

PROGRAM DESCRIPTION

Department of Natural Resources

HB Section(s): 6.225, 6.230

DEQ - Administration

Program is found in the following core budget(s): Division of Environmental Quality Administration

1a. What strategic priority does this program address?

The Division of Environmental Quality helps Missouri citizens thrive by managing natural resources to promote a healthy environment and economy by:

- Promoting environmental responsibility and resource stewardship.
- Enhancing services, information, and communication to improve customer experience.
- Modernizing community infrastructure, strengthening workforce, and supporting economic development.
- Improving internal processes to better serve our customers.

1b. What does this program do?

The Division of Environmental Quality includes the Financial Assistance Center, Water Protection Program, Air Pollution Control Program, Environmental Remediation Program, Waste Management Program, Central Field Operations, Regional Offices (St. Louis, Lee's Summit, Macon, Poplar Bluff, and Springfield), and Environmental Services Program.

In March 2022, the Division of Environmental Quality was realigned, which shifted the Soil and Water Conservation Program to the Department's Missouri Geological Survey, the Financial Assistance Center from the Water Protection Program to a new program within the Division, and a portion of the Department's Water Non-Point Source activities and FTE from the Soil and Water Conservation Program into the Division's Water Protection Program. These changes are reflected in the FY 2024 budget as this is the first opportunity to adjust the budget.

The Division of Environmental Quality Administration responsibilities include:

- Implementing statewide environmental and natural resource policies resulting in environmentally-sound decisions that protect our air, land, and water while fostering economic development.
- Overseeing the administration of low-interest loan and grant programs for the construction of water and wastewater infrastructure projects at an affordable cost.
- Managing the organizational units within the division.
- Promoting efficient administration and operations.
- Long-range planning to implement policies to protect human health and the environment.

Technical Assistance Grants PSD: The division provides technical assistance to businesses, citizens, and local governments to increase compliance with statutes and regulations and promote pollution prevention strategies. This assistance is offered through federal and state funded training and certification of drinking water operators and wastewater operators. Other activities include environmental studies, demonstration projects, and pilot projects.

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1b. What does this program do? (continued)

The following table shows financial data for the budget units included in this form.

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	Actual	Actual	Actual	Current	Gov Rec
DEQ Admin Operations (78117C)	1,117,118	1,072,568	1,124,899	1,442,585	1,442,585
Technical Assistance Grants (79360C)	313,797	227,453	347,944	700,000	700,000
Total	1,430,915	1,300,021	1,472,843	2,142,585	2,142,585

2a. Provide an activity measure(s) for the program.

Services Provided to Regulated Entities and the Public

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	Actual	Actual	Actual	Projected	Projected	Projected
Regulated Facility Inspections	5,836	5,207	6,034	6,200	6,500	6,500
Compliance Assistance Visits	6,959	4,474	5,071	7,200	7,700	7,700
Environmental Emergency Responses	170	148	181	200	200	200
Total Assistance	12,965	9,829	11,286	13,600	14,400	14,400

The inspections and compliance assistance visits reported for this measure are performed by the division's regional offices. The division's central office programs also perform a small portion of all inspections. Impacts from COVID-19 limited the ability to conduct on-site inspections and affected the compliance assistance numbers in FY 2020 and FY 2021.

