

FY 09 Budget Brief – Department of Environmental Quality

TEQNG BB.2

SUMMARY

The mission of the Department is to safeguard public health and quality of life by protecting and improving environmental quality while considering the benefits to public health, the impacts on economic development, property, wildlife, tourism, business, agriculture, forests, and other interests, and the costs to the public and to industry; strengthen local health departments' environmental programs; build consensus among the public, industry, and local governments in developing environmental protection goals; and appropriately balance the need for environmental protection with the need for economic and industrial development.

ISSUES AND RECOMMENDATIONS

The base operating budget for the Department of Environmental Quality item for FY 2009 is \$82,677,100. This recommendation includes \$48,952,100 funding for seven programs within the line item, including Executive Director's Office, Air Quality, Environmental Response and Remediation, Radiation Control, Water Quality, Drinking Water, and Solid and Hazardous Waste. Additionally the base budget amounts of \$20,207,500 for the Water Quality Loan Program and \$13,517,500 for the Drinking Water Loan Program are included in the base budget bill.

EXECUTIVE DIRECTOR'S OFFICE

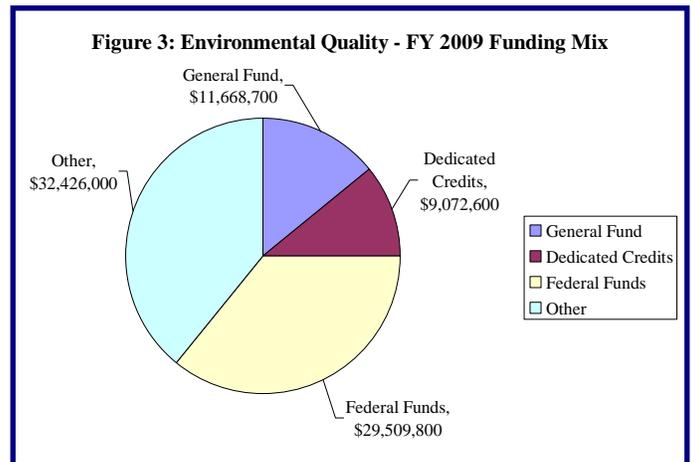
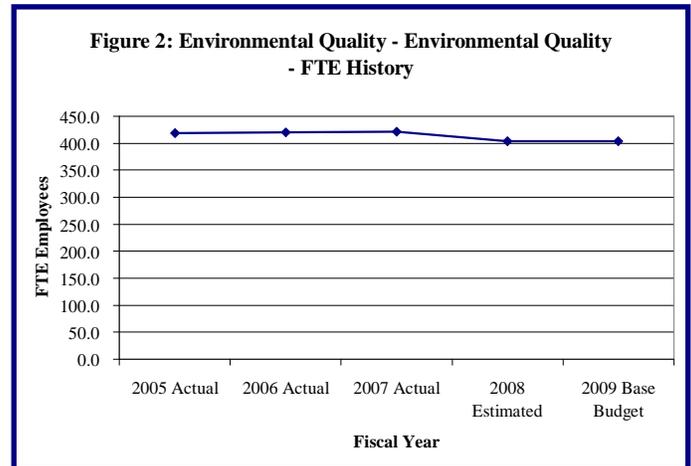
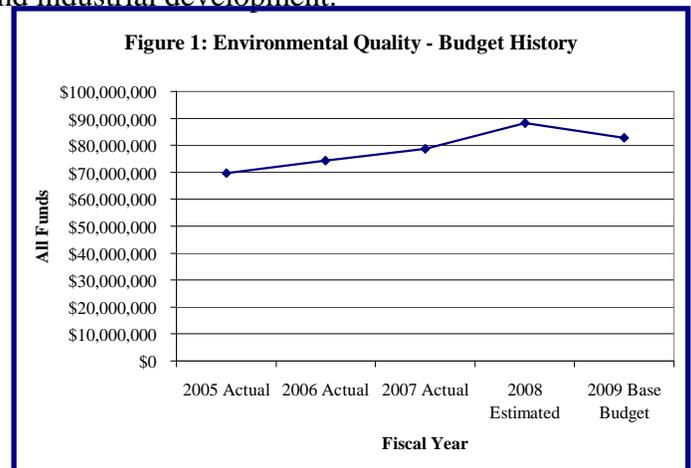
The Executive Director's Office provides administrative direction to the entire department.

