

2023 HOUSE APPROPRIATIONS

HB 1024

Department 303 - Department of Environmental Quality
House Bill No. 1024

Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2023-25 Executive Budget	\$14,687,602	\$77,653,826	\$92,341,428
2023-25 Base Level	12,661,075	46,969,930	59,631,005
Increase (Decrease)	\$2,026,527	\$30,683,896	\$32,710,423

Selected Budget Changes Recommended in the Executive Budget

	General Fund	Other Funds	Total
1. Adds funding from federal funds for base budget adjustments, including increases in salaries and wages (\$259,515), operating expenses (\$2,338,313), and grants (\$778,000) and a decrease in capital assets of \$113,700	\$0	\$3,262,128	\$3,262,128
2. Adds funding for state employee salary and benefit increases of which \$2,275,943 is for salary increases and \$761,244 is for health insurance increases	\$897,484	\$2,139,703	\$3,037,187
3. Adds funding from federal and special funds for 1 FTE natural resource services III position and related operating expenses of \$7,500	\$0	\$226,162	\$226,162
4. Adds funding from federal funds for 2 FTE engineering and planning services VI positions and related operating expenses of \$97,500	\$0	\$608,784	\$608,784
5. Adds funding, including funding from federal and special funds, for 1 FTE human resource director position in the Office of the Director and related operating expenses of \$15,165	\$94,718	\$175,903	\$270,621
6. Adds funding, including funding from federal and special funds, for 1 FTE assistant director in the Office of the Director and related operating expenses of \$15,167	\$127,704	\$237,169	\$364,873
7. Adds funding, including funding from federal and special funds, for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses of \$25,168	\$85,341	\$158,491	\$243,832
8. Adds funding, including funding from federal and special funds, for 1 FTE account budget specialist III position in the Office of the Director and related operating expenses of \$10,500	\$80,141	\$148,835	\$228,976
9. Increases federal funding for temporary salaries related to lead line inventory	\$0	\$274,560	\$274,560
10. Adds funding for operating expenses related to laboratory information management system (LIMS) maintenance and hosting	\$280,000	\$0	\$280,000
11. Adds funding for operating expenses related to ITD rate increases	\$136,379	\$86,842	\$223,221
12. Adds federal funding for grants related to the federal Infrastructure Investment and Jobs Act (IIJA) municipal facilities and lead and copper programs	\$0	\$21,000,000	\$21,000,000
13. Adds one-time funding for operating expenses related to chemistry laboratory inflation	\$116,800	\$0	\$116,800
14. Adds one-time funding from federal funds for operating expenses related to administering the IIJA municipal facilities revolving loan fund, including office and IT equipment	\$0	\$22,350	\$22,350
15. Adds one-time funding from federal funds for operating expenses to upgrade the drinking water program portal	\$0	\$325,000	\$325,000
16. Adds one-time funding for operating expenses, including funding from federal and special funds, for environmental data system development	\$71,000	\$1,294,444	\$1,365,444

17. Adds one-time funding from federal funds for equipment over \$5,000 related to administering the IJA municipal facilities revolving loan fund	\$0	\$155,000	\$155,000
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A summary of the executive budget changes to the agency's base level appropriations is attached as an appendix.

A copy of the draft appropriations bill containing the executive budget recommendations is attached as an appendix.

Selected Bill Sections Recommended in the Executive Budget

Environment and rangeland protection fund - Section 3 would authorize the Department of Environmental Quality (DEQ) to spend \$250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.

Petroleum release compensation fund - Section 4 would authorize DEQ to spend \$748,169 from the petroleum release compensation fund for expenses related to the petroleum tank release program.

Environmental quality restoration fund and fund revenues - Sections 5 and 6 would remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.

Continuing Appropriations

Environmental quality restoration fund - North Dakota Century Code Sections 23-31-01 and 23-31-02 - Allows DEQ to provide immediate and timely response to catastrophic events that threaten the public and environmental health and when the responsible party is late in responding or cannot be located.

Deficiency Appropriations

There are no deficiency appropriations for this agency.

Significant Audit Findings

The State Auditor reported no areas of concern were identified with regard to errors, internal control weaknesses, or potential violations of law for significant or high-risk functions of the agency during the 2019-21 biennium. The Department of Environmental Quality was separated from the State Department of Health in 2019. This is the first biennium the department has been audited as a separate entity.

In addition to financial transactions and expenditures, the State Auditor reviewed permitting and monitoring special waste landfills and animal feeding operations. The State Auditor reported the following audit findings related to the additional reviews:

Other Findings: Special Waste Landfills

- Condition: Opportunities for improvement for inspection control and policy areas.

Cause: Lack of communication for inspection results, issues identified but not addressed, not tracking noncompliance issues, and duplication of effort by a third-party contractor and DEQ employees.

Recommendation: The State Auditor recommends DEQ evaluate policies and procedures to ensure they contribute to meeting the overall program objective. This includes modifying or implementing policies and procedures to ensure proper communication of inspection results, inspections verifying all required information, proper tracking and follow up of noncompliance, and assignment of inspection duties among staff.

Agency response: The department agrees to implement this recommendation. The department has an informal long-term policy to notify facility representatives verbally of items of noncompliance and follow up with a written inspection report. This informal policy is now memorialized in a field inspection operating procedure which requires facility notification within 48 hours of the inspection and a written report identifying all items of noncompliance sent within 30 days. Additionally, DEQ has updated the standard inspection form and removed the "unknown" option. The department will review third-party contracts to avoid duplication of effort. Database report tracking procedures will be implemented.

- Condition: Oilfield landfill operators are having to wait longer than the 120 days allowed by North Dakota Administrative Code (NDAC) for their permit to be approved before constructing new facilities or expanding already opened facilities. This may cause the solid waste needs in the state to go unmet.

Cause: Permit applications not reviewed within the required 120 days or 240 days if the review period is extended.

Recommendation: The State Auditor recommends DEQ develop procedures to review and approve all permits for special oilfield landfills within 120 days as required by NDAC 33.1-20-03.1-04.

Agency response: The department agrees to implement this finding. A complete permit application is a complex document made up of many interrelated components requiring input from several governmental, nongovernmental, and public entities. For example, permits may require county zoning approval and may also receive third-party review which may be provided after the initial application has been submitted to the state for review. The

department will implement a policy and tracking system to monitor the 120-day period to ensure timely review, follow up, and approval decision of applications.

- Condition: There are no set solid waste permit lengths established. The program determines the permit length on an individual basis based on the level or risk with the facility. The risk factors used and the risk level assigned to the facility are not documented. This could result in inequitable treatment of facilities or missed revenue opportunities for the state by not requiring permit renewals as frequently.

Cause: Missing policies and procedures to determine how long permits are granted.

Recommendation: The State Auditor recommends the DEQ solid waste program develop a policy that defines risk assessment procedures to use in determining the active length of approved permits.

Agency response: The department agrees to implement this recommendation. The department will create a decision matrix for selecting a permit length based on fixed criteria which will be added to the standard operating procedures for facility permitting. During the permit review process, the public will have an opportunity to review and comment on the permit length justification.

Other Findings: Animal Feeding Operations

No findings were identified. The North Dakota pollutant discharge elimination system program is properly permitting, and monitoring animal feeding operations as required by the NDAC and the North Dakota pollutant discharge elimination system program policies and procedures.

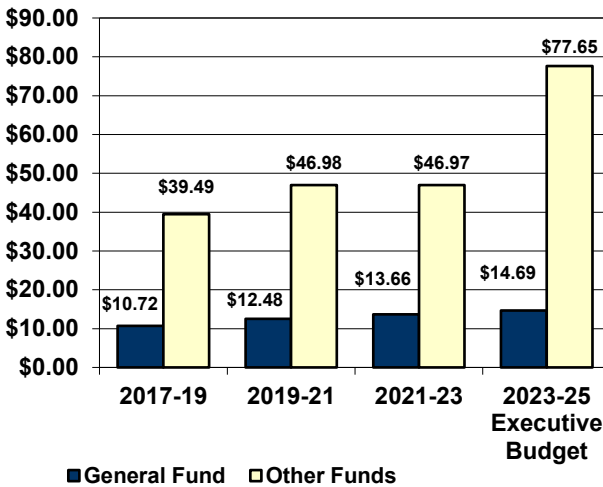
Major Related Legislation

At this time, no major related legislation has been introduced affecting this agency.

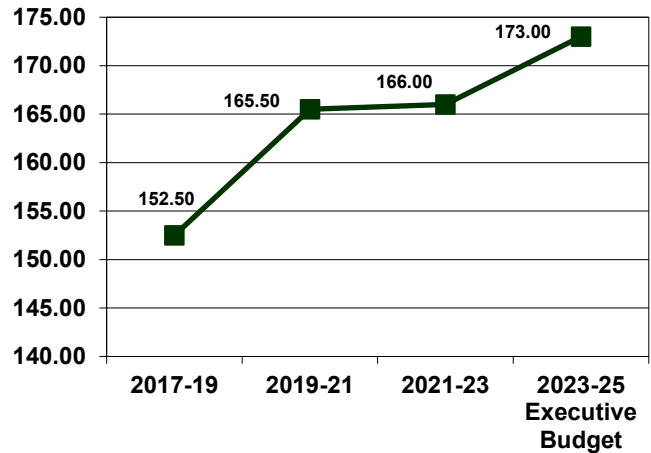
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	N/A	\$10,724,151	\$12,480,922	\$12,661,075	\$14,499,802
Increase (decrease) from previous biennium	N/A	N/A	\$1,756,771	\$180,153	\$1,838,727
Percentage increase (decrease) from previous biennium	N/A	N/A	16.4%	1.4%	14.5%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	N/A	N/A	N/A	N/A

Major Increases (Decreases) in Ongoing General Fund Appropriations

2017-19 Biennium

- Removed 1 FTE electronics technician II position from the Air Quality Division of the Environmental Health Section and related funding for salaries and wages (\$111,233)
- Adjusted the funding source for litigation fees related to the Environmental Protection Agency lawsuit to provide funding from the strategic investment and improvements fund instead of the general fund (\$500,000)

2019-21 Biennium

- Removed 3 FTE positions, including 1 FTE administrative assistant, 1 FTE office assistant, and 1 FTE legal assistant, and related funding for salaries and wages (\$94,123)
- Added 2 FTE positions and related funding from the general fund and the petroleum release compensation fund for salaries and wages and operating expenses to transfer the petroleum tank release program from the Insurance Department to the Department of Environmental Quality \$297,217
- Added 2 FTE positions and funding for salaries and wages in the 1st year of the biennium related to the state assuming primacy over the Quad O and Quad Oa federal air pollution programs \$384,356
- Added 8 FTE positions and funding in the 2nd year of the biennium related to the state assuming primacy over the Quad O and Quad Oa federal air pollution programs \$1,056,767
- Reduced funding for operating expenses related to training water treatment system operators to provide a total of \$125,000 from the general fund (\$55,000)
- Added funding for Microsoft Office 365 licensing expenses \$20,048

2021-23 Biennium

- Decreased funding for temporary salaries (\$138,050)

- 2. Transferred 1 FTE computer and network specialist III position to the Information Technology Department for the information technology (IT) unification initiative, including a decrease in salaries and wages and an increase in operating expenses \$2,022
- 3. Removed 2 FTE environmental scientist II positions paid from the general fund and restored other positions from special funds (\$360,800)
- 4. Decreased funding for operating expenses (\$614,873)
- 5. Increased funding for cost to continue operating expenses and grants, including funding to fully fund the Quad O and Quad Oa program, increases in IT data processing, IT equipment, and repairs \$362,474

2023-25 Biennium (Executive Budget Recommendation)

- 1. Adds funding for 1 FTE human resource director position in the Office of the Director and related operating expenses of \$15,165 \$94,718
- 2. Adds funding for 1 FTE assistant director in the Office of the Director and related operating expenses of \$15,167 \$127,704
- 3. Adds funding for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses of \$25,168 \$85,341
- 4. Adds funding for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses of \$10,500 \$80,141
- 5. Adds funding for operating expenses related to LIMS maintenance and hosting \$280,000

One-Time General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
One-time other funds appropriations	N/A	\$0	\$0	\$1,000,000	\$187,800

Major One-Time Other Funds Appropriations

2017-19 Biennium

- 1. None \$0

2019-21 Biennium

- 1. None \$0

2021-23 Biennium

- 1. Added one-time funding for a laboratory information management system \$1,000,000

2023-25 Biennium (Executive Budget Recommendation)

- 1. Adds one-time funding for operating expenses related to chemistry laboratory inflation \$116,800
- 2. Adds one-time funding for operating expenses for environmental data system development \$71,000

Department of Environmental Quality - Budget No. 303
House Bill No. 1024
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	166.00	\$12,661,075	\$46,969,930	\$59,631,005
2023-25 Ongoing Funding Changes				
Cost to continue salary increase		\$81,541	\$149,916	\$231,457
Adds funding from federal funds for base budget adjustments, including increases in salaries and wages (\$259,515), operating expenses (\$2,338,313), and grants (\$778,000) and a decrease in capital assets of \$113,700			3,262,128	3,262,128
Salary increase		673,222	1,602,721	2,275,943
Health insurance increase		224,262	536,982	761,244
Adds funding from federal and special funds for 1 FTE natural resource services III position and related operating expenses of \$7,500	1.00		226,162	226,162
Adds funding from federal funds for 2 FTE engineering and planning services VI positions and related operating expenses of \$97,500	2.00		608,784	608,784
Adds funding, including funding from federal and special funds, for 1 FTE human resource director position in the Office of the Director and related operating expenses of \$15,165	1.00	94,718	175,903	270,621
Adds funding, including funding from federal and special funds, for 1 FTE assistant director in the Office of the Director and related operating expenses of \$15,167	1.00	127,704	237,169	364,873
Adds funding, including funding from federal and special funds, for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses of \$25,168	1.00	85,341	158,491	243,832
Adds funding, including funding from federal and special funds, for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses of \$10,500	1.00	80,141	148,835	228,976
Increases federal funding for temporary salaries related to lead line inventory			274,560	274,560
Adds funding for operating expenses related to LIMS maintenance and hosting		280,000		280,000
Adds funding for operating expenses related to ITD rate increases		136,379	86,842	223,221
Adds funding from special funds for operating expenses related to lead and copper testing			184,000	184,000

Increases federal funding for operating expenses related to printing lead and copper program materials			10,000	10,000
Adds federal funding for operating expenses related to ongoing licensing and maintenance of the drinking water system database			100,000	100,000
Adds federal funding for operating expenses for professional services related to lead line service replacement project			150,000	150,000
Adds funding, including federal funds, for operating expenses related to environmental data system maintenance	115,000		35,000	150,000
Removes funding, including funding from federal funds, for 2021-23 biennium bond payment	(59,581)		(60,391)	(119,972)
Adds federal funding for grants related to IJJA municipal facilities and lead and copper programs			21,000,000	21,000,000
Total ongoing funding changes	7.00	\$1,838,727	\$28,887,102	\$30,725,829
One-time funding items				
Adds one-time funding for operating expenses related to chemistry laboratory inflation		\$116,800		\$116,800
Adds one-time funding from federal funds for operating expenses related to administering the IJJA municipal facilities revolving loan fund, including office and IT equipment			\$22,350	22,350
Adds one-time funding from federal funds for operating expenses to upgrade the drinking water program portal			325,000	325,000
Adds one-time funding for operating expenses, including funding from federal and special funds, for environmental data system development	71,000		1,294,444	1,365,444
Adds one-time funding from federal funds for equipment over \$5,000 related to administering IJJA municipal facilities revolving loan fund			155,000	155,000
Total one-time funding changes	0.00	\$187,800	\$1,796,794	\$1,984,594
Total Changes to Base Level Funding	7.00	\$2,026,527	\$30,683,896	\$32,710,423
2023-25 Total Funding	173.00	\$14,687,602	\$77,653,826	\$92,341,428
<i>Federal funds included in other funds</i>			\$53,655,863	
<i>Total ongoing changes as a percentage of base level</i>	4.2%	14.5%	61.5%	51.5%
<i>Total changes as a percentage of base level</i>	4.2%	16.0%	65.3%	54.9%

Other Sections in Department of Environmental Quality - Budget No. 303

Executive Budget Recommendation

Environment and rangeland protection fund

Section 3 would authorize the department to spend \$250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.

Other Sections in Department of Environmental Quality - Budget No. 303

Executive Budget Recommendation

Petroleum release compensation fund

Section 4 would authorize the department to spend \$748,169 from the petroleum release compensation fund for expenses related to the petroleum tank release program.

Environmental quality restoration fund and fund revenues

Sections 5 and 6 would remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.

HOUSE BILL NO. 1024
(Governor's Recommendation)

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of the state department of environmental quality and provide a transfer.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state department of environmental quality for the purpose of defraying the expenses of the state department of environmental quality, for the biennium beginning July 1, 2023, and ending June 30, 2025, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$32,551,817	\$5,574,967	\$38,126,784
Operating Expenses	10,771,898	5,436,128	16,208,026
Capital Assets	1,247,172	(78,672)	1,168,500
Grants	<u>15,060,118</u>	<u>21,778,000</u>	<u>36,838,118</u>
Total All Funds	\$59,631,005	\$32,710,423	\$92,341,428
Less Estimated Income	<u>46,969,930</u>	<u>30,683,896</u>	<u>77,653,826</u>
Total General Fund	\$12,661,075	\$ 2,026,527	\$14,687,602
Full-Time Equivalent Positions	166.00	7.00	173.0

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and 2023-25 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Laboratory Information System	\$1,000,000	\$ 0
Lead and Copper Safe Drinking Water	0	502,350
Environmental Data Systems Upgrade	0	1,365,444
Chemistry Lab Inflation	<u>0</u>	<u>116,800</u>
Total All Funds	\$1,000,000	\$1,984,594
Less Estimated Income	<u>0</u>	<u>1,796,794</u>
Total General Fund	\$1,000,000	\$ 187,800

SECTION 3. ENVIRONMENT AND RANGELAND PROTECTION FUND. The estimated income line item included in section 1 of this Act includes \$250,000, or so much of the sum as may be necessary, to be made available to the state department of environmental quality from the environment and rangeland protection fund, for the biennium beginning July 1, 2023 and ending June 30, 2025. This amount includes \$50,000 for a grant to the North Dakota stockmen's association environmental services program.

SECTION 4. ESTIMATED INCOME – PETROLEUM TANK RELEASE COMPENSATION FUND.

The estimated income line item in section 1 of this Act includes the sum of up to \$748,169 from the petroleum tank release compensation fund for expenses related to the petroleum tank release program.

SECTION 5. AMENDMENT. Section 23.1-10-02 of the North Dakota Century Code is amended and reenacted as follows:

23.1-10-02. Environmental quality restoration fund - Continuing appropriation.

There is established an environmental quality restoration fund into which the funds recovered in this chapter may be deposited. The fund is to be administered by the department of environmental quality and may be used by the department for costs of environmental assessment, removal, corrective action, or monitoring as determined on a case-by-case basis. All moneys placed in the fund under this section and section 23.1-10-05 are appropriated to the department on a continuing basis. If, on the first day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than five million dollars, the amount in excess of five million dollars must be transferred to the general fund.

SECTION 6. AMENDMENT. Subsection 1 of section 23.1-10-05 of the North Dakota Century Code is amended and reenacted as follows:

1. ~~If the balance of the fund is less than five million dollars, moneys~~Moneys recovered by the department in an action or administrative proceeding based on violation of the state's environmental statutes, including actions for administrative expense recoveries, civil penalties, compensatory damages; and money paid pursuant to any agreement, stipulation, or settlement. This section does not limit the department's ability to agree to a supplemental environmental project as part of a settlement.

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Human Resources Division Harvest Room, State Capitol

HB 1024
1/10/2023

A Bill for an Act to provide an appropriation for defraying the expense of the department of environmental quality.

2:00 pm Chairman J. Nelson, called the meeting to order. Role call was taken: Chairman Nelson, Jon O., Vice Chairman Stemen, Representative Anderson, B, Representative Kreidt, G, Representative Mitskog, A, Representative O'Brien, Representative Schobinger, Representative Striden, M were present.

Discussion Topics:

- Agency Overview
- Budget Presentation
- DEQ Challenges

David Glatt, Director of North Dakota Department Environmental Quality testified in favor of HB 1024 (Testimony #14393).

Beth Jacobson, Director of Accounting for the Department of Environmental Quality presented the budget (Testimony #14297).

3:52pm Chairman J. Nelson, closed the meeting.

Jan Kamphuis, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Human Resources Division Harvest Room, State Capitol

HB 1024
1/24/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the department of environmental quality.
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8:30 AM Chairman J. Nelson, called the meeting to order.

Roll call was taken. Chairman J. Nelson, Vice Chairman Stemen, Representative B.Anderson, Kreidt, Mitskog, O'Brien, Schobinger and Strinden were present.

Discussion Topics:

- Workforce challenges
- Budget detail

Dave Glatt, Director of ND Environmental Quality, spoke in favor of HB 1024 (Testimony #16292).

Beth Jacobson, Director of Accounting, ND Environmental Quality, spoke in favor of HB 1024 (Testimony #15953, #15952, #15951).

Additional Written Testimony:

Shelia Sandness, Senior Fiscal Analyst, Legislative Council (#16251).

Dave Glatt, Director of ND Environmental Quality (Testimony #16300, Testimony #16304).

9:44 AM Chairman J. Nelson closed the meeting.

Jan Kamphuis, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Human Resources Division Harvest Room, State Capitol

HB 1024
2/7/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the department of environmental quality.
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3:25 PM Chairman J. Nelson opened the meeting,
Roll call was taken.

Chairman Nelson, Vice Chairman Stemen, Representatives B. Anderson, Kreidt, Mitskog, O'Brien, Schobinger, Strinden were present.

Discussion Topics:

- Committee action
- Discussion topics

Sheila Sandness, Senior Fiscal Analyst, Legislative Council (#19648).

Beth Jacobson, Director of Accounting, Department of Environmental Quality, spoke in favor of **HB 1024**

Dave Glatt, Director, Department of Environmental Quality, spoke in favor of HB 1024.

Dave Bruschwein, Director of Municipal Facilities, Department of Environmental Quality, spoke in favor of HB 1024.

Representative Kreidt moved the cost to continue salary increases be moved over, seconded by **Representative Anderson**.

Voice Vote: motion carried.

Representative Anderson moves to add funding from federal funds for base budget adjustments, seconded by **Representative Stemen**.

Voice Vote: motion carried.

Representative Kreidt moved to bring the salary increases over, seconded by **Representative Mitskog**.

Voice Vote: motioned carried.

Representative Mitskog moved to pass the health insurances increases, seconded by **Representative Strinden**.

Voice Vote: motion carried.

Representative Stemen moved funding for 2 FTE engineering and planning services IV positions, seconded by **Representative Anderson**.

Voice Vote: motion carried.

Representative Schobinger moved funding for 1 FTE civil rights and environmental justice position, seconded by **Representative Stemen**.

Voice Vote: motion carried.

Representative Kreidt moved to fund 1 FTE natural resource services III position, seconded by **Representative Anderson**.

Voice Vote: motion carried.

Representative Anderson moved to fund 1 FTE accountant budget specialist III position, seconded by **Representative O'Brien**.

Voice Vote: motion carried.

Representative Kreidt moved to approve temporary salaries related to lead line inventory to be moved over, seconded by **Representative Anderson**.

Voice Vote: motioned carried.

Representative O'Brien moved to bring over operating expenses related to LIMS maintenance and hosting, seconded by **Representative Stemen**.

Voice Vote: motion carried.

Representative Anderson moved to accept operating expenses related to ITD rate increases, seconded by **Representative Strinden**.

Voice Vote: motion carried.

Representative Stemen moved to bring over special funds for operating expenses related to lead and cooper testing, seconded by **Representative Anderson**.

Voice Vote: motion carried.

Representative Stemen moved to pass federal funding for operating expenses related to printing lead and copper program materials, seconded by **Representative Schobinger**.

Voice Vote: motion carried.

Representative Mitskog moved operating expenses related to ongoing licensing and maintenance of the drinking water system database be moved over, seconded by **Representative Stemen**.

Voice Vote: motion carried.

Representative Stemen moved to bring over expenses for professional services related to the lead line service replacement project, seconded by **Representative O'Brien**.

Voice Vote: motion carried.

Representative Anderson moved bring over expenses related to environmental data system maintenance, seconded **Representative Strinden**.

Voice Vote: motion carried.

Representative Kreidt moved to remove funding, including funding from federal funds, for 2021-23 biennium bond payment, seconded by **Representative Schobinger**.

Voice Vote: motion carried.

Representative Stemen moved to bring over the federal funding for grants related to IIJA municipal facilities and lead and copper programs, seconded by **Representative O'Brien**.

Voice Vote: motion carried.

Representative Anderson moved to add one- time funding for operating expenses related to chemistry laboratory inflation, seconded by **Representative Mitskog**.

Voice Vote: motion carried.

Representative Stemen moved to add one-time funding from federal funds for operating expenses related to administering the IIJA municipal facilities revolving loan fund including office and IT equipment, seconded by **Representative Kreidt**.

Voice Vote: motion carried.

Representative Kreidt moved to add one-time funding from federal funds for operating expenses to upgrade the drinking water portal program, seconded by **Representative O'Brien**.

Voice Vote: motion carried.

Representative Kreidt moved to add one-time funding for operating expenses, including funding from federal and special funds for environmental data system development, seconded by **Representative Stemen**.

Voice Vote: motion carried.

Representative Anderson moved to add one-time funding from federal funds for equipment. over \$5,000 related to administering IIJA municipal facilities revolving loan fund, seconded by **Representative Schobinger**.

Voice Vote: motion carried.

Representative Kreidt moved to accept environmental and rangeland protection fund, Section 3, seconded by **Representative Anderson**.

Voice Vote: motion carried.

Representative Schobinger moved to accept petroleum release compensation fund, Section 4, seconded by **Representative Stemen**.

Voice Vote: motion carried.

Representative Kreidt moved to accept environmental quality restoration fund and fund revenues, Section 5 and 6, seconded by **Representative Schobinger**.

Voice Vote: motion carried.

Committee discussion.

Additional Testimony: #20018

4:35 PM Chairman Nelson closed the meeting.

Jan Kamphuis, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Human Resources Division Harvest Room, State Capitol

HB 1024
2/9/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the department of environmental quality.
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11:41 AM Chairman J. Nelson opened the meeting.

Roll call taken.

Chairman J. Nelson, Vice Chairman Stemen, Representatives B Anderson, Kreidt, Mitskog, O'Brien, Schobinger, Strinden.

Discussion Topics:

- Committee action

Sheila Sandness, Senior Fiscal Analyst, Legislative Council proposed amendment (#20346).

Representative Mitskog moved to adopt the amendment (#20346) seconded by **Representative O'Brien**.

Roll Call vote taken:

Representatives	Vote
Representative Jon O. Nelson	Y
Representative Greg Stemen	Y
Representative Bert Anderson	Y
Representative Gary Kreidt	Y
Representative Alisa Mitskog	Y
Representative Emily O'Brien	Y
Representative Randy A. Schobinger	Y
Representative Michelle Strinden	Y

Motion carried, 8-0-0.

Representative O'Brien moved a do pass as amended, seconded by **Representative Stemen**.

Roll Call vote taken:

Representative	Vote
Representative Jon O. Nelson	Y
Representative Greg Stemen	Y
Representative Bert Anderson	Y

Representative Gary Kreidt	Y
Representative Alisa Mitskog	Y
Representative Emily O'Brien	Y
Representative Randy A. Schobinger	Y
Representative Michelle Strinden	Y

Motion carried, 8-0-0.

Representative Mitskog to carry.

12:02 PM Chairman J. Nelson closed the meeting.

Jan Kamphuis, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Brynhild Haugland Room, State Capitol

HB 1024
2/16/2023

BILL for an Act to provide an appropriation for defraying the expenses of the department of environmental quality.
--

5:57 PM Chairman Vigesaa- Meeting was called to order and roll call was taken:

Members present; Chairman Vigesaa, Representative B. Anderson, Representative Bellew, Representative Brandenburg, Representative Hanson, Representative Kreidt, Representative Martinson, Representative Mitskog, Representative Meier, Representative Mock, Representative Monson, Representative Nathe, Representative J. Nelson, Representative O'Brien, Representative Pyle, Representative Richter, Representative Sanford, Representative Schatz, Representative Schobinger, Representative Strinden, Representative G. Stemen and Representative Swiontek.

Members not Present- Representative Kempenich

Discussion Topics:

- Amendment

Representative Mitskog – Gives some history, the statement for purpose and amendment 23.0253.01002 (Testimony #21041)

Representative Mitskog- Move to adopt the amendment.

Representative Schobinger - Seconds the motion.

Committee discussion- Roll call vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	A
Representative Bert Anderson	Y
Representative Larry Bellew	N
Representative Mike Brandenburg	Y
Representative Karla Rose Hanson	Y
Representative Gary Kreidt	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative Corey Mock	Y
Representative David Monson	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y

Representative Emily O'Brien	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Mike Schatz	Y
Representative Randy A. Schobinger	Y
Representative Greg Stemen	Y
Representative Michelle Strinden	Y
Representative Steve Swiontek	Y

Motion Carries 20-2-1

Representative Mitskog – Move for a Do Pass as Amended

Representative Schobinger -Seconds the motion.

Committee discussion- Roll call vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	A
Representative Bert Anderson	Y
Representative Larry Bellew	N
Representative Mike Brandenburg	Y
Representative Karla Rose Hanson	Y
Representative Gary Kreidt	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative Corey Mock	Y
Representative David Monson	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Mike Schatz	Y
Representative Randy A. Schobinger	Y
Representative Greg Stemen	Y
Representative Michelle Strinden	Y
Representative Steve Swiontek	Y

Motion Carries 21-1-1 Representative Mitskog will carry the bill.

6:17 PM Chairman Vigesaa Closed the meeting for HB 1024

Risa Berube, Committee Clerk

DR
175
2-16-23

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024

Page 1, line 2, after "quality" insert "; and to amend and reenact sections 23.1-10-02 and 23.1-10-05 of the North Dakota Century Code, relating to the environmental quality restoration fund and revenue to the fund"

Page 1, replace lines 10 through 19 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$32,551,817	\$4,381,840	\$36,933,657
Operating expenses	10,771,898	5,405,796	16,177,694
Capital assets	1,247,172	(78,672)	1,168,500
Grants	15,060,118	21,778,000	36,838,118
Total all funds	\$59,631,005	\$31,486,964	\$91,117,969
Less estimated income	46,969,930	29,858,605	76,828,535
Total general fund	\$12,661,075	\$1,628,359	\$14,289,434
Full-time equivalent positions	166.00	5.00	171.00"

Page 1, line 21, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 1, replace lines 23 and 24 with:

"Laboratory information management system	\$1,000,000	\$0
Chemistry laboratory inflation	0	116,800
Loan fund administration	0	177,350
Drinking water program portal	0	325,000
Environmental data systems upgrade	0	1,365,444
Total all funds	\$1,000,000	\$1,984,594
Less estimated income	0	1,796,794
Total general fund	\$1,000,000	\$187,800

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The department of environmental quality shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 2, line 6, replace "\$773,983" with "\$742,080"

Page 2, after line 8, insert:

"SECTION 5. AMENDMENT. Section 23.1-10-02 of the North Dakota Century Code is amended and reenacted as follows:

23.1-10-02. Environmental quality restoration fund - Continuing appropriation.

There is established an environmental quality restoration fund into which the funds recovered in this chapter may be deposited. The fund is to be administered by

the department of environmental quality and may be used by the department for costs of environmental assessment, removal, corrective action, or monitoring as determined on a case-by-case basis. All moneys placed in the fund under this section and section 23.1-10-05 are appropriated to the department on a continuing basis. If, on the first day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than five million dollars, the amount in excess of five million dollars must be transferred to the general fund.

*DR
295
2-16-23*

SECTION 6. AMENDMENT. Section 23.1-10-05 of the North Dakota Century Code is amended and reenacted as follows:

23.1-10-05. Revenue to the fund.

Revenue from the following sources must be deposited in the state treasury and credited to the fund:

1. ~~If the balance of the fund is less than five million dollars, moneys~~ Moneys recovered by the department in an action or administrative proceeding based on violation of the state's environmental statutes, including actions for administrative expense recoveries, civil penalties, compensatory damages; and money paid pursuant to any agreement, stipulation, or settlement. This section does not limit the department's ability to agree to a supplemental environmental project as part of a settlement.
2. Moneys donated to the department for the purposes of this chapter.
3. Transfers from the abandoned oil and gas well plugging and site reclamation fund under subdivision f of subsection 2 of section 38-08-04.5.
4. Moneys received from a federal agency for the purpose of this section.
5. Any other moneys as may be deposited in the fund for use in carrying out the purposes of this chapter."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Department of Environmental Quality - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$32,551,817	\$4,381,840	\$36,933,657
Operating expenses	10,771,898	5,405,796	16,177,694
Capital assets	1,247,172	(78,672)	1,168,500
Grants	15,060,118	21,778,000	36,838,118
Total all funds	\$59,631,005	\$31,486,964	\$91,117,969
Less estimated income	46,969,930	29,858,605	76,828,535
General fund	\$12,661,075	\$1,628,359	\$14,289,434
FTE	166.00	5.00	171.00

Department 303 - Department of Environmental Quality - Detail of House Changes

DR
395
2-16-23

	Adjusts Funding for Cost to Continue Salaries ¹	Adjust Base Budget Funding ²	Adds Funding for Salary and Benefit Increases ³	Adds 1 FTE Natural Resource Services III Position ⁴	Adds 2 FTE Engineering and Planning Services VI Positions ⁵	Adds 1 FTE Civil Rights and Environmental Justice Position ⁶
Salaries and wages	\$231,457	\$259,515	\$2,449,222	\$218,662	\$511,284	\$218,664
Operating expenses		2,338,313		7,500	97,500	25,168
Capital assets		(113,700)				
Grants		778,000				
Total all funds	\$231,457	\$3,262,128	\$2,449,222	\$226,162	\$608,784	\$243,832
Less estimated income	149,916	3,262,128	1,727,484	226,162	608,784	158,491
General fund	\$81,541	\$0	\$721,738	\$0	\$0	\$85,341

FTE 0.00 0.00 0.00 1.00 2.00 1.00

	Adds 1 FTE Accountant Budget Specialist III Position ⁷	Increases Funding for Temporary Salaries ⁸	Adds Funding for LIMS Maintenance and Hosting ⁹	Increases Funding for Information Technology ¹⁰	Adds Funding for Lead and Copper Testing ¹¹	Adds Funding for Lead and Copper Program Materials ¹²
Salaries and wages	\$218,476	\$274,560				
Operating expenses	10,500		\$280,000	\$223,221	\$184,000	\$10,000
Capital assets						
Grants						
Total all funds	\$228,976	\$274,560	\$280,000	\$223,221	\$184,000	\$10,000
Less estimated income	148,835	274,560	0	86,842	184,000	10,000
General fund	\$80,141	\$0	\$280,000	\$136,379	\$0	\$0

FTE 1.00 0.00 0.00 0.00 0.00 0.00

	Adds Funding for Drinking Water Database ¹³	Adds Funding for a Lead Line Service Replacement Project ¹⁴	Adds Funding for Environmental Data System Maintenance ¹⁵	Removes Funding for Bond Payment ¹⁶	Adds Funding for IJJA Grants ¹⁷	Adds One-Time Funding for Chemistry Laboratory Inflation ¹⁸
Salaries and wages						
Operating expenses	\$100,000	\$150,000	\$150,000			\$116,800
Capital assets				(\$119,972)		
Grants					\$21,000,000	
Total all funds	\$100,000	\$150,000	\$150,000	(\$119,972)	\$21,000,000	\$116,800
Less estimated income	100,000	150,000	35,000	(60,391)	21,000,000	0
General fund	\$0	\$0	\$115,000	(\$59,581)	\$0	\$116,800

FTE 0.00 0.00 0.00 0.00 0.00 0.00

	Adds One-Time Funding to Administer IJJA Revolving Loan Fund ¹⁹	Adds One-Time Funding for a Drinking Water Program Portal ²⁰	Adds One-Time Funding for Environmental Data System Development ²¹	Total House Changes
Salaries and wages				\$4,381,840
Operating expenses	\$22,350	\$325,000	\$1,365,444	5,405,796
Capital assets	155,000			(78,672)
Grants				21,778,000
Total all funds	\$177,350	\$325,000	\$1,365,444	\$31,486,964
Less estimated income	177,350	325,000	1,294,444	29,858,605
General fund	\$0	\$0	\$71,000	\$1,628,359
FTE	0.00	0.00	0.00	5.00

DR
485
2-16-23

¹ Funding is added for cost to continue salary increases.

² Funding is added from federal funds for base budget adjustments, including increases in salaries and wages (\$259,515), operating expenses (\$2,338,313), and grants (\$778,000) and a decrease in capital assets of \$113,700.

³ The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$492,317	\$1,178,150	\$1,670,467
Health insurance increase	<u>229,421</u>	<u>549,334</u>	<u>778,755</u>
Total	\$721,738	\$1,727,484	\$2,449,222

⁴ Funding from federal and special funds is added for 1 FTE natural resource services III position and related operating expenses.

⁵ Funding from federal funds is added for 2 FTE engineering and planning services VI positions and related operating expenses.

⁶ Funding, including funding from federal and special funds, is added for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses.

⁷ Funding, including funding from federal and special funds, is added for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses.

⁸ Funding from federal funds is increased for temporary salaries related to lead line inventory.

⁹ Funding is added for operating expenses related to the laboratory information management system (LIMS) maintenance and hosting.

¹⁰ Funding is added for operating expenses related to ITD rate increases.

¹¹ Funding from special funds is added for operating expenses related to lead and copper testing.

¹² Federal funding is added for operating expenses related to printing lead and copper program materials.

¹³ Federal funding is added for operating expenses related to ongoing licensing and maintenance of the drinking water system database.

¹⁴ Federal funding is added for operating expenses for professional services related to a lead line service replacement project.

¹⁵ Funding, including federal funds, is added for operating expenses related to environmental data system maintenance.

¹⁶ Funding, including funding from federal funds, for the 2021-23 biennium bond payment is removed.

¹⁷ Federal funding is added for grants related to the federal Infrastructure Investment and Jobs Act (IIJA) municipal facilities and lead and copper programs.

¹⁸ One-time funding is added for operating expenses related to chemistry laboratory inflation.

¹⁹ One-time funding from federal funds is added to administer the IIJA municipal facilities revolving loan fund, including operating expenses for office and IT equipment and capital assets for equipment over \$5,000.

²⁰ One-time funding from federal funds is added for operating expenses to upgrade the drinking water program portal.

²¹ One-time funding, including funding from federal and special funds, is added for environmental data system development.

_____ This amendment also:

- Amends a section to adjust funding appropriated from the petroleum release compensation fund for expenses related to the petroleum tank release program; and
- Adds sections to remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in

the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.

DL

SJS

2-16-23

REPORT OF STANDING COMMITTEE

HB 1024: Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). HB 1024 was placed on the Sixth order on the calendar.

Page 1, line 2, after "quality" insert "; and to amend and reenact sections 23.1-10-02 and 23.1-10-05 of the North Dakota Century Code, relating to the environmental quality restoration fund and revenue to the fund"

Page 1, replace lines 10 through 19 with:

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Operating expenses	10,771,898	5,405,796	16,177,694
Capital assets	1,247,172	(78,672)	1,168,500
Grants	<u>15,060,118</u>	<u>21,778,000</u>	<u>36,838,118</u>
Total all funds	\$59,631,005	\$31,486,964	\$91,117,969
Less estimated income	<u>46,969,930</u>	<u>29,858,605</u>	<u>76,828,535</u>
Total general fund	\$12,661,075	\$1,628,359	\$14,289,434
Full-time equivalent positions	166.00	5.00	171.00"

Page 1, line 21, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 1, replace lines 23 and 24 with:

"Laboratory information management system	\$1,000,000	\$0
Chemistry laboratory inflation	0	116,800
Loan fund administration	0	177,350
Drinking water program portal	0	325,000
Environmental data systems upgrade	0	<u>1,365,444</u>
Total all funds	\$1,000,000	\$1,984,594
Less estimated income	0	<u>1,796,794</u>
Total general fund	\$1,000,000	\$187,800

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The department of environmental quality shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 2, line 6, replace "\$773,983" with "\$742,080"

Page 2, after line 8, insert:

"SECTION 5. AMENDMENT. Section 23.1-10-02 of the North Dakota Century Code is amended and reenacted as follows:

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There is established an environmental quality restoration fund into which the funds recovered in this chapter may be deposited. The fund is to be administered by the department of environmental quality and may be used by the department for costs of environmental assessment, removal, corrective action, or monitoring as determined on a case-by-case basis. All moneys placed in the fund under this section and section 23.1-10-05 are appropriated to the department on a continuing basis. If, on the first day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than five

million dollars, the amount in excess of five million dollars must be transferred to the general fund.

SECTION 6. AMENDMENT. Section 23.1-10-05 of the North Dakota Century Code is amended and reenacted as follows:

23.1-10-05. Revenue to the fund.

Revenue from the following sources must be deposited in the state treasury and credited to the fund:

1. ~~If the balance of the fund is less than five million dollars, moneys~~Moneys recovered by the department in an action or administrative proceeding based on violation of the state's environmental statutes, including actions for administrative expense recoveries, civil penalties, compensatory damages; and money paid pursuant to any agreement, stipulation, or settlement. This section does not limit the department's ability to agree to a supplemental environmental project as part of a settlement.
2. Moneys donated to the department for the purposes of this chapter.
3. Transfers from the abandoned oil and gas well plugging and site reclamation fund under subdivision f of subsection 2 of section 38-08-04.5.
4. Moneys received from a federal agency for the purpose of this section.
5. Any other moneys as may be deposited in the fund for use in carrying out the purposes of this chapter."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Department of Environmental Quality - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$32,551,817	\$4,381,840	\$36,933,657
Operating expenses	10,771,898	5,405,796	16,177,694
Capital assets	1,247,172	(78,672)	1,168,500
Grants	15,060,118	21,778,000	36,838,118
Total all funds	\$59,631,005	\$31,486,964	\$91,117,969
Less estimated income	46,969,930	29,858,605	76,828,535
General fund	\$12,661,075	\$1,628,359	\$14,289,434
FTE	166.00	5.00	171.00

Department 303 - Department of Environmental Quality - Detail of House Changes

	Adjusts Funding for Cost to Continue Salaries ¹	Adjust Base Budget Funding ²	Adds Funding for Salary and Benefit Increases ³	Adds 1 FTE Natural Resource Services III Position ⁴	Adds 2 FTE Engineering and Planning Services VI Positions ⁵	Adds 1 FTE Civil Rights and Environmental Justice Position ⁶
Salaries and wages	\$231,457	\$259,515	\$2,449,222	\$218,662	\$511,284	\$218,664
Operating expenses		2,338,313		7,500	97,500	25,168
Capital assets		(113,700)				
Grants		778,000				
Total all funds	\$231,457	\$3,262,128	\$2,449,222	\$226,162	\$608,784	\$243,832
Less estimated income	149,916	3,262,128	1,727,484	226,162	608,784	158,491
General fund	\$81,541	\$0	\$721,738	\$0	\$0	\$85,341
FTE	0.00	0.00	0.00	1.00	2.00	1.00

	Adds 1 FTE Accountant Budget Specialist III Position ⁷	Increases Funding for Temporary Salaries ⁸	Adds Funding for LIMS Maintenance and Hosting ⁹	Increases Funding for Information Technology ¹⁰	Adds Funding for Lead and Copper Testing ¹¹	Adds Funding for Lead and Copper Program Materials ¹²
Salaries and wages	\$218,476	\$274,560				
Operating expenses	10,500		\$280,000	\$223,221	\$184,000	\$10,000
Capital assets						
Grants						
Total all funds	\$228,976	\$274,560	\$280,000	\$223,221	\$184,000	\$10,000
Less estimated income	148,835	274,560	0	86,842	184,000	10,000
General fund	\$80,141	\$0	\$280,000	\$136,379	\$0	\$0
FTE	1.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Drinking Water Database ¹³	Adds Funding for a Lead Line Service Replacement Project ¹⁴	Adds Funding for Environmental Data System Maintenance ¹⁵	Removes Funding for Bond Payment ¹⁶	Adds Funding for IJJA Grants ¹⁷	Adds One-Time Funding for Chemistry Laboratory Inflation ¹⁸
Salaries and wages						
Operating expenses	\$100,000	\$150,000	\$150,000			\$116,800
Capital assets				(\$119,972)		
Grants					\$21,000,000	
Total all funds	\$100,000	\$150,000	\$150,000	(\$119,972)	\$21,000,000	\$116,800
Less estimated income	100,000	150,000	35,000	(60,391)	21,000,000	0
General fund	\$0	\$0	\$115,000	(\$59,581)	\$0	\$116,800
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding to Administer IJJA Revolving Loan Fund ¹⁹	Adds One-Time Funding for a Drinking Water Program Portal ²⁰	Adds One-Time Funding for Environmental Data System Development ²¹	Total House Changes
Salaries and wages				\$4,381,840
Operating expenses	\$22,350	\$325,000	\$1,365,444	5,405,796
Capital assets	155,000			(78,672)
Grants				21,778,000
Total all funds	\$177,350	\$325,000	\$1,365,444	\$31,486,964
Less estimated income	177,350	325,000	1,294,444	29,858,605
General fund	\$0	\$0	\$71,000	\$1,628,359
FTE	0.00	0.00	0.00	5.00

¹ Funding is added for cost to continue salary increases.

² Funding is added from federal funds for base budget adjustments, including increases in salaries and wages (\$259,515), operating expenses (\$2,338,313), and grants (\$778,000) and a decrease in capital assets of \$113,700.

³ The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

	General Fund	Other Funds	Total
Salary increase	\$492,317	\$1,178,150	\$1,670,467
Health insurance increase	229,421	549,334	778,755
Total	\$721,738	\$1,727,484	\$2,449,222

⁴ Funding from federal and special funds is added for 1 FTE natural resource services III position and related operating expenses.

⁵ Funding from federal funds is added for 2 FTE engineering and planning services VI positions and related operating expenses.

⁶ Funding, including funding from federal and special funds, is added for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses.

⁷ Funding, including funding from federal and special funds, is added for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses.

⁸ Funding from federal funds is increased for temporary salaries related to lead line inventory.

⁹ Funding is added for operating expenses related to the laboratory information management system (LIMS) maintenance and hosting.

¹⁰ Funding is added for operating expenses related to ITD rate increases.

¹¹ Funding from special funds is added for operating expenses related to lead and copper testing.

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¹³ Federal funding is added for operating expenses related to ongoing licensing and maintenance of the drinking water system database.

¹⁴ Federal funding is added for operating expenses for professional services related to a lead line service replacement project.

¹⁵ Funding, including federal funds, is added for operating expenses related to environmental data system maintenance.

¹⁶ Funding, including funding from federal funds, for the 2021-23 biennium bond payment is removed.

¹⁷ Federal funding is added for grants related to the federal Infrastructure Investment and Jobs Act (IIJA) municipal facilities and lead and copper programs.

¹⁸ One-time funding is added for operating expenses related to chemistry laboratory inflation.

¹⁹ One-time funding from federal funds is added to administer the IIJA municipal facilities revolving loan fund, including operating expenses for office and IT equipment and capital assets for equipment over \$5,000.

²⁰ One-time funding from federal funds is added for operating expenses to upgrade the drinking water program portal.

²¹ One-time funding, including funding from federal and special funds, is added for environmental data system development.

This amendment also:

- Amends a section to adjust funding appropriated from the petroleum release compensation fund for expenses related to the petroleum tank release program; and
- Adds sections to remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.

2023 SENATE APPROPRIATIONS

HB 1024

**Department 303 - Department of Environmental Quality
House Bill No. 1024**

First Chamber Comparison to Base Level

	General Fund	Other Funds	Total
2023-25 First Chamber Version	\$14,289,434	\$76,828,535	\$91,117,969
2023-25 Base Level	12,661,075	46,969,930	59,631,005
Increase (Decrease)	\$1,628,359	\$29,858,605	\$31,486,964

First Chamber Changes

A summary of the first chamber's changes to the agency's base level appropriations and the executive budget is attached as an appendix.

Selected Bill Sections Included in the First Chamber Version

Environment and rangeland protection fund - Section 3 authorizes the Department of Environmental Quality (DEQ) to spend \$250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.

Petroleum release compensation fund - Section 4 authorizes DEQ to spend \$742,080 from the petroleum release compensation fund for expenses related to the petroleum tank release program.

Environmental quality restoration fund and fund revenues - Sections 5 and 6 remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.

Continuing Appropriations

Environmental quality restoration fund - North Dakota Century Code Sections 23-31-01 and 23-31-02 - Allows DEQ to provide immediate and timely response to catastrophic events that threaten the public and environmental health and when the responsible party is late in responding or cannot be located.

Deficiency Appropriations

There are no deficiency appropriations for this agency.

Significant Audit Findings

The State Auditor reported no areas of concern were identified with regard to errors, internal control weaknesses, or potential violations of law for significant or high-risk functions of the agency during the 2019-21 biennium. The Department of Environmental Quality was separated from the State Department of Health in 2019. This is the 1st biennium the department has been audited as a separate entity.

In addition to financial transactions and expenditures, the State Auditor reviewed permitting and monitoring special waste landfills and animal feeding operations. The State Auditor reported the following audit findings related to the additional reviews:

Other Findings: Special Waste Landfills

- Condition: Opportunities for improvement for inspection control and policy areas.

Cause: Lack of communication for inspection results, issues identified but not addressed, not tracking noncompliance issues, and duplication of effort by a third-party contractor and DEQ employees.

