

Agency Biennium Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Agency Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	57,386,465	63,185,411	5,798,946	10.11 %
Operating Expenses	58,456,632	60,280,368	1,823,736	3.12 %
Equipment & Intangible Assets	221,394	203,480	(17,914)	(8.09)%
Grants	3,375,036	3,371,726	(3,310)	(0.10)%
Transfers	7,479,211	5,464,796	(2,014,415)	(26.93)%
Total Expenditures	\$126,918,738	\$132,505,781	\$5,587,043	4.40 %
General Fund	9,765,835	10,904,099	1,138,264	11.66 %
State/Other Special Rev. Funds	71,523,431	74,203,837	2,680,406	3.75 %
Federal Spec. Rev. Funds	45,629,472	47,397,845	1,768,373	3.88 %
Total Funds	\$126,918,738	\$132,505,781	\$5,587,043	4.40 %
Total Ongoing	\$124,918,738	\$132,505,781	\$7,587,043	6.07 %
Total OTO	\$2,000,000	\$0	(\$2,000,000)	(100.00)%

Agency Biennium Comparison -

The biennium comparison table shows a total growth of 4.4%, which for the agency is influenced by the FY 2018 appropriations reductions. Compared to the FY 2019 base appropriation, the growth is 2.4%.

Mission Statement

To protect, sustain, and improve a clean and healthful environment to benefit present and future generations.

Agency Highlights

Department of Environmental Quality Major Budget Highlights
<p>Biennial appropriations increase by 4.4% or \$5.6 million when compared to the 2019 biennium, including;</p> <ul style="list-style-type: none"> • Increases in statewide present law adjustment of \$4.6 million, of which \$4.3 million is for personal services • New proposal for expanded use of the Orphan Share account totaling \$0.5 million

Agency Actuals and Budget Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	366.54	366.54	366.54	366.54
Personal Services	27,500,825	27,924,196	29,462,269	31,593,787	31,591,624
Operating Expenses	18,434,383	28,739,601	29,717,031	30,136,375	30,143,993
Equipment & Intangible Assets	17,914	119,654	101,740	101,740	101,740
Grants	1,768,298	1,689,173	1,685,863	1,685,863	1,685,863
Transfers	2,901,651	3,746,813	3,732,398	2,732,398	2,732,398
Total Expenditures	\$50,623,071	\$62,219,437	\$64,699,301	\$66,250,163	\$66,255,618
General Fund	4,541,231	4,566,124	5,199,711	5,452,889	5,451,210
State/Other Special Rev. Funds	28,007,786	35,062,631	36,460,800	37,092,244	37,111,593
Federal Spec. Rev. Funds	18,074,054	22,590,682	23,038,790	23,705,030	23,692,815
Total Funds	\$50,623,071	\$62,219,437	\$64,699,301	\$66,250,163	\$66,255,618
Total Ongoing	\$50,297,463	\$61,219,437	\$63,699,301	\$66,250,163	\$66,255,618
Total OTO	\$325,608	\$1,000,000	\$1,000,000	\$0	\$0

Agency Discussion

FY 2018 Appropriation Compared to FY 2018 Actual Expenditures

The agency expended 99.5% of the FY 2018 general fund appropriation and 81.4% of total appropriations. Personal services were 98.5% expended. The agency budget includes one-time-only state special revenue appropriations of \$1.0 million in each year of the biennium for the paying of contract expenses related to funds recovered under the Petroleum Tank Compensation Board Subrogation Program. The unexpended portion in FY 2018 is available in FY 2019.

FY 2018 Appropriations Compared to FY 2019 Appropriations

Total appropriations are \$2.5 million or 4.0% higher than the FY 2018 total appropriations due to:

- November 2017 Special Session reductions in both fiscal year that were subsequently restored by SB 9 for FY 2019, in the amount of \$0.5 million
- SB 294 pay plan increase in FY 2019 of \$0.3 million
- HB 2 appropriations \$0.9 million higher in FY 2019
- Other budget modifications primarily for federal grants totaling \$0.8 million

Comparison of FY 2019 Legislative Budget to FY 2019 Base

Figure 1 illustrates the beginning FY 2019 budget as adopted by the 2017 Legislature compared to the finalized 2019 Base Budget, which includes modifications done by the executive (as authorized in statute) during the interim. The 2019 Base Budget was agreed upon by the executive and legislative branches to be the point from which any changes would be recorded for the 2021 biennium budgeting process.

Figure 1

FY 2019 Legislative Appropriations - Department of Environmental Quality				
	Legislative <u>Action</u>	Executive Modifications per Statutory <u>Authority</u>	Executive <u>Base</u>	% Change From Legislative <u>Action</u>
10 Central Management Program				
61000 Personal Services	\$831,308	\$1,026,715	\$1,858,023	123.5%
62000 Operating Expenses	1,746,004	1,163,231	2,909,235	66.6%
Program Total	\$2,577,312	\$2,189,946	\$4,767,258	85.0%
20 Water Quality Division				
61000 Personal Services	\$10,892,010	\$7,079	\$10,899,089	0.1%
62000 Operating Expenses	5,491,947	280,835	5,772,782	5.1%
66000 Grants	112,020	50,000	162,020	44.6%
68000 Transfers-out	4,001	-	4,001	0.0%
Program Total	\$16,499,978	\$337,914	\$16,837,892	2.0%
30 Tbd - Enforcement Division				
61000 Personal Services	\$1,041,269	(\$1,041,269)	\$0	-100.0%
62000 Operating Expenses	348,677	(348,677)	-	-100.0%
Program Total	\$1,389,946	(\$1,389,946)	\$0	-100.0%
40 Waste Mgmt & Remediation Div				
61000 Personal Services	\$7,379,765	(\$126,821)	\$7,252,944	-1.7%
62000 Operating Expenses	8,944,810	763,907	9,708,717	8.5%
66000 Grants	1,523,843	-	1,523,843	0.0%
68000 Transfers-out	2,514,699	200,000	2,714,699	8.0%
Program Total	\$20,363,117	\$837,086	\$21,200,203	4.1%
50 Air Energy & Mining Division				
61000 Personal Services	\$8,897,792	\$199,447	\$9,097,239	2.2%
62000 Operating Expenses	13,250,486	(2,174,447)	11,076,039	-16.4%
63000 Equipment & Intangible Assets	101,740	-	101,740	0.0%
68000 Transfers-out	13,698	-	13,698	0.0%
Program Total	\$22,263,716	(\$1,975,000)	\$20,288,716	-8.9%
90 Petro Tank Release Comp Board				
61000 Personal Services	\$354,974	\$0	\$354,974	0.0%
62000 Operating Expenses	250,258	-	250,258	0.0%
Program Total	\$605,232	\$0	\$605,232	0.0%
Grand Total	\$63,699,301	\$0	\$63,699,301	0.0%

An executive reorganization transferred the mission and funding for the Enforcement Division to the Central Management Program. Other executive modifications transferred \$1,975,000 from the Air Energy & Mining Division to central management, water quality and waste management division. Other modifications include operating plan changes that moved appropriation authority from transfers-out to operating expenses within the Waste Management Program.

Executive Request

The executive proposes an increase of 4.4% or \$5.6 million in total expenditures including a 11.7% or \$1.1 million increase in general fund appropriation. In addition to present law adjustments the executive proposes to increase the appropriation from the Orphan Share state special revenue account by \$0.5 million. As proposed by the executive the agency would be funded 8.2% general fund, 56.0% state special revenue, 35.8% federal special revenue.

These requests will be discussed in further detail at the program level.

