



DEQ 2021-23 Policy Option Packages DRAFT — updated June 2020

	Goal	Background	Budget Request
AIR QUALITY			
Implement Clean Diesel Legislation	Reduce diesel emissions in Portland metro area, and fully implement existing legislative policy	This package will allow DEQ to fully implement the requirements of HB 2007, a bill to accelerate the clean-up of older diesel trucks in the Portland metro area. DEQ receive partial funding to implement this bill in 2019. To complete the work, DEQ will need staff and IT upgrades to certify compliance with approved retrofits.	\$400,000 General Fund IT system upgrades 2 positions
Asbestos Fee	Maintain asbestos health protection program	The asbestos program protects construction workers and the public from the harmful effects of asbestos exposure. To sustain adequate staffing and ensure timely processing of project notifications and credential training for providers, the program requires a 20% fee increase. Fees have not been adjusted for over 10 years.	Other Fund No new positions
Greenhouse Gas Reduction	Fully Implement Executive Order 20-04 related to reducing GHG emissions in Oregon.	Governor Brown issued Executive Order 20-04 in March 2020, which directed state agencies to meet GHG reduction targets. Under the order, DEQ is implementing programs to reduce greenhouse gas emissions, including key elements of the Statewide Transportation Strategy and regulatory programs that will require large sources and fuel suppliers to cap and reduce emissions. This package will address the resources needed to operate the programs once they are put in place.	General Fund (amount TBD) 2 positions Contracting costs

Vehicle Inspection Program	Restore positions lost due to revenue shortfall	The Vehicle Inspection Program remains a critical air quality improvement strategy, particularly in addressing ozone in the Portland and Medford areas . Without VIP, DEQ would need to demonstrate pollution reductions in other sectors to meet federal air quality requirements. DEQ will seek ratification of a modest fee increase which is needed to ensure adequate staffing, low wait times and improvements to DEQ Too – a public-private testing partnership.	Restore 8.0 positions. This package will include position authority and ratification of a fee increase.
Lane Regional Air Protection Agency Base Funding	Restore adequate funding for LRAPA	LRAPA experienced significant general fund cuts in 07-09 that have not been restored. As a result, the program is increasingly unable to maintain adequate operations. This package would ensure that the communities and businesses in Lane County receive the same level of funding and services as the rest of Oregon. Specifically, this funding would support air monitoring, home wood heating, and outreach & education.	\$275,000 General Fund
LAND QUALITY			
Stabilize Emergency Response Spill Program	Fill gaps in emergency response capacity	When oil or hazardous waste spills occur, response time is critical. The faster official responders arrive, the better the chances of minimizing environmental damage and potential health impacts. DEQ emergency operations staff have the lead responsibility when there is a spill or other release of oil or hazardous materials to protect long-term public health and the environment. Spills and releases are caused by everything from tanker truck crashes, to train derailments, to structure fires, to pipeline ruptures, to tanker groundings. DEQ assesses potential impacts and takes action to control spills and begin clean-up work. DEQ’s Emergency Response Program provides for a flexible, efficient use of resources in conjunction with public and private sector partners to protect human health and the environment. Current resources are inadequate to respond to significant spills when they require a sustained incident management team, or to provide support for local disaster response coordination. This package adds five positions, using a combination of general fund, other fund and potentially agency indirect to support this work.	General Fund 2 Positions (Eastern Region/Western Region) 1 Position (funded with existing OF resources)
Modernizing Oregon’s Recycling System	Update recycling framework	Oregon’s policy framework for recycling was designed decades ago when technology and the economics of recycling were fundamentally different. To respond to changing conditions, DEQ convened a recycling steering committee in 2018 to develop recommendations to modernize	Other Fund 2 positions

		Oregon's recycling system. DEQ is proposing a placeholder legislative concept and corresponding policy option that will be informed by this work.	
Hazardous Waste Fee Structure Modernization	Restructure hazardous waste fees	DEQ's Hazardous Waste and Environmental Cleanup Programs are operating without sufficient funds to maintain program service levels. DEQ proposes to raise its hazardous waste fees to provide greater stability and predictability to the program and stakeholders. Three fees are to be addressed are: Hazardous waste generator annual fee, ORS 466.165, Hazardous waste permit renewal application form fee, ORS 466.045 and, Hazardous waste monthly operators (disposal tip) fees, ORS 465.375, and Special hazardous waste management (disposal tip) fees, ORS 465.376.	Other Fund No new positions
Solid Waste Orphan Fund	Position authority for Solid Waste Orphan Site program	This package converts limited duration positions received in the 2019 legislative session to permanent positions in order to support the Solid Waste Orphan Site Clean Up program. This proposal calls for the use of existing funding and only seeks position authority.	Existing Other Fund 2 Positions
Industrial Orphan Bond	Support Orphan Clean Up program	This package addresses funding for a bond sale that is needed every four years to fund the Industrial Orphan cleanup program.	Other Fund No Positions
WATER QUALITY			
Improve Wastewater Permitting	Improve wastewater permitting quality, efficiency and accountability	This package will support continued investments in core programmatic NPDES and WPCF permitting functions necessary to improve the quality and timeliness of permits and permit renewals. The requested positions represent a second phase of investment, consistent with multi-biennium planning initiated by key stakeholders during the 2019 session, to right size the DEQ water quality permitting program. The package will support statewide resources dedicated to permit development (individual and general), compliance strategies, and compliance verification.	\$1.25 Million (60%fee/40% GF) 6 Positions

Onsite Wastewater Treatment	Improve capacity to provide services and support for large onsite wastewater systems	This package will improve capacity to ensure that large onsite septic systems are properly functioning and that water pollution and public health risks are prevented. These resources also will speed permit development, plan review, inspections, and technical assistance. Greater capacity will also improve response time to complaints, surfacing sewage and public health threats.	\$414,000 (60% fee/40% GF) 2 Positions
Clean Watershed Plans	Improve data-driven support for TMDL development and implementation	This package will support TMDL implementation efforts. These services, including data collection, data management and analysis, support the work of sister natural resource agencies (e.g. ODA, OWEB, ODF, ODFW) and other designated management agencies, that are responsible for preparing and executing TMDL implementation plans that are designed to meet water quality standards.	\$828,000 General Fund 4 Positions plus \$350k contract services
Clean Water State Revolving Fund	Modernize CWSRF Loan Management software systems	DEQ administers the CWSRF to make low interest loans to public entities for wastewater treatment infrastructure and water quality improvement projects. This package funds loan management software to replace DEQ's manual and outdated systems with a secure system that will increase efficiency, improve customer service and reduce risk for material errors. The 2019 Legislature provided authorization for the agency to develop plans for this software upgrade, and the agency anticipates being able to go out for procurement during the 2021 - 23 biennium.	Other Fund (limitation only) 0 positions
401 Water Certification	Increase capacity to process 401 applications and issue WQ certifications	This package will improve capacity to review federal dredge and fill permit applications and issue water quality certifications to assure that the activities being authorized will meet state water quality standards. It will also support site inspections to ensure compliance and measure program effectiveness; increase proactive technical assistance to applicants; and provide needed outreach to a diverse group of stakeholders/applicants that rely on 401 program functionality.	\$207,000 General Fund 1 position
LAB			
Lab Infrastructure	Maintain Lab Equipment and Infrastructure capabilities	This package increases base funding for the DEQ laboratory to maintain and replace aging equipment.	\$550,00 General Fund for capital outlay/S&S

AGENCY MANAGEMENT			
Enhance Agency Support Staffing	Support Staffing	The 2019 Legislature approved over 50 new positions at DEQ, largely focused on core regulatory programs and projects. Additional positions--funded through agency indirect -- are needed to support the agency's core work in human resources (including the agency's Diversity, Equity, and Inclusion work), IT, and payroll.	Other Fund (agency indirect) 6.0 Positions
EDMS Maintenance Funding	EDMS Maintenance Funding	The Environmental Data Management System (EDMS) project is helping DEQ manage workflows, data acquisition, and enterprise reporting related to core agency business processes. EDMS also is designed to make it easier and more efficient for regulated entities to work with DEQ, and for the public to access data collected by DEQ. The 2019 Legislature approved bond funding for the acquisition and customization of the EDMS, but there are additional costs associated with licensing and maintenance. DEQ is proposing a mechanism to charge the ongoing costs associated with the hosting and maintenance of the product through a modest surcharge on subprograms utilizing the system.	\$1.6 million Other Fund