

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Department of Environmental Quality - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$38,756,030	\$4,479,208	\$43,235,238
New and vacant FTE pool		2,290,870	2,290,870
Operating expenses	15,457,832	6,395,874	21,853,706
Capital assets	1,013,500	3,650,100	4,663,600
Grants	37,198,118	22,740,341	59,938,459
Total all funds	\$92,425,480	\$39,556,393	\$131,981,873
Less estimated income	76,074,697	37,031,440	113,106,137
General fund	\$16,350,783	\$2,524,953	\$18,875,736
FTE	173.00	2.00	175.00

Department 303 - Department of Environmental Quality - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Adds 1 FTE Chemist Position for Emerging Contaminants Program³	Adds 1 FTE Chemist Position for State Fuel Inspection Program⁴	Adds Funding to Replace 2023-25 New and Vacant FTE Pool⁵	Transfers Funding for 2025-27 New and Vacant FTE Pool⁶
Salaries and wages	\$669,879	\$2,626,610	\$237,902	\$237,900	\$3,743,544	(\$3,136,727)
New and vacant FTE pool						2,290,870
Operating expenses			115,500			
Capital assets						
Grants						
Total all funds	\$669,879	\$2,626,610	\$353,402	\$237,900	\$3,743,544	(\$845,857)
Less estimated income	676,352	1,784,737	353,402	237,900	2,795,634	(589,253)
General fund	(\$6,473)	\$841,873	\$0	\$0	\$947,910	(\$256,604)
FTE	0.00	0.00	1.00	1.00	0.00	0.00

	Adds Funding for the State Fuel Inspection Program⁷	Adjusts Funding for Operating Expenses⁸	Adds Funding for IT Rate Increases⁹	Adds Funding for Cost to Continue Operating Expenses and Grants¹⁰	Increases Funding for Operating Expenses for New Laboratory¹¹	Increases Funding for Water and Wastewater Operator Certification Program¹²
Salaries and wages	\$100,100					
New and vacant FTE pool						
Operating expenses	99,300	\$1,143,955	\$194,402	\$889,257	\$718,074	\$72,000
Capital assets						
Grants				593,459		
Total all funds	\$199,400	\$1,143,955	\$194,402	\$1,482,716	\$718,074	\$72,000
Less estimated income	199,400	1,652,430	168,158	715,512	0	72,000
General fund	\$0	(\$508,475)	\$26,244	\$767,204	\$718,074	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for a Petroleum Tank Database ¹³	Base Budget Changes to Capital Assets ¹⁴	Base Budget Changes to Grants ¹⁵	Adds One-time Funding for New Chemistry Laboratory Moving Expenses ¹⁶	Adds One-time Funding Related to the New Chemistry Laboratory ¹⁷	Adds One-time Funding for Emerging Contaminants Testing Program ¹⁸
Salaries and wages						
New and vacant FTE pool						
Operating expenses	\$960,000			\$1,500,000	\$700,186	\$3,200
Capital assets		\$1,120,100				940,000
Grants			\$22,146,882			
Total all funds	\$960,000	\$1,120,100	\$22,146,882	\$1,500,000	\$700,186	\$943,200
Less estimated income	960,000	1,124,900	22,146,882	1,500,000	700,186	943,200
General fund	\$0	(\$4,800)	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-time Funding for Capital Assets for the New Chemistry Laboratory ¹⁹	Adds One-time Funding for State Fuel Inspection Program Equipment ²⁰	Total Senate Changes
Salaries and wages			\$4,479,208
New and vacant FTE pool			2,290,870
Operating expenses			6,395,874
Capital assets	\$1,375,000	\$215,000	3,650,100
Grants			22,740,341
Total all funds	\$1,375,000	\$215,000	\$39,556,393
Less estimated income	1,375,000	215,000	37,031,440
General fund	\$0	\$0	\$2,524,953
FTE	0.00	0.00	2.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$509,588	\$1,072,043	\$1,581,631
Health insurance increase	332,285	712,694	1,044,979
Total	\$841,873	\$1,784,737	\$2,626,610

³ Funding is added from special funds from testing fees for 1 FTE chemist position and related operating expenses to establish a program to test water for emerging contaminants.

⁴ Funding is added from special funds from inspection fees for 1 FTE chemist position for a state fuel inspection program.

⁵ Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

	General Fund	Other Funds	Total
Vacant FTE positions	\$583,104	\$1,388,192	\$1,971,296
New FTE positions	364,806	1,407,442	1,772,248
Total	\$947,910	\$2,795,634	\$3,743,544

⁶ Funding of \$3,136,727 for new FTE positions and estimated savings from vacant FTE positions is removed and funding of \$2,290,870 is added for a 2025-27 new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
New FTE positions	(\$0)	(\$475,802)	(\$475,802)
Vacant FTE positions	<u>(855,348)</u>	<u>(1,805,577)</u>	<u>(2,660,925)</u>
Total	(\$855,348)	(\$2,281,379)	(\$3,136,727)
Funding pool line item	<u>598,744</u>	<u>1,692,126</u>	<u>2,290,870</u>
Net savings	(\$256,604)	(\$589,253)	(\$845,857)

⁷ Funding is added from special funds from inspection fees for temporary salaries and operating expenses for the state fuel inspection program.

⁸ Funding is adjusted for base budget changes to operating expenses.

⁹ Funding is added for operating expenses related to IT rate increases.

¹⁰ Funding is added for the cost to continue operating expenses, including information technology and rent, and for the cost to continue grants.

¹¹ Funding is added for ongoing operating expenses related to the new chemistry laboratory, including rent, supplies, and IT.

¹² Funding is added from special funds from fees for operating expenses, including \$5,000 of one-time funding, related to the water and wastewater operator certification program to expand test availability.

¹³ Funding is added from the petroleum tank release compensation fund for operating expenses, including one-time expenditures of \$700,000, related to a new database.

¹⁴ Base budget funding is adjusted for capital assets.

¹⁵ Base budget funding is adjusted for grants, primarily relating to additional federal funding available for small and disadvantaged communities drinking water system grants.

¹⁶ One-time funding is added from the strategic investment and improvements fund for operating expenses related to moving to the new chemistry laboratory building.

¹⁷ One-time funding is added from the strategic investment and improvements fund for operating expenses related to the new chemistry laboratory, including office and IT equipment, maintenance, wireless connectivity, and security.

¹⁸ One-time funding is added from special funds from fees for operating expenses and capital assets for computers and laboratory equipment to establish a program to test water for emerging contaminants.

¹⁹ One-time funding is added from the strategic investment and improvements fund for capital assets related to the new chemistry laboratory.

²⁰ One-time funding is added from special funds from inspection fees for capital assets for equipment related to a state fuel inspection program.

This amendment also:

- Adds a section to provide for the use of funding in the new and vacant FTE pool line item.
- Amends a section to authorize the department to spend \$1,827,025 from the petroleum tank release compensation fund for expenses related to the petroleum tank release program.
- Adds a section to authorize the department to spend \$3,575,186 from the strategic investment and improvements fund for expenses related to moving into the new chemistry laboratory and for laboratory equipment purchases.
- Adds a section to amend Section 23.1-13-16 to provide for the deposit of fuel inspection fees into the Department of Environmental Quality operating fund instead of the general fund.