Legislative Audit Findings

LFD COMMENT

The Legislative Audit Division conducted a performance audit of the Department of Environmental Quality System Development and Project Management for the Tracking Remedial Environmental Actions Data System (TREADS) in November of 2017. The audit found:

Although the department adheres to reporting processes and schedules required by SITSD and LFC, improvements can be made to ensure governmental and internal stakeholders understand the current progress and funding tied to the TREADS project. When the report was presented, DEQ had spent roughly 63 percent of the project's budget at the time of \$5.3 million.

The Legislative Auditor recommends the Department of Environmental Quality:

- A. Develop calculation tools that reflect best practices for TREADS established framework.
- B. Use developed tools to track time, establish deliverables and milestones.
- C. Use projections to better communicate TREADS status to internal and governmental stakeholders.

Additional information on the audit can be found at: <https://leg.mt.gov/content/Publications/Audit/Report/17DP-01.pdf>

5% Plan

Statute requires that agencies submit plans to reduce general fund and certain state special revenue funds by 5%. A summary of the entire 2021 biennium 5% plan submitted for this agency is in the Budget Analysis Appendix.

The Department of Environmental Quality 5% plan reduces general fund by \$220,907 through the elimination of the methamphetamine cleanup program in waste management and remediation program and the reduction of contracted service and vacancy savings throughout the department. Reductions in state special revenue total \$735,010 through the reduction of contracted service and vacancy savings throughout the department.

Agency Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP 1) has been broken down into four categories, as follows:

1. Formula Based

Formula based changes are calculated independent of agency choices, such as: annualize personal services costs including FY 2019 statewide pay plan adjustments, changes to benefit rates, and longevity adjustments related to incumbents in each position at the time of the personal services snapshot, plus rate changes for workers' compensation and unemployment insurance.

A detailed illustration of this methodology is included in the Budget Analysis Appendix.

2. Personal Services Management Decisions

Any agency management decisions that adjusted employee pay or transferred personal services authority between programs. This includes raises or position changes that may increase or reduce a budget, such as hiring FTE at a lower rate to replace retired senior staff or moving FTE and funding between programs.

3. Proposed Reinstatement of Personal Services Base Budget Reductions

Most agencies requested reinstatement of personal services budget reductions taken last session. The single largest reinstatement is due to the lower vacancy savings rate requested by the executive. The FY 2019 personal services base included approximately 6.0% vacancy savings reduction as part of the funding adopted in HB 2. Generally, the executive requested a 2.0% vacancy savings reduction for 2021 biennium.

Agencies funded with general fund may have additional personal services reductions such as those reduced from the triggers in SB 261 from last session.

In some instances, the lower personal services budgets caused agencies to make management decisions that lowered the ongoing cost of personal services. When this occurred, the LFD reflected the lower reinstatement requested rather than the total of all personal services reductions made by the previous legislature.

4. Budget Modifications

This category includes modifications to the FY 2019 personal services budget such as transfer of personal services authority to operating expenses that occurred during the interim. These transfers may impact the overall size of the personal services present law adjustment (DP 1).

The Figure shows the analysis of the proposed changes.

Personal Services Present Law DP 1 - FY 2020					
Program	Formula Based	Management Decisions	Proposed Reinstatement of PS	Budget Modifications	DP1 SWPL
Centralized Services Division	43,592	(129,980)	62,499	14,554	(9,335)
Water Quality Division	147,493	284,496	515,477	(65,000)	882,466
Waste Mgmt. & Remediation	82,111	599,437	323,466	(10,258)	994,756
Air, Energy & Mining Division	75,824	(162,059)	319,835	(4,447)	229,153
Petro Tank Release Comp. Board	6,203	12,860	15,415	-	34,478
Agency Total	355,222	604,755	1,236,692	(65,151)	2,131,518

Personal services comprise 47.7% of the budget for the division. The agency experienced a vacancy saving rate of 5.6% in hours expended compared to hours budgeted. The executive has included a 2.0% vacancy savings reduction in its budget submission for the 2021 biennium.

In FY 2018 the agency experienced turnover rates of 15.0%, and had experienced 14.0% in FY 2017. Pay range limitations, personal reasons, and retirement are the primary reason employees chose to leave. The agency has implemented a professional growth program, leadership, and management training to reduce turnover within the agency. The agency pays out an average of \$350,000 annually in accrued leave for retirements, and anticipates \$400,000 annually in these benefits for FY 2020 and FY 2021. With 40.0% of the workforce eligible for retirement in the 2021 biennium, the agency is taking steps to minimize the potential impact by identifying the potential retirements, analyzing the associated workload, cross training employees, eliminating non prioritized work, and assessing the financial implications.

Funding

The following table shows proposed agency funding by source of authority.

Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	10,904,099	0	0	0	10,904,099	6.71 %
State Special Total	74,203,837	0	2,400,000	9,980,000	86,583,837	53.27 %
Federal Special Total	47,397,845	0	0	0	47,397,845	29.16 %
Proprietary Total	0	0	17,666,073	0	17,666,073	10.87 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$132,505,781	\$0	\$20,066,073	\$9,980,000	\$162,551,854	
Percent - Total All Sources	81.52 %	0.00 %	12.34 %	6.14 %		

The department's largest source of funding is state special revenue. This revenue is derived from permitting fees, fines, and bond proceeds utilized to support specific department functions such as permitting, enforcement, and remediation. The federal revenue is provided from the U.S. Environmental Protection Agency (EPA) performance partnership grant, the Super Fund Program, and other federal grant resources. General fund is utilized for personal services, travel, communications, and equipment.

The agency is funded by 41 state special revenue accounts, 56.0% of HB 2 is funded with state special revenue. The 19 funds that make up 90.0% of the agency's state special revenue appropriation are listed in the table below.

Executive Proposal for Major State Special Funds 2021 Biennium (The funds listed below constitute 90.0% of agency state special funding)				
Fund	Beginning ¹	Revenues	Expenditures ²	Ending
	Balance		HB 2	Balance
			Appropriated	
02058 Petroleum Storage Tank Cleanup	\$2,426,454	\$15,749,600	(\$15,475,498)	\$2,700,556
02988 Hard Rock Mining Reclamation	4,700,740	11,849,826	(9,902,626)	6,647,940
02201 Air Quality-Operating Fees	900,411	9,240,627	(9,238,627)	902,411
02162 Environmental Quality Protection	916,942	7,856,660	(8,480,201)	293,401
02278 MPDES Permit Program	3,079,674	5,792,345	(6,705,775)	2,166,244
02576 Natural Resources Operations	1,668,848	5,172,938	(6,025,710)	816,076
02845 Junk Vehicle Disposal	913,037	5,560,000	(5,486,470)	986,567
02542 MT Environ Policy Act Fee	(76,360)	2,766,000	(2,688,758)	882
02204 Public Drinking Water	269,404	2,380,807	(2,380,807)	269,404
02223 Wastewater SRF Special Admin	2,104,686	2,800,000	(2,322,462)	2,582,224
02157 Solid Waste Management Fee	226,820	1,940,150	(2,133,090)	33,880
02418 Subdivision Plat Review	238,969	2,079,466	(2,048,445)	269,990
02428 Major Facility Siting	(751,511)	1,508,000	(1,500,000)	(743,511)
02521 Pegasus Bankruptcy/Operations	663	1,462,642	(1,462,642)	663
02075 UST Leak Prevention Program	388,308	1,030,000	(1,415,972)	2,336
02491 Drinking Water Spec Admin Cost	1,903,615	1,750,000	(1,413,374)	2,240,241
02955 State Energy Conservation	19,231,129	1,063,217	(1,063,217)	19,231,129
02070 Hazardous Waste-CERCLA	412,207	948,702	(999,770)	361,139
02519 CERCLA CSC Bond Proceeds	-	1,100,000	(1,100,000)	-
Total funding	\$38,554,036	\$82,050,980	(\$81,843,444)	\$38,761,572

Notes

¹ The beginning balance is calculated using FY 2018 actual revenues and expenditures and FY 2019 forecast revenues and appropriations