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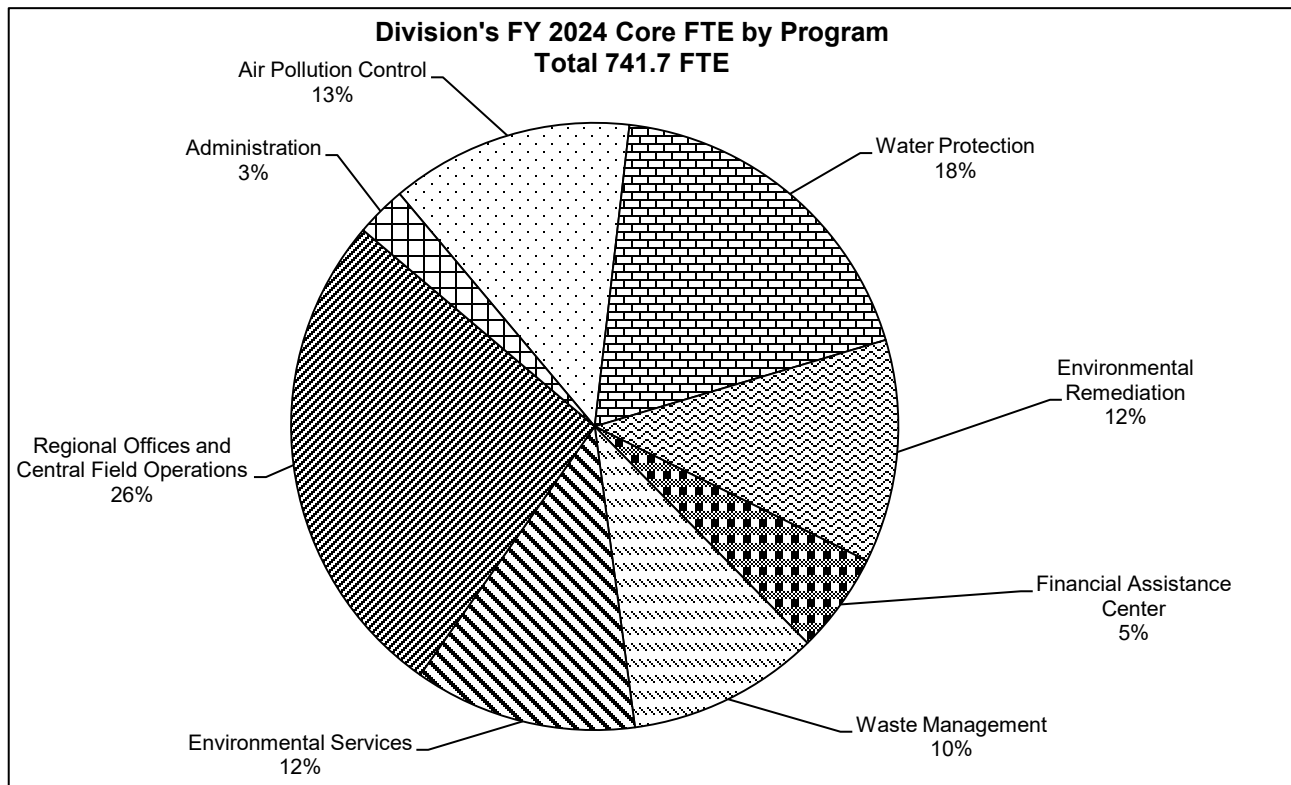
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2b. Provide a measure(s) of the program's quality.



The division serves the programs by aiding in resource maximization with only a small percent of total FTE.

Financial Assistance Center, Water Protection, Air Pollution Control, Environmental Remediation, Waste Management, Central Field Operations, Regional Offices, and Environmental Services.

Division Budget Unit Net FTE Reductions:

- FY 2018 = 5 FTE
- FY 2019 = 6.82 FTE
- FY 2020 = 16 FTE
- FY 2021 = 0 FTE
- FY 2022 = 14.42 FTE
- FY 2023 = 0 FTE
- FY 2024 = 0 FTE

TOTAL Net Reductions = 42.24 FTE

Note: FY 2019 and FY 2020 5 FTE increase in Agency-wide PSTIF Budget Unit; FY 2022 2 FTE increase in Water Protection Budget Unit; FY 2023 7 FTE increase in Financial Assistance Center (BIL/IIJA)

In March 2022, the Soil and Water Conservation Program (SWCP) was shifted from the Division of Environmental Quality to the Missouri Geological Survey. Therefore, this chart no longer includes SWCP FTE.

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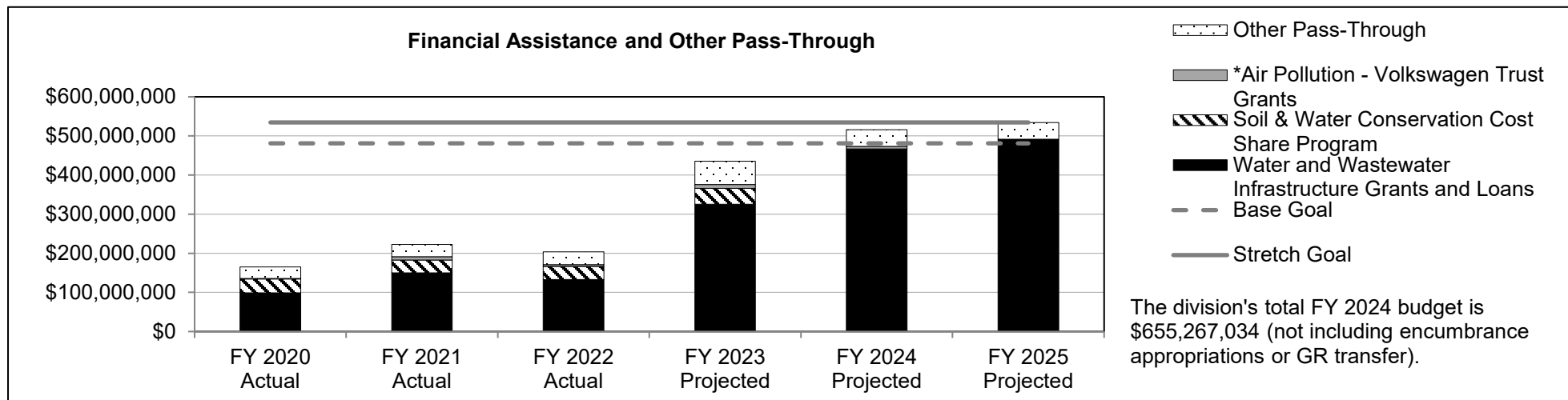
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2c. Provide a measure(s) of the program's impact.



