

DEPARTMENT OF ENVIRONMENTAL QUALITY

Enabling Laws

Act 274 of 2014

The Arkansas Department of Environmental Quality ("ADEQ") is organized into six regulatory divisions that focus on specific elements of the environment. Listed below are those divisions together with their controlling laws as are codified in The Arkansas Code of 1987 Annotated.

AIR:

Ark. Code Ann. 8-3-101 et seq., 8-4-101 et seq., 8-4-201 et seq., 8-4-301 et seq., 8-10-302 et seq., 20-27-1001 et seq.

WATER:

Ark. Code Ann. 8-3-101 et seq., 8-4-101 et seq., 8-4-201 et seq., 8-5-201 et seq., 19-5-1140

MINING:

Ark. Code Ann. 15-57-201 et seq., 15-57-301 et seq., 15-57-401 et seq., 15-58-101 et seq., 15-58-201 et seq., 15-58-301 et seq., 15-58-401 et seq., 15-58-501 et seq.

SOLID WASTE:

Ark. Code Ann. 8-6-201 et seq., 8-6-501 et seq., 8-6-601 et seq., 8-6-901 et seq., 8-6-1001 et seq., 8-6-1101 et seq., 8-6-1201 et seq., 8-6-1301 et seq., 8-6-1401 et seq., 8-6-1501 et seq., 8-6-1601 et seq., 8-6-1701 et seq., 8-6-1801 et seq., 8-6-1901 et seq., 8-9-101 et seq., 8-9-201 et seq., 8-9-301 et seq., 8-9-401 et seq., 8-9-501 et seq., 8-9-601 et seq.,

HAZARDOUS WASTE:

Ark. Code Ann. 8-7-101 et seq., 8-7-201 et seq., 8-7-501 et seq., 8-7-701 et seq., 8-7-1101 et seq., 8-7-1301 et seq., 8-7-1401 et seq.

REGULATED STORAGE TANKS:

Ark. Code Ann. 8-7-801 et seq., 8-7-901 et seq.

PUBLIC OUTREACH AND ASSISTANCE:

Ark. Code Ann. 8-5-801 et seq.

Other statutes covering the organization and administration of ADEQ include: Ark. Code Ann. " 8-1-101 *et seq.*, 8-1-201 *et seq.*, 8-4-301 *et seq.*, 19-5-930, 19-5-959, 19-5-961, 19-5-979, 19-5-980, 19-5-983, 19-5-992, 19-5-1027, 19-5-1028, 19-5-1029, 19-5-1031, 19-5-1071, 19-5-1111, 19-5-1137, 19-5-1140, 19-6-434, 19-6-452, 19-6-463, 25-14-101

History and Organization

The Arkansas Department of Environmental Quality (formerly the Department of Pollution Control and Ecology) was officially established in 1971. As part of the overall reorganization of state government, Act 38 established the Arkansas Department of Pollution Control and Ecology as a cabinet-level unit of state government, changed the name of the Commission to the Arkansas Pollution Control and Ecology Commission, and designated the Commission as the environmental policy-making body for the state.

With the passage of Acts 744 and 1230 in 1991, the Agency was officially renamed to the Department of Environmental Quality (ADEQ), the Pollution Control and Ecology Commission was restructured and the powers and duties of the Commission and the Agency were clarified. The Commission is now composed of the directors of six state agencies--Health Department, Forestry Commission, Game and Fish Commission, Geological Survey, Oil and Gas Commission, and Natural Resources Commission--as well as seven private citizens appointed by the Governor and confirmed by the Senate. Each of the four congressional districts existing at the time of the 1991 law must be represented by at least one private-sector appointee on the Commission, with no congressional district having more than two Commissioners.

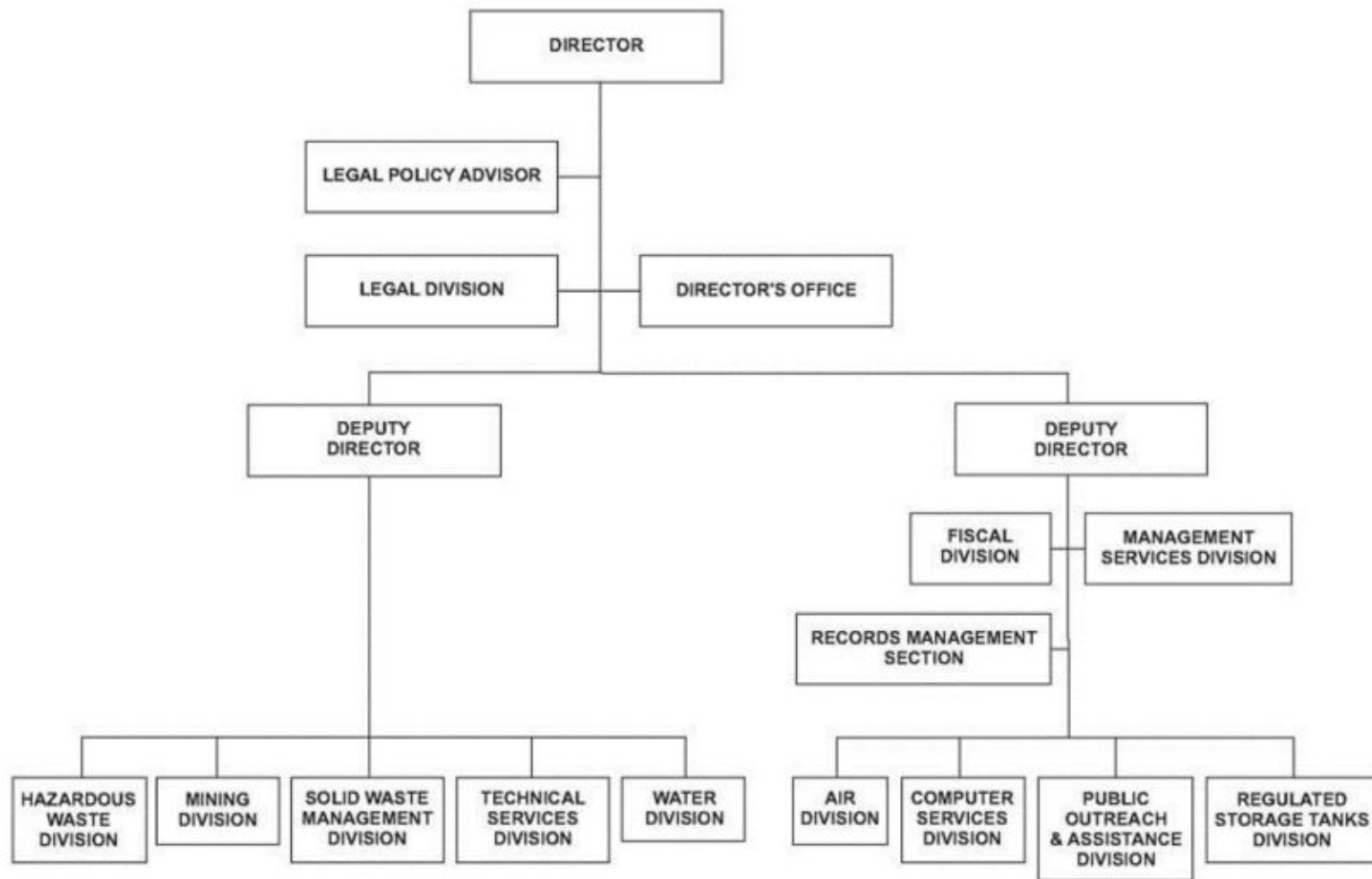
The Arkansas Department of Environmental Quality is the primary environmental regulatory agency for the State of Arkansas. The Agency is responsible for implementing the State's environmental laws and regulations as established by the Arkansas legislature and the Arkansas Pollution Control and Ecology Commission. In large part, the programs implemented by ADEQ are either authorized, or approved by delegated authority from our federal counterparts, primarily the Environmental Protection Agency and the Office of Surface Mining.

The mission of the Arkansas Department of Environmental Quality is: "To protect, enhance and restore the natural environment for the well-being of all Arkansans." The Agency has a two-part vision of the future--"We envision Arkansas with clean air, water and land, where all Arkansans strive to conserve and protect these assets for the benefit and enjoyment of this and future generations" and "We envision the Arkansas Department of Environmental Quality as a respected steward of the environment, where pro-active, results-oriented staff, operating in a professional atmosphere, inspire Arkansans to conserve and protect our natural resources".

The Agency's programs are comprised of four distinct program areas: Air, Water, Land and Environmental Management. The Air Program is responsible for ensuring that the air is clean and healthy. The Water Program is responsible for ensuring that the physical, chemical and biological integrity of all Arkansas' waters are protected and enhanced. The Land Program, which consists of the regulatory divisions of Solid Waste, Mining, Hazardous Waste, and Regulated Storage Tanks, is responsible for ensuring that land-based activities achieve, maintain and enhance a healthy environment.

The ADEQ Environmental Management Program includes a number of other divisions which are involved in specific environmental activities or which provide general support for other Agency divisions. Program area divisions include the Environmental Preservation and Technical Services Division which provides assistance on environmental impact analyses and restoration activities which are not generally subject to regulation as well as Geographic Information Systems support for program activities. The Public Outreach and Assistance Division, which houses the department's public information officer, assists industries and other regulated entities in understanding and following their statutory and regulatory requirements and ADEQ's processes for obtaining permits, licenses and registrations. The Emergency Response Program serves as the Agency's coordinator for overseeing and assisting in the response to environmental emergencies, spills, releases and other conditions that pose an immediate threat to human health and the environment.

The Agency's support groups consist of the Technical Services Division, which performs environmental sample analyses; the Public Outreach and Assistance Division which maintains the Agency's official records and handles FOI requests; the Computer Services Division, which maintains the Agency's data network and information processing systems; the Legal Division, which represents the Agency regarding all legal issues and litigation involving permit appeals and enforcement actions, and assists Agency administration in legislative and regulatory matters; the Fiscal Division which is responsible for tracking state appropriations and federal grants, collection and disbursement of various permit fees, other general bookkeeping activities, and permit fee administration. The support group is rounded out by the Management Services Division, which provides support services for such areas as human resource management; telecommunications; and building and fleet operation and maintenance. The Environmental Management Program efficiently and effectively applies its resources and authorities to achieve the highest standards of agency and environmental management.



Agency Commentary

The Arkansas Department of Environmental Quality (ADEQ) works to protect and enhance the State's environment through regulatory programs, outreach and educational activities. The Agency consists of four major program areas: Air, Water, Land, and Environmental Management.

During the 2013-15 Biennium, ADEQ maintained its efforts in the program areas of air, water, land, and environmental management. The budget request found in the following pages continues current mandated programs and addresses emerging environmental issues. Special emphasis is placed on covering projected needs for the biennium through reallocation of base level funding and appropriation.

Estimated federal monies available to the Agency for this biennium are listed below. Full utilization of these funds is contingent on actual Congressional appropriation, availability of matching funds, if required, and specific grant requirements.

105 Air Program	\$1,157,000
Ambient Air Monitoring	516,000
Abandoned Mine Program (Admin)	763,000
Abandoned Mine Reclamation	3,000,000
Permanent Mining Program	141,000
RCRA Hazardous Waste	905,000
604 (b) Water Quality Planning	100,000
Underground Injection Control	81,000
106 Water Pollution Control	2,508,000
Superfund Program	626,000
Underground Storage Tanks	1,250,000
Small, Various Grants	252,000
TOTAL	\$11,299,000

The Agency's budget includes contingency appropriations, which are considered non-operating expenses and are utilized for specific purposes and funded as needed. These appropriations are utilized for various purposes such as cleanup, remediation and closure activities, reclamation work, and funding of grants for solid waste management activities, recycling, and waste tires collection and handling efforts. Even though some currently reflect appropriation in excess of estimated funding, we are requesting approval of the total amount shown on the Biennial Budget Request forms as monies may become available during the biennium from existing or alternate sources to fully fund any or all of these. The following chart reflects contingency appropriation and bond forfeitures:

APPROP	TOTAL REQUESTED	CONTINGENCY	PURPOSE
2UG	\$7,470,296	\$4,400,000	Landfill Post-Closure Program (Contractual Services) (TLP)
2UC	4,650,000	1,000,000	Solid Waste & Recycling Program (Recycling grants) (TWS)
2UC	2,500,000	2,000,000	Solid Waste & Recycling Program (Electronic Waste Recycling Infrastructure) (TWS)
2UA	372,488	300,000	Emergency Response (Contractual Services) (THS)
2UH	6,425,000	1,000,000	Waste Tire Recycling Program (Grants) (TTG)
2TU	5,700,000	4,000,000	State Abandoned Mine Reclamation (Contractual Services) (MAE)

2TW	1,520,000	1,520,000	Mine Reclamation-Bond Forfeitures (Contractual Services) (TMA)
2TZ	6,194,000	4,000,000	Hazardous Waste Clean Up (Contractual Services) (THS)
2TY	3,000,000	2,000,000	Landfill Closure-Bond Forfeiture (Contractual Services) (MWP)
2TS	950,000	950,000	Non-Coal Reclamation-Bond Forfeiture (Contractual Services) (TLR)
2UE	21,505,161	15,000,000	Petroleum Storage Tank Remediation (Operating Expenses) (TPT)
2UF	3,925,000	3,925,000	Regulated Storage Tank Remediation (Contractual Services) (FYP)
TOTAL	\$64,211,945	\$40,950,000	

The following paragraphs briefly describe the program's needs requested as changes over the Base Level budget, including reclassifications.

