

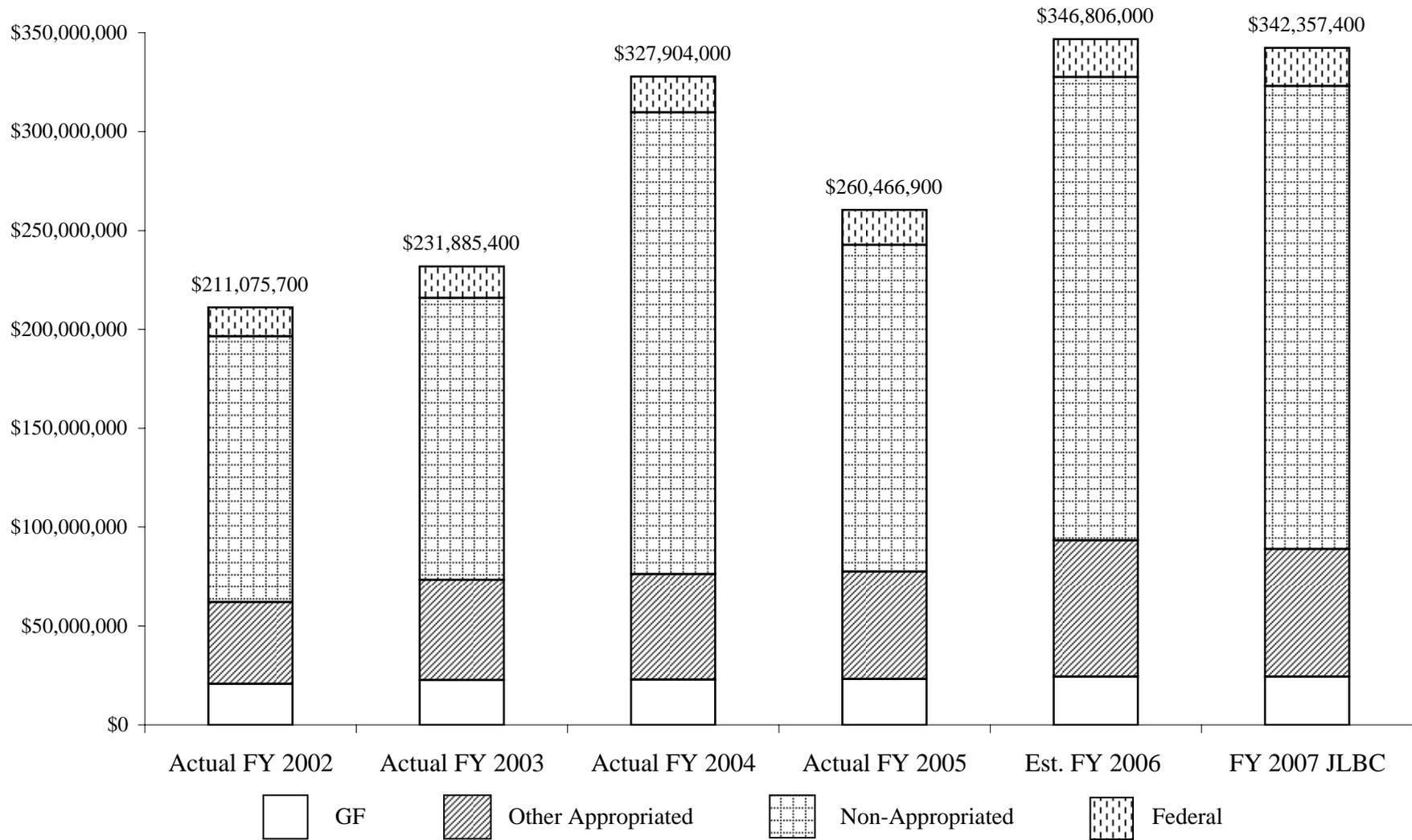
## DEPARTMENT OF ENVIRONMENTAL QUALITY

	<b>JLBC</b>	<b>EXECUTIVE</b>
Total Appropriations  (Pg. 162)	<u>FY 2007</u> <ul style="list-style-type: none"> <li>• \$24.3 M GF</li> <li>• \$64.6 M OF</li> <li>• \$0 GF above FY 2006, or 0.0%</li> <li>• \$(4.5) M OF below FY 2006, or (6.5)%</li> </ul>	<u>FY 2007</u> <ul style="list-style-type: none"> <li>• \$44.8 M GF</li> <li>• \$71.7 M OF</li> <li>• \$20.4 M GF above FY 2006, or 83.9%</li> <li>• \$756,000 OF above FY 2006, or 1.1%</li> </ul>
<i>Air Programs (pg. 164)</i>		
School Bus/Air Quality Grants  (Pg. 165)	<ul style="list-style-type: none"> <li>• \$(4.0) M OF to eliminate a one-time appropriation for School Bus/Air Quality Grants</li> <li>• The Executive recommends continuing to use Clean Air In-Lieu fees to fund the program. However, those fees have been repealed.</li> </ul>	<ul style="list-style-type: none"> <li>• No Change. Continues to provide \$4.0 M OF for the School Bus/Air Quality Grants Program.</li> </ul>
Hazardous Air Emergency Response	<ul style="list-style-type: none"> <li>• Does not include</li> <li>• The Air Quality Fund does not have enough on-going revenue to support any new expenditures.</li> </ul>	<ul style="list-style-type: none"> <li>• \$161,600 from the Air Quality Fund and 2 FTE Positions for air quality monitoring during emergencies</li> </ul>
Children's Respiratory Disease Database	<ul style="list-style-type: none"> <li>• Does not include</li> <li>• The Air Quality Fund does not have enough on-going revenue to support any new expenditures.</li> </ul>	<ul style="list-style-type: none"> <li>• \$220,000 from the Air Quality Fund and 1 FTE Position to study the relationship between ambient air quality and childhood respiratory diseases</li> </ul>
Air Quality Permit Staffing	<ul style="list-style-type: none"> <li>• Does not include</li> <li>• The Air Quality Fund does not have enough on-going revenue to support any new expenditures.</li> </ul>	<ul style="list-style-type: none"> <li>• \$123,000 from the Air Quality Fund and 2 FTE Positions for air quality permit compliance</li> </ul>

	<b>JLBC</b>	<b>EXECUTIVE</b>
<i>Waste Programs (pg. 165)</i>		