Recommendation: The State Auditor recommends DEQ evaluate policies and procedures to ensure they contribute to meeting the overall program objective. This includes modifying or implementing policies and procedures to ensure proper communication of inspection results, inspections verifying all required information, proper tracking and follow up of noncompliance, and assignment of inspection duties among staff.

Agency response: The department agrees to implement this recommendation. The department has an informal long-term policy to notify facility representatives verbally of items of noncompliance and follow up with a written inspection report. This informal policy is now memorialized in a field inspection operating procedure which requires facility notification within 48 hours of the inspection and a written report identifying all items of noncompliance sent within 30 days. Additionally, DEQ has updated the standard inspection form and removed the "unknown" option. The department will review third-party contracts to avoid duplication of effort. Database report tracking procedures will be implemented.

- Condition: Oilfield landfill operators are having to wait longer than the 120 days allowed by North Dakota Administrative Code (NDAC) for their permit to be approved before constructing new facilities or expanding already opened facilities. This may cause the solid waste needs in the state to go unmet.

Cause: Permit applications not reviewed within the required 120 days or 240 days if the review period is extended.

Recommendation: The State Auditor recommends DEQ develop procedures to review and approve all permits for special oilfield landfills within 120 days as required by NDAC 33.1-20-03.1-04.

Agency response: The department agrees to implement this finding. A complete permit application is a complex document made up of many interrelated components requiring input from several governmental, nongovernmental, and public entities. For example, permits may require county zoning approval and may also receive third-party review which may be provided after the initial application has been submitted to the state for review. The department will implement a policy and tracking system to monitor the 120-day period to ensure timely review, follow up, and approval decision of applications.

- Condition: There are no set solid waste permit lengths established. The program determines the permit length on an individual basis based on the level or risk with the facility. The risk factors used and the risk level assigned to the facility are not documented. This could result in inequitable treatment of facilities or missed revenue opportunities for the state by not requiring permit renewals as frequently.

Cause: Missing policies and procedures to determine how long permits are granted.

Recommendation: The State Auditor recommends the DEQ solid waste program develop a policy that defines risk assessment procedures to use in determining the active length of approved permits.

Agency response: The department agrees to implement this recommendation. The department will create a decision matrix for selecting a permit length based on fixed criteria which will be added to the standard operating procedures for facility permitting. During the permit review process, the public will have an opportunity to review and comment on the permit length justification.

Other Findings: Animal Feeding Operations

No findings were identified. The North Dakota pollutant discharge elimination system program is properly permitting, and monitoring animal feeding operations as required by the NDAC and the North Dakota pollutant discharge elimination system program policies and procedures.

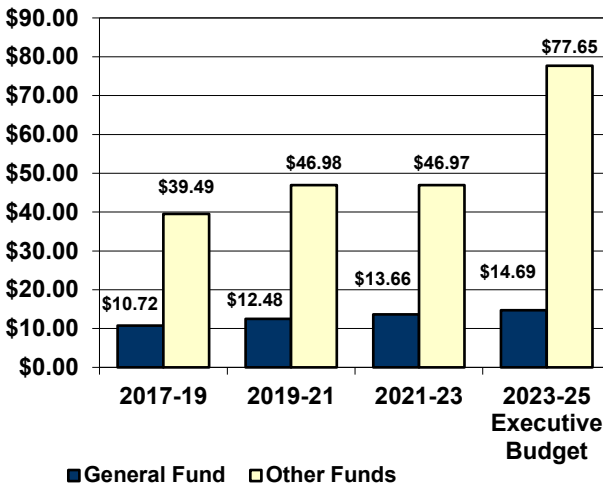
Major Related Legislation

House Bill No. 1358 - Relates to the composition of the environmental review advisory council.

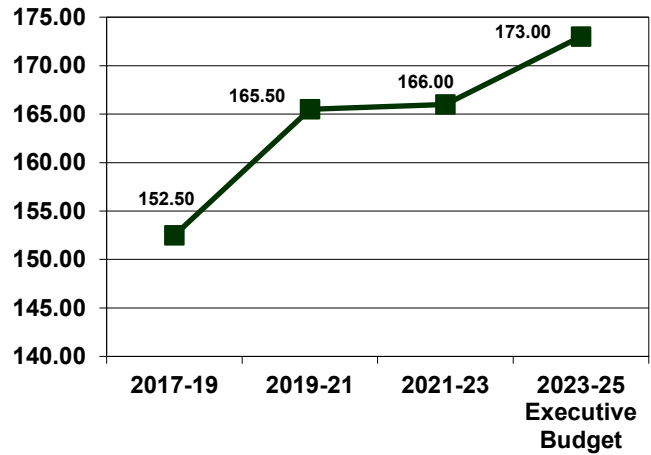
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	N/A	\$10,724,151	\$12,480,922	\$12,661,075	\$14,499,802
Increase (decrease) from previous biennium	N/A	N/A	\$1,756,771	\$180,153	\$1,838,727
Percentage increase (decrease) from previous biennium	N/A	N/A	16.4%	1.4%	14.5%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	N/A	N/A	N/A	N/A

Major Increases (Decreases) in Ongoing General Fund Appropriations

2017-19 Biennium

- Removed 1 FTE electronics technician II position from the Air Quality Division of the Environmental Health Section and related funding for salaries and wages (\$111,233)
- Adjusted the funding source for litigation fees related to the Environmental Protection Agency lawsuit to provide funding from the strategic investment and improvements fund instead of the general fund (\$500,000)

2019-21 Biennium

- Removed 3 FTE positions, including 1 FTE administrative assistant, 1 FTE office assistant, and 1 FTE legal assistant, and related funding for salaries and wages (\$94,123)
- Added 2 FTE positions and related funding from the general fund and the petroleum release compensation fund for salaries and wages and operating expenses to transfer the petroleum tank release program from the Insurance Department to DEQ \$297,217
- Added 2 FTE positions and funding for salaries and wages in the 1st year of the biennium related to the state assuming primacy over the Quad O and Quad Oa federal air pollution programs \$384,356
- Added 8 FTE positions and funding in the 2nd year of the biennium related to the state assuming primacy over the Quad O and Quad Oa federal air pollution programs \$1,056,767
- Reduced funding for operating expenses related to training water treatment system operators to provide a total of \$125,000 from the general fund (\$55,000)
- Added funding for Microsoft Office 365 licensing expenses \$20,048

2021-23 Biennium

- Decreased funding for temporary salaries (\$138,050)
- Transferred 1 FTE computer and network specialist III position to the Information Technology Department for the information technology (IT) unification initiative, including a decrease in salaries and wages and an increase in operating expenses \$2,022

- 3. Removed 2 FTE environmental scientist II positions paid from the general fund and restored other positions from special funds (\$360,800)
- 4. Decreased funding for operating expenses (\$614,873)
- 5. Increased funding for cost to continue operating expenses and grants, including funding to fully fund the Quad O and Quad Oa program, increases in IT data processing, IT equipment, and repairs \$362,474

2023-25 Biennium (Executive Budget Recommendation)

- 1. Adds funding for 1 FTE human resource director position in the Office of the Director and related operating expenses of \$15,165 \$94,718
- 2. Adds funding for 1 FTE assistant director in the Office of the Director and related operating expenses of \$15,167 \$127,704
- 3. Adds funding for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses of \$25,168 \$85,341
- 4. Adds funding for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses of \$10,500 \$80,141
- 5. Adds funding for operating expenses related to a laboratory information management system (LIMS) maintenance and hosting \$280,000

One-Time General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
One-time other funds appropriations	N/A	\$0	\$0	\$1,000,000	\$187,800

Major One-Time Other Funds Appropriations

2017-19 Biennium

None \$0

2019-21 Biennium

None \$0

2021-23 Biennium

Added one-time funding for a laboratory information management system \$1,000,000

2023-25 Biennium (Executive Budget Recommendation)

- 1. Adds one-time funding for operating expenses related to chemistry laboratory inflation \$116,800
- 2. Adds one-time funding for operating expenses for environmental data system development \$71,000

Department of Environmental Quality - Budget No. 303
House Bill No. 1024
Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	166.00	\$12,661,075	\$46,969,930	\$59,631,005	166.00	\$12,661,075	\$46,969,930	\$59,631,005
2023-25 Ongoing Funding Changes								
Cost to continue salary increase		\$81,541	\$149,916	\$231,457		\$81,541	\$149,916	\$231,457
Adds funding from federal funds for base budget adjustments, including increases in salaries and wages (\$259,515), operating expenses (\$2,338,313), and grants (\$778,000) and a decrease in capital assets of \$113,700			3,262,128	3,262,128			3,262,128	3,262,128
Salary increase		673,222	1,602,721	2,275,943		492,317	1,178,150	1,670,467
Health insurance increase		224,262	536,982	761,244		229,421	549,334	778,755
Adds funding from federal and special funds for 1 FTE natural resource services III position and related operating expenses of \$7,500	1.00		226,162	226,162	1.00		226,162	226,162
Adds funding from federal funds for 2 FTE engineering and planning services VI positions and related operating expenses of \$97,500	2.00		608,784	608,784	2.00		608,784	608,784
Adds funding, including funding from federal and special funds, for 1 FTE human resource director position in the Office of the Director and related operating expenses of \$15,165	1.00	94,718	175,903	270,621				0
Adds funding, including funding from federal and special funds, for 1 FTE assistant director in the Office of the Director and related operating expenses of \$15,167	1.00	127,704	237,169	364,873				0
Adds funding, including funding from federal and special funds, for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses of \$25,168	1.00	85,341	158,491	243,832	1.00	85,341	158,491	243,832
Adds funding, including funding from federal and special funds, for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses of \$10,500	1.00	80,141	148,835	228,976	1.00	80,141	148,835	228,976

Increases federal funding for temporary salaries related to lead line inventory		274,560	274,560		274,560	274,560		
Adds funding for operating expenses related to LIMS maintenance and hosting	280,000		280,000	280,000		280,000		
Adds funding for operating expenses related to ITD rate increases	136,379	86,842	223,221	136,379	86,842	223,221		
Adds funding from special funds for operating expenses related to lead and copper testing		184,000	184,000		184,000	184,000		
Increases federal funding for operating expenses related to printing lead and copper program materials		10,000	10,000		10,000	10,000		
Adds federal funding for operating expenses related to ongoing licensing and maintenance of the drinking water system database		100,000	100,000		100,000	100,000		
Adds federal funding for operating expenses for professional services related to lead line service replacement project		150,000	150,000		150,000	150,000		
Adds funding, including federal funds, for operating expenses related to environmental data system maintenance	115,000	35,000	150,000	115,000	35,000	150,000		
Removes funding, including funding from federal funds, for 2021-23 biennium bond payment	(59,581)	(60,391)	(119,972)	(59,581)	(60,391)	(119,972)		
Adds federal funding for grants related to Infrastructure Investment and Jobs Act (IIJA) municipal facilities and lead and copper programs		21,000,000	21,000,000		21,000,000	21,000,000		
Total ongoing funding changes	7.00	\$1,838,727	\$28,887,102	\$30,725,829	5.00	\$1,440,559	\$28,061,811	\$29,502,370
One-Time Funding Items								
Adds one-time funding for operating expenses related to chemistry laboratory inflation		\$116,800	\$116,800	\$116,800		\$116,800	\$116,800	
Adds one-time funding from federal funds for operating expenses related to administering the IIJA municipal facilities revolving loan fund, including office and IT equipment		\$22,350	22,350		\$22,350	22,350		
Adds one-time funding from federal funds for operating expenses to upgrade the drinking water program portal		325,000	325,000		325,000	325,000		
Adds one-time funding for operating expenses, including funding from federal and special funds, for environmental data system development	71,000	1,294,444	1,365,444	71,000	1,294,444	1,365,444		

Adds one-time funding from federal funds for equipment over \$5,000 related to administering IJJA municipal facilities revolving loan fund			155,000	155,000			155,000	155,000
Total one-time funding changes	0.00	\$187,800	\$1,796,794	\$1,984,594	0.00	\$187,800	\$1,796,794	\$1,984,594
Total Changes to Base Level Funding	7.00	\$2,026,527	\$30,683,896	\$32,710,423	5.00	\$1,628,359	\$29,858,605	\$31,486,964
2023-25 Total Funding	173.00	\$14,687,602	\$77,653,826	\$92,341,428	171.00	\$14,289,434	\$76,828,535	\$91,117,969
<i>Federal funds included in other funds</i>			\$53,655,863				\$53,203,600	
<i>Total ongoing changes as a percentage of base level</i>	4.2%	14.5%	61.5%	51.5%	3.0%	11.4%	59.7%	49.5%
<i>Total changes as a percentage of base level</i>	4.2%	16.0%	65.3%	54.9%	3.0%	12.9%	63.6%	52.8%

Other Sections in Department of Environmental Quality - Budget No. 303

	<u>Executive Budget Recommendation</u>	<u>House Version</u>
Environment and rangeland protection fund	Section 3 would authorize the department to spend \$250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	Section 3 authorizes the department to spend \$250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.
Petroleum release compensation fund	Section 4 would authorize the department to spend \$748,169 from the petroleum release compensation fund for expenses related to the petroleum tank release program.	Section 4 authorizes the department to spend \$742,080 from the petroleum release compensation fund for expenses related to the petroleum tank release program.
Environmental quality restoration fund and fund revenues	Sections 5 and 6 would remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.	Sections 5 and 6 remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.

2023 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1024
3/6/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the department of environmental quality; and relating to the environmental quality restoration fund and revenue to the fund.

10:07 AM Chairman Bekkedahl opened the hearing on HB 1024.

Members present: Senators Bekkedahl, Krebsbach, Burckhard, Davison, Dever, Dwyer, Erbele, Kreun, Meyer, Roers, Schaible, Sorvaag, Vedaa, Wanzek, Rust, and Mathern.

Discussion Topics:

- Department of Environmental Quality
- Work environment
- Organization chart
- Division of Air Quality
- Division of Chemistry
- Division of Water Quality
- Division of Accounting
- Boiler inspection
- Underground storage tanks
- Hazardous waste and polychlorinated biphenyl program
- Landfill operations
- Spill investigation
- Legal enforcement
- Environmental quality restoration
- Budget status

10:07 AM David Glatt, Director North Dakota Department of Environmental Quality, introduced the bill, testimony # 21478

10:57 AM Beth Jacobson, Director of Accounting North Dakota Department of Environmental Quality, testimony #21478

11:18 AM David Glatt, Director North Dakota Department of Environmental Quality, continued with testimony, testimony # 21478

Additional written testimony:

- Julie Ellingson, North Dakota Stockman's Association, testimony # 22084

Chairman Bekkedahl assigned this bill to the Human Resources Division.

11:41 AM Vice Chairman Krebsbach closed the hearing.
Kathleen Hall, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Appropriations - Human Resources Division Roughrider Room, State Capitol

HB 1024
3/9/2023

Relating to the environmental quality restoration fund and revenue to the fund, to provide an appropriation for defraying the expenses of the department of environmental quality; and relating to the environmental quality restoration fund and revenue to the fund

2:16 pm Chairman Dever called the public hearing to order. Members present: Senators Dever, Davison, Burckhard, Mathern, Kreun.

Discussion Topics:

- Budget
- FTE support
- Assistant Director
- Human Resource Director
- Engineering Service Grant
- Non-point source pollution projects
- Health insurance
- Federal and special funds
- Professional services
- IT contracts
- Grant line item
- Equipment & Repair
- Temporary/overtime salaries

2:16 PM David Glatt, Director, ND Department of Environmental Quality (DEQ), outlined his testimony in favor, & introduced Beth Jacobson. Testimony #23409 p.1

2:17 PM Beth Jacobsen, DEQ Director of Accounting, began her testimony, in favor. Testimony #23409, p.1-2

2:19 PM Representative Greg Stemen, District 27, introduced amendment #23.0253.02001 on HB 1024, in favor. #23445

2:26 PM Beth Jacobson, returned to her testimony, in favor. Testimony #23409, pp2-12

3:00 PM Julie Ellings, ND Stockmen's Association, testified in favor. referenced #22084

3:02 PM Chairman Dever closed the public hearing on HB 1024. Committee discussion.

3:03 PM Chairman Dever adjourned the meeting.

Susan Huntington, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Appropriations - Human Resources Division Roughrider Room, State Capitol

HB 1024
3/21/2023

A bill for an act to provide an appropriation for defraying the expenses of the Department of Environmental Quality

9:15 AM Chairman Dever called the meeting to order. Members present: Dever, Burckhard, Mathern, Kreun. Absent: Senator Davison.

Discussion Topics:

- Budget
- Water testing
- Laboratories

9:16 AM Sheila Sandness, fiscal analyst, Legislative Council, reviewed the long sheet Budget no. 303, for HB1024. Testimony #26076

9:36 AM Chairman Dever closed the meeting.

Susan Huntington, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Appropriations - Human Resources Division Roughrider Room, State Capitol

HB 1024
3/21/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the department of environmental quality.
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2:19 PM Chairman Dever called the meeting to order. Members present: Dever, Burckhard, Mathern, Kreun. Absent: Senator Davison

Discussion Topics:

- Special funds
- Volkswagen grant
- Chemical labs
- Employee Retention
- Cost summaries
- Full time employees

2:19 PM Beth Jacobson, Director of Accounting, Department of Environmental Quality, gave an overview of the funding sheets. Testimony #26151

2:35 PM Dave Glatt, Director, Division of Environmental Quality, answered questions. No written testimony

2:48 PM Chairman Dever adjourned the meeting.

Susan Huntington, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Appropriations - Human Resources Division Roughrider Room, State Capitol

HB 1024
4/3/2023

A bill for an act to provide an appropriation for defraying the expenses of the Department of Environmental Quality

9:51 AM Chairman Dever opened the meeting.

Members present: Senators Dever, Mathern, Davison, Burckhard, and Kreun.

Discussion Topics:

- Budget
- Health insurance
- FTE considerations
- Non-point engineering

9:51 AM Beth Jacobson, Director of Accounting, ND Department of Environmental Quality, testified. Testimony #23409

10:03 AM Dave Glatt, Director of ND Department of Environmental Quality, testified. (No written testimony)

10:29 AM Sheila Sandness, fiscal analyst, Legislative Council, summarized & clarified budget & amendment details.

10:30 AM Vice-Chair Davison adjourned the meeting.

Susan Huntington, Committee clerk

2023 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1024
4/4/2023

A BILL for an Act to provide an appropriation for defraying the expenses of the department of environmental quality; and relating to the environmental quality restoration fund and revenue to the fund.

3:38 PM Chairman Bekkedahl opened the hearing on HB 1024.

Members present: Senators Bekkedahl, Krebsbach, Burckhard, Davison, Dever, Dwyer, Erbele, Kreun, Roers, Schaible, Sorvaag, Vedaa, Wanzek, Rust, and Mathern.

Members absent: Senator Meyer

Discussion Topics:

- Department of Environmental Quality
- Inspections
- Air/water quality
- Committee action

3:38 PM Senator Mathern introduced amendment LC 23.0253.02002. (#27286)

3:41 PM Senator Mathern moved to adopt AMENDMENT 23.0253.02002.
Senator Kreun seconded the motion

Senators	Vote
Senator Brad Bekkedahl	Y
Senator Karen K. Krebsbach	Y
Senator Randy A. Burckhard	Y
Senator Kyle Davison	Y
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Curt Kreun	Y
Senator Tim Mathern	Y
Senator Scott Meyer	AB
Senator Jim P. Roers	Y
Senator David S. Rust	Y
Senator Donald Schaible	Y
Senator Ronald Sorvaag	Y
Senator Shawn Vedaa	Y
Senator Terry M. Wanzek	Y

Motion passed 15-0-1.

3:42 PM Senator Mathern moved DO PASS AS AMENDED.
Senator Dever seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	Y
Senator Karen K. Krebsbach	Y
Senator Randy A. Burckhard	Y
Senator Kyle Davison	Y
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Curt Kreun	Y
Senator Tim Mathern	Y
Senator Scott Meyer	AB
Senator Jim P. Roers	Y
Senator David S. Rust	Y
Senator Donald Schaible	Y
Senator Ronald Sorvaag	Y
Senator Shawn Vedaa	N
Senator Terry M. Wanzek	Y

Motion passed 14-1-1.

Senator Mathern will carry the bill.

3:48 PM Chairman Bekkedahl closed the hearing.

Kathleen Hall, Committee Clerk

DR
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4-4-23

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1024

Page 1, line 2, remove the first "and"

Page 1, line 4, after "fund" insert "and to provide for an exemption"

Page 1, replace lines 14 through 21 with:

"Salaries and wages	\$32,551,817	\$4,553,049	\$37,104,866
Operating expenses	10,771,898	6,475,528	17,247,426
Capital assets	1,247,172	(78,672)	1,168,500
Grants	<u>15,060,118</u>	<u>22,138,000</u>	<u>37,198,118</u>
Total all funds	\$59,631,005	\$33,087,905	\$92,718,910
Less estimated income	<u>46,969,930</u>	<u>29,966,956</u>	<u>76,936,886</u>
Total general fund	\$12,661,075	\$3,120,949	\$15,782,024
Full-time equivalent positions	166.00	7.00	173.00"

Page 1, line 22, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-NINTH LEGISLATIVE ASSEMBLY"

Page 2, line 19, replace "\$742,080" with "\$723,595"

Page 3, after line 19, insert:

"SECTION 7. EXEMPTION - LABORATORY INFORMATION MANAGEMENT SYSTEM. The sum of \$1,000,000, appropriated from the general fund for the laboratory information management system in section 1 of chapter 52 of the 2021 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the laboratory information management system during the biennium beginning July 1, 2023, and ending June 30, 2025."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Department of Environmental Quality - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$32,551,817	\$36,933,657	\$171,209	\$37,104,866
Operating expenses	10,771,898	16,177,694	1,069,732	17,247,426
Capital assets	1,247,172	1,168,500		1,168,500
Grants	<u>15,060,118</u>	<u>36,838,118</u>	<u>360,000</u>	<u>37,198,118</u>
Total all funds	\$59,631,005	\$91,117,969	\$1,600,941	\$92,718,910
Less estimated income	<u>46,969,930</u>	<u>76,828,535</u>	<u>108,351</u>	<u>76,936,886</u>
General fund	\$12,661,075	\$14,289,434	\$1,492,590	\$15,782,024
FTE	166.00	171.00	2.00	173.00

Department 303 - Department of Environmental Quality - Detail of Senate Changes

DR
283
4-4-23

	Adds Funding for Salary and Benefit Increases ¹	Removes Salary Funding for Funding Pool ²	Adds Funding for Health Insurance Increases for Vacant Positions ³	Adds Salary Equity Funding to Reclassify Positions ⁴	Adds 1 FTE Human Resource Director Position ⁵	Adds 1 FTE Assistant Director Position ⁶
Salaries and wages	\$587,965	(\$3,743,544)	\$121,026	\$2,000,000	\$255,456	\$349,706
Operating expenses					15,165	15,167
Capital assets						
Grants						
Total all funds	\$587,965	(\$3,743,544)	\$121,026	\$2,000,000	\$270,621	\$364,873
Less estimated income	412,219	(2,795,634)	78,694	0	175,903	237,169
General fund	\$175,746	(\$947,910)	\$42,332	\$2,000,000	\$94,718	\$127,704
FTE	0.00	0.00	0.00	0.00	1.00	1.00

	Adds Funding for Federal Climate Pollution Reduction Act Grant ⁷	Total Senate Changes
Salaries and wages	\$600,600	\$171,209
Operating expenses	1,039,400	1,069,732
Capital assets		
Grants	360,000	360,000
Total all funds	\$2,000,000	\$1,600,941
Less estimated income	2,000,000	108,351
General fund	\$0	\$1,492,590
FTE	0.00	2.00

¹ Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$180,905	\$424,571	\$605,476
Health insurance increase	(5,159)	(12,352)	(17,511)
Total	\$175,746	\$412,219	\$587,965

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

² Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	(\$364,806)	(\$1,407,442)	(\$1,772,248)
Vacant FTE positions	(583,104)	(1,388,192)	(1,971,296)
Total	(\$947,910)	(\$2,795,634)	(\$3,743,544)

³ Funding is added for health insurance increases for vacant positions that was not included in the executive recommendation or the House version.

⁴ Equity funding is added to increase salaries and wages to reclassify chemist and environmental scientist positions. The funding is provided in addition to equity funding included in the salary equity pool appropriated to the Office of Management and Budget. The House did not include funding to reclassify positions.

⁵ Funding, including funding from federal and special funds, is added for 1 FTE human resource director position in the Office of the Director and related operating expenses.

⁶ Funding, including funding from federal and special funds, is added for 1 FTE assistant director in the Office of the Director and related operating expenses.

⁷ Federal funding is added for a Climate Pollution Reduction Act grant.

This amendment also adds an exemption to allow the department to continue unexpended one-time funding provided during the 2021-23 biennium for the laboratory information management system project.

OK
3/23
4-4-23

REPORT OF STANDING COMMITTEE

HB 1024, as engrossed: Appropriations Committee (Sen. Bekkedahl, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). Engrossed HB 1024 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 2, remove the first "and"

Page 1, line 4, after "fund" insert "and to provide for an exemption"

Page 1, replace lines 14 through 21 with:

"Salaries and wages	\$32,551,817	\$4,553,049	\$37,104,866
Operating expenses	10,771,898	6,475,528	17,247,426
Capital assets	1,247,172	(78,672)	1,168,500
Grants	<u>15,060,118</u>	<u>22,138,000</u>	<u>37,198,118</u>
Total all funds	\$59,631,005	\$33,087,905	\$92,718,910
Less estimated income	<u>46,969,930</u>	<u>29,966,956</u>	<u>76,936,886</u>
Total general fund	\$12,661,075	\$3,120,949	\$15,782,024
Full-time equivalent positions	166.00	7.00	173.00"

Page 1, line 22, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-NINTH LEGISLATIVE ASSEMBLY**"

Page 2, line 19, replace "\$742,080" with "\$723,595"

Page 3, after line 19, insert:

"SECTION 7. EXEMPTION - LABORATORY INFORMATION MANAGEMENT SYSTEM. The sum of \$1,000,000, appropriated from the general fund for the laboratory information management system in section 1 of chapter 52 of the 2021 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the laboratory information management system during the biennium beginning July 1, 2023, and ending June 30, 2025."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Department of Environmental Quality - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$32,551,817	\$36,933,657	\$171,209	\$37,104,866
Operating expenses	10,771,898	16,177,694	1,069,732	17,247,426
Capital assets	1,247,172	1,168,500		1,168,500
Grants	<u>15,060,118</u>	<u>36,838,118</u>	<u>360,000</u>	<u>37,198,118</u>
Total all funds	\$59,631,005	\$91,117,969	\$1,600,941	\$92,718,910
Less estimated income	<u>46,969,930</u>	<u>76,828,535</u>	<u>108,351</u>	<u>76,936,886</u>
General fund	\$12,661,075	\$14,289,434	\$1,492,590	\$15,782,024
FTE	166.00	171.00	2.00	173.00

Department 303 - Department of Environmental Quality - Detail of Senate Changes

	Adds Funding for Salary and Benefit Increases ¹	Removes Salary Funding for Funding Pool ²	Adds Funding for Health Insurance Increases for Vacant Positions ³	Adds Salary Equity Funding to Reclassify Positions ⁴	Adds 1 FTE Human Resource Director Position ⁵	Adds 1 FTE Assistant Director Position ⁶
Salaries and wages	\$587,965	(\$3,743,544)	\$121,026	\$2,000,000	\$255,456	\$349,706
Operating expenses					15,165	15,167
Capital assets						
Grants						
Total all funds	\$587,965	(\$3,743,544)	\$121,026	\$2,000,000	\$270,621	\$364,873
Less estimated income	412,219	(2,795,634)	78,694	0	175,903	237,169
General fund	\$175,746	(\$947,910)	\$42,332	\$2,000,000	\$94,718	\$127,704
FTE	0.00	0.00	0.00	0.00	1.00	1.00

	Adds Funding for Federal Climate Pollution Reduction Act Grant ⁷	Total Senate Changes
Salaries and wages	\$600,600	\$171,209
Operating expenses	1,039,400	1,069,732
Capital assets		
Grants	360,000	360,000
Total all funds	\$2,000,000	\$1,600,941
Less estimated income	2,000,000	108,351
General fund	\$0	\$1,492,590
FTE	0.00	2.00

¹ Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$180,905	\$424,571	\$605,476
Health insurance increase	(5,159)	(12,352)	(17,511)
Total	\$175,746	\$412,219	\$587,965

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

² Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	(\$364,806)	(\$1,407,442)	(\$1,772,248)
Vacant FTE positions	(583,104)	(1,388,192)	(1,971,296)
Total	(\$947,910)	(\$2,795,634)	(\$3,743,544)

³ Funding is added for health insurance increases for vacant positions that was not included in the executive recommendation or the House version.

⁴ Equity funding is added to increase salaries and wages to reclassify chemist and environmental scientist positions. The funding is provided in addition to equity funding included in the salary equity pool appropriated to the Office of Management and Budget. The House did not include funding to reclassify positions.

⁵ Funding, including funding from federal and special funds, is added for 1 FTE human resource director position in the Office of the Director and related operating expenses.

⁶ Funding, including funding from federal and special funds, is added for 1 FTE assistant director in the Office of the Director and related operating expenses.

⁷ Federal funding is added for a Climate Pollution Reduction Act grant.

This amendment also adds an exemption to allow the department to continue unexpended one-time funding provided during the 2021-23 biennium for the laboratory information management system project.

2023 CONFERENCE COMMITTEE

HB 1024

2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Human Resources Division Harvest Room, State Capitol

HB 1024
4/14/2023
Conference Committee

A BILL for an Act to provide an appropriation for defraying the expenses of the department of environmental quality.
--

1:30 PM Chairman Stemen opened the meeting.

Members present: Chairman Stemen, Representative Strinden, Representative Mitskog, Senator Davison, Senator Burckhard, Senator Mathern.

Discussion Topics:

- Committee discussion
- Project Grants amendment
- Equity Funding
- FTE Request

Representative Stemen moved to adopt amendment 23.0253.02001 (#27593), seconded by **Representative Strinden**.

Representative Stemen moved the amendment.

Roll Call vote taken: Motion carried, 6-0-0.

Representative Stemen moved that the senate recedes from Senate amendments and amend as follows with 23.0253.02001 (#27593).

Seconded by **Senator Mathern**.

Roll Call vote taken: Motion carried, 6-0-0.

Representative Stemen will carry for the house and **Senator Davison** will carry for the Senate.

1:43 PM Chairman Stemen closed the meeting.

Jan Kamphuis, Committee Clerk

March 2, 2023

27
4-17-23

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1024

That the Senate recede from its amendments as printed on page 1676-1678 of the House Journal and pages 1427-1429 of the Senate Journal and that Engrossed House Bill No. 1024 be amended as follows:

Page 2, after line 13, insert:

"SECTION 3. APPROPRIATION - FEDERAL FUNDS - LEAD PIPE REMOVAL AND CLEAN WATER PROJECT GRANTS. There is appropriated from federal funds, not otherwise appropriated, the sum of \$25,000,000, or so much of the sum as may be necessary, to the department of environmental quality for the purpose of providing grants to political subdivisions with a population of ten thousand or less for lead pipe removal and other projects eligible for funding from the clean water state revolving loan fund for the biennium beginning July 1, 2023, and ending June 30, 2025. The department shall require a political subdivision grant recipient to provide twenty-five percent matching funds and the department may not award grants in excess of \$5,000,000 to a political subdivision."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment appropriates \$25 million from federal funds to the Department of Environmental Quality for grants to political subdivisions with a population of 10,000 or less for lead pipe removal and other projects eligible for funding from the clean water state revolving loan fund.

**2023 HOUSE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

HB 1024 as (re) engrossed

House Appropriation Human Resources Committee

- Action Taken** **HOUSE accede to Senate Amendments**
 HOUSE accede to Senate Amendments and further amend
 SENATE recede from Senate amendments
 SENATE recede from Senate amendments and amend as follows
- Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Chairman Stemen Seconded by: Senator Strinden

Representatives	4/14		Yes	No	Senators	4/14		Yes	No
<i>Chairman Stemen</i>	X		X		Senator Davison	X		X	
Representative <i>Strinden</i>	X		X		Senator Burckhard	X		X	
Representative <i>Mitskog</i>	X		X		Senator Mathern	X		X	
Total Rep. Vote			3		Total Senate Vote			3	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Stemen Senate Carrier Davison

LC Number 23.0253 . 02001 of amendment

LC Number . of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: Lead Pipe Removal and Clean Water Project Grants

**2023 HOUSE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

HB 1024 as (re) engrossed

House Appropriation Human Resources Committee

- Action Taken** **HOUSE accede to Senate Amendments**
 HOUSE accede to Senate Amendments and further amend
 SENATE recede from Senate amendments
 SENATE recede from Senate amendments and amend as follows
- Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Chairman Stemen Seconded by: Senator Mathern

Representatives	4/14		Yes	No		Senators	4/14		Yes	No
<i>Chairman Stemen</i>	X		X			Senator Davison	X		X	
Representative <i>Strinden</i>	X		X			Senator Burckhard	X		X	
Representative <i>Mitskog</i>	X		X			Senator Mathern	X		X	
Total Rep. Vote			3			Total Senate Vote			3	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Stemen Senate Carrier Davison

LC Number 23.0253 . 02001 of amendment

LC Number 23.0253 . 04000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: Lead Pipe Removal and Clean Water Project Grants

Insert LC: 23.0253.02001
House Carrier: Stemen
Senate Carrier: Davison

REPORT OF CONFERENCE COMMITTEE

HB 1024, as engrossed: Your conference committee (Sens. Davison, Burckhard, Mathern and Reps. Stemen, Strinden, Mitskog) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1676-1678, adopt amendments as follows, and place HB 1024 on the Seventh order:

That the Senate recede from its amendments as printed on page 1676-1678 of the House Journal and pages 1427-1429 of the Senate Journal and that Engrossed House Bill No. 1024 be amended as follows:

Page 2, after line 13, insert:

"SECTION 3. APPROPRIATION - FEDERAL FUNDS - LEAD PIPE REMOVAL AND CLEAN WATER PROJECT GRANTS. There is appropriated from federal funds, not otherwise appropriated, the sum of \$25,000,000, or so much of the sum as may be necessary, to the department of environmental quality for the purpose of providing grants to political subdivisions with a population of ten thousand or less for lead pipe removal and other projects eligible for funding from the clean water state revolving loan fund for the biennium beginning July 1, 2023, and ending June 30, 2025. The department shall require a political subdivision grant recipient to provide twenty-five percent matching funds and the department may not award grants in excess of \$5,000,000 to a political subdivision."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment appropriates \$25 million from federal funds to the Department of Environmental Quality for grants to political subdivisions with a population of 10,000 or less for lead pipe removal and other projects eligible for funding from the clean water state revolving loan fund.

Engrossed HB 1024 was placed on the Seventh order of business on the calendar.

TESTIMONY

HB 1024



Testimony in Support of
House Bill No. 1024
House Human Resources
Appropriation Committee
January 10, 2023

TESTIMONY OF

Beth Jacobson, Director of Accounting

Good afternoon Chairman Nelson and members of the House Human Resources Appropriation Committee. My name is Beth Jacobson, I am the Director of Accounting for the Department of Environmental Quality (DEQ). I prepared the budget for the department, and I will be covering the budget portion of the testimony in support of House Bill 1024.

I will first address the base level budget compared to the 2023-25 Governor's Executive Recommendation, walk through the budget changes to arrive at the Executive Recommendation, and I will also touch base on a few other budget related items as requested.

Base Level Budget Comparison to Executive Recommendation

The budget outlined in the table below includes the Office of the Director and the Division of Accounting along with five divisions: Air Quality, Chemistry Laboratory, Municipal Facilities, Water Quality, and Waste Management. In the table below, you will note significant increase in several budget lines. The increases are mainly due to federal funding related to the Infrastructure Investment and Jobs Act (IIJA).

Category	2021-23 Base Level Budget	2023-25 Executive Recommendation	Increase/(Decrease)
Salaries & Wages	32,551,817	38,126,784	5,574,967
Operating Expenses	10,771,898	16,208,026	5,436,128
Capital Assets	1,247,172	1,168,500	(78,672)
Grants	15,060,118	36,838,118	21,778,000
Total By Line	59,631,005	92,341,428	32,710,423

Category	2021-23 Base Level Budget	2023-25 Executive Recommendation	Increase/(Decrease)
General Fund	12,661,075	14,687,602	2,026,527
Federal Funds	25,585,277	53,655,863	28,070,586
Special Funds	21,384,653	23,997,963	2,613,310
Total by Fund	59,631,005	92,341,428	32,710,423

FTE	166	173	7
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2023 – 2025 Budget Changes as Recommended in Executive Recommendation

In May 2022 the Governor released the budget guidelines for the 2023-25 Base Budget. I will overview the changes made to the base level budget and then go through the decision packages to arrive at the 2023-25 Governor's Executive Recommendation. For your reference, Attachment A identifies the specific adjustments made to the base level budget to arrive at the Executive Recommendation. I will briefly explain each adjustment and the purpose of the adjustment.

Base Budget Changes

- The executive recommendation includes an increase to support the cost to continue the 2021-23 second year 2 percent salary increase in the 2023-25 Biennium. The increase is just over \$231,000.
- The executive compensation package increases the salary and wages line by approximately \$3 million. The executive compensation package includes a 6 percent performance-based increase for the first year and a 4 percent increase for the second year of the biennium, and a fully funded state-paid health insurance premium. With a competitive labor market and high inflation over the last few years, this investment in our workforce is greatly needed to retain and attract team members.
- As many of you are aware, the cost of technology is increasing. Due to the increased cost of technology-related expenses, an adjustment of \$223,000 was included in the 2023-25 base budget to support increases for the North Dakota Information Technology Department.
- The decrease of \$120,000 in the Capital Improvements line removes the bond payment from the department's budget. In the 2021-23 biennium, the department paid off the Capital Bond for the Laboratory Complex.
- To reflect and account for additional federal funding the department included an increase of federal funding in the base budget of \$3.2 million. Of the \$3.2 million only \$260,000 is an increase in the salaries line. This increase is for temporary employees in our Water Quality Monitoring program to conduct the triannual rivers and streams survey, a small increase for temporary employees in the Division of Waste Management for the Coal Combustion Residual Grant (CCR), and an increase in temporary salary funding for summer internships offered throughout the department.

In the operating line, the increase in federal funding is just over \$2.3 million which is mainly for Infrastructure Investment and Jobs Act (IIJA) funding including Brownfields, Water Quality Management, and Clean and Drinking Water Administration programs.

The decrease in the Capital Improvement line was in the Chemistry Laboratory. These funds were redirected to the operating line to offset the increased cost of consumables and other operating costs for the laboratory.

Finally, the increase in the Grants line of about \$780,000 is mainly for the Small and Disadvantage Communities Drinking Water Grant. This grant is passed through to enhance a project to reach an underserved or disadvantaged community.

Decision Package Changes

The department submitted six decision packages for consideration in the executive recommendation. Included in the six packages were two versions of the Municipal Facilities IJJA and Lead and Copper Decision Package. One version was fully funded with federal funding and the other version was funded with federal and special funds. Of the six decision packages, five included the executive recommendation with the fully funded federal version removed. Note, one decision package was submitted as a placeholder to allow the department to be part of the litigation pool funding which the Attorney General's Office oversees.

- Two of the department's highest priority decision packages in the executive recommendation include funding to support the Chemistry Laboratory. In the 2021-23 biennium, the department was appropriated one-time funding for a new Laboratory Information Management System (LIM System) to replace an outdated DOS-based system. This funding supported the purchase and development of the LIM System. However, as we moved forward on the project it was discovered the ongoing licensing and maintenance cost was much higher than anticipated. The executive recommendation includes \$280,000 in operating general funds to support the ongoing costs of the LIM system.
- The Chemistry Laboratory relies on consumables supplies for day-to-day operation. Recent inflation has significantly impacted the cost of consumables. The Executive Recommendation includes one-time general funds of \$116,800 to offset the increased cost of laboratory supplies and consumables.
- The Office of Director and Division of Accounting support the program functions for the entire department. As a new agency, we discovered the need for several vital positions. The executive recommendation includes an addition of four (4) FTEs and funding of \$1.1 million to support an Assistant Director, a Human Resource Director, an Environmental Justice and Civil Right Coordinator, and an Account Budget Specialist.

Two of the positions, the Environmental Justice/Civil Rights Coordinator, and an Accountant Budget Specialist were requested and approved in the June 2022 Emergency Commission meeting. We are requesting to keep the two positions, which are vital to the daily operations of the department and help us respond to the increase in federal regulations.

The request to add an Assistant Director was the result of succession planning. This position would back up the director and oversee daily operations of the department. The Assistant Director will provide stability with the coordination of department-wide unified policies.

The last position in this decision package is for a Director of Human Resources (HR). The DEQ is considered a large-sized agency per Human Resource Management Services (HRMS)-HR tiers. Agencies of similar size have two to three HR staff. Currently, DEQ relies on HRMS for all our HR services. All four positions in this decision package will be funded by the negotiated indirect cost rate and funded with general, federal, and special funds.

- The next decision package totaling around \$23 million is funded with Federal and Special funds for the Municipal Facilities and Chemistry Laboratory Divisions. The funds requested include IJJA State Revolving Funds (SRF) and funds for the new Lead and Copper Rule. This decision package includes a mixture of one-time funding and ongoing request with an increase of three (3) FTEs. The IJJA funds are awarded annually for five years with project periods expected for the next ten years.

The three FTEs in this decision package support two Environmental Engineers and one Chemist for Lead and Copper Testing. In June 2022 we did receive emergency commission approval to hire two of the positions to move forward with the IJJA applications and the new Lead and Copper Rule. The Engineer positions will manage 10-12 projects per year. We are expecting an increase of about 37 projects per year. The third position is for a Chemist in response to the new Lead and Copper Rule. We expect a 766% increase in samples for Lead and Copper in the Chemistry Laboratory as a result of the new Lead and Copper Rule.

The majority of the funds in this decision package are in the Grants line for subawards totaling \$20 million for Small and Disadvantaged Communities Drinking Water grants and \$1 million for Sewer Overflow and Stormwater Reuse Municipal Grants. These funds will be directly awarded to specific improvement projects throughout the state.

This decision package is partially funded by the executive recommendation. The department requested six (6) FTEs of which three (3) FTEs were funded in the Executive Recommendation. When budgeting for the IJJA funds, there was and still is, uncertainty about what is needed. As we move forward in implementing the IJJA grants, if the need arises, the department may request support for additional FTEs.

- The final decision package is for Environmental Data System totaling just over \$1.5 million and is a mixture of one-time funding and ongoing appropriation. The Department reviewed our current systems and prepared short and long terms goals for consolidation and enhancements. The department currently has over 36 separate environmental data systems for storing and managing data. We are looking to reduce this to 10 or fewer to standardize the data system. These systems will allow the automation of data collection and improve our ability to manage the data and the environmental programs we implement.

This decision package also includes migrating the Pollutant Discharge Elimination System (PDES) Program and Solid Waste Program system to nVIRO which is the same system currently used in Air Quality. This would be a significant upgrade for both systems, and it provides users at regulated facilities one web-based system to submit, and track required compliance reports electronically.

One-Time Funding

In the 2021-23 Biennium, the department received \$1 million of one-time funding for the LIM System in the Chemistry Laboratory. As stated in my previous testimony, we are in the process of implementing the new LIM System and expect to complete it by June 2023.

The 2023-25 Executive Recommendation includes one-time funding totaling just under \$2 million. A small portion of the one-time funding was included to offset inflation increases in the Chemistry Laboratory. We also have one-time funding in the Municipal Facilities IJJA request to purchase equipment in the Chemistry Laboratory, one-time set-up costs for office and IT equipment for new FTEs, and one-time funds in the IT contractual line to enhance the Drinking Water Portal. The last budget amount of one-time funding is for IT contractual development for the Environmental Data Systems.

Other HB1024 Sections

In addition to the fiscal item in HB1024, the Department is requesting to include a section for an accounting housekeeping item. We are proposing to add language regarding the accounting of the Environmental Quality Restoration Fund (EQRF). The section proposed, includes language that on the 1st day of July in any year the department would transfer uncommitted or unrestricted money in the EQRF over \$5 million to the general fund.

General and Special Funds Collections

The department only has minor collections that are deposited into the state general fund. No changes are anticipated to general fund collections. Special fund collections are expected to remain the same. Only two programs are likely to see an increase in special fund collections.

The Chemistry Laboratory anticipates an increase due to increased testing requirements for the new Lead and Copper Rule. We are projecting a 766% increase in tests. The increase in special funds collections in the laboratory will support the FTE increase and increase of consumable supplies. The Petroleum Tank Release Compensation Program (PTRCF) is also anticipating an increase in special fund collections. The increase is due to adopting a risk-based fee schedule to ensure the fund remains solvent. This was set in motion in the 2019-21 biennium when the PTRCF transferred to the department.

Other Bills

The department is tracking several bills which may have an impact on our appropriation. The Executive Recommendation included \$90 million to be considered in Senate Bill 2015 which would include \$1.3 million in target equity funds for the DEQ. This target equity funding package is in addition to the executive compensation package and specifically designated for Scientist, Engineer, Chemist, and Science Administrative positions. We are experiencing record turnover and in a recent HRMS study, the DEQ was one of the lowest-paying state agencies. Other bills the department is tracking include Senate Bill 2003 for litigation pool funding and various other bills related to employee compensation.

Financial Audit Findings

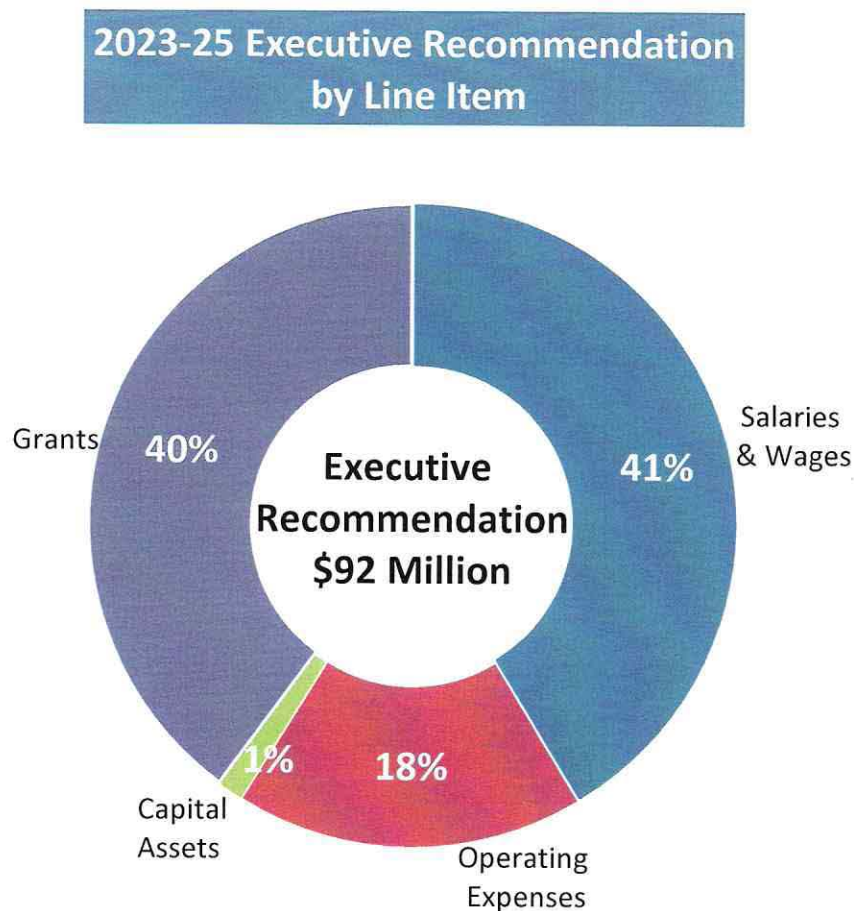
The 2019-2021 biennium is the first biennium for the Department of Environmental Quality as a stand-alone state agency. The State Auditor's Office did perform an audit for the 2019-2021 biennium with three audit findings noted.

- Recommendation to review and approve all permits for special oilfield landfills within 120 days as required by N.D.A.C. 33.1-20-03.1-04. The department agreed to implement this finding and has already caught up on a backlog of permits. The department has taken steps to clearly track all start and stop dates of permits.
- Recommendation for the Solid Waste Program to develop a policy that defines risk assessment procedures to use in determining the active length of approved permits. The department agreed to implement this finding. The department had an informal policy in place however the Standard Operating Procedures are being finalized to include guidance on determining permit length.
- Recommendation for the department to evaluate policies and procedures to ensure they contribute to meeting the overall program objective. This includes modifying or implementing policies and procedures to ensure proper communication of inspection results, inspections verifying all required information, proper tracking and follow-up of noncompliance, and assignment of inspection duties among staff. The department was already in the process of implementing this finding. The Standard Operating Procedures are being finalized and the tracking system has been implemented to ensure proper communication of inspection results.

The department was aware of the issues noted in the finding and is in the process of addressing them. Unfortunately, with limited resources to implement a data tracking system and staffing resources stretched thin due to turn over, the process was delayed. Our budget addresses the resources needed to ensure these findings are implemented and properly addressed.

2023 – 2025 Summary of the Governor’s Executive Recommendation

I will finish up with an overall review of the Governor’s Executive Recommendation by appropriation line and by funding source. The Executive Recommendation includes a total of \$92.3 million appropriated by line.



Salaries and Wages

Salaries and wages make up \$38 million or 41 percent of the budget. The increase in the salaries line item is attributed to the executive compensation package, the increase to fund 7 FTEs and a small increase in the temporary employee line.