AIR DIVISION

The Air Division is responsible for enhancing and protecting human health and the environment by protecting the air we breathe. This is accomplished through the safe management of air pollutants emitted into the air.

Responsibilities of this Division involve maintenance of the National Ambient Air Quality Standards (NAAQS), provisions for air quality monitoring, modeling, and development of emission standards. The Division continues to address the 8-hour Ozone NAAQS issues related to Crittenden County, which is located in the Memphis Metropolitan Statistical Area. Re-attainment for Crittenden County for the 1997 Ozone NAAQS was accomplished and the area was officially re-designated as in attainment and is currently subject to maintenance requirements.

The EPA published a final rule on May 21, 2012 to declare Crittenden County in Non-Attainment of the 2008 Ozone NAAQS, the effective date is July 20, 2012. Several other areas of the State including the Little Rock-North Little Rock Metropolitan Statistical Area, Newton, Polk and Sebastian Counties may face being designated as Non-Attainment under the 2008 Ozone NAAQS and subsequent revisions to the Standards which will occur during the biennium. Revisions to existing state regulations will be required to deal with the development of new pollution control strategies for non-attainment areas and proposed changes to the NAAQS. Continuing and new programs consist of modeling for near non-attainment areas as well as ongoing modeling efforts to support NAAQS State Implementation Plan development and maintenance.

The Air Division requests \$535,000 and \$215,000 for the fiscal years ending June 30, 2016 and June 30, 2017, respectively for Assistance Grants and Aid appropriation to fulfill the Division's obligations and responsibilities for the DERA Grant program. The Air Division is also requesting \$25,000 Capital Outlay appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. Note: These are not additional vehicles. They will be purchased to replace vehicles sent to M&R. The Air Division is requesting \$61,000 for FY2016 and \$25,000 for FY2017 in appropriation for Professional and Administrative Fees to help fund a contract with the U of A Agriculture extension service. The Air Division also requests \$110,000 in Capital Appropriation each year to purchase a FLIR (Forward Looking Infrared) camera and accessories. Many areas of the state face being classified as Non-Attainment under the revised National Ambient Air Quality Standard for Ozone which was finalized in August 2010. This device provides rapid non-intrusive inspection capabilities of equipment and processes emitting Volatile Organic Compounds

(VOCs). Imaging capabilities of this instrument provide visual evidence of emission leaks/releases that are otherwise invisible to the naked eye and enables the tracking of a leak directly to the source. It also provides the capability to verify that leaks have been repaired.

WATER DIVISION

The Water Division's mission is to restore and maintain water quality in all waters of the State consistent with the economic well-being of all its citizens. The requests above Base Level will enhance our ability to fulfill that mission as well as meet state and federal mandated performance targets.

The Division is responsible for water quality related programs such as: water pollution control, saltwater disposal, water quality planning/standards, groundwater quality protection, clean lakes, concentrated animal feeding operations, and the National Pollutant Discharge Elimination System (NPDES), which includes storm water permitting.

The Division coordinates these efforts internally and with other state and federal natural resource and health agencies, as well as local citizens.

Because the Division is funded largely through federal EPA grants (2TQ), program work plans are developed internally and approved in cooperation with EPA Region 6.

Under the authority of the Arkansas Water and Air Pollution Control Act (Act 472 of 1949, as amended A.C.A. § 8-4-203, et seq) the Agency is charged with the duty to issue permits to prevent, control, or abate pollution. NPDES permits are issued in accordance with federal regulations and are intended to control point source discharge. In addition, the Water Division issues No-Discharge permits to prevent pollution from entering Waters of the State. We also perform site inspections and respond to citizen complaints. In order to carry out its charge in overseeing oil and gas exploration activities, it is important for the Agency to have adequate staff.

Under Section 303(d) of the federal Clean Water Act, states are to develop lists of impaired waterbodies or stream segments. This list is developed every two years after reviewing water quality data collected from streams throughout the state and evaluating the data against assessment criteria and water quality regulations. ADEQ has recently submitted the 2014 list of impaired stream segments to EPA for their review and approval. There are currently 323 proposed impaired stream segments in Arkansas.

In order to address the pollutant impairing a given waterbody, the Clean Water Act requires states to develop a Total Maximum Daily Load (TMDL). A TMDL is a calculation of the amount of a pollutant that an impaired waterbody can receive and still meet water quality standards. During the next biennium, EPA will continue to require ADEQ to develop TMDLs for impaired stream segments at a cost which could exceed \$500,000 per year.

EPA has also required the state to develop numeric nutrient criteria for a single class of waters in 3 to 5 years. Currently the Planning Section is preparing to conduct field work and determine appropriate criteria for its Extraordinary Resource Waters. Additional 106 monitoring initiative funds have been applied for to carry out this task.

The Water Division requests \$40,000 in Capital Outlay appropriation each fiscal year to replace equipment as it becomes inoperable, i.e., samplers, multiprobe monitoring devices, incubators, sterilizers, etc. We have a variety of aging equipment and we repair it as best we can before it is replaced. However, we need appropriation available in the event the equipment can no longer be repaired.

LAND PROGRAM

The Land Program encompasses programs administered through the Agency's Divisions of Hazardous Waste, Surface Mining and Reclamation, Regulated Storage Tanks, and Solid Waste. Each of these divisions has specific statutory authority governing their respective programs, which enhances and protects health and the environment through rulemaking, permitting, compliance monitoring, enforcement, site remediation, while encouraging waste minimization, pollution prevention activities, and clean-up/remediation.

HAZARDOUS WASTE DIVISION

The Hazardous Waste Division regulates the management of waste that could pose a potential danger to people and the environment if improperly managed. The Division is comprised of three branches: Enforcement and Inspections, Programs, and Technical. The Division also provides Emergency Response Services. The branches work together to regulate active manufacturing and waste management facilities, investigate and cleanup hazardous substance sites which are either abandoned or inactive, and compile hazardous waste related data for public review.

The Hazardous Waste Division implements the federal and state hazardous waste management program goals through a state program authorized by the U.S. Environmental Protection Agency. Specific performance measures include establishing appropriate controls (permits, enforcement orders, or remedial action plans) at targeted waste management facilities, monitoring compliance, providing increased compliance assistance and outreach to industry, small businesses, and the public, and implementing timely, fair, and effective enforcement against violators.

The Division administers hazardous substance site cleanup programs implemented under the federal CERCLA statute (known as "Superfund") and State law, specifically the 1985 Remedial Action Trust Fund Act (RATFA) and the 1997 Voluntary Cleanup Act. These programs are funded by federal grants and State trust funds. Chief among these programs is the implementation and expansion of the State's Voluntary Cleanup and Brownfields Redevelopment programs. The Division will continue to improve and enhance its use of risk management techniques, and will stress strong integration of the technical requirements of all these programs.

The Arkansas Remedial Action Trust Fund Hazardous Substance Site Priority List identifies hazardous sites for which expenditures are authorized from the Hazardous Substance Remedial Action Trust Fund. The site priority list includes (14) National Priority List (NPL) sites and (15) State Priority List (SPL) sites. State funds supplement federal funds during the investigative and site remediation phase of NPL Sites. Upon completion of the site remediation phase, the state assumes 100% of the operations and maintenance (O&M) costs. State and Responsible Party funds finance the investigative and remediation phases of SPL Sites. The Division conducts annual reviews on land-based units and five year reviews on all NPL and SPL sites to ensure the final remedies are effective.

The Emergency Response section is also located with the Hazardous Waste Division. The Emergency Response Section assists with incidents that have the potential to cause harm to public health and the environment generally involving the uncontrolled release of a hazardous substance into the environment.

The Hazardous Waste Division requests \$20,000 of capital appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. Note: These are not additional vehicles. They will be purchased to replace those sent to M&R.

SURFACE MINING AND RECLAMATION DIVISION

The Mining Division's mission is protecting society and the environment from the adverse effects of surface mining activities by ensuring that the reclamation and restoration of affected lands results in future productive use. Performance of these measures can be gauged by determining the acres of known environmentally impacted land returned to productive use.

This Division is responsible for all permitting, inspection, and enforcement activities necessary to ensure compliance with the state law concerning various surface mining operations. These responsibilities include a State program authorized under Public Law 95-87 to regulate all surface coal-mining operations in Arkansas. This includes the Abandoned Mine Lands Program that receives federal grant monies to reclaim dangerous, abandoned pre-law coal mines. The Non-Coal section is responsible for ensuring compliance with the Arkansas Open-Cut Land Reclamation Act and the Arkansas Quarry Operation, Reclamation and Safe Closure Act. The Open Cut Land Reclamation Act also includes responsibilities in permitting, inspection, and enforcement of mining operations within the channel of streams in Arkansas.

REGULATED STORAGE TANKS DIVISION

This Division is responsible for the implementation of state and federal laws and regulations concerning the installation, repair, upgrading, and closure of regulated underground storage tanks in Arkansas, as well as registering, collecting fees and responding to environmental concerns associated with certain aboveground petroleum storage tanks. The Division performs compliance inspections, leak and complaint investigations, emergency responses, oversees and conducts clean-up activities to correct environmental problems at leaking tank sites, conducts trust fund certification and financial assurance reviews for regulated tanks, licenses UST contractors and individuals, trains and certifies UST operators, and reimburses qualified tank owners for trust fund-eligible corrective actions and third-party claims resulting from leaking tanks.

The Division's mission is to enforce all environmental standards and ensure timely, fair, and effective enforcement for violators of these standards, to expeditiously assess and implement appropriate cleanup of leaking underground storage tanks and certain noted aboveground storage tanks, to continue developing outreach materials and conduct compliance workshops to educate the regulated community, to maintain the solvency of the Petroleum Storage Tank Trust Fund, and to provide efficient and timely processing of new/amended notification forms and tank fee collections.

Federally funded (2TQ) Capital Outlay appropriation, \$25,000, is requested to replace one fleet vehicle in FY 2016 and in FY 2017. These vehicles will be used by RST inspectors to conduct facility inspections statewide. Note: These are not additional vehicles. They will be purchased to replace those sent to M&R.

SOLID WASTE MANAGEMENT DIVISION

This Division is responsible for programs necessary to provide for the siting, permitting and inspections of existing and proposed solid waste management facilities in Arkansas as well as waste tires grants, recycling grants, regional solid waste planning, solid waste operator licensing, landfill post-closure activities, tax credit program, and engineering standards. The Solid Waste Division provides technical assistance to landfill owners/operators, provides a solid waste liaison service to the Regional Solid Waste Management Districts and State Marketing Board for Recyclables, conduct recycling workshops that educate and assist the public, industry, local governments and also offers compliance assistance through regular inspections and audits of permitted facilities.

The Solid Waste Division requests \$25,000 capital appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. Note: These are not additional vehicles. They will be purchased to replace those sent to M&R.

ENVIRONMENTAL MANAGEMENT PROGRAM

The Environmental Management Program encompasses a broad array of activities administered through the Agency's Divisions of Administration, Legal, Computer Service, Public Outreach, and Environmental Preservation and Technical Services.

ADMINISTRATION

This group is composed of the Office of the Director, Fiscal Division, and the Management Services Office comprising the Human Resources Section and the Operations Section. This group performs the Agency's administrative functions.

SHARED RESOURCES

This area reflects the Agency's overhead costs, such as utilities, phone services, vehicle maintenance, field office leases and other costs that are necessary for all the programs to operate. These costs are shared by funding sources allocated through General Revenue distribution, trust funds, federal programs and special revenue generating programs. General Revenues, special revenues, and federal funding have historically supported department overhead costs.

LEGAL SERVICES DIVISION

This Division is responsible for all legal aspects of the Agency. The Legal Division represents the Agency in all administrative enforcement actions, including the negotiation and review of all final agreements. The Division also represents the Agency in all permit appeals initiated by

regulated entities and/or citizens in communities in which regulated facilities are located. Additionally, the Division advises the Agency on personnel issues and other internal matters, represents ADEQ in fee collection, cost recovery actions and bankruptcy matters, maintains original signed orders, and represents the Agency in civil litigation that seeks enforcement of the State's environmental laws and regulations. Finally, the Division drafts regulations and legislation and works to enable each and every Division of the Agency to meet their specific goals.

PUBLIC OUTREACH AND ASSISTANCE DIVISION

The Public Outreach and Assistance Division houses the Agency's Public Information Officer and provides non-regulatory environmental assistance and education to communities, businesses, and individuals. The Public Outreach and Assistance Division provides small-businesses technical and regulatory assistance, manages public input regarding ADEQ's permitting and regulatory decisions, and develops informational materials for ADEQ's environmental programs. The Division will continue to utilize revolving loan fund (2UN) appropriation for the Small Business Compliance Assistance and Pollution Prevention Loan Program, providing low interest loans to small businesses, assisting small businesses to comply with environmental requirements, or institute pollution prevention measures in their business. Additionally, the Division is responsible for the Watershed Planning and Environmental Education programs aimed at protecting water quality, the GIS section and Recycling Branch.

