

Program Budget Comparison

The following table summarizes the total executive budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	63.01	63.01	64.01	64.01	63.01	64.01	1.00	1.59%
Personal Services	3,779,059	4,280,194	4,367,429	4,370,489	8,059,253	8,737,918	678,665	8.42%
Operating Expenses	6,240,712	7,613,450	6,820,337	6,822,584	13,854,162	13,642,921	(211,241)	(1.52%)
Benefits & Claims	0	0	425,000	425,000	0	850,000	850,000	n/a
Transfers	9,364	7,500	9,364	9,364	16,864	18,728	1,864	11.05%
Total Costs	\$10,029,135	\$11,901,144	\$11,622,130	\$11,627,437	\$21,930,279	\$23,249,567	\$1,319,288	6.02%
General Fund	0	0	0	0	0	0	0	n/a
State Special	5,223,156	5,762,678	6,144,084	6,145,997	10,985,834	12,290,081	1,304,247	11.87%
Federal Special	4,805,979	6,138,466	5,478,046	5,481,440	10,944,445	10,959,486	15,041	0.14%
Total Funds	\$10,029,135	\$11,901,144	\$11,622,130	\$11,627,437	\$21,930,279	\$23,249,567	\$1,319,288	6.02%

Program Description

The Remediation Division protects human health and the environment by preventing exposure to hazardous substances that have been released to soil, sediment, surface water, or groundwater. The division also ensures compliance with state and federal regulations. The division's responsibilities include: oversight, investigation, and cleanup activities at state and federal Superfund sites, and voluntary cleanup activities; reclamation of abandoned mine lands; implementation of corrective actions at sites with leaking underground storage tanks; and oversight of groundwater remediation at sites where improper placement of wastes has caused groundwater contamination.

This division is divided into two bureaus:

- The Hazardous Waste Site Cleanup Bureau (HWSCB) oversees or conducts the investigation and cleanup of sites contaminated by chemical spills, hazardous substances, and petroleum released by industrial and commercial operations other than mining. The bureau works with the Petroleum Tank Release Compensation Board for eligibility and reimbursement determinations
- The Mine Waste Cleanup Bureau (MWCB) is responsible for administering and overseeing remedial actions at historical mine sites, abandoned mines, ore-transport, and processing facilities. It also oversees the provisions of the federal Comprehensive Environmental Response and Liability Act (CERCLA or federal Superfund Program)

Program Highlights

Remediation Division Major Budget Highlights
<ul style="list-style-type: none"> ◆ The executive proposes to increase the division's budget by 6.0% from the 2013 biennium primarily due to state wide present law adjustments and an increase in base operating expenditures ◆ The executive would transfer 1.0 FTE attorney position from the Central Services Division ◆ The executive requests OTO funding of \$850,000 to reimburse the orphan share expenses for the remedial investigation and feasibility studies being conducted during the 2015 biennium