Operating Expenses

The operating budget totals just over \$16 million making up 18 percent of our budget. Operating Expenses increase is mainly due to IIJA funding. This increase is mainly for IT contracts and operating contracts.

Capital Assets

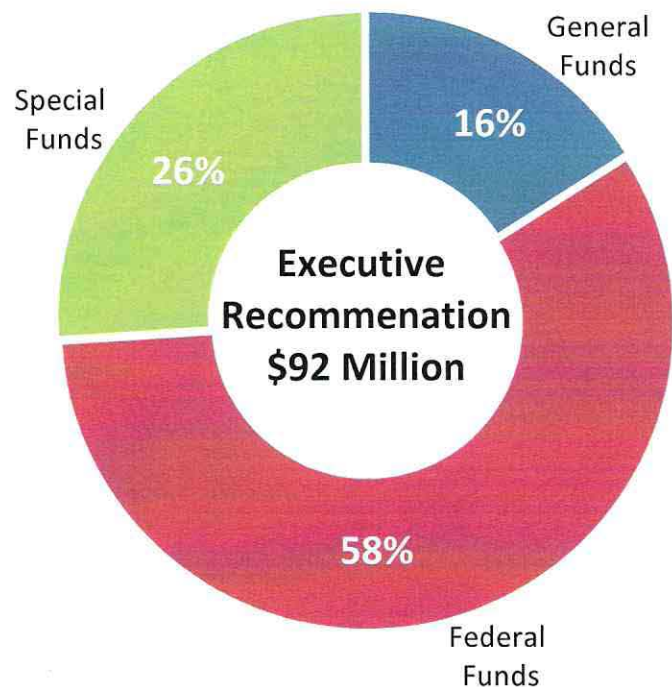
Capital assets of \$1 million make up only 1 percent of the Department's total budget. The Capital asset line includes funding for extraordinary repairs for the Environmental Training Center, and equipment costs of over \$5,000, mainly for the laboratory and air monitoring program.

Grants

Grants, which are sub-awarded to many local entities within the state total \$36.8 million and make up 40 percent of our budget. The increase in the grant line totals \$21.8 which is mainly due to IJA funds for Small and Disadvantage Communities Drinking Water System grants.

Next, I will briefly go over the breakdown by funding source of the Governor's Recommendation for the DEQ.

2023-25 Executive Recommendation by Funding Source



As noted in the above chart, the DEQ is funded by 16 percent general funds, 58 percent federal funds, and 26 percent special funds. The Executive Recommendation includes \$14.7 million in general funds with an increase of \$2 million. The increase in general funds supports the executive compensation package and funds the additional FTEs in Director's Office and Accounting Division.

Federal funds total just under \$53.7 million with an increase of \$28 million. The increase in federal funds is mainly due to IJA funds in Municipal Facilities Division.

The special funds make up just under \$24 million which is an increase of \$2.6 million. The increase in special funds is due to the executive compensation package and to support decision packages.

The status of our federal funding is often uncertain. With that uncertainty, we prepared our budget by assuming that federal grant amounts will essentially hold even, except as noted above. We recognize that as we proceed through the next biennium we will have to adjust our budget, operations, and possibly staffing if federal funding changes from the amounts included in our budget request.

Conclusion

Chairman Nelson and members of the Committee, this concludes my testimony on House Bill 1024. In the upcoming weeks, we look forward to working with you on the detail of the Governor's Executive Recommendation for the Department. I will now turn it back to Dave Glatt who has some final comments, and we will stand for any questions.



Environmental Quality

Testimony in Support of
House Bill No. 1024

House Human Resources Appropriation Committee

January 10, 2022

Attachment A

ATTACHMENT A	FTE	Salaries & Wages	Operating Expenses	Capital Assets	Grants	Total	General Fund Ongoing	General Fund One-time	Other Fund Ongoing	Other Fund One-time	Total
Base Level Budget	166	32,551,817	10,771,898	1,247,172	15,060,118	59,631,005	12,661,075	-	46,969,930	-	59,631,005
Cost to Continue Salary Increase	-	231,457	-	-	-	231,457	81,541	-	149,916	-	231,457
Executive Compensation Package Salary and Health Insurance	-	3,037,187	-	-	-	3,037,187	897,484	-	2,139,703	-	3,037,187
NDIT Telephone and Data Processing increase	-	-	223,221	-	-	223,221	136,379	-	86,842	-	223,221
Adjustment to remove Capital Bond	-	-	-	(119,972)	-	(119,972)	(59,581)	-	(60,391)	-	(119,972)
Cost to Continue Adjustments Federal Funds	-	259,515	2,338,313	(113,700)	778,000	3,262,128	-	-	3,262,128	-	3,262,128
LIMS Licensing and Maintenance Decision Package	-	-	280,000	-	-	280,000	280,000	-	-	-	280,000
Chemistry Laboratory Inflation Decision Package	-	-	116,800	-	-	116,800	-	116,800	-	-	116,800
Director's Office and Accounting Decision Package	4	1,042,302	66,000	-	-	1,108,302	387,904	-	720,398	-	1,108,302
Municipal Facilities IIJA and Lead & Copper Decision Package	3	1,004,506	896,350	155,000	21,000,000	23,055,856	-	-	22,553,506	502,350	23,055,856
Environmental Data System Decision Package	-	-	1,515,444	-	-	1,515,444	115,000	71,000	35,000	1,294,444	1,515,444
2023-2025 Executive Recommendation	173	38,126,784	16,208,026	1,168,500	36,838,118	92,341,428	14,499,802	187,800	75,857,032	1,796,794	92,341,428
Total Executive Changes to Base Level Budget	7	5,574,967	5,436,128	(78,672)	21,778,000	32,710,423	1,838,727	187,800	28,887,102	1,796,794	32,710,423

ENVIRONMENTAL QUALITY

Our small staff of highly trained scientists, chemists, and engineers keeps pace with an increasingly complex regulatory and permitting industry. The recent focus on environmental issues, including the Bipartisan Infrastructure Law, puts demand for their skill set at the highest point in history. We are much more than a regulatory agency. We educate industry and are partners in the field. Our universal responsiveness to government, industry, and citizens, pays off in that North Dakota has some of the highest environmental compliance rates in the country. Our staff is entrusted with legal and technical decisions that could impact generations. They thrive in knowing they make a difference, and they see protecting our environment as meaningful work.

WHAT HAPPENS IF WE CAN'T DO OUR JOB...

Limited Economic Development

It would take us longer to approve permits.



Less Responsiveness

The public and industry would have to wait longer to get the help they need from us, causing frustration.



Protections Could Lapse

Bad actors would go unenforced putting our state resources at risk.



CURRENT AGENCY TEAM MEMBER STATS

166

Full-Time Equivalent

17

Number of Vacancies

88%

Below Salary Midpoint

44

Average Age

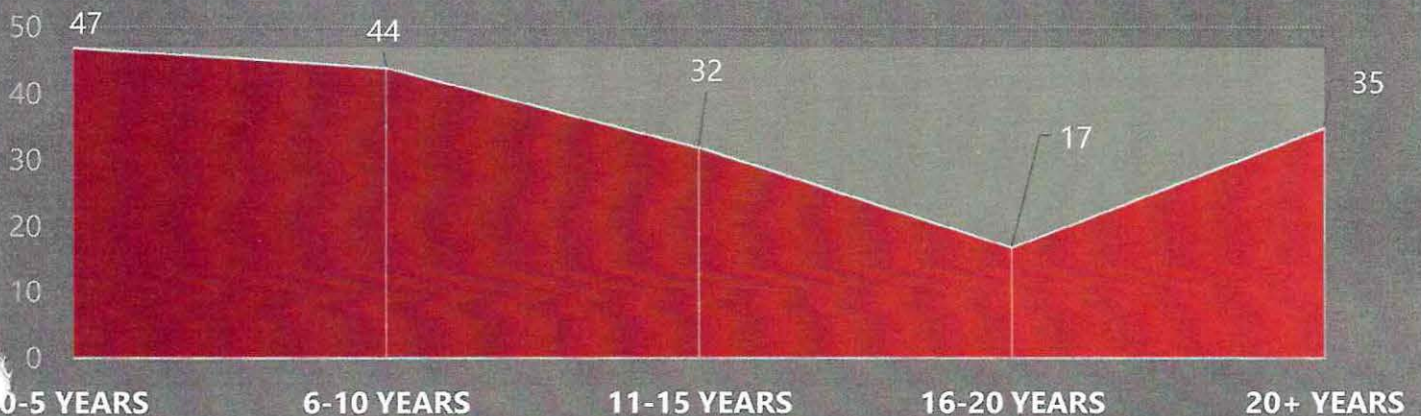
18

Retirement Eligible

\$67 K

Median Annual Salary

YEARS OF SERVICE



Some applicant challenges are unrelated to the numbers, such as quality of applicants, lack of experience, etc.



Testimony in Support of
House Bill No. 1024
House Appropriations Committee
January 10, 2023

TESTIMONY OF

David Glatt, Director of the North Dakota Department of Environmental Quality

Good afternoon, Chairman Nelson and members of the House Appropriations Committee. My name is David Glatt, and I am director of the North Dakota Department of Environmental Quality (DEQ). The DEQ is responsible for the implementation of many environmental protection programs in the state. I am here today to testify in support of HB 1024.

As the primary environmental protection agency, we believe in promoting sustainability and monitoring a high-quality environment for current and future generations. We believe that we must be accessible to all North Dakota citizens, transparent in our decisions and accountable for our actions. Our decisions are not based upon agendas but follow the law and appropriate science. Finally, we are not "just" regulators we are problem-solving professionals working with industry, municipalities and the public looking for common sense, cost-effective solutions. We look for opportunities where innovation is more effective than increased regulation. We work for you and all the citizens of the state.

We acknowledge that we work at the pleasure of the citizens of the state, using public money to implement all of our programs. We are aware that North Dakota citizens, through this legislative body, entrust this agency with significant investment to protect public and environmental health. We are obligated to demonstrate our worth through our actions and show a return on this investment. You could say that under a series of two-year contracts, we work for the citizens of North Dakota.

My testimony today will highlight the following:

- Agency Overview
- Budget Overview
- DEQ Challenges

With me today is the DEQ Director of Accounting, Beth Jacobson, who will present the agency budget and associated information.

North Dakota Department of Environmental Quality

Laws and Rules

The DEQ implements many public and environmental health protection programs through authority provided in both federal and state statute. Most of our state regulations are a direct reflection of federal statutes such as the Clean Air Act (CAA), Clean Water Act (CWA), Safe Drinking Water Act (SDWA) and Resource Conservation and Recovery Act (RCRA). Through primacy agreements with the U.S. Environmental Protection Agency (EPA), referred to as "Primacy" agreements, the state implements the environmental laws, instead of the federal government. This relationship allows North Dakota to provide improved cost-effective environmental protection by acknowledging local environmental, social and economic conditions. We believe that regulatory programs are more accessible, responsive, accountable and cost-effective the closer they are to the regulated community.

You will find a list of the various federal/state environmental regulations that the DEQ implements in the attached appendix.

Work Environment

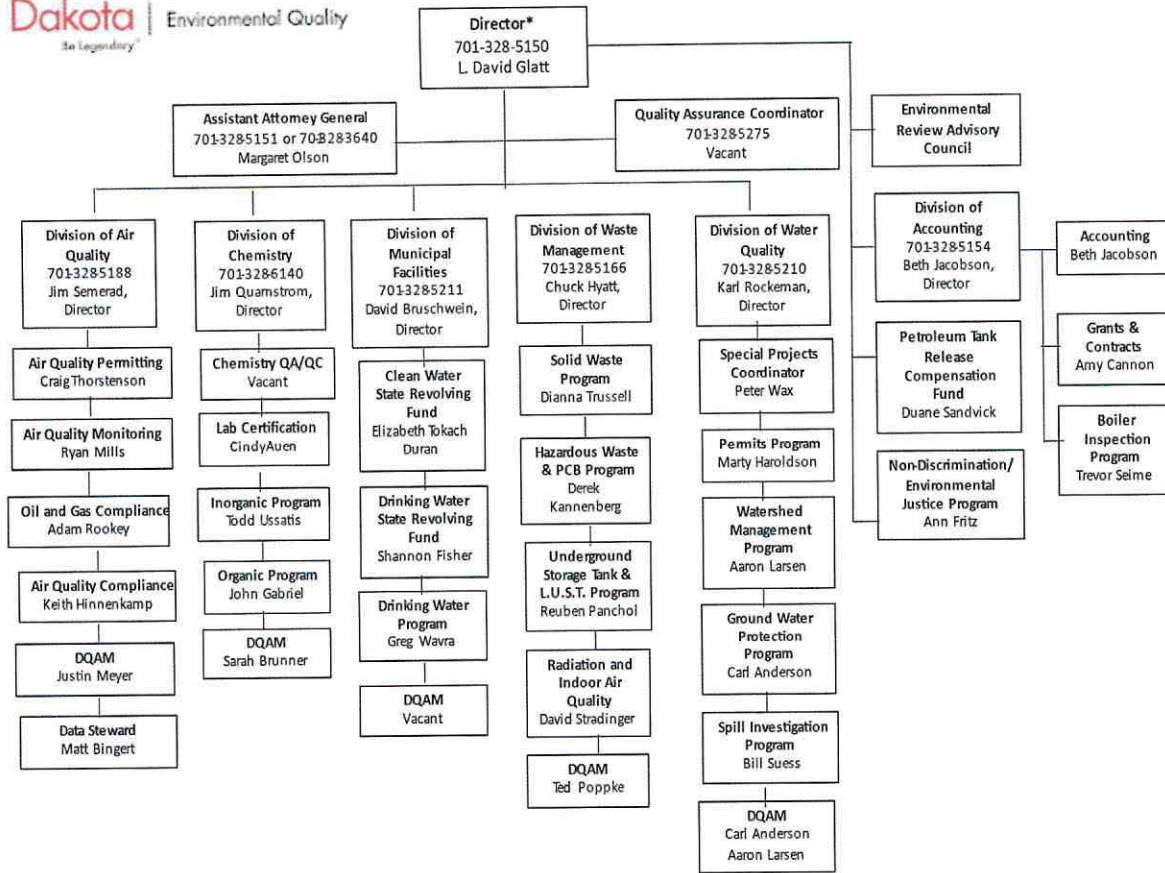
Since the last legislative session, the DEQ has relocated to a new office in north Bismarck. The DEQ currently occupies a portion of the second and all the third floor of the Normandy Office Building (aka ITD Building) located at 4201 Normandy Street. The move addressed the need for additional office space at a cost-effective price.

The DEQ has also adopted a 100 percent in-office work environment philosophy. We found this promotes interaction between employees and divisions, formal and informal mentoring, customer accessibility and a DEQ culture unique to the agency.

Organization Chart

The DEQ is responsible for safeguarding North Dakota's air, land and water resources. In cooperation with the general public, industry and government at all levels, the DEQ implements protective programs and standards to help maintain and improve environmental quality. We accomplish our environmental goals through six divisions that employ 166 FTEs comprised of engineers, scientists of various disciplines, chemists, technicians, accountants, attorneys and administrative support.

The following figure provides an organizational overview of the DEQ. It identifies key program areas in the divisions of Air Quality, Water Quality, Municipal Facilities, Waste Management, Accounting and Chemistry.



*See Office of the Director organization chart for more details

Effective December 2022

The appendix contains a complete list of DEQ programs.

Office of the Director

The Office of the Director works to provide policy direction along with various other administrative and technical functions to ensure that the DEQ provides cost-effective solutions following science and the law to the citizens of the state. To assist in this function, the DEQ consults with the Environmental Advisory Board, comprised of 13 members representing industry, agriculture, environmental and other state agencies involved with elements of natural resources.

The DEQ is seeking additional FTEs to address Human Resource needs (the DEQ does not have a full-time HR Position), an Accountant and a Deputy Director. The DEQ also seeks to add the position of Environmental Justice/Nondiscrimination Coordinator and has modified an existing position to allow for a Quality Assurance/Quality Control (QA/QC) Coordinator. The Nondiscrimination Coordinator will ensure the implementation of federal requirements found in statute or grant applications to address Civil Rights and Environmental Justice. With an existing and growing multicultural population, it is incumbent upon us to utilize various

communication methods to ensure that all citizens understand our actions and can participate in our regulatory processes.

Accurate environmental data is foundational in assessing environmental quality and determining regulatory compliance. The DEQ collects, analyzes and stores a significant volume of environmental data to accomplish this goal. To ensure accurate decision making, all collected data must follow strict QA/QC requirements following established Quality Assurance Plans and standard operating procedures. The QA/QC Coordinator will help to ensure proper and accurate data collection.

The Office of the Director continues to implement two programs acquired from the North Dakota Insurance Commissioner's office. They are the North Dakota Boiler Inspection Program and the North Dakota Petroleum Tank Release Compensation Fund.

North Dakota Boiler Inspection Program

The Boiler Inspection Program consists of four inspectors located in Bismarck and Fargo. The program directive is to conduct inspections of commercial, multiple dwelling and government building boilers to ensure their integrity and safety. The program inspects and certifies 11,879 boilers throughout the year and is supported by inspection and certification fees.

North Dakota Petroleum Tank Release Compensation Fund (NDPTRCF)

The NDPTRCF was established in 1989 in response to the EPA's requirement that all underground storage tank owners have proof of financial responsibility. The NDPTRCF is managed by a five-member board and can provide up to \$1,000,000 to offset remedial action expenses at qualified tank facilities. Throughout this biennium, the PTRCF has modified the tank fee structure to account for the age of the tanks and potential risk, seeking to clarify the PTRCF law to allow for increased program flexibility and added above storage tank regulations.

Division of Air Quality

The Division of Air Quality implements the federal Clean Air Act (CAA) in cooperation with the EPA. Through our cooperative efforts working with the regulated community in compliance assistance, permitting, inspection and enforcement, we continue to be one of a handful of states in compliance with federal ambient air quality standards. DEQ team actions helped to maintain North Dakota air quality through efforts identified in the following programs.

Air Permitting and Compliance Program

The Air Quality Permitting and Compliance Program develops and oversees air quality control permits. It conducts detailed air quality impact analyses including engineering review and computer dispersion modeling, developing state air quality implementation plans and inspect a wide range of regulated air emission sources to ensure compliance. This program requires a high level of expertise to evaluate the application of complex air quality regulations, the design and operation of control devices, and the implementation of best management practices throughout the state. Relatively new to the Air Program is a federal oil and gas regulation referred to as Quad O and Quad Oa. It requires the implementation of a complex list of equipment standards, monitoring and inspection requirements, recordkeeping, and reporting from oilfield operations. This labor-intensive office and field work generates reports for each of the over 17,000 oil wells in North Dakota.

Further, the DEQ has recently seen a large influx of significant proposed projects. These cover a variety of industrial and agricultural sources, such as vegetable oil production from agricultural products, vegetable oil conversion to renewable fuels, petroleum refining, and natural gas processing and conversion to electrical generation. Many of the proposed projects have generated public support as well as opposition, requiring accurate, unbiased detailed analysis of each project. In addition, emphasis on environmental justice and climate impacts adds complexity to the review and permit process. Looking forward, the DEQ is aware of many future potential projects with investors interested in locating to the state. Some of these are in the fossil fuel, agricultural and other familiar industries, and others are new to the agency, such as mineral processing, hydrogen production, conversion of natural gas to liquid products, and carbon capture and sequestration.

Below is a list of known projects being evaluated by the DEQ. Many of these projects will also require a review of water quality and waste impacts.

PTC Projects

Name	Received	Assigned	Status
Red Trail Energy	12/20/22	No	Modifying stack height
Basin – Pioneer	12/13/22	No	Doubling capacity. Modeling (submitted)
ADM- Enderlin Facility	5/11/21; 11/7/22	Craig	App for scrubber
Roughrider Operating	11/4/22	Michaela	Williston Crude Station
Grayson Mills Operating CDP	10/25/22	David	Adding 1 engine
Fufeng	10/12/22	Craig/Rhannon	Wet corn milling plant. Modeling (to be submitted)
Tecton	9/8/22	Craig	Change PTC (vent styrene tanks to atmosphere)
Arrow Midstream	9/8/22	David	Station 8 CS; resolving issues found in audit
Hess – Capa CS 2	8/30/22	David	New; electric with TEG dehy
Minn-Dak	8/24/22	Craig	Amend SO2 limits (9/19/22 in CERIS)
ACS – Drayton	8/23/22	Rhannon	Submitted by email – update BACT on dryer
ONEOK – Pronghorn CS	8/4/22	David	Will draft after Bobcat CS internal review
NDPC – Alexander	8/3/22	Rhannon	On Hold
TrueNorth Steel	7/27/22	David	Equipment added without PTC
Palmer – Bismarck	3/8/22	David	Existing painting operation
Oasis – Williston CS	2/1/22	Ray.	Prelim review done, working with new owner Crestwood on any design updates.

On Hold

Name	Received	Assigned	Status
Wood Products	9/23/21	Rhannon	On Hold

Review Substantially Completed

Name	Received	Assigned	Status
ONEOK – Stateline CS	10/3/22	David	Drafted (internal review)
Guardian – Hankinson	3/11/22	Craig	(included with T5 application); PN ends 12/29
Hess – Capa CS 1	8/26/22	David	New; draft to company
SAFuelsX	6/23/22	David	PN ends 1/8/23
Roughrider Operating SWD	8/2/22	Craig	NPR Letter being typed

Near Future

Epitome (soybean); expected February. Modeling

In addition to the Air Permit and Compliance Program core responsibilities, there has also been an influx of less routine work due to recent EPA actions under the current administration. These include items that will require changes to North Dakota's Air Quality State Implementation Plan, such as newly proposed oil and gas regulations, Regional Haze ongoing requirements, EPA's proposal to lower the PM_{2.5} National Ambient Air Quality Standard, and upcoming EPA regulations regarding greenhouse gases – specifically for the electrical generation sector. While less routine, this work substantially increases the workload and need for technical expertise to successfully complete and defend developed plans.

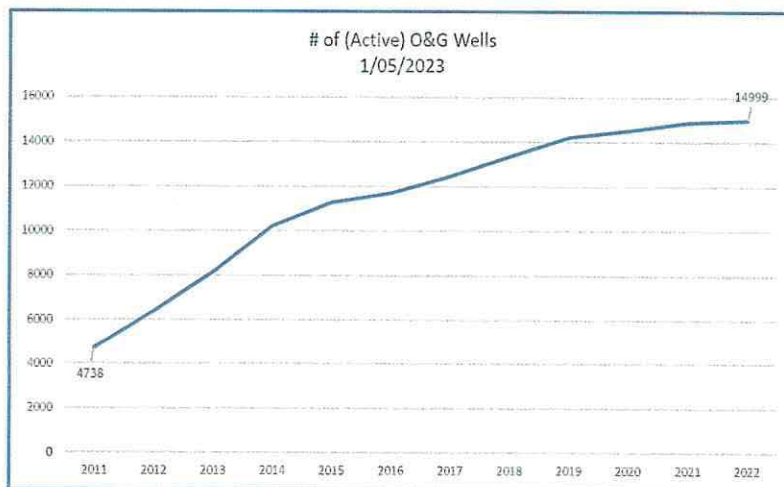
Data Collection and Analysis Program

The Data Collection and Analysis Program maintains a 24-hour/7-day-per-week ambient air quality monitoring network in North Dakota. Data from these monitors indicates that North Dakota is one of a handful of states that complies with all national ambient air quality standards. Additional duties include compliance inspections of industry-maintained monitors and analysis of data generated by the air quality monitors. Monitoring data is invaluable when evaluating and defending permits issued by the DEQ. In addition, these monitors have proven useful in detecting smoke from out-of-state fires, which can impact visibility and public health. Extensive wildfires in the Western United States and Canada have resulted in significant public inquiry regarding the data we collect.

Division of Air Quality – Oilfield Impacts

Oil and Gas development and production continues to require significant DEQ attention. Ongoing and increased monitoring, technology reviews and analysis, inspections, permitting, complaint investigations and enforcement consume considerable staff time and effort.

Since 2013, the DEQ has received over 13,000 oil and gas well registrations which require a detailed review for the accuracy of information provided. A year-by-year breakdown is provided below. There was a dip in numbers between 2020 and 2022 partially due COVID and industry uncertainty.



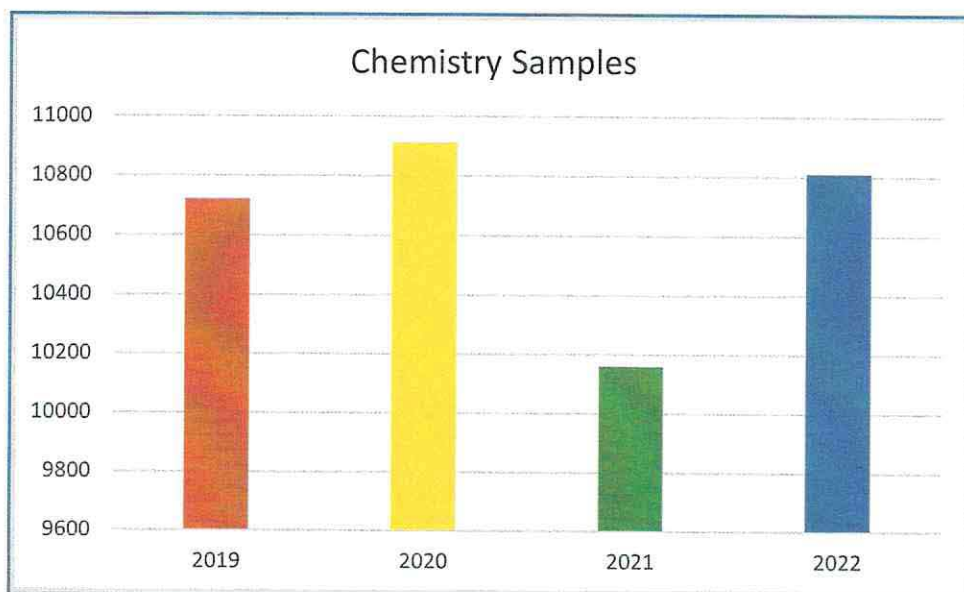
of Active Wells

Division of Chemistry

The Division of Chemistry provides organic and inorganic laboratory analysis services to all DEQ programs, some municipal facilities and private individuals, to meet federal requirements or individual concerns. The division also provides emergency analytical services. Because quality and verifiable data required to properly evaluate environmental and public health impacts, the division also conducts laboratory certification services for all outside environmental laboratories that submit compliance or assessment data to the DEQ. One challenge for the laboratory is the ongoing effort to maintain method and quality assurance certification as detection limits continue to move downward. This requires learning new methods and the utilization of complex analytical instruments. The laboratory has maintained EPA SDWA certification and brought online new technologies such as the LC/MS/MS where samples can be directly injected, reducing preparation time.

The laboratory expects to face future sample load and analytical challenges. The new SDWA Lead and Copper regulations could more than double the number of samples submitted to the laboratory for analysis. The Lead regulatory program ensures that public drinking water supplies do not adversely impact the consuming public due to unhealthy lead concentrations. In addition, to protect public health, drinking water standards are being set at extremely low levels, in some cases below one part per trillion (1 ppt). To provide some context, 1 ppt is equivalent to one drop of chemical in approximately 35 Olympic-sized swimming pools. These low standards and analytical methods require specialized sample handling, preparation, sample collection, and analytical laboratories.

The attached figure presents the total sample volume over years as processed by the Chemistry division. Each sample may represent the completion of several tests or analytes.



Division of Municipal Facilities

The Division of Municipal Facilities is responsible for implementing the state Safe Drinking Water Act which includes the management of two revolving loan funds. These programs combine to ensure safe drinking water and appropriate wastewater treatment.

Drinking Water Program

The Drinking Water Program implements the federal Safe Drinking Water Act (SDWA) at the state level. The SDWA requires oversight of treatment facilities, operator training and certification, inspections, drinking water monitoring, compliance assistance, and enforcement. National headlines highlighting lead in public drinking water supplies and emerging contaminants like PFOA/PFOS, also known as "forever chemicals", emphasize the need and obligation to implement a robust, multi-program regulatory structure to protect public health. Through the collective efforts of the DEQ staff and public water supply system operators, North Dakota has consistently maintained over a 99 percent compliance rate with the SDWA health-based regulations.

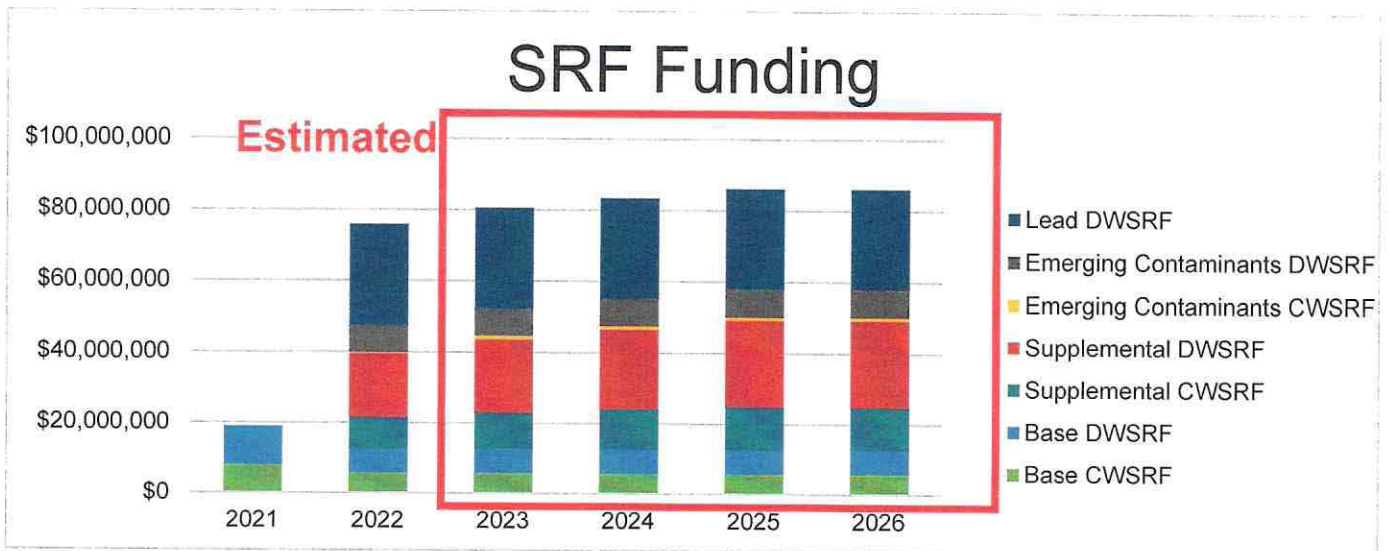
As the SDWA requirements and drinking water standards continue to become more complex, so do the challenges for the regulated community. It is critically important that we train and retain certified operators required to maintain complex treatment infrastructure. The lowering of drinking water quality standards, also known as Maximum Contaminant Levels (MCLs), the addition of new wastewater treatment requirements and the detection of emerging contaminants will continue to put technical and financial pressure on the local public works and the DEQ.

State Revolving Loan Fund Programs

To maintain municipal and water treatment infrastructure, the Division of Municipal Facilities is responsible for administering two low-interest state revolving loan funds. By maintaining treatment, collection, and distribution infrastructure, municipalities can better comply with the federal and state regulatory requirements protecting public and environmental health.

Working in cooperation with the Bank of North Dakota Public Finance Authority, the Clean Water State Revolving Fund (CWSRF) has loaned \$966 million for wastewater treatment and collection facilities since the program's inception in 1990. The Drinking Water State Revolving Fund (DWSRF) has loaned \$785 million for municipal drinking water treatment and distribution infrastructure since the program's inception in 1998. SRF program staff review and approve engineering plans and specifications, conduct on-site construction inspections and evaluate funding needs through an intended use plan.

With the recent passage of the federal Infrastructure Investment and Job Act (IIJA), the state expects to receive significant federal assistance to invest in public water infrastructure, provide for lead pipe removal and address emerging contaminants. The attached table provides an estimate of the anticipated federal funding over the next five years.



The funding will provide much-needed assistance to improve drinking and wastewater infrastructure. With the increased funding, the DEQ anticipates needing additional program staff to ensure the proper execution of funded projects. We are also concerned about the impact of inflation on project costs, the availability of construction material, and the availability of contractors and engineering firms to complete the work.

Division of Waste Management

The Division of Waste Management implements regulatory and nonregulatory programs to ensure the proper handling, transportation and disposal of non-hazardous and hazardous waste. It also regulates the operation, construction and monitoring of underground fuel storage tanks.

Solid Waste Program

The Solid Waste Program permits the storage, transportation, handling, and disposal of nonhazardous waste materials. The DEQ regulates special waste, industrial, municipal, and inert landfills through an extensive permitting process. Each landfill must comply with clearly defined design, operational, monitoring and closure requirements. The DEQ inspects these facilities routinely to assess compliance with applicable rules.

Hazardous Waste and Polychlorinated Biphenyl (PCB) Program

The Hazardous Waste Program regulates the handling, storage, transportation, and disposal of hazardous waste generated within the state. Following the federal Resource Conservation and Recovery Act (RCRA), the program conducts routine inspections, provides oversight for remedial actions, permits facilities and initiates enforcement actions as needed. Regulated entities include industry, utilities, universities, and federal facilities.

PCB oversight has focused on the proper handling and cleanup of spilled materials containing PCBs. PCBs were once widely used as dielectric and coolant fluids in electrical apparatuses and created environmental problems due to their persistence and impacts on organisms in the ecosystem. Older electrical transformers have historically been the source of PCB-containing oil.

Below is a list of the type and number of disposal facilities regulated by the DEQ.

Active Landfill Operations

Industrial Facilities (includes landfills and surface impoundments) – 7

Inert Landfills (Permitted) – 63

Inert Landfills (Permit by Rule) – 161

Land Treatment Facilities – 2

MSW Landfills – 14 (13 active, 1 in post-closure care)

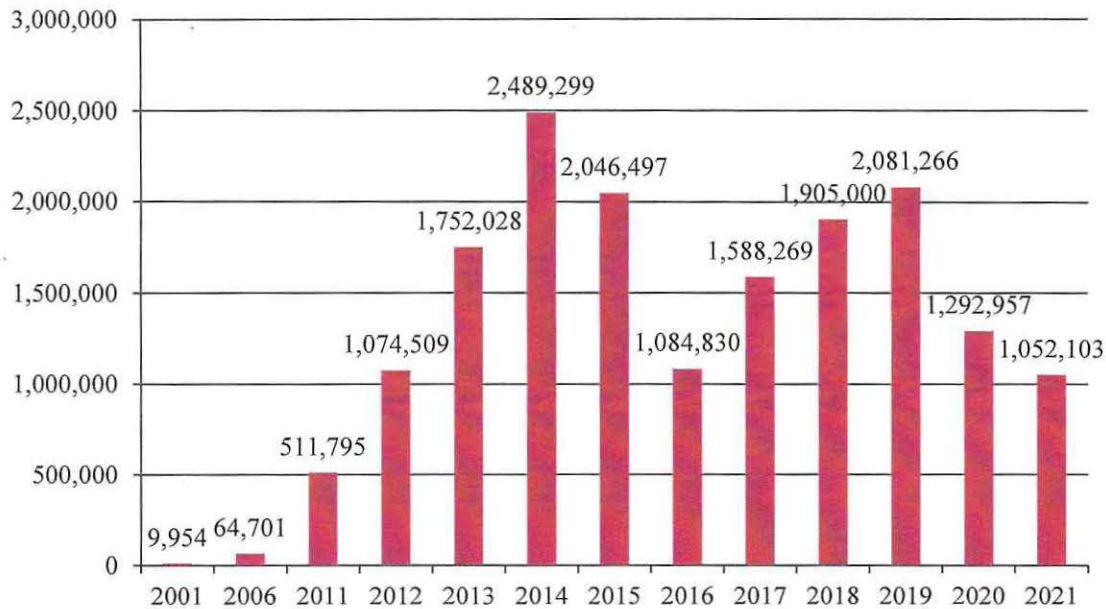
Oilfield Special Waste Landfills – 11 (including 1 landfill that can take TENORM)

Power Plant Facilities (includes landfills and surface impoundments) – 23

Regulated Infectious Waste Facilities – 5

Transfer Stations – 31

Tons of Oilfield Special Waste



Underground Storage Tank (UST) and Leaking Underground Storage Tank (LUST) Programs

The UST Program regulates the underground storage of hydrocarbon products in tanks with volumes of more than 1,000 gallons. The program specifies construction, reporting, monitoring, operator training and routine leak testing requirements. The DEQ also conducts on-site monitoring and witnesses tank removals. In cases of leaking underground storage tanks, the DEQ provides cleanup oversight. The UST program monitors a total of 2,201 tanks located at 830 facilities.

The LUST Program provides federal funding to hire remediation consultants to address environmental contamination at sites where the responsible party/owner is financially unable, recalcitrant, or absent. This federal program requires a 10 percent match, provided by the North Dakota Petroleum Tank Fund. In recent years, the LUST federal funding provided to the state has been decreasing. As a result, the responsibility to remediate abandoned or recalcitrant owner locations will fall increasingly upon the state.

Radiation and Indoor Air Quality Program

Through an agreement with the Nuclear Regulatory Commission and implementation of state-only rules for Technologically Enhanced Naturally Occurring Radioactive Materials (TENORM), the Radiation Control Program ensures the safe use, handling, storage, shipment and disposal of radioactive materials. Radioactive materials are evident in many areas of our lives, including x-ray machines, nuclear isotopes used in medical treatments and research, and meters of various types. This program requires staff to obtain extensive training to ensure the general public, and themselves, are protected from undue exposure to radioactive sources.

In addition, the Indoor Air Program implements our radon gas, asbestos and lead programs designed to identify risks, prevent exposure, and provide best management practices for these parameters in indoor air environments. This is accomplished through public education, training and licensing of qualified abatement contractors, and field inspections. Through the Brownfield Program, the DEQ provides funding for asbestos removal to governmental-owned facilities.

Division of Water Quality

The Division of Water Quality implements programs to maintain and improve the quality of surface water and groundwater resources for beneficial use. Beneficial use is defined as water for consumption, recreational, industrial, aquatic habitat, and agricultural uses.

Permit Program

Through an EPA/State primacy agreement, the DEQ implements several permit programs designed to protect surface water quality, protect beneficial uses, and ensure compliance with state water quality standards. The major programs are:

- North Dakota Pollutant Discharge Elimination System (NDPDES):
Establishes discharge and treatment standards for municipal and industrial waste discharges.
- Stormwater Permit Program:
Requires the implementation of best management practices to reduce sediment/contaminant runoff from construction sites and paved surfaces.
- Confined Animal Feedlot Operations:
Identifies the design, operation and nutrient management requirements for large, medium and small animal feeding operations. Large and medium facilities must receive permits to operate from the DEQ.

With increased development of industrial and agricultural processing facilities and concerns relating to emerging contaminants such as PFOA/PFOS, the permit program will see increasing challenges to the complexity and technical requirements of wastewater treatment and discharge permits. Evaluating the ability of the natural environment to assimilate discharges of multiple parameters will require the DEQ to develop and maintain increased technical and regulatory expertise.

Watershed Management Program

The DEQ implements monitoring and assessment programs to determine the quality and beneficial use impairments of surface waters. Water quality and aquatic life samples are analyzed to ascertain the extent of manmade impacts on surface water. Impacts are addressed in TMDL (Total Maximum Daily Load) plans, which identify the impairment; pinpoint the problem; and initiate land use and industrial or agricultural changes that will improve water quality over time.

Our Nonpoint Source Pollution Program can provide cost-share dollars (60 percent federal/40 percent local) to modify operation or design practices to assist in selected activities improve water quality. Nonpoint program projects have included NoTill demonstrations, CAFO design upgrades and water education programs.

Groundwater Protection Program

The DEQ implements the Underground Injection Control (UIC) Program, Source Water Protection Program, and Groundwater Assessment and Remediation programs to protect ground water quality. UIC permits regulate the subsurface disposal of industrial waste. In addition, the Groundwater Program completes ambient groundwater quality monitoring in the oilfield, agricultural sampling programs, and active contaminant remedial action oversight.

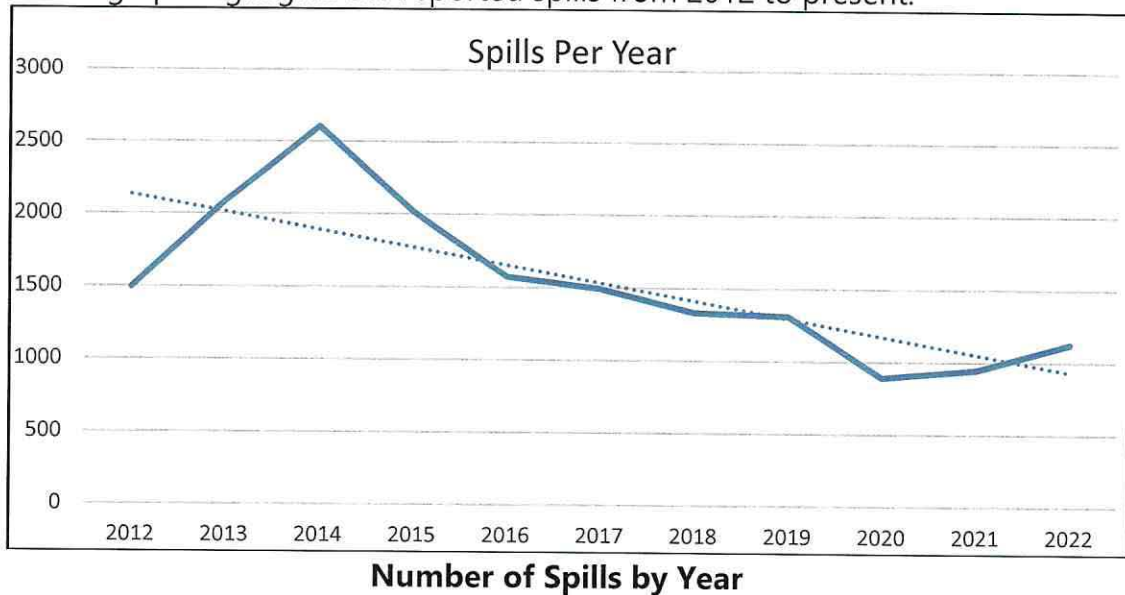
Special Projects Coordinator

The DEQ Special Project Coordinator maintains water quality standards, reviews projects for water quality certifications, responds to dredge and fill requests, and works in a team environment to address special large projects such as the Red River Water Supply or Fargo Diversion. Recent actions by the EPA questioning specific North Dakota Water Quality standards, the federal government not following established science or the law, and federal uncertainty in defining Waters of the United States continue to emphasize the need for highly technical and seasoned staff to provide appropriate state responses to these issues.

Spill Investigation Program

The DEQ coordinates a multi-division effort to respond to, assess and oversee cleanup of environmental accidents and spills. The 24/7 spill team responds to environmental releases that can impact soil, surface and groundwater quality. Although spills can occur from municipal, industrial, or agricultural activities across the state, most recent spill response efforts are concentrated in oil development counties. The number of reported spills declining in recent years is attributable to better facility design, containment structures and changes in reporting requirements. Even with the decline in reported spills, the reports remain at more than twice the pre-Bakken development years.

The attached graph highlights the reported spills from 2012 to present.

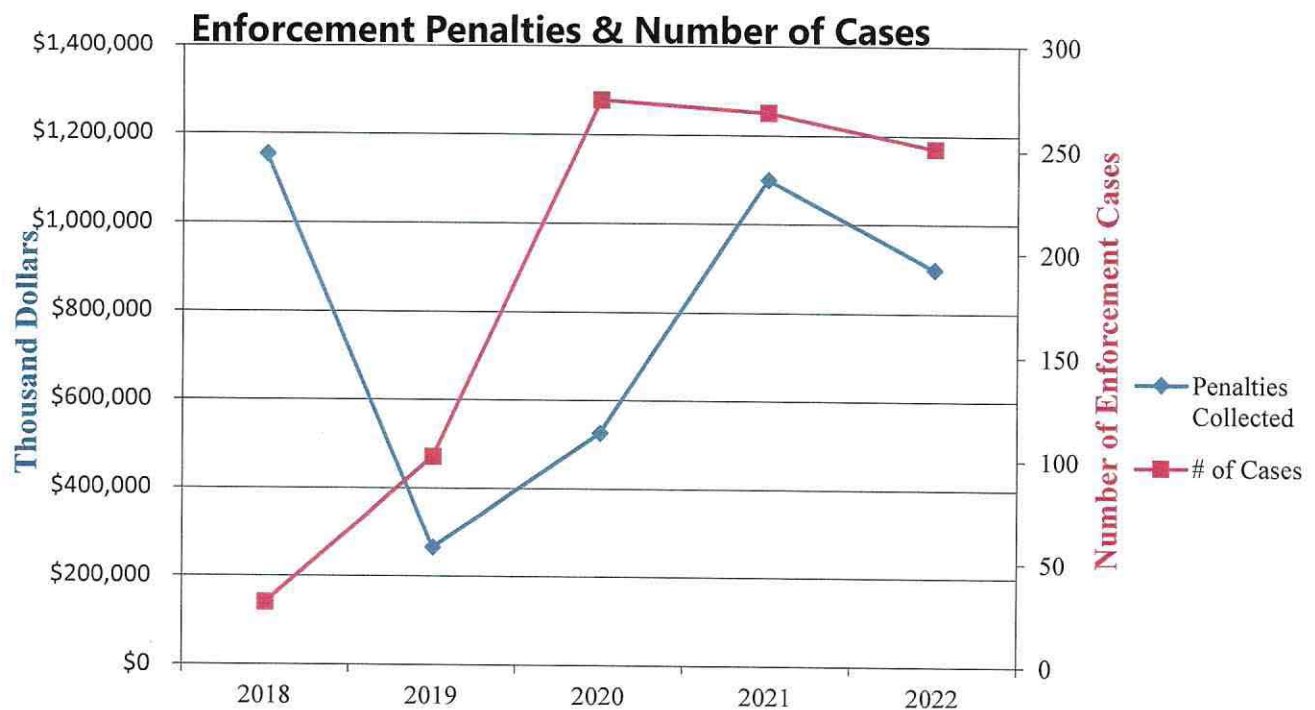


(In 2017, the reporting threshold was raised from 1 to 10 barrels for oil and brine releases that remain on oil production sites built after 2000.)

Legal/Enforcement

The DEQ strives to reach high compliance rates in all programs and activities. We accomplish this through public outreach, educational training opportunities and compliance assistance at all agency levels. However, there are instances when the agency must utilize enforcement actions, including pursuing court action, penalty collection or the development of consent agreements.

The attached table identifies the number of enforcement actions along with the collected penalties from 2018 to present.



Of note is that the legal counsel assigned to the DEQ has also been active in defending challenges to DEQ permit decisions in state court, cooperating with federal agencies in pursuing alleged environmental violations in North Dakota, state rule development, and working with outside legal counsel as we challenge federal regulations which have the potential to impact state decision making authority. Due to the number of enforcement actions, ongoing regulatory changes which require legal review, and the addition of new federal emphasis on programs such as Environmental Justice, the DEQ has added the services of another Assistant Attorney General (part-time).

This concludes the first part of our testimony. I will follow up later with additional information regarding future DEQ challenges. I will now introduce Beth Jacobson, DEQ Director of Accounting, to continue the testimony relating to the budget.

DEQ Challenges moving into the 2023-2025 Biennium

The DEQ has a long history of implementing state policies and regulatory programs resulting in high compliance rates and environmental quality. This is accomplished in partnership with industry, municipalities, other local and state government and working through a cooperative federalism framework with the federal government. We are concerned that the actions of the federal government in the current administration and increased development in the state will challenge the DEQ's ability to maintain or improve environmental and public health quality in North Dakota. Following is a partial list of the challenges facing the agency:

1. State Federal Relationship: Anti-Fossil Fuel Agenda

As he started his term, the US EPA Administrator Regan indicated that the agency has an array of "bread and butter" regulations that could pressure coal plants into retirement. Regulatory programs such as regional haze, mercury and coal ash residuals are just recent examples where the EPA has either aggressively questioned the state, did not follow the law or delayed the approval process leaving an industry with regulatory uncertainty. We are concerned regarding the recent EPA approach and its impact on regulatory programs. Our challenges are with the federal administration's approach. For example, new proposed regulations such as Lead Pipe Removal, Coal Combustion Residual, WOTUS, methane control regulations, and mercury standards increasingly stress the ability of the DEQ to conduct its oversight of existing regulations. How the agency will address staffing needs, technical permit reviews and enforcement will be key to maintaining program primacy. Failure to adequately address these concerns could challenge the state's sovereignty and authority.

2. Workforce Development

The ability to recruit, acquire and retain environmental professionals is critical in our ability to maintain the quality of environmental and public health and, equally important, to retain federal primacy for several programs. Inflationary impacts on salary, lack of equity between other state agencies and competition with industry have stressed the ability of the agency to retain professional employees. Recent employee departures note a doubling of salary moving to the private sector and a significant increase in pay transferring to another agency. Many of these concerns and potential remedies have been identified in SB 2015.

3. Environmental Assimilative Capacity

As the development of the state's natural resources increases, so does the potential impact on environmental quality. Our air sheds, surface and groundwater and landscapes have a finite ability to assimilate environmental contamination. As the impact increases the need for more complex environmental controls are required. This identifies the need for competent environmental professionals who understand when to implement sophisticated control systems and how they should be structured in a required permit. In addition, a knowledge of how the systems operate and are monitored is essential. The DEQ will need to address how best to address this challenge with staff numbers and training to address this issue.