Hazardous Waste Program  (Pg. 166)	<ul style="list-style-type: none"> <li>• Transfers \$500,000 GF from operating budget to Hazardous Waste Program to offset loss of Clean Air In-Lieu Fees.</li> <li>• Replace transferred GF money with Indirect Cost Recovery Funds.</li> </ul>	<ul style="list-style-type: none"> <li>• \$500,000 GF increase for the Hazardous Waste Program to offset the loss of Clean Air In-Lieu Fees</li> </ul>
Hazardous Waste Border Inspections	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>	<ul style="list-style-type: none"> <li>• \$275,000 GF and 3 FTE Positions to inspect hazardous material shipments from Mexico</li> </ul>
WQARF Statutory Transfer (Pg. 166)	<ul style="list-style-type: none"> <li>• No change. Continues to suspend the statutory formula and fund the WQARF program at the FY 2006 level of \$11.0 M GF.</li> </ul>	<ul style="list-style-type: none"> <li>• \$4.0 M GF to provide the \$15.0 M statutory funding level for the WQARF Priority Site Remediation Program</li> </ul>
UST Administrative Cap Limit  (Pg. 164)	<ul style="list-style-type: none"> <li>• Continue to suspend the UST Revolving Fund administrative cap, which allows the department to use up to \$6.0 M for the Leak Prevention and Compliance Program and the Used Oil Program.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>
Solid Waste Inspectors	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>	<ul style="list-style-type: none"> <li>• \$127,000 GF and 2 FTE Positions to increase its solid waste facility inspector staff</li> </ul>
<i>Water Programs (pg. 166)</i>		
AZPDES Program Footnote  (Pg. 167)	<ul style="list-style-type: none"> <li>• Reverts GF funding allocated to program back to the state General Fund if authority to administer program is returned to the EPA.</li> <li>• The EPA is in the process of re-evaluating whether to delegate to the ADEQ the authority to administer the AZPDES program, as required by a federal court decision.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>
Rural Water Supply Development	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>	<ul style="list-style-type: none"> <li>• \$15 M GF for rural water infrastructure development.</li> <li>• Amends statute to establish rural water improvement districts and to provide financial assistance for development of water infrastructure projects.</li> </ul>