The Records Management Section is requesting \$30,000 in Capital Outlay appropriation for 2016 only. The Records Management Section scans all of the Agency's documents as electronic records and makes them available to the public as part of our transparency. Our current scanners are over eight years old and their scan drivers are no longer supported by Microsoft. This appropriation will allow for the purchase of 3 new i3200 scanners, 3 new A3 flatbed scanners and the necessary software and support.

COMPUTER SERVICES DIVISION

This Division is responsible for designing, developing, and maintaining ADEQ's information technology infrastructure. The Division encompasses a wide array of duties ranging from designing and maintaining the Agency's computer network, to developing mission critical software, and providing desktop user assistance to the Agency's approximately four hundred staff members.

The Division will continue utilizing the Performance Partnership Trust fund (2UQ) balance to complete the .NET application upgrade and development of the integrated information system (PDS), which plays an integral part in consolidating data from multiple environmental areas by facility or incident.

The Environmental Protection Agency (EPA) designed the National Environmental Information Exchange Network to facilitate the electronic transmission of environmental data between entities. The Agency is working with EPA and other states to develop and implement data exchange templates across all of our delegated programs to eliminate duplicate data entry into both state and federal systems as well as improve data quality. The EPA is providing grant funds to ADEQ to accomplish some of this work.

The Computer Services Division is requesting capital outlay appropriation from (2TZ) trust funds in the amount of \$80,000 for each fiscal year. The equipment purchased will allow for replacement of aging servers and the backup and archival system.

ENVIRONMENTAL PRESERVATION AND TECHNICAL SERVICES DIVISION

The Environmental Preservation and Technical Services Division is responsible for testing Arkansas' environment and providing input in environmental projects. This includes air, water, soil, hazardous waste, solid waste, and biological samples. The Division also certifies environmental labs, collects fish and other biological samples, and provides assistance for stream restoration and wastewater plant operation.

The Division provides scientific advice to the Director's office concerning a myriad of projects related to federal environmental protection laws that could potentially affect the environment and offers technical services to citizens to effectively manage non-point source pollution. Because the Division is funded largely through federal EPA grants (2TQ), program work plans are developed internally and approved in cooperation with EPA Region 6.

With the EPA action tightening National Ambient Air Quality Standards, the Department's air monitoring system, operated by EPTS, will need to continue to generate high quality air monitoring for ozone, particulate matter, sulfur dioxide, nitrogen oxides, and carbon monoxide. The Technical Services Division is requesting \$337,500 and \$286,250 for fiscal years ending June 30, 2016 and 2017 respectively for Capital Outlay appropriation to replace aging air monitoring equipment used for collecting data for the ambient air network program. FY16 equipment includes monitoring trailers with installation costs, data loggers, speciation equipment, particulate monitoring equipment ovens and new air monitoring systems for a proposed program the EPA is asking us to implement. FY17 equipment needs will include monitoring trailers with installation costs, data loggers, speciation equipment, particulate monitoring equipment ovens and new air monitoring systems for a proposed program the EPA is asking us to implement. Each location EPA requests will add approximately \$72,000.

The Technical Services division of the ADEQ is also requesting \$ 390,000 and \$ 435,000 for fiscal years ending June 30, 2016 and 2017 respectively for Capital Outlay appropriation to replace aging laboratory equipment used for environmental testing. FY16 equipment includes a gas chromatograph/mass spectrometer, inductively coupled plasma/mass spectrophotometer, gas chromatograph/ EC+FID, analytical balances, mercury analyzer. FY17 equipment needs will include a volatiles gas chromatograph/mass spectrometer, Solid Phase Extraction apparatus, automated nutrients analyzer, microwave digester and an ion chromatograph.

POLLUTION CONTROL AND ECOLOGY COMMISSION HEARING OFFICER

This office was created by Act 921 of 1993, which authorized the Pollution Control and Ecology Commission to hire a full-time, independent administrative hearing officer. The Hearing Officer conducts adjudicatory proceedings initiated by an applicant, violator, or third party on permitting, enforcement, and other decisions rendered by the Arkansas Department of Environmental Quality. The Hearing Officer manages the Commission's office and its staff, and serves as legal counsel (along with the Attorney General's office) to the Commission. The Act also transferred the Commission Secretary from the Agency to this office. Act 1077 of 1993 provided that appropriations for this office are payable from the ADEQ Trust Fee Fund (344), and designates the Agency as disbursing officer for funds appropriated by this Act.

The PCE Commission requests a \$500 increase in appropriation and funding due to the increase in Commissioner expenses. The Commission has members from across the State and this generates a substantial amount of expense for travel reimbursements over the course of the fiscal year.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY
FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
<p>Controls should be in place to ensure that changes to application source code are properly tested, reviewed, and approved before being moved into the production environment. The accounting of changes and promotion of application source code to the production environment is not controlled in a manner to ensure that changes made are properly accounted for, monitored, tested, and approved.</p> <p>Additionally, the Agency is not using a versioning software tool to track and provide control over changes to source code. Failure to properly implement controls could increase the risk of errors and result in misappropriation of assets and misstatements of financial records and statements.</p> <p>Sound information system controls require that a copy of system and data backups be stored at an off-site facility. The Agency has not established an off-site storage facility for backup data and maintains all backups at the data center. This situation increases the risk that data and programs could irretrievably be lost in the event of destruction at the data center.</p>	<p>Implement adequate controls over the program change process.</p> <p><u>Agency Response:</u> Users now make application change requests by submitting a Help Desk ticket, which provides a record of the request. Changes initiated by the programming staff must also now be documented with a Help Desk ticket. Requests for new development projects or functionality changes to applications are reviewed by programmer supervisors and approved or rejected. Supervisors then assign the changes to a developer and set a schedule for development. Changes to the programs are documented in the code or ancillary documentation logs, depending on the software involved. The change logs now reference the Help Desk ticket number, tying the software changes to the original request.</p> <p>Establish an off-site location for its backup data as soon as possible.</p> <p><u>Agency Response:</u> ADEQ will be relocating its current off-site storage location to the Department of Information Systems (DIS) Big Mac Data Center during the third quarter of 2014. ADEQ's current off-site location is only used for replicating data and maintaining a live copy of Active Directory. Our off-site location is inadequate to add the additional equipment necessary to provide for a redundant backup of all on-site data. Computer Services Network staff have implemented a second backup routine specifically to address this shortfall. In addition to the nightly backup to the on-site appliance, a second identical backup is performed and stored to portable drives for off-site. Drives are rotated weekly to the off-site location. When the move to the Big Mac Data Center is completed, a second backup appliance will be installed to mirror the on-site appliance.</p>

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY
FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
<p>Sound information system controls require that an adequate Disaster Recovery (DR) Plan and Continuity of Operations Plan (COOP) be in place and tested to provide assurance that business operations can recover in the event of a disaster. Several weaknesses were identified in ADEQ's plans:</p> <ul style="list-style-type: none">• Mission-essential functions were not identified, prioritized, and documented.• Specific procedures and guidelines were not established to recover the 13 mission-critical computer applications.• Vital records and databases necessary for restoration of business processes have not been identified.• Documentation is inadequate to determine that deficiencies identified in the most recent (fiscal year 2011) desktop drill have been corrected. <p>Failure to provide adequate DR and COOP guidelines increases the risk of irretrievable loss of data and applications and an unreasonable increase in time to restore business operations.</p>	<p>Update the plans, perform the necessary functions to ensure continued operations, and perform periodic off-site test restoration of mission-critical computer applications.</p> <p><u>Agency Response:</u> ADEQ will review its COOP plan and make recommended changes. Staff are scheduled to attend the July 16 Continuity of Operations Program at DIS. Training will provide staff tools and guidance to make necessary changes to comply with audit recommendations.</p>

Performance Audit Findings

DEPARTMENT OF ENVIRONMENTAL QUALITY

Findings and Conclusions:

Review of Selected Federal Awards

Arkansas Department of Environmental Quality (ADEQ)

Review Period: July 1, 2011 - June 30, 2012

Report Issued: December 12, 2013

Findings and Conclusions:

- ADEQ did not reconcile Agency equipment records timely. Failure to maintain effective internal controls regarding equipment could result in noncompliance with federal regulations.

Recommendations:

- ADEQ should strengthen controls to ensure equipment records are properly maintained and reconciled to physical inventory counts as required by 2 CFR 215.34.

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	170	157	327	88 %
Black Employees	8	28	36	10 %
Other Racial Minorities	7	1	8	2 %
Total Minorities			44	12 %
Total Employees			371	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
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Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016						2016-2017					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
2TP ADEQ - State Operations	4,708,530	70	5,042,657	73	5,180,035	73	5,122,665	73	5,122,665	73	5,122,665	73	5,124,666	73	5,124,666	73	5,124,666	73
2TQ ADEQ - Federal Operations	7,031,227	93	9,583,833	95	9,638,954	95	9,248,173	95	10,190,673	95	10,190,673	95	9,250,785	95	9,822,035	95	9,822,035	95
2TR Waste Water Licensing	93,515	1	162,506	1	218,168	1	163,597	1	163,597	1	163,597	1	163,597	1	163,597	1	163,597	1
2TS Land Reclamation	99,509	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0
2TT Hazardous Waste Permit Program	1,249,309	18	1,452,609	17	1,644,693	17	1,466,269	17	1,486,269	17	1,486,269	17	1,466,306	17	1,486,306	17	1,486,306	17
2TU Reclamation of Abandoned Mines - State	1,259,304	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0
2TV Surface Coal Mining	0	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0
2TW Mining Reclamation	33,540	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0
2TX Fee Administration	11,946,920	171	13,887,705	177	14,945,752	177	13,887,156	177	14,108,156	177	14,108,156	177	13,892,551	177	14,047,551	177	14,047,551	177
2TY Solid Waste Performance Bonds	0	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0	3,000,000	0
2TZ Hazardous Waste Cleanup	681,040	3	7,959,760	5	7,962,014	3	7,615,191	5	8,091,024	5	8,091,024	5	7,615,191	5	8,136,024	5	8,136,024	5
2UA Emergency Response Program	67,009	1	478,943	1	499,627	2	378,488	0	372,655	0	372,655	0	378,488	0	372,655	0	372,655	0
2UB Asbestos Control Program	364,967	4	403,222	6	412,306	6	491,449	6	491,449	6	491,449	6	491,449	6	491,449	6	491,449	6
2UC Solid Waste Mgmt/Recycling Prog	7,255,336	20	8,508,141	20	8,511,461	20	8,500,671	20	8,525,671	20	8,525,671	20	8,501,653	20	8,526,653	20	8,526,653	20
2UD Reg. Substance Storage Tank	836,688	15	929,593	17	930,047	17	957,569	17	957,569	17	957,569	17	957,691	17	957,691	17	957,691	17
2UE Petroleum Storage Tank Trust	5,800,925	4	21,778,577	5	21,785,048	5	21,817,788	5	21,817,788	5	21,817,788	5	21,817,788	5	21,817,788	5	21,817,788	5
2UF Regulated Storage Tank Program	304,441	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0
2UG Landfill Post Closure Program	529,481	5	7,786,855	4	7,836,977	4	7,790,306	4	7,790,306	4	7,790,306	4	7,790,306	4	7,790,306	4	7,790,306	4
2UH Waste Tire Recycling Program	5,063,154	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0
2UJ St Mktg Brd for Recyclables Prog	7,944	0	28,876	0	28,876	0	28,876	0	28,876	0	28,876	0	28,876	0	28,876	0	28,876	0
2UK Environmental Education Program	152,330	1	272,230	1	271,965	1	272,976	1	272,976	1	272,976	1	272,976	1	272,976	1	272,976	1
2UN Small Business Loans	0	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0	550,000	0
2UP Sm Bus Revolving Loan Prog Exp	1,004	0	19,660	0	19,660	0	19,660	0	19,660	0	19,660	0	19,660	0	19,660	0	19,660	0
2UQ Performance Partnership Syst Exp	17,585	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0
2UR Environmental Settlement Trust	71,992	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0
2US Computer/Electronic Recycling	126,095	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
344 PCE Comm Admn Hearing Officer	187,268	2	283,933	2	258,197	2	285,970	2	285,970	2	285,970	2	285,970	2	285,970	2	285,970	2
36A Fee Administration Non-Haz Clean Up	0	0	100,000	0	750,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0	100,000	0
467 PCE Commission Expenses	3,936	0	3,977	0	3,977	0	3,977	0	4,477	0	4,477	0	3,977	0	4,477	0	4,477	0
F72 Performance Bond Fund	0	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
Total	47,893,049	408	102,868,077	423	105,082,757	423	102,335,781	422	104,014,781	422	104,014,781	422	102,346,930	422	103,633,680	422	103,633,680	422