4. Budget Limitations

National inflation has resulted in significant cost increases in all program areas. Examples of cost increases include 20 percent or more for laboratory supplies, equipment and equipment maintenance, and information technology increases that stress DEQ budget's ability to meet long-term costs. Coupled with the fact that base federal funding for program implementation has remained essentially stagnant or declined puts pressure on the agency to meet ongoing operational costs. The DEQ notes that some of these problems could be addressed in the decision packages presented previously; however, additional longer-term solutions will need to be explored.

This concludes the Department of Environmental Quality testimony, and we will stand for questions.

Appendix



North Dakota Department of Environmental Quality

Normandy Building, 4201 Normandy Street, Bismarck, ND 58503-1324

Fax Number (701) 328-5200

Website: <https://deq.nd.gov/>

Information Directory

NDDEQ Office of the Director (701) 328-5150

Director: L. David Glatt

Performance Partnership Agreement & Grants Coordination – Beth Jacobson
Information Technology Coordination - Gold Seal Center Campus - Allen Johnson
Data Management - Gary Haberstroh

Communications Coordinator – Jennifer Skjod
Petroleum Tank Release Compensation Fund (PTRCF) – Duane Sandvick

Boiler Inspection Program – Trevor Seime

Quality Assurance -

Special Projects – Scott Radig

Geographic Information System Coordination - Ann Fritz

Legal - Margaret Olson (701) 328-3603; Kristie McCrusher (701) 328-5283

Division of Accounting (701) 328-5150

Director: Beth Jacobson

Performance Partnership Agreement & Grants Coordination – Beth Jacobson & Amy Cannon

Accounts Payable – Linda Mahlum

Revenue – Darci Hulst

Travel & Motor Pool – Linda Mahlum

Boiler Inspection Program – Trevor Seime

Division of Air Quality (701) 328-5188

Director: Jim Semerad

Air Quality Permitting & Compliance

Permitting - Craig Thorstenson

- > Air Quality Permits
- > Dispersion Modeling – Permitting

Compliance - Keith Hinnenkamp

- > Air Quality Compliance
- > Inspections/Stack Testing
- > Emission Inventory/Reporting
- > Visible Emission Certification
- > Diesel Emission Reduction Programs

Oil & Gas - Adam Rookey

- > Open Burning (other than landfills)
- > Oil and Gas Wells
- > Permitting, Registration & Compliance
- > Odor Certification
- > Grain Elevators
- > Enforcements

Ambient Monitoring - Ryan Mills

- > Ambient Air Quality Data
 - > Ambient Network Operations
-

Division of Chemistry (701) 328-6140

2635 East Main, Bismarck, ND 58501

Director: Jim Quarnstrom

Inorganic Program - Todd Ussatis

Organic Program - John Gabriel

North Dakota Environmental Laboratory Certification

Program (NDELCP) - Cindy Auen

Laboratory Quality Assurance/Quality Control –
Cindy Auen

Information Technology Coordination -

Kevin Kosse, John Gabriel

Sample Receipt – Sarah Brunner

Division of Municipal Facilities (701) 328-5211

Director: David Bruschwein

Clean Water State Revolving Loan Fund Program –

Elizabeth Tokach-Duran

Clean Water Revolving Loan Fund

- > Plan Review (wastewater systems)

Drinking Water State Revolving Loan Fund Program –

Shannon Fisher

- > Drinking Water Revolving Loan Fund
- > Plan Review (water systems)

Drinking Water Program - Greg Wavra

- > Safe Drinking Water Act
- > Community Fluoridation Program
- > Training and Certification of Water & Wastewater Facility Operators
- > Inspections of Water & Wastewater Facilities
- > North Dakota Water & Pollution Control Conference
- > Publication of the *Official Bulletin*

Division of Waste Management (701) 328-5166

Director: Chuck Hyatt

Solid Waste Program - Diana Trussell

Solid Waste Management:

Municipal, Industrial, Special & Inert Waste

- > Permits, Inspections
- > Operator Training & Certification
- > Open Burning (at solid waste facilities)
- > Transfer Stations

Coal Combustion & Offsite Oilfield Waste

Land Treatment

Scrap Tires & Tire Recycling

Waste Reduction, Recycling & Composting

Energy Recovery

Biomass (waste wood, etc.)

Nutrient Management (Ag Processing)

Emergency Waste & Debris Management

Abandoned & Dangerous Buildings

Abandoned Motor Vehicle Projects, Auto

Salvage & Scrap Metal

Pollution Prevention (P2)

Solid Waste Planning

Underground Storage Tank Program – Reuben Panchol

Underground Storage Tanks (USTs)

- > Petroleum
- > Hazardous Substances

Above-ground Storage Tanks (ASTs)

- > Spills, Assessments
- > Certification of Biofuels Blender Pump Installation

Radiation & Indoor Air Quality Control Program

– **David Stradinger**

- > Radioactive Materials
- > Radon
- > X-Ray Machines
- > Asbestos
- > Indoor Air Quality
- > Mammography Quality Assurance
- > Lead-based Paint

Hazardous Waste Program & Toxic Substance Control Act – Derek Kannenberg

Hazardous Waste

- > Permits
- > Inspections
- > Corrective Action

Superfund

- > CERCLIS Sites
- > Emergency Response
- Emergency Spill Response
- > Site Assessment
- > Site Remediation

Brownfields

Laboratory/Agricultural/Household Chemical Wastes

Polychlorinated Biphenyls (PCBs)

Used Oil

Infectious Waste

Waste Transporter Permits

Voluntary Response Actions

Leaking Underground Storage Tank (L.U.S.T.) Trust Fund

- > Assessment, Remediation
- Antifreeze Registration
- Petroleum Products Testing
- Spill Response

Division of Water Quality (701) 328-5210

Director: **Karl Rockeman**

Watershed Management – Aaron Larsen

- Water Quality Standards
- Nonpoint Source Pollution Management
- > Rivers and Stream Monitoring and Assessment
- > Clean Lakes Assessments
- > Fish Consumption Advisory
- > Watershed Management
- > Water Quality Modeling

Water Quality Special Projects - Peter Wax

- > 404 Dredge & Fill
- > 401 Water Quality Certification
- > Environmental Impact Statements (EIS) Review
- > Water Quality Standards

Spill Investigation Program - Bill Sues

- > Spill Response
- > Remediation Oversight
- > Cleanup Guidance

Wastewater Facility/Permits - Marty Haroldson

- > North Dakota Pollutant Discharge Elimination System (NDPDES) Permits
- > Effluent Treated Discharges
- > Stormwater Permitting
- > Feedlot Inspections/Approvals
- > Septic Pumps
- > Temporary/Hydrostatic Discharges
- > Pretreatment

Groundwater Protection Program - Carl Anderson

- > Underground Injection Control (UIC) Program
- > Source Water Protection
- > Groundwater Remediation and Assessment
- > Ambient Groundwater Monitoring
- > Facility Siting

OTHER Environmental Information

Fargo Office, 1120 28th Avenue N, Suite B, Fargo, ND 58102, (701) 298-4638, Fax (701) 235-7394

Towner Office, PO Box 58, Towner, ND 58788, (701) 537-2043, Fax (701) 537-2044

Environmental Hot Line 1-800-755-1625

Environmental Training Center 2639 E Main Avenue, Bismarck, ND 58501, (701) 328-6628, Fax (701) 328-6206

Approvals of Anhydrous Ammonia Facilities - State Ag Dept. (701) 328-2231

Emergency Response Spills - State Radio 1-800-472-2121 (in-state) or (701) 328-9921 (out-of-state)

Environmental Microbiology - Christie Massen (701) 328-6272

Oil Field Related Spills - Oil & Gas Division (701) 328-8020

SARA Title III - Dept of Emergency Services Fraine Barracks, PO Box 5511, Bismarck, ND 58506-5511, (701) 328-8100

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

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DEPARTMENT OF ENVIRONMENTAL QUALITY		NDCC ch. 23.1-01 https://www.ndlegis.gov/cencode/t23-1c01.pdf#nameddest=23p1-01-01
Environmental Review Advisory Council		NDCC § 23.1-01-02 https://www.ndlegis.gov/cencode/t23-1c01.pdf#nameddest=23p1-01-02
DIVISION OF AIR QUALITY		
Air Quality Permitting & Compliance		
	Clean Air Act	42 U.S.C. § 7401 et seq. (1970) https://www.law.cornell.edu/uscode/text/42/chapter-85/subchapter-I/part-A
	Air Pollution Control	NDCC ch. 23.1-06 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-01 NDAC Art. 33.1-15 https://ndlegis.gov/information/acdata/pdf/33.1-15-01.pdf
	Construction Permits, Minor Source Operating Permits, Title V Operating Permits	40 CFR Part 60, 61, 63, 64, 70, 72, and 75 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C NDAC Art 33.1-15-01 thru 33.1-15-25 https://ndlegis.gov/information/acdata/pdf/33.1-15-01.pdf
	Compliance and Enforcement	40 CFR Part 60, 61, 63, 64, 70, 72, and 75 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C NDAC Art 33.1-15-01 thru 33.1-15-25 https://ndlegis.gov/information/acdata/pdf/33.1-15-01.pdf

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Air Quality Monitoring		42 U.S.C. § 7401 et seq. (1970) Clean Air Act https://www.law.cornell.edu/uscode/text/42/chapter-85/subchapter-I/part-A
	Air Pollution Control	NDCC ch. 23.1-06 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-01 NDAC Art. 33.1-15 https://ndlegis.gov/information/acdata/pdf/33.1-15-01.pdf
	Ambient Air Quality Data	40 CFR 58 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-58?toc=1 NDCC § 23.1-06-04 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-04 NDAC ch. 33.1-15-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-02.pdf NDAC § 33.1-15-19-03 https://ndlegis.gov/information/acdata/pdf/33.1-15-19.pdf
	Ambient Network Operations	40 CFR 50, 53, and 58 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C NDCC § 23.1-06-04 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-04 NDAC ch. 33.1-15-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-02.pdf

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		<p>NDAC ch. 33.1-15-11 https://ndlegis.gov/information/acdata/pdf/33.1-15-11.pdf</p>
	Dispersion Modeling - Planning	<p>40 CFR 51 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-51?toc=1</p> <p>NDCC § 23.1-06-04 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-04</p> <p>NDAC ch. 33.1-15-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-02.pdf</p>
	State Implementation Planning	<p>40 CFR 51 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-51?toc=1</p> <p>NDCC § 23.1-06-04 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-04</p> <p>NDAC ch. 33.1-15-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-02.pdf</p>
DIVISION - MUNICIPAL FACILITIES		
Clean Water State Revolving Loan Fund Program		
	CW Revolving Loan Fund	<p>33 U.S.C. §1383 - See 1 Clean Water https://www.law.cornell.edu/uscode/text/33/1383</p>

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		<p>40 CFR Part 35.3100 – Subpart K – State Water Pollution Control Revolving Funds https://www.ecfr.gov/current/title-40/chapter-I/subchapter-B/part-35/subpart-K</p> <p>NDCC ch. 61-28.2 – Water Pollution Control Revolving Loan Fund https://ndlegis.gov/cencode/t61c28-2.pdf#nameddest=61-28p2-01</p> <p>NDAC Art 33.1-35 https://ndlegis.gov/information/acdata/pdf/33.1-35-01.pdf</p>
	Plan Review (wastewater systems)	<p>33 U.S.C. § 466 et seq. - See 2 Clean Water Act - https://www.law.cornell.edu/uscode/text/33/466</p> <p>NDCC ch. 61.28 https://ndlegis.gov/cencode/t61c28.html</p> <p>NDAC Art. 33.1-03-08 https://ndlegis.gov/information/acdata/pdf/33.1-03-08.pdf</p>
Drinking Water State Revolving Loan Fund Program		
	Drinking Water Revolving Loan Fund	<p>42 U.S.C. §301j-12 - See 3 Safe Drinking Water Act https://www.law.cornell.edu/uscode/text/42/300j-12</p> <p>40 CFR Part 35.3500 – Drinking Water State Revolving Funds https://www.ecfr.gov/current/title-40/chapter-I/subchapter-B/part-35/subpart-L</p> <p>NDCC ch. 61-28.1 – Safe Drinking Water Act https://ndlegis.gov/cencode/t61c28-1.html</p>

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	Plan Review (water systems)	<p>42 U.S.C. §300g-2 - See 4 Safe Drinking Water Act https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap6A-subchapXII-partB-sec300g-2.pdf</p> <p>NDCC ch. 61-28.1 https://ndlegis.gov/cencode/t61c28-1.html</p> <p>NDAC Art. 33.1-03-08 https://ndlegis.gov/information/acdata/pdf/33.1-03-08.pdf</p> <p>NDAC Art. 33.1-17 https://ndlegis.gov/information/acdata/pdf/33.1-17-01.pdf</p>
Drinking Water Program		
	Safe Drinking Water Act	<p>42 U.S.C. § 300g-2 - See 4 Safe Drinking Water Act https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap6A-subchapXII-partB-sec300g-2.pdf</p> <p>40 CFR Part 141 – National Primary Drinking Water Regulations https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-141</p> <p>NDCC ch. 61-28.1 https://ndlegis.gov/cencode/t61c28-1.html</p> <p>NDAC Art. 33.1-17 https://ndlegis.gov/information/acdata/pdf/33.1-17-01.pdf</p>

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	Community Fluoridation Program	
	Training and Certification of Water & WW Facility Operators	<p>33 U.S.C. § 1383 - See 1 (water only) Clean Water Act https://www.law.cornell.edu/uscode/text/33/1383</p> <p>NDCC ch. 23.1-07 – Water Distribution and Wastewater Systems Operators https://ndlegis.gov/cencode/t23-1c07.pdf#nameddest=23p1-07-01</p> <p>NDAC Art. 33.1-19 https://ndlegis.gov/information/acdata/pdf/33.1-19-01.pdf</p>
	Operator Expense Reimbursement Program	<p>Title IV of the 1987 Amendments to the Clean Water Act (CWA) - 33 U.S.C. §1383 https://www.law.cornell.edu/uscode/text/33/1383</p> <p>Federal Water Pollution Control Act of 1972 - 33 U.S.C 466 et seq - later became CWA https://www.law.cornell.edu/uscode/text/33/466</p> <p>1986 Amendments to the Safe Drinking Water Act (SDWA) - 42 U.S.C 301j-12 https://www.law.cornell.edu/uscode/text/42/300j-12</p> <p>Safe Drinking Water Act (SDWA) of 1974-0 42 U.S.C 300g-2 https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap6A-subchapXII-partB-sec300g-2.pdf</p>

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DIVISION - WASTE MGMT.		
Solid Waste Management Program		<p>42 U.S.C., Chapter 82, subchapter IV https://www.law.cornell.edu/uscode/text/42/chapter-82</p> <p>NDCC ch. 23.1-08 Solid Waste Management and Land Protection https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-01</p> <p>NDAC Art. 33.1-20 https://ndlegis.gov/information/acdata/html/33.1-20.html</p>
	Municipal Solid Waste Permits	<p>42 U.S.C. § 6944 https://www.law.cornell.edu/uscode/text/42/6944</p> <p>40 CFR 258 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-258</p> <p>NDCC § 23.1-08-09 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-09</p> <p>NDAC ch. 33.1-20-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC ch. 33.1-20-03.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-03.1.pdf</p>
	Industrial, Special & Inert Waste Permits	<p>NDCC § 23.1-08-09 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-09</p>

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		<p>NDAC ch. 33.1-20-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC ch. 33.1-20-03.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-03.1.pdf</p>
	Municipal, Industrial, Special & Inert Waste Inspections	<p>NDCC § 23.1-08-18 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-18</p>
	Municipal Solid Waste Operator Training & Certification	<p>NDCC § 23.1-08-15 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-15</p> <p>NDAC ch. 33.1-20-16 https://ndlegis.gov/information/acdata/pdf/33.1-20-16.pdf</p>
	Industrial, Special & Inert Waste Operator Training	<p>NDAC § 33.1-20-04.1-02(1) https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-04.1-04(2)(f) https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-11-06 https://ndlegis.gov/information/acdata/pdf/33.1-20-11.pdf</p> <p>NDCC § 23.1-08-03(9) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p>
	Open Burning at Solid Waste Facilities	<p>NDCC § 23.1-08-02(11) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p>

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		<p>NDCC § 23.1-08-07(2) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-07</p> <p>NDAC § 33.1-20-04.1-02(6) https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC ch. 33.1-15-04 https://ndlegis.gov/information/acdata/pdf/33.1-15-04.pdf</p> <p>NDAC Art. 33.1-15 https://ndlegis.gov/information/acdata/html/33.1-15.html</p>
	Solid Waste Transfer Stations	<p>NDCC § 23.1-08-03(8), NDCC § 23.1-08-03(11) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDCC § 23.1-08-04(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC § 33.1-20-04.1-06 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p>
	Coal Combustion Residuals Waste	<p>NDCC § 23.1-08-04 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC ch. 33.1-20-07.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-07.1.pdf</p>
	Oilfield Special Waste (Offsite Oilfield Waste)	<p>NDCC § 23.1-08-04(8), NDCC § 23.1-08-04(11), NDCC § 23.1-08-04(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC ch. 33.1-20-07.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-07.1.pdf</p>

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	Land Treatment	<p>NDCC § 23.1-08-04(8), NDCC § 23.1-08-04(11), NDCC § 23.1-08-04(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC ch. 33.1-20-09 https://ndlegis.gov/information/acdata/pdf/33.1-20-09.pdf</p>
	Scrap Tires & Tire Recycling	<p>NDCC § 23.1-08-04(8), NDCC § 23.1-08-04(11), NDCC § 23.1-08-04(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC § 33.1-20-02.1(4) https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC § 33.1-20-04.1-07(4) https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p>
	Waste Reduction, Recycling & Composting	<p>NDCC § 23.1-08-02(15) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p> <p>NDCC § 23.1-08-03(8), NDCC § 23.1-08-03(11), NDCC § 23.1-08-03(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDCC § 23.1-08-05 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-05</p>

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

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		<p>NDCC § 23.1-08-16 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-16</p> <p>NDAC § 33.1-20-01.1-04 https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p> <p>NDAC § 33.1-20-02.1-02 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC § 33.1-20-04.1-04 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-17-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-17.pdf</p>
	Energy Recovery	<p>NDCC § 23.1-08-02(13) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p> <p>NDCC § 23.1-08-03 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDAC § 33.1-20-01.1-04 https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p> <p>NDAC § 33.1-20-17-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-17.pdf</p> <p>NDAC § 33.1-20-04.1-08 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p>

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		<p>NDAC § 33.1-20-13-02 https://ndlegis.gov/information/acdata/pdf/33.1-20-13.pdf</p>
	Biomass (waste wood, etc.)	<p>NDCC § 23.1-08-02(15) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p> <p>NDCC § 23.1-08-03 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDCC § 23.1-08-16 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-16</p> <p>NDAC § 33.1-20-01.1-04 https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p> <p>NDAC § 33.1-20-02.1-02 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC § 33.1-20-04.1-07 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-04.1-08 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-13-02 https://ndlegis.gov/information/acdata/pdf/33.1-20-13.pdf</p> <p>NDAC § 33.1-20-17-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-17.pdf</p>
	Nutrient Management (Ag Processing)	<p>NDAC § 33.1-20-01.1-03(34), NDAC § 33.1-20-01.1-03(42) https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p>

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		<p>NDAC ch. 33.1-20-09 https://ndlegis.gov/information/acdata/pdf/33.1-20-09.pdf</p> <p>NDCC § 23.1-08-02(15) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p>
	Emergency Waste & Debris Management	<p>NDCC § 23.1-08-19 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-19</p> <p>NDAC § 33.1-20-02.1-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p>
	Abandoned & Dangerous Buildings	<p>NDCC § 23.1-08-01 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-01</p> <p>NDAC § 33.1-20-01.1-04(1) https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p>
	Abandoned Motor Vehicle Projects, Auto Salvage & Scrap Metal	<p>NDCC ch. 23.1-15 https://ndlegis.gov/cencode/t23-1c15.pdf</p>
	Pollution Prevention	<p>NDCC § 23.1-08-03(8) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p>
	Solid Waste Planning	<p>NDCC§ 23.1-08-03(4) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDAC ch. 33.1-20-17 https://ndlegis.gov/information/acdata/pdf/33.1-20-17.pdf</p>

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Radiation & Indoor Air Quality		
	Radioactive Materials	<p>NDCC ch. 23.1-02 - Radiation https://www.ndlegis.gov/cencode/t23-1c02.pdf#nameddest=23p1-02-01</p> <p>NDCC ch. 23.1-03 – Ionizing Radiation Development https://ndlegis.gov/cencode/t23-1c03.pdf#nameddest=23p1-03-01</p> <p>NDAC art. 33.1-10 https://ndlegis.gov/information/acdata/pdf/33.1-10-01.pdf</p> <p>NDCC ch. 23.1-05 - Southwestern low-level radioactive waste disposal compact https://www.ndlegis.gov/cencode/t23-1c05.pdf#nameddest=23p1-05-01</p>
	Radon	
	X-Ray Machines	<p>NDCC § 23.1-03-03 https://ndlegis.gov/cencode/t23-1c03.pdf#nameddest=23p1-03-03</p> <p>NDCC § 23.1-03-04 https://ndlegis.gov/cencode/t23-1c03.pdf#nameddest=23p1-03-04</p> <p>NDAC Art. 33.1-10 https://ndlegis.gov/information/acdata/pdf/33.1-10-01.pdf</p>
	Asbestos	<p>42 U.S.C. § 7401 et. Seq. Clean Air Act https://www.law.cornell.edu/uscode/text/42/chapter-85/subchapter-I/part-A</p>

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		<p>NDCC ch. 23.1-06 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-01</p> <p>NDAC § 33.1-15-13-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-13.pdf</p>
	Indoor Air Quality	
	Mammography Quality Assurance	<p>38 U.S.C. § 7319 Mammography Quality Standards Act https://www.law.cornell.edu/uscode/text/38/7319</p>
	Lead-based Paint	<p>15 U.S.C. § 2601 et seq. Toxic Substances Control Act https://www.govinfo.gov/content/pkg/USCODE-2020-title15/pdf/USCODE-2020-title15-chap53-subchapl-sec2601.pdf</p> <p>42 U.S.C. 4852d Residential Lead-Based Paint Hazard Reduction Act https://www.law.cornell.edu/uscode/text/42/4852d</p> <p>NDCC ch. 23.1-06 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-01</p> <p>NDAC ch. 33.1-15-24 https://ndlegis.gov/information/acdata/pdf/33.1-15-24.pdf</p> <p>40 CFR 745 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-R/part-745?toc=1</p>
	OOOO and OOOOa - Standards of Performance for Crude Oil & Natural Gas Production, Transmission and Distribution for which	<p>40 CFR Part 60 Subpart OOOO https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-60/subpart-OOOO</p>

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	Const., Mod., or Reconstr. Commenced after 8-23-2011, and before 9-18-2015.	40 CFR Part 60 Subpart OOOOa https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-60/subpart-OOOOa?toc=1
	Technologically Enhanced Naturally Occurring Radioactive Material (TENORM)	NDAC ch.33.1-10-23 https://www.ndlegis.gov/information/acdata/pdf/33.1-10-23.pdf
HW Program & Toxic Substances		42 U.S.C., Chapter 82, subchapter III https://www.law.cornell.edu/uscode/text/42/chapter-82/subchapter-III NDCC ch. 23.1-04 Hazardous Waste Mgt https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01 NDAC Art 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html
	Hazardous Waste Permits	42 U.S.C. § 6925 https://www.law.cornell.edu/uscode/text/42/6925 40 CFR Part 270 https://www.law.cornell.edu/cfr/text/40/part-270 NDCC § 23.1-04-08 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-08 NDCC § 23.1-04-05 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-05

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		<p>NDAC Art. 33.1-24-06 https://ndlegis.gov/information/acdata/pdf/33.1-24-06.pdf</p>
	Hazardous Waste Inspections	<p>42 U.S.C. § 6927 https://www.law.cornell.edu/uscode/text/42/6927</p> <p>NDCC § 23.1-04-12 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-12</p>
	Hazardous Waste Corrective Action	<p>42 U.S.C. § 6924(u) & (v) https://www.law.cornell.edu/uscode/text/42/6924</p> <p>40 CFR 264, subpart F https://www.law.cornell.edu/cfr/text/40/part-264/subpart-F</p> <p>NDCC § 23.1-04-08 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-08</p> <p>NDCC § 23.1-04-13 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-13</p> <p>NDCC § 23.1-04-14 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p> <p>NDCC § 23.1-04-15 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p> <p>NDAC §§ 33.1-24-05-47 thru 33.1-24-05-58 https://ndlegis.gov/information/acdata/pdf/33.1-24-05.pdf</p>

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	Superfund Sites	<p>42 U.S.C. § 9601 et seq. (Subch. I) Hazardous Substances Releases, Liability, and Compensation https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap103-subchapl-sec9601.pdf</p> <p>40 CFR Part 35.6000 (Subpart O) - Cooperative Agreements and Superfund State Contracts for Superfund Response Actions https://www.ecfr.gov/current/title-40/chapter-I/subchapter-B/part-35/subpart-O</p> <p>NDCC ch. 23.1-10 – Environmental Emergency Costs https://www.ndlegis.gov/cencode/t23-1c10.pdf#nameddest=23p1-10-01</p>
	Emergency Response	<p>NDCC § 23.1-04-14 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p>
	Emergency Spill Response Site Assessment	<p>NDCC § 23.1-04-14 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p>
	Emergency Spill Site Remediation	<p>NDCC § 23.1-04-14 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p>
	Brownfields	<p>CERCLA 128(a) - Comprehensive Environmental Response, Compensation, and Liability Act -- otherwise known as CERCLA or Superfund (42 U.S.C. ch. 103) https://www.law.cornell.edu/uscode/text/42/chapter-103</p> <p>42 U.S.C. § 9628 – State response programs https://www.law.cornell.edu/uscode/text/42/9628</p>

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	<p>Lab/Agricultural/Household Chemical Wastes</p>	<p>42 U.S.C. § 6921 https://www.law.cornell.edu/uscode/text/42/6921</p> <p>42 U.S.C. § 6922 https://www.law.cornell.edu/uscode/text/42/6922</p> <p>40 CFR Part 262 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-262</p> <p>NDCC § 23.1-04-05(2), (7) https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-05</p> <p>NDAC ch 33.1-24-03 https://ndlegis.gov/information/acdata/pdf/33.1-24-03.pdf</p>
	<p>Polychlorinated Biphenyls (PCBs)</p>	
	<p>Used Oil</p>	<p>42 U.S.C. § 6935 https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap82-subchapIII-sec6934.pdf</p> <p>40 CFR Part 279 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-279</p> <p>NDCC §§ 23.1-04-05, 23.1-04-08 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-05</p>

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		<p>https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-08</p> <p>NDAC § 33.1-24-05-600 thru 33.1-24-05-689 https://ndlegis.gov/information/acdata/pdf/33.1-24-05.pdf</p>
	Infectious Waste	<p>NDCC § 23.1-08-03 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDAC ch. 33.1-20-12 https://ndlegis.gov/information/acdata/pdf/33.1-20-12.pdf</p>
	Waste Transport Permits	<p>NDCC § 23.1-08-09 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-09</p> <p>NDAC § 33.1-20-02.1-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p>
Underground Storage Tank Program		<p>42 U.S.C., Chapter 82, subchapter IX https://www.law.cornell.edu/uscode/text/42/chapter-82/subchapter-IX</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
	UST Petroleum	<p>40 CFR 280 and 281 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-280</p>

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		<p>https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-281</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.html</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
	<p>UST Hazardous Substances</p>	<p>40 CFR 280 and 281 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-280</p> <p>https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-281</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
	<p>Above-ground Storage Tanks Spills, Assessments</p>	<p>33 U.S.C. § 1251 et seq. (1972) Clean Water Act (CWA) https://www.law.cornell.edu/uscode/text/33/chapter-26/subchapter-I</p> <p>42 U.S.C. § 9601 et seq. (1980) Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or Superfund) https://www.law.cornell.edu/uscode/text/42/chapter-103/subchapter-I</p>

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	<p>42 U.S.C. § 6901 et seq. (1976) Resource Conservation and Recovery Act (RCRA) https://www.law.cornell.edu/uscode/text/42/chapter-82/subchapter-l</p> <p>42 U.S.C. § 300f et seq. (1974) Safe Drinking Water Act (SDWA) https://www.law.cornell.edu/uscode/text/42/300f</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.html</p> <p>NDCC ch. 61-28.1 Safe Drinking Water Act https://ndlegis.gov/cencode/t61c28-1.html</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.pdf</p> <p>NDAC ch. 33.1-16-02.1 Standards of Quality for Waters of the State https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p> <p>NDAC Art. 33.1-16 Control, Prevention, and Abatement of Pollution of Surface Water https://ndlegis.gov/information/acdata/html/33.1-16.html</p>
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		<p>NDAC ch. 33.1-20-13 Water Protection Provisions https://ndlegis.gov/information/acdata/pdf/33.1-20-13.pdf</p> <p>NDAC 33.1-24 Hazardous Waste Management https://ndlegis.gov/information/acdata/html/33.1-24.html</p> <p>NDAC ch. 45-10-02 Petroleum Tank Release Compensation Fund https://www.ndlegis.gov/information/acdata/pdf/45-10-02.pdf</p>
	Leaking Underground Storage Tank Trust Program Assessment, Remediation	<p>40 CFR 280 and 281 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-280</p> <p>https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-281</p> <p>NDCC ch. 23.1-04 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
	Antifreeze Regulation	<p>NDCC ch. 23.1-14 https://ndlegis.gov/cencode/t23-1c14.pdf#nameddest=23p1-14-01</p>
	Petroleum Products Testing	<p>NDCC ch. 23.1-13 – Petroleum Products https://ndlegis.gov/cencode/t23-1c13.pdf</p> <p>NDAC Art. 33.1-34 https://ndlegis.gov/information/acdata/pdf/33.1-34-01.pdf</p>

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	Spill Response	<p>40 CFR 280 and 281 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-280 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-281</p> <p>NDCC ch. 23.1-04 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
DIVISION - WATER QUALITY		
Watershed Management		
	Water Quality Standards	<p>33 U.S.C. 1341 https://www.law.cornell.edu/uscode/text/33/1341</p> <p>40 CFR 131 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-131?toc=1</p> <p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
	Nonpoint Source Pollution Management	<p>33 U.S.C. 1329 https://www.law.cornell.edu/uscode/text/33/1329</p>

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		NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
	Rivers & Stream Monitoring & Assessment	33 U.S.C. 1313 https://www.law.cornell.edu/uscode/text/33/1313 NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
	Clean Lakes Assessments	33 U.S.C. 1256 https://www.law.cornell.edu/uscode/text/33/1256 NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
	Fish Consumption Advisory Watershed Management	33 U.S.C. 1329 https://www.law.cornell.edu/uscode/text/33/1329 NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
	Water Quality Modeling	33 U.S.C. 1313 https://www.law.cornell.edu/uscode/text/33/1313 NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
Water Quality Special Projects		
	404 Dredge & Fill	33 U.S.C. 1344 https://www.law.cornell.edu/uscode/text/33/1344
	404 Water Quality Certification	33 U.S.C. 1341 https://www.law.cornell.edu/uscode/text/33/1341
		NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html

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		<p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDAC 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
	<p>Environmental Impact Statements (EIS) Review</p>	<p>42 U.S.C. 4321 et seq. https://www.law.cornell.edu/uscode/text/42/chapter-55</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.pdf#nameddest=23p1-11-01</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
	<p>Water Quality Standards</p>	<p>33 U.S.C. 1341 https://www.law.cornell.edu/uscode/text/33/1341</p> <p>40 CFR 131 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-131?toc=1</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p>

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		<p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
Spill Investigation Program Spill Response		
	Oil Spills	<p>33 U.S.C. 2701 https://www.law.cornell.edu/uscode/text/33/2701</p> <p>NDCC § 61-28-06 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-06</p> <p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
	Other spills	<p>NDCC § 61-28-06 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-06</p> <p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
Wastewater Facility/Permits		
	ND Pollutant Discharge Elimination System (NDPDES) Permits	<p>33 U.S.C. § 1251 et seq. (1972) https://www.law.cornell.edu/uscode/text/33/chapter-26/subchapter-1</p> <p>NDCC ch. 61-28 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDAC ch. 33.1-16 https://ndlegis.gov/information/acdata/html/33.1-16.html</p>

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		<p>NDAC ch. 33.1-21 https://ndlegis.gov/information/acdata/html/33.1-21.html</p>
	Wastewater Releases	<p>33 U.S.C. 1342 https://www.law.cornell.edu/uscode/text/33/1342</p> <p>40 CFR 122 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-122?toc=1</p> <p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-01 https://ndlegis.gov/information/acdata/pdf/33.1-16-01.pdf</p>
	Stormwater Regulations	<p>33 U.S.C. 1342 https://www.law.cornell.edu/uscode/text/33/1342</p> <p>40 CFR 122 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-122?toc=1</p> <p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-01 https://ndlegis.gov/information/acdata/pdf/33.1-16-01.pdf</p>
	Feedlot Inspections/Approval/Runoff	<p>33 U.S.C. 1342 https://www.law.cornell.edu/uscode/text/33/1342</p> <p>40 CFR 122 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-122?toc=1</p>

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		<p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-03.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-03.1.pdf</p>
	Septic Pumps	<p>NDCC § 61-28-04.1 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04p1</p> <p>NDAC ch. 33.1-21-02 https://ndlegis.gov/information/acdata/pdf/33.1-21-02.pdf</p>
	Small Business Assistance	
	Pretreatment	<p>33 U.S.C. 1317 https://www.law.cornell.edu/uscode/text/33/1317</p> <p>40 CFR 403 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-N/part-403?toc=1</p> <p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-01.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-01.1.pdf</p>
Groundwater Protection and UIC Programs		
	Underground Injection Control (UIC) Program	<p>40 CFR Part 145 State UIC Programs https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-145?toc=1</p>

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

		<p>40 CFR Part 147 State Underground Injection Control Programs https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-147</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p> <p>NDCC ch. 61-28.1 Safe Drinking Water Act https://ndlegis.gov/cencode/t61c28-1.pdf#nameddest=61-28p1-01</p> <p>NDAC ch. 33.1-25-01 Underground Injection Control Program https://ndlegis.gov/information/acdata/pdf/33.1-25-01.pdf</p>
	Source Water Protection	<p>42 U.S.C. § 300f et seq. (1974) Safe Drinking Water Act (SDWA) https://www.law.cornell.edu/uscode/text/42/300f</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p>
	Groundwater Remediation & Assessment	<p>33 U.S.C. §1251 et seq. (1972) Clean Water Act (CWA) https://www.law.cornell.edu/uscode/text/33/chapter-26/subchapter-I</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p>

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

		<p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p> <p>NDCC ch. 23.1-13 Petroleum Release Remediation https://ndlegis.gov/cencode/t23-1c13.pdf#nameddest=23p1-13-01</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDCC ch. 61-28.1 Safe Drinking Water Act https://ndlegis.gov/cencode/t61c28-1.pdf#nameddest=61-28p1-01</p> <p>NDAC ch. 33.1-16-02.1 Standards of Quality for Waters of the State https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p> <p>NDAC Art. 33.1-16 Control, Prevention, and Abatement of Pollution of Surface Water https://ndlegis.gov/information/acdata/html/33.1-16.html</p> <p>NDAC ch. 33.1-20-13 Water Protection Provisions https://ndlegis.gov/information/acdata/pdf/33.1-20-13.pdf</p> <p>NDAC Art. 33.1-24 Hazardous Waste Management https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
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DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

OTHER PROGRAMS		
	Boiler Inspection	NDCC ch. 23.1-16 https://www.ndlegis.gov/cencode/t23-1c16.pdf#nameddest=23p1-16-01
	Petroleum Release Tank Compensation Fund	NDCC ch. 23.1-12 Petroleum Release Remediation https://ndlegis.gov/cencode/t23-1c12.html



Environmental Quality

Testimony in Support of
House Bill No. 1024
 House Human Resources Appropriation Committee
 January 24, 2023

	2019-21 Actual Expenditures	Expend To Date Dec 2022	2021-23 Base Budget	2023-25 Executive Budget	Executive + (-) Difference	Percent % Increase + Decrease -
SALARIES AND WAGES						
FTE EMPLOYEES (Number)	165.50	170.00	166.00	173.00	7.00	4%
Salaries	18,791,728	15,209,576	21,859,426	25,273,025	3,413,599	16%
Temporary, Overtime	433,912	315,820	553,762	1,019,319	465,557	84%
Benefits	8,745,245	6,807,605	10,138,629	11,834,440	1,695,811	17%
TOTAL	27,970,885	22,333,002	32,551,817	38,126,784	5,574,967	17%
General Fund	9,648,340	7,580,637	9,920,187	11,258,770	1,338,583	13%
Federal Funds	10,312,520	6,630,775	10,342,574	12,994,764	2,652,190	26%
Special Funds	8,010,025	8,121,589	12,289,056	13,873,250	1,584,194	13%
OPERATING EXPENSES						
Travel	810,731	802,180	1,362,093	1,530,837	168,744	12%
IT-Software/Supp.	89,428	69,190	105,470	106,470	1,000	1%
Professional Supplies & Materials	81,303	90,206	164,595	173,672	9,077	6%
Food & Clothing	14,921	8,147	24,625	27,925	3,300	13%
Buildings/Vehicle Maintenance Supplies	42,650	37,509	70,148	70,148	-	0%
Miscellaneous Supplies	75,892	23,698	47,798	52,544	4,746	10%
Office Supplies	64,485	46,821	93,080	102,319	9,239	10%
Postage	165,638	137,562	166,100	197,040	30,940	19%
Printing	44,064	31,278	51,930	62,430	10,500	20%
IT Equip Under \$5000	35,054	11,305	45,300	29,600	(15,700)	-35%
Other Equip Under \$5000	25,875	31,493	30,650	77,050	46,400	151%
Office Equip Under \$5000	-	34,239	45,100	35,500	(9,600)	-21%
Utilities	269,044	226,039	311,420	336,720	25,300	8%
Insurance	20,125	29,788	37,000	37,000	-	0%
Lease/Rentals-Equipment	57,130	44,941	73,719	76,319	2,600	4%
Lease/Rentals-Buildings/Land	1,185,530	758,365	1,144,361	1,016,650	(127,711)	-11%
Repairs	733,189	574,954	768,160	831,167	63,007	8%
IT-Data Processing	578,883	674,922	926,301	1,168,958	242,657	26%
IT-Telephone	146,222	97,157	146,250	160,060	13,810	9%
IT-Contractual Services	412,145	530,217	1,775,132	5,404,246	3,629,114	204%
Professional Development	241,398	180,567	299,596	314,141	14,545	5%
Operating Fees & Services	275,580	329,236	416,770	428,130	11,360	3%
Professional Services	2,625,453	3,441,310	2,003,000	2,961,500	958,500	48%
Medical, Dental, and Optical	587,641	511,401	663,300	1,007,600	344,300	52%
TOTAL	8,582,381	8,722,523	10,771,898	16,208,026	5,436,128	50%
General Fund	1,876,700	1,316,813	2,648,507	3,404,032	755,525	29%
Federal Funds	4,432,184	4,736,033	4,694,412	8,256,399	3,561,987	76%
Special Funds	2,273,497	2,669,677	3,428,979	4,547,595	1,118,616	33%
CAPITAL ASSETS						
Other Capital Payments	216,808	77,016	119,972	-	(119,972)	
Extraordinary Repairs	65,013	-	24,000	24,000	-	0%
Equipment >\$5000	1,076,997	352,305	1,093,200	1,144,500	51,300	5%
IT Equip >\$5000	525,595	-	10,000	-	(10,000)	
TOTAL	1,884,413	429,321	1,247,172	1,168,500	(78,672)	-6%
General Fund	317,280	90,369	64,381	4,800	(59,581)	-93%
Federal Funds	429,957	231,960	501,291	571,700	70,409	14%
Special Funds	1,137,176	106,993	681,500	592,000	(89,500)	-13%
GRANTS						
Grants	8,239,080	8,493,019	15,060,118	36,838,118	21,778,000	145%
TOTAL	8,239,080	8,493,019	15,060,118	36,838,118	21,778,000	145%
General Fund	21,363	12,194	28,000	20,000	(8,000)	-29%
Federal Funds	6,231,206	4,824,805	10,047,000	31,833,000	21,786,000	217%
Special Funds	1,986,511	3,656,020	4,985,118	4,985,118	-	0%
TOTAL	46,676,759	39,977,865	59,631,005	92,341,428	32,710,423	55%
General Fund	11,863,683	9,000,013	12,661,075	14,687,602	2,026,527	16%
Federal Funds	21,405,867	16,423,573	25,585,277	53,655,863	28,070,586	110%
Special Funds	13,407,209	14,554,279	21,384,653	23,997,963	2,613,310	12%

Summary of Federal Funds

Federal Funds	2021-23 Base Budget	Base Budget Inc / (Dec)	Office of Director & Accounting	SRF IJA & Lead & Copper	Environmental Data System	Executive Compensation	2023-25 Executive Budget
EPA PM2.5 Monitoring	333,760	(79,990)	3,360			7,720	264,850
State Clean Diesel Grant	800,000	-					800,000
Supplemental Water Quality Monitoring Grant	837,539	2,461	9,710			16,210	865,920
Assistance for Small and Disadvantaged Communities Drinking Water Grant	152,000	448,000					600,000
Lead in Schools and Childcare Grant	181,162	218,838					400,000
Water Quality Management Grant	287,200	(8,500)	5,730			13,265	297,695
Nonpoint Source Implementation Grant	10,812,686	(25,036)	55,145			121,980	10,964,775
Drinking Water State Revolving Fund	-	1,273,047	13,380			25,370	1,311,797
Performance Partnership Grant	8,743,233	437,667	282,268			645,209	10,108,377
Performance Partnership Grant-Multipurpose Funding	410,000	(223,000)					187,000
ND Environmental Exchange State Grant	617,816	13,684	4,480		251,000	10,100	897,080
Underground Storage Tank Prevention	660,271	(271)	19,150			44,260	723,410
Leaking Underground Storage Tank (LUST)	1,231,762	(133,762)	21,260			49,170	1,168,430
Targeted Brownfield Grant	325,783	34,217	12,130			21,350	393,480
Radiation & Mammography Program	192,065	(2,065)	4,715			9,320	204,035
Solid Waste Infrastructure for Recycling Grant Program	-	-			350,000		350,000
IJA-Coal Combustion Residual Grant	-	300,000					300,000
IJA-Water Quality Management Grant	-	320,000			50,000		370,000
IJA-Targeted Brownfield Grant	-	480,000					480,000
IJA-Drinking Water State Revolving Fund	-	-	31,030	1,315,557		35,790	1,382,377
IJA-Clean Water State Revolving Fund	-	-		337,637			337,637
IJA-Sewer Overflow and Stormwater Reuse Municipal Grants	-	-		1,000,000			1,000,000
IJA-Assistance for Small and Disadvantaged Communities Drinking Water Grant	-	-		20,000,000			20,000,000
ARPA-EPA PM2.5 Monitoring	-	249,000					249,000
Total Federal Funds	\$ 25,585,277	\$ 3,304,290	\$ 462,358	\$ 22,653,194	\$ 651,000	\$ 999,744	\$ 53,655,863

Summary of Special Funds

Special Funds	2021-23 Base Budget	Base Budget Inc / (Dec)	Office of Director & Accounting	SRF IJA & Lead & Copper	Environmental Data System	Executive Compensation	2023-25 Executive Budget
Air Contaminant Fees	2,765,607	95,376	48,080	-	-	212,858	3,121,921
Oil and Gas Registration Fees	809,535	777	15,029	-	-	64,620	889,961
Volkswagen Settlement	4,485,118	-	-	-	-	-	4,485,118
Chemistry Laboratory Analysis Fees	1,577,961	-	-	402,662	-	40,433	2,021,056
Environment & Rangeland Protection Fund	250,000	-	2,498	-	-	9,997	262,495
North Dakota Water Commission	200,000	-	-	-	-	-	200,000
Sanitary Pumper Fees	47,008	(1,500)	907	-	-	4,237	50,652
Water Quality Monitoring Conference	3,730	11,500	-	-	-	-	15,230
Operator Certificate Fund	27,165	98,135	2,626	-	-	11,918	139,844
Clean Water State Revolving Fund	1,852,281	(23,549)	27,803	-	428,444	100,520	2,385,499
Drinking Water State Revolving Fund	2,900,000	(146,471)	60,103	-	-	242,665	3,056,297
Radiation Control Licensing Fees	2,970,671	(96,171)	48,993	-	100,000	222,886	3,246,379
Solid Waste Permitting Fees	358,000	40,700	5,405	-	75,000	24,363	503,468
Large Volume Landfill Fees	1,037,000	77,000	19,231	-	75,000	81,047	1,289,278
Abandoned Motor Vehicle Fund	250,000	100,000	-	-	-	-	350,000
Asbestos & Lead Base Fees	123,000	-	995	-	-	4,592	128,587
LUST Trust -Petroleum Tank Release Fund	130,528	(8,528)	536	-	-	5,252	127,788
Petroleum Tank Release Compensation Fund	643,455	(52,235)	7,964	-	-	32,343	631,527
Boiler Inspection	953,594	39,171	17,870	-	-	82,228	1,092,863
Total Special Funds	\$ 21,384,653	\$ 134,205	\$ 258,040	\$ 402,662	\$ 678,444	\$ 1,139,959	\$ 23,997,963

Professional Services

Description	2021-23 Base Budget	Increase / (Decrease)	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Legal	587,300	71,200	658,500	151,239	283,387	223,874
Air Quality Consultation	9,000	(9,000)	-	-	-	-
Air Quality Monitoring Site Operators	10,000	-	10,000	-	10,000	-
Chemistry Laboratory Proficiency Testing	20,000	5,000	25,000	7,630	16,068	1,302
Chemistry Laboratory Certification	13,200	1,800	15,000	4,578	9,640	782
Water Quality Micro Analysis	268,000	(9,000)	259,000	7,856	244,297	6,847
Lead in Schools & Childcare Consultant	25,000	375,000	400,000	-	400,000	-
Emerging Contaminate Lab Testing	50,000	26,000	76,000	2,268	73,732	-
Radon Public Education	110,000	(100,000)	10,000	-	-	10,000
Large Volume Landfill	38,000	(30,000)	8,000	-	-	8,000
Leaking Underground Storage Tank						
Engineering Fees	594,500	(39,500)	555,000	-	499,500	55,500
Targeted Brownfields	193,000	407,000	600,000	-	600,000	-
Abandoned Auto Towing	-	100,000	100,000	-	-	100,000
Petroleum Tank Compensation Insurance						
Underwriting/Legal	65,000	-	65,000	-	-	65,000
Hazardous Materials Training	20,000	-	20,000	4,589	7,885	7,526
Environmental Justice Translation Services	-	10,000	10,000	3,500	4,000	2,500
IJA Lead Service Line Awareness Campaign	-	150,000	150,000	-	150,000	-
Total Professional Services	\$ 2,003,000	\$ 958,500	\$ 2,961,500	\$ 181,660	\$ 2,298,509	\$ 481,331

Information Technology (IT) Contractual Services

Description	2021-23 Base Budget	Increase / (Decrease)	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Combined Environmental Regulatory Information System (CERIS) Maintenance & Licensing	256,000	5,800	261,800	261,800	-	-
State and Local Emissions Inventory System Maintenance	110,000	-	110,000	12,100	48,400	49,500
Air Quality Database Development & Maintenance	14,000	6,000	20,000	-	20,000	-
Chemistry Laboratory Information Management System Maintenance	5,000	275,000	280,000	280,000	-	-
Surface Water Mapping Tool Maintenance	10,000	-	10,000	1,571	7,060	1,369
ND Pollutant Discharge Elimination System Maintenance	10,000	-	10,000	1,418	8,582	-
ND Pollutant Discharge Elimination System Development	343,732	525,444	869,176	-	107,000	762,176
Non Point 319 Database Maintenance	-	205,000	205,000	129,140	63,539	12,321
Groundwater and Watershed Management Data System	-	215,000	215,000	35,000	180,000	-
Municipal Facilities Inspections Database Maintenance	20,000	390,000	410,000	-	380,000	30,000
Municipal Facilities Drinking Water Public Facing	-	450,000	450,000	-	425,000	25,000
Municipal Facilities Safe Drinking Water Information System	100,000	230,000	330,000	6,000	224,000	100,000
Municipal Facilities State Revolving Fund Development and Maintenance	172,500	207,500	380,000	-	259,056	120,944
Municipal Facilities Operator Certification Database	-	80,000	80,000	-	80,000	-
Indoor Air Radiation System Development & Maintenance	25,000	15,000	40,000	-	40,000	-
Lead and Asbestos System	-	30,200	30,200	-	22,758	7,442
Waste Management Leaking Underground Storage Trust Maintenance	47,000	119,500	166,500	36,375	128,025	2,100
Coal Combustion Residuals State and Territorial Grant	-	170,000	170,000	-	170,000	-
Waste Management Solid Waste Development and Maintenance	50,000	600,000	650,000	17,957	350,000	282,043
Boiler Inspection Database	16,900	12,670	29,570	-	-	29,570
Petroleum Tank Database Development & Maintenance	110,000	(40,000)	70,000	-	-	70,000
Information Exchange System Development & Maintenance	485,000	32,000	517,000	-	517,000	-
Accounting Electronic System Development	-	100,000	100,000	47,475	33,715	18,810
Total IT Contractual Services	\$ 1,775,132	\$ 3,629,114	\$ 5,404,246	\$ 828,836	\$ 3,064,135	\$ 1,511,275