	<b>JLBC</b>	<b>EXECUTIVE</b>
Water Permitting Program	<ul style="list-style-type: none"> <li>• Does not include</li> <li>• The Water Quality Fee Fund has a structural balance of only \$89,500, which is insufficient to support the Executive recommended level of funding.</li> </ul>	<ul style="list-style-type: none"> <li>• \$200,000 GF and \$200,000 from the Water Quality Fee Fund to fund contracts for water quality permitting staff</li> </ul>
Safe Drinking Water Compliance Assistance	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>	<ul style="list-style-type: none"> <li>• \$216,000 GF to fund 4 FTE Positions which would assist local governments with delegated water quality compliance activities</li> </ul>
Colorado River Protection	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>	<ul style="list-style-type: none"> <li>• \$120,000 GF for implementation of the Clean Colorado River Alliance, which was created to prevent chromium and mercury from Lake Powell from contaminating the Colorado River</li> </ul>
<i>Departmentwide</i>		
Delete Federal Funding Footnote (Pg. 167)	<ul style="list-style-type: none"> <li>• Deletes a footnote that allows the department to use up to \$1.3 M GF of its annual allocation to maintain existing program funding while waiting for federal funding.</li> </ul>	<ul style="list-style-type: none"> <li>• Does not include</li> </ul>
Technical (Pg. 163)	<ul style="list-style-type: none"> <li>• \$43,500 OF for higher lease-purchase payments</li> </ul>	<ul style="list-style-type: none"> <li>• \$51,400 OF for higher lease costs</li> </ul>

