

## Department Appropriation Summary

### Historical Data

### Agency Request and Executive/Legislative Recommendation

Appropriation	2007-2008		2008-2009		2008-2009		2009-2010					2010-2011						
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Legislative	Pos	Agency	Pos	Executive	Pos	Legislative	Pos
2TP ADEQ - State Operations	3,600,472	59	3,919,756	59	3,999,506	59	4,405,169	62	4,405,169	62	4,405,169	62	4,382,832	62	4,382,832	62	4,382,832	62
2TQ ADEQ - Federal Operations	9,751,031	115	17,107,284	117	18,453,323	117	16,865,185	116	16,865,185	116	16,865,185	116	16,895,457	116	16,895,457	116	16,895,457	116
2TR Waste Water Licensing	62,403	1	82,565	1	80,196	1	149,073	2	149,073	2	149,073	2	151,542	2	151,542	2	151,542	2
2TS Land Reclamation	0	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0	950,000	0
2TT Hazardous Waste Permit Program	1,113,634	19	1,363,623	19	1,289,135	19	1,440,053	19	1,440,053	19	1,440,053	19	1,463,630	19	1,463,630	19	1,463,630	19
2TU Reclamation of Abandoned Mines - State	337,021	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0	5,700,000	0
2TV Surface Coal Mining	7,740	0	20,000	0	20,000	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0	15,000	0
2TW Mining Reclamation	0	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0	1,520,000	0
2TX Fee Administration	10,813,050	162	13,480,933	163	13,562,379	163	14,032,901	165	14,032,901	165	14,032,901	165	14,184,752	165	14,184,752	165	14,184,752	165
2TY Solid Waste Performance Bonds	5,004	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
2TZ Hazardous Waste Cleanup	1,544,341	3	7,753,955	3	7,747,112	3	7,748,605	3	7,748,605	3	7,748,605	3	7,750,567	3	7,750,567	3	7,750,567	3
2UA Emergency Response Program	121,386	2	479,975	2	475,968	2	517,604	2	517,604	2	517,604	2	489,854	2	489,854	2	489,854	2
2UB Asbestos Control Program	156,123	4	229,094	4	194,681	4	242,823	4	242,823	4	242,823	4	248,472	4	248,472	4	248,472	4
2UC Solid Waste Mgmt/Recycling Prog	4,564,156	20	8,321,361	20	8,304,004	20	8,375,653	20	8,374,653	20	8,374,653	20	8,393,947	20	8,392,947	20	8,392,947	20
2UD Reg. Substance Storage Tank	770,307	19	925,453	19	969,683	19	998,639	19	998,639	19	998,639	19	1,013,216	19	1,013,216	19	1,013,216	19
2UE Petroleum Storage Tank Trust	6,213,363	4	21,797,460	4	22,043,904	4	21,802,660	4	21,802,660	4	21,802,660	4	21,805,610	4	21,805,610	4	21,805,610	4
2UF Regulated Storage Tank Program	349,214	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0	3,925,000	0
2UG Landfill Post Closure Program	586,323	6	7,831,993	6	7,842,737	6	7,846,293	6	7,846,293	6	7,846,293	6	7,853,176	6	7,853,176	6	7,853,176	6
2UH Waste Tire Recycling Program	4,739,529	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0	6,425,000	0
2UJ St Mktg Brd for Recyclables Prog	9,669	0	32,001	0	32,001	0	32,376	0	32,376	0	32,376	0	32,376	0	32,376	0	32,376	0
2UK Environmental Education Program	115,771	1	321,016	1	318,378	1	320,711	1	320,711	1	320,711	1	321,922	1	321,922	1	321,922	1
2UM Lead Based Paint Hazard Prog	3,197	0	18,250	0	18,250	0	18,250	0	18,250	0	18,250	0	18,250	0	18,250	0	18,250	0
2UN Small Business Loans	50,230	0	0	0	0	0	1,100,000	0	1,100,000	0	550,000	0	0	0	0	0	550,000	0
2UP Sm Bus Revolving Loan Prog Exp	33,134	1	54,466	1	58,208	1	57,419	1	57,419	1	57,419	1	58,272	1	58,272	1	58,272	1
2UQ Performance Partnership Syst Exp	184,547	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0	600,000	0
2UR Environmental Settlement Trust	519,842	0	0	0	0	0	1,500,000	0	1,500,000	0	750,000	0	0	0	0	0	750,000	0
2US Computer/Electronic Recycling	152,992	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0	250,000	0
344 PCE Comm Admn Hearing Officer	209,870	2	277,169	3	278,480	3	297,820	3	297,820	3	297,820	3	298,757	3	298,757	3	298,757	3
36A Fee Administration Non-Haz Clean Up	0	0	750,000	0	1,000,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0	750,000	0
467 PCE Commission Expenses	3,966	0	3,977	0	3,977	0	3,977	0	3,977	0	3,977	0	3,977	0	3,977	0	3,977	0
<b>Total</b>	<b>46,018,315</b>	<b>418</b>	<b>104,640,331</b>	<b>422</b>	<b>106,561,922</b>	<b>422</b>	<b>108,390,211</b>	<b>427</b>	<b>108,389,211</b>	<b>427</b>	<b>107,089,211</b>	<b>427</b>	<b>106,001,609</b>	<b>427</b>	<b>106,000,609</b>	<b>427</b>	<b>107,300,609</b>	<b>427</b>