Funding Sources			%		%			%		%		%		%		%		%
Fund Balance	4000005	94,386,405	65.7	95,688,680	57.6		63,211,499	47.8	63,211,499	47.4	63,211,499	47.5	45,680,267	39.8	45,414,267	39.5	45,314,267	39.4
General Revenue	4000010	4,414,294	3.1	4,410,242	2.7		4,410,242	3.3	4,410,742	3.3	4,310,742	3.2	4,412,243	3.8	4,412,743	3.8	4,312,743	3.8
Federal Revenue	4000020	8,628,512	6.0	20,728,833	12.5		20,393,173	15.4	21,335,673	16.0	21,335,673	16.0	20,395,785	17.8	20,967,035	18.2	20,967,035	18.2
Special Revenue	4000030	27,385,403	18.7	31,182,118	18.8		29,581,970	22.4	29,581,970	22.2	29,581,970	22.2	29,515,970	25.7	29,515,970	25.6	29,515,970	25.6
Non-Revenue Receipts	4000040	530,395	0.4	475,000	0.3		475,000	0.4	475,000	0.4	475,000	0.4	475,000	0.4	475,000	0.4	475,000	0.4
Trust Fund	4000050	1,037,789	0.7	2,036,543	1.2		2,709,321	2.0	2,703,488	2.0	2,703,488	2.0	2,754,321	2.4	2,748,488	2.4	2,748,488	2.4
Bond Forfeitures	4000120	99,509	0.1	3,950,000	2.4		3,950,000	3.0	3,950,000	3.0	3,950,000	3.0	3,950,000	3.4	3,950,000	3.4	3,950,000	3.4
Interest	4000300	46,914	0.0	71,160	0.0		71,160	0.1	71,160	0.1	71,160	0.1	71,160	0.1	71,160	0.1	71,160	0.1
Inter-agency Fund Transfer	4000316	(157,334)	(0.1)	0	0.0		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Loan Repayment	4000330	0	0.0	550,000	0.3		550,000	0.4	550,000	0.4	550,000	0.4	550,000	0.5	550,000	0.5	550,000	0.5
M & R Sales	4000340	110,678	0.1	110,000	0.1		110,000	0.1	110,000	0.1	110,000	0.1	110,000	0.1	110,000	0.1	110,000	0.1
Other	4000370	7,587,109	5.3	6,877,000	4.1		6,878,500	5.2	6,878,500	5.2	6,878,500	5.2	6,878,500	6.0	6,878,500	6.0	6,878,500	6.0
Total Funds		143,581,729	100.0	168,975,588	100.0		132,340,865	100.0	133,278,032	100.0	133,178,032	100.0	114,793,246	100.0	115,093,163	100.0	114,893,163	100.0
Excess Appropriation/(Funding)		(95,688,680)		(63,211,499)			(30,005,084)		(29,263,251)		(29,163,251)		(12,446,316)		(11,459,483)		(11,259,483)	
Grand Total		47,893,049		102,868,077			102,335,781		104,014,781		104,014,781		102,346,930		103,633,680		103,633,680	

Variance in fund balances is due to unfunded appropriation in Hazardous Waste Cleanup (2TZ), Petroleum Storage Tank Trust Fund (2UE), Waste Tire Recycling Program (2UH), Environmental Education Program (2UK), and Performance Partnership System Expenses (2UQ).

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
429	376	47	423	6	12.35 %	423	380	43	423	0	10.17 %	423	370	52	422	1	12.53 %

Analysis of Budget Request

Appropriation: 2TP - ADEQ - State Operations

Funding Sources: HMA - ADEQ Fund

The Agency utilizes this appropriation for the general operations of various programs and for matching of federal grants. This appropriation is funded by general revenue, and other non-revenue receipt deposits along with contributions from other agencies.

ADEQ is charged with the duty to issue permits to prevent the discharge of wastes into waters of the state. In conjunction with drilling activities, the Agency issues permits for land application activities, reserve pits, and storage facilities associated with salt-water injection wells. The Agency also performs site inspections and responds to citizen complaints.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

The Agency requests Base Level funding for both years of the 2015-2017 Biennium.

The Executive Recommendation provides for Base Level and a reduction in general revenue funding of \$100,000 each year of the 2015-2017 Biennium.

Appropriation Summary

Appropriation: 2TP - ADEQ - State Operations

Funding Sources: HMA - ADEQ Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	3,245,742	3,483,351	3,600,337	3,536,181	3,536,181	3,536,181	3,537,581	3,537,581	3,537,581
#Positions		70	73	73	73	73	73	73	73	73
Extra Help	5010001	10,804	25,674	25,674	25,674	25,674	25,674	25,674	25,674	25,674
#Extra Help		1	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	1,096,886	1,144,234	1,164,626	1,171,412	1,171,412	1,171,412	1,172,013	1,172,013	1,172,013
Operating Expenses	5020002	334,391	353,183	353,183	353,183	353,183	353,183	353,183	353,183	353,183
Conference & Travel Expenses	5050009	20,707	32,115	32,115	32,115	32,115	32,115	32,115	32,115	32,115
Professional Fees	5060010	0	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		4,708,530	5,042,657	5,180,035	5,122,665	5,122,665	5,122,665	5,124,666	5,124,666	5,124,666
Funding Sources										
Fund Balance	4000005	730,494	962,717		801,325	801,325	801,325	559,925	559,925	459,925
General Revenue	4000010	4,410,358	4,406,265		4,406,265	4,406,265	4,306,265	4,408,266	4,408,266	4,308,266
Non-Revenue Receipts	4000040	530,395	475,000		475,000	475,000	475,000	475,000	475,000	475,000
Total Funding		5,671,247	5,843,982		5,682,590	5,682,590	5,582,590	5,443,191	5,443,191	5,243,191
Excess Appropriation/(Funding)		(962,717)	(801,325)		(559,925)	(559,925)	(459,925)	(318,525)	(318,525)	(118,525)
Grand Total		4,708,530	5,042,657		5,122,665	5,122,665	5,122,665	5,124,666	5,124,666	5,124,666

Analysis of Budget Request

Appropriation: 2TQ - ADEQ - Federal Operations

Funding Sources: FYP - Federal Funds

ADEQ utilizes this appropriation for the federal portion of program activities. Federal funding is received from the Environmental Protection Agency (EPA) and the US Department of Interior. The Agency operates under the grants with varying amounts of state matching requirements.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

In addition to Base Level of \$9,248,173 in FY16 and \$9,250,785 in FY17, the Agency's Change Level requests totaling \$942,500 in FY16 and \$571,250 in FY17 reflect the following:

- Operating Expenses decrease of \$310,000 each year in order to reallocate appropriation to Professional and Administrative Fees and Grants and Aid.
- Conference and Travel Fees decrease of \$20,000 each year in order to reallocate appropriation to Professional and Administrative Fees.
- Professional and Administrative Fees increase of \$245,000 each year in order for the Agency to meet its obligations under the Federal Grant Program.
- Grants and Aid increase of \$720,000 in FY16 and \$400,000 in FY17 for the Agency to meet its obligations under the DERA Grant Program.
- Capital Outlay increase of \$307,500 in FY16 and \$256,250 in FY17 to replace equipment and vehicles.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TQ - ADEQ - Federal Operations

Funding Sources: FYP - Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	4,083,450	4,343,017	4,401,756	4,319,680	4,319,680	4,319,680	4,321,805	4,321,805	4,321,805
#Positions		93	95	95	95	95	95	95	95	95
Extra Help	5010001	9,605	148,585	148,585	148,585	148,585	148,585	148,585	148,585	148,585
#Extra Help		5	62	62	62	62	62	62	62	62
Personal Services Matching	5010003	1,401,975	1,470,644	1,443,026	1,468,321	1,468,321	1,468,321	1,468,808	1,468,808	1,468,808
Operating Expenses	5020002	1,152,436	2,050,060	2,074,060	2,050,060	1,740,060	1,740,060	2,050,060	1,740,060	1,740,060
Conference & Travel Expenses	5050009	29,260	251,126	251,126	251,126	231,126	231,126	251,126	231,126	231,126
Professional Fees	5060010	127,580	510,401	510,401	510,401	755,401	755,401	510,401	755,401	755,401
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	0	0	0	0	720,000	720,000	0	400,000	400,000
Capital Outlay	5120011	226,921	810,000	810,000	500,000	807,500	807,500	500,000	756,250	756,250
Total		7,031,227	9,583,833	9,638,954	9,248,173	10,190,673	10,190,673	9,250,785	9,822,035	9,822,035
Funding Sources										
Federal Revenue	4000020	7,031,227	9,583,833		9,248,173	10,190,673	10,190,673	9,250,785	9,822,035	9,822,035
Total Funding		7,031,227	9,583,833		9,248,173	10,190,673	10,190,673	9,250,785	9,822,035	9,822,035
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		7,031,227	9,583,833		9,248,173	10,190,673	10,190,673	9,250,785	9,822,035	9,822,035

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Capital Outlay in the amount of \$500,000 is included in Base Level to provide for the Agency's capital lease.

Change Level by Appropriation

Appropriation: 2TQ - ADEQ - Federal Operations
Funding Sources: FYP - Federal Funds

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	9,248,173	95	9,248,173	100.0	9,250,785	95	9,250,785	100.0
C01	Existing Program	942,500	0	10,190,673	110.2	571,250	0	9,822,035	106.2
C04	Reallocation	0	0	10,190,673	110.2	0	0	9,822,035	106.2

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	9,248,173	95	9,248,173	100.0	9,250,785	95	9,250,785	100.0
C01	Existing Program	942,500	0	10,190,673	110.2	571,250	0	9,822,035	106.2
C04	Reallocation	0	0	10,190,673	110.2	0	0	9,822,035	106.2

Justification

C01	The Air Division requests \$535,000 and \$215,000 for the fiscal years ending June 30, 2016 and June 30, 2017, respectively for Assistance Grants and Aid appropriation to fulfill the Division's obligations and responsibilities for the DERA Grant program. The Air Division is also requesting \$25,000 Capital Outlay appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. The Water Division requests \$20,000 in Capital Outlay appropriation each fiscal year to replace equipment as it becomes inoperable, i.e., samplers, multiprobe monitoring devices, incubators, sterilizers, etc. We have a variety of aging equipment and we repair it as best we can before it is replaced. However, we need appropriation available in the event the equipment can no longer be repaired. The Regulated Storage Tank Division requests \$25,000 Capital Appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide. The Technical Services Division is requesting \$337,500 and \$286,250 for fiscal years ending June 30, 2016 and 2017 respectively for Capital Outlay appropriation to replace aging air monitoring equipment used for collecting data for the ambient air network program. FY16 equipment includes monitoring trailers with installation costs, data loggers, speciation equipment, particulate monitoring equipment ovens and new air monitoring systems for a proposed program the EPA is asking us to implement. FY17 equipment needs will include monitoring trailers with installation costs, data loggers, speciation equipment, particulate monitoring equipment ovens and new air monitoring systems for a proposed program the EPA is asking us to implement. Each location EPA requests will add approximately \$72,000.
C04	The Air Division requests to reallocate \$125,000 from Contractual Services to Professional and Administrative Fees for each fiscal year. The Air Division also requests to reallocate \$185,000 from Operating Expenses to Grants and Aid for each fiscal year. The Hazardous Waste Division requests to reallocate \$20,000 from Conference Fees and Travel ravel to Professional and Administrative Fees for each fiscal year. The Agency requests to reallocate \$100,000 from Capital Outlay to Professional and Administrative Fees for each fiscal year. Each of these requests are made to allow the Divisions to better meet their Federal Grant Program obligations.

Analysis of Budget Request

Appropriation: 2TR - Waste Water Licensing

Funding Sources: MWW - Waste Water Licensing Fund

This appropriation is utilized to operate the Waste Water Licensing Program. Pursuant to A.C.A. §8-5-209, funding is derived from licensing fees collected from wastewater treatment plant operations.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency requests Base Level in both years for the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TR - Waste Water Licensing
Funding Sources: MWW - Waste Water Licensing Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	62,773	60,840	101,924	61,547	61,547	61,547	61,547	61,547	61,547
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	23,865	19,945	34,523	20,329	20,329	20,329	20,329	20,329	20,329
Operating Expenses	5020002	6,047	26,632	26,632	26,632	26,632	26,632	26,632	26,632	26,632
Conference & Travel Expenses	5050009	830	5,089	5,089	5,089	5,089	5,089	5,089	5,089	5,089
Professional Fees	5060010	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		93,515	162,506	218,168	163,597	163,597	163,597	163,597	163,597	163,597
Funding Sources										
Fund Balance	4000005	404,301	428,045		400,539	400,539	400,539	371,942	371,942	371,942
Special Revenue	4000030	117,259	135,000		135,000	135,000	135,000	135,000	135,000	135,000
Total Funding		521,560	563,045		535,539	535,539	535,539	506,942	506,942	506,942
Excess Appropriation/(Funding)		(428,045)	(400,539)		(371,942)	(371,942)	(371,942)	(343,345)	(343,345)	(343,345)
Grand Total		93,515	162,506		163,597	163,597	163,597	163,597	163,597	163,597

Analysis of Budget Request

Appropriation: 2TS - Land Reclamation

Funding Sources: TLR - Land Reclamation Fund

The Agency utilizes this appropriation for Reclamation Projects, which would be funded by bond forfeitures on non-coal activities, such as sand and gravel (A.C.A. §15-57-319). Bonds are required on land to be mined in the event the land is not reclaimed to the specifications of the Department of Environmental Quality.