² HB 2 appropriated includes appropriations to other agencies and non-HB 2 appropriations

**LFD
COMMENT**Major Facility Siting Negative Fund Balance

Revenue for the major facility siting account (02428) are fees paid for work done by the agency required under the Major Facility Siting Act, Title 75 Chapter 20 of the MCA. These revenues are commonly referred to as cost recovery. Since work is often done prior the issue of an invoice the fund may show a negative balance. For FY 2019 the executive proposed \$1.5 million in expenditures anticipating work related to the Keystone Pipeline which has yet to materialize.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	5,199,711	5,199,711	10,399,422	95.37 %	63,699,301	63,699,301	127,398,602	96.15 %
SWPL Adjustments	253,178	251,499	504,677	4.63 %	2,300,862	2,306,317	4,607,179	3.48 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	250,000	250,000	500,000	0.38 %
Total Budget	\$5,452,889	\$5,451,210	\$10,904,099		\$66,250,163	\$66,255,618	\$132,505,781	

Language and Statutory Authority -

The following language is requested to be included in HB 2:

"The department is appropriated up to \$1,000,000 of the funds recovered under the petroleum tank compensation board subrogation program in the 2021 biennium for the purpose of paying contract expenses related to the recovery of funds."

"If the Carpenter/Snow Creek site is approved for federal superfund funding by the Environmental Protection Agency, the Department is appropriated \$2.2 million in state special revenue from the CERCLA Bond Proceeds Account."

"The Water Quality Division is authorized to decrease federal special revenue and increase state special revenue in the drinking water and/or water pollution control revolving loan programs by a like amount within the administration account, when the amount of federal capitalization funds have been expended or when federal funds and bond proceeds will be used for other program purposes."

Program Biennium Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	3,634,961	3,697,862	62,901	1.73 %
Operating Expenses	5,788,447	5,833,549	45,102	0.78 %
Total Expenditures	\$9,423,408	\$9,531,411	\$108,003	1.15 %
General Fund	1,406,665	1,574,778	168,113	11.95 %
State/Other Special Rev. Funds	6,456,120	6,499,308	43,188	0.67 %
Federal Spec. Rev. Funds	1,560,623	1,457,325	(103,298)	(6.62)%
Total Funds	\$9,423,408	\$9,531,411	\$108,003	1.15 %
Total Ongoing	\$9,423,408	\$9,531,411	\$108,003	1.15 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Biennium Comparison -

The biennium comparison table shows a total growth of 1.2%, which for the division is influenced by the FY 2018 appropriations reductions. Compared to the FY 2019 base appropriation, the decrease is less than one tenth of one percent.

Program Description

The Central Services Division is responsible for agency-wide administration, management, planning, evaluation, and support. It consists of the Director’s Office and the Centralized Services Division.

- The Director’s Office includes the director’s staff, a centralized legal pool, the Montana Environmental Policy Act and the Montana Facility Siting Act functions, public affairs, and the enforcement program.
- The Centralized Services Division is an extension of the Director’s Office and provides overall policy direction and support services to the agency in the areas of human resources, information management and technology, fiscal, safety, emergency management, and continuous process improvement.

Program Highlights

Centralized Services Division Major Budget Highlights
<ul style="list-style-type: none"> • Biennial appropriations increase by 1.2% or \$0.1 million when compared to the 2019 biennium • The executive proposes statewide present law adjustments for personal services, fixed cost, and inflation/deflation • Decrease in federal funding is due to reductions in Environmental Protection Agency (EPA) partnership grants

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	20.58	20.58	20.58	20.58
Personal Services	1,667,875	1,776,938	1,858,023	1,848,688	1,849,174
Operating Expenses	1,808,474	2,879,212	2,909,235	2,916,733	2,916,816
Total Expenditures	\$3,476,349	\$4,656,150	\$4,767,258	\$4,765,421	\$4,765,990
General Fund	619,282	625,577	781,088	787,481	787,297
State/Other Special Rev. Funds	2,219,966	3,220,827	3,235,293	3,249,434	3,249,874
Federal Spec. Rev. Funds	637,101	809,746	750,877	728,506	728,819
Total Funds	\$3,476,349	\$4,656,150	\$4,767,258	\$4,765,421	\$4,765,990
Total Ongoing	\$3,476,349	\$4,656,150	\$4,767,258	\$4,765,421	\$4,765,990
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2018 Appropriation Compared to FY 2018 Actual Expenditures

The agency expended 99.0% of the FY 2018 general fund appropriation and 74.7% of total appropriations. Personal services were 93.9% expended, operating expenditures were 62.8% expended. State special revenues are 69.2% of the program budget and were 68.9% expended. Federal expenditures were 78.7% expended.

FY 2018 Appropriations Compared to FY 2019 Appropriations

Total appropriations are \$111,000 or 2.4% higher than the FY 2018 total appropriations due to:

- November 2017 Special Session reductions in both fiscal year that were subsequently restored by SB 9 for FY 2019, in the amount of \$121,000
- SB 294 pay plan increase in FY 2019 of \$43,000
- Lower appropriations for federal grants of \$53,000

Executive Request

The executive proposal includes only statewide present law adjustments, total appropriations increase by 1.2% or \$108,000. Increases of 12.0% or \$168,000 in general fund are offset by a decrease of 6.6% or \$103,000 in federal revenue. As proposed by the executive the budget is funded 16.5% with general fund, 68.2% with state special revenue, and 15.3% federal sources.

Personal Services

Personal services comprise 38.8% of the budget for the division. Increases in personal services of 1.7% or \$63,000, is funded primarily with general fund and state special revenue. The division experienced a vacancy saving rate of 6.1% in hours expended compared to hours budgeted. The executive has included a 2.0% vacancy savings reduction in its budget submission for the 2021 biennium. At the end of FY 2018 the division had 2.00 FTE vacant.

Funding

The following table shows proposed program funding by source of authority.

Department of Environmental Quality, 10-Centralized Services Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	1,574,778	0	0	0	1,574,778	5.79 %	
02070 Hazardous Waste-CERCLA	51,300	0	0	0	51,300	0.79 %	
02075 UST Leak Prevention Program	80,682	0	0	0	80,682	1.24 %	
02097 Environmental Rehab & Response	500,000	0	0	0	500,000	7.69 %	
02157 Solid Waste Management Fee	122,676	0	0	0	122,676	1.89 %	
02201 Air Quality-Operating Fees	407,068	0	0	0	407,068	6.26 %	
02202 Asbestos Control	126,290	0	0	0	126,290	1.94 %	
02204 Public Drinking Water	285,690	0	0	0	285,690	4.40 %	
02223 Wastewater SRF Special Admin	5,430	0	0	0	5,430	0.08 %	
02278 MPDES Permit Program	406,430	0	0	0	406,430	6.25 %	
02418 Subdivision Plat Review	144,176	0	0	0	144,176	2.22 %	
02428 Major Facility Siting	1,500,000	0	0	0	1,500,000	23.08 %	
02542 MT Environ Policy Act Fee	2,712,666	0	0	0	2,712,666	41.74 %	
02576 Natural Resources Operations	40,704	0	0	0	40,704	0.63 %	
02845 Junk Vehicle Disposal	102,420	0	0	0	102,420	1.58 %	
02955 STATE ENERGY CONSERVATION ARRA	13,776	0	0	0	13,776	0.21 %	
State Special Total	\$6,499,308	\$0	\$0	\$0	\$6,499,308	23.90 %	
03015 2013 Exchange Network Grant	0	0	0	0	0	0.00 %	
03046 2015 Exchange Network	200,000	0	0	0	200,000	13.72 %	
03067 DSL Federal Reclamation Grant	108,925	0	0	0	108,925	7.47 %	
03071 2016 Exchange Network	0	0	0	0	0	0.00 %	
03262 EPA PPG	974,248	0	0	0	974,248	66.85 %	
03436 NPS Staffing & Support	41,312	0	0	0	41,312	2.83 %	
03691 Non Pt Source Staffing/Support	0	0	0	0	0	0.00 %	
03816 DOI OSM A&E GRANT	132,840	0	0	0	132,840	9.12 %	
03025 2014 Exchange Network Grant	0	0	0	0	0	0.00 %	
Federal Special Total	\$1,457,325	\$0	\$0	\$0	\$1,457,325	5.36 %	
06509 DEQ Indirects	0	0	17,666,073	0	17,666,073	100.00 %	
Proprietary Total	\$0	\$0	\$17,666,073	\$0	\$17,666,073	64.95 %	
Total All Funds	\$9,531,411	\$0	\$17,666,073	\$0	\$27,197,484		

Most of the activities in the Central Management Program are funded with non-budgeted proprietary funds that are not appropriated through HB 2. The proprietary funding is based upon a negotiated indirect rate with the Environmental Protection Agency (EPA). The indirect rate is assessed against personal services and operations.