Base budget funding recommendation for this program is \$5,651,400.

AIR QUALITY

The mission of the Division of Air Quality is to protect public health, property and vegetation in Utah from the effects of air pollution. In order to accomplish its mission, this division is divided into the following three branches: (1) Air Standards Branch, (2) Permitting Branch, and (3) Planning Branch. The base budget to continue this program for FY 2009 is \$8,706,400.

Areas of concern in this program item include the financing of air quality PM 2.5 programs and mercury dry deposition monitoring. These items will be further explained in issue briefs at a later date.



ENVIRONMENTAL RESPONSE AND REMEDIATION

The mission of the Division of Environmental Response and Remediation is to protect the health and the environment of the citizens of Utah from exposure to hazardous substances. A FY 2009 base budget to continue operations of the Environmental Response and Remediation Program is \$7,452,000.

RADIATION CONTROL

The mission of the Division of Radiation Control is to assure the citizens of Utah the lowest exposure to any form of radiation. The base budget of \$3,481,200 for FY 2009 for Radiation Control is included in the Base Budget Bill.

WATER QUALITY

The mission of the Division of Water Quality is to protect public health and all beneficial uses of water by maintaining and enhancing the chemical, physical and biological integrity of Utah's waters. A FY 2009 base budget for the Water Quality Program is \$11,377,400.

An area of concern in this program item includes the financing of mercury source assessment. This item will be further explained in an issue brief at a later date

DRINKING WATER

The mission of the Division of Drinking Water is to protect the public from waterborne disease through education, assistance, and oversight. The base budget for FY 2009 for the Drinking Water Program is \$4,369,700.

SOLID AND HAZARDOUS WASTE

The mission of the Division of Solid and Hazardous is to protect public health and the environment by ensuring proper management of solid and hazardous wastes within the State of Utah. A FY 2009 base budget for Solid and Hazardous Waste is \$7,914,000.

ACCOUNTABILITY

The Air Quality Program attempts to meet the requirements of the National Ambient Air Quality Standards and National Emission Standards for Hazardous Air Pollutants at a 100% compliance standard. During 2007 the Division achieved a 100% compliance of both standards.

The Division of Radiation Control measures radiation exposure during medical and industrial procedures, high risk radiation workers, and the public's exposure to ionizing radiation. All programs were within statutory tolerances.

The Division of Environmental Response and Remediation is responsible to protect ground water by inspections to prevent release of petroleum products and cleanup of contaminated sites. Production is measured by the number of Underground Storage Tank (UST) sites inspected and corrective actions taken if merited. During 2007, 100 sites were mitigated with a total of 3,874 UST sites cleaned up with the program as of June 2007. In 2007 91 new sites were identified to be added to the 484 sites currently being cleaned up. In total 1,174 inspections were performed in FY 2007.

In addition the Division is responsible for remediation of contaminated industrial sites to protect public health and promote redevelopment of contaminated properties. Eighteen projects have been completed under the Utah Voluntary Cleanup Program.

The Division of Solid and Hazardous Waste provides regulatory oversight of the disposal of hazardous wastes generated by industries and businesses along with municipal solid wastes generated by residential, institutional, and commercial sources. During CY 2006, 78,500 tons of hazardous wastes were properly disposed of in Utah, and 2,540,136 tons of municipal solid wastes were disposed during CY 2006, 127,415 tons of municipal waste was sent for incineration during CY 2006.