Other Pass-Through includes Soil and Water District grants, Solid Waste District grants, scrap tire grant, non-point source water protection, regional water quality planning, water and wastewater operator certification, clean up and emergency response activities, environmental restoration, water quality monitoring, and soil and water conservation research.

Water and Wastewater Infrastructure Grants and Loans - Projects are multiyear; therefore, funds are expended over a 24-month period for wastewater projects and over an 18-month period for drinking water projects. State Revolving Fund (SRF) program demand is increasing. Increases in FY 2023 through FY 2025 are planned disbursements for SRF applications the Department is currently processing, including several very large projects. The increase is also attributable to the increase in capitalization grant allotments through the Bipartisan Infrastructure Law funding.

*The Volkswagen Trust Agreement allows beneficiaries to continue disbursements through October 1, 2027. The slowdown in parts/vehicle manufacturing and shipping affects the date of fully expending the funding. The Department will award the remainder of the Electric Vehicle Charging Infrastructure allotment by the end of calendar year 2022, and project completions are expected no later than FY 2025. Earned interest will be disbursed last, consistent with Missouri's Beneficiary Mitigation Plan.

**In March 2022 the Soil and Water Conservation Program (SWCP) was shifted from the Division of Environmental Quality to the Department's Missouri Geological Survey. Therefore, the performance measure projections for FY 2024 and FY 2025 do not include SWCP activities.

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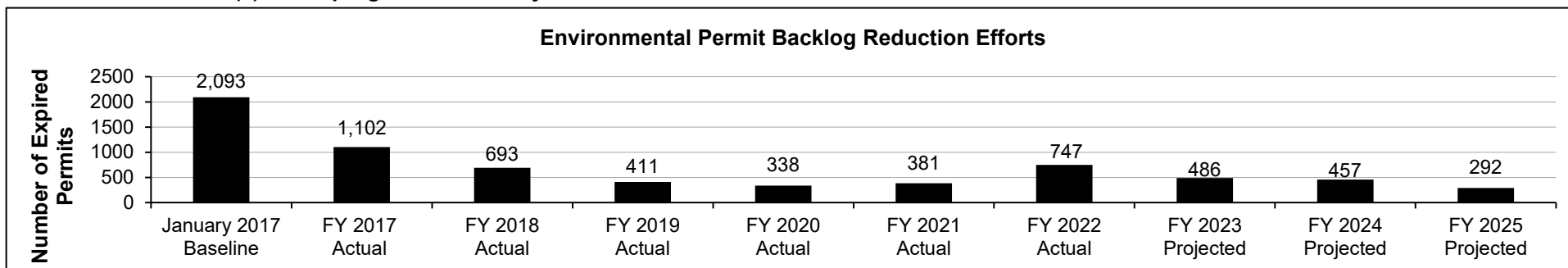
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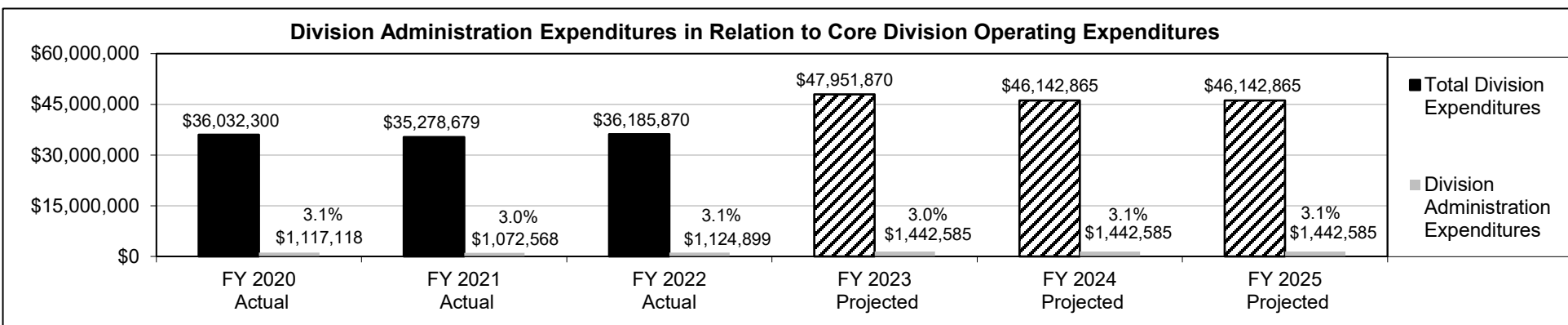
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2d. Provide a measure(s) of the program's efficiency.