Grant Line Item

Description	2021-23 Base Budget	Increase / (Decrease)	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Clean Diesel Grants	800,000	-	800,000		800,000	
Volkswagen Settlement Grants	4,485,118	-	4,485,118			4,485,118
Water Development Trust Fund Grants	200,000	-	200,000			200,000
Environmental Rangeland Protection Trust Fund to ND Stockmen's Association	50,000	-	50,000			50,000
604 B Water Quality Management Program	110,000	120,000	230,000		230,000	
106 Water Quality Monitoring Grants	400,000	-	400,000		400,000	
319 Nonpoint Source	8,600,000	48,000	8,648,000		8,648,000	
Water Pollution Grants to LPH (EPA PPG)	50,000	-	50,000	10,000	40,000	
Assistance for Small and Disadvantaged Communities Drinking Water	-	20,600,000	20,600,000		20,600,000	
Public Water Control (EPA PPG)	90,000	10,000	100,000	20,000	80,000	
Sewer Overflow and Stormwater Reuse Municipal Grants	-	1,000,000	1,000,000		1,000,000	
Abandoned Vehicle Grants	250,000	-	250,000			250,000
Radon Grants (EPA PPG)	25,000	-	25,000		25,000	
Total Grants	\$ 15,060,118	\$ 21,778,000	\$ 36,838,118	\$ 30,000	\$ 31,823,000	\$ 4,985,118

EPA PPG - Environmental Protection Agency (EPA) Performance Partnership Grant

LPH - Local Public Health

Equipment > \$5,000

Description\Narrative	Quantity	Base Price	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Nitrogen Oxide Analyzer	9	14,500	130,500	-	130,500	-
Ozone Analyzer	9	16,500	148,500	-	84,000	64,500
Sulfur Dioxide (SO2) Analyzer	7	14,000	98,000	-	98,000	-
Particulate Mass Analyzer	1	28,000	28,000	-	28,000	-
Dilution Calibrator	1	25,000	25,000	-	25,000	-
Post Column Reaction System for Glyphosate	1	30,000	30,000	-	-	30,000
Self Contained Hood for Cyanotoxin	1	30,000	30,000	-	-	30,000
Gas Chromatograph with Electron Capture Detector	1	55,000	55,000	-	-	55,000
Flow Injection Analyzer (FIA) for Nutrient Analyses	3	45,000	135,000	-	45,000	90,000
Purge and Trap System for Volatiles	1	82,500	82,500	-	-	82,500
Ion Chromatograph for Bromides	1	88,000	88,000	-	-	88,000
Inductively Coupled Plasma-Optical Emission Spectrometer (ICPOES) for Major cations (WQP)	1	110,000	110,000	-	-	110,000
Inductively Coupled Plasma-Mass Spectrometer for Lead and Copper	1	110,000	110,000	-	110,000	-
Flat Bottom John Boat with Trailer	1	10,000	10,000	-	10,000	-
Enclosed ATV Trailer	1	10,000	10,000	-	10,000	-
Water Quality Multiparameter Meter	1	12,000	12,000	-	12,000	-
Copier	1	6,000	6,000			6,000
Radiation Survey Equipment	2	5,500	11,000			11,000
X-ray Fluorescence Analyzer	1	25,000	25,000			25,000
Total Equipment > \$5,000			\$ 1,144,500	\$ -	\$ 552,500	\$ 592,000

Extraordinary Repairs

Environmental Training Center

Description	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Re-Carpet Office Area	12,000	2,400	9,600	-
Replace Sound System	7,000	1,400	5,600	-
Replace Deteriorating Doors	5,000	1,000	4,000	-
Total Environmental Training Center	\$ 24,000	\$ 4,800	\$ 19,200	\$ -

Temporary / Overtime Salaries

Duties / Timeframe	2021-23 Base Budget	Increase / (Decrease)	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Temporary dollars to assist with Air Quality Monitoring. These costs are ongoing.	137,280	71,647	208,927	23,941	90,064	76,002
Temporary dollars to hire summer staff to handle the increased sample workload. Staff are typically students to assist with sample preparation & analysis. Costs are ongoing for the Chemistry Lab.	109,692	-	109,692	64,917	21,241	23,534
Temporary dollars to hire staff during the summer for water quality sampling, office, and lab work. These costs are ongoing.	82,500	85,250	167,750	50,831	83,369	18,300
Temporary and overtime dollars in Municipal Facilities Division to assist with plan review, sampling and administrative work. These costs are ongoing.	27,940	7,700	35,640	35,640	-	-
Temporary and overtime dollars in Municipal Facilities Division to assist with plan review, sampling and administrative work for the IJJA Grants.	-	274,560	274,560	-	274,560	-
Temporary dollars to for radiation and mammography inspections. These cost are ongoing.	94,600	26,400	121,000	16,500	88,000	5,500
Temporary dollars for paralegal services. These cost are ongoing.	33,000	-	33,000	10,500	12,000	7,500
Temporary dollars to assist with quality assurance and environmental issues. These costs are ongoing.	68,750	-	68,750	21,875	25,000	15,625
Total Temporary and Overtime	\$ 553,762	\$ 465,557	\$ 1,019,319	\$ 224,204	\$ 594,234	\$ 146,461

Department of Environmental Quality #303
Positions vacant as of December 31, 2022

Position No.	FTE	Position Description	Date Vacated	Number of Months Vacant January 2023	Date Expected to Be Filled	Current Status	Salary and Fringe Benefit Amounts Included in the 2023-25 Executive Budget ¹		
							General Fund	Other Funds	Total
1723	1.00	5561 Environmental Scientist III	12/01/22	1	02/01/23	Offer accepted to fill position with a start date of 2/1/23.	74,478	138,314	212,792
1770	1.00	5531 Environmental Engineer II	02/27/21	22	02/01/23	This position has been advertised three times. The last round, a candidate was selected and job offer pending.	35,940	143,758	179,698
1830	1.00	5551 Environmental Scientist II	01/11/22	11	02/01/23	This position located in Gwinner, ND. We have advertised at least four times. Currently we have an offer pending.		178,632	178,632
1888	1.00	5531 Environmental Scientist III	12/31/22	0	01/15/23	Position opened up internally, offer pending.	61,860	167,250	229,110
1945	1.00	5541 Environmental Scientist II	11/01/22	2	02/15/23	In the process of interviewing. Expect to make offer in the next couple of weeks with start date mid February.		210,382	210,382
1961	1.00	5531 Environmental Scientist II	12/01/22	1	03/01/23	Currently recruiting for this position. Expect to complete hire with team member starting 3/1/23.	41,220	131,256	172,476
4912	1.00	5571 Deputy Boiler Inspector	11/29/22	1	04/01/23	Will recruit for position once inspection season slows down. Currently have hired a temporary employee who recently retired to assist.		197,684	197,684
28815	1.00	5541 Environmental Scientist III	06/14/22	6	03/01/23	Working on revising the position's job duties, will recruit in the next month. Currently have hired a temporary employee who recently retired to assist.	21,782	196,024	217,806
29000	1.00	5551 Environmental Scientist II	12/01/22	1	03/01/23	Currently recruiting for this position. Expect to complete hire with team member starting 3/1/23.	12,934	159,542	172,476
29489	1.00	5511 Environmental Scientist II	05/25/17	67	01/26/23	This position was just filled with new team member starting 1/26/23.	38,472	142,642	181,114
29508	1.00	5541 Environmental Engineer II	10/14/22	2	02/15/23	In the process of interviewing. Expect to make offer in the next couple of weeks with start date mid February.	193,626		193,626
30158	1.00	5511 Environmental Engineer II	12/10/22	0	05/01/23	Division of Air Quality was hit hard with turnover. Recently hired two new employees, evaluating positions and recruitment options. Staggering recruitment due to resources to onboard and train new team members.	177,282		177,282
30203	1.00	5561 Environmental Scientist II	07/01/19	42	02/01/23	Completed hiring process December 2022 with team member starting 2/1/23.		172,626	172,626
30552	1.00	5511 Environmental Scientist II	07/01/20	30	05/01/23	Division of Air Quality was hit hard with turnover. Recently hired two new employees, evaluating positions and recruitment options. Staggering recruitment due to resources to onboard and train new team members.	138,256	34,564	172,820
30647	1.00	5511 Environmental Inspector	03/15/22	9	05/01/23	Division of Air Quality was hit hard with turnover. Recently hired two new employees, evaluating positions and recruitment options. Staggering recruitment due to resources to onboard and train new team members.	169,980		169,980
30975	1.00	5511 Environmental Scientist II	07/01/20	30	01/26/23	This position was just filled with new team member starting 1/26/23.	138,104	34,526	172,630

Department of Environmental Quality #303
 Positions vacant as of December 31, 2022

Position No.	FTE	Position Description	Date Vacated	Number of Months Vacant January 2023	Date Expected to Be Filled	Current Status	Salary and Fringe Benefit Amounts Included in the 2023-25 Executive Budget ¹		
							General Fund	Other Funds	Total
Z03031-31409	1.00	5511 Environmental Engineer II	07/01/20	30	05/01/23	Division of Air Quality was hit hard with turnover. Recently hired two new employees, evaluating positions and recruitment options. Staggering recruitment due to resources to onboard and train new team members.	239,952		239,952
Z0001-31424	1.00	5511 Environmental Scientist II	07/01/20	30	05/01/23	Division of Air Quality was hit hard with turnover. Recently hired two new employees, evaluating positions and recruitment options. Staggering recruitment due to resources to onboard and train new team members.	138,256	34,564	172,820
31392	1.00	5571 Accountant Budget Specialist	07/01/22	6	03/01/23	Position was authorized in 6-22 Emergency Commission meeting. Had to extend recruitment due to lack of applications. Three candidates met minimum qualifications. Completed interviews but no offer was made. Will advertise in January with position to be hired beginning of March. Position was included in Executive Recommendation.	0	0	0
Total	<u>19.00</u>						<u>1,482,142.00</u>	<u>1,941,764.00</u>	<u>3,423,906.00</u>

2019 Summary

Category	Description	Number	2019-21 Expenditures	2021-23 Obligations	Total
Category 1	Eligible Large Trucks	4	221,933	664,141	886,074
Category 2	Eligible Buses	9	337,950	44,813	382,763
Category 6	Eligible Medium Trucks	1	55,861	0	55,861
	Zero Emission Vehicle Supply Equipment-EV				
Category 9	Charging Stations	17	796,739	390,760	1,187,499
			<u>1,412,483</u>	<u>1,099,714</u>	<u>2,512,197</u>

2020 Summary

Category	Description	Number	2019-21 Expenditures	2021-23 Obligations	Total
Category 1	Eligible Large Trucks	9	0	2,663,161	2,663,161
Category 2	Eligible Buses	15	171,308	473,042	644,350
Category 6	Eligible Medium Trucks	1	0	62,000	62,000
	Zero Emission Vehicle Supply Equipment-EV				
Category 9	Charging Stations	0	0	0	0
			<u>171,308</u>	<u>3,198,203</u>	<u>3,369,511</u>

2022 Summary

Category	Description	Number	2019-21 Expenditures	2021-23 Obligations	Total
Category 1	Eligible Large Trucks	6	0	1,359,537	1,359,537
Category 2	Eligible Buses	20	0	1,109,014	1,109,014
Category 6	Eligible Medium Trucks	2	0	162,841	162,841
	Zero Emission Vehicle Supply Equipment-EV				
Category 9	Charging Stations	0	0	0	0
			<u>0</u>	<u>2,631,392</u>	<u>2,631,392</u>

Total

Category	Description	Number	2019-21 Expenditures	2021-23 Obligations	Total
Category 1	Eligible Large Trucks	19	221,933	4,686,839	4,908,772
Category 2	Eligible Buses	44	509,258	1,626,869	2,136,127
Category 6	Eligible Medium Trucks	4	55,861	224,841	280,702
	Zero Emission Vehicle Supply Equipment-EV				
Category 9	Charging Stations	17	796,739	390,760	1,187,499
			<u>1,583,791</u>	<u>6,929,309</u>	<u>8,513,100</u>

**Department of Environmental Quality - Budget No. 303
House Bill No. 1024
Base Level Funding Changes**

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	166.00	\$12,661,075	\$46,969,930	\$59,631,005	166.00	\$12,661,075	\$46,969,930	\$59,631,005
2023-25 Ongoing Funding Changes								
Cost to continue salary increase		\$81,541	\$149,916	\$231,457				\$0
Adds funding from federal funds for base budget adjustments, including increases in salaries and wages (\$259,515), operating expenses (\$2,338,313), and grants (\$778,000) and a decrease in capital assets of \$113,700			3,262,128	3,262,128				0
Salary increase		673,222	1,602,721	2,275,943				0
Health insurance increase		224,262	536,982	761,244				0
Adds funding from federal and special funds for 1 FTE natural resource services III position and related operating expenses of \$7,500	1.00		226,162	226,162				0
Adds funding from federal funds for 2 FTE engineering and planning services VI positions and related operating expenses of \$97,500	2.00		608,784	608,784				0
Adds funding, including funding from federal and special funds, for 1 FTE human resource director position in the Office of the Director and related operating expenses of \$15,165	1.00	94,718	175,903	270,621				0
Adds funding, including funding from federal and special funds, for 1 FTE assistant director in the Office of the Director and related operating expenses of \$15,167	1.00	127,704	237,169	364,873				0
Adds funding, including funding from federal and special funds, for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses of \$25,168	1.00	85,341	158,491	243,832				0
Adds funding, including funding from federal and special funds, for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses of \$10,500	1.00	80,141	148,835	228,976				0

Increases federal funding for temporary salaries related to lead line inventory			274,560	274,560					0
Adds funding for operating expenses related to LIMS maintenance and hosting		280,000		280,000					0
Adds funding for operating expenses related to ITD rate increases		136,379	86,842	223,221					0
Adds funding from special funds for operating expenses related to lead and copper testing			184,000	184,000					0
Increases federal funding for operating expenses related to printing lead and copper program materials			10,000	10,000					0
Adds federal funding for operating expenses related to ongoing licensing and maintenance of the drinking water system database			100,000	100,000					0
Adds federal funding for operating expenses for professional services related to lead line service replacement project			150,000	150,000					0
Adds funding, including federal funds, for operating expenses related to environmental data system maintenance		115,000	35,000	150,000					0
Removes funding, including funding from federal funds, for 2021-23 biennium bond payment		(59,581)	(60,391)	(119,972)					0
Adds federal funding for grants related to IJJA municipal facilities and lead and copper programs			21,000,000	21,000,000					0
Total ongoing funding changes	7.00	\$1,838,727	\$28,887,102	\$30,725,829	0.00	\$0	\$0	\$0	\$0
One-Time Funding Items									
Adds one-time funding for operating expenses related to chemistry laboratory inflation		\$116,800		\$116,800					0
Adds one-time funding from federal funds for operating expenses related to administering the IJJA municipal facilities revolving loan fund, including office and IT equipment			\$22,350	22,350					0
Adds one-time funding from federal funds for operating expenses to upgrade the drinking water program portal			325,000	325,000					0
Adds one-time funding for operating expenses, including funding from federal and special funds, for environmental data system development		71,000	1,294,444	1,365,444					0

Adds one-time funding from federal funds for equipment over \$5,000 related to administering IJA municipal facilities revolving loan fund			155,000	155,000					0
Total one-time funding changes	0.00	\$187,800	\$1,796,794	\$1,984,594	0.00	\$0	\$0	\$0	\$0
Total Changes to Base Level Funding	7.00	\$2,026,527	\$30,683,896	\$32,710,423	0.00	\$0	\$0	\$0	\$0
2023-25 Total Funding	173.00	\$14,687,602	\$77,653,826	\$92,341,428	166.00	\$12,661,075	\$46,969,930	\$59,631,005	
<i>Federal funds included in other funds</i>			\$53,655,863				\$25,585,277		
<i>Total ongoing changes as a percentage of base level</i>	4.2%	14.5%	61.5%	51.5%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Total changes as a percentage of base level</i>	4.2%	16.0%	65.3%	54.9%	0.0%	0.0%	0.0%	0.0%	0.0%

Other Sections in Department of Environmental Quality - Budget No. 303

	<u>Executive Budget Recommendation</u>	<u>House Version</u>
Environment and rangeland protection fund	Section 3 would authorize the department to spend \$250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	
Petroleum release compensation fund	Section 4 would authorize the department to spend \$748,169 from the petroleum release compensation fund for expenses related to the petroleum tank release program.	
Environmental quality restoration fund and fund revenues	Sections 5 and 6 would remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.	



ENVIRONMENTAL QUALITY

Our small staff of highly trained scientists, chemists, and engineers keeps pace with an increasingly complex regulatory and permitting industry. The recent focus on environmental issues, including the Bipartisan Infrastructure Law, puts demand for their skill set at the highest point in history. We are much more than a regulatory agency. We educate industry and are partners in the field. Our universal responsiveness to government, industry, and citizens, pays off in that North Dakota has some of the highest environmental compliance rates in the country. Our staff is entrusted with legal and technical decisions that could impact generations. They thrive in knowing they make a difference, and they see protecting our environment as meaningful work.

WHAT HAPPENS IF WE CAN'T DO OUR JOB...

Limited Economic Development



It would take us longer to approve permits.

Less Responsiveness



The public and industry would have to wait longer to get the help they need from us, causing frustration.

Protections Could Lapse



Bad actors would go unenforced putting our state resources at risk.

CURRENT AGENCY TEAM MEMBER STATS

166

Full-Time Equivalent

17

Number of Vacancies

88%

Below Salary Midpoint

44

Average Age

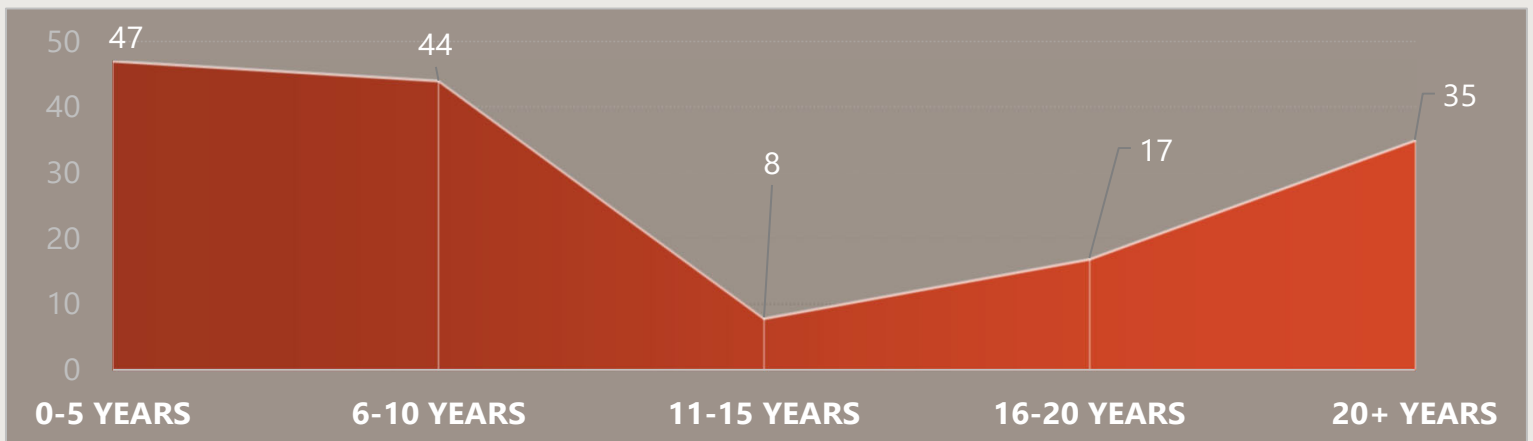
18

Retirement Eligible

\$67 K

Median Annual Salary

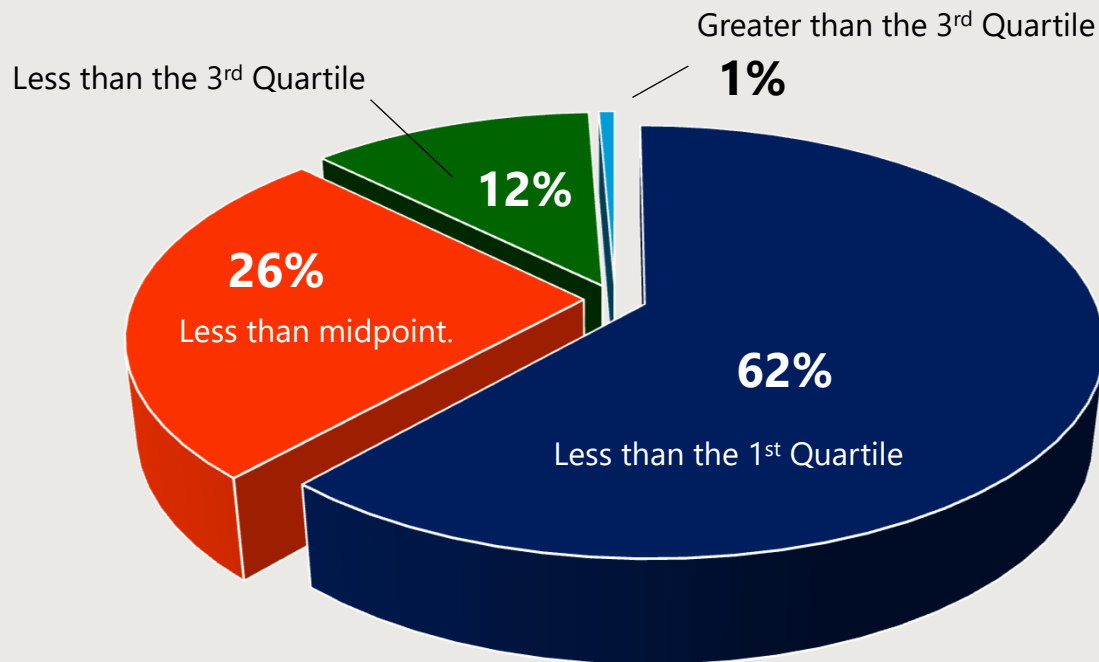
YEARS OF SERVICE



Some applicant challenges are unrelated to the numbers, such as quality of applicants, lack of experience, etc.

ENVIRONMENTAL QUALITY

WHERE WE ARE WITH PAY EQUITY



COST OF TURNOVER

\$115K

per team member

Figured with 200% of annual salary

DEQ's cost of turnover is significant as it takes approximately three years to fully train staff.

Considerable amount of work and training is invested over 3 years so team members can obtain the knowledge and skills needed to succeed in their role.

WORKFORCE COMPETITION



North Dakota State Agencies,
Federal Government, and other
States Environmental Agencies



Private Industry including
Engineering and Environmental
Firms

INDUSTRY OUTLOOK: As North Dakota seeks to establish ourselves as an energy powerhouse, we need to work harder than ever to hold our high compliance rates steady. The more unique industry development we support, the more permits we need to approve in a timely manner, and questions we get from citizens. Continuous added federal regulations increase our need to educate and find innovative technical solutions to complex problems.

MISSION

“The North Dakota Nonpoint Source Pollution Management Program’s mission is to implement a voluntary, incentive-based program that protects and restores the chemical, physical and biological integrity of waters where the beneficial uses are threatened or impaired due to nonpoint sources of pollution.”

What is nonpoint source pollution?

In basic terms, nonpoint source (NPS) pollution can be a variety of contaminants (e.g., sediment, nutrients, E. coli bacteria, pesticides) delivered to surface waters by way of runoff or leached downward into groundwater. Some common sources of NPS pollution include runoff from urban streets and parking lots, construction sites, livestock confinement areas and agricultural lands.

What is the NPS Pollution Management Program and who administers it?

Section 319 of the Clean Water Act defines the scope of the NPS Pollution Management Program. In North Dakota, the Department of Environmental Quality administers the program with input from the North Dakota NPS Pollution Task Force. The task force is comprised of representatives from state and federal natural resource agencies, agricultural groups and private natural resource organizations.

How is the program funded?

Annually, federal funds are appropriated by the U.S. Congress to the U.S. Environmental Protection Agency for NPS pollution

management. These Section 319 funds are available to individual states based on an allocation formula. Section 319 funds in North Dakota are awarded to local projects through a competitive grant application process. Section 319 funds support 60 percent of costs, with a 40 percent nonfederal match requirement.





Photo courtesy No-Till Farmer.

Who can sponsor an NPS project?

The success of the NPS Program is dependent on close coordination with many local, state and federal agencies, as well as private organizations. The formation of strong partnerships help provide the financial and technical resources to project sponsors to meet their goals and demonstrate that NPS pollution control and prevention can be accomplished effectively and voluntarily.

Project sponsors may include organizations such as state agencies, soil conservation districts, water resource boards, city councils, universities, agricultural groups, counties, nonprofit organizations and non-government organizations.

What type of projects are eligible?

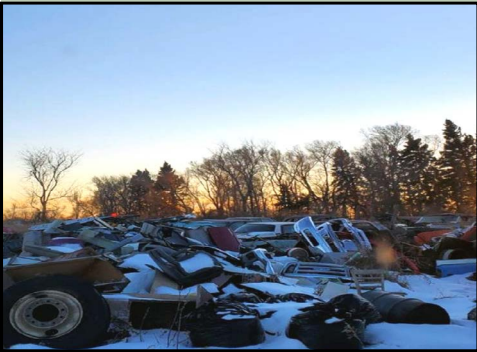
Section 319 funds can be used to support watershed-based or statewide projects that:

- **Assessment:** Assess sources and causes of NPS pollution.
- **Watershed:** Implement practices that reduce or prevent NPS pollution.
- **Information/Education:** Disseminate NPS pollution management information.
- **Support:** Provide technical and financial assistance to address a major NPS pollution issue.

Given the size of the agricultural industry in North Dakota, most of the state's Section 319 funds are generally directed toward projects promoting voluntary NPS pollution control on agricultural lands. These funds are used to develop education activities and/or provide financial and technical assistance to landowners implementing best management practices (BMPs).

Feel free to use this information, but please credit the North Dakota Department of Environmental Quality.

ABANDONED AUTO FUND



Who is eligible?

The North Dakota Department of Environmental Quality (NDDEQ) Solid Waste Program administers the state Abandoned Auto Fund. Units of government, including state entities, counties, cities, and municipalities, can apply for reimbursement for the costs of collecting and recycling abandoned automobiles, other equipment, and scrap metal. Some operations that have benefited in the past include landfills, local public health units, and local districts.

What items qualify?

Abandoned motor vehicles, automobile and implement equipment, large items that yield a significant amount of scrap metal, trailers, campers and RVs, stockpiles of major appliances and other machinery are some of the items that qualify for removal under this fund.

Benefits

There are many benefits to this program including reducing health hazards, improving the appearance of the landscape, and recycling metals. The program also provides technical assistance to communities in cleaning stockpiles of major appliances and other scrap metal. This project is a win/win for all involved! The local entity sees improved property function, unwanted metal is recycled and put to good use, and towing and transport companies are paid for their contribution.

How does it work?

The unit of government sends the completed request for grant form, located at <https://deq.nd.gov/Publications/WM/SW/AAP/RequestforFundsAAP.pdf> to solidwaste@nd.gov with the following information:

- The name of the unit of government requesting the fund
- A first and last name of the contact person, along with address, phone number and email address
- What the intended use for the funds will be
- The anticipated cost of removal

Someone from the Solid Waste Program will follow up on your request. If the request is approved, you will choose a business from a provided list of licensed scrap iron processors. Receipts will be turned into the NDDEQ for reimbursement.

Instructions for businesses interested in becoming a licensed scrap iron processor with the NDDEQ are located at <https://deq.nd.gov/Publications/WM/InstructionsForLicenseApplicationScrapIronProcessor.pdf>. It is free to become a licensed scrap iron processor!

Department of Environmental Quality - Budget No. 303
House Bill No. 1024
Base Level Funding Changes

	Executive Budget Recommendation				House Version				House Changes to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease) - Executive Budget			
									FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	166.00	\$12,661,075	\$46,969,930	\$59,631,005	166.00	\$12,661,075	\$46,969,930	\$59,631,005	0.00	\$0	\$0	\$0
2023-25 Ongoing Funding Changes												
Cost to continue salary increase		\$81,541	\$149,916	\$231,457		\$81,541	\$149,916	\$231,457				\$0
Adds funding from federal funds for base budget adjustments, including increases in salaries and wages (\$259,515), operating expenses (\$2,338,313), and grants (\$778,000) and a decrease in capital assets of \$113,700			3,262,128	3,262,128			3,262,128	3,262,128				0
Salary increase		673,222	1,602,721	2,275,943		503,703	1,199,295	1,702,998		(169,519)	(403,426)	(572,945)
Health insurance increase		224,262	536,982	761,244		229,421	549,334	778,755		5,159	12,352	17,511
Adds funding from federal and special funds for 1 FTE natural resource services III position and related operating expenses of \$7,500	1.00		226,162	226,162				0	(1.00)		(226,162)	(226,162)
Adds funding from federal funds for 2 FTE engineering and planning services VI positions and related operating expenses of \$97,500	2.00		608,784	608,784				0	(2.00)		(608,784)	(608,784)
Adds funding, including funding from federal and special funds, for 1 FTE human resource director position in the Office of the Director and related operating expenses of \$15,165	1.00	94,718	175,903	270,621				0	(1.00)	(94,718)	(175,903)	(270,621)
Adds funding, including funding from federal and special funds, for 1 FTE assistant director in the Office of the Director and related operating expenses of \$15,167	1.00	127,704	237,169	364,873				0	(1.00)	(127,704)	(237,169)	(364,873)
Adds funding, including funding from federal and special funds, for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses of \$25,168	1.00	85,341	158,491	243,832				0	(1.00)	(85,341)	(158,491)	(243,832)
Adds funding, including funding from federal and special funds, for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses of \$10,500	1.00	80,141	148,835	228,976				0	(1.00)	(80,141)	(148,835)	(228,976)

Increases federal funding for temporary salaries related to lead line inventory			274,560	274,560	0					(274,560)	(274,560)	
Adds funding for operating expenses related to LIMS maintenance and hosting	280,000			280,000	0				(280,000)		(280,000)	
Adds funding for operating expenses related to ITD rate increases	136,379	86,842		223,221	0				(136,379)	(86,842)	(223,221)	
Adds funding from special funds for operating expenses related to lead and copper testing		184,000		184,000	0					(184,000)	(184,000)	
Increases federal funding for operating expenses related to printing lead and copper program materials		10,000		10,000	0					(10,000)	(10,000)	
Adds federal funding for operating expenses related to ongoing licensing and maintenance of the drinking water system database		100,000		100,000	0					(100,000)	(100,000)	
Adds federal funding for operating expenses for professional services related to lead line service replacement project		150,000		150,000	0					(150,000)	(150,000)	
Adds funding, including federal funds, for operating expenses related to environmental data system maintenance	115,000	35,000		150,000	0				(115,000)	(35,000)	(150,000)	
Removes funding, including funding from federal funds, for 2021-23 biennium bond payment	(59,581)	(60,391)		(119,972)	0				59,581	60,391	119,972	
Adds federal funding for grants related to IJJA municipal facilities and lead and copper programs		21,000,000		21,000,000	0					(21,000,000)	(21,000,000)	
Total ongoing funding changes	7.00	\$1,838,727	\$28,887,102	\$30,725,829	0.00	\$814,665	\$5,160,673	\$5,975,338	(7.00)	(\$1,024,062)	(\$23,726,429)	(\$24,750,491)
One-Time Funding Items												
Adds one-time funding for operating expenses related to chemistry laboratory inflation	\$116,800			\$116,800	0					(116,800)		(116,800)
Adds one-time funding from federal funds for operating expenses related to administering the IJJA municipal facilities revolving loan fund, including office and IT equipment		\$22,350		22,350	0					(22,350)		(22,350)
Adds one-time funding from federal funds for operating expenses to upgrade the drinking water program portal		325,000		325,000	0					(325,000)		(325,000)
Adds one-time funding for operating expenses, including funding from federal and special funds, for environmental data system development	71,000	1,294,444		1,365,444	0				(71,000)	(1,294,444)		(1,365,444)

Adds one-time funding from federal funds for equipment over \$5,000 related to administering IJJA municipal facilities revolving loan fund		155,000	155,000		0				(155,000)	(155,000)		
Total one-time funding changes	0.00	\$187,800	\$1,796,794	\$1,984,594	0.00	\$0	\$0	\$0	0.00	(\$187,800)	(\$1,796,794)	(\$1,984,594)
Total Changes to Base Level Funding	7.00	\$2,026,527	\$30,683,896	\$32,710,423	0.00	\$814,665	\$5,160,673	\$5,975,338	(7.00)	(\$1,211,862)	(\$25,523,223)	(\$26,735,085)
2023-25 Total Funding	173.00	\$14,687,602	\$77,653,826	\$92,341,428	166.00	\$13,475,740	\$52,130,603	\$65,606,343	(7.00)	(\$1,211,862)	(\$25,523,223)	(\$26,735,085)
<i>Federal funds included in other funds</i>			\$53,655,863				\$29,748,460				(\$23,907,403)	
<i>Total ongoing changes as a percentage of base level</i>	4.2%	14.5%	61.5%	51.5%	0.0%	6.4%	11.0%	10.0%				
<i>Total changes as a percentage of base level</i>	4.2%	16.0%	65.3%	54.9%	0.0%	6.4%	11.0%	10.0%				

Other Sections in Department of Environmental Quality - Budget No. 303

	<u>Executive Budget Recommendation</u>	<u>House Version</u>
Environment and rangeland protection fund	Section 3 would authorize the department to spend \$250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	
Petroleum release compensation fund	Section 4 would authorize the department to spend \$748,169 from the petroleum release compensation fund for expenses related to the petroleum tank release program.	
Environmental quality restoration fund and fund revenues	Sections 5 and 6 would remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.	

There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$25,000,000, or so much of the sum as may be necessary, to the department of environmental quality for the purpose of providing grants to ~~communities~~ political subdivisions with a population of 10,000 or less for lead pipe removal and ~~wastewater~~ Clean Water State Revolving Loan Fund eligible projects for the biennium beginning July 1, 2023, and ending June 30, 2025. ~~Communities must provide matching funds on a dollar for dollar basis and grants may not exceed \$500,000 per community. A political subdivision may receive up to a 75% grant through this funding. Section 54-44.1-11 does not apply to this funding, and any additional funds not spent by June 30, 2025, must be continued into the biennium beginning July 1, 2025, and ending June 30, 2027, and may be expended for grants to political subdivision in accordance with state fiscal recovery fund timelines.~~

- Several recommendations to allow this funding to tie into the SRF eligibility:
 - Requesting 'political subdivisions' instead of 'communities' so rural water systems are eligible for lead service line funding.
 - Requesting 'Clean Water State Revolving Loan Fund eligible' projects instead of 'wastewater' as there are types of projects eligible under ARPA that small communities need, such as storm water projects.
 - Requesting to increase grant amount from 50% to 75% to seamlessly fit into existing SRF funding levels.
 - Requesting to remove funding level cap as it can be hard for small and disadvantaged communities to afford a construction project. So we anticipate it may be hard to get projects to move forward with only \$500,000 of grant funding.
 - Also requesting to remove the funding level cap as concerned about being able to get this amount of funding committed to projects by Dec 31, 2024, that will be able to spend the funds in a timely manner.
 - Requesting to extend funding time frame to Dec 31, 2026. Construction projects can take time to go from concept, to planning, to design and finally to construction. We want to be able to take full use of this opportunity! Concerned about spending all of this funding by June 30, 2025.

23.0253.01002
Title.

Prepared by the Legislative Council staff for
the House Appropriations - Human Resources
Division Committee

Fiscal No. 1

February 8, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1024

Page 1, line 2, after "quality" insert "; and to amend and reenact sections 23.1-10-02 and 23.1-10-05 of the North Dakota Century Code, relating to the environmental quality restoration fund and revenue to the fund"

Page 1, replace lines 10 through 19 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$32,551,817	\$4,381,840	\$36,933,657
Operating expenses	10,771,898	5,405,796	16,177,694
Capital assets	1,247,172	(78,672)	1,168,500
Grants	<u>15,060,118</u>	<u>21,778,000</u>	<u>36,838,118</u>
Total all funds	\$59,631,005	\$31,486,964	\$91,117,969
Less estimated income	<u>46,969,930</u>	<u>29,858,605</u>	<u>76,828,535</u>
Total general fund	\$12,661,075	\$1,628,359	\$14,289,434
Full-time equivalent positions	166.00	5.00	171.00"

Page 1, line 21, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 1, replace lines 23 and 24 with:

"Laboratory information management system	\$1,000,000	\$0
Chemistry laboratory inflation	0	116,800
Loan fund administration	0	177,350
Drinking water program portal	0	325,000
Environmental data systems upgrade	<u>0</u>	<u>1,365,444</u>
Total all funds	\$1,000,000	\$1,984,594
Less estimated income	<u>0</u>	<u>1,796,794</u>
Total general fund	\$1,000,000	\$187,800

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The department of environmental quality shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 2, line 6, replace "\$773,983" with "\$742,080"

Page 2, after line 8, insert:

"SECTION 5. AMENDMENT. Section 23.1-10-02 of the North Dakota Century Code is amended and reenacted as follows:

23.1-10-02. Environmental quality restoration fund - Continuing appropriation.

There is established an environmental quality restoration fund into which the funds recovered in this chapter may be deposited. The fund is to be administered by

the department of environmental quality and may be used by the department for costs of environmental assessment, removal, corrective action, or monitoring as determined on a case-by-case basis. All moneys placed in the fund under this section and section 23.1-10-05 are appropriated to the department on a continuing basis. If, on the first day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than five million dollars, the amount in excess of five million dollars must be transferred to the general fund.

SECTION 6. AMENDMENT. Section 23.1-10-05 of the North Dakota Century Code is amended and reenacted as follows:

23.1-10-05. Revenue to the fund.

Revenue from the following sources must be deposited in the state treasury and credited to the fund:

1. ~~If the balance of the fund is less than five million dollars, moneys~~Moneys recovered by the department in an action or administrative proceeding based on violation of the state's environmental statutes, including actions for administrative expense recoveries, civil penalties, compensatory damages; and money paid pursuant to any agreement, stipulation, or settlement. This section does not limit the department's ability to agree to a supplemental environmental project as part of a settlement.
2. Moneys donated to the department for the purposes of this chapter.
3. Transfers from the abandoned oil and gas well plugging and site reclamation fund under subdivision f of subsection 2 of section 38-08-04.5.
4. Moneys received from a federal agency for the purpose of this section.
5. Any other moneys as may be deposited in the fund for use in carrying out the purposes of this chapter."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Department of Environmental Quality - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$32,551,817	\$4,381,840	\$36,933,657
Operating expenses	10,771,898	5,405,796	16,177,694
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FTE	166.00	5.00	171.00

Department 303 - Department of Environmental Quality - Detail of House Changes

	Adjusts Funding for Cost to Continue Salaries¹	Adjust Base Budget Funding²	Adds Funding for Salary and Benefit Increases³	Adds 1 FTE Natural Resource Services III Position⁴	Adds 2 FTE Engineering and Planning Services VI Positions⁵	Adds 1 FTE Civil Rights and Environmental Justice Position⁶
Salaries and wages	\$231,457	\$259,515	\$2,449,222	\$218,662	\$511,284	\$218,664
Operating expenses		2,338,313		7,500	97,500	25,168
Capital assets		(113,700)				
Grants		778,000				
Total all funds	\$231,457	\$3,262,128	\$2,449,222	\$226,162	\$608,784	\$243,832
Less estimated income	149,916	3,262,128	1,727,484	226,162	608,784	158,491
General fund	\$81,541	\$0	\$721,738	\$0	\$0	\$85,341
FTE	0.00	0.00	0.00	1.00	2.00	1.00
	Adds 1 FTE Accountant Budget Specialist III Position⁷	Increases Funding for Temporary Salaries⁸	Adds Funding for LIMS Maintenance and Hosting⁹	Increases Funding for Information Technology¹⁰	Adds Funding for Lead and Copper Testing¹¹	Adds Funding for Lead and Copper Program Materials¹²
Salaries and wages	\$218,476	\$274,560				
Operating expenses	10,500		\$280,000	\$223,221	\$184,000	\$10,000
Capital assets						
Grants						
Total all funds	\$228,976	\$274,560	\$280,000	\$223,221	\$184,000	\$10,000
Less estimated income	148,835	274,560	0	86,842	184,000	10,000
General fund	\$80,141	\$0	\$280,000	\$136,379	\$0	\$0
FTE	1.00	0.00	0.00	0.00	0.00	0.00
	Adds Funding for Drinking Water Database¹³	Adds Funding for a Lead Line Service Replacement Project¹⁴	Adds Funding for Environmental Data System Maintenance¹⁵	Removes Funding for Bond Payment¹⁶	Adds Funding for IJA Grants¹⁷	Adds One-Time Funding for Chemistry Laboratory Inflation¹⁸
Salaries and wages						
Operating expenses	\$100,000	\$150,000	\$150,000			\$116,800
Capital assets				(\$119,972)		
Grants					\$21,000,000	
Total all funds	\$100,000	\$150,000	\$150,000	(\$119,972)	\$21,000,000	\$116,800
Less estimated income	100,000	150,000	35,000	(60,391)	21,000,000	0
General fund	\$0	\$0	\$115,000	(\$59,581)	\$0	\$116,800
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	Adds One-Time Funding to Administer IJA Revolving Loan Fund¹⁹	Adds One-Time Funding for a Drinking Water Program Portal²⁰	Adds One-Time Funding for Environmental Data System Development²¹	Total House Changes		
Salaries and wages				\$4,381,840		
Operating expenses	\$22,350	\$325,000	\$1,365,444	5,405,796		
Capital assets	155,000			(78,672)		
Grants				21,778,000		
Total all funds	\$177,350	\$325,000	\$1,365,444	\$31,486,964		
Less estimated income	177,350	325,000	1,294,444	29,858,605		
General fund	\$0	\$0	\$71,000	\$1,628,359		
FTE	0.00	0.00	0.00	5.00		

¹ Funding is added for cost to continue salary increases.

² Funding is added from federal funds for base budget adjustments, including increases in salaries and wages (\$259,515), operating expenses (\$2,338,313), and grants (\$778,000) and a decrease in capital assets of \$113,700.

³ The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$492,317	\$1,178,150	\$1,670,467
Health insurance increase	<u>229,421</u>	<u>549,334</u>	<u>778,755</u>
Total	\$721,738	\$1,727,484	\$2,449,222

⁴ Funding from federal and special funds is added for 1 FTE natural resource services III position and related operating expenses.

⁵ Funding from federal funds is added for 2 FTE engineering and planning services VI positions and related operating expenses.

⁶ Funding, including funding from federal and special funds, is added for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses.

⁷ Funding, including funding from federal and special funds, is added for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses.

⁸ Funding from federal funds is increased for temporary salaries related to lead line inventory.

⁹ Funding is added for operating expenses related to the laboratory information management system (LIMS) maintenance and hosting.

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²¹ One-time funding, including funding from federal and special funds, is added for environmental data system development.

This amendment also:

- Amends a section to adjust funding appropriated from the petroleum release compensation fund for expenses related to the petroleum tank release program; and
- Adds sections to remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in

the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.

23.0253.01002
Title.02000

Prepared by the Legislative Council staff for
the House Appropriations - Human Resources
Division Committee

Fiscal No. 1

February 8, 2023

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Grants	<u>15,060,118</u>	<u>21,778,000</u>	<u>36,838,118</u>
Total all funds	\$59,631,005	\$31,486,964	\$91,117,969
Less estimated income	<u>46,969,930</u>	<u>29,858,605</u>	<u>76,828,535</u>
Total general fund	\$12,661,075	\$1,628,359	\$14,289,434
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Chemistry laboratory inflation	0	116,800
Loan fund administration	0	177,350
Drinking water program portal	0	325,000
Environmental data systems upgrade	<u>0</u>	<u>1,365,444</u>
Total all funds	\$1,000,000	\$1,984,594
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5. Any other moneys as may be deposited in the fund for use in carrying out the purposes of this chapter."

Renumber accordingly

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Capital assets		(113,700)				
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Grants					\$21,000,000	
Total all funds	\$100,000	\$150,000	\$150,000	(\$119,972)	\$21,000,000	\$116,800
Less estimated income	100,000	150,000	35,000	(60,391)	21,000,000	0
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This amendment also:

- Amends a section to adjust funding appropriated from the petroleum release compensation fund for expenses related to the petroleum tank release program; and
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the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.



Testimony in Support of
House Bill No. 1024
Senate Appropriations Committee
March 1, 2023

TESTIMONY OF

David Glatt, Director of NDDEQ and Beth Jacobson, Director of Accounting

Good morning, Chairman Bekkedahl and members of the Senate Appropriations Committee. My name is David Glatt, and I am director of the North Dakota Department of Environmental Quality (DEQ). The DEQ is responsible for the implementation of many environmental protection programs in the state. I am here today to testify in support of HB 1024.

As the primary environmental protection agency, we believe in promoting sustainability and monitoring a high-quality environment for current and future generations. We believe that we must be accessible to all North Dakota citizens, transparent in our decisions and accountable for our actions. Our decisions are not based upon agendas but follow the law and appropriate science. Finally, we are not "just" regulators we are problem-solving professionals working with industry, municipalities and the public looking for common sense, cost-effective solutions. We look for opportunities where innovation is more effective than increased regulation. We work for you and all the citizens of the state.

We acknowledge that we work at the pleasure of the citizens of the state, using public money to implement all of our programs. We are aware that North Dakota citizens, through this legislative body, entrust this agency with significant investment to protect public and environmental health. We are obligated to demonstrate our worth through our actions and show a return on this investment. You could say that under a series of two-year contracts, we work for the citizens of North Dakota.

My testimony today will highlight the following:

- Agency Overview
- Budget Overview
- DEQ Challenges

With me today is the DEQ Director of Accounting, Beth Jacobson, who will present the agency budget and associated information.

North Dakota Department of Environmental Quality

Laws and Rules

The DEQ implements many public and environmental health protection programs through authority provided in both federal and state statute. Most of our state regulations are a direct reflection of federal statutes such as the Clean Air Act (CAA), Clean Water Act (CWA), Safe Drinking Water Act (SDWA) and Resource Conservation and Recovery Act (RCRA). Through primacy agreements with the U.S. Environmental Protection Agency (EPA), referred to as "Primacy" agreements, the state implements the environmental laws, instead of the federal government. This relationship allows North Dakota to provide improved cost-effective environmental protection by acknowledging local environmental, social and economic conditions. We believe that regulatory programs are more accessible, responsive, accountable and cost-effective the closer they are to the regulated community.

You will find a list of the various federal/state environmental regulations that the DEQ implements in the attached appendix.

Work Environment

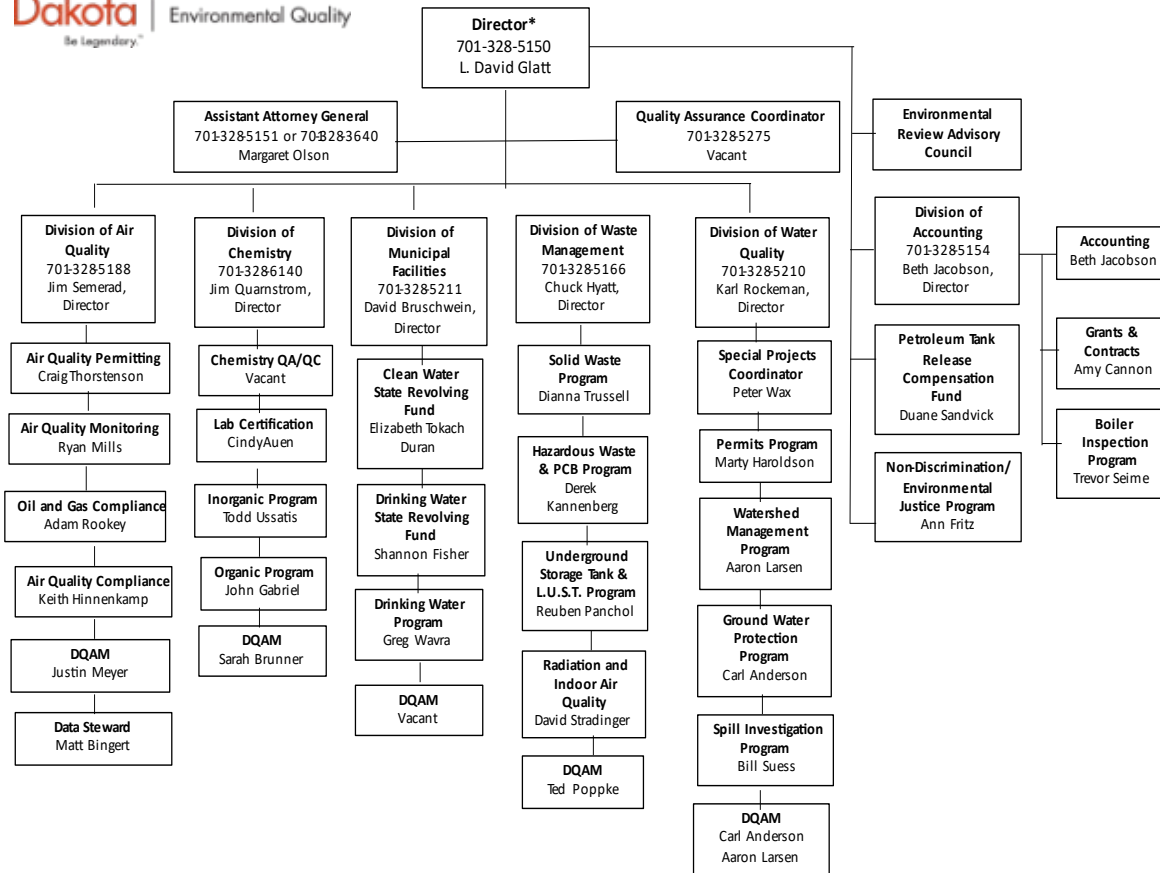
Since the last legislative session, the DEQ has relocated to a new office in north Bismarck. The DEQ currently occupies a portion of the second and all the third floor of the Normandy Office Building (aka ITD Building) located at 4201 Normandy Street. The move addressed the need for additional office space at a cost-effective price.

