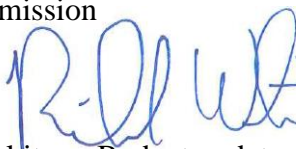


Date: July 6, 2018
To: Environmental Quality Commission
From: Richard Whitman, Director 
Subject: Agenda item P, Informational item: Budget updates
July 11-13, 2018, EQC meeting

Purpose of item DEQ will present updates on its 2019-21 Agency Request Budget.

Background DEQ develops a requested agency budget every two years. The budget development process has three major phases: the Agency Request Budget, ARB, the Governor's Budget, GRB, and the Legislatively Adopted Budget, LAB. Agencies initiate the budget process early in even-numbered years, and submit a proposed two-year budget by September 1 of each even-numbered year. The ARB is the first phase in the budget process. Following the submission of the ARB, the proposed budget is first reviewed by the Department of Administrative Services, which makes recommendations to the Governor. The Governor then prepares a proposed budget to the Oregon Legislature in the late fall of 2018 preceding the upcoming long legislative session in 2019. The legislature will approve a final budget in the early summer of 2019.

In the ARB, agencies typically describe their core mission, objectives, and program priorities, and provide budget information on past, current, and future biennia. The ARB reflects the agency's policy agenda and its financial plan. It can include proposals for new programs, program expansions or changes, or for program elimination. The document consists of descriptive narratives, budget forms and audited reports.

DEQ presented initial ARB concepts and an engagement timeline at the January 2018 EQC meeting. The commission approved draft LCs at its March meeting and draft POPs at the May meeting. Since then, DEQ has met with the external stakeholders and others to review the proposed Legislative Concepts and Policy Option Packages and budget information.

Attachment A. Agency Request Budget development timeline

EQC involvement DEQ will provide budgetary and legislative updates at each commission meeting, or as otherwise requested. DEQ will request commission certification of the 2019-21 Agency Request Budget at a special meeting in

August 2018. The certified budget request must be submitted to the
Legislative Fiscal Office by Sept. 1, 2018.

Report compiled by Stephanie Caldera
Commission assistant

DEQ Legislative Agenda/Budget Development Timeline (2019-2021)

2018: Short Legislative Session, Agency Request Budget development

January - June 2018: Initial development of Agency Request Budget

January 2018

- Legislative Days (January 10-12)
- EQC meeting (January 18-19)
 - Budget Update
 - Projected General Fund availability for 2019-21 and implications for funding prospective policy packages
 - Preview of 2018 Session
 - Preview of potential legislative concepts and budget policy packages for 2019

February 2018

- Legislative Session begins (2/5)

March 2018

- Stakeholder outreach (March 1 meeting)
- Legislative Session statutory end date (March 11)
- Budget and Legislative Concept Instructions are released by DAS
- EQC meeting (March 21-22)
 - Review and approve draft Legislative Concepts

April 2018

- Legislative Concepts are due to DAS
- Additional stakeholder outreach

May 2018

- EQC meeting (May 10-11)
 - Update on legislative agenda
 - Finalize budget decisions prior to budget submittal to DAS for audit
- Additional stakeholder outreach

June 2018

- DAS submits approved Legislative Concepts to Legislative Counsel
- Deadline to modify Legislative Concepts
- Budget request submitted to DAS for audit

July – December 2018: Finalize Agency Request Budget, other legislative preparation

July 2018

- EQC meeting (July 11-13)
 - Budget and Legislative agenda update
- Budget narrative development

August 2018

- Budget narrative development
- Work with Legislative Counsel on Legislative Concepts
- Special meeting for final EQC approval of budget and certification (date TBD)

September 2018

- Agency Request Budget document due to DAS and Governor (September 1)
- EQC meeting (September 13-14)
- Work with Legislative Counsel on legislative concepts
- Stakeholder engagement

October 2018

- DAS and Governor review DEQ budget request
- DEQ meets with DAS on budget appeals of items that DAS does not approve
- DAS analyst prepares Governor's Recommended Budget

November 2018

- EQC meeting (November 15-16)

December 2018

- Governor's Recommended Budget is released
- Stakeholder engagement
- Governor pre-session files approved bills

2019: Long Legislative Session (January-June)

January 2019

- Legislative Session organizational days
- EQC meeting
 - Pre-Session review of legislative agenda and session activities

February 2019

- 2019 Legislative Session begins

March 2019

- Ways and Means presentation
- EQC meeting

April 2019 – *Session continues, no budget milestones planned for this time*

May 2019

- EQC meeting

June 2019

- DEQ Budget approved (*typical date*)

July 2019

- Sine die (session ends)
- EQC meeting