Beginning baseline January 2017, the division's environmental permits include air, hazardous waste, drinking water, wastewater, and solid waste facilities. A variety of factors including vacancies, as well as regular permit application deadlines and expirations, impacted the Department's FY 2022 actual permit backlog. Staff turn-over and retention issues continue. The Department's base goal is to eliminate the backlog by the end of calendar year 2025.



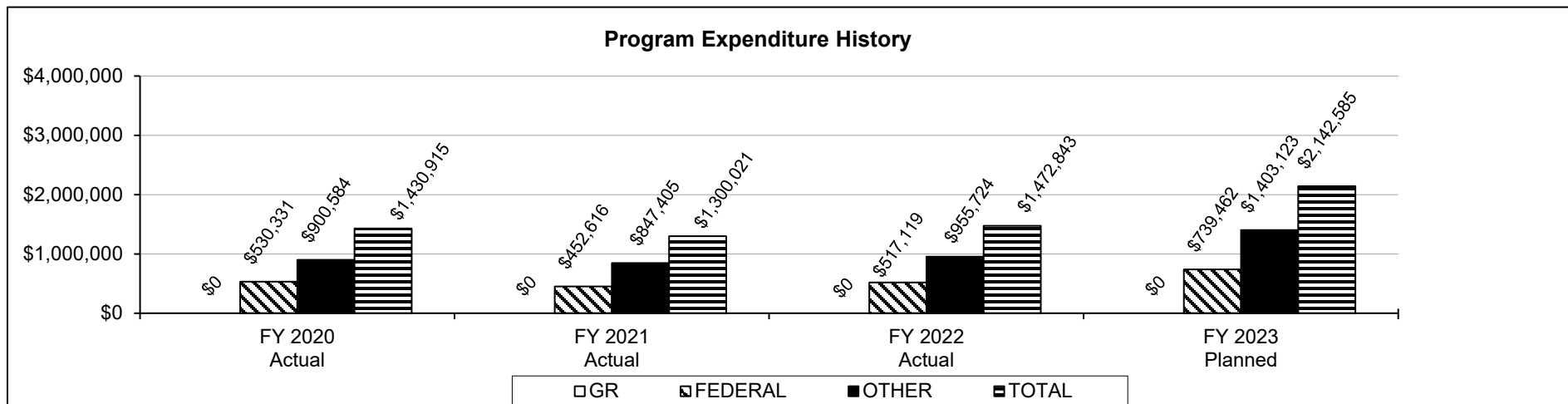
Projections are based on full appropriation spending. These projections only include operating appropriations; pass-through appropriations are not included.

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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



This budget does not contain General Revenue.

Financial data includes operating and pass-through appropriations. Core pass-through appropriations are set at a level to encumber and pay our commitments, which often span multiple fiscal years.

FY 2023 Planned is shown at full appropriation.

4. What are the sources of the "Other" funds?

Cost Allocation Fund (0500); Natural Resources Protection Fund - Water Pollution Permit Fee Subaccount (0568)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

The Division of Environmental Quality administers programs that protect human health, public welfare, and the environment. These programs are authorized by state and federal laws as noted in each of their program descriptions. These laws deal with air quality, solid and hazardous wastes, voluntary cleanup, petroleum storage tanks, clean water, and drinking water.

RSMo 640.010 – 640.758	Department of Natural Resources - Duties associated with environmental assistance on behalf of the Department
RSMo 640.100	Drinking Water Operator Certification; Safe Drinking Water Act
RSMo 643.173 and 643.175	Small Business Technical Assistance Program
RSMo 643.060 (2)	Prevention, Abatement, and Control of Air Pollution
RSMo 644.006 through 644.096	Water Pollution Planning, Permitting, Inspection, Remediation, Technical Assistance

6. Are there federal matching requirements? If yes, please explain.

The division receives several federal grants. The matching requirements for these are listed in each of the applicable program descriptions.

Drinking Water SRF Capitalization Grant - Local & Other Set-Aside	100% Federal (EPA)
Other competitive grants may require various matching ratios	Varies

7. Is this a federally mandated program? If yes, please explain.

Division Administration oversees and coordinates programmatic responsibilities for which the state has elected, through environmental statutes, to seek delegation of federal programs. As it relates to Technical Assistance Grants, federal law mandates that operators of public drinking water systems be certified.