The DEQ has also adopted a 100 percent in-office work environment philosophy. We found this promotes interaction between employees and divisions, formal and informal mentoring, customer accessibility and a DEQ culture unique to the agency.

Organization Chart

The DEQ is responsible for safeguarding North Dakota's air, land and water resources. In cooperation with the general public, industry and government at all levels, the DEQ implements protective programs and standards to help maintain and improve environmental quality. We accomplish our environmental goals through six divisions that employ 166 FTEs comprised of engineers, scientists of various disciplines, chemists, technicians, accountants, attorneys and administrative support.

The following figure provides an organizational overview of the DEQ. It identifies key program areas in the divisions of Air Quality, Water Quality, Municipal Facilities, Waste Management, Accounting and Chemistry.



*See Office of the Director organization chart for more details

Effective December 2022

The appendix contains a complete list of DEQ programs.

Office of the Director and Division of Accounting

The Office of the Director works to provide policy direction along with various other administrative and technical functions to ensure that the DEQ provides cost-effective solutions following science and the law to the citizens of the state. To assist in this function, the DEQ consults with the Environmental Advisory Board, comprised of 13 members representing industry, agriculture, environmental and other state agencies involved with elements of natural resources.

The DEQ is seeking additional FTEs to address Human Resource needs (the DEQ does not have a full-time HR Position), an Accountant and an Assistant Director. The DEQ also seeks to add the position of Environmental Justice/Nondiscrimination Coordinator and has modified an existing position to allow for a Quality Assurance/Quality Control (QA/QC) Coordinator. The Nondiscrimination Coordinator will ensure the implementation of federal requirements found in statute or grant applications to address Civil Rights and Environmental Justice. With an existing and growing multicultural population, it is incumbent upon us to utilize various

communication methods to ensure that all citizens understand our actions and can participate in our regulatory processes.

Accurate environmental data is foundational in assessing environmental quality and determining regulatory compliance. The DEQ collects, analyzes and stores a significant volume of environmental data to accomplish this goal. To ensure accurate decision making, all collected data must follow strict QA/QC requirements following established Quality Assurance Plans and standard operating procedures. The QA/QC Coordinator will help to ensure proper and accurate data collection.

The Office of the Director continues to implement two programs acquired from the North Dakota Insurance Commissioner's office. They are the North Dakota Boiler Inspection Program and the North Dakota Petroleum Tank Release Compensation Fund.

North Dakota Boiler Inspection Program

The Boiler Inspection Program consists of four inspectors located in Bismarck and Fargo. The program directive is to conduct inspections of commercial, multiple dwelling and government building boilers to ensure their integrity and safety. The program inspects and certifies 11,879 boilers throughout the year and is supported by inspection and certification fees.

North Dakota Petroleum Tank Release Compensation Fund (PTRCF)

The PTRCF was established in 1989 in response to the EPA's requirement that all underground storage tank owners have proof of financial responsibility. The PTRCF is managed by a five-member board and can provide up to \$1,000,000 to offset remedial action expenses at qualified tank facilities. Throughout this biennium, the PTRCF has modified the tank fee structure to account for the age of the tanks and potential risk, seeking to clarify the PTRCF law to allow for increased program flexibility and added above storage tank regulations.

Division of Air Quality

The Division of Air Quality implements the federal Clean Air Act (CAA) in cooperation with the EPA. Through our cooperative efforts working with the regulated community in compliance assistance, permitting, inspection and enforcement, we continue to be one of a handful of states in compliance with federal ambient air quality standards. DEQ team actions helped to maintain North Dakota air quality through efforts identified in the following programs.

Air Permitting and Compliance Program

The Air Quality Permitting and Compliance Program develops and oversees air quality control permits. It conducts detailed air quality impact analyses including engineering review and computer dispersion modeling, developing state air quality implementation plans and inspect a wide range of regulated air emission sources to ensure compliance. This program requires a high level of expertise to evaluate the application of complex air quality regulations, the design and operation of control devices, and the implementation of best management practices throughout the state. Relatively new to the Air Program is a federal oil and gas regulation referred to as Quad O and Quad Oa. It requires the implementation of a complex list of equipment standards, monitoring and inspection requirements, recordkeeping, and reporting from oilfield operations. This labor-intensive office and field work generates reports for each of the over 17,000 oil wells in North Dakota.

Further, the DEQ has recently seen a large influx of significant proposed projects. These cover a variety of industrial and agricultural sources, such as vegetable oil production from agricultural products, vegetable oil conversion to renewable fuels, petroleum refining, and natural gas processing and conversion to electrical generation. Many of the proposed projects have generated public support as well as opposition, requiring accurate, unbiased detailed analysis of each project. In addition, emphasis on environmental justice and climate impacts adds complexity to the review and permit process. Looking forward, the DEQ is aware of many future potential projects with investors interested in locating to the state. Some of these are in the fossil fuel, agricultural and other familiar industries, and others are new to the agency, such as mineral processing, hydrogen production, conversion of natural gas to liquid products, and carbon capture and sequestration.

Below is a list of known projects being evaluated by the DEQ. Many of these projects will also require a review of water quality and waste impacts.

PTC Projects

Name	Received	Assigned	Status
Red Trail Energy	12/20/22	No	Modifying stack height
Basin – Pioneer	12/13/22	No	Doubling capacity. Modeling (submitted)
ADM- Enderlin Facility	5/11/21; 11/7/22	Craig	App for scrubber
Roughrider Operating	11/4/22	Michaela	Williston Crude Station
Grayson Mills Operating CDP	10/25/22	David	Adding 1 engine
Fufeng	10/12/22	Craig/Rhannon	Wet corn milling plant. Modeling (to be submitted)
Tecton	9/8/22	Craig	Change PTC (vent styrene tanks to atmosphere)
Arrow Midstream	9/8/22	David	Station 8 CS; resolving issues found in audit
Hess – Capa CS 2	8/30/22	David	New; electric with TEG dehy
Minn-Dak	8/24/22	Craig	Amend SO2 limits (9/19/22 in CERIS)
ACS – Drayton	8/23/22	Rhannon	Submitted by email – update BACT on dryer
ONEOK – Pronghorn CS	8/4/22	David	Will draft after Bobcat CS internal review
NDPC – Alexander	8/3/22	Rhannon	On Hold
TrueNorth Steel	7/27/22	David	Equipment added without PTC
Palmer – Bismarck	3/8/22	David	Existing painting operation
Oasis – Williston CS	2/1/22	Ray.	Prelim review done, working with new owner Crestwood on any design updates.

On Hold

Name	Received	Assigned	Status
Wood Products	9/23/21	Rhannon	On Hold

Review Substantially Completed

Name	Received	Assigned	Status
ONEOK – Stateline CS	10/3/22	David	Drafted (internal review)
Guardian – Hankinson	3/11/22	Craig	(included with T5 application); PN ends 12/29
Hess – Capa CS 1	8/26/22	David	New; draft to company
SAFuelsX	6/23/22	David	PN ends 1/8/23
Roughrider Operating SWD	8/2/22	Craig	NPR Letter being typed

Near Future

Epitome (soybean); expected February. Modeling

In addition to the Air Permit and Compliance Program core responsibilities, there has also been an influx of less routine work due to recent EPA actions under the current administration. These include items that will require changes to North Dakota’s Air Quality State Implementation Plan, such as newly proposed oil and gas regulations, Regional Haze ongoing requirements, EPA’s proposal to lower the PM_{2.5} National Ambient Air Quality Standard, and upcoming EPA regulations regarding greenhouse gases – specifically for the electrical generation sector. While less routine, this work substantially increases the workload and need for technical expertise to successfully complete and defend developed plans.

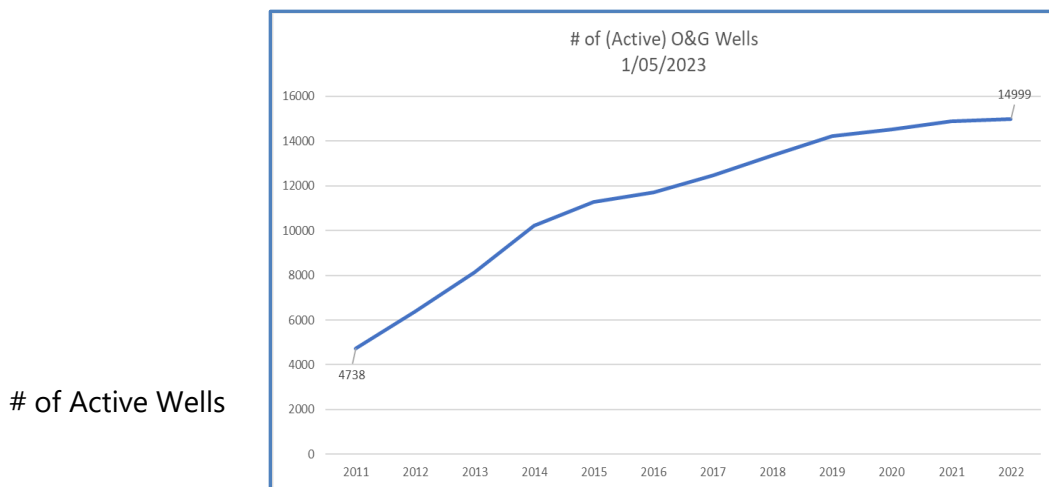
Data Collection and Analysis Program

The Data Collection and Analysis Program maintains a 24-hour/7-day-per-week ambient air quality monitoring network in North Dakota. Data from these monitors indicates that North Dakota is one of a handful of states that complies with all national ambient air quality standards. Additional duties include compliance inspections of industry-maintained monitors and analysis of data generated by the air quality monitors. Monitoring data is invaluable when evaluating and defending permits issued by the DEQ. In addition, these monitors have proven useful in detecting smoke from out-of-state fires, which can impact visibility and public health. Extensive wildfires in the Western United States and Canada have resulted in significant public inquiry regarding the data we collect.

Division of Air Quality – Oilfield Impacts

Oil and Gas development and production continues to require significant DEQ attention. Ongoing and increased monitoring, technology reviews and analysis, inspections, permitting, complaint investigations and enforcement consume considerable staff time and effort.

Since 2013, the DEQ has received over 13,000 oil and gas well registrations which require a detailed review for the accuracy of information provided. A year-by-year breakdown is provided below. There was a dip in numbers between 2020 and 2022 partially due COVID and industry uncertainty.

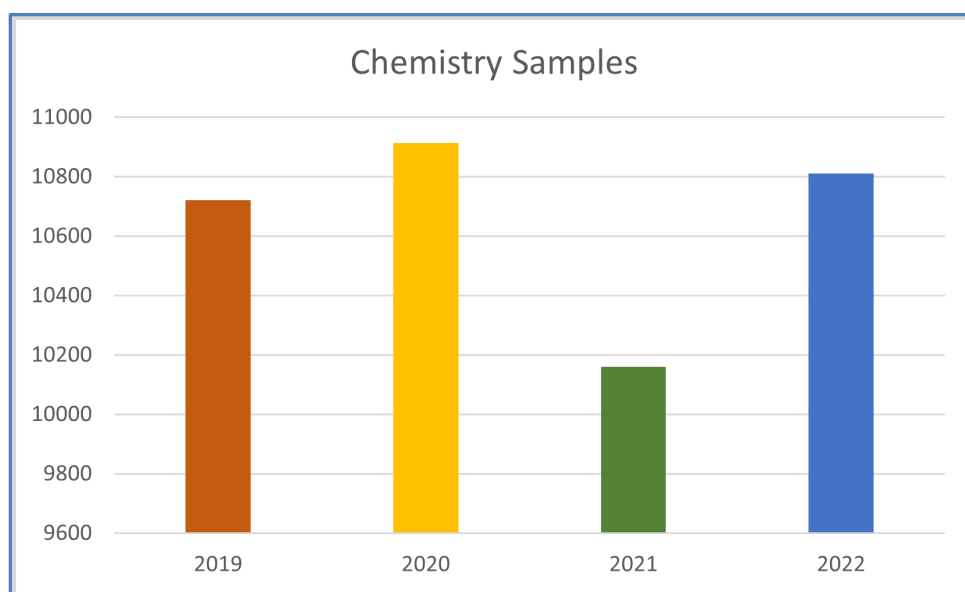


Division of Chemistry

The Division of Chemistry provides organic and inorganic laboratory analysis services to all DEQ programs, some municipal facilities and private individuals, to meet federal requirements or individual concerns. The division also provides emergency analytical services. Because quality and verifiable data required to properly evaluate environmental and public health impacts, the division also conducts laboratory certification services for all outside environmental laboratories that submit compliance or assessment data to the DEQ. One challenge for the laboratory is the ongoing effort to maintain method and quality assurance certification as detection limits continue to move downward. This requires learning new methods and the utilization of complex analytical instruments. The laboratory has maintained EPA SDWA certification and brought online new technologies such as the LC/MS/MS where samples can be directly injected, reducing preparation time.

The laboratory expects to face future sample load and analytical challenges. The new SDWA Lead and Copper regulations could more than double the number of samples submitted to the laboratory for analysis. The Lead regulatory program ensures that public drinking water supplies do not adversely impact the consuming public due to unhealthy lead concentrations. In addition, to protect public health, drinking water standards are being set at extremely low levels, in some cases below one part per trillion (1 ppt). To provide some context, 1 ppt is equivalent to one drop of chemical in approximately 35 Olympic-sized swimming pools. These low standards and analytical methods require specialized sample handling, preparation, sample collection, and analytical laboratories.

The attached figure presents the total sample volume over years as processed by the Chemistry division. Each sample may represent the completion of several tests or analytes.



Division of Municipal Facilities

The Division of Municipal Facilities is responsible for implementing the state Safe Drinking Water Act which includes the management of two revolving loan funds. These programs combine to ensure safe drinking water and appropriate wastewater treatment.

Drinking Water Program

The Drinking Water Program implements the federal Safe Drinking Water Act (SDWA) at the state level. The SDWA requires oversight of treatment facilities, operator training and certification, inspections, drinking water monitoring, compliance assistance, and enforcement. National headlines highlighting lead in public drinking water supplies and emerging contaminants like PFOA/PFOS, also known as “forever chemicals”, emphasize the need and obligation to implement a robust, multi-program regulatory structure to protect public health. Through the collective efforts of the DEQ staff and public water supply system operators, North Dakota has consistently maintained over a 99 percent compliance rate with the SDWA health-based regulations.

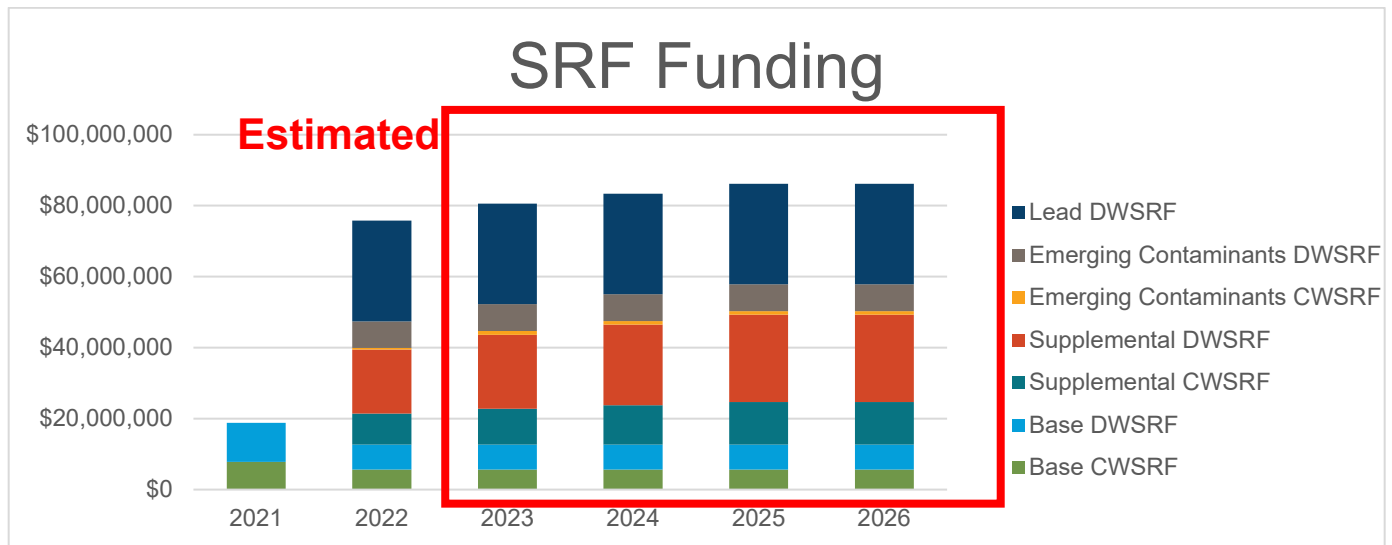
As the SDWA requirements and drinking water standards continue to become more complex, so do the challenges for the regulated community. It is critically important that we train and retain certified operators required to maintain complex treatment infrastructure. The lowering of drinking water quality standards, also known as Maximum Contaminant Levels (MCLs), the addition of new wastewater treatment requirements and the detection of emerging contaminants will continue to put technical and financial pressure on the local public works and the DEQ.

State Revolving Loan Fund Programs

To maintain municipal and water treatment infrastructure, the Division of Municipal Facilities is responsible for administering two low-interest state revolving loan funds. By maintaining treatment, collection, and distribution infrastructure, municipalities can better comply with the federal and state regulatory requirements protecting public and environmental health.

Working in cooperation with the Bank of North Dakota Public Finance Authority, the Clean Water State Revolving Fund (CWSRF) has loaned \$966 million for wastewater treatment and collection facilities since the program’s inception in 1990. The Drinking Water State Revolving Fund (DWSRF) has loaned \$785 million for municipal drinking water treatment and distribution infrastructure since the program’s inception in 1998. SRF program staff review and approve engineering plans and specifications, conduct on-site construction inspections and evaluate funding needs through an intended use plan.

With the recent passage of the federal Infrastructure Investment and Job Act (IIJA), the state expects to receive significant federal assistance to invest in public water infrastructure, provide for lead pipe removal and address emerging contaminants. The attached table provides an estimate of the anticipated federal funding over the next five years.



The funding will provide much-needed assistance to improve drinking and wastewater infrastructure. With the increased funding, the DEQ anticipates needing additional program staff to ensure the proper execution of funded projects. We are also concerned about the impact of inflation on project costs, the availability of construction material, and the availability of contractors and engineering firms to complete the work.

Division of Waste Management

The Division of Waste Management implements regulatory and nonregulatory programs to ensure the proper handling, transportation and disposal of non-hazardous and hazardous waste. It also regulates the operation, construction and monitoring of underground fuel storage tanks.

Solid Waste Program

The Solid Waste Program permits the storage, transportation, handling, and disposal of nonhazardous waste materials. The DEQ regulates special waste, industrial, municipal, and inert landfills through an extensive permitting process. Each landfill must comply with clearly defined design, operational, monitoring and closure requirements. The DEQ inspects these facilities routinely to assess compliance with applicable rules.

Hazardous Waste and Polychlorinated Biphenyl (PCB) Program

The Hazardous Waste Program regulates the handling, storage, transportation, and disposal of hazardous waste generated within the state. Following the federal Resource Conservation and Recovery Act (RCRA), the program conducts routine inspections, provides oversight for remedial actions, permits facilities and initiates enforcement actions as needed. Regulated entities include industry, utilities, universities, and federal facilities.

PCB oversight has focused on the proper handling and cleanup of spilled materials containing PCBs. PCBs were once widely used as dielectric and coolant fluids in electrical apparatuses and created environmental problems due to their persistence and impacts on organisms in the ecosystem. Older electrical transformers have historically been the source of PCB-containing oil.

Below is a list of the type and number of disposal facilities regulated by the DEQ.

Active Landfill Operations

Industrial Facilities (includes landfills and surface impoundments) – 7

Inert Landfills (Permitted) – 63

Inert Landfills (Permit by Rule) – 161

Land Treatment Facilities – 2

MSW Landfills – 14 (13 active, 1 in post-closure care)

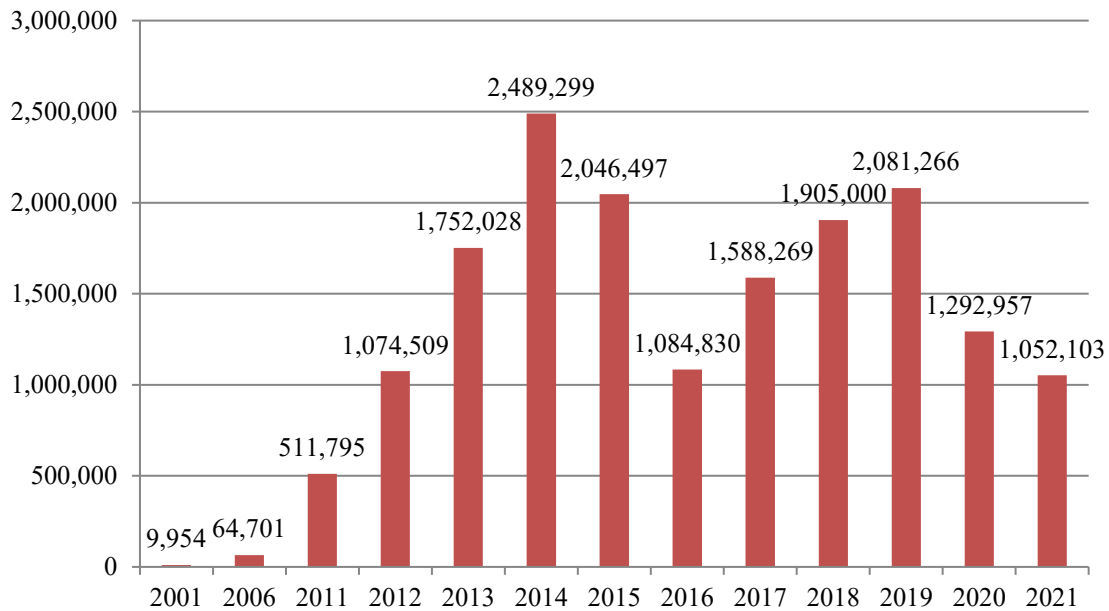
Oilfield Special Waste Landfills – 11 (including 1 landfill that can take TENORM)

Power Plant Facilities (includes landfills and surface impoundments) – 23

Regulated Infectious Waste Facilities – 5

Transfer Stations – 31

Tons of Oilfield Special Waste



Underground Storage Tank (UST) and Leaking Underground Storage Tank (LUST) Programs

The UST Program regulates the underground storage of hydrocarbon products in tanks with volumes of more than 1,000 gallons. The program specifies construction, reporting, monitoring, operator training and routine leak testing requirements. The DEQ also conducts on-site monitoring and witnesses tank removals. In cases of leaking underground storage tanks, the DEQ provides cleanup oversight. The UST program monitors a total of 2,201 tanks located at 830 facilities.

The LUST Program provides federal funding to hire remediation consultants to address environmental contamination at sites where the responsible party/owner is financially unable, recalcitrant, or absent. This federal program requires a 10 percent match, provided by the North Dakota Petroleum Tank Fund. In recent years, the LUST federal funding provided to the state has been decreasing. As a result, the responsibility to remediate abandoned or recalcitrant owner locations will fall increasingly upon the state.

Radiation and Indoor Air Quality Program

Through an agreement with the Nuclear Regulatory Commission and implementation of state-only rules for Technologically Enhanced Naturally Occurring Radioactive Materials (TENORM), the Radiation Control Program ensures the safe use, handling, storage, shipment and disposal of radioactive materials. Radioactive materials are evident in many areas of our lives, including x-ray machines, nuclear isotopes used in medical treatments and research, and meters of various types. This program requires staff to obtain extensive training to ensure the general public, and themselves, are protected from undue exposure to radioactive sources.

In addition, the Indoor Air Program implements our radon gas, asbestos and lead programs designed to identify risks, prevent exposure, and provide best management practices for these parameters in indoor air environments. This is accomplished through public education, training and licensing of qualified abatement contractors, and field inspections. Through the Brownfield Program, the DEQ provides funding for asbestos removal to governmental-owned facilities.

Division of Water Quality

The Division of Water Quality implements programs to maintain and improve the quality of surface water and groundwater resources for beneficial use. Beneficial use is defined as water for consumption, recreational, industrial, aquatic habitat, and agricultural uses.

Permit Program

Through an EPA/State primacy agreement, the DEQ implements several permit programs designed to protect surface water quality, protect beneficial uses, and ensure compliance with state water quality standards. The major programs are:

- North Dakota Pollutant Discharge Elimination System (NDPDES):
Establishes discharge and treatment standards for municipal and industrial waste discharges.
- Stormwater Permit Program:
Requires the implementation of best management practices to reduce sediment/contaminant runoff from construction sites and paved surfaces.
- Confined Animal Feedlot Operations:
Identifies the design, operation and nutrient management requirements for large, medium and small animal feeding operations. Large and medium facilities must receive permits to operate from the DEQ.

With increased development of industrial and agricultural processing facilities and concerns relating to emerging contaminants such as PFOA/PFOS, the permit program will see increasing challenges to the complexity and technical requirements of wastewater treatment and discharge permits. Evaluating the ability of the natural environment to assimilate discharges of multiple parameters will require the DEQ to develop and maintain increased technical and regulatory expertise.

Watershed Management Program

The DEQ implements monitoring and assessment programs to determine the quality and beneficial use impairments of surface waters. Water quality and aquatic life samples are analyzed to ascertain the extent of manmade impacts on surface water. Impacts are addressed in TMDL (Total Maximum Daily Load) plans, which identify the impairment; pinpoint the problem; and initiate land use and industrial or agricultural changes that will improve water quality over time.

Our Nonpoint Source Pollution Program can provide cost-share dollars (60 percent federal/40 percent local) to modify operation or design practices to assist in selected activities improve water quality. Nonpoint program projects have included NoTill demonstrations, CAFO design upgrades and water education programs.

Groundwater Protection Program

The DEQ implements the Underground Injection Control (UIC) Program, Source Water Protection Program, and Groundwater Assessment and Remediation programs to protect ground water quality. UIC permits regulate the subsurface disposal of industrial waste. In addition, the Groundwater Program completes ambient groundwater quality monitoring in the oilfield, agricultural sampling programs, and active contaminant remedial action oversight.

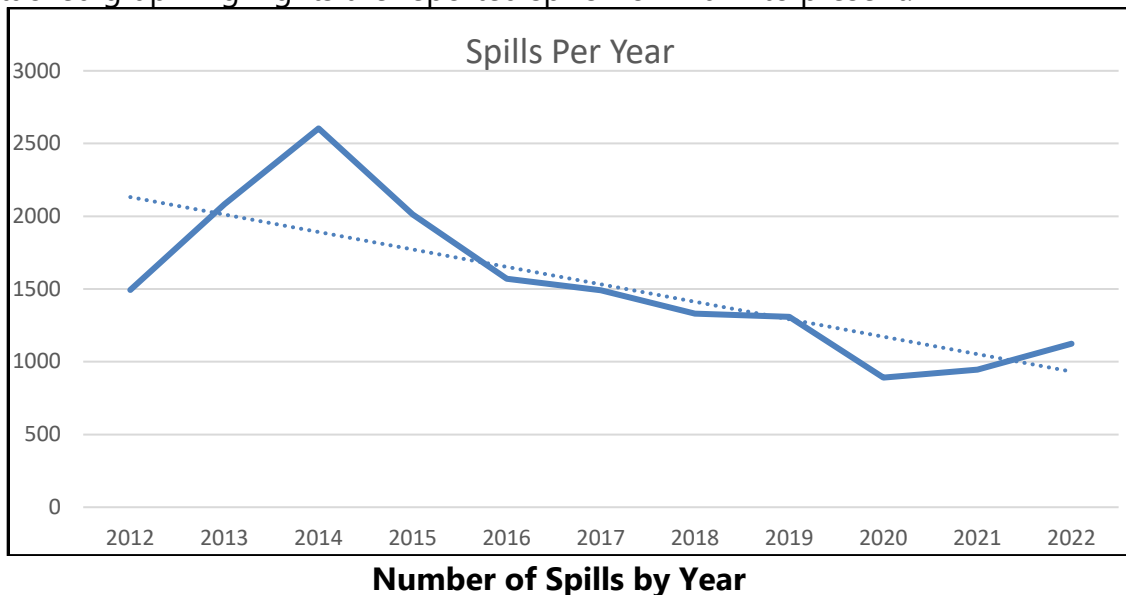
Special Projects Coordinator

The DEQ Special Project Coordinator maintains water quality standards, reviews projects for water quality certifications, responds to dredge and fill requests, and works in a team environment to address special large projects such as the Red River Water Supply or Fargo Diversion. Recent actions by the EPA questioning specific North Dakota Water Quality standards, the federal government not following established science or the law, and federal uncertainty in defining Waters of the United States continue to emphasize the need for highly technical and seasoned staff to provide appropriate state responses to these issues.

Spill Investigation Program

The DEQ coordinates a multi-division effort to respond to, assess and oversee cleanup of environmental accidents and spills. The 24/7 spill team responds to environmental releases that can impact soil, surface and groundwater quality. Although spills can occur from municipal, industrial, or agricultural activities across the state, most recent spill response efforts are concentrated in oil development counties. The number of reported spills declining in recent years is attributable to better facility design, containment structures and changes in reporting requirements. Even with the decline in reported spills, the reports remain at more than twice the pre-Bakken development years.

The attached graph highlights the reported spills from 2012 to present.

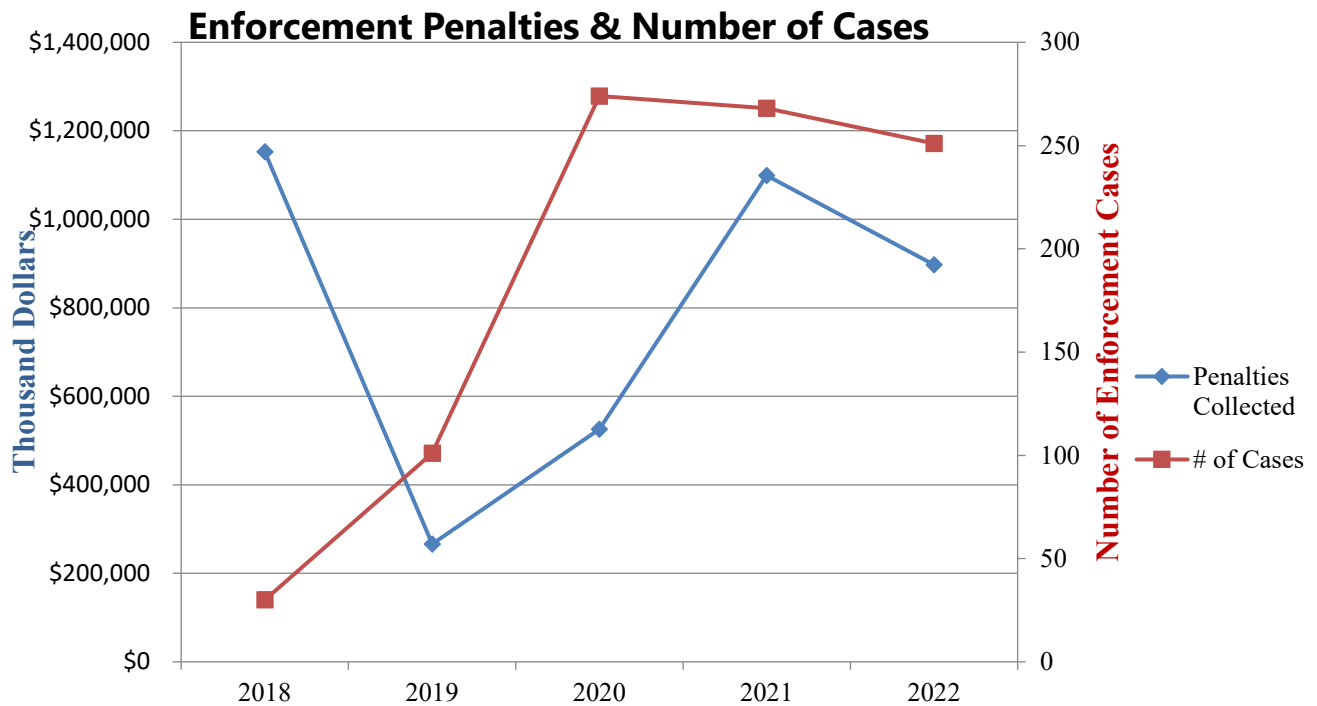


(In 2017, the reporting threshold was raised from 1 to 10 barrels for oil and brine releases that remain on oil production sites built after 2000.)

Legal/Enforcement

The DEQ strives to reach high compliance rates in all programs and activities. We accomplish this through public outreach, educational training opportunities and compliance assistance at all agency levels. However, there are instances when the agency must utilize enforcement actions, including pursuing court action, penalty collection or the development of consent agreements.

The attached table identifies the number of enforcement actions along with the collected penalties from 2018 to present.



Of note is that the legal counsel assigned to the DEQ has also been active in defending challenges to DEQ permit decisions in state court, cooperating with federal agencies in pursuing alleged environmental violations in North Dakota, state rule development, and working with outside legal counsel as we challenge federal regulations which have the potential to impact state decision making authority. Due to the number of enforcement actions, ongoing regulatory changes which require legal review, and the addition of new federal emphasis on programs such as Environmental Justice, the DEQ has added the services of another Assistant Attorney General (part-time).

This concludes the first part of my testimony. I will follow up later with additional information regarding future DEQ challenges. I will now introduce Beth Jacobson, DEQ Director of Accounting, to continue the testimony relating to the budget.

Budget Testimony

Good morning Chairman Bekkedahl and members of the Senate Appropriation Committee. My name is Beth Jacobson, I am the Director of Accounting for the Department of Environmental Quality (DEQ). I prepared the budget for the department, and I will be covering the budget portion of the testimony in support of House Bill 1024.

I will first address the base-level budget compared to the 2023-25 Governor's Executive Recommendation and then walk through the budget changes made by House Appropriations Committee. I will also touch base on a few other budget related items as requested.

In the summarized table below, you will note significant increase in several budget lines. The increases are mainly due to federal Infrastructure Investment and Jobs Act (IIJA) funding. The majority of the IIJA federal funding is budget in the Municipal Facilities Division and is associated with the Clean and Drinking Water State Revolving Fund program.

Category	2021-23 Base Level Budget	Executive Increase/ (Decrease)	2023-25 Executive Recommendation	House Increase/ (Decrease)	2023-25 House Recommendation
Salaries & Wages	32,551,817	5,574,967	38,126,784	(1,193,127)	36,933,657
Operating Expenses	10,771,898	5,436,128	16,208,026	(30,332)	16,177,694
Capital Assets	1,247,172	(78,672)	1,168,500	0	1,168,500
Grants	15,060,118	21,778,000	36,838,118	0	36,838,118
Total By Line	59,631,005	32,710,423	92,341,428	(1,223,459)	91,117,969

Category	2021-23 Base Level Budget	Increase/ (Decrease)	2023-25 Executive Recommendation	House Increase/ (Decrease)	2023-25 House Recommendation
General Fund	12,661,075	2,026,527	14,687,602	(398,168)	14,289,434
Federal Funds	25,585,277	28,070,586	53,655,863	(825,291)	52,830,572
Special Funds	21,384,653	2,613,310	23,997,963	0	23,997,963
Total by Fund	59,631,005	32,710,423	92,341,428	(1,223,459)	91,117,969

FTE	166	7	173	(2)	171
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ATTACHMENT A	FTE	Salaries & Wages	Operating Expenses	Capital Assets	Grants	Total	General Fund Ongoing	General Fund One-time	Other Fund Ongoing	Other Fund One-time	Total
1 Base Level Budget	166	32,551,817	10,771,898	1,247,172	15,060,118	59,631,005	12,661,075	-	46,969,930	-	59,631,005
Cost to Continue Salary											
2 Increase	-	231,457	-	-	-	231,457	81,541	-	149,916	-	231,457
Executive Compensation Package Salary & Health Insurance (HI)	-	3,037,187	-	-	-	3,037,187	897,484	-	2,139,703	-	3,037,187
NDIT Telephone & Data Processing Increase	-	-	223,221	-	-	223,221	136,379	-	86,842	-	223,221
Adjustment to Remove Capital Bond	-	-	-	(119,972)	-	(119,972)	(59,581)	-	(60,391)	-	(119,972)
Cost to Continue											
6 Adjustments Federal	-	259,515	2,338,313	(113,700)	778,000	3,262,128	-	-	3,262,128	-	3,262,128
LIMS Licensing & Maintenance Decision											
7 Package	-	-	280,000	-	-	280,000	280,000	-	-	-	280,000
Chemistry Laboratory											
8 Inflation Decision Package	-	-	116,800	-	-	116,800	-	116,800	-	-	116,800
Director's Office & Accounting Decision											
9 Package	4	1,042,302	66,000	-	-	1,108,302	387,904	-	720,398	-	1,108,302
IIJA and Lead & Copper											
10 Decision Package	3	1,004,506	896,350	155,000	21,000,000	23,055,856	-	-	22,553,506	502,350	23,055,856
Data System Decision											
11 Package	-	-	1,515,444	-	-	1,515,444	115,000	71,000	35,000	1,294,444	1,515,444
Remove HR Director &											
12 Assistant Director	(2)	(605,162)	(30,332)	-	-	(635,494)	(222,422)	-	-	(413,072)	(635,494)
House Adjustment to Executive Compensation											
13 4% & 4% & HI Increase	-	(587,965)	-	-	-	(587,965)	(175,746)	-	(412,219)	-	(587,965)
2023-2025 House Recommendation	171	36,933,657	16,177,694	1,168,500	36,838,118	91,117,969	14,101,634	187,800	75,444,813	1,383,722	91,117,969
Total Executive Changes to Base Level Budget	5	4,381,840	5,405,796	(78,672)	21,778,000	31,486,964	1,440,559	187,800	28,474,883	1,383,722	31,486,964

2023 – 2025 Budget Changes Executive Recommendation and House

As requested, I have included a one-page summary of the budget changes. To be consistent with what was presented to the House Appropriations Committee, I will overview the changes made to the base level budget (line 2-6), briefly go through the decision packages supported by the executive recommendation (line 7-11), and finally note adjustments made by the House (line 12-13).

Base Budget Changes

- I will start with line two on the one-page summary. Line two is the cost to continue the 2021-23 second year 2 percent salary increase in the 2023-25 Biennium. The increase is just over \$231,000 of which \$81,000 is general funds.
- Line three is the executive compensation package. The executive compensation package increases the salary and wages line by approximately \$3 million. The executive compensation package includes a 6 percent performance-based increase for the first year and a 4 percent increase for the second year of the biennium, and a fully funded state-paid health insurance premium. With a competitive labor market and high inflation over the last few years, this investment in our workforce is greatly needed to retain and attract team members.
- As many of you are aware, the cost of technology is increasing. Due to the increased cost of technology-related expenses, an adjustment of \$223,000 was included in the 2023-25 base budget to support increases for the North Dakota Information Technology Department. This is line four on the one-page summary.
- The next line, line five reduces the Capital Improvement line by \$120,000. In the 2021-23 biennium the DEQ paid off the Capital Bond for the Laboratory Complex.
- The final base budget change is noted on line six of the one-page summary. To account for additional federal funding the DEQ included an increase of federal funding in the base budget of \$3.2 million. Of the \$3.2 million only \$260,000 is an increase in the salaries line. This increase is for temporary employees in our Water Quality Monitoring program to conduct the rivers and streams survey, a small increase for temporary employees in the Division of Waste Management for the Coal Combustion Residual Grant (CCR), and an increase in temporary salary funding for summer internships offered throughout the department.

In the operating line, the increase in federal funding is just over \$2.3 million which is

mainly for Infrastructure Investment and Jobs Act (IIJA) funding including Brownfields, Water Quality Management, and Clean and Drinking Water Administration programs.

The decrease in the Capital Improvement line was in the Chemistry Laboratory. These funds were redirected to the operating line to offset the increased cost of consumables and other operating costs for the laboratory.

The increase in the Grants line of about \$780,000 is mainly for the Small and Disadvantage Communities Drinking Water Grant. This grant is passed through to enhance a project to reach an underserved or disadvantaged community.

Decision Package Changes and House Changes

- Two of the department's highest priority decision packages in the executive recommendation include funding to support the Chemistry Laboratory. In the 2021-23 biennium, the department was appropriated one-time funding for a new Laboratory Information Management System (LIM System) to replace an outdated DOS-based system. This funding supported the purchase and development of the LIM System. However, as we moved forward on the project it was discovered the ongoing licensing and maintenance cost was much higher than anticipated. Line seven includes \$280,000 in operating general funds to support the ongoing costs of the LIM system.
- Line eight on the one-page summary is due to record high inflation. The Chemistry Laboratory relies on consumables supplies for day-to-day operation. Recent inflation has significantly impacted the cost of consumables. The Executive Recommendation includes one-time general funds of \$116,800 to offset the increased cost of laboratory supplies and consumables.
- Line nine includes a request for four additional FTE in the Office of the Director and the Division of Accounting. The Office of the Director and Division of Accounting support the program functions for the entire department. As a new agency, we discovered the need for several vital positions. The executive recommendation includes an addition of four (4) FTEs and funding of \$1.1 million to support an Assistant Director, a Human Resource Director, an Environmental Justice and Civil Right Coordinator, and an Account Budget Specialist.

Two of the positions, the Environmental Justice/Civil Rights Coordinator, and an Accountant Budget Specialist were requested and approved in the June 2022 Emergency Commission meeting. We are requesting to keep the two positions, which

are vital to the daily operations of the department and help us respond to the increase in federal regulations.

The request to add an Assistant Director was the result of succession planning. This position would back up the director and oversee daily operations of the department. The Assistant Director will provide stability with the coordination of department-wide unified policies.

The last position in this decision package is for a Director of Human Resources (HR). The DEQ is considered a large-sized agency per Human Resource Management Services (HRMS)-HR tiers. Agencies of similar size have two to three HR staff. Currently, DEQ relies on HRMS for all our HR services. All four positions in this decision package will be funded by the negotiated indirect cost rate and funded with general, federal, and special funds.

As noted in line 12 on the one-page summary the House removed two of the positions requested in this decision package, the Assistant Director and the Director of HR. These positions are vital to our daily operation and would appreciate support to include these position in our budget.

- The next decision package totaling around \$23 million is funded with Federal and Special funds for the Municipal Facilities and Chemistry Laboratory Divisions. The funds requested include IIJA State Revolving Funds (SRF) and funds for the new Lead and Copper Rule. This decision package includes a mixture of one-time funding and ongoing request with an increase of three (3) FTEs. The IIJA funds are awarded annually for five years with project periods expected for the next ten years.

The three FTEs in this decision package support two Environmental Engineers and one Chemist for Lead and Copper Testing. In June 2022 we did receive emergency commission approval to hire two of the positions to move forward with the IIJA applications and the new Lead and Copper Rule. The Engineer positions will manage 1012 projects per year. We are expecting an increase of about 37 projects per year. The third position is for a Chemist in response to the new Lead and Copper Rule. We expect a 766% increase in samples for Lead and Copper in the Chemistry Laboratory as a result of the new Lead and Copper Rule.

The majority of the funds in this decision package are in the Grants line for subawards totaling \$20 million for Small and Disadvantaged Communities Drinking Water grants and \$1 million for Sewer Overflow and Stormwater Reuse Municipal Grants. These funds will be directly awarded to specific improvement projects throughout the state.

This decision package is partially funded by the executive recommendation. The department requested six (6) FTEs of which three (3) FTEs were funded in the Executive Recommendation. When budgeting for the IJA funds, there was and still is, uncertainty about what is needed. As we move forward in implementing the IJA grants, if the need arises, the department may request support for additional FTEs.

- The final decision package, line 11 on the one-page summary is for Environmental Data System totaling just over \$1.5 million and is a mixture of one-time funding and ongoing appropriation. The DEQ reviewed our current systems and prepared short and long terms goals for consolidation and enhancements. The department currently has over 36 separate environmental data systems for storing and managing data. We are looking to reduce this to 10 or fewer to standardize the data system. These systems will allow the automation of data collection and improve our ability to manage the data and the environmental programs we implement.

This decision package also includes migrating the Pollutant Discharge Elimination System (PDES) Program and Solid Waste Program system to nVIRO which is the same system currently used in Air Quality. This would be a significant upgrade for both systems, and it provides users at regulated facilities one web-based system to submit, and track required compliance reports electronically.

- Line 13 on the one-page summary reflects the changes to the executive compensation package made by the house. The house supports a 4 percent increase for the first year and a 4 percent increase for the second year of the biennium. Included in this line is a slight increase for health insurance per House Bill 1411.

One-Time Funding

In the 2021-23 Biennium, the department received \$1 million of one-time funding for the LIM System in the Chemistry Laboratory. As stated in my previous testimony, we are in the process of implementing the new LIM System and expect to complete it by June 2023.

The 2023-25 Executive Recommendation includes one-time funding totaling just under \$2 million. A small portion of the one-time funding was included to offset inflation increases in the Chemistry Laboratory. We also have one-time funding in the Municipal Facilities IJA request to purchase equipment in the Chemistry Laboratory, one-time set-up costs for office and IT equipment for new FTEs, and one-time funds in the IT contractual line to enhance the Drinking Water Portal. The last budget amount of one-time funding is for IT contractual development for the Environmental Data Systems.

Other HB1024 Sections

In addition to the fiscal item in HB1024, the Department is requesting to include a section for an accounting housekeeping item. We are proposing to add language regarding the accounting of the Environmental Quality Restoration Fund (EQRF). The section proposed, includes language that on the 1st day of July in any year the department would transfer uncommitted or unrestricted money in the EQRF over \$5 million to the general fund.

General and Special Funds Collections

The department only has minor collections that are deposited into the state general fund. No changes are anticipated to general fund collections. Special fund collections are expected to remain the same. Only two programs are likely to see an increase in special fund collections.

The Chemistry Laboratory anticipates an increase due to increased testing requirements for the new Lead and Copper Rule. We are projecting a 766% increase in tests. The increase in special funds collections in the laboratory will support the FTE increase and increase of consumable supplies. The Petroleum Tank Release Compensation Program (PTRCF) is also anticipating an increase in special fund collections. The increase is due to adopting a risk-based fee schedule to ensure the fund remains solvent. This was set in motion in the 2019-21 biennium when the PTRCF transferred to the department.

Other Bills

The department is tracking several bills which may have an impact on our appropriation. The Executive Recommendation included \$90 million to be considered in Senate Bill 2015 which would include \$1.3 million in target equity funds for the DEQ. This target equity funding package is in addition to the executive compensation package and specifically designated for Scientist, Engineer, Chemist, and Science Administrative positions. We are experiencing record turnover and in a recent HRMS study, the DEQ was one of the lowest-paying state agencies. Other bills the department is tracking include Senate Bill 2003 for litigation pool funding, House Bill 1004 specifically the funding for a new state laboratory and various other bills related to employee compensation.

Audit Findings

The 2019-2021 biennium is the first biennium for the Department of Environmental Quality as a stand-alone state agency. The State Auditor's Office did perform an audit for the 2019-2021 biennium with three audit findings noted.

- Recommendation to review and approve all permits for special oilfield landfills within 120 days as required by N.D.A.C. 33.1-20-03.1-04. The department agreed to

implement this finding and has already caught up on a backlog of permits. The department has taken steps to clearly track all start and stop dates of permits.

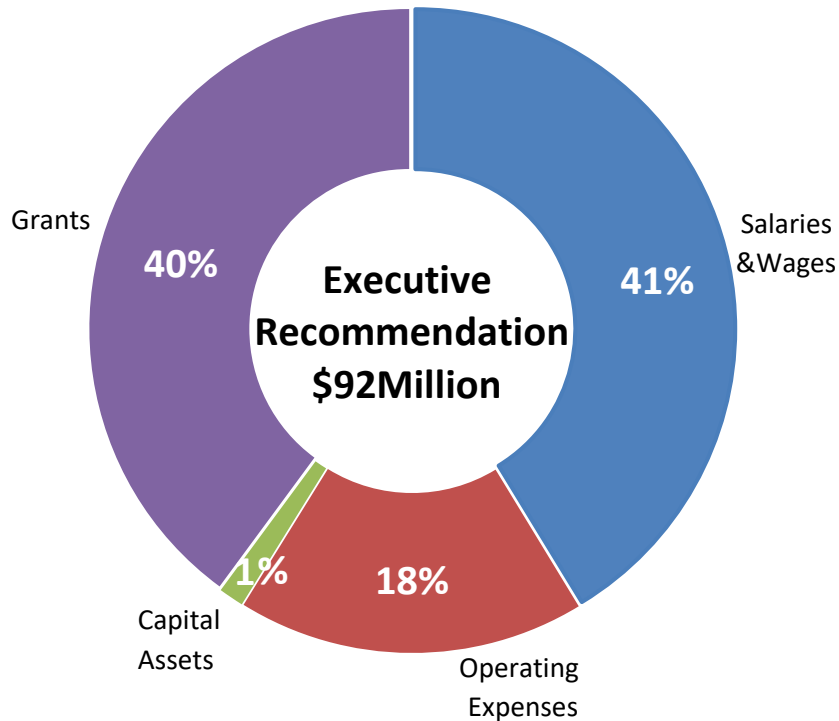
- Recommendation for the Solid Waste Program to develop a policy that defines risk assessment procedures to use in determining the active length of approved permits. The department agreed to implement this finding. The department had an informal policy in place however the Standard Operating Procedures are being finalized to include guidance on determining permit length.
- Recommendation for the department to evaluate policies and procedures to ensure they contribute to meeting the overall program objective. This includes modifying or implementing policies and procedures to ensure proper communication of inspection results, inspections verifying all required information, proper tracking and follow-up of noncompliance, and assignment of inspection duties among staff. The department was already in the process of implementing this finding. The Standard Operating Procedures are being finalized and the tracking system has been implemented to ensure proper communication of inspection results.

