

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Natural Resources Subcommittee

From: April McDonald, Legislative Fiscal Office

Date: May 10, 2023

Subject: SB 5510 – Department of Geology and Mineral Industries
Work Session Recommendations

Department of Geology and Mineral Industries – Agency Totals

	2019-21 Actual	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 LFO Recommended
General Fund	4,582,975	6,444,037	7,154,908	9,154,908
Other Funds	5,416,955	6,753,317	6,839,124	7,355,492
Federal Funds	3,867,190	5,765,844	5,510,086	5,522,133
Total Funds	13,867,120	18,963,198	19,504,118	22,032,533
Positions	41	35	34	39
FTE	38.09	34.67	33.92	39.00

Attached are Legislative Fiscal Office (LFO) recommendations for the 2023-25 biennial budget and key performance measures of the Department of Geology and Mineral Industries.

The recommended budget of over \$22 million total funds supports 39 positions (39.00 FTE) and represents a 16.2% increase over the 2021-23 legislatively approved budget (LAB), and a 13.0% increase over the 2023-25 current service level (CSL). The increase is predominantly due to the inclusion of five policy packages equal to \$2.5 million in total funds, and including establishment of five positions (5.08 FTE). Collectively, these packages fund implementation of a paperless ePermitting system, provide additional staff capacity for permitting and site inspections, and support technical adjustments to reclassify and right-size positions.

Adjustments to Current Service Level

See attached "Work Session Presentation Report."

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation to SB 5510. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation to SB 5510, with modifications. (VOTE)

Performance Measures

See attached “Legislatively Proposed 2023-25 Key Performance Measures.”

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)

Budget Notes

#1 Budget Note: ePermitting

The Department of Geology and Mineral Industries (DOGAMI) shall report to the Joint Committee on Ways and Means during the 2024 legislative session regarding the implementation of the Department’s ePermitting system. This shall be a comprehensive report including, at a minimum, the following information:

- Project governance, management, and staffing;
- Project status, including Stage Gate status, schedule, budget, and total cost;
- Current project risks, likely impacts, and mitigation strategies;
- Other information that helps inform the Legislature on the status of the project or issues that have arisen as the result of the project.

The report shall be provided to the Joint Committee on Ways and Means no later than January 31, 2024.

#2 Budget Note: Key Performance Measure Development

The Department of Geology and Mineral Industries (DOGAMI) is implementing a paperless ePermitting system and customer interface to improve process, productivity, and service delivery. The Department, in consultation with the DOGAMI Governing Board, shall develop at least one additional Key Performance Measure designed to demonstrate the efficiency and effectiveness of the new system, as it relates to Mineral Land Regulation and Reclamation permit processing. The Department should identify a meaningful measurement, method of quantifying the results, and appropriate performance target for factors including, but not limited to, timeliness and accuracy. The additional Key Performance Measure is to be established and proposed for legislative consideration during the 2025-27 budget development process.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Budget Notes. (VOTE)

OR

Change LFO Recommendation (any changes must be approved by the co-chairs):

MOTION: I move the LFO recommendation on Budget Notes, with modifications. (VOTE)

Recommended Changes

LFO recommends a budget of \$9,154,908 General Fund, \$7,355,492 Other Funds, \$5,522,133 Federal Funds and 39 positions (39.00 FTE), which is reflected in the –1 amendment.

MOTION: I move adoption of the –1 amendment to SB 5510. (VOTE)