Funding

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

Total Department Of Environmental Quality Funding by Source of Authority 2015 Biennium Budget - Remediation Division							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
State Special Total	\$12,290,081	\$0	\$0	\$12,290,081	52.9%		
02058 Petroleum Storage Tank Cleanup	\$2,565,109	\$0	\$0	\$2,565,109	11.0%		
02070 Hazardous Waste-cercla	\$161,594	\$0	\$0	\$161,594	0.7%		
02162 Environmental Quality Protecti	\$7,596,858	\$0	\$0	\$7,596,858	32.7%		
02206 Agriculture Monitoring	\$21,615	\$0	\$0	\$21,615	0.1%		
02314 Dnrc Grants - Remediation	\$200,000	\$0	\$0	\$200,000	0.9%		
02438 Pegasus - Beal Mountain	\$303,896	\$0	\$0	\$303,896	1.3%		
02472 Orphan Share Fund	\$872,529	\$0	\$0	\$872,529	3.8%		
02520 Fy06 Cercla Bond Proceeds	\$69,618	\$0	\$0	\$69,618	0.3%		
02565 Lust Cost Recovery	\$399,926	\$0	\$0	\$399,926	1.7%		
02940 Pegasus - Basin	\$98,936	\$0	\$0	\$98,936	0.4%		
Federal Special Total	\$10,959,486	\$0	\$0	\$10,959,486	47.1%		
03036 Deq Federal Aml Grant	\$569,571	\$0	\$0	\$569,571	2.4%		
03158 Blm Interagency Agreement	\$624,118	\$0	\$0	\$624,118	2.7%		
03221 Epa Lust Trust Fy2010	\$1,061,893	\$0	\$0	\$1,061,893	4.6%		
03256 Epa Superfund Core Fy2010	\$431,016	\$0	\$0	\$431,016	1.9%		
03257 Superfund Multi-site	\$1,925,275	\$0	\$0	\$1,925,275	8.3%		
03260 Carpenter Snow Creek Superfund	\$165,100	\$0	\$0	\$165,100	0.7%		
03261 Lust Supplemental Grant	\$141,607	\$0	\$0	\$141,607	0.6%		
03262 Epa Ppg	\$406,683	\$0	\$0	\$406,683	1.7%		
03295 Tank Closure Grant	\$100,000	\$0	\$0	\$100,000	0.4%		
03351 Mgmt Assist - Butte Mine Flood	\$100,000	\$0	\$0	\$100,000	0.4%		
03353 Management Assist - Spec Acct	\$570,180	\$0	\$0	\$570,180	2.5%		
03360 Management Assistance - Bulk	\$1,013,155	\$0	\$0	\$1,013,155	4.4%		
03438 Brownsfield State Response	\$158,068	\$0	\$0	\$158,068	0.7%		
03463 Mine Lease/reclamation	\$125,517	\$0	\$0	\$125,517	0.5%		
03721 Libby Asbestos/troy	\$2,355,545	\$0	\$0	\$2,355,545	10.1%		
03973 Brownfields Grants	\$1,211,758	\$0	\$0	\$1,211,758	5.2%		
Total All Funds	\$23,249,567	\$0	\$0	\$23,249,567	100.0%		
Percent - Total All Sources	100.0%	0.0%	0.0%				

The Remediation Division is funded with a mix of state special and federal revenue sources. State special revenue comes from the \$.0075 gas tax for petroleum tank cleanup, registration fees for underground storage tanks, and interest proceeds from the Resource Indemnity Trust (RIT) deposited to the environmental quality protection, orphan share, and hazardous waste funds. Federal special revenue is derived from the federal Environmental Protection Agency (EPA) for Superfund oversight and various other activities, and the federal Office of Surface Mining for the Abandoned Mine Lands (AML) program.

For a further discussion of the RIT funds, see the Summary section of this agency's narrative.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	0	0	0	0.00%	10,029,135	10,029,135	20,058,270	86.27%
Statewide PL Adjustments	0	0	0	0.00%	500,513	504,743	1,005,256	4.32%
Other PL Adjustments	0	0	0	0.00%	1,095,560	1,096,637	2,192,197	9.43%
New Proposals	0	0	0	0.00%	(3,078)	(3,078)	(6,156)	(0.03%)
Total Budget	\$0	\$0	\$0		\$11,622,130	\$11,627,437	\$23,249,567	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					680,857					684,183
Vacancy Savings					(178,399)					(178,532)
Inflation/Deflation					(1,945)					(908)
Total Statewide Present Law Adjustments		\$0	(\$46,731)	\$547,244	\$500,513		\$0	(\$44,831)	\$549,574	\$504,743
DP 4001 - Remediation Division Operating Adjustment	0.00	0	85,621	90,153	175,774	0.00	0	85,630	90,944	176,574
DP 4003 - Orphan Share Claims Feas Studies (BIEN/RST/OTO)	0.00	0	425,000	0	425,000	0.00	0	425,000	0	425,000
DP 4004 - LUST Trust Cost Recovery Expenditures	0.00	0	199,455	0	199,455	0.00	0	199,455	0	199,455
DP 4005 - Beal & Basin Reclamation Bond Expend. (BIEN/RST)	0.00	0	201,416	0	201,416	0.00	0	201,416	0	201,416
DP 4006 - Remediation Division Additional Leased Vehicle	0.00	0	0	8,003	8,003	0.00	0	0	8,413	8,413
DP 4007 - Move Attorney from PGM 10 to PGM 40	1.00	0	56,751	29,161	85,912	1.00	0	56,755	29,024	85,779
Total Other Present Law Adjustments	1.00	\$0	\$968,243	\$127,317	\$1,095,560	1.00	\$0	\$968,256	\$128,381	\$1,096,637
Grand Total All Present Law Adjustments	1.00	\$0	\$921,512	\$674,561	\$1,596,073	1.00	\$0	\$923,425	\$677,955	\$1,601,380