Appropriated funds constitute 35.0% of total funding sources for the program. The appropriated funds consist of general funds, 15 state special revenue funds, and federal grants. Most of the funding comes from Montana Environmental Protection Act (MEPA) fees. Along with MEPA fees, fees for major facility siting, environmental re-habitation and response, air quality operating fees, and pollutant discharge elimination system permits make up 85.0% of state special revenue appropriations.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	781,088	781,088	1,562,176	99.20 %	4,767,258	4,767,258	9,534,516	100.03 %
SWPL Adjustments	6,393	6,209	12,602	0.80 %	(1,837)	(1,268)	(3,105)	(0.03)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$787,481	\$787,297	\$1,574,778		\$4,765,421	\$4,765,990	\$9,531,411	

Present Law Adjustments

The “Present Law Adjustments” table shows the changes from the FY 2019 base appropriation to the 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.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	14,141	(23,476)	(9,335)	0.00	0	14,581	(23,430)	(8,849)
DP 2 - Fixed Costs	0.00	6,393	0	0	6,393	0.00	6,209	0	0	6,209
DP 3 - Inflation Deflation	0.00	0	0	1,105	1,105	0.00	0	0	1,372	1,372
Grand Total All Present Law Adjustments	0.00	\$6,393	\$14,141	(\$22,371)	(\$1,837)	0.00	\$6,209	\$14,581	(\$22,058)	(\$1,268)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Program Biennium Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	21,390,740	23,565,149	2,174,409	10.17 %
Operating Expenses	11,502,946	11,647,965	145,019	1.26 %
Equipment & Intangible Assets	17,914	0	(17,914)	(100.00)%
Grants	327,350	324,040	(3,310)	(1.01)%
Transfers	8,002	8,002	0	0.00 %
Total Expenditures	\$33,246,952	\$35,545,156	\$2,298,204	6.91 %
General Fund	4,823,580	5,241,434	417,854	8.66 %
State/Other Special Rev. Funds	13,285,221	14,103,003	817,782	6.16 %
Federal Spec. Rev. Funds	15,138,151	16,200,719	1,062,568	7.02 %
Total Funds	\$33,246,952	\$35,545,156	\$2,298,204	6.91 %
Total Ongoing	\$33,246,952	\$35,545,156	\$2,298,204	6.91 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Biennium Comparison -

The biennium comparison table shows a total growth of 6.9%, which for the division is influenced by the FY 2018 appropriations reductions. Compared to the FY 2019 base appropriation, the growth is 5.6%.

Program Description

The Water Quality Division oversees all aspects of water pollution control in Montana and develops plans to protect Montana's water resources. Water Quality is responsible for:

- Regulating public drinking water and providing certification of public water and wastewater operators;
- Developing water quality standards and monitoring conditions of state waters;
- Preventing surface and ground water pollution by reviewing pollution sources, issuing discharge permits, developing Total Maximum Daily Loads, and providing technical and financial assistance; and
- Administering the Water Pollution Control State Revolving Fund, the Drinking Water State Revolving Fund, subdivision review, and public water and wastewater design plan review.

Program Highlights

Water Quality Division Major Budget Highlights
<ul style="list-style-type: none"> • Biennial appropriations increase by 6.9% or \$2.3 million when compared to the 2019 Biennium • The executive proposes statewide present law adjustments for personal services totaling \$1.8 million for the biennium.

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	134.67	134.67	134.67	134.67
Personal Services	10,360,455	10,491,651	10,899,089	11,781,555	11,783,594
Operating Expenses	4,325,277	5,730,164	5,772,782	5,823,666	5,824,299
Equipment & Intangible Assets	17,914	17,914	0	0	0
Grants	201,701	165,330	162,020	162,020	162,020
Transfers	10,817	4,001	4,001	4,001	4,001
Total Expenditures	\$14,916,164	\$16,409,060	\$16,837,892	\$17,771,242	\$17,773,914
General Fund	2,325,153	2,327,934	2,495,646	2,620,053	2,621,381
State/Other Special Rev. Funds	6,338,387	6,590,892	6,694,329	7,051,153	7,051,850
Federal Spec. Rev. Funds	6,252,624	7,490,234	7,647,917	8,100,036	8,100,683
Total Funds	\$14,916,164	\$16,409,060	\$16,837,892	\$17,771,242	\$17,773,914
Total Ongoing	\$14,916,164	\$16,409,060	\$16,837,892	\$17,771,242	\$17,773,914
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2018 Appropriation Compared to FY 2018 Actual Expenditures

The agency expended 99.9% of the FY 2018 general fund appropriation and 90.9% of total appropriations. Personal services were 98.7% expended. State and federal funding sources make up 85.8% of the budget and were 89.4% expended.

FY 2018 Appropriations Compared to FY 2019 Appropriations

Total appropriations are \$0.4 million or 2.6% higher than the FY 2018 total appropriations due to:

- November 2017 Special Session reductions in both fiscal year that were subsequently restored by SB 9 for FY 2019, in the amount of \$0.1 million
- SB 294 pay plan increase in FY 2019 of \$0.1 million
- Transfers from other programs in FY 2019 of \$0.1 million
- Other budget amendments for federal grants of \$0.1 million

Executive Request

The executive proposal includes only statewide present law adjustments, total appropriations increase by 6.9% or \$2.3 million. As proposed by the executive the budget is funded 14.7% with general fund, 39.7% with state special revenue, and 45.6% federal sources.

Personal Services

Personal services comprise 66.3% of the budget for the division. Increases in personal services of 10.2% or \$2.2 million, is funded primarily with state special revenue and federal revenue. The division experienced a vacancy saving rate of 4.5% in hours expended compared to hours budgeted. The executive has included a 2.0% vacancy savings reduction in its budget submission for the 2021 biennium. At the end of FY 2018 the division had 17.74 FTE vacant.

Funding

The following table shows proposed program funding by source of authority.