Final Subcommittee Action

LFO recommends that SB 5510, as amended by the –1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move SB 5510, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	6,339,401	-	6,689,178	5,772,087	-	-	18,800,666	35	34.67
2021-23 Ebds, SS & Admin Act	104,636	-	64,139	(6,243)	-	-	162,532	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	6,444,037	-	6,753,317	5,765,844	-	-	18,963,198	35	34.67
2021-23 Leg Approved Budget (Base)	6,444,037	-	6,753,317	5,765,844	-	-	18,963,198	35	34.67
Summary of Base Adjustments	286,533	-	(115,544)	(553,172)	-	-	(382,183)	(1)	(0.75)
2023-25 Base Budget	6,730,570	-	6,637,773	5,212,672	-	-	18,581,015	34	33.92
010: Non-PICS Pers Svc/Vacancy Factor	(2,408)	-	(11,839)	9,355	-	-	(4,892)	-	-
030: Inflation & Price List Adjustments	426,746	-	213,190	288,059	-	-	927,995	-	-
2023-25 Current Service Level	7,154,908	-	6,839,124	5,510,086	-	-	19,504,118	34	33.92
Adjusted 2023-25 Current Service Level	7,154,908	-	6,839,124	5,510,086	-	-	19,504,118	34	33.92
Total LFO Recommended Packages	2,000,000	-	516,368	12,047	-	-	2,528,415	5	5.08
2023-25 Legislative Actions	9,154,908	-	7,355,492	5,522,133	-	-	22,032,533	39	39.00
Net change from 2021-23 Leg Approved Budget	2,710,871	-	602,175	(243,711)	-	-	3,069,335	4	4.33
Percent change from 2021-23 Leg Approved Budget	42.1%	0.0%	8.9%	(4.2%)	0.0%	0.0%	16.2%	11.4%	12.5%
Net change from 2023-25 Adj Current Service Level	2,000,000	-	516,368	12,047	-	-	2,528,415	5	5.08
Percent change from 2023-25 Adj Current Service Level	28.0%	0.0%	7.6%	0.2%	0.0%	0.0%	13.0%	14.7%	15.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	6,339,401	-	2,470,793	5,772,087	-	-	14,582,281	23	22.62
2021-23 Ebds, SS & Admin Act	104,636	-	(5,124)	(6,243)	-	-	93,269	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	6,444,037	-	2,465,669	5,765,844	-	-	14,675,550	23	22.62
2021-23 Leg Approved Budget (Base)	6,444,037	-	2,465,669	5,765,844	-	-	14,675,550	23	22.62
Summary of Base Adjustments	286,533	-	(82,970)	(553,172)	-	-	(349,609)	-	-
2023-25 Base Budget	6,730,570	-	2,382,699	5,212,672	-	-	14,325,941	23	22.62
010: Non-PICS Pers Svc/Vacancy Factor	(2,408)	-	3,579	9,355	-	-	10,526	-	-
030: Inflation & Price List Adjustments	426,746	-	118,725	288,059	-	-	833,530	-	-
2023-25 Current Service Level	7,154,908	-	2,505,003	5,510,086	-	-	15,169,997	23	22.62
Adjusted 2023-25 Current Service Level	7,154,908	-	2,505,003	5,510,086	-	-	15,169,997	23	22.62
Total LFO Recommended Packages	-	-	5,815	12,047	-	-	17,862	-	0.08
2023-25 Legislative Actions	7,154,908	-	2,510,818	5,522,133	-	-	15,187,859	23	22.70
Net change from 2021-23 Leg Approved Budget	710,871	-	45,149	(243,711)	-	-	512,309	-	0.08
Percent change from 2021-23 Leg Approved Budget	11.0%	0.0%	1.8%	(4.2%)	0.0%	0.0%	3.5%	0.0%	0.4%
Net change from 2023-25 Adj Current Service Level	-	-	5,815	12,047	-	-	17,862	-	0.08
Percent change from 2023-25 Adj Current Service Level	0.0%	0.0%	0.2%	0.2%	0.0%	0.0%	0.1%	0.0%	0.4%

	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 105 Coordinator, Office Spec, Position Adjustment

Package Description This package provides an additional 0.08 FTE to an existing, filled, permanent full-time Geologist (Natural Resource Specialist 3) position, increasing it to 1.00 FTE. While the position is funded with a blend of Federal Funds, Other Funds and General Funds, the nominal increase in FTE is being supported by a split between Federal Funds and Other Funds.

LFO Recommendation Approve the package.

LFO Recommended	-	-	5,815	12,047	-	-	17,862	-	0.08
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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 shifts \$82,170 General Fund from services and supplies to personal services in order to fund an upward reclassification for the Geological Survey and Services Program Manager. The DAS Chief Human Resources Office has recommended the position be reclassified to a Natural Resource Protection and Sustainability Manager 2, to align with The Oregon Management Project (TOMP) classifications.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	-	-	-	-	-	-
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Mined Land Reclamation

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	-	-	4,218,385	-	-	-	4,218,385	12	12.05
2021-23 Ebds, SS & Admin Act	-	-	69,263	-	-	-	69,263	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	-	-	4,287,648	-	-	-	4,287,648	12	12.05
2021-23 Leg Approved Budget (Base)	-	-	4,287,648	-	-	-	4,287,648	12	12.05
Summary of Base Adjustments	-	-	(32,574)	-	-	-	(32,574)	(1)	(0.75)
2023-25 Base Budget	-	-	4,255,074	-	-	-	4,255,074	11	11.30
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(15,418)	-	-	-	(15,418)	-	-
030: Inflation & Price List Adjustments	-	-	94,465	-	-	-	94,465	-	-
2023-25 Current Service Level	-	-	4,334,121	-	-	-	4,334,121	11	11.30
Adjusted 2023-25 Current Service Level	-	-	4,334,121	-	-	-	4,334,121	11	11.30
Total LFO Recommended Packages	2,000,000	-	510,553	-	-	-	2,510,553	5	5.00
2023-25 Legislative Actions	2,000,000	-	4,844,674	-	-	-	6,844,674	16	16.30
Net change from 2021-23 Leg Approved Budget	2,000,000	-	557,026	-	-	-	2,557,026	4	4.25
Percent change from 2021-23 Leg Approved Budget	100.0%	0.0%	13.0%	0.0%	0.0%	0.0%	59.6%	33.3%	35.3%
Net change from 2023-25 Adj Current Service Level	2,000,000	-	510,553	-	-	-	2,510,553	5	5.00
Percent change from 2023-25 Adj Current Service Level	100.0%	0.0%	11.8%	0.0%	0.0%	0.0%	57.9%	45.5%	44.3%

	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 101 MLRR ePermitting

Package Description Currently, the Mineral Land Regulation and Reclamation (MLRR) program operates primarily in paper form. As a result, core business tasks, such as processing new permit applications, records requests, permit renewals, and payments are cumbersome and time consuming for program staff, customers, and the public. The Department seeks to implement a paperless ePermitting system and online customer interface to improve MLRR service delivery and performance. This package appropriates \$2 million General Fund on a one-time basis and establishes a limited duration Project Manager 2 (1.00 FTE) and a limited duration Information Systems Specialist 3 (1.00 FTE) to implement a modern, paperless system.