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	66,972,867	50.7	86,133,633	54.3	53,914,885	41.9	53,914,885	41.9	53,914,885	42.4	33,047,799	31.1	33,047,799	31.1	33,047,799	30.7
General Revenue	4000010	2,569,742	1.9	2,636,848	1.7	4,333,730	3.4	4,333,730	3.4	4,333,730	3.4	4,386,809	4.1	4,386,809	4.1	4,386,809	4.1
Federal Revenue	4000020	10,437,266	7.9	26,732,284	16.9	26,490,185	20.6	26,490,185	20.6	26,490,185	20.8	26,520,457	25.0	26,520,457	25.0	26,520,457	24.7
Special Revenue	4000030	27,144,325	20.5	29,183,327	18.4	27,460,218	21.4	27,460,218	21.4	27,460,218	21.6	27,972,432	26.3	27,972,432	26.3	27,972,432	26.0
Trust Fund	4000050	1,795,007	1.4	2,477,348	1.6	3,643,513	2.8	3,643,513	2.8	2,893,513	2.3	2,664,430	2.5	2,664,430	2.5	3,414,430	3.2
Merit Adjustment Fund	4000055	0	0.0	31,194	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Bond Forfeitures	4000120	5,004	0.0	2,970,000	1.9	2,970,000	2.3	2,970,000	2.3	2,970,000	2.3	2,970,000	2.8	2,970,000	2.8	2,970,000	2.8
Interest	4000300	548,378	0.4	554,466	0.3	557,419	0.4	557,419	0.4	557,419	0.4	558,272	0.5	558,272	0.5	558,272	0.5
Investments	4000315	878,535	0.7	342,203	0.2	672,344	0.5	672,344	0.5	672,344	0.5	669,574	0.6	669,574	0.6	669,574	0.6
Loan Repayment	4000330	50,230	0.0	0	0.0	1,100,000	0.9	1,100,000	0.9	550,000	0.4	0	0.0	0	0.0	550,000	0.5
M & R Sales	4000340	82,995	0.1	135,141	0.1	135,000	0.1	135,000	0.1	135,000	0.1	135,000	0.1	135,000	0.1	135,000	0.1
Other	4000370	8,085,649	6.1	7,358,772	4.6	7,327,895	5.7	7,327,895	5.7	7,327,895	5.8	7,309,265	6.9	7,309,265	6.9	7,309,265	6.8
Transfer from Special Revenue	4000565	13,581,950	10.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfers / Adjustments	4000683	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		132,151,948	100.0	158,555,216	100.0	128,605,189	100.0	128,605,189	100.0	127,305,189	100.0	106,234,038	100.0	106,234,038	100.0	107,534,038	100.0
Excess Appropriation/(Funding)		(86,133,633)		(53,914,885)		(20,214,978)		(20,215,978)		(20,215,978)		(232,429)		(233,429)		(233,429)	
Grand Total		46,018,315		104,640,331		108,390,211		108,389,211		107,089,211		106,001,609		106,000,609		107,300,609	

The Budget amounts in Appropriations 2TR, 2TT,2TZ, 2UA, 2UB, 2UC, and 2UK exceed the Authorized amounts due to salary and matching rate adjustments during the 2007-2009 biennium.

The Actual amounts exceed Authorized amounts in appropriations 2UN and 2UR because they are biennial appropriations.

A one time transfer from Special Revenue was made in appropriation 2TX to move a Special Revenue fund balance of \$13,581,950 into a Trust fund.