Department of Environmental Quality, 20-Water Quality Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	5,241,434	0	0	0	5,241,434	14.75 %	
02070 Hazardous Waste-CERCLA	0	0	0	0	0	0.00 %	
02204 Public Drinking Water	2,093,568	0	0	0	2,093,568	14.84 %	
02206 Agriculture Monitoring	10,898	0	0	0	10,898	0.08 %	
02223 Wastewater SRF Special Admin	2,197,103	0	0	0	2,197,103	15.58 %	
02278 MPDES Permit Program	6,294,975	0	0	0	6,294,975	44.64 %	
02316 SRF Bonds State Administration	0	0	0	0	0	0.00 %	
02418 Subdivision Plat Review	1,904,611	0	0	0	1,904,611	13.50 %	
02420 Bd of Cert For W&WW OP	308,402	0	0	0	308,402	2.19 %	
02491 Drinking Water Spec Admin Cost	1,293,446	0	0	0	1,293,446	9.17 %	
State Special Total	\$14,103,003	\$0	\$0	\$0	\$14,103,003	39.68 %	
03070 BLM Water Quality Monitoring	0	0	0	0	0	0.00 %	
03091 106 Monitor Suppl Initiative	312,360	0	0	0	312,360	1.93 %	
03101 106 Supplemental Monitor	0	0	0	0	0	0.00 %	
03149 WPC SRF FY09 GRANT	100,000	0	0	0	100,000	0.62 %	
03152 DW14 SRF Grant	242,748	0	0	0	242,748	1.50 %	
03190 Water 106 Monitoring Init.	90,000	0	0	0	90,000	0.56 %	
03229 Wetland Voluntary Restoration	246,374	0	0	0	246,374	1.52 %	
03245 WPC15 SRF Grant	0	0	0	0	0	0.00 %	
03262 EPA PPG	8,012,177	0	0	0	8,012,177	49.46 %	
03311 FY16 NPS Project Grant	0	0	0	0	0	0.00 %	
03312 FY17 NPS Project Grant	0	0	0	0	0	0.00 %	
03318 FY13 Water Quality 604B Grant	200,000	0	0	0	200,000	1.23 %	
03409 WPC14 SRF Grant	302,126	0	0	0	302,126	1.86 %	
03436 NPS Staffing & Support	2,094,276	0	0	0	2,094,276	12.93 %	
03444 FY13 NPS Project Grant	0	0	0	0	0	0.00 %	
03457 WPC SRF FY13 Grant	0	0	0	0	0	0.00 %	
03481 NPS14 Project Grant	70	0	0	0	70	0.00 %	
03482 NPS15 Project Grant	3,168	0	0	0	3,168	0.02 %	
03676 Bureau of Land Management	361,488	0	0	0	361,488	2.23 %	
03687 DW15 SRF Grant	0	0	0	0	0	0.00 %	
03691 Non Pt Source Staffing/Support	428,785	0	0	0	428,785	2.65 %	
03695 SRF St Tribal Rel Agrmt Grant	116,800	0	0	0	116,800	0.72 %	
03812 DW SRF 07 Grant	1,716,201	0	0	0	1,716,201	10.59 %	
03814 EPA Water Quality 205J	200,000	0	0	0	200,000	1.23 %	
03952 DW16 SRF Grant	400,000	0	0	0	400,000	2.47 %	
03953 DW17 SRF Grant	1,374,146	0	0	0	1,374,146	8.48 %	
Federal Special Total	\$16,200,719	\$0	\$0	\$0	\$16,200,719	45.58 %	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$35,545,156	\$0	\$0	\$0	\$35,545,156		

The Water Quality Division is funded primarily with state and federal funds. State and federal funds constitute 85.3% of the total budget. The divisions primary state special revenue funds are the fees collected for montana pollutant discharge elimination system permits, wastewater revolving funds, drinking water revolving funds, and fees for subdivision plat reviews. The largest portion of federal funds is provided through the Environmental Protection Agency (EPA) programs, including the performance partnership grant and funds for non-point source water projects under the federal Clean Water Act. General fund supports personal services and operating expenses.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	2,495,646	2,495,646	4,991,292	95.23 %	16,837,892	16,837,892	33,675,784	94.74 %
SWPL Adjustments	124,407	125,735	250,142	4.77 %	933,350	936,022	1,869,372	5.26 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$2,620,053	\$2,621,381	\$5,241,434		\$17,771,242	\$17,773,914	\$35,545,156	

Present Law Adjustments

The “Present Law Adjustments” table shows the changes from the FY 2019 base appropriation to the 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.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	114,114	337,783	430,569	882,466	0.00	115,363	338,055	431,087	884,505
DP 2 - Fixed Costs	0.00	8,905	15,423	18,768	43,096	0.00	8,648	14,978	18,227	41,853
DP 3 - Inflation Deflation	0.00	1,388	3,618	2,782	7,788	0.00	1,724	4,488	3,452	9,664
Grand Total All Present Law Adjustments	0.00	\$124,407	\$356,824	\$452,119	\$933,350	0.00	\$125,735	\$357,521	\$452,766	\$936,022

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

Program Biennium Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	13,988,294	16,491,158	2,502,864	17.89 %
Operating Expenses	19,369,774	20,007,521	637,747	3.29 %
Grants	3,047,686	3,047,686	0	0.00 %
Transfers	7,429,398	5,429,398	(2,000,000)	(26.92)%
Total Expenditures	\$43,835,152	\$44,975,763	\$1,140,611	2.60 %
General Fund	595,706	665,884	70,178	11.78 %
State/Other Special Rev. Funds	23,535,887	23,885,460	349,573	1.49 %
Federal Spec. Rev. Funds	19,703,559	20,424,419	720,860	3.66 %
Total Funds	\$43,835,152	\$44,975,763	\$1,140,611	2.60 %
Total Ongoing	\$41,835,152	\$44,975,763	\$3,140,611	7.51 %
Total OTO	\$2,000,000	\$0	(\$2,000,000)	(100.00)%

Program Biennium Comparison -

The biennium comparison table shows a total growth of 2.6%, which for the division is influenced by the FY 2018 appropriations reductions. Compared to the FY 2019 base appropriation, the growth is 1.3%. Compared to the FY 2019 base appropriation excluding the \$1.0 million OTO, the growth for ongoing appropriations 6.1%.

Program Description

The Waste Management and Remediation Division protects human health and the environment by preventing exposure to contaminants, working with Montana communities and businesses to implement effective material management and cleanup strategies, and overseeing compliance with state and federal laws and regulations. It oversees and conducts or supports remedial investigation and efficient, cost-effective cleanup activities at state and federal Superfund sites; supervises voluntary cleanup activities; reclaims abandoned mine lands; implements corrective actions at sites; and administrators regulatory waste management programs.

Program Highlights

Waste Management & Remediation Division Major Budget Highlights
<ul style="list-style-type: none"> • Biennial appropriations increase by 2.6% or \$1.1 million when compared to the 2019 biennium • The executive proposes statewide present law adjustments for personal services totaling \$2.0 million for the biennium • The executive proposes to expand the use of the orphan share account to respond to the release of petroleum or hazardous waste

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	100.01	100.01	100.01	100.01
Personal Services	7,144,683	6,735,350	7,252,944	8,247,700	8,243,458
Operating Expenses	6,283,303	9,661,057	9,708,717	10,003,440	10,004,081
Grants	1,566,597	1,523,843	1,523,843	1,523,843	1,523,843
Transfers	2,872,750	3,714,699	3,714,699	2,714,699	2,714,699
Total Expenditures	\$17,867,333	\$21,634,949	\$22,200,203	\$22,489,682	\$22,486,081
General Fund	249,396	262,764	332,942	332,942	332,942
State/Other Special Rev. Funds	10,173,168	11,606,474	11,929,413	11,944,017	11,941,443
Federal Spec. Rev. Funds	7,444,769	9,765,711	9,937,848	10,212,723	10,211,696
Total Funds	\$17,867,333	\$21,634,949	\$22,200,203	\$22,489,682	\$22,486,081
Total Ongoing	\$17,541,725	\$20,634,949	\$21,200,203	\$22,489,682	\$22,486,081
Total OTO	\$325,608	\$1,000,000	\$1,000,000	\$0	\$0

Program Discussion -

FY 2018 Appropriation Compared to FY 2018 Actual Expenditures

The agency expended 94.9% of the FY 2018 general fund appropriation and 82.6% of total appropriations. Personal services were over expended by 6.1%, and grants were over expended by 2.8%. Transfers were 77.3% expended due primarily to unexpended OTO appropriations for the Natural Resources Damage Program. State and federal funding sources make up 98.7% of the budget and were 82.4% expended.