The department was aware of the issues noted in the finding and is in the process of addressing them. Unfortunately, with limited resources to implement a data tracking system and staffing resources stretched thin due to turn over, the process was delayed. Our budget addresses the resources needed to ensure these findings are implemented and properly addressed.

2023 – 2025 Summary of the Governor’s Executive Recommendation

I will finish up with an overall review of the Executive Recommendation by appropriation line and by funding source.

2023-25 Executive Recommendation by Line Item



Salaries and Wages

Salaries and wages make up \$38 million or 41 percent of the budget. The increase in the salaries line item is attributed to the executive compensation package, the increase to fund 7 FTEs and a small increase in the temporary employee line.

Operating Expenses

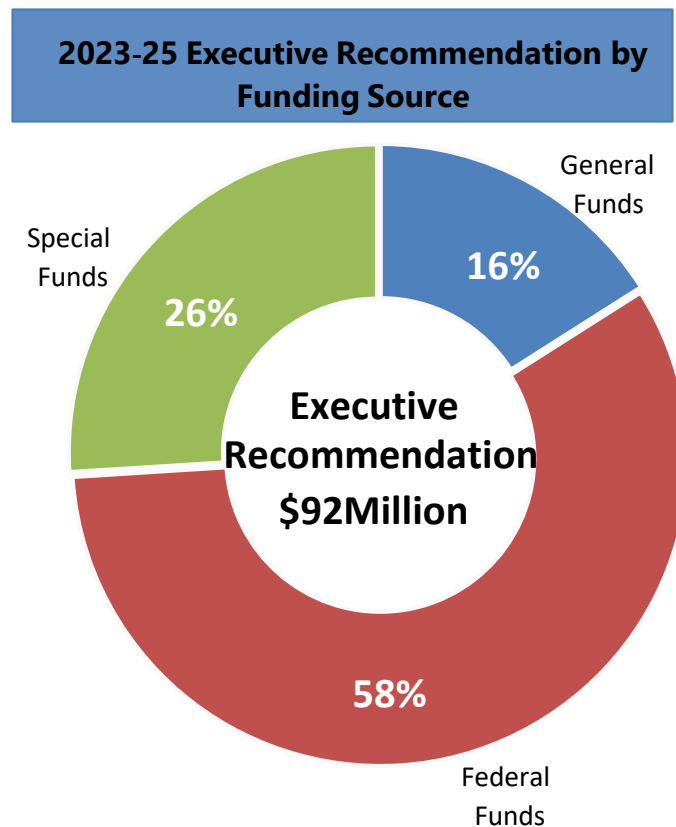
The operating budget totals just over \$16 million making up 18 percent of our budget. Operating Expenses increase is mainly due to IJJA funding. This increase is mainly for IT contracts and operating contracts.

Capital Assets

Capital assets of \$1 million make up only 1 percent of the Department's total budget. The Capital asset line includes funding for extraordinary repairs for the Environmental Training Center, and equipment costs of over \$5,000, mainly for the laboratory and air monitoring program.

Grants

Grants, which are sub-awarded to many local entities within the state total \$36.8 million and make up 40 percent of our budget. The increase in the grant line totals \$21.8 which is mainly due to IJJA funds for Small and Disadvantage Communities Drinking Water System grants.



As noted in the above chart, the DEQ is funded by 16 percent general funds, 58 percent federal funds, and 26 percent special funds. The Executive Recommendation includes \$14.7 million in general funds with an increase of \$2 million. The increase in general funds supports the executive compensation package and funds the additional FTEs in Director's Office and Accounting Division.

Federal funds total just under \$53.7 million with an increase of \$28 million. The increase in federal funds is mainly due to IJJA funds in Municipal Facilities Division.

The special funds make up just under \$24 million which is an increase of \$2.6 million. The increase in special funds is due to the executive compensation package and to support decision packages.

The status of our federal funding is often uncertain. With that uncertainty, we prepared our budget by assuming that federal grant amounts will essentially hold even, except as noted above. We recognize that as we proceed through the next biennium we will have to adjust our budget, operations, and possibly staffing if federal funding changes from the amounts included in our budget request.

This concludes my testimony on House Bill 1024. I will now turn it back to Dave Glatt.

DEQ Challenges moving into the 2023-2025 Biennium

The DEQ has a long history of implementing state policies and regulatory programs resulting in high compliance rates and environmental quality. This is accomplished in partnership with industry, municipalities, other local and state government and working through a cooperative federalism framework with the federal government. We are concerned that the actions of the federal government in the current administration and increased development in the state will challenge the DEQ's ability to maintain or improve environmental and public health quality in North Dakota. Following is a partial list of the challenges facing the agency:

1. State Federal Relationship: Anti-Fossil Fuel Agenda

As he started his term, the US EPA Administrator Regan indicated that the agency has an array of "bread and butter" regulations that could pressure coal plants into retirement. Regulatory programs such as regional haze, mercury and coal ash residuals are just recent examples where the EPA has either aggressively questioned the state, did not follow the law or delayed the approval process leaving an industry with regulatory uncertainty. We are concerned regarding the recent EPA approach and its impact on regulatory programs. Our challenges are with the federal administration's approach. For example, new proposed regulations such as Lead Pipe Removal, Coal Combustion Residual, WOTUS, methane control regulations, and mercury standards increasingly stress the ability of the DEQ to conduct its oversight of existing regulations. How the agency will address staffing needs, technical permit reviews and enforcement will be key to maintaining program primacy. Failure to adequately address these concerns could challenge the state's sovereignty and authority.

2. Workforce Development

The ability to recruit, acquire and retain environmental professionals is critical in our ability to maintain the quality of environmental and public health and, equally important, to retain federal primacy for several programs. Inflationary impacts on salary, lack of equity between other state agencies and competition with industry have stressed the ability of the agency to retain professional employees. Recent employee departures note a doubling of salary moving to the private sector and a significant increase in pay

transferring to another agency. Many of these concerns and potential remedies have been identified in SB 2015.

3. Environmental Assimilative Capacity

As the development of the state's natural resources increases, so does the potential impact on environmental quality. Our air sheds, surface and groundwater and landscapes have a finite ability to assimilate environmental contamination. As the impact increases the need for more complex environmental controls are required. This identifies the need for competent environmental professionals who understand when to implement sophisticated control systems and how they should be structured in a required permit. In addition, a knowledge of how the systems operate and are monitored is essential. The DEQ will need to address how best to address this challenge with staff numbers and training to address this issue.

4. Budget Limitations

National inflation has resulted in significant cost increases in all program areas. Examples of cost increases include 20 percent or more for laboratory supplies, equipment and equipment maintenance, and information technology increases that stress DEQ budget's ability to meet long-term costs. Coupled with the fact that base federal funding for program implementation has remained essentially stagnant or declined puts pressure on the agency to meet ongoing operational costs. The DEQ notes that some of these problems could be addressed in the decision packages presented previously; however, additional longer-term solutions will need to be explored.

This concludes the Department of Environmental Quality testimony, and we will stand for questions.

Appendix

North Dakota Department of Environmental Quality

Normandy Building, 4201 Normandy Street, Bismarck, ND 58503-1324

Fax Number (701) 328-5200

Website: <https://deq.nd.gov/>

Information Directory

NDDEQ Office of the Director (701) 328-5150

Director: **L. David Glatt**

Information Technology Coordination - Allen Johnson

Data Management - Gary Haberstroh

Communications Coordinator - Jennifer Skjod

Petroleum Tank Release Compensation Fund (PTRCF) - Duane Sandvick

Quality Assurance - Vacant

Special Projects - Scott Radig

Geographic Information System Coordination - Kathleen Ronning-Schimetz

Non-discrimination / Environmental Justice Program - Ann Fritz

Legal - Margaret Olson (701) 328-3603; Kristie McCusker (701) 328-5283

Division of Accounting (701) 328-5150

Director: **Beth Jacobson**

Performance Partnership Agreement & Grants Coordination – Beth Jacobson & Amy Cannon

Accounts Payable – Linda Mahlum

Accounts Receivable – Darci Hulst

Travel & Motor Pool – Linda Mahlum

Boiler Inspection Program – Trevor Seime

Division of Air Quality (701) 328-5188

Director: **Jim Semerad**

Air Quality Permitting & Compliance

Permitting - Craig Thorstenson

> Air Quality Permits

> Dispersion Modeling – Permitting

> Open Burning (other than landfills)

> Grain Elevators

Oil & Gas – Adam Rookey, Russell Martin, Wyatt Peterson

> Oil and Gas Wells

> Permitting, Registration & Compliance

> Enforcements – **Adam Miller**

Compliance - Keith Hinnenkamp

> Air Quality Compliance

> Inspections/Stack Testing

> Emission Inventory/Reporting

> Visible Emission Certification

> Diesel Emission Reduction Programs

> Odor Certification

Ambient Monitoring – Ryan Mills

> Ambient Air Quality Data

> Ambient Network Operations

Division of Chemistry (701) 328-6140

2635 East Main, Bismarck, ND 58501

Director: **Jim Quarnstrom**

Inorganic Program - Todd Ussatis

Organic Program - John Gabriel

North Dakota Environmental Laboratory Certification

Program (NDELCP) - Cindy Auen

Laboratory Quality Assurance/Quality Control –

Cindy Auen

Information Technology Coordination -

Kevin Kosse, John Gabriel

Sample Receipt – Sarah Brunner

Division of Municipal Facilities (701) 328-5211

Director: David Bruschwein

Clean Water State Revolving Loan Fund Program –

Elizabeth Tokach-Duran

- > Clean Water Revolving Loan Fund
- > Plan Review (wastewater systems)

Drinking Water State Revolving Loan Fund Program –

Shannon Fisher

- > Drinking Water Revolving Loan Fund
- > Plan Review (water systems)

Drinking Water Program - Greg Wavra

- > Safe Drinking Water Act
- > Community Fluoridation Program
- > Training and Certification of Water & Wastewater Facility Operators
- > Inspections of Water & Wastewater Facilities
- > North Dakota Water & Pollution Control Conference
- > Publication of the *Official Bulletin*

Division of Waste Management (701) 328-5166

Director: Chuck Hyatt

Solid Waste Program - Diana Trussell

Solid Waste Management:

Municipal, Industrial, Special & Inert Waste

- > Permits, Inspections
- > Operator Training & Certification
- > Open Burning (at solid waste facilities)
- > Transfer Stations

Coal Combustion & Offsite Oilfield Waste

Land Treatment

Scrap Tires & Tire Recycling

Waste Reduction, Recycling & Composting

Energy Recovery

Biomass (waste wood, etc.)

Nutrient Management (Ag Processing)

Emergency Waste & Debris Management

Abandoned & Dangerous Buildings

Abandoned Motor Vehicle Projects, Auto

Salvage & Scrap Metal

Pollution Prevention (P2)

Solid Waste Planning

Underground Storage Tank Program – Reuben Panchol

Underground Storage Tanks (USTs)

- > Petroleum
- > Hazardous Substances

Above-ground Storage Tanks (ASTs)

- > Spills, Assessments
- > Certification of Biofuels Blender Pump Installation

Radiation & Indoor Air Quality Control Program

– David Stradinger

- > Radioactive Materials
- > Radon
- > X-Ray Machines
- > Asbestos
- > Indoor Air Quality
- > Mammography Quality Assurance
- > Lead-based Paint

Hazardous Waste Program & Toxic Substance Control Act – Derek Kannenberg

Hazardous Waste

- > Permits
- > Inspections
- > Corrective Action

Superfund

- > CERCLIS Sites
- > Emergency Response
- Emergency Spill Response

- > Site Assessment

- > Site Remediation

Brownfields

Laboratory/Agricultural/Household Chemical Wastes

Polychlorinated Biphenyls (PCBs)

Used Oil

Infectious Waste

Waste Transporter Permits

Voluntary Response Actions

Leaking Underground Storage Tank (L.U.S.T.) Trust Fund

- > Assessment, Remediation

Antifreeze Registration

Petroleum Products Testing

Spill Response

Division of Water Quality (701) 328-5210

Director: **Karl Rockeman**

Watershed Management – Vacant

- > Water Quality Standards
- > Nonpoint Source Pollution Management
- > Rivers and Stream Monitoring and Assessment
- > Clean Lakes Assessments
- > Fish Consumption Advisory
- > Harmful Algal Blooms (HABs)
- > Watershed Management
- > Water Quality Modeling

Water Quality Special Projects - Peter Wax

- > 404 Dredge & Fill
- > 401 Water Quality Certification
- > Environmental Impact Statements (EIS) Review
- > Water Quality Standards

Spill Investigation Program - Bill Sues

- > Spill Response
- > Remediation Oversight
- > Cleanup Guidance

Wastewater Facility/Permits - Marty Haroldson

- > North Dakota Pollutant Discharge Elimination System (NDPDES) Permits
- > Effluent Treated Discharges
- > Stormwater Permitting
- > Feedlot Inspections/Approvals
- > Septic Pumpers
- > Temporary/Hydrostatic Discharges
- > Pretreatment

Groundwater Protection Program - Carl Anderson

- > Underground Injection Control (UIC) Program
- > Source Water Protection
- > Groundwater Remediation and Assessment
- > Ambient Groundwater Monitoring
- > Facility Siting

OTHER Environmental Information

Fargo Office, 1120 28th Avenue N, Suite B, Fargo, ND 58102, (701) 298-4638, Fax (701) 235-7394

Environmental Hot Line 1-800-755-1625

Environmental Training Center 2639 E Main Avenue, Bismarck, ND 58501, (701) 328-6628, Fax (701) 328-6206

Approvals of Anhydrous Ammonia Facilities - State Ag Dept. (701) 328-2231

Emergency Response Spills - State Radio 1-800-472-2121 (in-state) or (701) 328-9921 (out-of-state)

Environmental Microbiology - Christie Massen (701) 328-6272

Oil Field Related Spills - Oil & Gas Division (701) 328-8020

SARA Title III - Dept of Emergency Services Fraine Barracks, PO Box 5511, Bismarck, ND 58506-5511, (701) 328-8100

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

DEPARTMENT OF ENVIRONMENTAL QUALITY		NDCC ch. 23.1-01 https://www.ndlegis.gov/cencode/t23-1c01.pdf#nameddest=23p1-01-01
Environmental Review Advisory Council		NDCC § 23.1-01-02 https://www.ndlegis.gov/cencode/t23-1c01.pdf#nameddest=23p1-01-02
DIVISION OF AIR QUALITY		
Air Quality Permitting & Compliance		
	Clean Air Act	42 U.S.C. § 7401 et seq. (1970) https://www.law.cornell.edu/uscode/text/42/chapter-85/subchapter-I/part-A
	Air Pollution Control	NDCC ch. 23.1-06 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-01 NDAC Art. 33.1-15 https://ndlegis.gov/information/acdata/pdf/33.1-15-01.pdf
	Construction Permits, Minor Source Operating Permits, Title V Operating Permits	40 CFR Part 60, 61, 63, 64, 70, 72, and 75 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C NDAC Art 33.1-15-01 thru 33.1-15-25 https://ndlegis.gov/information/acdata/pdf/33.1-15-01.pdf
	Compliance and Enforcement	40 CFR Part 60, 61, 63, 64, 70, 72, and 75 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C NDAC Art 33.1-15-01 thru 33.1-15-25 https://ndlegis.gov/information/acdata/pdf/33.1-15-01.pdf

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

Air Quality Monitoring		<p>42 U.S.C. § 7401 et seq. (1970) Clean Air Act https://www.law.cornell.edu/uscode/text/42/chapter-85/subchapter-I/part-A</p>
	Air Pollution Control	<p>NDCC ch. 23.1-06 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-01 NDAC Art. 33.1-15 https://ndlegis.gov/information/acdata/pdf/33.1-15-01.pdf</p>
	Ambient Air Quality Data	<p>40 CFR 58 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-58?toc=1 NDCC § 23.1-06-04 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-04 NDAC ch. 33.1-15-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-02.pdf NDAC § 33.1-15-19-03 https://ndlegis.gov/information/acdata/pdf/33.1-15-19.pdf</p>
	Ambient Network Operations	<p>40 CFR 50, 53, and 58 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C NDCC § 23.1-06-04 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-04 NDAC ch. 33.1-15-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-02.pdf</p>

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

		<p>NDAC ch. 33.1-15-11 https://ndlegis.gov/information/acdata/pdf/33.1-15-11.pdf</p>
	Dispersion Modeling - Planning	<p>40 CFR 51 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-51?toc=1</p> <p>NDCC § 23.1-06-04 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-04</p> <p>NDAC ch. 33.1-15-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-02.pdf</p>
	State Implementation Planning	<p>40 CFR 51 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-51?toc=1</p> <p>NDCC § 23.1-06-04 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-04</p> <p>NDAC ch. 33.1-15-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-02.pdf</p>
DIVISION - MUNICIPAL FACILITIES		
Clean Water State Revolving Loan Fund Program		
	CW Revolving Loan Fund	<p>33 U.S.C. §1383 - See 1 Clean Water https://www.law.cornell.edu/uscode/text/33/1383</p>

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

		<p>40 CFR Part 35.3100 – Subpart K – State Water Pollution Control Revolving Funds https://www.ecfr.gov/current/title-40/chapter-I/subchapter-B/part-35/subpart-K</p> <p>NDCC ch. 61-28.2 – Water Pollution Control Revolving Loan Fund https://ndlegis.gov/cencode/t61c28-2.pdf#nameddest=61-28p2-01</p> <p>NDAC Art 33.1-35 https://ndlegis.gov/information/acdata/pdf/33.1-35-01.pdf</p>
	Plan Review (wastewater systems)	<p>33 U.S.C. § 466 et seq. - See 2 Clean Water Act - https://www.law.cornell.edu/uscode/text/33/466</p> <p>NDCC ch. 61.28 https://ndlegis.gov/cencode/t61c28.html</p> <p>NDAC Art. 33.1-03-08 https://ndlegis.gov/information/acdata/pdf/33.1-03-08.pdf</p>
Drinking Water State Revolving Loan Fund Program		
	Drinking Water Revolving Loan Fund	<p>42 U.S.C. §301j-12 - See 3 Safe Drinking Water Act https://www.law.cornell.edu/uscode/text/42/300j-12</p> <p>40 CFR Part 35.3500 – Drinking Water State Revolving Funds https://www.ecfr.gov/current/title-40/chapter-I/subchapter-B/part-35/subpart-L</p> <p>NDCC ch. 61-28.1 – Safe Drinking Water Act https://ndlegis.gov/cencode/t61c28-1.html</p>

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

	Plan Review (water systems)	<p>42 U.S.C. §300g-2 - See 4 Safe Drinking Water Act https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap6A-subchapXII-partB-sec300g-2.pdf</p> <p>NDCC ch. 61-28.1 https://ndlegis.gov/cencode/t61c28-1.html</p> <p>NDAC Art. 33.1-03-08 https://ndlegis.gov/information/acdata/pdf/33.1-03-08.pdf</p> <p>NDAC Art. 33.1-17 https://ndlegis.gov/information/acdata/pdf/33.1-17-01.pdf</p>
Drinking Water Program		
	Safe Drinking Water Act	<p>42 U.S.C. § 300g-2 - See 4 Safe Drinking Water Act https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap6A-subchapXII-partB-sec300g-2.pdf</p> <p>40 CFR Part 141 – National Primary Drinking Water Regulations https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-141</p> <p>NDCC ch. 61-28.1 https://ndlegis.gov/cencode/t61c28-1.html</p> <p>NDAC Art. 33.1-17 https://ndlegis.gov/information/acdata/pdf/33.1-17-01.pdf</p>

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

	Community Fluoridation Program	
	Training and Certification of Water & WW Facility Operators	<p>33 U.S.C. § 1383 - See 1 (water only) Clean Water Act https://www.law.cornell.edu/uscode/text/33/1383</p> <p>NDCC ch. 23.1-07 – Water Distribution and Wastewater Systems Operators https://ndlegis.gov/cencode/t23-1c07.pdf#nameddest=23p1-07-01</p> <p>NDAC Art. 33.1-19 https://ndlegis.gov/information/acdata/pdf/33.1-19-01.pdf</p>
	Operator Expense Reimbursement Program	<p>Title IV of the 1987 Amendments to the Clean Water Act (CWA) - 33 U.S.C. §1383 https://www.law.cornell.edu/uscode/text/33/1383</p> <p>Federal Water Pollution Control Act of 1972 - 33 U.S.C 466 et seq - later became CWA https://www.law.cornell.edu/uscode/text/33/466</p> <p>1986 Amendments to the Safe Drinking Water Act (SDWA) - 42 U.S.C 301j-12 https://www.law.cornell.edu/uscode/text/42/300j-12</p> <p>Safe Drinking Water Act (SDWA) of 1974-0 42 U.S.C 300g-2 https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap6A-subchapXII-partB-sec300g-2.pdf</p>

DEPARTMENT OF ENVIRONMENTAL QUALITY CHART OF LAW

UPDATED 1/6/23

DIVISION - WASTE MGMT.		
Solid Waste Management Program		<p>42 U.S.C., Chapter 82, subchapter IV https://www.law.cornell.edu/uscode/text/42/chapter-82</p> <p>NDCC ch. 23.1-08 Solid Waste Management and Land Protection https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-01</p> <p>NDAC Art. 33.1-20 https://ndlegis.gov/information/acdata/html/33.1-20.html</p>
	Municipal Solid Waste Permits	<p>42 U.S.C. § 6944 https://www.law.cornell.edu/uscode/text/42/6944</p> <p>40 CFR 258 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-258</p> <p>NDCC § 23.1-08-09 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-09</p> <p>NDAC ch. 33.1-20-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC ch. 33.1-20-03.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-03.1.pdf</p>
	Industrial, Special & Inert Waste Permits	<p>NDCC § 23.1-08-09 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-09</p>

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		<p>NDAC ch. 33.1-20-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC ch. 33.1-20-03.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-03.1.pdf</p>
	Municipal, Industrial, Special & Inert Waste Inspections	<p>NDCC § 23.1-08-18 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-18</p>
	Municipal Solid Waste Operator Training & Certification	<p>NDCC § 23.1-08-15 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-15</p> <p>NDAC ch. 33.1-20-16 https://ndlegis.gov/information/acdata/pdf/33.1-20-16.pdf</p>
	Industrial, Special & Inert Waste Operator Training	<p>NDAC § 33.1-20-04.1-02(1) https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-04.1-04(2)(f) https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-11-06 https://ndlegis.gov/information/acdata/pdf/33.1-20-11.pdf</p> <p>NDCC § 23.1-08-03(9) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p>
	Open Burning at Solid Waste Facilities	<p>NDCC § 23.1-08-02(11) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p>

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		<p>NDCC § 23.1-08-07(2) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-07</p> <p>NDAC § 33.1-20-04.1-02(6) https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC ch. 33.1-15-04 https://ndlegis.gov/information/acdata/pdf/33.1-15-04.pdf</p> <p>NDAC Art. 33.1-15 https://ndlegis.gov/information/acdata/html/33.1-15.html</p>
	Solid Waste Transfer Stations	<p>NDCC § 23.1-08-03(8), NDCC § 23.1-08-03(11) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDCC § 23.1-08-04(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC § 33.1-20-04.1-06 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p>
	Coal Combustion Residuals Waste	<p>NDCC § 23.1-08-04 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC ch. 33.1-20-07.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-07.1.pdf</p>
	Oilfield Special Waste (Offsite Oilfield Waste)	<p>NDCC § 23.1-08-04(8), NDCC § 23.1-08-04(11), NDCC § 23.1-08-04(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC ch. 33.1-20-07.1 https://ndlegis.gov/information/acdata/pdf/33.1-20-07.1.pdf</p>

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	Land Treatment	<p>NDCC § 23.1-08-04(8), NDCC § 23.1-08-04(11), NDCC § 23.1-08-04(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC ch. 33.1-20-09 https://ndlegis.gov/information/acdata/pdf/33.1-20-09.pdf</p>
	Scrap Tires & Tire Recycling	<p>NDCC § 23.1-08-04(8), NDCC § 23.1-08-04(11), NDCC § 23.1-08-04(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-04</p> <p>NDAC § 33.1-20-02.1(4) https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC § 33.1-20-04.1-07(4) https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p>
	Waste Reduction, Recycling & Composting	<p>NDCC § 23.1-08-02(15) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p> <p>NDCC § 23.1-08-03(8), NDCC § 23.1-08-03(11), NDCC § 23.1-08-03(12) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDCC § 23.1-08-05 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-05</p>

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		<p>NDCC § 23.1-08-16 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-16</p> <p>NDAC § 33.1-20-01.1-04 https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p> <p>NDAC § 33.1-20-02.1-02 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC § 33.1-20-04.1-04 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-17-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-17.pdf</p>
	Energy Recovery	<p>NDCC § 23.1-08-02(13) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p> <p>NDCC § 23.1-08-03 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDAC § 33.1-20-01.1-04 https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p> <p>NDAC § 33.1-20-17-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-17.pdf</p> <p>NDAC § 33.1-20-04.1-08 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p>

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		<p>NDAC § 33.1-20-13-02 https://ndlegis.gov/information/acdata/pdf/33.1-20-13.pdf</p>
	Biomass (waste wood, etc.)	<p>NDCC § 23.1-08-02(15) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p> <p>NDCC § 23.1-08-03 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDCC § 23.1-08-16 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-16</p> <p>NDAC § 33.1-20-01.1-04 https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p> <p>NDAC § 33.1-20-02.1-02 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p> <p>NDAC § 33.1-20-04.1-07 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-04.1-08 https://ndlegis.gov/information/acdata/pdf/33.1-20-04.1.pdf</p> <p>NDAC § 33.1-20-13-02 https://ndlegis.gov/information/acdata/pdf/33.1-20-13.pdf</p> <p>NDAC § 33.1-20-17-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-17.pdf</p>
	Nutrient Management (Ag Processing)	<p>NDAC § 33.1-20-01.1-03(34), NDAC § 33.1-20-01.1-03(42) https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p>

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		<p>NDAC ch. 33.1-20-09 https://ndlegis.gov/information/acdata/pdf/33.1-20-09.pdf</p> <p>NDCC § 23.1-08-02(15) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-02</p>
	Emergency Waste & Debris Management	<p>NDCC § 23.1-08-19 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-19</p> <p>NDAC § 33.1-20-02.1-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p>
	Abandoned & Dangerous Buildings	<p>NDCC § 23.1-08-01 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-01</p> <p>NDAC § 33.1-20-01.1-04(1) https://ndlegis.gov/information/acdata/pdf/33.1-20-01.1.pdf</p>
	Abandoned Motor Vehicle Projects, Auto Salvage & Scrap Metal	<p>NDCC ch. 23.1-15 https://ndlegis.gov/cencode/t23-1c15.pdf</p>
	Pollution Prevention	<p>NDCC § 23.1-08-03(8) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p>
	Solid Waste Planning	<p>NDCC§ 23.1-08-03(4) https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDAC ch. 33.1-20-17 https://ndlegis.gov/information/acdata/pdf/33.1-20-17.pdf</p>

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Radiation & Indoor Air Quality		
	Radioactive Materials	<p>NDCC ch. 23.1-02 - Radiation https://www.ndlegis.gov/cencode/t23-1c02.pdf#nameddest=23p1-02-01</p> <p>NDCC ch. 23.1-03 – Ionizing Radiation Development https://ndlegis.gov/cencode/t23-1c03.pdf#nameddest=23p1-03-01</p> <p>NDAC art. 33.1-10 https://ndlegis.gov/information/acdata/pdf/33.1-10-01.pdf</p> <p>NDCC ch. 23.1-05 - Southwestern low-level radioactive waste disposal compact https://www.ndlegis.gov/cencode/t23-1c05.pdf#nameddest=23p1-05-01</p>
	Radon	
	X-Ray Machines	<p>NDCC § 23.1-03-03 https://ndlegis.gov/cencode/t23-1c03.pdf#nameddest=23p1-03-03</p> <p>NDCC § 23.1-03-04 https://ndlegis.gov/cencode/t23-1c03.pdf#nameddest=23p1-03-04</p> <p>NDAC Art. 33.1-10 https://ndlegis.gov/information/acdata/pdf/33.1-10-01.pdf</p>
	Asbestos	<p>42 U.S.C. § 7401 et. Seq. Clean Air Act https://www.law.cornell.edu/uscode/text/42/chapter-85/subchapter-1/part-A</p>

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		<p>NDCC ch. 23.1-06 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-01</p> <p>NDAC § 33.1-15-13-02 https://ndlegis.gov/information/acdata/pdf/33.1-15-13.pdf</p>
	Indoor Air Quality	
	Mammography Quality Assurance	<p>38 U.S.C. § 7319 Mammography Quality Standards Act https://www.law.cornell.edu/uscode/text/38/7319</p>
	Lead-based Paint	<p>15 U.S.C. § 2601 et seq. Toxic Substances Control Act https://www.govinfo.gov/content/pkg/USCODE-2020-title15/pdf/USCODE-2020-title15-chap53-subchapl-sec2601.pdf</p> <p>42 U.S.C. 4852d Residential Lead-Based Paint Hazard Reduction Act https://www.law.cornell.edu/uscode/text/42/4852d</p> <p>NDCC ch. 23.1-06 https://ndlegis.gov/cencode/t23-1c06.pdf#nameddest=23p1-06-01</p> <p>NDAC ch. 33.1-15-24 https://ndlegis.gov/information/acdata/pdf/33.1-15-24.pdf</p> <p>40 CFR 745 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-R/part-745?toc=1</p>
	OOOO and OOOOa - Standards of Performance for Crude Oil & Natural Gas Production, Transmission and Distribution for which	<p>40 CFR Part 60 Subpart OOOO https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-60/subpart-OOOO</p>

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	Const., Mod., or Reconstr. Commenced after 8-23-2011, and before 9-18-2015.	40 CFR Part 60 Subpart OOOOa https://www.ecfr.gov/current/title-40/chapter-I/subchapter-C/part-60/subpart-OOOOa?toc=1
	Technologically Enhanced Naturally Occurring Radioactive Material (TENORM)	NDAC ch.33.1-10-23 https://www.ndlegis.gov/information/acdata/pdf/33.1-10-23.pdf
HW Program & Toxic Substances		42 U.S.C., Chapter 82, subchapter III https://www.law.cornell.edu/uscode/text/42/chapter-82/subchapter-III NDCC ch. 23.1-04 Hazardous Waste Mgt https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01 NDAC Art 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html
	Hazardous Waste Permits	42 U.S.C. § 6925 https://www.law.cornell.edu/uscode/text/42/6925 40 CFR Part 270 https://www.law.cornell.edu/cfr/text/40/part-270 NDCC § 23.1-04-08 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-08 NDCC § 23.1-04-05 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-05

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		<p>NDAC Art. 33.1-24-06 https://ndlegis.gov/information/acdata/pdf/33.1-24-06.pdf</p>
	<p>Hazardous Waste Inspections</p>	<p>42 U.S.C. § 6927 https://www.law.cornell.edu/uscode/text/42/6927</p> <p>NDCC § 23.1-04-12 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-12</p>
	<p>Hazardous Waste Corrective Action</p>	<p>42 U.S.C. § 6924(u) & (v) https://www.law.cornell.edu/uscode/text/42/6924</p> <p>40 CFR 264, subpart F https://www.law.cornell.edu/cfr/text/40/part-264/subpart-F</p> <p>NDCC § 23.1-04-08 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-08</p> <p>NDCC § 23.1-04-13 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-13</p> <p>NDCC § 23.1-04-14 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p> <p>NDCC § 23.1-04-15 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p> <p>NDAC §§ 33.1-24-05-47 thru 33.1-24-05-58 https://ndlegis.gov/information/acdata/pdf/33.1-24-05.pdf</p>

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	Superfund Sites	<p>42 U.S.C. § 9601 et seq. (Subch. I) Hazardous Substances Releases, Liability, and Compensation https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap103-subchapl-sec9601.pdf</p> <p>40 CFR Part 35.6000 (Subpart O) - Cooperative Agreements and Superfund State Contracts for Superfund Response Actions https://www.ecfr.gov/current/title-40/chapter-I/subchapter-B/part-35/subpart-O</p> <p>NDCC ch. 23.1-10 – Environmental Emergency Costs https://www.ndlegis.gov/cencode/t23-1c10.pdf#nameddest=23p1-10-01</p>
	Emergency Response	<p>NDCC § 23.1-04-14 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p>
	Emergency Spill Response Site Assessment	<p>NDCC § 23.1-04-14 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p>
	Emergency Spill Site Remediation	<p>NDCC § 23.1-04-14 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-14</p>
	Brownfields	<p>CERCLA 128(a) - Comprehensive Environmental Response, Compensation, and Liability Act -- otherwise known as CERCLA or Superfund (42 U.S.C. ch. 103) https://www.law.cornell.edu/uscode/text/42/chapter-103</p> <p>42 U.S.C. § 9628 – State response programs https://www.law.cornell.edu/uscode/text/42/9628</p>

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	<p>Lab/Agricultural/Household Chemical Wastes</p>	<p>42 U.S.C. § 6921 https://www.law.cornell.edu/uscode/text/42/6921</p> <p>42 U.S.C. § 6922 https://www.law.cornell.edu/uscode/text/42/6922</p> <p>40 CFR Part 262 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-262</p> <p>NDCC § 23.1-04-05(2), (7) https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-05</p> <p>NDAC ch 33.1-24-03 https://ndlegis.gov/information/acdata/pdf/33.1-24-03.pdf</p>
	<p>Polychlorinated Biphenyls (PCBs)</p>	
	<p>Used Oil</p>	<p>42 U.S.C. § 6935 https://www.govinfo.gov/content/pkg/USCODE-2020-title42/pdf/USCODE-2020-title42-chap82-subchapIII-sec6934.pdf</p> <p>40 CFR Part 279 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-279</p> <p>NDCC §§ 23.1-04-05, 23.1-04-08 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-05</p>

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		<p>https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-08</p> <p>NDAC § 33.1-24-05-600 thru 33.1-24-05-689 https://ndlegis.gov/information/acdata/pdf/33.1-24-05.pdf</p>
	Infectious Waste	<p>NDCC § 23.1-08-03 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-03</p> <p>NDAC ch. 33.1-20-12 https://ndlegis.gov/information/acdata/pdf/33.1-20-12.pdf</p>
	Waste Transport Permits	<p>NDCC § 23.1-08-09 https://ndlegis.gov/cencode/t23-1c08.pdf#nameddest=23p1-08-09</p> <p>NDAC § 33.1-20-02.1-01 https://ndlegis.gov/information/acdata/pdf/33.1-20-02.1.pdf</p>
Underground Storage Tank Program		<p>42 U.S.C., Chapter 82, subchapter IX https://www.law.cornell.edu/uscode/text/42/chapter-82/subchapter-IX</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
	UST Petroleum	<p>40 CFR 280 and 281 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-280</p>

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		<p>https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-281</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.html</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
	<p>UST Hazardous Substances</p>	<p>40 CFR 280 and 281 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-280</p> <p>https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-281</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
	<p>Above-ground Storage Tanks Spills, Assessments</p>	<p>33 U.S.C. § 1251 et seq. (1972) Clean Water Act (CWA) https://www.law.cornell.edu/uscode/text/33/chapter-26/subchapter-I</p> <p>42 U.S.C. § 9601 et seq. (1980) Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or Superfund) https://www.law.cornell.edu/uscode/text/42/chapter-103/subchapter-I</p>

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		<p>42 U.S.C. § 6901 et seq. (1976) Resource Conservation and Recovery Act (RCRA) https://www.law.cornell.edu/uscode/text/42/chapter-82/subchapter-1</p> <p>42 U.S.C. § 300f et seq. (1974) Safe Drinking Water Act (SDWA) https://www.law.cornell.edu/uscode/text/42/300f</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.html</p> <p>NDCC ch. 61-28.1 Safe Drinking Water Act https://ndlegis.gov/cencode/t61c28-1.html</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.pdf</p> <p>NDAC ch. 33.1-16-02.1 Standards of Quality for Waters of the State https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p> <p>NDAC Art. 33.1-16 Control, Prevention, and Abatement of Pollution of Surface Water https://ndlegis.gov/information/acdata/html/33.1-16.html</p>
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		<p>NDAC ch. 33.1-20-13 Water Protection Provisions https://ndlegis.gov/information/acdata/pdf/33.1-20-13.pdf</p> <p>NDAC 33.1-24 Hazardous Waste Management https://ndlegis.gov/information/acdata/html/33.1-24.html</p> <p>NDAC ch. 45-10-02 Petroleum Tank Release Compensation Fund https://www.ndlegis.gov/information/acdata/pdf/45-10-02.pdf</p>
	<p>Leaking Underground Storage Tank Trust Program Assessment, Remediation</p>	<p>40 CFR 280 and 281 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-280</p> <p>https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-281</p> <p>NDCC ch. 23.1-04 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
	<p>Antifreeze Regulation</p>	<p>NDCC ch. 23.1-14 https://ndlegis.gov/cencode/t23-1c14.pdf#nameddest=23p1-14-01</p>
	<p>Petroleum Products Testing</p>	<p>NDCC ch. 23.1-13 – Petroleum Products https://ndlegis.gov/cencode/t23-1c13.pdf</p> <p>NDAC Art. 33.1-34 https://ndlegis.gov/information/acdata/pdf/33.1-34-01.pdf</p>

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	Spill Response	<p>40 CFR 280 and 281 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-280 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-I/part-281</p> <p>NDCC ch. 23.1-04 https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p> <p>NDAC Art. 33.1-24 https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
DIVISION - WATER QUALITY		
Watershed Management		
	Water Quality Standards	<p>33 U.S.C. 1341 https://www.law.cornell.edu/uscode/text/33/1341</p> <p>40 CFR 131 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-131?toc=1</p> <p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
	Nonpoint Source Pollution Management	<p>33 U.S.C. 1329 https://www.law.cornell.edu/uscode/text/33/1329</p>

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		NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
	Rivers & Stream Monitoring & Assessment	33 U.S.C. 1313 https://www.law.cornell.edu/uscode/text/33/1313 NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
	Clean Lakes Assessments	33 U.S.C. 1256 https://www.law.cornell.edu/uscode/text/33/1256 NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
	Fish Consumption Advisory Watershed Management	
		33 U.S.C. 1329 https://www.law.cornell.edu/uscode/text/33/1329 NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
	Water Quality Modeling	33 U.S.C. 1313 https://www.law.cornell.edu/uscode/text/33/1313 NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04
Water Quality Special Projects		
	404 Dredge & Fill	33 U.S.C. 1344 https://www.law.cornell.edu/uscode/text/33/1344
	404 Water Quality Certification	33 U.S.C. 1341 https://www.law.cornell.edu/uscode/text/33/1341
		NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html

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		<p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDAC 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
	<p>Environmental Impact Statements (EIS) Review</p>	<p>42 U.S.C. 4321 et seq. https://www.law.cornell.edu/uscode/text/42/chapter-55</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.pdf#nameddest=23p1-11-01</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
	<p>Water Quality Standards</p>	<p>33 U.S.C. 1341 https://www.law.cornell.edu/uscode/text/33/1341</p> <p>40 CFR 131 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-131?toc=1</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p>

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		<p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
Spill Investigation Program Spill Response		
	Oil Spills	<p>33 U.S.C. 2701 https://www.law.cornell.edu/uscode/text/33/2701</p> <p>NDCC § 61-28-06 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-06</p> <p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
	Other spills	<p>NDCC § 61-28-06 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-06</p> <p>NDAC ch. 33.1-16-02.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p>
Wastewater Facility/Permits		
	ND Pollutant Discharge Elimination System (NDPDES) Permits	<p>33 U.S.C. § 1251 et seq. (1972) https://www.law.cornell.edu/uscode/text/33/chapter-26/subchapter-1</p> <p>NDCC ch. 61-28 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDAC ch. 33.1-16 https://ndlegis.gov/information/acdata/html/33.1-16.html</p>

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		<p>NDAC ch. 33.1-21 https://ndlegis.gov/information/acdata/html/33.1-21.html</p>
	<p>Wastewater Releases</p>	<p>33 U.S.C. 1342 https://www.law.cornell.edu/uscode/text/33/1342</p> <p>40 CFR 122 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-122?toc=1</p> <p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-01 https://ndlegis.gov/information/acdata/pdf/33.1-16-01.pdf</p>
	<p>Stormwater Regulations</p>	<p>33 U.S.C. 1342 https://www.law.cornell.edu/uscode/text/33/1342</p> <p>40 CFR 122 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-122?toc=1</p> <p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-01 https://ndlegis.gov/information/acdata/pdf/33.1-16-01.pdf</p>
	<p>Feedlot Inspections/Approval/Runoff</p>	<p>33 U.S.C. 1342 https://www.law.cornell.edu/uscode/text/33/1342</p> <p>40 CFR 122 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-122?toc=1</p>

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		<p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-03.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-03.1.pdf</p>
	Septic Pumpers	<p>NDCC § 61-28-04.1 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04p1</p> <p>NDAC ch. 33.1-21-02 https://ndlegis.gov/information/acdata/pdf/33.1-21-02.pdf</p>
	Small Business Assistance	
	Pretreatment	<p>33 U.S.C. 1317 https://www.law.cornell.edu/uscode/text/33/1317</p> <p>40 CFR 403 https://www.ecfr.gov/current/title-40/chapter-I/subchapter-N/part-403?toc=1</p> <p>NDCC § 61-28-04 https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-04</p> <p>NDAC ch. 33.1-16-01.1 https://ndlegis.gov/information/acdata/pdf/33.1-16-01.1.pdf</p>
Groundwater Protection and UIC Programs		
	Underground Injection Control (UIC) Program	<p>40 CFR Part 145 State UIC Programs https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-145?toc=1</p>

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		<p>40 CFR Part 147 State Underground Injection Control Programs https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-147</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p> <p>NDCC ch. 61-28.1 Safe Drinking Water Act https://ndlegis.gov/cencode/t61c28-1.pdf#nameddest=61-28p1-01</p> <p>NDAC ch. 33.1-25-01 Underground Injection Control Program https://ndlegis.gov/information/acdata/pdf/33.1-25-01.pdf</p>
	Source Water Protection	<p>42 U.S.C. § 300f et seq. (1974) Safe Drinking Water Act (SDWA) https://www.law.cornell.edu/uscode/text/42/300f</p> <p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p>
	Groundwater Remediation & Assessment	<p>33 U.S.C. §1251 et seq. (1972) Clean Water Act (CWA) https://www.law.cornell.edu/uscode/text/33/chapter-26/subchapter-I</p> <p>NDCC ch. 23.1-04 Hazardous Waste Management https://ndlegis.gov/cencode/t23-1c04.pdf#nameddest=23p1-04-01</p>

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		<p>NDCC ch. 23.1-11 Ground Water Protection https://ndlegis.gov/cencode/t23-1c11.html</p> <p>NDCC ch. 23.1-13 Petroleum Release Remediation https://ndlegis.gov/cencode/t23-1c13.pdf#nameddest=23p1-13-01</p> <p>NDCC ch. 61-28 Control, Prevention, and Abatement of Pollution to Surface Water https://ndlegis.gov/cencode/t61c28.pdf#nameddest=61-28-01</p> <p>NDCC ch. 61-28.1 Safe Drinking Water Act https://ndlegis.gov/cencode/t61c28-1.pdf#nameddest=61-28p1-01</p> <p>NDAC ch. 33.1-16-02.1 Standards of Quality for Waters of the State https://ndlegis.gov/information/acdata/pdf/33.1-16-02.1.pdf</p> <p>NDAC Art. 33.1-16 Control, Prevention, and Abatement of Pollution of Surface Water https://ndlegis.gov/information/acdata/html/33.1-16.html</p> <p>NDAC ch. 33.1-20-13 Water Protection Provisions https://ndlegis.gov/information/acdata/pdf/33.1-20-13.pdf</p> <p>NDAC Art. 33.1-24 Hazardous Waste Management https://ndlegis.gov/information/acdata/html/33.1-24.html</p>
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OTHER PROGRAMS		
	Boiler Inspection	NDCC ch. 23.1-16 https://www.ndlegis.gov/cencode/t23-1c16.pdf#nameddest=23p1-16-01
	Petroleum Release Tank Compensation Fund	NDCC ch. 23.1-12 Petroleum Release Remediation https://ndlegis.gov/cencode/t23-1c12.html

ENVIRONMENTAL QUALITY

Our small staff of highly trained scientists, chemists, and engineers keeps pace with an increasingly complex regulatory and permitting industry. The recent focus on environmental issues, including the Bipartisan Infrastructure Law, puts demand for their skill set at the highest point in history. We are much more than a regulatory agency. We educate industry and are partners in the field. Our universal responsiveness to government, industry, and citizens, pays off in that North Dakota has some of the highest environmental compliance rates in the country. Our staff is entrusted with legal and technical decisions that could impact generations. They thrive in knowing they make a difference, and they see protecting our environment as meaningful work.

WHAT HAPPENS IF WE CAN'T DO OUR JOB...

Limited Economic Development

It would take us longer to approve permits.



Less Responsiveness

The public and industry would have to wait longer to get the help they need from us, causing frustration.



Protections Could Lapse

Bad actors would go unenforced putting our state resources at risk.



CURRENT AGENCY TEAM MEMBER STATS

166

Full-Time Equivalent

17

Number of Vacancies

88%

Below Salary Midpoint

44

Average Age

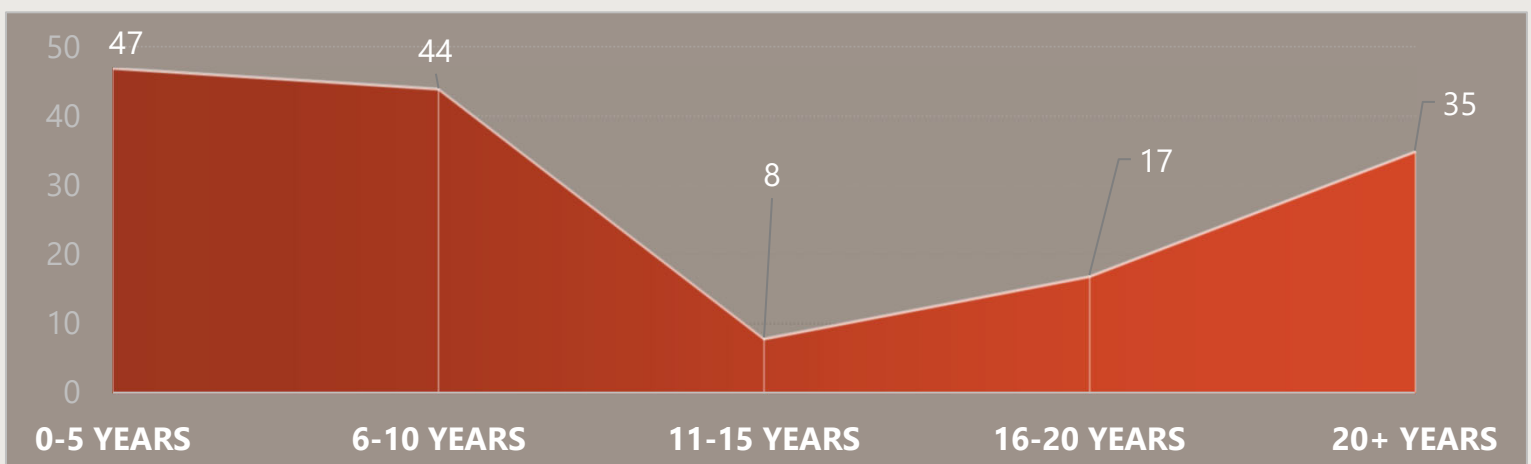
18

Retirement Eligible

\$67 K

Median Annual Salary

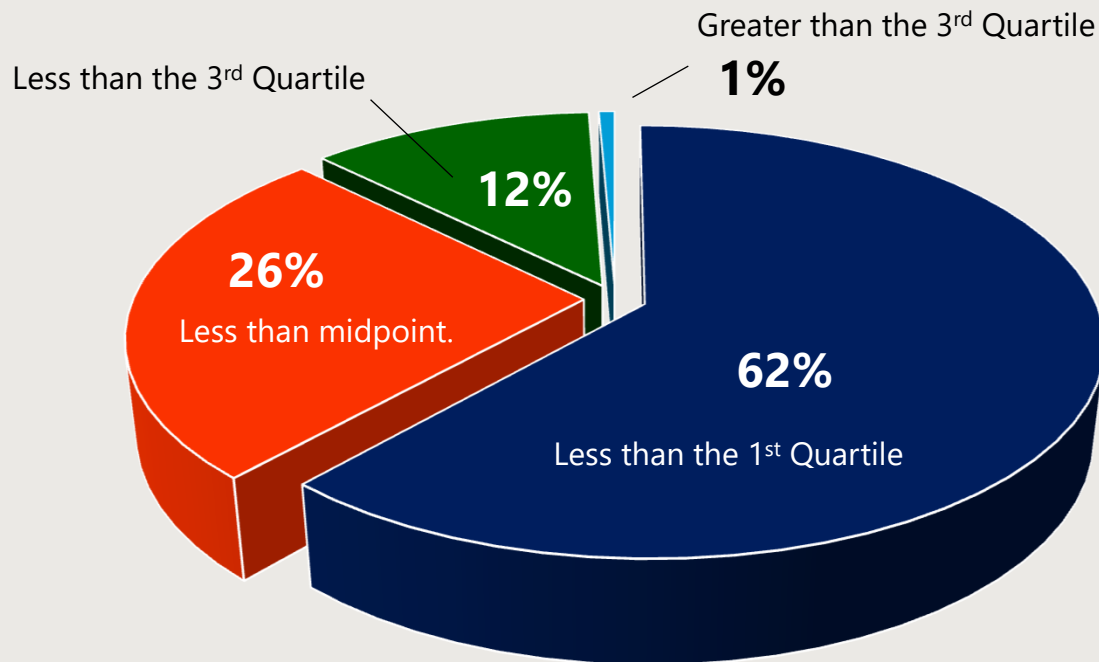
YEARS OF SERVICE



Some applicant challenges are unrelated to the numbers, such as quality of applicants, lack of experience, etc.