## Department of Environmental Quality Total Funds FY 2002 - FY 2007



**Department of Environmental Quality**

	FY 2006 ESTIMATE				FY 2007 OSPB		FY 2007 JLBC			
	General Fund	Other Funds	Non-Appropriated	Total	General Fund	Other Funds	General Fund	Other Funds	Non-Appropriated	Total
<b>OPERATING BUDGET</b>										
<i>Full Time Equivalent Positions</i>	162.7	265.7	404.6	833.0	178.1	260.3	162.7	265.7	404.6	833.0
Personal Services	4,823,600	3,787,400	8,312,300	16,923,300	5,494,800	3,787,400	4,463,300	3,787,400	8,312,300	16,563,000
Employee Related Expenditures	1,355,900	1,153,700	2,566,700	5,076,300	1,516,300	1,162,000	1,255,500	1,153,700	2,566,700	4,975,900
Professional and Outside Services	1,300	145,500	6,471,100	6,617,900	1,300	138,500	1,300	145,500	6,471,100	6,617,900
Travel - In State	61,700	25,000	422,800	509,500	85,700	38,000	61,700	25,000	422,800	509,500
Travel - Out of State	0	8,800	157,500	166,300	0	8,800	0	8,800	157,500	166,300
Other Operating Expenditures	1,041,700	6,966,400	9,274,300	17,282,400	1,185,100	7,003,500	1,005,300	7,009,900	9,282,200	17,297,400
Equipment	33,200	55,600	153,400	242,200	44,200	55,600	30,300	55,600	153,400	239,300
<b>OPERATING SUBTOTAL</b>	<b>7,317,400</b>	<b>12,142,400</b>	<b>27,358,100</b>	<b>46,817,900</b>	<b>8,327,400</b>	<b>12,193,800</b>	<b>6,817,400</b>	<b>12,185,900</b>	<b>27,366,000</b>	<b>46,369,300</b>
<b>SPECIAL LINE ITEMS</b>										
Underground Storage Tanks	0	0	41,964,400	41,964,400	0	0	0	0	41,964,400	41,964,400
Air Permits Administration Program	0	5,502,000	0	5,502,000	0	5,502,000	0	5,502,000	0	5,502,000
Air Quality Program	0	2,677,700	0	2,677,700	0	5,142,200	0	2,677,700	0	2,677,700
Emissions Control Contractor Payment	0	31,739,600	0	31,739,600	0	31,739,600	0	31,739,600	0	31,739,600
Emissions Control Program - Administration	0	4,012,500	0	4,012,500	0	4,012,500	0	4,012,500	0	4,012,500
School Bus/Air Quality Grants	0	4,000,000	0	4,000,000	0	4,000,000	0	0	0	0
Transfers to Counties Program	0	165,000	0	165,000	0	165,000	0	165,000	0	165,000
Hazardous Waste Program	0	1,246,100	0	1,246,100	0	1,246,100	500,000	746,100	0	1,246,100
Solid Waste Program	0	3,467,400	0	3,467,400	0	3,467,400	0	3,467,400	0	3,467,400
Waste Tire Program	0	219,800	0	219,800	0	219,800	0	219,800	0	219,800
WQARF Priority Site Remediation	11,000,000	0	5,807,700	16,807,700	15,000,000	0	11,000,000	0	5,807,700	16,807,700
Surface Water Regulation Program	1,465,000	0	0	1,465,000	1,693,000	0	1,465,000	0	0	1,465,000
Underground Water Regulation Program	2,119,500	0	0	2,119,500	2,319,500	0	2,119,500	0	0	2,119,500
Water Quality Program	0	3,853,200	0	3,853,200	0	4,053,200	0	3,853,200	0	3,853,200
Clean Water Revolving Loan Program	1,551,900	0	119,041,500	120,593,400	1,551,900	0	1,551,900	0	119,041,500	120,593,400
Drinking Water Revolving Loan Program	893,200	0	59,261,600	60,154,800	15,893,200	0	893,200	0	59,261,600	60,154,800
<b>AGENCY TOTAL</b>	<b>24,347,000</b>	<b>69,025,700</b>	<b>253,433,300</b>	<b>346,806,000</b>	<b>44,785,000</b>	<b>71,741,600</b>	<b>24,347,000</b>	<b>64,569,200</b>	<b>253,441,200</b>	<b>342,357,400</b>
<b>FUND SOURCES</b>										
<b>General Fund</b>	<b>24,347,000</b>			<b>24,347,000</b>	<b>44,785,000</b>		<b>24,347,000</b>			<b>24,347,000</b>
<b>Other Appropriated Funds</b>										
Air Permits Administration Fund		5,502,000		5,502,000		5,502,000		5,502,000		5,502,000
Air Quality - Clean Air Subaccount		500,000		500,000		500,000		0		0
Air Quality Fund		6,842,700		6,842,700		9,307,200		2,842,700		2,842,700
Emissions Inspection Fund		35,752,100		35,752,100		35,752,100		35,752,100		35,752,100
Hazardous Waste Management Fund		746,100		746,100		746,100		746,100		746,100
Indirect Cost Recovery Fund		12,120,400		12,120,400		12,171,800		12,163,900		12,163,900
Recycling Fund		2,138,800		2,138,800		2,138,800		2,138,800		2,138,800
Solid Waste Fee Fund		1,411,800		1,411,800		1,411,800		1,411,800		1,411,800
Underground Storage Tank Fund		22,000		22,000		22,000		22,000		22,000
Used Oil Fund		136,600		136,600		136,600		136,600		136,600
Water Quality Fee Fund		3,853,200		3,853,200		4,053,200		3,853,200		3,853,200
<b>SUBTOTAL - Other Appropriated Funds</b>		<b>69,025,700</b>		<b>69,025,700</b>		<b>71,741,600</b>		<b>64,569,200</b>		<b>64,569,200</b>
<b>SUBTOTAL - Appropriated Funds</b>				<b>93,372,700</b>		<b>116,526,600</b>				<b>88,916,200</b>
<b>Other Non-Appropriated Funds</b>										
Air Quality - Clean Air Sub Account			1,676,800	1,676,800					1,676,800	1,676,800
Clean Water Revolving Fund			119,041,500	119,041,500					119,041,500	119,041,500
Donations Fund			5,000	5,000					5,000	5,000
Drinking Water Revolving Fund			59,261,600	59,261,600					59,261,600	59,261,600
Federal Funds			19,220,000	19,220,000					19,227,900	19,227,900
IGA & ISA Fund			1,475,000	1,475,000					1,475,000	1,475,000
Monitoring Assistance Fund			649,500	649,500					649,500	649,500
Specific Site Judgement Fund			140,000	140,000					140,000	140,000
Underground Storage Tank Revolving			41,964,400	41,964,400					41,964,400	41,964,400
Voluntary Remediation Fund			358,100	358,100					358,100	358,100
Voluntary Vehicle Repair & Retrofit Program Fund			1,045,900	1,045,900					1,045,900	1,045,900
Water Quality Assurance Revolving Fund			8,595,500	8,595,500					8,595,500	8,595,500
<b>SUBTOTAL - Other Non-Appropriated Funds</b>			<b>253,433,300</b>	<b>253,433,300</b>					<b>253,441,200</b>	<b>253,441,200</b>
<b>TOTAL - ALL SOURCES</b>				<b>346,806,000</b>						<b>342,357,400</b>

**Department of Environmental Quality**

**CHANGE IN FUNDING SUMMARY**

	FY 2006 to FY 2007 JLBC	
	\$ Change	% Change
General Fund	0	0.0%
Other Appropriated Funds	(4,456,500)	(6.5%)
Non Appropriated Funds	7,900	0.0%
Total - All Sources	(4,448,600)	(1.3%)