FY 2018 Appropriations Compared to FY 2019 Appropriations

Total appropriations are \$0.6 million or 2.6% higher than the FY 2018 total appropriations due to:

- 2017 Special Session reductions in both fiscal year that were subsequently restored by SB 9 for FY 2019, in the amount of \$0.1 million
- SB 294 pay plan increase in FY 2019 of \$0.1 million
- Budget amendments for federal grants of \$0.2 million
- Other budget amendments totaling \$0.2 million

Executive Request

The executive proposes and increase in total appropriation of 2.6% or \$1.1 million. The executive proposes new spending authority for clean up contaminated sites. The 2015 Legislature approved SB 96 providing a \$7.0 million one-time-only biennial appropriation from the orphan share account to work on sites where there was no responsible party to clean up contamination, the executive proposes to continue this funding. This funding appropriation could also be used as funds are available, to reimburse orphan share claims at sites where a responsible party has undergone the controlled allocation of liability process and would be eligible for orphan share claims. As proposed by the executive the budget is funded 1.5% with general fund, 53.1% with state special revenue, and 45.4% federal sources.

Personal Services

Personal services comprise 36.7% of the budget for the division. Increases in personal services of 17.9% or \$2.5 million, is funded primarily with state special revenue and federal revenue. The division experienced a vacancy saving rate of 6.6% in

53010 - Department Of Environmental Quality 40-Waste Management & Remediation Division

hours expended compared to hours budgeted. The executive has included a 2.0% vacancy savings reduction in its budget submission for the 2021 biennium. At the end of FY 2018 the division had 10.00 FTE vacant.

Funding

The following table shows proposed program funding by source of authority.

Department of Environmental Quality, 40-Waste Management & Remediation Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	665,884	0	0	0	665,884	1.41 %
02054 UST-Installer Lic & Permit Acc	198,086	0	0	0	198,086	0.75 %
02058 Petroleum Storage Tank Cleanup	3,204,193	0	0	0	3,204,193	12.19 %
02070 Hazardous Waste-CERCLA	948,470	0	0	0	948,470	3.61 %
02075 UST Leak Prevention Program	1,335,290	0	0	0	1,335,290	5.08 %
02157 Solid Waste Management Fee	2,010,414	0	0	0	2,010,414	7.65 %
02162 Environmental Quality Protecti	8,480,201	0	0	0	8,480,201	32.26 %
02202 Asbestos Control	305,714	0	0	0	305,714	1.16 %
02206 Agriculture Monitoring	19,992	0	0	0	19,992	0.08 %
02314 DNRC Grants - REMediation	257,060	0	0	0	257,060	0.98 %
02421 Hazardous Waste Fees	249,964	0	0	0	249,964	0.95 %
02438 Pegasus - Beal Mountain	1,988	0	0	0	1,988	0.01 %
02472 Orphan Share Fund	522,530	0	2,400,000	0	2,922,530	11.12 %
02565 LUST Cost Recovery	760,000	0	0	0	760,000	2.89 %
02845 Junk Vehicle Disposal	5,378,376	0	0	0	5,378,376	20.46 %
02940 Pegasus - Basin	77,964	0	0	0	77,964	0.30 %
02954 Septage Fees	135,218	0	0	0	135,218	0.51 %
02519 CERCLA CSC Bond Proceeds	0	0	0	0	0	0.00 %
State Special Total	\$23,885,460	\$0	\$2,400,000	\$0	\$26,285,460	55.48 %
03028 UST Energy Policy Act Prov	664,408	0	0	0	664,408	3.25 %
03036 DEQ - Federal Aml Grant	1,013,700	0	0	0	1,013,700	4.96 %
03058 DW SRF FY09 Stimulus	403,169	0	0	0	403,169	1.97 %
03158 BLM Interagency Projects	1,023,294	0	0	0	1,023,294	5.01 %
03221 EPA LUST Trust	178,358	0	0	0	178,358	0.87 %
03222 EPA Milltown Remedial Action	0	0	0	0	0	0.00 %
03228 L.U.S.T./Trust	986,000	0	0	0	986,000	4.83 %
03232 FY08 Exchange Network Grant	0	0	0	0	0	0.00 %
03249 OSM Trust Fund - Acid Mine	0	0	0	0	0	0.00 %
03259 Superfund Multisite TechAssist	416,000	0	0	0	416,000	2.04 %
03260 Carpenter Snow Creek Superfund	2,200,072	0	0	0	2,200,072	10.77 %
03261 Superfund Multisite TA Bulk	400,000	0	0	0	400,000	1.96 %
03262 EPA PPG	1,184,432	0	0	0	1,184,432	5.80 %
03351 Tech Assist - Butte Mine Flood	500,000	0	0	0	500,000	2.45 %
03353 MANAGEMENT ASSIST - SPEC ACCT	917,624	0	0	0	917,624	4.49 %
03360 MANAGEMENT ASSISTANCE - BULK	500,000	0	0	0	500,000	2.45 %
03447 Belt Water Treatment Fund	0	0	0	0	0	0.00 %
03463 MINE LEASE/RECLAMATION	125,518	0	0	0	125,518	0.61 %
03468 Core Cooperative Grant	431,152	0	0	0	431,152	2.11 %
03663 Abandoned Mines Lands Grant	6,435,188	0	0	0	6,435,188	31.51 %
03667 Abandoned Mines	0	0	0	0	0	0.00 %
03721 Libby Sitewide	1,566,490	0	0	0	1,566,490	7.67 %
03798 EPA OECA WPB 9/30/13	0	0	0	0	0	0.00 %
03973 EPA Brownfields Grant	1,479,014	0	0	0	1,479,014	7.24 %
03342 Butte Mine Flooding	0	0	0	0	0	0.00 %
Federal Special Total	\$20,424,419	\$0	\$0	\$0	\$20,424,419	43.11 %
06509 DEQ Indirects	0	0	0	0	0	0.00 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$44,975,763	\$0	\$2,400,000	\$0	\$47,375,763	

53010 - Department Of Environmental Quality 40-Waste Management & Remediation Division

The waste management and remediation division is funded with general fund, state special and federal revenue. State special revenue comes from \$0.0075 gas tax for petroleum tank cleanup, registration fees for underground storage tanks, and interest proceeds from the Resource Indemnity Trust (RIT). Federal special revenue is derived from the federal EPA for superfund oversight and various other activities. Other federal revenue sources include the Office of Surface Mining for the Abandoned Mine Lands Program.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	332,942	332,942	665,884	100.00 %	21,200,203	21,200,203	42,400,406	94.27 %
SWPL Adjustments	0	0	0	0.00 %	1,039,479	1,035,878	2,075,357	4.61 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	250,000	250,000	500,000	1.11 %
Total Budget	\$332,942	\$332,942	\$665,884		\$22,489,682	\$22,486,081	\$44,975,763	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 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.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	732,596	262,160	994,756	0.00	0	730,414	260,100	990,514
DP 2 - Fixed Costs	0.00	0	26,269	11,301	37,570	0.00	0	24,494	11,993	36,487
DP 3 - Inflation Deflation	0.00	0	5,739	1,414	7,153	0.00	0	7,122	1,755	8,877
Grand Total All Present Law Adjustments	0.00	\$0	\$764,604	\$274,875	\$1,039,479	0.00	\$0	\$762,030	\$273,848	\$1,035,878

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

53010 - Department Of Environmental Quality 40-Waste Management & Remediation Division

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5 - Orphan Share Expanded Use (Restricted/Bien)	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
Total	0.00	\$0	\$250,000	\$0	\$250,000	0.00	\$0	\$250,000	\$0	\$250,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5 - Orphan Share Expanded Use (Restricted/Bien) -

The executive proposes to expand the use of the orphan share account to allow the Department of Environmental Quality (DEQ) to evaluate and take remedial actions to respond to a release or threatened release at petroleum or hazardous substance sites.