Transfers/Adjustments - Special Language allows an annual transfer from various departments into appropriation 2TP if General Revenue funding is unable to cover expenditures.

The fund balances do not flow from FY10 to FY11 due unfunded/contingency appropriation (2TP, 2TZ, 2UC, 2UE, 2UG, 2UH, 2UK, 2UQ, 2US).

## **Analysis of Budget Request**

**Appropriation:** 2TP - ADEQ - State Operations

**Funding Sources:** HMA - ADEQ Fund

The Agency utilizes this appropriation for the general operations of various programs and for matching of federal grants. Historically, this appropriation was funded by General Revenue, and other non-revenue receipt deposits along with contributions from other agencies. The 86<sup>th</sup> General Assembly provided for partial funding be provided through General Revenue and for special language allowing for transfers from various funds within the Agency. In FY08 transfers amounting to \$909,353 were made from appropriations 2TT (\$300,000), 2TX (\$409,353), and 2UE (\$200,000).

A Base Level position was changed from unclassified to classified to reflect the recommendation of the Pay Plan Study and the salary was adjusted accordingly. Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study and unclassified positions reflect similar adjustments in line item salaries. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

Due to recent drilling activities in the Fayetteville Shale, the reserve pit authorization requests (an indicator of drilling activity) have increased substantially from an average of 182 in years 1997-2003 to 1,024 in 2007 and 815 by mid-2008. The Arkoma basin and south Arkansas continue to be explored and the drilling presence in central Arkansas will likely cause presently undeveloped areas of the Arkoma basin to be developed, further increasing drilling activities in the coming years.

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

In order to oversee the environmental aspects of oil and gas exploration activities, it is important for the Agency to have adequate staff. The request for this appropriation includes a Base level of \$4,085,444 in FY10 and \$4,152,606 in FY11 and the following:

- To address needs in relation to the regulatory impact of the recent growth in activity regarding the Fayetteville Shale, ADEQ is requesting four positions with associated supporting costs. These positions are: one (1) ADEQ Inspector Supervisor, one (1) ADEQ Enforcement Coordinator, and two (2) ADEQ Inspectors. The total change in Regular Salaries is \$146,213 in FY10 and \$149,573 in FY11 along with associated matching.
- Increases of \$45,500 in FY10 and \$23,000 in FY11 are requested in Operating Expenses to accommodate the new positions through the purchasing of office furniture, supplies, travel costs, meals and lodging.
- Existing program increase for Capital Outlay \$57,500 in FY10 to purchase new equipment to support the new positions and to replace obsolete equipment that will be used by the Water Division for analytical testing.

- Technology increase for Capital Outlay \$13,500 for FY10 will be used by the Water Division to purchase four (4) computers and software that will be used by the requested positions for support of permitting, compliance monitoring, inspections, and other enforcement activities.
- Increase of \$8,700 in Conference and Travel.
- Increase in General Revenue funding \$1,500,000 for each year of the biennium. The increase would return the Agency to previous levels of General Revenue funding.

The Executive Recommendation provides for the Agency Request, which includes an increase in General Revenue funding in the amount of \$1,500,000 for FY10 and \$1,500,000 for FY11.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TP - ADEQ - State Operations

**Funding Sources:** HMA - ADEQ Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	2,618,188	2,831,141	2,852,968	3,064,627	3,064,627	3,064,627	3,124,243	3,124,243	3,124,243
<b>#Positions</b>		<b>59</b>	<b>59</b>	<b>59</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>
Extra Help	5010001	14,392	25,674	25,674	25,674	25,674	25,674	25,674	25,674	25,674
<b>#Extra Help</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching	5010003	736,029	766,357	824,280	902,584	902,584	902,584	914,131	914,131	914,131
Operating Expenses	5020002	215,108	268,269	268,269	313,769	313,769	313,769	291,269	291,269	291,269
Conference & Travel Expenses	5050009	10,553	14,715	14,715	23,415	23,415	23,415	23,415	23,415	23,415
Professional Fees	5060010	0	4,100	4,100	4,100	4,100	4,100	4,100	4,100	4,100
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	6,202	9,500	9,500	71,000	71,000	71,000	0	0	0
<b>Total</b>		<b>3,600,472</b>	<b>3,919,756</b>	<b>3,999,506</b>	<b>4,405,169</b>	<b>4,405,169</b>	<b>4,405,169</b>	<b>4,382,832</b>	<b>4,382,832</b>	<b>4,382,832</b>

