

DEPARTMENT OF ENVIRONMENTAL QUALITY (930)
FISCAL YEAR 2014 & 2015 - Executive Recommendation

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The Arkansas Department of Environmental Quality (ADEQ) is an executive agency whose purpose is to safeguard the air, water, and land resources of Arkansas by controlling or abating existing pollution of these resources and preventing new pollution through the adoption of regulations and the enforcement of existing state and federal regulations concerning pollution. The Pollution Control and Ecology Commission promulgates rules and regulations for the Department and provides an appeal of permitting or grants decisions rendered by the Director or his delegate or of administrative enforcement or emergency actions.

TOTAL BUDGET

The total budget is \$101,408,951 the first year and \$101,538,183 the second.

FUNDING SOURCE

The budget is funded by Fund Balances, General Revenues, special revenue funds, federal funds, and trust funds.

II) APPROPRIATIONS / CHANGES:

1. 2TQ - FEDERAL OPERATIONS: Funded with federal revenue, appropriation has an **increase of \$235,000 in FY14 and \$285,000 in FY15** to replace two vehicles in FY14, three vehicles in FY15, replace obsolete equipment and replace one global positioning system.

2. 2TR - WASTE WATER LICENSING: Funded with wastewater licensing fees, appropriation has a **Reallocation of \$50,000 each FY in Professional Fees** from the Environmental Education appropriation to develop a formal training class for wastewater licensing operators.

3. 2TX - FEE ADMINISTRATION: Funded with permitting fees, appropriation has a **reallocation of \$118,000 each year from Professional Fees to Capital Outlay** to replace one vehicle each year and purchase an infrared camera to provide non-intrusive inspection, detect release and track the source of harmful emissions.

4. 2TZ - HAZARDOUS WASTE CLEANUP: Funded with fees, donations, damages and other funds, appropriation has an **increase of \$386,000 in FY and \$450,000 in FY15 in Capital Outlay** to replace: a gas chromatograph/mass spectrometer, a microwave digester for preparing tissue and soil samples, analytical balances for residue testing, and aging data processing equipment and data systems.

5. 2UC - SOLID WASTE MANAGEMENT/RECYCLING PROGRAM: Funded with

landfill disposal fees, appropriation has an **increase of \$20,000 each year in the capital outlay line item** to replace one vehicle each year used to conduct compliance inspections, monitor projects and investigate complaints statewide.

5. 2UK - ENVIRONMENTAL EDUCATION PROGRAM: Funded with ten percent (10%) of the revenue from the Hazardous Substance Remedial Action Trust Fund up to \$275,000 each fiscal year, appropriation has a **Reallocation of \$50,000 each FY in Professional Fees** to the Wastewater Licensing appropriation to develop a formal training class for wastewater licensing operators.

6. 344 - PCS COMMISSION ADMINISTRATIVE HEARING OFFICER: Funded with special revenues transferred from the agency's Fee Trust Fund, appropriation has an **increase of \$36,295 each FY** to provide for reclassification of the Administrative Law Judge position title and grade level (C127 to N907).

III) POSITIONS

Total positions for FY 2015: 423

Total positions for FY 2014: 423

Total budgeted positions for FY 2013: 423

IV) SPECIAL LANGUAGE

1. Extra help - Hazardous Waste Permit Program: Allows four (4) temporary or part-time extra help employees for Hazardous Waste Permit Program in the Land Program.

2. Equipment Purchase Restrictions: Provides that the capital outlay and data processing purchases line items in the Hazardous Waste Clean Up appropriation be used for the purchase of departmental laboratory equipment and data processing equipment and funded only through interest earnings from the Hazardous Substance Remedial Action Trust Fund, with biennial expenditure reports to Legislative Council.

3. Appropriation restrictions: Language states no expenditure from the Environmental Settlement Trust Fund for Information Technology needs may be made without prior approval of Chief Fiscal Officer of the State and review by Arkansas Legislative Council. Also, utilization of appropriation for information technology needs must be approved by Exec. Chief Information Officer and approved projects and expenditures must be reported annually to the Joint Committee on Advanced Communications and Information Technology.

4. ADEQ Asbestos Program: States fees collected for Asbestos Abatement Program in Air Program shall be used to fund operations expenses, provide and train personnel to administer asbestos program & issue licenses.

5. Reporting Requirements: Delineates quarterly reporting requirements for environmental permit applications, permit

fees, applications pending, enforcement actions initiated by the department, total fines and collections and pending rulemaking activities with economic impact and environmental benefit analysis.

6. Fund transfer provision: States the Department may supplement general revenue with transfers from various department funds into ADEQ Fund account after approval of the Chief Fiscal Officer of the State, and allows carry forward of any unexpended balances of funds for Departmental operations.

7. Landfill Post-Closure Clean Up Restrictions: States any expenditure over \$50,000 per site from the Trust Fund for corrective action will be prioritized and authorized by the Pollution Control and Ecology Commission and expenditures exceeding \$2,000,000 per fiscal year will require its approval.

8. Non-Hazardous Site Clean Up Restrictions: Requires expenditures from the Quality Fee Trust Fund for this purpose be funded only through interest earnings.

9. Fayetteville Shale Quarterly Reporting: Requires reporting to Legislative Council or the Joint Budget Committee on the number of inspections, hearings, findings, orders, fines or other agency regulatory or enforcement actions no later than the 15th day immediately following the end of each quarter.

10. Arkansas Public School Academic Facilities Program: Requires Department to adopt policies before Sept. 2012 to ensure cooperation with the Division of Public School Academic Facilities and Transportation re: providing copies of reports of inspections required under the Arkansas Public School Facilities Program Act.