Program Biennium Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	17,679,099	18,652,627	973,528	5.51 %
Operating Expenses	21,294,965	22,287,533	992,568	4.66 %
Equipment & Intangible Assets	203,480	203,480	0	0.00 %
Transfers	41,811	27,396	(14,415)	(34.48)%
Total Expenditures	\$39,219,355	\$41,171,036	\$1,951,681	4.98 %
General Fund	2,939,884	3,422,003	482,119	16.40 %
State/Other Special Rev. Funds	27,052,332	28,433,651	1,381,319	5.11 %
Federal Spec. Rev. Funds	9,227,139	9,315,382	88,243	0.96 %
Total Funds	\$39,219,355	\$41,171,036	\$1,951,681	4.98 %
Total Ongoing	\$39,219,355	\$41,171,036	\$1,951,681	4.98 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Biennium Comparison -

The biennium comparison table shows a total growth of 5.0%, which for the division is influenced by the FY 2018 appropriations reductions. Compared to the FY 2019 base appropriation, the growth is 1.5%.

Program Description

The Air, Energy and Mining Division (AEMD) permits and regulates environmentally-protective and productive operations in air, hard rock mining, opencut mining, and coal mining industries according to program statutory authority. The permitting and regulatory work includes extensive coordination with other programs to develop environmental review documents that comply with the Montana Environmental Policy Act (MEPA), including environmental assessments and environmental impact statements. AEMD includes the State Energy Office, or Energy Bureau, which promotes and improves Montanan’s access to energy efficiency and alternative energy sources while improving the state’s energy security by offering financing mechanisms, technical assistance, and education for public and private entities.

Program Highlights

Air Energy & Mining Division Major Budget Highlights
<ul style="list-style-type: none"> • Biennial appropriations increase by 5.0% or \$2.0 million when compared to the 2019 biennium • Higher general fund and state special revenue growth rates are due to a shift away from federal funds for statewide present law adjustments for personal services

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	105.53	105.53	105.53	105.53
Personal Services	7,953,910	8,581,860	9,097,239	9,326,392	9,326,235
Operating Expenses	5,886,849	10,218,926	11,076,039	11,140,625	11,146,908
Equipment & Intangible Assets	0	101,740	101,740	101,740	101,740
Transfers	18,084	28,113	13,698	13,698	13,698
Total Expenditures	\$13,858,843	\$18,930,639	\$20,288,716	\$20,582,455	\$20,588,581
General Fund	1,347,400	1,349,849	1,590,035	1,712,413	1,709,590
State/Other Special Rev. Funds	8,771,883	13,055,799	13,996,533	14,206,277	14,227,374
Federal Spec. Rev. Funds	3,739,560	4,524,991	4,702,148	4,663,765	4,651,617
Total Funds	\$13,858,843	\$18,930,639	\$20,288,716	\$20,582,455	\$20,588,581
Total Ongoing	\$13,858,843	\$18,930,639	\$20,288,716	\$20,582,455	\$20,588,581
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2018 Appropriation Compared to FY 2018 Actual Expenditures

The agency expended 99.8% of the FY 2018 general fund appropriation and 73.2% of total appropriations. Personal services were 92.7% expended, operating expenses were 57.6%. State special revenue, which constitutes 69.0% of the total budget, was 67.2% expended. Federal sources, which constitute 23.9% of the total budget, was 82.6% expended.

FY 2018 Appropriations Compared to FY 2019 Appropriations

Total appropriations are \$1.4 million or 7.2% higher than the FY 2018 total appropriations due to:

- November 2017 Special Session reductions in both fiscal year that were subsequently restored by SB 9 for FY 2019, in the amount of \$0.2 million
- SB 294 pay plan increase in FY 2019 of \$0.1 million
- Increase for federal grants by \$0.3 million
- HB 2 legislative appropriations \$0.8 million higher in FY 2019

Executive Request

The executive proposal includes only statewide present law adjustments, total appropriations increase by 5.0% or \$2.0 million. As proposed by the executive the budget is funded 8.3% with general fund, 69.1% with state special revenue, and 22.6% federal sources.

Personal Services

Personal services comprise 45.3% of the budget for the division. Increases in personal services of 5.5% or \$1.0 million, is funded primarily with general fund and state special revenue. The division experienced a vacancy saving rate of 6.1% in hours expended compared to hours budgeted. The executive has included a 2% vacancy savings reduction in its budget submission for the 2021 biennium. At the end of FY 2018 the division had 13.50 FTE vacant.

Funding

The following table shows proposed program funding by source of authority.

Department of Environmental Quality, 50-Air Energy & Mining Division Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	3,422,003	0	0	0	3,422,003	8.31 %
02036 Opencut permit Fees	576,660	0	0	0	576,660	2.03 %
02095 Opencut Bond Forfeitures	229,248	0	0	0	229,248	0.81 %
02096 Reclamation - Bond Forfeitures	347,688	0	0	0	347,688	1.22 %
02201 Air Quality-Operating Fees	8,831,559	0	0	0	8,831,559	31.06 %
02291 Alternative Energy Loan ARRA	215,611	0	0	0	215,611	0.76 %
02370 Energy Conserv Repayment Acct	24,862	0	0	0	24,862	0.09 %
02521 Pegasus Bankruptcy/Operations	1,462,642	0	0	0	1,462,642	5.14 %
02555 Alternative Energy Rev Loan	414,045	0	0	0	414,045	1.46 %
02576 Natural Resources Operations	4,310,855	0	0	0	4,310,855	15.16 %
02579 Coal & Uranium Mine Account	562,314	0	0	0	562,314	1.98 %
02676 Reclamation - OSM Trust Fund	0	0	0	0	0	0.00 %
02955 STATE ENERGY CONSERVATION ARRA	1,049,441	0	0	0	1,049,441	3.69 %
02973 Univ System Benefits Program	506,100	0	0	0	506,100	1.78 %
02988 Hard Rock Mining Reclamation	9,902,626	0	0	0	9,902,626	34.83 %
State Special Total	\$28,433,651	\$0	\$0	\$0	\$28,433,651	69.06 %
03052 WW SRF FY09 Stimulus	34,640	0	0	0	34,640	0.37 %
03067 DSL Federal Reclamation Grant	17,371	0	0	0	17,371	0.19 %
03199 Stripper Wells	9,000	0	0	0	9,000	0.10 %
03262 EPA PPG	3,166,478	0	0	0	3,166,478	33.99 %
03289 FY 14 State Clean Diesel	392,878	0	0	0	392,878	4.22 %
03325 EPA 103 PM 2.5	138,650	0	0	0	138,650	1.49 %
03326 BLM For Zortman & Landusky	0	0	0	0	0	0.00 %
03435 PM 2.5 Fiscal Year 2004	627,743	0	0	0	627,743	6.74 %
03437 DOE-State Energy Program	759,380	0	0	0	759,380	8.15 %
03465 DOE Washington State Univ	33,876	0	0	0	33,876	0.36 %
03723 Clean Diesel DS-97867001	416,490	0	0	0	416,490	4.47 %
03816 DOI OSM A&E GRANT	3,718,876	0	0	0	3,718,876	39.92 %
03492 Coal ePermitting System	0	0	0	0	0	0.00 %
03087 ePermitting-Proj Mngr	0	0	0	0	0	0.00 %
03614 BLM-L17AC00009 O&M	0	0	0	0	0	0.00 %
03981 BLM Air Monitoring 06/22/2022	0	0	0	0	0	0.00 %
03029 SEEDS - EE0007672	0	0	0	0	0	0.00 %
03223 Smart Schools DE-EE0007783	0	0	0	0	0	0.00 %
03238 EPA MULTIPURPOSE	0	0	0	0	0	0.00 %
Federal Special Total	\$9,315,382	\$0	\$0	\$0	\$9,315,382	22.63 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$41,171,036	\$0	\$0	\$0	\$41,171,036	