The Agency Request is for Base Level of \$950,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TS - Land Reclamation

Funding Sources: TLR - Land Reclamation Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Reclamation Contracts 5900043	99,509	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
Total	99,509	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
Funding Sources									
Bond Forfeitures 4000120	99,509	950,000		950,000	950,000	950,000	950,000	950,000	950,000
Total Funding	99,509	950,000		950,000	950,000	950,000	950,000	950,000	950,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	99,509	950,000		950,000	950,000	950,000	950,000	950,000	950,000

Analysis of Budget Request

Appropriation: 2TT - Hazardous Waste Permit Program

Funding Sources: SHW - Hazardous Waste Permit Fund

This appropriation is used to operate the Hazardous Waste Permit Program. Fees were established to recover the costs of processing permit applications and permit renewal proceedings; on-site inspections and monitoring; the certification of personnel to operate hazardous waste treatment, storage, or disposal facilities; and other departmental activities to assure that generators of hazardous waste and facilities are complying with current law (A.C.A. §19-6-434).

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

Base Level is \$1,466,269 in FY16 and \$1,466,306 in FY17.

The Agency's Change Level request is \$20,000 in Capital Outlay each year to purchase replacement vehicles.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TT - Hazardous Waste Permit Program

Funding Sources: SHW - Hazardous Waste Permit Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	810,360	857,976	1,004,776	867,175	867,175	867,175	867,200	867,200	867,200
#Positions		18	17	17	17	17	17	17	17	17
Extra Help	5010001	0	15,795	15,795	15,795	15,795	15,795	15,795	15,795	15,795
#Extra Help		0	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	277,542	279,584	324,868	284,045	284,045	284,045	284,057	284,057	284,057
Overtime	5010006	0	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Operating Expenses	5020002	157,062	197,304	197,304	197,304	197,304	197,304	197,304	197,304	197,304
Conference & Travel Expenses	5050009	4,345	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700
Professional Fees	5060010	0	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	20,000	20,000	0	20,000	20,000
Total		1,249,309	1,452,609	1,644,693	1,466,269	1,486,269	1,486,269	1,466,306	1,486,306	1,486,306
Funding Sources										
Fund Balance	4000005	4,144,667	4,011,754		3,794,145	3,794,145	3,794,145	3,582,876	3,562,876	3,562,876
Special Revenue	4000030	962,346	1,100,000		1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000
Other	4000370	154,050	135,000		135,000	135,000	135,000	135,000	135,000	135,000
Total Funding		5,261,063	5,246,754		5,049,145	5,049,145	5,049,145	4,837,876	4,817,876	4,817,876
Excess Appropriation/(Funding)		(4,011,754)	(3,794,145)		(3,582,876)	(3,562,876)	(3,562,876)	(3,371,570)	(3,331,570)	(3,331,570)
Grand Total		1,249,309	1,452,609		1,466,269	1,486,269	1,486,269	1,466,306	1,486,306	1,486,306

Change Level by Appropriation

Appropriation: 2TT - Hazardous Waste Permit Program
Funding Sources: SHW - Hazardous Waste Permit Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	1,466,269	17	1,466,269	100.0	1,466,306	17	1,466,306	100.0
C01	Existing Program	20,000	0	1,486,269	101.4	20,000	0	1,486,306	101.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	1,466,269	17	1,466,269	100.0	1,466,306	17	1,466,306	100.0
C01	Existing Program	20,000	0	1,486,269	101.4	20,000	0	1,486,306	101.4

Justification

C01	The Hazardous Waste Division requests \$20,000 of capital appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide.								
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Analysis of Budget Request

Appropriation: 2TU - Reclamation of Abandoned Mines - State

Funding Sources: MAE - Abandoned Mine Reclamation Fund

The Agency utilizes this appropriation for bond forfeitures on coal or lignite mined lands. When mine land in Arkansas is cut for coal or lignite, a bond must be put up in the amount agreed upon by the Agency for reclamation of the area. In the event reclamation efforts fail, the bond is forfeited and the Agency is responsible for contracting for the reclamation work. The Mining Reclamation Fund may only be used to accomplish reclamation of land covered by forfeitures of performance bonds.

The Agency Request is for Base Level of \$5,700,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TU - Reclamation of Abandoned Mines - State

Funding Sources: MAE - Abandoned Mine Reclamation Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Abandoned Mine Reclamation Cc 5900043	1,259,304	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
Total	1,259,304	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
Funding Sources									
Federal Revenue 4000020	1,259,304	5,700,000		5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
Total Funding	1,259,304	5,700,000		5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,259,304	5,700,000		5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000

Analysis of Budget Request

Appropriation: 2TV - Surface Coal Mining

Funding Sources: MAF - Surface Coal Mining Operation Fund

The Agency utilizes this appropriation to administer and enforce the Arkansas Surface Coal Mining Reclamation Code. Pursuant to A.C.A. § 15-58-508, permit fees collected from coal and lignite-mining operations fund the appropriation.

The Agency Request is for Base Level of \$15,000 for each year in the 2015-17 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TV - Surface Coal Mining

Funding Sources: MAF - Surface Coal Mining Operation Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		0	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Funding Sources										
Fund Balance	4000005	72,602	82,777		74,777	74,777	74,777	68,277	68,277	68,277
Other	4000370	10,175	7,000		8,500	8,500	8,500	8,500	8,500	8,500
Total Funding		82,777	89,777		83,277	83,277	83,277	76,777	76,777	76,777
Excess Appropriation/(Funding)		(82,777)	(74,777)		(68,277)	(68,277)	(68,277)	(61,777)	(61,777)	(61,777)
Grand Total		0	15,000		15,000	15,000	15,000	15,000	15,000	15,000

Analysis of Budget Request

Appropriation: 2TW - Mining Reclamation

Funding Sources: TMA - Mine Reclamation Trust Fund

The Agency utilizes this appropriation for bond forfeitures on coal or lignite mined lands. When mine land in Arkansas is cut for coal or lignite, a bond must be put up in the amount agreed upon by the Agency for reclamation of the area. In the event reclamation efforts fail, the bond is forfeited and the Agency is responsible for contracting for the reclamation work. The Mining Reclamation Fund may only be used to accomplish reclamation of land covered by forfeitures of performance bonds.

The Agency Request is for Base Level of \$1,520,000 each year in the 2015-17 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TW - Mining Reclamation

Funding Sources: TMA - Mine Reclamation Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Mining Reclamation Contractual 5900043	33,540	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Total	33,540	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Funding Sources									
Federal Revenue 4000020	33,540	1,520,000		1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Total Funding	33,540	1,520,000		1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	33,540	1,520,000		1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000

Analysis of Budget Request

Appropriation: 2TX - Fee Administration

Funding Sources: TPE - ADEQ Fee Trust Fund

Act 817 of 1983 (A.C.A. §8-1-103), as amended, authorized the Agency to establish and collect permit fees for Air, Water, and Solid Waste permitting, monitoring and inspecting activities. During the 79th General Assembly, various limits on permits were included, with the Agency revising the rate structures. The fees, as established by the Agency in accordance with stipulations set out in the Act, were increased effective in October of 1993. Further, the Federal Clean Air Act has required a permit fee system to cover the costs of compliance with this law.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request includes Base Level appropriation of \$13,887,156 in FY16, \$13,892,551 in FY17, and Change Level requests as follows:

- Reallocation of \$141,000 from Operating Expenses to Professional and Administrative Services in order to fund a contract with the University of Arkansas Agriculture Extension Service.
- Professional Fees increase of \$61,000 in FY16 and \$25,000 in FY17 to help fund a contract with the University of Arkansas Agriculture Extension Service.
- Capital Outlay increase of \$160,000 in FY16 and \$130,000 in FY17 for the purchase of three (3) new i3200 scanners, three (3) new A3 flatbed scanners and accompanying software and support, one (1) Forward Looking Infrared (FLIR) camera and accessories, and the replacement of aging or irreparable equipment. This request is contingent upon the agency's Information Technology Plan.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TX - Fee Administration
Funding Sources: TPE - ADEQ Fee Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	7,223,740	7,712,752	7,804,779	7,721,501	7,721,501	7,721,501	7,725,901	7,725,901	7,725,901
#Positions		171	177	177	177	177	177	177	177	177
Extra Help	5010001	0	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
#Extra Help		0	5	5	5	5	5	5	5	5
Personal Services Matching	5010003	2,483,032	2,630,875	2,596,895	2,646,577	2,646,577	2,646,577	2,647,572	2,647,572	2,647,572
Operating Expenses	5020002	847,215	1,448,170	1,698,170	1,448,170	1,307,170	1,307,170	1,448,170	1,307,170	1,307,170
Conference & Travel Expenses	5050009	28,569	152,389	152,389	152,389	152,389	152,389	152,389	152,389	152,389
Professional Fees	5060010	51,893	823,519	1,573,519	823,519	1,025,519	1,025,519	823,519	989,519	989,519
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	1,312,471	1,075,000	1,075,000	1,050,000	1,210,000	1,210,000	1,050,000	1,180,000	1,180,000
Total		11,946,920	13,887,705	14,945,752	13,887,156	14,108,156	14,108,156	13,892,551	14,047,551	14,047,551
Funding Sources										
Fund Balance	4000005	15,167,172	14,935,969		17,098,264	17,098,264	17,098,264	17,282,108	17,061,108	17,061,108
Special Revenue	4000030	11,715,717	16,050,000		14,071,000	14,071,000	14,071,000	14,005,000	14,005,000	14,005,000
Total Funding		26,882,889	30,985,969		31,169,264	31,169,264	31,169,264	31,287,108	31,066,108	31,066,108
Excess Appropriation/(Funding)		(14,935,969)	(17,098,264)		(17,282,108)	(17,061,108)	(17,061,108)	(17,394,557)	(17,018,557)	(17,018,557)
Grand Total		11,946,920	13,887,705		13,887,156	14,108,156	14,108,156	13,892,551	14,047,551	14,047,551

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Capital Outlay in the amount of \$1,050,000 is included in Base Level to provide for the Agency's capital lease.

Change Level by Appropriation

Appropriation: 2TX - Fee Administration
Funding Sources: TPE - ADEQ Fee Trust Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	13,887,156	177	13,887,156	100.0	13,892,551	177	13,892,551	100.0
C01	Existing Program	191,000	0	14,078,156	101.4	155,000	0	14,047,551	101.1
C04	Reallocation	0	0	14,078,156	101.4	0	0	14,047,551	101.1
C08	Technology	30,000	0	14,108,156	101.6	0	0	14,047,551	101.1

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	13,887,156	177	13,887,156	100.0	13,892,551	177	13,892,551	100.0
C01	Existing Program	191,000	0	14,078,156	101.4	155,000	0	14,047,551	101.1
C04	Reallocation	0	0	14,078,156	101.4	0	0	14,047,551	101.1
C08	Technology	30,000	0	14,108,156	101.6	0	0	14,047,551	101.1

Justification

C01	The Air Division is requesting \$61,000 for FY2016 and \$25,000 for FY2017 in appropriation for Professional and Administrative Fees to help fund a contract with the U of A Agriculture extension service. The Air Division also requests \$110,000 in Capital Appropriation each year to purchase a FLIR (Forward Looking Infrared) camera and accessories. Many areas of the state face being classified as Non-Attainment under the revised National Ambient Air Quality Standard for Ozone which was finalized in August 2010. This device provides rapid non-intrusive inspection capabilities of equipment and processes emitting Volatile Organic Compounds (VOCs). Imaging capabilities of this instrument provide visual evidence of emission leaks/releases that are otherwise invisible to the naked eye and enables the tracking of a leak directly to the source. It also provides the capability to verify that leaks have been repaired. The Water Division is requesting \$20,000 in Capital Outlay ADEQ Permit Fees (2TX) appropriation each year to replace equipment as it becomes inoperable, i.e., samplers, multi-probe monitoring devices, incubators, sterilizers, etc. We have a variety of aging equipment and we repair it as much as possible before it is replaced.
C04	The Air Division is requesting to reallocate \$141,000 from Operating Expenses to Professional Fees to fund a contract for Arkansas Agriculture Extension Service.
C08	The Records Management Section is requesting \$30,000 in Capital Outlay appropriation for 2016 only. The Record Management Section scans all of the Agency's documents as electronic records and makes them available to the public for transparency. The current scanners are over eight years old and their scan drivers are no longer supported by Microsoft. The appropriation will allow for the purchase of three (3) new i3200 scanners, 3 new A3 flatbed scanners, and the necessary software and support.

Analysis of Budget Request

Appropriation: 2TY - Solid Waste Performance Bonds

Funding Sources: MWP - Solid Waste Performance Bond Fund

The Agency utilizes this appropriation for payment to contractors for the proper closure of solid waste facilities. If a city, county, or individual in Arkansas were to open a landfill, a performance bond would be put up to insure proper closure of the site once it is complete; however, if the site does not meet requirements of the Pollution Control and Ecology Commission the bond is forfeited and the Agency contracts the remediation work.