The project will be delivered as an extension, or “wave 4” of the Department of Environmental Quality’s “Your DEQ Online” project. DOGAMI intends to use DEQ’s recent modernization solution as a basis for their ePermitting system, as well as utilizing DEQ’s project knowledge and staff expertise. For over two years, the departments have been working together collaboratively, and engaging with Enterprise Information Systems, to develop the ePermitting proposal and implementation plan. While DOGAMI cannot directly use DEQ’s system, they can use the underlying structure to develop a fit for purpose system, realizing a streamlined, efficient and more cost-effective solution. DOGAMI’s MLRR program operates under delegated authority from DEQ, and therefore the collaboration between agencies to improve the MLRR program through this modernization effort has a natural nexus.

LFO Recommendation Approve the package.

LFO Recommended	2,000,000	-	(181,894)	-	-	-	1,818,106	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 104 Consolidated Mining Permit Lead

Package Description This package reestablishes a limited duration position (1.00 FTE) as well as services and supplies granted in the 2021-23 biennium to assist with Oregon’s first consolidated permit application for a chemical process gold mine. The level of workload for this application has increased beyond the originally established 0.75 FTE and is currently being supplemented through third-party contractors. Moreover, the agency anticipates additional applications will be submitted under the chemical mining rules. The position is funded through a cost-recovery agreement with the permit applicant.

LFO Recommendation Approve the package.

LFO Recommended	-	-	239,308	-	-	-	239,308	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 107 Unpermitted Surface Mining Program

Package Description This package establishes two full-time limited duration positions (2.00 FTE) as well as services and supplies to provide the Mineral Land Regulation and Reclamation program with additional capacity for site inspections and permitting. The Natural Resource Specialist 3 (1.00 FTE) is a Compliance Coordinator, providing investigation of complaints, routine site inspections, tracking of enforcement actions, and other compliance activities. The Natural Resource Specialist 2 (1.00 FTE) is a Permit Reviewer, providing interagency coordination, permit application review and outreach to applicants. Both positions are supported by permitting fee revenue. The need for these limited duration positions will reduce as the number of unpermitted sites of concern are reduced.

LFO Recommendation Approve the package.

LFO Recommended	-	-	422,700	-	-	-	422,700	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 This package provides Other Fund expenditure limitation, supported by fees and charges for service, in order to fund an upward reclassification for the Mineral Land Regulation and Reclamation Program Manager. The DAS Chief Human Resources Office has recommended the position be reclassified to a Natural Resource Protection and Sustainability Manager 2, as part of The Oregon Management Project (TOMP) classifications.

LFO Recommendation Approve the package.

LFO Recommended	-	-	30,439	-	-	-	30,439	-	-
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Legislatively Proposed 2023 - 2025 Key Performance Measures

Published: 5/5/2023 2:51:37 PM

Agency: Department of Geology and Mineral Industries

Mission Statement:

Provide earth science information and regulation to make Oregon safe and prosperous.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
1. HAZARD AND RISK ASSESSMENT COMPLETION - Percent of population residing in Oregon Urban Growth Boundary Areas (UGBs) that have completed geologic hazard and risk assessments that are suitable to initiate Department of Land Conservation and Development goal 7 planning for earthquake, landslide, tsunami, coastal erosion, volcanic and flooding hazards.		Approved	68%	67%	72%
2. DETAILED GEOLOGIC MAP COMPLETION - Percent of Oregon where geologic data in the form of high resolution maps have been completed to be used for local problem solving.		Approved	62.80%	67%	68%
3. LIDAR DATA COMPLETION - Percent of Oregon (sq. miles) with lidar data at USGS quality level 2 or better.		Approved	60.50%	58%	60%
5. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved	74.60%	95%	95%
	Overall		80.70%	95%	95%
	Accuracy		78.10%	95%	95%
	Expertise		78.10%	95%	95%
	Availability of Information		78.90%	95%	95%
	Timeliness		77.20%	95%	95%
6. GOVERNANCE - Percent of yes responses by Governing Board members to the set of best practices.		Approved	100%	100%	100%
4. MINE SITE INSPECTIONS - Percent of active mine sites inspected annually.		Proposed New		20%	25%
4. PERCENT OF MINE SITES INSPECTED BIENNIALLY - Percent of permitted mine sites inspected biennially.		Proposed Delete	7%		

LFO Recommendation:

The Department has a budget note included with SB 5510 directing development of at least one additional Key Performance Measure for the 2025-27 biennial budget. The measure, or measures, shall be designed to demonstrate the efficiency and effectiveness of the new ePermitting system, with regard to the timeliness and accuracy of permit processing.

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

SubCommittee Action: