

DEPARTMENT OF ENVIRONMENTAL QUALITY

Section C

JOINT SUBCOMMITTEE OF HOUSE APPROPRIATIONS AND SENATE FINANCE AND CLAIMS COMMITTEES

-----Agencies-----

Dept. of Fish, Wildlife, & Parks
Dept. of Environmental Quality
Dept. of Transportation

Dept. of Livestock
Dept. of Natural Resources & Conservation
Dept. of Agriculture

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Agency Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Agency Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	367.04	376.04	376.04	9.00	1.2%
General Fund	6,751,689	8,286,014	8,292,637	3,075,273	22.8%
State/Other Special Rev. Funds	34,851,429	37,198,365	37,238,796	4,734,303	6.8%
Federal Spec. Rev. Funds	25,843,362	26,424,836	26,446,828	1,184,940	2.3%
Total Funds	67,446,480	71,909,215	71,978,261	8,994,516	6.7%
Personal Services	34,929,402	36,423,717	36,508,445	3,073,358	4.4%
Operating Expenses	27,011,859	29,980,279	29,964,597	5,921,158	11.0%
Equipment & Intangible Assets	101,740	101,740	101,740		0.0%
Grants	1,938,835	1,938,835	1,938,835		0.0%
Benefits & Claims	425,000	425,000	425,000		0.0%
Transfers	3,039,644	3,039,644	3,039,644		0.0%
Total Expenditures	67,446,480	71,909,215	71,978,261	8,994,516	6.7%
Total Ongoing	67,446,480	71,909,215	71,978,261	8,994,516	6.7%
Total One-Time-Only	1,513,825			(3,027,650)	(100.0%)

Agency Highlights

<p>Department of Environmental Quality Major Budget Highlights</p>
<p>The executive proposes an increase of 6.7% or \$9.0 million in total appropriations above base funding. In addition to statewide present law adjustments of \$1.7 million the executive proposes:</p> <ul style="list-style-type: none"> • Mine reclamation: \$4.9 million • Additional 9.00 PB to support increasing case load and applications: \$2.3 million • Board of Environmental Review operations: \$80,000

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Department of Environmental Quality 2027 Biennium Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	6,751,689	34,851,429	25,843,362	67,446,480	93.8%	6,751,689	34,851,429	25,843,362	67,446,480	93.7%
Statewide PL										
Personal Services	530,149	(561,153)	466,499	435,495	0.6%	552,532	(521,938)	490,027	520,621	0.7%
Fixed Costs	292,082	100,239	13,454	405,775	0.6%	274,847	97,301	8,454	380,602	0.5%
Inflation Deflation	(5,772)	(12,814)	(10,685)	(29,271)	(0.0%)	(3,899)	(8,659)	(7,221)	(19,779)	(0.0%)
Total Statewide PL	816,459	(473,728)	469,268	811,999	1.1%	823,480	(433,296)	491,260	881,444	1.2%
Present Law (PL)	293,344	2,620,664	112,206	3,026,214	4.2%	292,946	2,620,663	112,206	3,025,815	4.2%
New Proposals	424,522	200,000	0	624,522	0.9%	424,522	200,000	0	624,522	0.9%
Total HB 2 Adjustments	1,534,325	2,346,936	581,474	4,462,735	6.2%	1,540,948	2,387,367	603,466	4,531,781	6.3%
Total Requested Budget	8,286,014	37,198,365	26,424,836	71,909,215		8,292,637	37,238,796	26,446,828	71,978,261	

Statewide Present Law Adjustment for Personal Services

In order to explain the factors influencing personal services changes, the proposed statewide personal services present law adjustment (DP 1) has been broken down into three categories, as follows:

- Legislatively approved changes – This category includes adjustments explicitly approved by the legislature, such as expected changes to annualize personal services costs included in the FY 2023 statewide pay plan adjustments, changes to benefit rates, increases in pay approved by the legislature, longevity adjustments required by statute, and changes in rates for workers’ compensation and unemployment insurance
- Management decisions – This category includes agency management decisions that adjust personal services related to changes in pay. This includes changes such as hiring positions budgeted (PB) at a lower rate to replace senior staff and broadband pay adjustments for recruitment and retention
- Budget modifications – This category includes other modifications to the FY 2023 personal services base budget such as management decisions to transfer personal services funding between programs within an agency or transfers to move personal funding to or from other expenditure category (e.g. moving funding from operating expenses to personal services)

The figure below shows the analysis of the executive budget for personal services for each program.

Department of Environmental Quality DP 1 Personal Services State Wide Present Law Adjustments FY 2026				
<u>Division</u>	<u>Legislative Changes</u>	<u>Management Decisions</u>	<u>Budget Modifications</u>	<u>DP 1 Total</u>
Central Management Program	\$43,333	(\$36,916)	\$0	\$6,417
Water Quality Division	9,029	174,103	-	183,132
Waste Management & Remediation	78,693	230,089	-	308,782
Air Energy & Mining	(100,800)	14,068	-	(86,732)
Petro Tank Release Compensation Board	2,996	20,900	-	23,896
DP 1 - Personal Services	\$33,251	\$402,244	\$0	\$435,495

In Fiscal Year 2025, the Department of Environmental Quality received an appropriation of \$35.3 million to fund PB. Personal services accounted for 51.1% of the total appropriations.

The department's proposed 376.04 PB are distributed across five divisions and programs:

- Central Management Program: 22.23 PB
- Water Quality Division: 143.67 PB
- Waste Management and Remediation Division: 102.36 PB
- Air, Energy, and Mining Division: 101.03 PB
- Petroleum Tank Release Compensation Board: 6.75 PB

Statewide present law adjustments for personal services in FY 2026 total about \$435,500. Legislative changes include increases in benefits and salaries budgeted for vacant positions. The agency did not fully utilize the HB 13 pay plan due to higher than anticipated vacant positions. Increases due to management decisions included increases for performance adjustments, retention incentives, and promotions.

As proposed by the executive, the 2027 biennium budget would add 9.00 new PB increasing the agency budget by 6.7% or \$9.0 million above base funding. This increase would be funded with \$3.1 million in general fund, \$4.7 million in state special revenue, and \$1.2 million in federal funds. All new funding is proposed as ongoing.

New Positions Budgeted

The executive proposes an increase of \$2.3 million, primarily from the general fund, to support the addition of 9.00 new positions budgeted, with 2.00 in the Central Management Division and 7.00 in the Water Quality Division. This proposed funding increase will cover personal services and operating costs associated with the new positions.

In the Central Management Division 2.00 new positions, a lawyer and legal secretary, would be added to deal with an increasing legal caseload.

In the Water Quality Division, the executive proposes to make permanent 3.00 PB approved by the 2023 Legislature as one-time-only to work on subdivision applications. Additionally, 2.00 new positions are proposed to implement the Safe Drinking Water Act. These positions would work on drafting rules and conducting sampling to ensure compliance with EPA standards for PFAS/PFOA. Other new positions include 1.00 PB as an engineering compliance specialist, tasked with handling compliance investigations and providing training related to subdivision and water/wastewater regulations, and 1.00 PB for a wastewater technical advisor to assist municipalities with system optimization and operator training.

The table below summarizes the proposed budget for the new positions.

Department of Environmental Quality Proposed New Positions Budgeted			
	Central Management <u>Division</u>	Water Quality <u>Division</u>	<u>Total</u>
Positions Budgeted	2.00	7.00	9.00
Expenditures			
Personal Services	\$399,498	\$1,417,744	\$1,817,242
Operating Expense	106,792	397,037	503,829
Total Expenditures	\$506,290	\$1,814,781	\$2,321,071
Funding			
General Fund	\$506,290	\$849,044	\$1,355,334
State Special Revenue	-	741,325	741,325
Federal Special Revenue	-	224,412	224,412
Total Funding	\$506,290	\$1,814,781	\$2,321,071

Mine Reclamation

As proposed by the executive the 2027 biennium budget would include \$4.9 million in state special revenue for mine reclamation.

The executive also proposes increasing state special revenue by \$500,000 for reclamation work at the CR Kendall mine site. This funding would be contingent on the passage of LC0540 – “Revise distributions mine remediation”. If approved statute would be changed to replace funding from surety bond proceeds for the CR Kendall Mine which have been exhausted. Additionally, the executive is requesting the authority to expend \$400,000 from the forfeiture of surety bonds and \$3.6 million from the hard rock reclamation state special revenue fund to support the operation and maintenance of the Zortman/Landusky and CR Kendall mine sites. Lastly, there is a proposal to increase state special revenue by \$400,000 for implementing the Metal Mine Reclamation Act (MMRA), dependent on the passage of LC0538 – “Revise hard rock mining fees, account”, which establishes a new fee structure dedicated to metal mine reclamation.

The executive also proposes \$80,000 in general fund to support increased case load at the Board of Environmental Review.

Funding

The following table shows proposed agency funding for all sources of authority.

Total Department of Environmental Quality Funding by Source of Authority 2027 Biennium Budget Request						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	16,578,651				16,578,651	9.5%
02058 Petroleum Storage Tank Cleanup	7,411,435			10,500,000	17,911,435	10.3%
02201 Air Quality-Operating Fees	7,320,646				7,320,646	4.2%
02278 MPDES Permit Program	7,007,137				7,007,137	4.0%
02988 Hard Rock Mining Reclamation	6,252,704				6,252,704	3.6%
02576 Natural Resources Operations	5,231,196				5,231,196	3.0%
Other State Special Revenue	41,214,043				41,214,043	23.7%
State Special Revenue Total	74,437,161			10,500,000	84,937,161	48.7%
03433 EPA Perf Partnership Grant	12,656,372				12,656,372	7.3%
03036 DEQ - Federal Aml Grant	8,756,129				8,756,129	5.0%
03816 DOI OSM A&E Grant	4,458,027				4,458,027	2.6%
03595 DW24 SRF Grant	3,862,698				3,862,698	2.2%
03231 NPS25 Staffing Grant	2,175,108				2,175,108	1.2%
Other Federal Special Revenue	20,963,330				20,963,330	12.0%
Federal Special Revenue Total	52,871,664				52,871,664	30.3%
06509 DEQ Indirects			19,872,506		19,872,506	11.4%
Proprietary Fund Total			19,872,506		19,872,506	11.4%
Total of All Funds	143,887,476		19,872,506	10,500,000	174,259,982	
Percent of All Sources of Authority	82.6%	0.0%	11.4%	6.0%		

Agency Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	367.04	367.04	376.04	376.04
Personal Services	29,026,795	33,670,229	35,253,427	36,423,717	36,508,445
Operating Expenses	18,679,506	27,818,459	28,201,659	29,980,279	29,964,597
Equipment & Intangible Assets	360,243	238,395	101,740	101,740	101,740
Capital Outlay	1,531,886	1,445,500	0	0	0
Grants	1,815,250	1,938,835	1,938,835	1,938,835	1,938,835
Benefits & Claims	348,053	425,000	425,000	425,000	425,000
Transfers	496,892	1,618,644	3,039,644	3,039,644	3,039,644
Total Expenditures	\$52,258,625	\$67,155,062	\$68,960,305	\$71,909,215	\$71,978,261
General Fund	6,709,708	6,797,215	7,165,514	8,286,014	8,292,637
State/Other Special Rev. Funds	24,304,542	35,109,635	35,951,429	37,198,365	37,238,796
Federal Spec. Rev. Funds	21,244,375	25,248,212	25,843,362	26,424,836	26,446,828
Total Funds	\$52,258,625	\$67,155,062	\$68,960,305	\$71,909,215	\$71,978,261
Total Ongoing	\$51,861,805	\$65,615,926	\$67,446,480	\$71,909,215	\$71,978,261
Total OTO	\$396,820	\$1,539,136	\$1,513,825	\$0	\$0

Agency Description

The Department of Environmental Quality (DEQ) is responsible for regulating various environmental aspects in Montana, including air and water quality, waste management, mining operations, and energy facility siting. The department's responsibilities extend to reclamation and cleanup activities related to federal and state superfund programs and leaking underground storage tanks.

DEQ's work is carried out through four main programs: Central Management, Water Quality, Waste Management & Remediation, and Air, Energy, & Mining. Additionally, the Petroleum Tank Compensation Board and the Libby Asbestos Superfund Oversight Committee are administratively attached to the department.

The department operates in partnership with federal agencies, primarily the Environmental Protection Agency (EPA) and the Department of Interior's Office of Surface Mining. While Congress initially tasked the EPA with developing and implementing environmental protection measures, many federal statutes allow for delegation of programs to states that demonstrate the capacity to manage them effectively.

FY 2024 Appropriation Compared to FY 2024 Actual Expenditures

The agency expended 77.8% of the \$67.2 million HB 2 budget in FY 2024, leaving \$14.9 million of authority unexpended.

The FY 2024 budget included appropriations for personal services totaling \$33.7 million and were 86.2% expended leaving \$4.6 million unexpended for fiscal year 2024. The department has 370.04 HB 2 PB of which 40.57 PB were vacant at year end.

Operating expenses budgeted for FY 2024 totaled \$27.8 million and were 67.1% expended leaving \$9.1 million unexpended. Unexpended operating authority for waste management programs totaled \$3.1 million, air quality and mining programs had unexpended authority of \$2.2 million, and water quality programs \$1.7 million. Operating expenditures budgeted for administration was \$1.8 million unexpended. Other operating expense in support of the Petroleum Tank Release Compensation Board, and the Libby Asbestos Advisory Team were \$300,000 unexpended.

FY 2024 Appropriations Compared to FY 2025 Appropriations

Total appropriations in FY 2025 increased by 2.7% or \$1.8 million when compared to FY 2024 appropriations. Appropriations for personal services increased by 4.7% or \$1.6 million due to the legislative pay plan and management decisions related to promotion and retention. Increases in personal services were funded primarily with \$807,600 of state special revenue, \$441,400 of federal special revenue, and \$334,167 of general fund. Operating expenditures increased by 1.1% or \$298,300. Authority for equipment purchases decreased by \$100,000.

Comparison of FY 2025 Legislative Budget to FY 2025 Base

The figure below illustrates the beginning FY 2025 budget as adopted by the 2023 Legislature compared to the FY 2025 base budget, which includes modifications as approved by the approving authority (as authorized in statute) during the interim. The FY 2025 base budget was agreed upon by the Office of Budget and Program Planning and the Fiscal Division to be the point from which any changes would be recorded for the 2027 biennium budgeting process.

Department of Environmental Quality				
Comparison of the FY 2025 Legislative Budget to the FY 2025 Base Budget				
Program	Legislative Budget	Executive Modifications	Base Budget	Percent Change
<u>Central Management</u>				
Personal Services	\$2,146,750	-	\$2,146,750	0.0%
Operating Expenses	2,961,769	-	2,961,769	0.0%
Central Management Program Total	5,108,519	-	5,108,519	0.0%
<u>Water Quality</u>				
Personal Services	13,140,844	-	13,140,844	0.0%
Operating Expenses	6,323,619	-	6,323,619	0.0%
Grants	252,020		252,020	0.0%
Transfers	4,001		4,001	0.0%
Water Quality Total	19,720,484	-	19,720,484	0.0%
<u>Waste Management & Remediation</u>				
Personal Services	9,434,405	-	9,434,405	0.0%
Operating Expenses	9,805,455	-	9,805,455	0.0%
Grants	1,686,815		1,686,815	0.0%
Benefits & Claims	425,000		425,000	0.0%
Transfers	2,714,699	-	2,714,699	0.0%
Waste Management & Remediation Total	24,066,374	-	24,066,374	0.0%
<u>Air Energy and Mining</u>				
Personal Services	9,637,711		9,637,711	0.0%
Operating Expenses	7,399,742		7,399,742	0.0%
Equipment & Intangible Assets	101,740		101,740	0.0%
Transfers	13,698		13,698	0.0%
Air Energy and Mining Total	17,152,891	-	17,152,891	0.0%
<u>Libby Asbestos Advisory Team</u>				
Operating Expenses	181,440		181,440	0.0%
Transfers	307,246		307,246	0.0%
Libby Asbestos Advisory Team Total	488,686	-	488,686	0.0%
<u>Petroleum Tank Release Compensation Board</u>				
Personal Services	569,692		569,692	0.0%
Operating Expenses	339,834		339,834	0.0%
Petroleum Tank Release Total	909,526	-	909,526	0.0%
Agency Total	\$67,446,480	-	\$67,446,480	0.0%

The agency made no changes to the base.

HB 2 Language -

"The Water Quality Division is authorized to decrease federal special revenue and increase state special revenue in the drinking water or water pollution control revolving loan programs by a like amount within the administration account, when the amount of federal capitalization funds has been expended or when federal funds and bond proceeds will be used for other program purposes."

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	20.23	22.23	22.23	2.00	4.9%
General Fund	1,309,529	1,872,582	1,879,601	1,133,125	43.3%
State/Other Special Rev. Funds	2,697,560	2,697,560	2,697,560		0.0%
Federal Spec. Rev. Funds	1,101,430	873,770	874,551	(454,539)	(20.6%)
Total Funds	5,108,519	5,443,912	5,451,712	678,586	6.6%
Personal Services	2,146,750	2,353,115	2,362,807	422,422	9.8%
Operating Expenses	2,961,769	3,090,797	3,088,905	256,164	4.3%
Total Expenditures	5,108,519	5,443,912	5,451,712	678,586	6.6%
Total Ongoing	5,108,519	5,443,912	5,451,712	678,586	6.6%
Total One-Time-Only					0.0%

Program Highlights

<p>Central Management Program Major Budget Highlights</p>
<p>The executive proposes an increase of 4.9% or \$678,600 in total appropriations above base funding. In addition to statewide present law adjustments of \$92,300 the executive proposes:</p> <ul style="list-style-type: none"> • New positions for legal staff, 2.00 PB: \$506,300 • Board of Environmental Review operations increase: \$80,000

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Central Management Program 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	1,309,529	2,697,560	1,101,430	5,108,519	93.8%	1,309,529	2,697,560	1,101,430	5,108,519	93.7%
Statewide PL										
Personal Services	234,077	0	(227,660)	6,417	0.1%	243,386	0	(226,879)	16,507	0.3%
Fixed Costs	36,494	0	0	36,494	0.7%	34,322	0	0	34,322	0.6%
Inflation Deflation	(862)	0	0	(862)	(0.0%)	(582)	0	0	(582)	(0.0%)
Total Statewide PL	269,709	0	(227,660)	42,049	0.8%	277,126	0	(226,879)	50,247	0.9%
Present Law (PL)	293,344	0	0	293,344	5.4%	292,946	0	0	292,946	5.4%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	563,053	0	(227,660)	335,393	6.2%	570,072	0	(226,879)	343,193	6.3%
Total Requested Budget	1,872,582	2,697,560	873,770	5,443,912		1,879,601	2,697,560	874,551	5,451,712	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Environmental Quality, 10-Central Management Program Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	3,752,183	0	0	0	3,752,183	12.2%
02070 Hazardous Waste-CERCLA	270,508	0	0	0	270,508	5.0%
02075 UST Leak Prevention Program	82,270	0	0	0	82,270	1.5%
02097 Environmental Rehab & Response	500,434	0	0	0	500,434	9.3%
02157 Solid Waste Management Fee	124,506	0	0	0	124,506	2.3%
02201 Air Quality-Operating Fees	413,450	0	0	0	413,450	7.7%
02202 Asbestos Control	128,334	0	0	0	128,334	2.4%
02204 Public Drinking Water	290,482	0	0	0	290,482	5.4%
02223 Wastewater SRF Special Admin	5,430	0	0	0	5,430	0.1%
02278 MPDES Permit Program	499,808	0	0	0	499,808	9.3%
02418 Subdivision Plat Review	146,000	0	0	0	146,000	2.7%
02428 Major Facility Siting	785,888	0	0	0	785,888	14.6%
02542 MT Environ Policy Act Fee	1,945,678	0	0	0	1,945,678	36.1%
02576 Natural Resources Operations	84,110	0	0	0	84,110	1.6%
02845 Junk Vehicle Disposal	104,220	0	0	0	104,220	1.9%
02955 State Energy conservation ARRA	14,002	0	0	0	14,002	0.3%
State Special Total	\$5,395,120	\$0	\$0	\$0	\$5,395,120	17.5%
03036 DEQ - Federal Aml Grant	117,491	0	0	0	117,491	6.7%
03046 2019 Exchange Network	168,130	0	0	0	168,130	9.6%
03067 DSL Federal Reclamation Grant	12	0	0	0	12	0.0%
03231 NPS25 Staffing Grant	41,778	0	0	0	41,778	2.4%
03433 EPA Perf Partnership Grant	943,936	0	0	0	943,936	54.0%
03796 Haz Mat Emergency Prep	31,948	0	0	0	31,948	1.8%
03816 DOI OSM A&E Grant	445,026	0	0	0	445,026	25.5%
Federal Special Total	\$1,748,321	\$0	\$0	\$0	\$1,748,321	5.7%
06509 DEQ Indirects	0	0	19,872,506	0	19,872,506	100.0%
Proprietary Total	\$0	\$0	\$19,872,506	\$0	\$19,872,506	64.6%
Total All Funds	\$10,895,624	\$0	\$19,872,506	\$0	\$30,768,130	

About 64.6% of the activities in the Central Management Program are funded with non-budgeted proprietary funds that are not appropriated through HB 2. The proprietary funding is based upon a negotiated indirect rate with the Environmental Protection Agency (EPA). The indirect rate is assessed against personal services and operations. Budgeted funds constitute 35.4% of total funding sources for the program. The appropriated funds consist of general funds, 15 state special revenue funds, and federal grants. Most of the funding comes from Montana Environmental Protection Act (MEPA) fees. Other revenue comes from fees for major facility siting, environmental re-habitation and response, air quality operating fees, and pollutant discharge elimination system permits.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	20.23	20.23	22.23	22.23
Personal Services	2,139,473	2,048,219	2,146,750	2,353,115	2,362,807
Operating Expenses	1,047,168	2,860,010	2,961,769	3,090,797	3,088,905
Total Expenditures	\$3,186,641	\$4,908,229	\$5,108,519	\$5,443,912	\$5,451,712
General Fund	1,167,995	1,178,422	1,309,529	1,872,582	1,879,601
State/Other Special Rev. Funds	1,242,610	2,670,455	2,697,560	2,697,560	2,697,560
Federal Spec. Rev. Funds	776,036	1,059,352	1,101,430	873,770	874,551
Total Funds	\$3,186,641	\$4,908,229	\$5,108,519	\$5,443,912	\$5,451,712
Total Ongoing	\$3,186,641	\$4,908,229	\$5,108,519	\$5,443,912	\$5,451,712
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The Central Management Program is responsible for agency-wide administration, management, planning, evaluation, and support.

- The Director’s Office includes the director’s staff, a centralized legal pool, the Montana Environmental Policy Act and the Montana Facility Siting Act functions, public affairs, and the enforcement program.
- The Centralized Management Program is an extension of the Director’s Office and provides overall policy direction and support services to the agency in the areas of human resources, information management and technology, fiscal, records management, safety, emergency management, and continuous process improvement.

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	234,077	0	(227,660)	6,417	0.00	243,386	0	(226,879)	16,507
DP 2 - Fixed Costs	0.00	36,494	0	0	36,494	0.00	34,322	0	0	34,322
DP 3 - Inflation Deflation	0.00	(862)	0	0	(862)	0.00	(582)	0	0	(582)
DP 10002 - Additional Legal Support	2.00	253,344	0	0	253,344	2.00	252,946	0	0	252,946
DP 10011 - Board of Environmental Review	0.00	40,000	0	0	40,000	0.00	40,000	0	0	40,000
Grand Total All Present Law Adjustments	2.00	\$563,053	\$0	(\$227,660)	\$335,393	2.00	\$570,072	\$0	(\$226,879)	\$343,193

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Central Management Program	
FY 2026 Statewide Present Law Adjustment for Personal Services	
	FY 2026
Legislative Changes	\$43,333
Management Changes	(36,916)
Budget Modifications	-
Total	\$6,417

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

DP 10002 - Additional Legal Support -

The executive proposes an increase in general fund to support the addition of 2.00 PB, a new attorney and legal secretary.

DP 10011 - Board of Environmental Review -

The executive proposes an increase in general fund to support increasing caseloads at the Board of Environmental Review.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget		Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	136.67	143.67	143.67	7.00	2.6%	
General Fund	2,766,335	3,517,297	3,513,493	1,498,120	27.1%	
State/Other Special Rev. Funds	8,547,420	8,475,100	8,480,538	(139,202)	(0.8%)	
Federal Spec. Rev. Funds	8,406,729	8,999,405	9,009,848	1,195,795	7.1%	
Total Funds	19,720,484	20,991,802	21,003,879	2,554,713	6.5%	
Personal Services	13,140,844	14,032,848	14,054,787	1,805,947	6.9%	
Operating Expenses	6,323,619	6,702,933	6,693,071	748,766	5.9%	
Grants	252,020	252,020	252,020		0.0%	
Transfers	4,001	4,001	4,001		0.0%	
Total Expenditures	19,720,484	20,991,802	21,003,879	2,554,713	6.5%	
Total Ongoing	19,720,484	20,991,802	21,003,879	2,554,713	6.5%	
Total One-Time-Only	413,825			(827,650)	(100.0%)	

Program Highlights

Water Quality Division Major Budget Highlights
<p>The executive proposes an increase of 6.5% or \$2.6 million in total appropriations above base funding. In addition to statewide present law adjustments of \$739,900 the executive proposes:</p> <p>6.00 new PB at a cost of \$1.8 million for:</p> <ul style="list-style-type: none"> • Safe Drinking Water Act • Engineering compliance specialist • Wastewater technical inspector • Subdivision applications support

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Water Quality Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	2,766,335	8,547,420	8,406,729	19,720,484	93.9%	2,766,335	8,547,420	8,406,729	19,720,484	93.9%
Statewide PL										
Personal Services	145,646	(442,984)	480,470	183,132	0.9%	151,703	(437,545)	490,913	205,071	1.0%
Fixed Costs	185,704	0	0	185,704	0.9%	174,250	0	0	174,250	0.8%
Inflation Deflation	(4,910)	0	0	(4,910)	(0.0%)	(3,317)	0	0	(3,317)	(0.0%)
Total Statewide PL	326,440	(442,984)	480,470	363,926	1.7%	322,636	(437,545)	490,913	376,004	1.8%
Present Law (PL)	0	370,664	112,206	482,870	2.3%	0	370,663	112,206	482,869	2.3%
New Proposals	424,522	0	0	424,522	2.0%	424,522	0	0	424,522	2.0%
Total HB 2 Adjustments	750,962	(72,320)	592,676	1,271,318	6.1%	747,158	(66,882)	603,119	1,283,395	6.1%
Total Requested Budget	3,517,297	8,475,100	8,999,405	20,991,802		3,513,493	8,480,538	9,009,848	21,003,879	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Environmental Quality, 20-Water Quality Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	7,030,790	0	0	0	7,030,790	16.7%	
02203 Nutrient Standards	90,062	0	0	0	90,062	0.5%	
02204 Public Drinking Water	2,988,252	0	0	0	2,988,252	17.6%	
02206 Agriculture Monitoring	11,064	0	0	0	11,064	0.1%	
02223 Wastewater SRF Special Admin	2,355,275	0	0	0	2,355,275	13.9%	
02278 MPDES Permit Program	6,507,329	0	0	0	6,507,329	38.4%	
02316 SRF Bonds State Administration	206,478	0	0	0	206,478	1.2%	
02418 Subdivision Plat Review	3,014,815	0	0	0	3,014,815	17.8%	
02420 Bd of Cert For W&WW OP	443,343	0	0	0	443,343	2.6%	
02472 Orphan Share Fund	2	0	0	0	2	0.0%	
02491 Drinking Water Spec Admin Cost	1,339,018	0	0	0	1,339,018	7.9%	
State Special Total	\$16,955,638	\$0	\$0	\$0	\$16,955,638	40.4%	
03003 Regional Wetlands Program	20,000	0	0	0	20,000	0.1%	
03013 WPC24 SRF Grant	245,318	0	0	0	245,318	1.4%	
03231 NPS25 Staffing Grant	2,133,330	0	0	0	2,133,330	11.8%	
03262 EPA Ppg	773,341	0	0	0	773,341	4.3%	
03433 EPA Perf Partnership Grant	6,626,038	0	0	0	6,626,038	36.8%	
03436 NPS22 Staffing Grant	2,123	0	0	0	2,123	0.0%	
03490 FY21 Wetland Develop Grant	367,251	0	0	0	367,251	2.0%	
03586 DW23 SRF Grant	1,815,212	0	0	0	1,815,212	10.1%	
03595 DW24 SRF Grant	3,862,698	0	0	0	3,862,698	21.4%	
03608 WPC21 SRF Grant	20	0	0	0	20	0.0%	
03676 Bureau of Land Management	200,000	0	0	0	200,000	1.1%	
03691 NPS24 Staffing Grant	1,463,922	0	0	0	1,463,922	8.1%	
03817 DW22 SRF Grant	500,000	0	0	0	500,000	2.8%	
Federal Special Total	\$18,009,253	\$0	\$0	\$0	\$18,009,253	42.9%	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%	
Total All Funds	\$41,995,681	\$0	\$0	\$0	\$41,995,681		

The Water Quality Division is primarily funded with state special revenue and federal grants, which together account for 83.3% of its total budget. The division's primary sources of state special revenue include fees collected for Montana pollutant discharge elimination system permits, subdivision plat reviews, and funds from wastewater and drinking water revolving funds programs. Federal funding primarily comes from Environmental Protection Agency (EPA) programs. These include the performance partnership grant and funds allocated for non-point source water projects under the federal Clean Water Act.

General fund support makes up the remaining 16.7% of the total budget, primarily covering personal services and operating expenses.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	136.67	136.67	143.67	143.67
Personal Services	11,297,692	12,879,277	13,464,869	14,032,848	14,054,787
Operating Expenses	4,666,009	6,412,093	6,413,419	6,702,933	6,693,071
Grants	313,333	252,020	252,020	252,020	252,020
Transfers	0	4,001	4,001	4,001	4,001
Total Expenditures	\$16,277,034	\$19,547,391	\$20,134,309	\$20,991,802	\$21,003,879
General Fund	3,099,560	3,142,352	3,180,160	3,517,297	3,513,493
State/Other Special Rev. Funds	5,712,936	8,255,548	8,547,420	8,475,100	8,480,538
Federal Spec. Rev. Funds	7,464,538	8,149,491	8,406,729	8,999,405	9,009,848
Total Funds	\$16,277,034	\$19,547,391	\$20,134,309	\$20,991,802	\$21,003,879
Total Ongoing	\$15,880,214	\$19,108,255	\$19,720,484	\$20,991,802	\$21,003,879
Total OTO	\$396,820	\$439,136	\$413,825	\$0	\$0

Program Description

The Water Quality Division protects public health and water quality in the state of Montana. This is accomplished through the financing and technical assistance provided for community water and wastewater systems; the development of water quality restoration plans; managing a statewide monitoring network; subdivision review; monitoring compliance of public water systems; and water discharge permitting. The division achieves this through coordination with the public and regulated community by proposing rules, drafting policy, and developing water quality standards.

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	145,646	(442,984)	480,470	183,132	0.00	151,703	(437,545)	490,913	205,071
DP 2 - Fixed Costs	0.00	185,704	0	0	185,704	0.00	174,250	0	0	174,250
DP 3 - Inflation Deflation	0.00	(4,910)	0	0	(4,910)	0.00	(3,317)	0	0	(3,317)
DP 20006 - PWS Requesting HB2 PB	2.00	0	112,205	112,206	224,411	2.00	0	112,205	112,206	224,411
DP 20007 - Engineering Compliance Specialist	1.00	0	131,333	0	131,333	1.00	0	131,333	0	131,333
DP 20008 - Wastewater Technical Inspector	1.00	0	127,125	0	127,125	1.00	0	127,124	0	127,124
Grand Total All Present Law Adjustments	4.00	\$326,440	(\$72,321)	\$592,676	\$846,795	4.00	\$322,636	(\$66,883)	\$603,119	\$858,872

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

The Water Quality Division	
FY 2026 Statewide Present Law Adjustment for Personal Services	
	FY 2026
Legislative Changes	\$9,029
Management Changes	174,103
Budget Modifications	-
Total	\$183,132

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

DP 20006 - PWS Requesting HB2 PB -

The executive proposes an increase in state and federal special revenues to fund an additional 2.00 PB to enact the Safe Drinking Water Act. These new positions will draft rules and conduct necessary sampling to ensure compliance with EPA standards for PFAS/PFOA (Per- and polyfluoroalkyl substances/perfluorooctanoic acid).

DP 20007 - Engineering Compliance Specialist -

The executive proposes an increase in state special revenue to fund an additional 1.00 PB for an engineering compliance specialist. This new position will be responsible for conducting all compliance investigations related to complaints received by the Engineering Bureau. Additionally, the specialist will provide training to assist businesses and individuals in adhering to regulations concerning subdivision and public water/wastewater systems.

DP 20008 - Wastewater Technical Inspector -

The executive proposes an increase in state special revenue to fund an additional 1.00 PB for a wastewater technical advisor. This new position would assist municipalities with optimizing their wastewater systems and provide wastewater operator training.

New Proposals

The "New Proposals" table shows new proposals for spending.

New Proposals	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 20001 - Establish HB2 PB for Engineering Bureau	3.00	424,522	0	0	424,522	3.00	424,522	0	0	424,522
Total	3.00	\$424,522	\$0	\$0	\$424,522	3.00	\$424,522	\$0	\$0	\$424,522

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 20001 - Establish HB2 PB for Engineering Bureau -

The executive proposes an increase in general fund for an additional 3.00 PB in the Engineering Bureau for subdivision review.

53010 - Department Of Environmental Quality 40-Waste Management and Remediation Division

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget		Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	102.36	102.36	102.36	0.00	0.0%	
General Fund	681,173	739,824	743,154	120,632	8.9%	
State/Other Special Rev. Funds	12,338,396	12,288,408	12,306,209	(82,175)	(0.3%)	
Federal Spec. Rev. Funds	11,046,805	11,374,388	11,379,279	660,057	3.0%	
Total Funds	24,066,374	24,402,620	24,428,642	698,514	1.5%	
Personal Services	9,434,405	9,743,187	9,769,953	644,330	3.4%	
Operating Expenses	9,805,455	9,832,919	9,832,175	54,184	0.3%	
Grants	1,686,815	1,686,815	1,686,815		0.0%	
Benefits & Claims	425,000	425,000	425,000		0.0%	
Transfers	2,714,699	2,714,699	2,714,699		0.0%	
Total Expenditures	24,066,374	24,402,620	24,428,642	698,514	1.5%	
Total Ongoing	24,066,374	24,402,620	24,428,642	698,514	1.5%	
Total One-Time-Only	1,100,000			(2,200,000)	(100.0%)	

Program Highlights

Waste Management and Remediation Division Major Budget Highlights

The executive proposes a increase of 1.5% or \$698,500 in total appropriations above base funding. The increase is due entirely to statewide present law adjustments.

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Waste Management and Remediation Division 2027 Biennium HB 2 Base Budget and Requested Adjustments											
	FY 2026					% of Budget Request	FY 2027				
	General Fund	State Special	Federal Special	Total Funds			General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	681,173	12,338,396	11,046,805	24,066,374	98.6%	681,173	12,338,396	11,046,805	24,066,374	98.5%	
Statewide PL											
Personal Services	58,651	(77,452)	327,583	308,782	1.3%	61,981	(58,907)	332,474	335,548	1.4%	
Fixed Costs	0	31,970	0	31,970	0.1%	0	29,765	0	29,765	0.1%	
Inflation Deflation	0	(4,506)	0	(4,506)	(0.0%)	0	(3,045)	0	(3,045)	(0.0%)	
Total Statewide PL	58,651	(49,988)	327,583	336,246	1.4%	61,981	(32,187)	332,474	362,268	1.5%	
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%	
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%	
Total HB 2 Adjustments	58,651	(49,988)	327,583	336,246	1.4%	61,981	(32,187)	332,474	362,268	1.5%	
Total Requested Budget	739,824	12,288,408	11,374,388	24,402,620		743,154	12,306,209	11,379,279	24,428,642		

53010 - Department Of Environmental Quality 40-Waste Management and Remediation Division

Funding

The following table shows proposed program funding for all sources of authority.

Department of Environmental Quality, 40-Waste Management and Remediation Division							
Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	1,482,978	0	0	0	1,482,978	3.0%	
02054 UST-Installer Lic & Permit Acc	100,810	0	0	0	100,810	0.4%	
02058 Petroleum Storage Tank Cleanup	5,541,590	0	0	0	5,541,590	22.5%	
02070 Hazardous Waste-CERCLA	1,450,714	0	0	0	1,450,714	5.9%	
02075 UST Leak Prevention Program	801,936	0	0	0	801,936	3.3%	
02130 Libby Asbestos Cleanup O&M	200,000	0	0	0	200,000	0.8%	
02157 Solid Waste Management Fee	1,856,090	0	0	0	1,856,090	7.5%	
02162 Environmental Quality Protecti	4,600,683	0	0	0	4,600,683	18.7%	
02202 Asbestos Control	694,084	0	0	0	694,084	2.8%	
02206 Agriculture Monitoring	40,000	0	0	0	40,000	0.2%	
02314 DNRC Grants - REMediation	457,060	0	0	0	457,060	1.9%	
02421 Hazardous Waste Fees	537,780	0	0	0	537,780	2.2%	
02438 Pegasus - Beal Mountain	1,988	0	0	0	1,988	0.0%	
02472 Orphan Share Fund	1,122,530	0	0	0	1,122,530	4.6%	
02565 LUST Cost Recovery	900,028	0	0	0	900,028	3.7%	
02676 Hard Rock Reclamation	1,200,000	0	0	0	1,200,000	4.9%	
02845 Junk Vehicle Disposal	4,912,610	0	0	0	4,912,610	20.0%	
02940 Pegasus - Basin	77,964	0	0	0	77,964	0.3%	
02954 Septage Fees	98,750	0	0	0	98,750	0.4%	
State Special Total	\$24,594,617	\$0	\$0	\$0	\$24,594,617	50.4%	
03036 DEQ - Federal Aml Grant	8,638,638	0	0	0	8,638,638	38.0%	
03151 Upper Tenmile TA	300,000	0	0	0	300,000	1.3%	
03155 Carpenter Snow Creek	810,000	0	0	0	810,000	3.6%	
03228 L.U.S.T./Trust	1,031,980	0	0	0	1,031,980	4.5%	
03309 UST Leak Prevention Grant	840,548	0	0	0	840,548	3.7%	
03351 Tech Assist - Butte Mine Flood	800,000	0	0	0	800,000	3.5%	
03353 Management Assist - Spec Acct	1,154,594	0	0	0	1,154,594	5.1%	
03360 Management Assistance - Bulk	1,851,572	0	0	0	1,851,572	8.1%	
03433 EPA Perf Partnership Grant	1,745,102	0	0	0	1,745,102	7.7%	
03447 Belt Water Treatment Fund	300,000	0	0	0	300,000	1.3%	
03463 Mine Lease/Reclamation	125,518	0	0	0	125,518	0.6%	
03721 Libby Sitewide	700,000	0	0	0	700,000	3.1%	
03798 LIBBY O&M GRANT	150,000	0	0	0	150,000	0.7%	
03820 Libby OU3	2,132,700	0	0	0	2,132,700	9.4%	
03973 EPA Brownfields Grant	2,173,015	0	0	0	2,173,015	9.6%	
Federal Special Total	\$22,753,667	\$0	\$0	\$0	\$22,753,667	46.6%	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%	
Total All Funds	\$48,831,262	\$0	\$0	\$0	\$48,831,262		

The Waste Management and Remediation Division is funded primarily with state and federal special revenues which combined fund 98.1% of the budget. State special revenue comes from junk vehicle fees, \$0.0075 gas tax for petroleum tank cleanup, registration fees for underground storage tanks, and interest proceeds from the Resource Indemnity Trust (RIT). Federal special revenue is derived from the federal EPA for Superfund oversight and various other activities. Other federal revenue sources include the Office of Surface Mining for the Abandoned Mine Lands Program.

The general fund supports 1.9% of the division budget and supports the Waste Management Bureau.

53010 - Department Of Environmental Quality 40-Waste Management and Remediation Division

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	102.36	102.36	102.36	102.36
Personal Services	7,455,153	8,976,524	9,434,405	9,743,187	9,769,953
Operating Expenses	7,722,865	10,816,527	10,905,455	9,832,919	9,832,175
Capital Outlay	1,531,886	1,445,500	0	0	0
Grants	1,501,917	1,686,815	1,686,815	1,686,815	1,686,815
Benefits & Claims	348,053	425,000	425,000	425,000	425,000
Transfers	10,557	1,293,699	2,714,699	2,714,699	2,714,699
Total Expenditures	\$18,570,431	\$24,644,065	\$25,166,374	\$24,402,620	\$24,428,642
General Fund	502,208	535,830	681,173	739,824	743,154
State/Other Special Rev. Funds	9,132,415	13,217,924	13,438,396	12,288,408	12,306,209
Federal Spec. Rev. Funds	8,935,808	10,890,311	11,046,805	11,374,388	11,379,279
Total Funds	\$18,570,431	\$24,644,065	\$25,166,374	\$24,402,620	\$24,428,642
Total Ongoing	\$18,570,431	\$23,544,065	\$24,066,374	\$24,402,620	\$24,428,642
Total OTO	\$0	\$1,100,000	\$1,100,000	\$0	\$0

Program Description

The Waste Management and Remediation Division protects human health and the environment by preventing exposure to contaminants, working with Montana communities and businesses to implement effective material management and cleanup strategies, and overseeing compliance with state and federal laws and regulations. It oversees and conducts or supports remedial investigation and efficient, cost-effective cleanup activities at state and federal Superfund sites; supervises voluntary cleanup activities; reclaims abandoned mine lands; implements corrective actions at sites; and administrates regulatory waste management programs.

53010 - Department Of Environmental Quality 40-Waste Management and Remediation Division

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	Fiscal 2026					Fiscal 2027				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	58,651	(77,452)	327,583	308,782	0.00	61,981	(58,907)	332,474	335,548
DP 2 - Fixed Costs	0.00	0	31,970	0	31,970	0.00	0	29,765	0	29,765
DP 3 - Inflation Deflation	0.00	0	(4,506)	0	(4,506)	0.00	0	(3,045)	0	(3,045)
Grand Total All Present Law Adjustments	0.00	\$58,651	(\$49,988)	\$327,583	\$336,246	0.00	\$61,981	(\$32,187)	\$332,474	\$362,268

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Waste Management and Remediation Division FY 2026 Statewide Present Law Adjustment for Personal Services	
	FY 2026
Legislative Changes	\$78,693
Management Changes	230,089
Budget Modifications	-
Total	\$308,782

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison					
Budget Item	Base Budget	Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2027	Amount	Percent
PB	101.03	101.03	101.03	0.00	0.0%
General Fund	1,994,652	2,156,311	2,156,389	323,396	8.1%
State/Other Special Rev. Funds	9,869,841	12,313,818	12,330,751	4,904,887	24.8%
Federal Spec. Rev. Funds	5,288,398	5,177,273	5,183,150	(216,373)	(2.0%)
Total Funds	17,152,891	19,647,402	19,670,290	5,011,910	14.6%
Personal Services	9,637,711	9,700,979	9,726,944	152,501	0.8%
Operating Expenses	7,399,742	9,830,985	9,827,908	4,859,409	32.8%
Equipment & Intangible Assets	101,740	101,740	101,740		0.0%
Transfers	13,698	13,698	13,698		0.0%
Total Expenditures	17,152,891	19,647,402	19,670,290	5,011,910	14.6%
Total Ongoing	17,152,891	19,647,402	19,670,290	5,011,910	14.6%
Total One-Time-Only					0.0%

Program Highlights

<p>Air, Energy, and Mining Division Major Budget Highlights</p>
<p>The executive proposes an increase of 14.6% or \$5.0 million in total appropriations above base funding. In addition to statewide present law adjustments of \$111,900, this includes:</p> <ul style="list-style-type: none"> • Zortman/Landusky mine reclamation - \$4.0 million • CR Kendall mine reclamation - \$500,000 • Mine reclamation, increased authority from hard rock mining fees - \$400,000

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Air, Energy, and Mining Division 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	1,994,652	9,869,841	5,288,398	17,152,891	87.3%	1,994,652	9,869,841	5,288,398	17,152,891	87.2%
Statewide PL										
Personal Services	91,775	(64,613)	(113,894)	(86,732)	(0.4%)	95,462	(49,748)	(106,481)	(60,767)	(0.3%)
Fixed Costs	69,884	66,898	13,454	150,236	0.8%	66,275	66,272	8,454	141,001	0.7%
Inflation Deflation	0	(8,308)	(10,685)	(18,993)	(0.1%)	0	(5,614)	(7,221)	(12,835)	(0.1%)
Total Statewide PL	161,659	(6,023)	(111,125)	44,511	0.2%	161,737	10,910	(105,248)	67,399	0.3%
Present Law (PL)	0	2,250,000	0	2,250,000	11.5%	0	2,250,000	0	2,250,000	11.4%
New Proposals	0	200,000	0	200,000	1.0%	0	200,000	0	200,000	1.0%
Total HB 2 Adjustments	161,659	2,443,977	(111,125)	2,494,511	12.7%	161,737	2,460,910	(105,248)	2,517,399	12.8%
Total Requested Budget	2,156,311	12,313,818	5,177,273	19,647,402		2,156,389	12,330,751	5,183,150	19,670,290	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Environmental Quality, 50-Air, Energy, and Mining Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	4,312,700	0	0	0	4,312,700	11.0%	
02036 Opencut permit Fees	1,410,965	0	0	0	1,410,965	5.7%	
02095 Opencut Bond Forfeitures	429,248	0	0	0	429,248	1.7%	
02096 Reclamation - Bond Forfeitures	747,688	0	0	0	747,688	3.0%	
02201 Air Quality-Operating Fees	6,907,196	0	0	0	6,907,196	28.0%	
02291 Alternative Energy Loan ARRA	200,812	0	0	0	200,812	0.8%	
02370 Energy Consv Repayment Acct	24,862	0	0	0	24,862	0.1%	
02388 Database Development	900,000	0	0	0	900,000	3.7%	
02555 Alternative Energy Rev Loan	441,840	0	0	0	441,840	1.8%	
02576 Natural Resources Operations	5,147,086	0	0	0	5,147,086	20.9%	
02579 Coal & Uranium Mine Account	558,006	0	0	0	558,006	2.3%	
02676 Hard Rock Reclamation	25,296	0	0	0	25,296	0.1%	
02955 State Energy conservation ARRA	1,092,764	0	0	0	1,092,764	4.4%	
02973 Univ System Benefits Program	506,102	0	0	0	506,102	2.1%	
02988 Hard Rock Mining Reclamation	6,252,704	0	0	0	6,252,704	25.4%	
State Special Total	\$24,644,569	\$0	\$0	\$0	\$24,644,569	62.7%	
03052 DOE SHOPP 09/14/21	34,640	0	0	0	34,640	0.3%	
03067 DSL Federal Reclamation Grant	196,540	0	0	0	196,540	1.9%	
03199 Stripper Wells	9,000	0	0	0	9,000	0.1%	
03262 EPA Ppg	80,269	0	0	0	80,269	0.8%	
03325 EPA 103 PM 2.5	218	0	0	0	218	0.0%	
03433 EPA Perf Partnership Grant	3,341,296	0	0	0	3,341,296	32.3%	
03435 PM 2.5 Fiscal Year 2004	854,926	0	0	0	854,926	8.3%	
03437 DOE-State Energy Program	888,722	0	0	0	888,722	8.6%	
03459 DOE Competitive Special Proj	182,733	0	0	0	182,733	1.8%	
03723 Clean Diesel DS-97867001	759,078	0	0	0	759,078	7.3%	
03816 DOI OSM A&E Grant	4,013,001	0	0	0	4,013,001	38.7%	
Federal Special Total	\$10,360,423	\$0	\$0	\$0	\$10,360,423	26.4%	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%	
Total All Funds	\$39,317,692	\$0	\$0	\$0	\$39,317,692		

The Air Energy and Mining Division is funded primarily with state special revenues and funds 62.7% of the total budget. State special revenue primarily consists of air quality and opencut mining licensing and permitting fees, as well as production taxes on oil, gas, and metal mines. The agency also receives Resource Indemnity Trust (RIT) interest via the natural resource operations fund. Federal revenues, which fund 26.4% of the budget, come primarily from EPA, Department of Energy, and Department of Interior grants. General fund, 11.0% of the budget, supports the administration of the division and the Air Quality, Energy, and Mining bureaus.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	101.03	101.03	101.03	101.03
Personal Services	7,588,402	9,226,261	9,637,711	9,700,979	9,726,944
Operating Expenses	5,024,034	7,213,201	7,399,742	9,830,985	9,827,908
Equipment & Intangible Assets	360,243	238,395	101,740	101,740	101,740
Transfers	0	13,698	13,698	13,698	13,698
Total Expenditures	\$12,972,679	\$16,691,555	\$17,152,891	\$19,647,402	\$19,670,290
General Fund	1,939,945	1,940,611	1,994,652	2,156,311	2,156,389
State/Other Special Rev. Funds	6,964,741	9,601,886	9,869,841	12,313,818	12,330,751
Federal Spec. Rev. Funds	4,067,993	5,149,058	5,288,398	5,177,273	5,183,150
Total Funds	\$12,972,679	\$16,691,555	\$17,152,891	\$19,647,402	\$19,670,290
Total Ongoing	\$12,972,679	\$16,691,555	\$17,152,891	\$19,647,402	\$19,670,290
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The Air, Energy and Mining Division (AEMD) permits and regulates environmentally-protective and productive operations in air, hard rock mining, opencut mining, and coal mining industries according to program statutory authority. The permitting and regulatory work includes extensive coordination with other programs to develop environmental review documents that comply with the Montana Environmental Policy Act (MEPA), including environmental assessments and environmental impact statements. AEMD includes the State Energy Office, or Energy Bureau, which promotes and improves Montanan’s access to energy efficiency and alternative energy sources while improving the state’s energy security by offering financing mechanisms, technical assistance, and education for public and private entities.

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	91,775	(64,613)	(113,894)	(86,732)	0.00	95,462	(49,748)	(106,481)	(60,767)
DP 2 - Fixed Costs	0.00	69,884	66,898	13,454	150,236	0.00	66,275	66,272	8,454	141,001
DP 3 - Inflation Deflation	0.00	0	(8,308)	(10,685)	(18,993)	0.00	0	(5,614)	(7,221)	(12,835)
DP 50003 - CR Kendall Funding	0.00	0	250,000	0	250,000	0.00	0	250,000	0	250,000
DP 50010 - Appropriation for Zortman Landusky	0.00	0	2,000,000	0	2,000,000	0.00	0	2,000,000	0	2,000,000
Grand Total All Present Law Adjustments	0.00	\$161,659	\$2,243,977	(\$111,125)	\$2,294,511	0.00	\$161,737	\$2,260,910	(\$105,248)	\$2,317,399

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Air, Energy, and Mining Division	
FY 2026 Statewide Present Law Adjustment for Personal Services	
	<u>FY 2026</u>
Legislative Changes	(\$100,800)
Management Changes	14,068
Budget Modifications	-
Total	(\$86,732)

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include in-state state motor pool and motor pool leased vehicles.

DP 50003 - CR Kendall Funding -

The executive proposes an increase in state special revenue to support reclamation work at the CR Kendall mine site. The funding source for this decision package is dependent on the passage of LC0540. Prior funding for the reclamation, bond proceeds, has been exhausted.

LFD COMMENT	Decision Package Contingent on Legislation.
	The Legislative Finance Committee recommends subcommittees to refrain from approving contingent decision packages until the associated bill has been passed.

DP 50010 - Appropriation for Zortman Landusky -

The executive proposes an increase in state special revenue to support operation and maintenance of the Zortman/Landusky and CR Kendal mine reclamation sites. This proposal would be funded with forfeited surety bonds.

New Proposals

The “New Proposals” table shows new proposals for spending.

New Proposals	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 50005 - Hard Rock Mining Fees	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
Total	0.00	\$0	\$200,000	\$0	\$200,000	0.00	\$0	\$200,000	\$0	\$200,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 50005 - Hard Rock Mining Fees -

The executive proposes to increase state special revenue to support implementing the Metal Mine Reclamation Act (MMRA). This new funding is dependent on the passage of LC 538 – “An Act Revising Hard Rock and Rock Products Mining Fees”. LC 538 establishes a new fee structure dedicated to metal mine reclamation.

LFD COMMENT	Decision Package Contingent on Legislation.
	The Legislative Finance Committee recommends subcommittees to refrain from approving contingent decision packages until the associated bill has been passed.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget		Requested Budget		Biennium Change from Base	
	FY 2025	FY 2026	FY 2026	FY 2027	Amount	Percent
State/Other Special Rev. Funds	488,686	488,686	488,686	488,686		0.0%
Total Funds	488,686	488,686	488,686	488,686		0.0%
Operating Expenses	181,440	181,440	181,440	181,440		0.0%
Transfers	307,246	307,246	307,246	307,246		0.0%
Total Expenditures	488,686	488,686	488,686	488,686		0.0%
Total Ongoing	488,686	488,686	488,686	488,686		0.0%
Total One-Time-Only						0.0%

Program Highlights

<p>Libby Asbestos Super Fund Advisory Team Major Budget Highlights</p>
<p>The executive proposes base funding.</p>

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Libby Asbestos Superfund Advisory Team 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	488,686	0	488,686	100.0%	0	488,686	0	488,686	100.0%
Statewide PL										
Personal Services	0	0	0	0	0.0%	0	0	0	0	0.0%
Fixed Costs	0	0	0	0	0.0%	0	0	0	0	0.0%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	0	0	0	0.0%	0	0	0	0	0.0%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Requested Budget	0	488,686	0	488,686		0	488,686	0	488,686	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Environmental Quality, 80-Libby Asbestos Superfund Advisory Team Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0	0.0%	
02130 Libby Asbestos Cleanup O&M	977,372	0	0	0	977,372	100.0%	
State Special Total	\$977,372	\$0	\$0	\$0	\$977,372	100.0%	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%	
Total All Funds	\$977,372	\$0	\$0	\$0	\$977,372		

The Libby Asbestos Superfund Advisory Team is funded from the Libby Asbestos Cleanup Operations and Maintenance state special revenue account. Sources of revenue include penalties, forfeited financial assurances, proceeds from the resource indemnity trust fund, cost recoveries, and interest on the fund balance.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
Operating Expenses	2	179,334	181,440	181,440	181,440
Transfers	486,335	307,246	307,246	307,246	307,246
Total Expenditures	\$486,337	\$486,580	\$488,686	\$488,686	\$488,686
State/Other Special Rev. Funds	486,337	486,580	488,686	488,686	488,686
Total Funds	\$486,337	\$486,580	\$488,686	\$488,686	\$488,686
Total Ongoing	\$486,337	\$486,580	\$488,686	\$488,686	\$488,686
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The Libby Asbestos Oversight Committee is attached to DEQ for administrative purposes. The oversight committee was created to enhance communication with stakeholders regarding the Libby Asbestos Superfund site. In addition, the oversight committee advises DEQ on administration of the Libby Asbestos Cleanup Trust Fund and operation and maintenance accounts. The appropriated funds are used to maintain committee activities and support operation and maintenance at the site for long-term environmental and public health protection.

Program Base Budget Comparison

The following table compares the base budget with the requested expenditures for the upcoming biennium by type of expenditure and source of funding.

Program Base Budget Comparison						
Budget Item	Base Budget	Requested Budget		Biennium Change from Base		
	FY 2025	FY 2026	FY 2027	Amount	Percent	
PB	6.75	6.75	6.75	0.00	0.0%	
State/Other Special Rev. Funds	909,526	934,793	935,052	50,793	2.8%	
Total Funds	909,526	934,793	935,052	50,793	2.8%	
Personal Services	569,692	593,588	593,954	48,158	4.2%	
Operating Expenses	339,834	341,205	341,098	2,635	0.4%	
Total Expenditures	909,526	934,793	935,052	50,793	2.8%	
Total Ongoing	909,526	934,793	935,052	50,793	2.8%	
Total One-Time-Only					0.0%	

Program Highlights

Department of [Program] Major Budget Highlights
The executive proposes an increase of 2.8% or \$50,800 in total appropriations above base funding. The entire increase is due to statewide present law adjustments.

Executive Request

The following table shows the total executive request with the base budget and the statewide present law adjustments, present law adjustments, and new proposals by source of funding.

Petro Tank Release Compensation Board 2027 Biennium HB 2 Base Budget and Requested Adjustments										
	FY 2026					FY 2027				
	General Fund	State Special	Federal Special	Total Funds	% of Budget Request	General Fund	State Special	Federal Special	Total Funds	% of Budget Request
Base Budget	0	909,526	0	909,526	97.3%	0	909,526	0	909,526	97.3%
Statewide PL										
Personal Services	0	23,896	0	23,896	2.6%	0	24,262	0	24,262	2.6%
Fixed Costs	0	1,371	0	1,371	0.1%	0	1,264	0	1,264	0.1%
Inflation Deflation	0	0	0	0	0.0%	0	0	0	0	0.0%
Total Statewide PL	0	25,267	0	25,267	2.7%	0	25,526	0	25,526	2.7%
Present Law (PL)	0	0	0	0	0.0%	0	0	0	0	0.0%
New Proposals	0	0	0	0	0.0%	0	0	0	0	0.0%
Total HB 2 Adjustments	0	25,267	0	25,267	2.7%	0	25,526	0	25,526	2.7%
Total Requested Budget	0	934,793	0	934,793		0	935,052	0	935,052	

Funding

The following table shows proposed program funding for all sources of authority.

Department of Environmental Quality, 90-Petro Tank Release Compensation Board Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0	0.0%	
02058 Petroleum Storage Tank Cleanup	1,869,845	0	0	10,500,000	12,369,845	100.0%	
State Special Total	\$1,869,845	\$0	\$0	\$10,500,000	\$12,369,845	100.0%	
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.0%	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.0%	
Total All Funds	\$1,869,845	\$0	\$0	\$10,500,000	\$12,369,845		

The Board is funded entirely through a portion of the \$.0075 tax on gasoline, diesel, heating oil, and aviation fuel. Statutory appropriations pay for the reimbursement due to storage tank releases as described in 75-11-313, MCA.

Program Actuals and Budget Comparison

The following table compares FY 2024 actual expenditures, FY 2024 and FY 2025 appropriations, and the expenditures requested for FY 2026 and FY 2027 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2024	Approp. Fiscal 2024	Approp. Fiscal 2025	Request Fiscal 2026	Request Fiscal 2027
PB	0.00	6.75	6.75	6.75	6.75
Personal Services	546,075	539,948	569,692	593,588	593,954
Operating Expenses	219,428	337,294	339,834	341,205	341,098
Total Expenditures	\$765,503	\$877,242	\$909,526	\$934,793	\$935,052
State/Other Special Rev. Funds	765,503	877,242	909,526	934,793	935,052
Total Funds	\$765,503	\$877,242	\$909,526	\$934,793	\$935,052
Total Ongoing	\$765,503	\$877,242	\$909,526	\$934,793	\$935,052
Total OTO	\$0	\$0	\$0	\$0	\$0

Program Description

The Petroleum Tank Release Compensation Board is responsible for administering the Petroleum Tank Release Cleanup Fund. This includes reimbursement to certain petroleum storage tank owners and operators for corrective action costs, and compensation paid to third parties for bodily injury and property damage resulting from a release of petroleum from a petroleum storage tank. The board is responsible for responding to and working with private individuals, corporations, other state agencies, the Governor’s Office, the legislature, federal agencies, and other interested parties with activities relative to petroleum storage tanks and their associated cleanups. It is attached to DEQ for administrative purposes.

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2026-----					-----Fiscal 2027-----				
	PB	General Fund	State Special	Federal Special	Total Funds	PB	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	23,896	0	23,896	0.00	0	24,262	0	24,262
DP 2 - Fixed Costs	0.00	0	1,371	0	1,371	0.00	0	1,264	0	1,264
Grand Total All Present Law Adjustments	0.00	\$0	\$25,267	\$0	\$25,267	0.00	\$0	\$25,526	\$0	\$25,526

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Legislatively approved changes
- Management decisions
- Budget modifications made to the personal services budget in the 2025 biennium

Petroleum Tank Release Compensation Board FY 2026 Statewide Present Law Adjustment for Personal Services	
	<u>FY 2026</u>
Legislative Changes	\$2,996
Management Changes	20,900
Budget Modifications	-
Total	\$23,896

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.