The Agency Request is for Base Level of \$3,000,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TY - Solid Waste Performance Bonds
Funding Sources: MWP - Solid Waste Performance Bond Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Solid Waste Performance Bonds 5900043	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Funding Sources									
Bond Forfeitures 4000120	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Funding	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	3,000,000		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

Analysis of Budget Request

Appropriation: 2TZ - Hazardous Waste Cleanup

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

The Hazardous Substance Remedial Action Trust Fund was established by Act 479 of 1985 (A.C.A. §8-7-509). Funding is derived from fees, donations, damages, and any other monies legally designated for the fund. The Agency utilizes this appropriation for administrative costs and expenses of providing for inspection, identification, containment, abatement, treatment, and control of hazardous substance sites. In addition, ten percent (10%) of the monies collected for the Hazardous Substance Remedial Action Trust Fund are deposited into the Environmental Education Fund up to \$275,000 per fiscal year. This appropriation contains \$4,000,000 of unfunded contingency appropriation that is utilized when necessary and funded for corrective actions.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

In addition to Base Level of \$7,615,191 in each year of the 2015-2017 Biennium, the Agency's Change Level request reflects:

- Reallocate Operating Expenses from Fund Center 2UA to consolidate cost centers and make budgetary tracking easier.
- Reallocate Conference Fees and Travel of \$2,000 from Fund Center 2UA to consolidate cost centers and make budgetary tracking easier.
- Capital Outlay of \$470,000 in FY16 and \$515,000 in FY17 of appropriation to replace aging laboratory and information technology equipment.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2TZ - Hazardous Waste Cleanup

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	119,189	131,864	134,272	209,256	209,256	209,256	209,256	209,256	209,256
#Positions		3	5	3	5	5	5	5	5	5
Personal Services Matching	5010003	41,614	44,641	44,487	72,680	72,680	72,680	72,680	72,680	72,680
Operating Expenses	5020002	37,419	401,358	401,358	401,358	405,191	405,191	401,358	405,191	405,191
Conference & Travel Expenses	5050009	0	33,960	33,960	33,960	35,960	35,960	33,960	35,960	35,960
Professional Fees	5060010	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	101,321	450,000	450,000	0	470,000	470,000	0	515,000	515,000
Contractual Services	5900043	287,508	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000
Data Processing Purchases	5900044	93,989	453,937	453,937	453,937	453,937	453,937	453,937	453,937	453,937
Total		681,040	7,959,760	7,962,014	7,615,191	8,091,024	8,091,024	7,615,191	8,136,024	8,136,024
Funding Sources										
Fund Balance	4000005	8,808,568	9,026,316		1,274,156	1,274,156	1,274,156	0	0	0
Trust Fund	4000050	898,788	207,600		980,833	980,833	980,833	1,025,833	1,025,833	1,025,833
Total Funding		9,707,356	9,233,916		2,254,989	2,254,989	2,254,989	1,025,833	1,025,833	1,025,833
Excess Appropriation/(Funding)		(9,026,316)	(1,274,156)		5,360,202	5,836,035	5,836,035	6,589,358	7,110,191	7,110,191
Grand Total		681,040	7,959,760		7,615,191	8,091,024	8,091,024	7,615,191	8,136,024	8,136,024

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Budget Number of Positions may exceed the Authorized Number due to single salary section in appropriation act.

Change Level by Appropriation

Appropriation: 2TZ - Hazardous Waste Cleanup
Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	7,615,191	5	7,615,191	100.0	7,615,191	5	7,615,191	100.0
C01	Existing Program	390,000	0	8,005,191	105.1	435,000	0	8,050,191	105.7
C04	Reallocation	5,833	0	8,011,024	105.2	5,833	0	8,056,024	105.8
C08	Technology	80,000	0	8,091,024	106.2	80,000	0	8,136,024	106.8

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	7,615,191	5	7,615,191	100.0	7,615,191	5	7,615,191	100.0
C01	Existing Program	390,000	0	8,005,191	105.1	435,000	0	8,050,191	105.7
C04	Reallocation	5,833	0	8,011,024	105.2	5,833	0	8,056,024	105.8
C08	Technology	80,000	0	8,091,024	106.2	80,000	0	8,136,024	106.8

Justification

C01	The Technical Services division of the ADEQ is requesting \$ 390,000 and \$ 435,000 for fiscal years ending June 30, 2016 and 2017 respectively for Capital Outlay appropriation to replace aging laboratory equipment used for environmental testing. FY16 equipment includes a gas chromatograph/mass spectrometer, inductively coupled plasma/mass spectrophotometer, gas chromatograph/EC+FID, analytical balances, mercury analyzer. FY17 equipment needs will include a volatiles gas chromatograph/mass spectrometer, Solid Phase Extraction apparatus, automated nutrients analyzer, microwave digester and an ion chromatograph.
C04	The Hazardous Waste Division requests to reallocate \$5,833 in appropriation for their Emergency Response Program from 2UA to 2TZ. This move is designed to consolidate their activity into fewer cost centers to make their budgetary tracking easier.
C08	The Computer Services Division is requesting capital outlay appropriation from (2TZ) trust funds in the amount of \$80,000 for each fiscal year. The equipment purchased will allow for replacement of aging servers and the backup and archival system.

Analysis of Budget Request

Appropriation: 2UA - Emergency Response Program

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

This appropriation was created by Act 452 of 1985 (A.C.A. §8-7-401) in order to give spending authorization to the Emergency Response Program. Act 1824 of 2005 repealed A.C.A. §8-7-401 and provided for funds collected as civil penalties to be deposited in the Hazardous Substance Remedial Action Trust Fund (A.C.A. §8-4-103), and provided for the Emergency Response Program to be funded from the Hazardous Substance Remedial Action Trust. Funds are used for the purchase/reimbursement of any commodities and/or services necessary in taking emergency response actions in connection with a release or a threatened release of hazardous substances. Further, the Director is not authorized to spend in excess of \$250,000 on any single response action without the Pollution Control & Ecology Commission approval.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of \$378,488 in each year of the 2015-17 Biennium with reallocations of \$3,833 from Operating Expenses and \$2,000 from Conference and Travel Expenses to Fund Center 2TZ to consolidate cost centers and make budgetary tracking easier.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UA - Emergency Response Program

Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	40,414	73,875	91,125	0	0	0	0	0	0
#Positions		1	1	2	0	0	0	0	0	0
Personal Services Matching	5010003	19,026	26,580	30,014	0	0	0	0	0	0
Operating Expenses	5020002	1,707	3,833	3,833	3,833	0	0	3,833	0	0
Conference & Travel Expenses	5050009	0	2,000	2,000	2,000	0	0	2,000	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Contractual Services	5900043	5,862	372,655	372,655	372,655	372,655	372,655	372,655	372,655	372,655
Total		67,009	478,943	499,627	378,488	372,655	372,655	378,488	372,655	372,655
Funding Sources										
Trust Fund	4000050	67,009	478,943		378,488	372,655	372,655	378,488	372,655	372,655
Total Funding		67,009	478,943		378,488	372,655	372,655	378,488	372,655	372,655
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		67,009	478,943		378,488	372,655	372,655	378,488	372,655	372,655

Change Level by Appropriation

Appropriation: 2UA - Emergency Response Program
Funding Sources: THS - Hazardous Substance Remedial Action Trust Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	378,488	0	378,488	100.0	378,488	0	378,488	100.0
C04	Reallocation	(5,833)	0	372,655	98.5	(5,833)	0	372,655	98.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	378,488	0	378,488	100.0	378,488	0	378,488	100.0
C04	Reallocation	(5,833)	0	372,655	98.5	(5,833)	0	372,655	98.5

Justification

C04	The Hazardous Waste Division requests to reallocate \$5,833 in appropriation for their Emergency Response Program from 2UA to 2TZ. This move is designed to consolidate their activity into fewer cost centers to make their budgetary tracking easier.								
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Analysis of Budget Request

Appropriation: 2UB - Asbestos Control Program

Funding Sources: SAC - Asbestos Control Fund

The Asbestos Control Program utilizes this appropriation to provide spending authority for responsibilities placed on the Agency through Act 394 of 1985 (A.C.A. §20-27-1001). This Act called for the Agency to adopt, administer, and enforce a program for licensing contractors engaged in the removal of asbestos materials from facilities. Pursuant to A.C.A. §19-6-452, funding is derived from an annual contractor's license fee of \$500 and a fee of \$35 for asbestos removal workers to cover program costs.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of \$491,449 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UB - Asbestos Control Program

Funding Sources: SAC - Asbestos Control Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	151,619	160,938	169,464	224,192	224,192	224,192	224,192	224,192	224,192
#Positions		4	6	6	6	6	6	6	6	6
Personal Services Matching	5010003	54,283	56,642	57,200	81,615	81,615	81,615	81,615	81,615	81,615
Operating Expenses	5020002	7,543	29,452	29,452	29,452	29,452	29,452	29,452	29,452	29,452
Conference & Travel Expenses	5050009	1,097	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090
Professional Fees	5060010	425	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		364,967	403,222	412,306	491,449	491,449	491,449	491,449	491,449	491,449
Funding Sources										
Fund Balance	4000005	1,674,048	1,587,410		1,454,188	1,454,188	1,454,188	1,232,739	1,232,739	1,232,739
Special Revenue	4000030	278,329	270,000		270,000	270,000	270,000	270,000	270,000	270,000
Total Funding		1,952,377	1,857,410		1,724,188	1,724,188	1,724,188	1,502,739	1,502,739	1,502,739
Excess Appropriation/(Funding)		(1,587,410)	(1,454,188)		(1,232,739)	(1,232,739)	(1,232,739)	(1,011,290)	(1,011,290)	(1,011,290)
Grand Total		364,967	403,222		491,449	491,449	491,449	491,449	491,449	491,449

Analysis of Budget Request

Appropriation: 2UC - Solid Waste Mgmt/Recycling Prog

Funding Sources: TWS - Solid Waste Management Recycling Fund

Act 849 of 1989 (A.C.A. §8-6-605) established a Solid Waste Management and Recycling Fund to assist counties, cities, and solid waste authorities in the development of solid waste management plans, programs, and facilities that integrate recycling as a functional part of the solid waste management system. During the 79th General Assembly, additional legislation was adopted strengthening the recycling aspect of solid waste management. Funding is derived from landfill disposal fees collected pursuant to legislative enactments.

This appropriation contains unfunded contingency appropriation for Electronic Waste Recycling Infrastructure. Pursuant to A.C.A. §8-6-614, funding is derived from landfill disposal fees.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

In addition to Base Level of \$8,500,671 in FY16 and \$8,501,653 in FY17, the Agency requests \$25,000 in Capital Outlay for the purchase of replacement vehicles. The Agency also requests \$4,650,000 to be reallocated from Grants and Aid to Refunds/Reimbursements to comply with Act 1333 of 2013 that changed program disbursements to "distributions" from "grants."

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UC - Solid Waste Mgmt/Recycling Prog
Funding Sources: TWS - Solid Waste Management Recycling Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	885,117	895,984	902,298	904,031	904,031	904,031	904,831	904,831	904,831
#Positions		20	20	20	20	20	20	20	20	20
Personal Services Matching	5010003	298,515	299,960	296,966	304,443	304,443	304,443	304,625	304,625	304,625
Operating Expenses	5020002	97,152	126,529	126,529	126,529	126,529	126,529	126,529	126,529	126,529
Conference & Travel Expenses	5050009	1,694	15,668	15,668	15,668	15,668	15,668	15,668	15,668	15,668
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	3,523,048	4,650,000	4,650,000	4,650,000	0	0	4,650,000	0	0
Refunds/Reimbursements	5110014	0	0	0	0	4,650,000	4,650,000	0	4,650,000	4,650,000
Capital Outlay	5120011	19,128	20,000	20,000	0	25,000	25,000	0	25,000	25,000
Electronic Waste Recycling Infra:	5900046	2,430,682	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Total		7,255,336	8,508,141	8,511,461	8,500,671	8,525,671	8,525,671	8,501,653	8,526,653	8,526,653

Funding Sources										
Fund Balance	4000005	15,510,790	15,934,817		15,376,676	15,376,676	15,376,676	14,826,005	14,801,005	14,801,005
Special Revenue	4000030	7,679,363	7,950,000		7,950,000	7,950,000	7,950,000	7,950,000	7,950,000	7,950,000
Total Funding		23,190,153	23,884,817		23,326,676	23,326,676	23,326,676	22,776,005	22,751,005	22,751,005
Excess Appropriation/(Funding)		(15,934,817)	(15,376,676)		(14,826,005)	(14,801,005)	(14,801,005)	(14,274,352)	(14,224,352)	(14,224,352)
Grand Total		7,255,336	8,508,141		8,500,671	8,525,671	8,525,671	8,501,653	8,526,653	8,526,653

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: 2UC - Solid Waste Mgmt/Recycling Prog
Funding Sources: TWS - Solid Waste Management Recycling Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	8,500,671	20	8,500,671	100.0	8,501,653	20	8,501,653	100.0
C01	Existing Program	25,000	0	8,525,671	100.3	25,000	0	8,526,653	100.3
C04	Reallocation	0	0	8,525,671	100.3	0	0	8,526,653	100.3

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	8,500,671	20	8,500,671	100.0	8,501,653	20	8,501,653	100.0
C01	Existing Program	25,000	0	8,525,671	100.3	25,000	0	8,526,653	100.3
C04	Reallocation	0	0	8,525,671	100.3	0	0	8,526,653	100.3

Justification

C01	The Solid Waste Division requests \$25,000 capital appropriation each fiscal year to purchase replacement vehicles. These vehicles will be used by the department's inspectors to conduct facility inspections and investigate complaints statewide.
C04	The Solid Waste Division requests to reallocate \$4,650,000 in Grants and Aid appropriation to Other Refunds to comply with Act 1333 that changed the language of the programs disbursements to "distributions" from "grants".

Analysis of Budget Request

Appropriation: 2UD - Reg. Substance Storage Tank

Funding Sources: SRS - Regulated Substance Storage Tank Program Fund

Acts 172 and 173 of 1989, as amended, designated the Department of Environmental Quality as the implementing agency for the Regulated Storage Tank Program. Pursuant to A.C.A. §8-7-808, this appropriation is funded by fees collected from the annual registration of underground and above ground storage tanks and from the licensure of installers of storage tanks.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of \$957,569 in FY16 and \$957,691 in FY17.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UD - Reg. Substance Storage Tank

Funding Sources: SRS - Regulated Substance Storage Tank Program Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	580,195	629,609	634,677	648,515	648,515	648,515	648,615	648,615	648,615
#Positions		15	17	17	17	17	17	17	17	17
Personal Services Matching	5010003	205,198	223,851	219,237	232,921	232,921	232,921	232,943	232,943	232,943
Operating Expenses	5020002	50,978	71,128	71,128	71,128	71,128	71,128	71,128	71,128	71,128
Conference & Travel Expenses	5050009	317	5,005	5,005	5,005	5,005	5,005	5,005	5,005	5,005
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		836,688	929,593	930,047	957,569	957,569	957,569	957,691	957,691	957,691
Funding Sources										
Fund Balance	4000005	1,575,325	1,776,186		1,061,593	1,061,593	1,061,593	504,024	504,024	504,024
Special Revenue	4000030	1,037,549	215,000		400,000	400,000	400,000	400,000	400,000	400,000
Total Funding		2,612,874	1,991,186		1,461,593	1,461,593	1,461,593	904,024	904,024	904,024
Excess Appropriation/(Funding)		(1,776,186)	(1,061,593)		(504,024)	(504,024)	(504,024)	53,667	53,667	53,667
Grand Total		836,688	929,593		957,569	957,569	957,569	957,691	957,691	957,691

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 2UE - Petroleum Storage Tank Trust

Funding Sources: TPT - Petroleum Storage Tank Trust Fund

The Petroleum Storage Tank Trust Fund was established by Act 173 of 1989, as amended (A.C.A. §8-7-901). This fund provides a procedure for reimbursement of remediation costs or damages as a result of leaking tanks. Funding for the program is derived from an environmental assurance fee which is assessed at a rate not to exceed three-tenths of one cent for each gallon of motor fuel or distillate special fuel purchased or imported into Arkansas (A.C.A. §8-7-906). The environmental assurance fee is paid by the first distributor or supplier receiving fuel from a terminal in Arkansas, or if the fuel will never be stored in a terminal in this State, then by the distributor or supplier who first imports the fuel into the State by truck.

The Agency utilizes this appropriation to pay reimbursements to owner operators for taking corrective action or to pay third parties for compensatory damages caused by accidental releases from qualified storage tanks, and to pay reasonable and necessary costs and expenses of the department for taking corrective action caused by accidental releases from a storage tank of unknown ownership or when corrective action is not taken by the owner or operator in a timely manner.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency Request is for Base Level of \$21,817,788 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UE - Petroleum Storage Tank Trust

Funding Sources: TPT - Petroleum Storage Tank Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	213,721	208,924	215,103	238,364	238,364	238,364	238,364	238,364	238,364
#Positions		4	5	5	5	5	5	5	5	5
Personal Services Matching	5010003	67,455	66,692	66,984	76,463	76,463	76,463	76,463	76,463	76,463
Operating Expenses	5020002	5,183,793	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800
Conference & Travel Expenses	5050009	0	3,005	3,005	3,005	3,005	3,005	3,005	3,005	3,005
Professional Fees	5060010	335,956	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		5,800,925	21,778,577	21,785,048	21,817,788	21,817,788	21,817,788	21,817,788	21,817,788	21,817,788
Funding Sources										
Fund Balance	4000005	20,130,114	21,634,472		6,505,895	6,505,895	6,505,895	0	0	0
Other	4000370	7,305,283	6,650,000		6,650,000	6,650,000	6,650,000	6,650,000	6,650,000	6,650,000
Total Funding		27,435,397	28,284,472		13,155,895	13,155,895	13,155,895	6,650,000	6,650,000	6,650,000
Excess Appropriation/(Funding)		(21,634,472)	(6,505,895)		8,661,893	8,661,893	8,661,893	15,167,788	15,167,788	15,167,788
Grand Total		5,800,925	21,778,577		21,817,788	21,817,788	21,817,788	21,817,788	21,817,788	21,817,788

Analysis of Budget Request

Appropriation: 2UF - Regulated Storage Tank Program

Funding Sources: FYP - Federal Funds

Acts 172 and 173 of 1989 created the Regulated Storage Tank Program and placed the responsibilities of the program under the direction of the Department of Environmental Quality. The Agency utilizes this appropriation for contractual services on corrective actions with federal funding derived from the Environmental Protection Agency. This funding requires a 90/10 federal/state match ratio.

The Agency Request is for Base Level of \$3,925,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UF - Regulated Storage Tank Program

Funding Sources: FYP - Federal Funds

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regulated Storage Tank & Contr. 5900043	304,441	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Total	304,441	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Funding Sources									
Federal Revenue 4000020	304,441	3,925,000		3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Total Funding	304,441	3,925,000		3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	304,441	3,925,000		3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000

Analysis of Budget Request

Appropriation: 2UG - Landfill Post Closure Program

Funding Sources: TLP - Landfill Post Closure Trust Fund

The Landfill Post-Closure Program was created by Act 747 of 1991 (A.C.A. §8-6-1001) to address corrective actions, which may be necessary to properly clean up a previously closed landfill, so that no harm is caused to the public health or the environment. Funding is derived from landfill disposal fees and transportation fees, as well as fees imposed on solid waste generated in the State but not disposed of in a solid waste facility within the State.

Pursuant to Act 938 of 1997 (A.C.A. §8-6-1002), funding for all programs is capped at \$25,000,000, with no additional funds collected for the Landfill Post Closure Trust Fund once this level is reached; however, collections are reinstated once the fund diminishes to \$15,000,000. In addition, for administrative purposes, the Agency may utilize these funds at a level not exceeding \$300,000 annually, with an annual escalator not exceeding 3%. During FY09 the fund balance was capped at \$25,000,000; therefore, no additional funds will be collected for the Landfill Post Closure Trust Fund until the fund balance diminishes to \$15,000,000. Current funding is derived from interest earned on the monies in the Landfill Post Closure Trust Fund.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level amount of \$7,790,306 in both years of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UG - Landfill Post Closure Program
Funding Sources: TLP - Landfill Post Closure Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	287,161	241,834	280,072	244,192	244,192	244,192	244,192	244,192	244,192
#Positions		5	4	4	4	4	4	4	4	4
Personal Services Matching	5010003	89,626	74,725	86,609	75,818	75,818	75,818	75,818	75,818	75,818
Operating Expenses	5020002	0	30,923	30,923	30,923	30,923	30,923	30,923	30,923	30,923
Conference & Travel Expenses	5050009	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Contractual Services	5900043	152,694	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373
Total		529,481	7,786,855	7,836,977	7,790,306	7,790,306	7,790,306	7,790,306	7,790,306	7,790,306

Funding Sources										
Fund Balance	4000005	22,958,309	22,473,460		14,736,605	14,736,605	14,736,605	6,996,299	6,996,299	6,996,299
Interest	4000300	44,632	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding		23,002,941	22,523,460		14,786,605	14,786,605	14,786,605	7,046,299	7,046,299	7,046,299
Excess Appropriation/(Funding)		(22,473,460)	(14,736,605)		(6,996,299)	(6,996,299)	(6,996,299)	744,007	744,007	744,007
Grand Total		529,481	7,786,855		7,790,306	7,790,306	7,790,306	7,790,306	7,790,306	7,790,306

Analysis of Budget Request

Appropriation: 2UH - Waste Tire Recycling Program

Funding Sources: TTG - Waste Tire Grant Fund

The Waste Tire Recycling Program was created by Act 749 of 1991, as amended by Act 1292 of 1997 (A.C.A. §8-9-404). Funding for this program is derived from a fee imposed on the sale of each automobile and truck tire sold at retail at a rate of \$2.00 per tire, and an additional \$3.00 per truck tire. The fee imposed, less 5% retained by the tire retailer is used for grants to the State's regional solid waste districts. Of the total funds collected, 8% is transferred to the Agency's Permit Fee Fund for administrative program support. In addition to the fee imposed on new tires, a \$1.00 fee is imposed on all waste tires imported into Arkansas.

This appropriation is used to disburse Tire Recycling Grant Funds to the Regional Solid Waste Management Districts and contains unfunded contingency appropriation in the amount of \$1,000,000 that is disbursed when funds are available.

The Agency Request is for Base Level of \$6,425,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UH - Waste Tire Recycling Program

Funding Sources: TTG - Waste Tire Grant Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Grants and Aid	5100004	5,063,154	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000
Total		5,063,154	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000
Funding Sources										
Fund Balance	4000005	1,436,265	1,271,815		0	0	0	0	0	0
Special Revenue	4000030	4,898,704	5,153,185		5,325,000	5,325,000	5,325,000	5,325,000	5,325,000	5,325,000
Total Funding		6,334,969	6,425,000		5,325,000	5,325,000	5,325,000	5,325,000	5,325,000	5,325,000
Excess Appropriation/(Funding)		(1,271,815)	0		1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Grand Total		5,063,154	6,425,000		6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000

Analysis of Budget Request

Appropriation: 2UJ - St Mktg Brd for Recyclables Prog

Funding Sources: SMB - State Marketing Board Fund

The State Marketing Board for Recyclables Program was created by the 78th General Assembly through Act 749 of 1991 (A.C.A. §8-9-201 and §8-6-607). The Board's responsibilities includes development of a program coordinating all existing marketing programs for recyclables as well as an overall marketing plan for Arkansas recyclables; establishment of an inventory of markets for recyclables in Arkansas and surrounding states with maintenance of current market prices and trends; working with new and existing industries to encourage the use of recyclables in the manufacturing processes; and advising and assisting of state and local officials in all areas of recyclables marketing.

Act 755 of 1991 (A.C.A. §8-6-607), as amended, provides the Board's funding from 25% of the disposal fees collected from landfills where a private industry bears the expense of operating and maintaining the landfill solely for the disposal of wastes generated by the industry. The remaining 75% of the disposal fees, which fund the Solid Waste Management and Recycling Program, are found in appropriation (2UC) Solid Waste Management Recycling Program .

The Base Level request for Regular Salaries reflects board member Stipend payments and corresponding Personal Services Matching.

The Agency Request is for Base Level of \$28,876 for each year in the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UJ - St Mktg Brd for Recyclables Prog

Funding Sources: SMB - State Marketing Board Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	660	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
#Positions		0	0	0	0	0	0	0	0	0
Personal Services Matching	5010003	50	115	115	115	115	115	115	115	115
Operating Expenses	5020002	6,230	13,846	13,846	13,846	13,846	13,846	13,846	13,846	13,846
Conference & Travel Expenses	5050009	1,004	6,415	6,415	6,415	6,415	6,415	6,415	6,415	6,415
Professional Fees	5060010	0	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		7,944	28,876	28,876	28,876	28,876	28,876	28,876	28,876	28,876
Funding Sources										
Fund Balance	4000005	212,579	225,558		221,682	221,682	221,682	217,806	217,806	217,806
Special Revenue	4000030	20,923	25,000		25,000	25,000	25,000	25,000	25,000	25,000
Total Funding		233,502	250,558		246,682	246,682	246,682	242,806	242,806	242,806
Excess Appropriation/(Funding)		(225,558)	(221,682)		(217,806)	(217,806)	(217,806)	(213,930)	(213,930)	(213,930)
Grand Total		7,944	28,876		28,876	28,876	28,876	28,876	28,876	28,876

Analysis of Budget Request

Appropriation: 2UK - Environmental Education Program

Funding Sources: MEE - Environmental Education Fund

The appropriation for the Environmental Education Program was created by the 78th General Assembly to provide environmental education materials and training. Funding is derived from 10% of the revenue collected for the Hazardous Substance Remedial Action Trust Fund up to \$275,000 per fiscal year (A.C.A. §8-7-509(d)).

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases.

The Agency Request is for Base Level of \$272,976 in each year in the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UK - Environmental Education Program

Funding Sources: MEE - Environmental Education Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	51,829	50,830	50,830	51,329	51,329	51,329	51,329	51,329	51,329
#Positions		1	1	1	1	1	1	1	1	1
Personal Services Matching	5010003	16,679	16,439	16,174	16,686	16,686	16,686	16,686	16,686	16,686
Operating Expenses	5020002	78,466	152,961	152,961	152,961	152,961	152,961	152,961	152,961	152,961
Conference & Travel Expenses	5050009	5,321	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Professional Fees	5060010	35	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		152,330	272,230	271,965	272,976	272,976	272,976	272,976	272,976	272,976
Funding Sources										
Fund Balance	4000005	354,924	320,195		132,965	132,965	132,965	0	0	0
Other	4000370	117,601	85,000		85,000	85,000	85,000	85,000	85,000	85,000
Total Funding		472,525	405,195		217,965	217,965	217,965	85,000	85,000	85,000
Excess Appropriation/(Funding)		(320,195)	(132,965)		55,011	55,011	55,011	187,976	187,976	187,976
Grand Total		152,330	272,230		272,976	272,976	272,976	272,976	272,976	272,976

FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 2UN - Small Business Loans

Funding Sources: TBL - Small Business Revolving Loan Fund

The Small Business Revolving Loan Program was created by the 81st General Assembly through Act 691 of 1997 (A.C.A. §8-5-801 et seq.). This Act authorized the Agency to establish and administer the Small Business Revolving Loan Fund to encourage the investment in pollution control and prevention technologies. Funding for this program is derived from interest earnings and repayment streams of the small business loans. The personal services and operating expenses of the Small Business Revolving Loan Program are found in appropriation (2UP) Small Business Revolving Loan Program Expenses. The Agency utilizes this appropriation to issue small business loans.

The Agency Request is for Base Level of \$550,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UN - Small Business Loans

Funding Sources: TBL - Small Business Revolving Loan Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Loans 5120029	0	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Total	0	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Funding Sources									
Loan Repayment 4000330	0	550,000		550,000	550,000	550,000	550,000	550,000	550,000
Total Funding	0	550,000		550,000	550,000	550,000	550,000	550,000	550,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	550,000		550,000	550,000	550,000	550,000	550,000	550,000

Analysis of Budget Request

Appropriation: 2UP - Sm Bus Revolving Loan Prog Exp

Funding Sources: TBL - Small Business Revolving Loan Fund

The Small Business Revolving Loan Program was created by the 81st General Assembly through Act 691 of 1997 (A.C.A. §8-5-801 et seq.). This Act authorized the Agency to establish and administer the Small Business Revolving Loan Fund to encourage the investment in pollution control and prevention technologies. Funding for this program is derived from interest earned on the monies in Small Business Revolving Loan Fund. The loan expenses of the Small Business Revolving Loan Program are found in appropriation (2UN) Small Business Loans. This appropriation provides for the operating expenses of the Small Business Revolving Loan Program.

The Agency Request is for Base Level of \$19,660 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UP - Sm Bus Revolving Loan Prog Exp
Funding Sources: TBL - Small Business Revolving Loan Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	1,004	11,010	11,010	11,010	11,010	11,010	11,010	11,010	11,010
Conference & Travel Expenses	5050009	0	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650
Professional Fees	5060010	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		1,004	19,660	19,660	19,660	19,660	19,660	19,660	19,660	19,660
Funding Sources										
Interest	4000300	1,004	19,660		19,660	19,660	19,660	19,660	19,660	19,660
Total Funding		1,004	19,660		19,660	19,660	19,660	19,660	19,660	19,660
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		1,004	19,660		19,660	19,660	19,660	19,660	19,660	19,660

Analysis of Budget Request

Appropriation: 2UQ - Performance Partnership Syst Exp

Funding Sources: TPP - Performance Partnership Trust Fund

This appropriation was created by Act 1210 of 1999 (A.C.A. §19-5-1102) to provide for expenses of designing and establishing a management organization, utilizing the principles of the National Environmental Performance Partnership System advocated by the U.S. Environmental Protection Agency which integrates environmental indicators, management information, along with performance-based budgeting and accounting to measure Agency performance. The fund enables the Agency to examine infrastructure, develop integrated approaches to environmental management, and implement a multi-year redesign of the Agency's regulatory databases.

Initial funding was derived from fund transfers beginning in FY00 of \$500,000 each fiscal year from the Landfill Post Closure Trust Fund. The transfers were authorized for five (5) years, with the cessation of the fund transfers occurring in FY04. Current funding is derived from interest earned on the monies in the Performance Partnership Trust Fund. This program will cease when the fund balance is depleted.

The Agency Request is for Base Level of \$600,000 each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UQ - Performance Partnership Syst Exp
Funding Sources: TPP - Performance Partnership Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Performance Integrated Syst	5900046	17,585	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Total		17,585	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Funding Sources										
Fund Balance	4000005	715,230	698,923		100,423	100,423	100,423	0	0	0
Interest	4000300	1,278	1,500		1,500	1,500	1,500	1,500	1,500	1,500
Total Funding		716,508	700,423		101,923	101,923	101,923	1,500	1,500	1,500
Excess Appropriation/(Funding)		(698,923)	(100,423)		498,077	498,077	498,077	598,500	598,500	598,500
Grand Total		17,585	600,000		600,000	600,000	600,000	600,000	600,000	600,000

Analysis of Budget Request

Appropriation: 2UR - Environmental Settlement Trust

Funding Sources: TET - ADEQ Environmental Settlement Trust Fund

The ADEQ Environmental Settlement Trust Fund was created by Act 1416 of 2001 (A.C.A. §19-5-1111) for expenses authorized through various settlement agreements benefiting the State of Arkansas as administered through the ADEQ. The fund consists of income received by the State of Arkansas pursuant to settlement agreements for environmental or natural resource damages, interest earnings, and other designated revenue.

The Agency Request is for Base Level of \$750,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2UR - Environmental Settlement Trust

Funding Sources: TET - ADEQ Environmental Settlement Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Environmental Settlement Trust 5900046	71,992	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Total	71,992	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Funding Sources									
Trust Fund 4000050	71,992	750,000		750,000	750,000	750,000	750,000	750,000	750,000
Total Funding	71,992	750,000		750,000	750,000	750,000	750,000	750,000	750,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	71,992	750,000		750,000	750,000	750,000	750,000	750,000	750,000

Analysis of Budget Request

Appropriation: 2US - Computer/Electronic Recycling

Funding Sources: MER - Computer and Electronic Recycling Fund

The Computer and Electronic Recycling Fund was created by Act 1410 of 2001 (A.C.A. § 19-5-1217). This appropriation is used to promote market research and development grants to determine the most efficient process for collecting, transporting and processing various scrap electronic equipment. This appropriation is funded through Marketing and Redistribution proceeds from computer or electronic equipment sales throughout the state.

The Agency Request is for Base Level of \$250,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 2US - Computer/Electronic Recycling

Funding Sources: MER - Computer and Electronic Recycling Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Computer & Electronics Recycling 5900046	126,095	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Total	126,095	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Funding Sources									
Fund Balance 4000005	491,017	318,266		178,266	178,266	178,266	38,266	38,266	38,266
Inter-agency Fund Transfer 4000316	(157,334)	0		0	0	0	0	0	0
M & R Sales 4000340	110,678	110,000		110,000	110,000	110,000	110,000	110,000	110,000
Total Funding	444,361	428,266		288,266	288,266	288,266	148,266	148,266	148,266
Excess Appropriation/(Funding)	(318,266)	(178,266)		(38,266)	(38,266)	(38,266)	101,734	101,734	101,734
Grand Total	126,095	250,000		250,000	250,000	250,000	250,000	250,000	250,000

Analysis of Budget Request

Appropriation: 344 - PCE Comm Admn Hearing Officer

Funding Sources: TPE - ADEQ Fee Trust Fund

The Hearing Officer Division was created by Act 921 of 1993 (A.C.A. §8-1-203), which authorized the Pollution Control and Ecology Commission to hire a full-time, independent administrative hearing officer for the purposes of adjudicatory review of Agency decisions concerning permit issuance or revocation, and assessment of civil penalties. Act 1077 of 1993 provided appropriations for this Division payable from the Agency's Fee Fund. Funding for this appropriation is derived from special revenues transferred from the Agency's Fee Fund. (A.C.A §8-1-204)

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Agency requests Base Level of \$285,970 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 344 - PCE Comm Admn Hearing Officer

Funding Sources: TPE - ADEQ Fee Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	113,985	147,854	127,373	149,285	149,285	149,285	149,285	149,285	149,285
#Positions		2	2	2	2	2	2	2	2	2
Personal Services Matching	5010003	36,404	41,940	36,685	42,546	42,546	42,546	42,546	42,546	42,546
Operating Expenses	5020002	30,223	49,217	49,217	49,217	49,217	49,217	49,217	49,217	49,217
Conference & Travel Expenses	5050009	0	6,922	6,922	6,922	6,922	6,922	6,922	6,922	6,922
Professional Fees	5060010	6,656	38,000	38,000	38,000	38,000	38,000	38,000	38,000	38,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		187,268	283,933	258,197	285,970	285,970	285,970	285,970	285,970	285,970
Funding Sources										
Special Revenue	4000030	187,268	283,933		285,970	285,970	285,970	285,970	285,970	285,970
Total Funding		187,268	283,933		285,970	285,970	285,970	285,970	285,970	285,970
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		187,268	283,933		285,970	285,970	285,970	285,970	285,970	285,970

FY15 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2013-2015 Biennium.

Analysis of Budget Request

Appropriation: 36A - Fee Administration Non-Haz Clean Up

Funding Sources: TPE - ADEQ Fee Trust Fund

This appropriation was created by the 86th General Assembly in Act 1281 of 2007. This appropriation gives ADEQ the ability to cleanup non-hazardous sites which pose a threat to the environment of the State of Arkansas. The ADEQ Fee Trust Fund provides the funding for the appropriation; however, funding is restricted to interest earnings only from the ADEQ Fee Trust Fund.

The Agency Request is for Base Level of \$100,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 36A - Fee Administration Non-Haz Clean Up

Funding Sources: TPE - ADEQ Fee Trust Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Contractual Services 5900043	0	100,000	750,000	100,000	100,000	100,000	100,000	100,000	100,000
Total	0	100,000	750,000	100,000	100,000	100,000	100,000	100,000	100,000
Funding Sources									
Trust Fund 4000050	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Total Funding	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	100,000		100,000	100,000	100,000	100,000	100,000	100,000

Analysis of Budget Request

Appropriation: 467 - PCE Commission Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

The Pollution Control and Ecology Commission utilizes this appropriation for Commission training expenses and is funded by General Revenue.

Base Level is \$3,977 each year of the 2015-17 Biennium. The Agency requests an increase of \$500 in PC&E Commission Expenses for Commission member travel reimbursement.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 467 - PCE Commission Expenses

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
PC&E Commission Expenses 5900046	3,936	3,977	3,977	3,977	4,477	4,477	3,977	4,477	4,477
Total	3,936	3,977	3,977	3,977	4,477	4,477	3,977	4,477	4,477
Funding Sources									
General Revenue 4000010	3,936	3,977		3,977	4,477	4,477	3,977	4,477	4,477
Total Funding	3,936	3,977		3,977	4,477	4,477	3,977	4,477	4,477
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	3,936	3,977		3,977	4,477	4,477	3,977	4,477	4,477

Change Level by Appropriation

Appropriation: 467 - PCE Commission Expenses
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	3,977	0	3,977	100.0	3,977	0	3,977	100.0
C01	Existing Program	500	0	4,477	112.6	500	0	4,477	112.6

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	3,977	0	3,977	100.0	3,977	0	3,977	100.0
C01	Existing Program	500	0	4,477	112.6	500	0	4,477	112.6

Justification

C01	The PCE Commission requests a \$500 increase in appropriation and funding due to the increase in Commissioner expenses. The Commission has members from across the State and this generates a substantial amount of expense for travel reimbursements over the course of the fiscal year.
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Analysis of Budget Request

Appropriation: F72 - Performance Bond Fund

Funding Sources: TWB - Water Performance Bond Fund

The Water Performance Bond Fund was created pursuant to Act 402 of 2014 as a depository trust fund for funds appropriated by the General Assembly, all forfeitures collected under A.C.A. 8-4-201 et seq., grants made by a person or the federal government, gifts and donations, and interest earned on the funds deposited into the fund for the enforcement of laws pertaining to domestic sewage treatment.

The Agency may use these funds to hire a third-party contractor to (1) take remedial action against parties not in compliance with domestic sewage treatment laws, (2) effect the closure of domestic sewage treatment works, (3) maintain and operate a nonmunicipal sewage treatment works, and (4) take any other action the Director of the Arkansas Department of Environmental Quality determines to be necessary to enforce sewage treatment standards set forth by law.

The Agency Request is for Base Level of \$500,000 in each year of the 2015-2017 Biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: F72 - Performance Bond Fund

Funding Sources: TWB - Water Performance Bond Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2013-2014	2014-2015	2014-2015	2015-2016			2016-2017		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Non-Municipal Domestic Sewage 5900043	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	0	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources									
Trust Fund 4000050	0	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Total Funding	0	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	500,000		500,000	500,000	500,000	500,000	500,000	500,000