ENVIRONMENTAL QUALITY

WHERE WE ARE WITH PAY EQUITY



COST OF TURNOVER

\$115K

per team member

Figured with 200% of annual salary

DEQ's cost of turnover is significant as it takes approximately three years to fully train staff.

Considerable amount of work and training is invested over 3 years so team members can obtain the knowledge and skills needed to succeed in their role.

WORKFORCE COMPETITION



North Dakota State Agencies,
Federal Government, and other
States Environmental Agencies



Private Industry including
Engineering and Environmental
Firms

INDUSTRY OUTLOOK: As North Dakota seeks to establish ourselves as an energy powerhouse, we need to work harder than ever to hold our high compliance rates steady. The more unique industry development we support, the more permits we need to approve in a timely manner, and questions we get from citizens. Continuous added federal regulations increase our need to educate and find innovative technical solutions to complex problems.

North Dakota Stockmen's Association
Testimony to the Senate Appropriations Committee on HB 1024
March 6, 2023

Good morning, Chairman Bekkedahl and members of the Senate Appropriations Committee. My name is Julie Ellingson and I represent the North Dakota Stockmen's Association, a 93-year-old beef cattle trade organization representing more than 3,150 North Dakota cattle-ranching families.

We support SB 1024 and, specifically, the grant for the association's Environmental Services Program. The Environmental Services Program is a statewide program launched in 2001 that helps cattle producers minimize air and water quality impacts and comply with state and federal environmental regulations. The program helps producers identify and implement cost-effective solutions that enhance the environment and their potential for profitability.

Since its debut and with support of the Department of Environmental Quality and the North Dakota Legislature, the program has been very effective. Our Environmental Services director has been invited onto nearly 720 beef cattle operations – at least one in each county – to conduct a free, confidential assessment of the animal feeding operation and to determine how it fits with state and federal regulations. From those on-site assessments, the director has also developed approximately 200 Stockmen's Stewardship Support Program and Environmental Quality Incentive Program contracts for cost-share assistance to help producers install appropriate animal waste handling systems and other best management practices and become permitted.

Even more impressive is how the program has helped reduce pollutants, such as suspended solids, nitrogen, phosphorus and fecal coli-form, from entering into waters of the state. Since 2001, it has helped permit more than 100,000 head of cattle and, more significantly, reduce nitrogen and phosphorus runoff on those operations.

The Stockmen's Association enjoys a strong working relationship with the DEQ. Because of our daily contact and close affiliation with the state's cattle producers, we are able to administer services and answer questions for folks who may not be inclined to contact a regulatory agency directly.

Cattle producers' livelihood and legacy depend on the way they care for their animals, the land they graze and the water they drink. Your support helps us enhance environmental stewardship in our state, which benefit this and future generations.

For these reasons, we ask for your favorable consideration of this program.

TESTIMONY OF

David Glatt, Director of NDDEQ and Beth Jacobson, Director of Accounting

Good morning, Chairman Dever and members of the Senate Appropriations Committee. My name is David Glatt, and I am director of the North Dakota Department of Environmental Quality (DEQ). With me today is the DEQ Director of Accounting, Beth Jacobson, who will present the DEQ's detailed budget information.

Our testimony today will highlight the following:

- Request to support FTE for an Assistant Director and a Human Resource Director.
- Request to support engineering service grant for Non-Point Source Pollution projects totaling \$200,000.
- Request to support increases for health insurance totaling just over \$120,000.
- Overview of budget detail schedules provided with this testimony.

FTE Considerations

The executive recommendation includes FTE and budget to support an Assistant Director and a Human Resource Director. The Assistant Director was the result of succession planning. This position would back up the director and oversee daily operations of the department. The Assistant Director will provide stability with the coordination of department-wide unified policies.

As stated in our previous testimony, the DEQ is considered a large-sized agency per Human Resource Management Services (HRMS)-HR tiers. Currently, the DEQ relies on HRMS for all our HR services. We are requesting a Human Resource Director to manage all recruitment, retention, and personnel issues for the DEQ. The positions are vital to our daily operations, and we would appreciate support to include these positions in our budget.

Non-Point Engineering

Since the 2001-03 biennium the DEQ has received \$200,000 from the State Water Commission, now Department of Water Resources to support engineering services associated with non-point source pollution management projects. We typically would submit an application to the Department of Water Resources and receive funding from the State Water Commission. This biennium, when we presented our application for funding to the State

Water Commission the Commission suggested that we directly receive the funds rather than go through the application process. We included \$200,000 in our budget as special funds in the grants line of which \$50,000 is designated for the North Dakota Stockmen's Association and \$150,000 is designated for soil conservation districts. At the time of budget, our understanding was this grant would be funded as a direct appropriation out of a special fund managed by Department of Water Resources. However, we recently discovered this was a misunderstanding and the funds should have been requested as general funds. At this time, we request your support to fund this grant with general funds.

Health Insurance Increase

When reviewing the salary and wages line we recently discovered a discrepancy in how the increase in health insurance cost for 23 positions were calculated. Positions that were uploaded into the new budget software that were vacant had a default benefit class. The positions with this default benefit class were not included when calculating the increase of health insurance. For the DEQ the amount totals just over \$120,000. I have included a detailed listing of the positions and amounts by funding source for consideration. .

Budget Detail Schedules

I have provided additional budget schedule which includes the following:

- Summary of budget by detailed line.
- Summary of federal funds budget broken out by program.
- Summary of special funds budget broken out by program.
- Detailed list of professional service contracts.
- Detailed list of information technology (IT) contractual services.
- Detail list of the grant line.
- Detailed list of equipment greater than \$5,000.
- Detailed list of extraordinary repairs.
- Detailed list of temporary and overtime salaries.

At this time, I would be happy to walk through the additional budget schedules or answer any questions you may have.

Summary of Positions Excluded from Health Insurance Increase

FTE	2021-23 Position Number	Health Insurance Increase	Increase House Bill 1411	Total	General Fund	Federal Funds	Special Funds
1	1740	5,144	118	5,262	1,244	2,702	1,316
1	30552	5,144	118	5,262	4,210	-	1,052
1	30553	5,144	118	5,262	1,312	582	3,368
1	30647	5,144	118	5,262	5,262	-	-
1	30975	5,144	118	5,262	4,210	-	1,052
1	Z0001Vacant	5,144	118	5,262	4,210	-	1,052
1	Z03031Vacant	5,144	118	5,262	5,262	-	-
1	6758	5,144	118	5,262	3,578	937	747
1	1761	5,144	118	5,262	973	4,289	-
1	1770	5,144	118	5,262	1,052	4,210	-
1	1683	5,144	118	5,262	-	-	5,262
1	1721	5,144	118	5,262	5,262	-	-
1	1865	5,144	118	5,262	-	526	4,736
1	1947	5,144	118	5,262	1,052	4,210	-
1	1830	5,144	118	5,262	-	-	5,262
1	1875	5,144	118	5,262	-	-	5,262
1	29510	5,144	118	5,262	1,021	-	4,241
1	30203	5,144	118	5,262	-	-	5,262
1	NEWP-135938	5,144	118	5,262	-	-	5,262
1	NEWP-645536	5,144	118	5,262	-	5,262	-
1	NEWP-604730	5,144	118	5,262	-	5,262	-
1	NEWP-993192	5,144	118	5,262	1,842	2,105	1,315
1	NEWP-998066	5,144	118	5,262	1,842	2,105	1,315
<u>23</u>		<u>118,312</u>	<u>2,721</u>	<u>121,026</u>	<u>42,332</u>	<u>32,190</u>	<u>46,504</u>

SALARIES AND WAGES
FTE EMPLOYEES (Number)

Salaries
Temporary, Overtime
Benefits
TOTAL

General Fund
Federal Funds
Special Funds

OPERATING EXPENSES

Travel
IT-Software/Supp.
Professional Supplies & Materials
Food & Clothing
Maintenance Supplies
Miscellaneous Supplies
Office Supplies
Postage
Printing
IT Equip Under \$5000
Other Equip Under \$5000
Office Equip Under \$5000
Utilities
Insurance
Lease/Rentals-Equipment
Lease/Rentals-Buildings/Land
Repairs
IT-Data Processing
IT-Telephone
IT-Contractual Services
Professional Development
Operating Fees & Services
Professional Services
Medical, Dental, and Optical

TOTAL
General Fund
Federal Funds
Special Funds

CAPITAL ASSETS

Other Capital Payments
Extraordinary Repairs
Equipment > \$5000
IT Equip > \$5000

TOTAL
General Fund
Federal Funds
Special Funds

GRANTS

Grants
TOTAL

General Fund
Federal Funds
Special Funds

TOTAL
General Fund
Federal Funds
Special Funds

	2019-21 Actual Expenditures	Expend To Date Dec 2022	2021-23 Base Budget	2023-25 Executive Budget	2023-25 House Budget	Base Budget + (-) Difference	Percent % Increase + Decrease -
FTE EMPLOYEES (Number)	165.50	170.00	166.00	173.00	171.00	5.00	3%
Salaries	18,791,728	15,209,576	21,859,426	25,273,025	24,230,213	2,370,787	11%
Temporary, Overtime	433,912	315,820	553,762	1,019,319	1,019,319	465,557	84%
Benefits	8,745,245	6,807,605	10,138,629	11,834,440	11,684,125	1,545,496	15%
TOTAL	27,970,885	22,333,002	32,551,817	38,126,784	36,933,657	4,381,840	13%
General Fund	9,648,340	7,580,637	9,920,187	11,258,770	10,871,217	951,030	10%
Federal Funds	10,312,520	6,630,775	10,342,574	12,994,764	12,573,671	2,231,097	22%
Special Funds	8,010,025	8,121,589	12,289,056	13,873,250	13,488,769	1,199,713	10%
OPERATING EXPENSES							
Travel	810,731	802,180	1,362,093	1,530,837	1,518,837	156,744	12%
IT-Software/Supp.	89,428	69,190	105,470	106,470	106,470	1,000	1%
Professional Supplies & Materials	81,303	90,206	164,595	173,672	171,672	7,077	4%
Food & Clothing	14,921	8,147	24,625	27,925	27,925	3,300	13%
Maintenance Supplies	42,650	37,509	70,148	70,148	70,148	-	0%
Miscellaneous Supplies	75,892	23,698	47,798	52,544	52,544	4,746	10%
Office Supplies	64,485	46,821	93,080	102,319	100,319	7,239	8%
Postage	165,638	137,562	166,100	197,040	197,040	30,940	19%
Printing	44,064	31,278	51,930	62,430	62,430	10,500	20%
IT Equip Under \$5000	35,054	11,305	45,300	29,600	29,600	(15,700)	-35%
Other Equip Under \$5000	25,875	31,493	30,650	77,050	77,050	46,400	151%
Office Equip Under \$5000	-	34,239	45,100	35,500	35,500	(9,600)	-21%
Utilities	269,044	226,039	311,420	336,720	336,720	25,300	8%
Insurance	20,125	29,788	37,000	37,000	37,000	-	0%
Lease/Rentals-Equipment	57,130	44,941	73,719	76,319	76,319	2,600	4%
Lease/Rentals-Buildings/Land	1,185,530	758,365	1,144,361	1,016,650	1,016,650	(127,711)	-11%
Repairs	733,189	574,954	768,160	831,167	831,167	63,007	8%
IT-Data Processing	578,883	674,922	926,301	1,168,958	1,161,958	235,657	25%
IT-Telephone	146,222	97,157	146,250	160,060	158,060	11,810	8%
IT-Contractual Services	412,145	530,217	1,775,132	5,404,246	5,404,246	3,629,114	204%
Professional Development	241,398	180,567	299,596	314,141	308,809	9,213	3%
Operating Fees & Services	275,580	329,236	416,770	428,130	428,130	11,360	3%
Professional Services	2,625,453	3,441,310	2,003,000	2,961,500	2,961,500	958,500	48%
Medical, Dental, and Optical	587,641	511,401	663,300	1,007,600	1,007,600	344,300	52%
TOTAL	8,582,381	8,722,523	10,771,898	16,208,026	16,177,694	5,405,796	50%
General Fund	1,876,700	1,316,813	2,648,507	3,404,032	3,393,417	744,910	28%
Federal Funds	4,432,184	4,736,033	4,694,412	8,256,399	8,244,266	3,549,854	76%
Special Funds	2,273,497	2,669,677	3,428,979	4,547,595	4,540,011	1,111,032	32%
CAPITAL ASSETS							
Other Capital Payments	216,808	77,016	119,972	-	-	(119,972)	
Extraordinary Repairs	65,013	-	24,000	24,000	24,000	-	0%
Equipment > \$5000	1,076,997	352,305	1,093,200	1,144,500	1,144,500	51,300	5%
IT Equip > \$5000	525,595	-	10,000	-	-	(10,000)	
TOTAL	1,884,413	429,321	1,247,172	1,168,500	1,168,500	(78,672)	-6%
General Fund	317,280	90,369	64,381	4,800	4,800	(59,581)	-93%
Federal Funds	429,957	231,960	501,291	571,700	571,700	70,409	14%
Special Funds	1,137,176	106,993	681,500	592,000	592,000	(89,500)	-13%
GRANTS							
Grants	8,239,080	8,493,019	15,060,118	36,838,118	36,838,118	21,778,000	145%
TOTAL	8,239,080	8,493,019	15,060,118	36,838,118	36,838,118	21,778,000	145%
General Fund	21,363	12,194	28,000	20,000	20,000	(8,000)	-29%
Federal Funds	6,231,206	4,824,805	10,047,000	31,833,000	31,833,000	21,786,000	217%
Special Funds	1,986,511	3,656,020	4,985,118	4,985,118	4,985,118	-	0%
TOTAL	46,676,759	39,977,865	59,631,005	92,341,428	91,117,969	31,486,964	53%
General Fund	11,863,683	9,000,013	12,661,075	14,687,602	14,289,434	1,628,359	13%
Federal Funds	21,405,867	16,423,573	25,585,277	53,655,863	53,222,637	27,637,360	108%
Special Funds	13,407,209	14,554,279	21,384,653	23,997,963	23,605,898	2,221,245	10%

Summary of Federal Funds

Federal Funds	2021-23 Base Budget	Base Budget Inc / (Dec)	Director's Office & Accounting	SRF IJJA & Lead & Copper	Environmental Data System	Executive Compensation	House Changes Compensation	Remove 2FTE Asst Dir & HR	2023-25 Budget
EPA PM2.5 Monitoring Grant	333,760	(79,990)	3,360	-	-	7,720	(1,382)	(1,847)	261,621
State Clean Diesel Grant	800,000	-	-	-	-	-	-	-	800,000
Supplemental Water Quality Monitoring Grant	837,539	2,461	9,710	-	-	16,210	(2,903)	(5,338)	857,679
Assistance for Small & Disadvantaged Communities Drinking Water Grant	152,000	448,000	-	-	-	-	-	-	600,000
Lead in Schools and Childcare Grant	181,162	218,838	-	-	-	-	-	-	400,000
Water Quality Management Grant	287,200	(8,500)	5,730	-	-	13,265	(2,375)	(3,150)	292,170
Nonpoint Source Implementation Grant	10,812,686	(25,036)	55,145	-	-	121,980	(21,844)	(30,318)	10,912,613
Drinking Water State Revolving Fund Grant	-	1,273,047	13,380	-	-	25,370	(4,543)	(7,356)	1,299,898
Performance Partnership Grant	8,743,233	437,667	282,268	-	-	645,209	(115,541)	(155,186)	9,837,650
Performance Partnership Grant-Multipurpose	410,000	(223,000)	-	-	-	-	-	-	187,000
Environmental Exchange State Grant	617,816	13,684	4,480	-	251,000	10,100	(1,809)	(2,463)	892,808
Underground Storage Tank Prevention Grant	660,271	(271)	19,150	-	-	44,260	(7,926)	(10,528)	704,956
Leaking Underground Storage Tank (LUST) Grant	1,231,762	(133,762)	21,260	-	-	49,170	(8,805)	(11,688)	1,147,937
Targeted Brownfield Grant	325,783	34,217	12,130	-	-	21,350	(3,823)	(6,670)	382,987
Radiation & Mammography Program	192,065	(2,065)	4,715	-	-	9,320	(1,670)	(2,592)	199,773
Solid Waste Infrastructure for Recycling Grant	-	-	-	-	350,000	-	-	-	350,000
IJJA-Coal Combustion Residual Grant	-	300,000	-	-	-	-	-	-	300,000
IJJA-Water Quality Management Grant	-	320,000	-	-	50,000	-	-	-	370,000
IJJA-Targeted Brownfield Grant	-	480,000	-	-	-	-	-	-	480,000
IJJA-Drinking Water State Revolving Fund Grant	-	-	31,030	1,315,557	-	35,790	(6,409)	(17,060)	1,358,908
IJJA-Clean Water State Revolving Fund Grant	-	-	-	337,637	-	-	-	-	337,637
IJJA-Sewer Overflow and Stormwater Reuse Municipal Grant	-	-	-	1,000,000	-	-	-	-	1,000,000
IJJA-Assistance for Small and Disadvantaged Communities Drinking	-	-	-	20,000,000	-	-	-	-	20,000,000
ARPA-EPA PM2.5 Monitoring Grant	-	249,000	-	-	-	-	-	-	249,000
Total Federal Funds	\$ 25,585,277	\$ 3,304,290	\$ 462,358	\$ 22,653,194	\$ 651,000	\$ 999,744	\$ (179,030)	\$ (254,196)	\$ 53,222,637

Summary of Special Funds

Special Funds	2021-23 Base Budget	Base Budget Inc / (Dec)	Director's Office & Accounting	SRF IJJA & Lead & Copper	Environmental Data System	Executive Compensation	House Changes Compensation	Remove 2FTE Asst Dir & HR	2023-25 Budget
Air Contaminant Fees	2,765,607	95,376	48,080	-	-	212,858	(43,542)	(29,603)	3,048,776
Oil and Gas Registration Fees	809,535	777	15,029	-	-	64,620	(13,219)	(9,253)	867,489
Volkswagen Settlement	4,485,118	-	-	-	-	-	-	-	4,485,118
Chemistry Laboratory Analysis Fees	1,577,961	-	-	402,662	-	40,433	(8,271)	-	2,012,785
Environment & Rangeland Protection Fund	250,000	-	2,498	-	-	9,997	(2,045)	(1,538)	258,912
North Dakota Water Commission	200,000	-	-	-	-	-	-	-	200,000
Sanitary Pumper Fees	47,008	(1,500)	907	-	-	4,237	(867)	(558)	49,227
Water Quality Monitoring Conference	3,730	11,500	-	-	-	-	-	-	15,230
Operator Certificate Fund	27,165	98,135	2,626	-	-	11,918	(2,438)	(1,617)	135,789
Clean Water State Revolving Fund	1,852,281	(23,549)	27,803	-	428,444	100,520	(20,562)	(17,118)	2,347,819
Drinking Water State Revolving Fund	2,900,000	(146,471)	60,103	-	-	242,665	(49,640)	(37,006)	2,969,651
Radiation Control Licensing Fees	2,970,671	(96,171)	48,993	-	100,000	222,886	(45,593)	(30,165)	3,170,621
Solid Waste Permitting Fees	358,000	40,700	5,405	-	75,000	24,363	(4,984)	(3,328)	495,156
Large Volume Landfill Fees	1,037,000	77,000	19,231	-	75,000	81,047	(16,579)	(11,841)	1,260,858
Abandoned Motor Vehicle Fund	250,000	100,000	-	-	-	-	-	-	350,000
Asbestos & Lead Base Fees	123,000	-	995	-	-	4,592	(939)	(613)	127,035
LUST Trust -Petroleum Tank Release Fund	130,528	(8,528)	536	-	-	5,252	(1,074)	(330)	126,384
Petroleum Tank Release Compensation Fund	643,455	(52,235)	7,964	-	-	32,343	(6,616)	(4,903)	620,008
Boiler Inspection & Certification Fees	953,594	39,171	17,870	-	-	82,228	(16,820)	(11,003)	1,065,040
Total Special Funds	\$ 21,384,653	\$ 134,205	\$ 258,040	\$ 402,662	\$ 678,444	\$ 1,139,959	\$ (233,189)	\$ (158,876)	\$ 23,605,898

Professional Services

Description	2021-23 Base Budget	Increase / (Decrease)	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Legal	587,300	71,200	658,500	151,239	283,387	223,874
Air Quality Consultation	9,000	(9,000)	-	-	-	-
Air Quality Monitoring Site Operators	10,000	-	10,000	-	10,000	-
Chemistry Laboratory Proficiency Testing	20,000	5,000	25,000	7,630	16,068	1,302
Chemistry Laboratory Certification	13,200	1,800	15,000	4,578	9,640	782
Water Quality Micro Analysis	268,000	(9,000)	259,000	7,856	244,297	6,847
Lead in Schools & Childcare Consultant	25,000	375,000	400,000	-	400,000	-
Emerging Contaminate Lab Testing	50,000	26,000	76,000	2,268	73,732	-
Radon Public Education	110,000	(100,000)	10,000	-	-	10,000
Large Volume Landfill	38,000	(30,000)	8,000	-	-	8,000
Leaking Underground Storage Tank						
Engineering Fees	594,500	(39,500)	555,000	-	499,500	55,500
Targeted Brownfields	193,000	407,000	600,000	-	600,000	-
Abandoned Auto Towing	-	100,000	100,000	-	-	100,000
Petroleum Tank Compensation Insurance						
Underwriting/Legal	65,000	-	65,000	-	-	65,000
Hazardous Materials Training	20,000	-	20,000	4,589	7,885	7,526
Environmental Justice Translation Services	-	10,000	10,000	3,500	4,000	2,500
IJA Lead Service Line Awareness Campaign	-	150,000	150,000	-	150,000	-
Total Professional Services	\$ 2,003,000	\$ 958,500	\$ 2,961,500	\$ 181,660	\$ 2,298,509	\$ 481,331

Information Technology (IT) Contractual Services

Description	2021-23 Base Budget	Increase / (Decrease)	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Combined Environmental Regulatory Information System (CERIS) Maintenance & Licensing	256,000	5,800	261,800	261,800	-	-
State and Local Emissions Inventory System Maintenance	110,000	-	110,000	12,100	48,400	49,500
Air Quality Database Development & Maintenance	14,000	6,000	20,000	-	20,000	-
Chemistry Laboratory Information Management System Maintenance	5,000	275,000	280,000	280,000	-	-
Surface Water Mapping Tool Maintenance	10,000	-	10,000	1,571	7,060	1,369
ND Pollutant Discharge Elimination System Maintenance	10,000	-	10,000	1,418	8,582	-
ND Pollutant Discharge Elimination System Development	343,732	525,444	869,176	-	107,000	762,176
Non Point 319 Database Maintenance	-	205,000	205,000	129,140	63,539	12,321
Groundwater and Watershed Management Data System	-	215,000	215,000	35,000	180,000	-
Municipal Facilities Inspections Database Maintenance	20,000	390,000	410,000	-	380,000	30,000
Municipal Facilities Drinking Water Public Facing	-	450,000	450,000	-	425,000	25,000
Municipal Facilities Safe Drinking Water Information System	100,000	230,000	330,000	6,000	224,000	100,000
Municipal Facilities State Revolving Fund Development and Maintenance	172,500	207,500	380,000	-	259,056	120,944
Municipal Facilities Operator Certification Database	-	80,000	80,000	-	80,000	-
Indoor Air Radiation System Development & Maintenance	25,000	15,000	40,000	-	40,000	-
Lead and Asbestos System	-	30,200	30,200	-	22,758	7,442
Waste Management Leaking Underground Storage Trust Maintenance	47,000	119,500	166,500	36,375	128,025	2,100
Coal Combustion Residuals State and Territorial Grant	-	170,000	170,000		170,000	
Waste Management Solid Waste Development and Maintenance	50,000	600,000	650,000	17,957	350,000	282,043
Boiler Inspection Database	16,900	12,670	29,570	-	-	29,570
Petroleum Tank Database Development & Maintenance	110,000	(40,000)	70,000	-	-	70,000
Information Exchange System Development & Maintenance	485,000	32,000	517,000	-	517,000	-
Accounting Electronic System Development	-	100,000	100,000	47,475	33,715	18,810
Total IT Contractual Services	\$ 1,775,132	\$ 3,629,114	\$ 5,404,246	\$ 828,836	\$ 3,064,135	\$ 1,511,275

Grant Line Item

Description	2021-23 Base Budget	Increase / (Decrease)	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Clean Diesel Grants	800,000	-	800,000	-	800,000	-
Volkswagen Settlement Grants	4,485,118	-	4,485,118	-		4,485,118
Water Development Trust Fund Grants	200,000	-	200,000	-		200,000
Environmental Rangeland Protection Trust Fund to ND Stockmen's Association	50,000	-	50,000	-		50,000
604 B Water Quality Management Program	110,000	120,000	230,000	-	230,000	-
106 Water Quality Monitoring Grants	400,000	-	400,000	-	400,000	-
319 Nonpoint Source	8,600,000	48,000	8,648,000	-	8,648,000	-
Water Pollution Grants to LPH (EPA PPG)	50,000	-	50,000	-	50,000	-
Assistance for Small and Disadvantaged Communities Drinking Water	-	20,600,000	20,600,000	-	20,600,000	-
Public Water Control (EPA PPG)	90,000	10,000	100,000	20,000	80,000	-
Sewer Overflow and Stormwater Reuse Municipal Grants	-	1,000,000	1,000,000	-	1,000,000	-
Abandoned Vehicle Grants	250,000	-	250,000	-		250,000
Radon Grants (EPA PPG)	25,000	-	25,000	-	25,000	-
Total Grants	\$ 15,060,118	\$ 21,778,000	\$ 36,838,118	\$ 20,000	\$ 31,833,000	\$ 4,985,118

EPA PPG - Environmental Protection Agency (EPA) Performance Partnership Grant

LPH - Local Public Health

Equipment > \$5,000

Description\Narrative	Quantity	Base Price	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Nitrogen Oxide Analyzer	9	14,500	130,500	-	130,500	-
Ozone Analyzer	9	16,500	148,500	-	84,000	64,500
Sulfur Dioxide (SO2) Analyzer	7	14,000	98,000	-	98,000	-
Particulate Mass Analyzer	1	28,000	28,000	-	28,000	-
Dilution Calibrator	1	25,000	25,000	-	25,000	-
Post Column Reaction System for Glyphosate	1	30,000	30,000	-	-	30,000
Self Contained Hood for Cyanotoxin	1	30,000	30,000	-	-	30,000
Gas Chromatograph with Electron Capture Detector	1	55,000	55,000	-	-	55,000
Flow Injection Analyzer (FIA) for Nutrient Analyses	3	45,000	135,000	-	45,000	90,000
Purge and Trap System for Volatiles	1	82,500	82,500	-	-	82,500
Ion Chromatograph for Bromides	1	88,000	88,000	-	-	88,000
Inductively Coupled Plasma-Optical Emission Spectrometer (ICPOES) for Major cations (WQP)	1	110,000	110,000	-	-	110,000
Inductively Coupled Plasma-Mass Spectrometer for Lead and Copper	1	110,000	110,000	-	110,000	-
Flat Bottom John Boat with Trailer	1	10,000	10,000	-	10,000	-
Enclosed ATV Trailer	1	10,000	10,000	-	10,000	-
Water Quality Multiparameter Meter	1	12,000	12,000	-	12,000	-
Copier	1	6,000	6,000			6,000
Radiation Survey Equipment	2	5,500	11,000			11,000
X-ray Fluorescence Analyzer	1	25,000	25,000			25,000
Total Equipment > \$5,000			\$ 1,144,500	\$ -	\$ 552,500	\$ 592,000

Extraordinary Repairs

Environmental Training Center

Description	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Re-Carpet Office Area	12,000	2,400	9,600	-
Replace Sound System	7,000	1,400	5,600	-
Replace Deteriorating Doors	5,000	1,000	4,000	-
Total Environmental Training Center	\$ 24,000	\$ 4,800	\$ 19,200	\$ -

Temporary / Overtime Salaries

Duties / Timeframe	2021-23 Base Budget	Increase / (Decrease)	2023-25 Executive Budget	2023-25 General Fund	2023-25 Federal Funds	2023-25 Special Funds
Temporary dollars to assist with Air Quality Monitoring. These costs are ongoing.	137,280	71,647	208,927	23,941	90,064	76,002
Temporary dollars to hire summer staff to handle the increased sample workload. Staff are typically students to assist with sample preparation & analysis. Costs are ongoing for the Chemistry Lab.	109,692	-	109,692	64,917	21,241	23,534
Temporary dollars to hire staff during the summer for water quality sampling, office, and lab work. These costs are ongoing.	82,500	85,250	167,750	50,831	83,369	18,300
Temporary and overtime dollars in Municipal Facilities Division to assist with plan review, sampling and administrative work. These costs are ongoing.	27,940	7,700	35,640	35,640	-	-
Temporary and overtime dollars in Municipal Facilities Division to assist with plan review, sampling and administrative work for the IJJA Grants.	-	274,560	274,560	-	274,560	-
Temporary dollars to for radiation and mammography inspections. These cost are ongoing.	94,600	26,400	121,000	16,500	88,000	5,500
Temporary dollars for paralegal services. These cost are ongoing.	33,000	-	33,000	10,500	12,000	7,500
Temporary dollars to assist with quality assurance and environmental issues. These costs are ongoing.	68,750	-	68,750	21,875	25,000	15,625
Total Temporary and Overtime	\$ 553,762	\$ 465,557	\$ 1,019,319	\$ 224,204	\$ 594,234	\$ 146,461

ATTACHMENT A	FTE	Salaries & Wages	Operating Expenses	Capital Assets	Grants	Total	General Fund Ongoing	General Fund One-time	Other Fund Ongoing	Other Fund One-time	Total
1 Base Level Budget	166	32,551,817	10,771,898	1,247,172	15,060,118	59,631,005	12,661,075	-	46,969,930	-	59,631,005
Cost to Continue Salary											
2 Increase	-	231,457	-	-	-	231,457	81,541	-	149,916	-	231,457
Executive Compensation Package Salary & Health Insurance (HI)	-	3,037,187	-	-	-	3,037,187	897,484	-	2,139,703	-	3,037,187
NDIT Telephone & Data Processing Increase	-	-	223,221	-	-	223,221	136,379	-	86,842	-	223,221
Adjustment to Remove Capital Bond	-	-	-	(119,972)	-	(119,972)	(59,581)	-	(60,391)	-	(119,972)
Cost to Continue Adjustments Federal	-	259,515	2,338,313	(113,700)	778,000	3,262,128	-	-	3,262,128	-	3,262,128
LIMS Licensing & Maintenance Decision Package	-	-	280,000	-	-	280,000	280,000	-	-	-	280,000
Chemistry Laboratory Inflation Decision Package	-	-	116,800	-	-	116,800	-	116,800	-	-	116,800
Director's Office & Accounting Decision Package	4	1,042,302	66,000	-	-	1,108,302	387,904	-	720,398	-	1,108,302
IIJA and Lead & Copper Decision Package	3	1,004,506	896,350	155,000	21,000,000	23,055,856	-	-	22,553,506	502,350	23,055,856
Data System Decision Package	-	-	1,515,444	-	-	1,515,444	115,000	71,000	35,000	1,294,444	1,515,444
Remove HR Director & Assistant Director	(2)	(605,162)	(30,332)	-	-	(635,494)	(222,422)	-	-	(413,072)	(635,494)
House Adjustment to Executive Compensation											
13 4% & 4% & HI Increase	-	(587,965)	-	-	-	(587,965)	(175,746)	-	(412,219)	-	(587,965)
2023-2025 House Recommendation	171	36,933,657	16,177,694	1,168,500	36,838,118	91,117,969	14,101,634	187,800	75,444,813	1,383,722	91,117,969
Total Executive Changes to Base Level Budget	5	4,381,840	5,405,796	(78,672)	21,778,000	31,486,964	1,440,559	187,800	28,474,883	1,383,722	31,486,964

23.0253.02001
Title.

Prepared by the Legislative Council staff for
Representative Stemen
March 2, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1024

Page 2, after line 13, insert:

"SECTION 3. APPROPRIATION - FEDERAL FUNDS - LEAD PIPE REMOVAL AND CLEAN WATER PROJECT GRANTS. There is appropriated from federal funds, not otherwise appropriated, the sum of \$25,000,000, or so much of the sum as may be necessary, to the department of environmental quality for the purpose of providing grants to political subdivisions with a population of ten thousand or less for lead pipe removal and other projects eligible for funding from the clean water state revolving loan fund for the biennium beginning July 1, 2023, and ending June 30, 2025. The department shall require a political subdivision grant recipient to provide twenty-five percent matching funds and the department may not award grants in excess of \$5,000,000 to a political subdivision."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment appropriates \$25 million from federal funds to the Department of Environmental Quality for grants to political subdivisions with a population of 10,000 or less for lead pipe removal and other projects eligible for funding from the clean water state revolving loan fund.

Department of Environmental Quality - Budget No. 303
House Bill No. 1024
Base Level Funding Changes

	Executive Budget Recommendation				House Version				House Changes to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease) - Executive Budget			
									FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	166.00	\$12,661,075	\$46,969,930	\$59,631,005	166.00	\$12,661,075	\$46,969,930	\$59,631,005	0.00	\$0	\$0	\$0
2023-25 Ongoing Funding Changes												
Cost to continue salary increase		\$81,541	\$149,916	\$231,457		\$81,541	\$149,916	\$231,457				\$0
Adds funding from federal funds for base budget adjustments, including increases in salaries and wages (\$259,515), operating expenses (\$2,338,313), and grants (\$778,000) and a decrease in capital assets of \$113,700			3,262,128	3,262,128			3,262,128	3,262,128				0
Salary increase		673,222	1,602,721	2,275,943		492,317	1,178,150	1,670,467		(180,905)	(424,571)	(605,476)
Health insurance increase		224,262	536,982	761,244		229,421	549,334	778,755		5,159	12,352	17,511
Adds funding from federal and special funds for 1 FTE natural resource services III position and related operating expenses of \$7,500	1.00		226,162	226,162	1.00		226,162	226,162				0
Adds funding from federal funds for 2 FTE engineering and planning services VI positions and related operating expenses of \$97,500	2.00		608,784	608,784	2.00		608,784	608,784				0
Adds funding, including funding from federal and special funds, for 1 FTE human resource director position in the Office of the Director and related operating expenses of \$15,165	1.00	94,718	175,903	270,621				0	(1.00)	(94,718)	(175,903)	(270,621)
Adds funding, including funding from federal and special funds, for 1 FTE assistant director in the Office of the Director and related operating expenses of \$15,167	1.00	127,704	237,169	364,873				0	(1.00)	(127,704)	(237,169)	(364,873)
Adds funding, including funding from federal and special funds, for 1 FTE civil rights and environmental justice position in the Office of the Director and related operating expenses of \$25,168	1.00	85,341	158,491	243,832	1.00	85,341	158,491	243,832				0
Adds funding, including funding from federal and special funds, for 1 FTE accountant budget specialist III position in the Office of the Director and related operating expenses of \$10,500	1.00	80,141	148,835	228,976	1.00	80,141	148,835	228,976				0

Increases federal funding for temporary salaries related to lead line inventory		274,560	274,560		274,560	274,560					0	
Adds funding for operating expenses related to LIMS maintenance and hosting	280,000		280,000	280,000		280,000					0	
Adds funding for operating expenses related to ITD rate increases	136,379	86,842	223,221	136,379	86,842	223,221					0	
Adds funding from special funds for operating expenses related to lead and copper testing		184,000	184,000		184,000	184,000					0	
Increases federal funding for operating expenses related to printing lead and copper program materials		10,000	10,000		10,000	10,000					0	
Adds federal funding for operating expenses related to ongoing licensing and maintenance of the drinking water system database		100,000	100,000		100,000	100,000					0	
Adds federal funding for operating expenses for professional services related to lead line service replacement project		150,000	150,000		150,000	150,000					0	
Adds funding, including federal funds, for operating expenses related to environmental data system maintenance	115,000	35,000	150,000	115,000	35,000	150,000					0	
Removes funding, including funding from federal funds, for 2021-23 biennium bond payment	(59,581)	(60,391)	(119,972)	(59,581)	(60,391)	(119,972)					0	
Adds federal funding for grants related to Infrastructure Investment and Jobs Act (IIJA) municipal facilities and lead and copper programs		21,000,000	21,000,000		21,000,000	21,000,000					0	
Total ongoing funding changes	7.00	\$1,838,727	\$28,887,102	\$30,725,829	5.00	\$1,440,559	\$28,061,811	\$29,502,370	(2.00)	(\$398,168)	(\$825,291)	(\$1,223,459)
One-Time Funding Items												
Adds one-time funding for operating expenses related to chemistry laboratory inflation		\$116,800	\$116,800	\$116,800	\$116,800	\$116,800					0	
Adds one-time funding from federal funds for operating expenses related to administering the IIJA municipal facilities revolving loan fund, including office and IT equipment		\$22,350	22,350	\$22,350	22,350	22,350					0	
Adds one-time funding from federal funds for operating expenses to upgrade the drinking water program portal		325,000	325,000	325,000	325,000	325,000					0	
Adds one-time funding for operating expenses, including funding from federal and special funds, for environmental data system development	71,000	1,294,444	1,365,444	71,000	1,294,444	1,365,444					0	

Adds one-time funding from federal funds for equipment over \$5,000 related to administering IJA municipal facilities revolving loan fund			155,000	155,000		155,000	155,000				0	
Total one-time funding changes	0.00	\$187,800	\$1,796,794	\$1,984,594	0.00	\$187,800	\$1,796,794	\$1,984,594	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	7.00	\$2,026,527	\$30,683,896	\$32,710,423	5.00	\$1,628,359	\$29,858,605	\$31,486,964	(2.00)	(\$398,168)	(\$825,291)	(\$1,223,459)
2023-25 Total Funding	173.00	\$14,687,602	\$77,653,826	\$92,341,428	171.00	\$14,289,434	\$76,828,535	\$91,117,969	(2.00)	(\$398,168)	(\$825,291)	(\$1,223,459)
<i>Federal funds included in other funds</i>			\$53,655,863				\$53,203,600				(\$452,263)	
<i>Total ongoing changes as a percentage of base level</i>	4.2%	14.5%	61.5%	51.5%	3.0%	11.4%	59.7%	49.5%				
<i>Total changes as a percentage of base level</i>	4.2%	16.0%	65.3%	54.9%	3.0%	12.9%	63.6%	52.8%				

Other Sections in Department of Environmental Quality - Budget No. 303

	<u>Executive Budget Recommendation</u>	<u>House Version</u>
Environment and rangeland protection fund	Section 3 would authorize the department to spend \$250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	Section 3 authorizes the department to spend \$250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, \$50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.
Petroleum release compensation fund	Section 4 would authorize the department to spend \$748,169 from the petroleum release compensation fund for expenses related to the petroleum tank release program.	Section 4 authorizes the department to spend \$742,080 from the petroleum release compensation fund for expenses related to the petroleum tank release program.
Environmental quality restoration fund and fund revenues	Sections 5 and 6 would remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.	Sections 5 and 6 remove the balance requirement in the environmental quality restoration fund to receive deposits and provide if, on the 1st day of July in any year, the amount of uncommitted or unrestricted money in the environmental quality restoration fund is more than \$5 million, the amount in excess of \$5 million must be transferred to the general fund.

Summary of DEQ Operating Special Fund Balances Fund 485

Fund 485 - Restricted	Ending Balance 2017-19	Ending Balance 2019-21
Air Contaminant Fees Major Title V-Restricted per EPA Title V Program Requirements*	201,732	1,002,151
Volkswagen Settlement-Restricted per Trust Agreement	-	4,340,887
Exchange Network-Special Fund Award from BUSH Foundation	5,000	-
LUST Trust Cost Recovery-Restricted for remediation	324,901	324,901
Radiation Health-Restricted US Nuclear Regulatory Commission	1,829,676	2,191,946
Total	\$ 2,361,310	\$ 7,859,885

Fund 485	Ending Balance 2017-19	Ending Balance 2019-21
AQ-Air Quality Oil & Gas/Minor	148,116	23,385
CL-Chemistry Lab Analysis Fees	160,848	209,053
WQ-Water Commission WDTF	-	-
WQ-Sanitary Pumper	102,705	80,905
WQ-Water Quality Monitoring Conference	-	2,171
MF-Drinking Water State Revolving Fund**	-	(297,432)
MF-Clean Water State Revolving Fund**	-	(146,997)
WM-Solid Waste Permitting Fees	9,180	124,036
WM-Large Volume Landfills	229,328	374,242
WM-Air Contaminant-Asbestos/Lead	430	116,644
DO-Boiler Inspection Program	-	373,438
Total	\$ 650,607	\$ 859,445
Total Fund 485	\$ 3,011,917	\$ 8,719,329

*EPA regularly conducts audits on this program including fees, appropriate expenditures, and permit fee rates.

**Funds are transferred by Public Finance Authority/Bank of North Dakota. Transfer missed cutoff but after transfer fund balance was zero.



Environmental Quality

Testimony in Support of
House Bill No. 1024
 Senate Appropriation Committee
 March 21, 2023

Indirect Cost Summary

Fund	FY20 Indirect	FY21 Indirect	FY22 Indirect	Total	2023-25 Budgeted Indirect
General Fund	106,864	190,565	282,632	580,061	522,675
Fire and Tornado Special Fund - 211	41,996	32,575	-	74,571	-
Petroleum Tank Release Compensation Fund - 233	9,392	1,137	14,049	24,578	28,280
Environmental Rangeland Protection Fund - 376	12,393	1,172	9,511	23,077	12,500
DEQ Operating Special Fund - 485	319,311	355,329	457,330	1,131,971	844,650
Lead in Schools and Childcare Grant	780	3,491	363	4,634	-
Radiation & Mammography Program	2,710	12,523	9,493	24,727	20,000
PM2.5 Air Monitoring Grant	2,875	6,891	2,933	12,699	10,000
Water Quality Management Grant	5,547	4,493	5,282	15,322	12,000
IJA-Drinking Water State Revolving Fund Grant	-	-	-	-	85,000
Drinking Water State Revolving Fund Grant	99,332	42,441	-	141,774	-
Supplemental Water Quality Monitoring Grant	7,965	9,235	10,361	27,561	30,000
Nonpoint Source Implementation Grant	47,231	63,731	43,305	154,266	137,000
Targeted Brownfield Grant	6,321	7,721	8,129	22,171	17,000
Leaking Underground Storage Tank (LUST) Grant	24,762	10,233	21,678	56,674	45,000
Environmental Exchange State Grant	8,112	6,318	4,840	19,270	12,000
Underground Storage Tank Prevention Grant	20,848	31,387	23,630	75,865	50,000
Performance Partnership Grant	335,376	312,796	298,337	946,508	775,700
Coal Combustion Residual Grant	-	-	-	-	7,800
Total	\$ 1,051,815	\$ 1,092,038	\$ 1,191,874	\$ 3,335,727	\$ 2,609,605

IJA - Infrastructure Investment and Jobs Act

23.0253.02002
Title.03000

Prepared by the Legislative Council staff for
the Senate Appropriations - Human Resources
Division Committee

Fiscal No. 1

April 4, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1024

Page 1, line 2, remove the first "and"

Page 1, line 4, after "fund" insert "and to provide for an exemption"

Page 1, replace lines 14 through 21 with:

"Salaries and wages	\$32,551,817	\$4,553,049	\$37,104,866
Operating expenses	10,771,898	6,475,528	17,247,426
Capital assets	1,247,172	(78,672)	1,168,500
Grants	<u>15,060,118</u>	<u>22,138,000</u>	<u>37,198,118</u>
Total all funds	\$59,631,005	\$33,087,905	\$92,718,910
Less estimated income	<u>46,969,930</u>	<u>29,966,956</u>	<u>76,936,886</u>
Total general fund	\$12,661,075	\$3,120,949	\$15,782,024
Full-time equivalent positions	166.00	7.00	173.00"

Page 1, line 22, after "FUNDING" insert "- **EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-NINTH LEGISLATIVE ASSEMBLY**"

Page 2, line 19, replace "\$742,080" with "\$723,595"

Page 3, after line 19, insert:

"SECTION 7. EXEMPTION - LABORATORY INFORMATION MANAGEMENT SYSTEM. The sum of \$1,000,000, appropriated from the general fund for the laboratory information management system in section 1 of chapter 52 of the 2021 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the laboratory information management system during the biennium beginning July 1, 2023, and ending June 30, 2025."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1024 - Department of Environmental Quality - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$32,551,817	\$36,933,657	\$171,209	\$37,104,866
Operating expenses	10,771,898	16,177,694	1,069,732	17,247,426
Capital assets	1,247,172	1,168,500		1,168,500
Grants	<u>15,060,118</u>	<u>36,838,118</u>	360,000	<u>37,198,118</u>
Total all funds	\$59,631,005	\$91,117,969	\$1,600,941	\$92,718,910
Less estimated income	<u>46,969,930</u>	<u>76,828,535</u>	108,351	<u>76,936,886</u>
General fund	\$12,661,075	\$14,289,434	\$1,492,590	\$15,782,024
FTE	166.00	171.00	2.00	173.00

Department 303 - Department of Environmental Quality - Detail of Senate Changes

	Adds Funding for Salary and Benefit Increases ¹	Removes Salary Funding for Funding Pool ²	Adds Funding for Health Insurance Increases for Vacant Positions ³	Adds Salary Equity Funding to Reclassify Positions ⁴	Adds 1 FTE Human Resource Director Position ⁵	Adds 1 FTE Assistant Director Position ⁶
Salaries and wages	\$587,965	(\$3,743,544)	\$121,026	\$2,000,000	\$255,456	\$349,706
Operating expenses					15,165	15,167
Capital assets						
Grants						
Total all funds	\$587,965	(\$3,743,544)	\$121,026	\$2,000,000	\$270,621	\$364,873
Less estimated income	412,219	(2,795,634)	78,694	0	175,903	237,169
General fund	\$175,746	(\$947,910)	\$42,332	\$2,000,000	\$94,718	\$127,704
FTE	0.00	0.00	0.00	0.00	1.00	1.00

	Adds Funding for Federal Climate Pollution Reduction Act Grant ⁷	Total Senate Changes
Salaries and wages	\$600,600	\$171,209
Operating expenses	1,039,400	1,069,732
Capital assets		
Grants	360,000	360,000
Total all funds	\$2,000,000	\$1,600,941
Less estimated income	2,000,000	108,351
General fund	\$0	\$1,492,590
FTE	0.00	2.00

¹ Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$180,905	\$424,571	\$605,476
Health insurance increase	(5,159)	(12,352)	(17,511)
Total	\$175,746	\$412,219	\$587,965

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

² Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	(\$364,806)	(\$1,407,442)	(\$1,772,248)
Vacant FTE positions	(583,104)	(1,388,192)	(1,971,296)
Total	(\$947,910)	(\$2,795,634)	(\$3,743,544)

³ Funding is added for health insurance increases for vacant positions that was not included in the executive recommendation or the House version.

⁴ Equity funding is added to increase salaries and wages to reclassify chemist and environmental scientist positions. The funding is provided in addition to equity funding included in the salary equity pool appropriated to the Office of Management and Budget. The House did not include funding to reclassify positions.

⁵ Funding, including funding from federal and special funds, is added for 1 FTE human resource director position in the Office of the Director and related operating expenses.

⁶ Funding, including funding from federal and special funds, is added for 1 FTE assistant director in the Office of the Director and related operating expenses.

⁷ Federal funding is added for a Climate Pollution Reduction Act grant.

This amendment also adds an exemption to allow the department to continue unexpended one-time funding provided during the 2021-23 biennium for the laboratory information management system project.

23.0253.02001
Title.

Prepared by the Legislative Council staff for
Representative Stemen
March 2, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1024

Page 2, after line 13, insert:

"SECTION 3. APPROPRIATION - FEDERAL FUNDS - LEAD PIPE REMOVAL AND CLEAN WATER PROJECT GRANTS. There is appropriated from federal funds, not otherwise appropriated, the sum of \$25,000,000, or so much of the sum as may be necessary, to the department of environmental quality for the purpose of providing grants to political subdivisions with a population of ten thousand or less for lead pipe removal and other projects eligible for funding from the clean water state revolving loan fund for the biennium beginning July 1, 2023, and ending June 30, 2025. The department shall require a political subdivision grant recipient to provide twenty-five percent matching funds and the department may not award grants in excess of \$5,000,000 to a political subdivision."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment appropriates \$25 million from federal funds to the Department of Environmental Quality for grants to political subdivisions with a population of 10,000 or less for lead pipe removal and other projects eligible for funding from the clean water state revolving loan fund.