance of Permit Modifications (Air Contaminant Discharge Permits)	Approved	71%	80%	80%
	b) Permit Timeliness - Issuance of Permit Modifications (Title V Permits)		67%	80%	80%
6. Permit Timeliness - Current Permits - Percent of air quality permits that are current (not on administration extension)	Permit Timeliness - Current Permits (Air Contaminant Discharge Permits)	Approved	70%	80%	80%
	Permit Timeliness - Current Permits (Title V Permits)		63%	80%	80%
7. PERMIT TIMELINESS - Percentage of individual wastewater discharge permits issued within 270 days.		Approved	32%	50%	50%
8. UPDATED PERMITS - Percent of total wastewater permits that are current.		Approved	66%	75%	75%
9. WATER QUALITY CONDITIONS - Percent of monitored stream sites with significantly increasing trends in water quality.	a) Percent of monitored stream sites with significantly improving trends in water quality	Approved	16%	20%	25%
	b) Percent of monitored stream sites with significantly declining trends in water quality		16%	15%	10%
	c) Percent of monitored stream sites with good to excellent water quality		51%	60%	70%
10. CLEANUP - Properties with known contamination cleaned up	a) Percent of heating oil tank sites cleaned up	Approved	86.50%	90%	90%
	b) Percent of regulated underground storage tank sites cleaned up		89.40%	95%	95%
	c) Percent of hazardous substance sites (non-tank) cleaned up		51.50%	65%	75%
11. MATERIALS MANAGEMENT - Waste generation		Approved	5,529,121	5,000,000	4,800,000
12. MATERIALS MANAGEMENT - Waste recovery		Approved	42.10%	50%	50%

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
13. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	a) Expertise	Approved	79%	95%	95%
	b) Availability of Information		68%	95%	95%
	c) Helpfulness		79%	95%	95%
	d) Accuracy		74%	95%	95%
	e) Timeliness		69%	95%	95%
	f) Overall		73%	95%	95%
14. ERT - Percent of local participants who rank DEQ involvement in Economic Revitalization Team process as good to excellent.		Approved	89%	90%	90%
15. BOARDS AND COMMISSIONS - Percent of total best practices met by the Environmental Quality Commission.		Approved	92%	100%	100%

LFO Recommendation:

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

SubCommittee Action:

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