The Air and Mining Division is funded primarily with state special and federal revenues. State special revenue consists of forfeited mining and reclamation bonds, and air quality fees. The agency also receives Resource Indemnity Trust (RIT) interest via the natural resources operations fund. Hard rock mining reclamation revenue is primarily from interest earned with the state Board of Investments and funds transferred from the hard rock mining reclamation debt service fund. Federal revenues come primarily from EPA, Department of Energy, and Department of Interior grants. General fund supports personal services and operating expense.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	1,590,035	1,590,035	3,180,070	92.93 %	20,288,716	20,288,716	40,577,432	98.56 %
SWPL Adjustments	122,378	119,555	241,933	7.07 %	293,739	299,865	593,604	1.44 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$1,712,413	\$1,709,590	\$3,422,003		\$20,582,455	\$20,588,581	\$41,171,036	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 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.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	112,389	194,479	(77,715)	229,153	0.00	109,210	211,705	(91,919)	228,996
DP 2 - Fixed Costs	0.00	6,517	8,288	19,589	34,394	0.00	6,217	8,795	18,390	33,402
DP 3 - Inflation Deflation	0.00	3,472	6,977	19,743	30,192	0.00	4,128	10,341	22,998	37,467
Grand Total All Present Law Adjustments	0.00	\$122,378	\$209,744	(\$38,383)	\$293,739	0.00	\$119,555	\$230,841	(\$50,531)	\$299,865

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

LFD COMMENT	<p>The executive proposes a funding switch from federal sources to general fund and state special revenue. Based on statutory requirements a change in funding sources is considered a new proposals.</p> <p>This request is more appropriately categorized as a new proposal and should be evaluated by the legislature as they would consider a new proposal.</p>
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DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

53010 - Department Of Environmental Quality 90-Petroleum Tank Release Compensation Board

Program Biennium Comparison

The following table compares the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 18-19	Requested Budget 20-21	Biennium Change	Biennium % Change
Personal Services	693,371	778,615	85,244	12.29 %
Operating Expenses	500,500	503,800	3,300	0.66 %
Total Expenditures	\$1,193,871	\$1,282,415	\$88,544	7.42 %
State/Other Special Rev. Funds	1,193,871	1,282,415	88,544	7.42 %
Total Funds	\$1,193,871	\$1,282,415	\$88,544	7.42 %
Total Ongoing	\$1,193,871	\$1,282,415	\$88,544	7.42 %
Total OTO	\$0	\$0	\$0	0.00 %

Program Biennium Comparison -

The biennium comparison table shows a total growth of 7.4%, which for the division is influenced by the FY 2018 appropriations reductions. Compared to the FY 2019 base appropriation, the growth is 5.9%.

Program Description

The Petroleum Tank Release Compensation Board is responsible for administering the petroleum tank release cleanup fund. This includes reimbursement to petroleum storage tank owners and operators for corrective action costs and compensation paid to third parties for bodily injury and property damage resulting from a release of petroleum from a petroleum storage tank. The board is responsible for responding to and working with private individuals, corporations, other state agencies, the Governor's Office, the legislature, federal agencies, and other interested parties with activities relative to petroleum storage tanks. It is attached to DEQ for administrative purposes.

Program Highlights

Petroleum Tank Release Compensation Board Major Budget Highlights
<ul style="list-style-type: none"> • Biennial appropriations increase by 7.4% when compared to the 2019 biennium • The board is funded entirely from the petroleum storage tank cleanup state special revenue account • Personal services increases of 12.3% are due primarily to statewide present law adjustments

Program Actuals and Budget Comparison

The following table compares FY 2018 actual expenditures to the 2019 biennium appropriated budget and the 2021 biennium budget request by type of expenditure and source of funding.

53010 - Department Of Environmental Quality 90-Petroleum Tank Release Compensation Board

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2018	Approp. Fiscal 2018	Approp. Fiscal 2019	Request Fiscal 2020	Request Fiscal 2021
FTE	0.00	5.75	5.75	5.75	5.75
Personal Services	373,902	338,397	354,974	389,452	389,163
Operating Expenses	130,480	250,242	250,258	251,911	251,889
Total Expenditures	\$504,382	\$588,639	\$605,232	\$641,363	\$641,052
State/Other Special Rev. Funds	504,382	588,639	605,232	641,363	641,052
Total Funds	\$504,382	\$588,639	\$605,232	\$641,363	\$641,052
Total Ongoing	\$504,382	\$588,639	\$605,232	\$641,363	\$641,052
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Discussion -

FY 2018 Appropriation Compared to FY 2018 Actual Expenditures

The program expended 85.7% of the FY 2018 total appropriation. The petroleum storage tank cleanup state special revenue account is the only source of funding for this program. Personal services were over expended by 10.5% or \$35,500, operating expenses were 52.1% expended.

FY 2018 Appropriations Compared to FY 2019 Appropriations

Total appropriation increased by 2.8% or \$16,600 in FY 2019 when compared to FY 2018. Increases are driven primarily by personal services.

Executive Request

The executive proposal includes only statewide present law adjustments, total appropriations increase by 7.4% or \$88,500. As proposed by the executive the budget is funded 100.0% with state special revenue.

Personal Services

Personal services comprise 60.7% of the budget for the division. Increases in personal services of 12.3% or \$85,000, is funded with state special revenue. The division experienced a vacancy saving rate of 1.4% in hours expended compared to hours budgeted. The executive has included a 2% vacancy savings reduction in its budget submission for the 2021 biennium. At the end of FY 2018 the division was fully staffed.

Funding

The following table shows proposed program funding by source of authority.

53010 - Department Of Environmental Quality 90-Petroleum Tank Release Compensation Board

Department of Environmental Quality, 90-Petroleum Tank Release Compensation Board Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0	0.00 %	
02058 Petroleum Storage Tank Cleanup	1,282,415	0	0	9,980,000	11,262,415	100.00 %	
State Special Total	\$1,282,415	\$0	\$0	\$9,980,000	\$11,262,415	100.00 %	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$1,282,415	\$0	\$0	\$9,980,000	\$11,262,415		

The program is funded entirely through a portion of the \$.0075 tax on gasoline, diesel, heating oil, and aviation fuel. Statutory appropriations pay for the reimbursement due to storage tank releases as described in 75-11-313, MCA.

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary section of the Budget Analysis.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget	Budget Fiscal 2020	Budget Fiscal 2021	Biennium Fiscal 20-21	Percent of Budget
2019 Base Budget	0	0	0	0.00 %	605,232	605,232	1,210,464	94.39 %
SWPL Adjustments	0	0	0	0.00 %	36,131	35,820	71,951	5.61 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$641,363	\$641,052	\$1,282,415	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes from the FY 2019 base appropriation to the 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.

Present Law Adjustments										
	-----Fiscal 2020-----					-----Fiscal 2021-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	34,478	0	34,478	0.00	0	34,189	0	34,189
DP 2 - Fixed Costs	0.00	0	1,554	0	1,554	0.00	0	1,508	0	1,508
DP 3 - Inflation Deflation	0.00	0	99	0	99	0.00	0	123	0	123
Grand Total All Present Law Adjustments	0.00	\$0	\$36,131	\$0	\$36,131	0.00	\$0	\$35,820	\$0	\$35,820

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

53010 - Department Of Environmental Quality 90-Petroleum Tank Release Compensation Board

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Formula based changes
- Personal services management decisions
- Reinstatement of personal services previously reduced
- Modifications made to the personal services budget in the 2019 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.