The Waste Tire Recycling Program has had a performance goal to recycle 100% of all waste tires collected in the state annually. During FY 2007 the program achieved their goal by overseeing the recycling of approximately 2.74 million (35,006 tons). Virtually all tires collected by tire retailers and industry.

Additionally 520,615 gallons of used oil was collected and recycled from do-it-yourself mechanics at statewide collection centers.

The Division of Water Quality is measuring their effectiveness by determining the percentage of lakes and streams which meet water quality standards and the percentage that are improving the quality of water in those lakes and streams. During the past year 69% of lakes and streams met water quality standards. Business and farms permitted to discharge water reached a compliance rate of 93% in FY 2007.

The Drinking Water Division measures the effectiveness of drinking water systems in the state. During FY 2007 99.8% of the state's population was provided water from public drinking water systems that met requirements of the Safe Drinking Water Act.

Federal Funds

Pursuant to 63-38e-201 (2)(a), the Analyst is submitting a federal funds request for the Department of Environmental Quality. The requested Federal Funds will be provided as a separate Issue Brief during the subcommittee hearings for Transportation, Environmental Quality, and National Guard.

Intent Language

The following intent language was included in the appropriation for the Department of Environmental Quality line item in FY 2008 and an updated FY 2009 version is recommended to be included in a subsequent appropriations bill:

Under terms of Section 63-38-8 Utah Code Annotated the Legislature intends that \$8,892,100 for the Department of Environmental Quality, Air Operating Permits Program, provided by item 215 of House Bill 1 2007 General Session not lapse at the close of fiscal year 2008 and are authorized for use in the Air Operating Permits Program to reduce the fee in the second fiscal year following that in which the unexpended funds occurred.

Under terms of Section 63-38-8 Utah Code Annotated the Legislature intends that \$10,318,400 for the Department of Environmental Quality, Groundwater Permit Administration Program, provided by item 215 of House Bill 1 2007 General Session not lapse at the close of fiscal year 2008 and are authorized for use in the Groundwater Permit Administration Program in the following fiscal year to reduce the fees charged.

It is the intent of the Legislature that funds appropriated for the purpose of addressing high level nuclear waste be nonlapsing.

Adoption of Fees

The listing of fees will be provided as a separate issue brief during the General Session of the Legislature.

LEGISLATIVE ACTION

The Base Budget Bill includes a base budget for FY 2009 for the Department of Environmental Quality line items in the amount of \$82,677,100.

BUDGET DETAIL

A base budget funding of \$82,677,100 is included in the Base Budget Bill for the operating budget and loan programs for the Department of Environmental Quality line items. Of this amount \$11,668,700 is from the General Fund, \$7,175,000 from Designated Sales Tax, \$29,509,800 is from Federal Funds, \$9,072,600 is from Dedicated Credits, \$7,668,200 from General Fund Restricted Accounts, \$1,380,100 from Trust Accounts, \$205,600 from Petroleum Storage Accounts, \$106,000 from the Clean Fuel Vehicle Loan Account, \$52,900 from

Beginning Balances, (\$5,800) from Ending Balances, \$14,490,000 from Repayments, \$1,159,500 from Water Development Security Funds, and \$194,500 is from transfers. The recommendation covers the budgets of the Executive Director's Office, Air Quality, Environmental Response and Remediation, Radiation Control, Water Quality, Drinking Water, Solid and Hazardous Waste, Water Quality Loan Program, and Drinking Water Loan Program.