DP 4001 - Remediation Division Operating Adjustment – The executive requests additional funds up to the previously appropriated level. Operating adjustments for the Hazardous Waste Site Cleanup Bureau (HWSCB) reflect increased activity for preliminary assessment and site investigation (PA/SI), litigation on state superfund sites and contractual activity at other state superfund sites. Base activity included emergency response to the Yellowstone pipeline spill. The Mine Waste Cleanup Bureau (MWCB) is requesting authority for completion of hard rock abandoned mine cleanup projects for which cash has already been received, and the MWCB has anticipated increased contractual activity for certain federal superfund sites.

DP 4003 - Orphan Share Claims Feas Studies (BIEN/RST/OTO) – The executive requests one-time-only, biennial, and restricted funds to reimburse the orphan share expenses for the remedial investigation and feasibility studies being conducted during the 2015 biennium. Claims are anticipated under the Controlled Allocation of Liability Act (CALA) for two sites: the S&W Sawmill in Darby and the Joslyn Street Tailings in Helena.

DP 4004 - LUST Trust Cost Recovery Expenditures – The executive requests the authority to compensate for reductions in federal grants funds. The purpose of these expenditures is to continue the department's efforts to investigate and clean up petroleum releases from certain underground storage tanks to prevent human health and environmental impacts where the cleanup is not eligible for reimbursement from the petroleum tank release compensation fund. Leaking Underground Storage Tank (LUST) Trust Cost Recovery funds are monies from recalcitrant responsible parties that have reimbursed the department for expenditures to clean up certain petroleum release sites.

LFD ISSUE	<u>Information Not Provided</u> Staff requested information from the department on the reasons for the reduction in federal funds and did not receive a response. The fund will be able to sustain the expenditures for the 2015 biennium. However, if expenditures continue at the requested level, the fund will be negative in FY 2016. If the agency expects an increase in expenditures that are not eligible for reimbursement, another source of funding would have to be found.
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DP 4005 - Beal & Basin Reclamation Bond Expend. (BIEN/RST) – The executive requests biennial restricted forfeited reclamation bond monies over the 2015 biennium. The funds are the remaining forfeited reclamation bond monies for the Beal and Basin mine sites and would be used to continue utilizing contracted services for ongoing reclamation activity. At Beal, these funds would supplement Forest Service expenditures for site maintenance and water monitoring needs. At the Basin site, these funds would be used to reclaim abandoned mine infrastructure and conduct site maintenance to supplement EPA expenditures at the regional mine waste repository located at the former mine site.

DP 4006 - Remediation Division Additional Leased Vehicle – The executive requests funding for an additional vehicle to better access remote sites.

DP 4007 - Move Attorney from PGM 10 to PGM 40 - The executive requests funding for the transfer of an attorney from the Central Management Program (DP 1004) to the Remediation Division. This transfer aligns the position with workload requirements. The request is budget neutral and nets to zero across the two divisions.

New Proposals

Program	FTE	-----Fiscal 2014-----				-----Fiscal 2015-----					
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 6101 - Professional Development Center Fee Allocation	40	0.00	0	(584)	(2,494)	(3,078)	0.00	0	(584)	(2,494)	(3,078)
Total	0.00	\$0	(\$584)	(\$2,494)	(\$3,078)	0.00	\$0	(\$584)	(\$2,494)	(\$3,078)	

DP 6101 - Professional Development Center Fee Allocation - The executive requests an increase for training services purchased from the Professional Development Center (PDC) of the Department of Administration. This request reflects the difference between the amount paid in the base for PDC services and a fixed cost allocation based on agency FTE counts. Starting in the 2015 biennium and beyond, the executive recommends funding the PDC as a fixed cost item. For a further discussion, see the narrative for the Department of Administration.