Environmental Quality						
Sources of Finance	FY 2007	FY 2008	Changes	FY 2008	Changes	FY 2009*
	Actual	Appropriated		Revised		Base Budget
General Fund	11,012,500	11,668,700	0	11,668,700	0	11,668,700
General Fund, One-time	431,600	1,000,000	0	1,000,000	(1,000,000)	0
Federal Funds	27,545,700	28,093,100	3,225,500	31,318,600	(1,808,800)	29,509,800
Dedicated Credits Revenue	9,994,400	8,591,500	739,100	9,330,600	(258,000)	9,072,600
GFR - Environmental Quality	6,333,800	7,207,000	0	7,207,000	(966,500)	6,240,500
GFR - Underground Wastewater System	76,000	128,000	(52,000)	76,000	0	76,000
GFR - Used Oil Administration	727,600	737,000	0	737,000	0	737,000
GFR - Voluntary Cleanup	611,500	614,700	0	614,700	0	614,700
WDSF - Drinking Water	129,300	159,400	0	159,400	(159,400)	0
WDSF - Drinking Water Loan Program	0	0	0	0	134,400	134,400
WDSF - Drinking Water Origination Fee	0	0	0	0	25,000	25,000
WDSF - Water Quality	904,400	948,100	52,000	1,000,100	(1,000,100)	0
WDSF - Utah Wastewater Loan Program	0	0	0	0	948,100	948,100
WDSF - Water Quality Origination Fee	0	0	0	0	52,000	52,000
ET - Petroleum Storage Tank	1,246,600	1,255,100	0	1,255,100	0	1,255,100
ET - Waste Tire Recycling	118,900	125,000	0	125,000	0	125,000
Clean Fuel Vehicle Loan	101,300	106,000	0	106,000	0	106,000
Designated Sales Tax	7,175,000	7,175,000	0	7,175,000	0	7,175,000
Petroleum Storage Tank Account	50,000	50,000	0	50,000	0	50,000
Petroleum Storage Tank Loan	149,000	155,600	0	155,600	0	155,600
Transfers - Within Agency	481,100	715,500	362,500	1,078,000	(883,500)	194,500
Repayments	11,816,900	13,938,000	552,000	14,490,000	0	14,490,000
Beginning Nonlapsing	1,701,300	756,900	(10,000)	746,900	(694,000)	52,900
Closing Nonlapsing	(746,900)	(5,800)	(47,100)	(52,900)	47,100	(5,800)
Lapsing Balance	(1,048,700)	(647,400)	647,400	0	0	0
Total	\$78,811,300	\$82,771,400	\$5,469,400	\$88,240,800	(\$5,563,700)	\$82,677,100
Line Items						
Environmental Quality	47,826,900	50,300,100	3,795,700	54,095,800	(5,143,700)	48,952,100
Water Security Dev Acct - Water Pollution	17,655,300	19,085,800	1,121,700	20,207,500	0	20,207,500
Water Security Dev Acct - Drinking Water	12,929,100	12,985,500	552,000	13,537,500	(20,000)	13,517,500
Hazardous Substance Mitigation Fund	400,000	400,000	0	400,000	(400,000)	0
Total	\$78,811,300	\$82,771,400	\$5,469,400	\$88,240,800	(\$5,563,700)	\$82,677,100
Categories of Expenditure						
Personal Services	30,687,800	32,518,300	1,378,500	33,896,800	(1,579,000)	32,317,800
In-State Travel	239,900	229,800	37,300	267,100	(7,300)	259,800
Out of State Travel	208,400	247,100	0	247,100	4,700	251,800
Current Expense	9,422,500	10,676,000	371,800	11,047,800	(2,357,400)	8,690,400
DP Current Expense	2,256,200	2,816,200	400,300	3,216,500	(49,900)	3,166,600
DP Capital Outlay	116,600	192,200	(88,300)	103,900	0	103,900
Capital Outlay	929,600	585,000	(65,000)	520,000	(407,000)	113,000
Other Charges/Pass Thru	34,550,300	35,106,800	3,434,800	38,541,600	(767,800)	37,773,800
Trust & Agency Disbursements	400,000	400,000	0	400,000	(400,000)	0
Total	\$78,811,300	\$82,771,400	\$5,469,400	\$88,240,800	(\$5,563,700)	\$82,677,100
Other Data						
Budgeted FTE	421.0	403.0	0.0	403.0	0.0	403.0
Vehicles	41.0	41.0	0.0	41.0	0.0	41.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.