Funding Sources										
Fund Balance	4000005	254,748	286,463		0	0	0	0	0	0
General Revenue	4000010	2,565,776	2,632,871		4,329,753	4,329,753	4,329,753	4,382,832	4,382,832	4,382,832
Merit Adjustment Fund	4000055	0	31,194		0	0	0	0	0	0
Other	4000370	157,058	59,875		75,416	75,416	75,416	0	0	0
Transfers / Adjustments	4000683	909,353	909,353		0	0	0	0	0	0
<b>Total Funding</b>		<b>3,886,935</b>	<b>3,919,756</b>		<b>4,405,169</b>	<b>4,405,169</b>	<b>4,405,169</b>	<b>4,382,832</b>	<b>4,382,832</b>	<b>4,382,832</b>
Excess Appropriation/(Funding)		(286,463)	0		0	0	0	0	0	0
<b>Grand Total</b>		<b>3,600,472</b>	<b>3,919,756</b>		<b>4,405,169</b>	<b>4,405,169</b>	<b>4,405,169</b>	<b>4,382,832</b>	<b>4,382,832</b>	<b>4,382,832</b>

Other Revenue is comprised of miscellaneous administrative fees collected by the Agency.

Transfers/Adjustments - Special Language allows a transfer from various departments into appropriation 2TP if General Revenue funding is unable to cover the expenditures. In the 2007-09 biennium, transfers were made from appropriations 2TT, 2TX and 2UE.

## **Analysis of Budget Request**

**Appropriation:** 2TQ - ADEQ - Federal Operations

**Funding Sources:** FYP - Federal Funds

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

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency's requests above Base Level of \$16,637,085 in FY10 and \$16,763,157 in FY11 are as follows:

- An increase in Capital Outlay of \$219,350 for FY10 and \$120,350 for FY11 will provide for replacement of fleet vehicles in both the Mining and Regulated Storage Tank Divisions. The average age of vehicles in these departments is over 6 years and the mileage averages above 100,000. In addition, increases will be utilized to replace obsolete equipment (data loggers, particle matter air monitors, and ozone analyzers) in the Environmental Preservation and Technical Services Division.
- Technology related Capital Outlay increase of \$8,750 in FY10 and \$11,950 in FY11 for the purpose of replacing obsolete laptops and software, a scanner, and a printer that will support ADEQ's electronic filing system and maintain an electronic database in order to support Agency missions.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TQ - ADEQ - Federal Operations

**Funding Sources:** FYP - Federal Funds

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	4,350,351	4,950,980	5,064,693	5,209,403	5,209,403	5,209,403	5,315,451	5,315,451	5,315,451
<b>#Positions</b>		<b>115</b>	<b>117</b>	<b>117</b>	<b>116</b>	<b>116</b>	<b>116</b>	<b>116</b>	<b>116</b>	<b>116</b>
Extra Help	5010001	64,934	148,585	148,585	148,585	148,585	148,585	148,585	148,585	148,585
<b>#Extra Help</b>		<b>22</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>
Personal Services Matching	5010003	1,348,116	1,422,947	1,528,348	1,588,510	1,588,510	1,588,510	1,608,534	1,608,534	1,608,534
Operating Expenses	5020002	2,855,825	4,309,060	4,667,447	4,309,060	4,309,060	4,309,060	4,309,060	4,309,060	4,309,060
Conference & Travel Expenses	5050009	109,614	271,126	329,812	271,126	271,126	271,126	271,126	271,126	271,126
Professional Fees	5060010	128,229	2,045,401	2,394,105	2,045,401	2,045,401	2,045,401	2,045,401	2,045,401	2,045,401
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	617,637	1,394,185	1,755,333	728,100	728,100	728,100	632,300	632,300	632,300
Contractual Services	5900043	276,325	2,565,000	2,565,000	2,565,000	2,565,000	2,565,000	2,565,000	2,565,000	2,565,000
<b>Total</b>		<b>9,751,031</b>	<b>17,107,284</b>	<b>18,453,323</b>	<b>16,865,185</b>	<b>16,865,185</b>	<b>16,865,185</b>	<b>16,895,457</b>	<b>16,895,457</b>	<b>16,895,457</b>
<b>Funding Sources</b>										
Federal Revenue	4000020	9,751,031	17,107,284		16,865,185	16,865,185	16,865,185	16,895,457	16,895,457	16,895,457
Total Funding		9,751,031	17,107,284		16,865,185	16,865,185	16,865,185	16,895,457	16,895,457	16,895,457
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
<b>Grand Total</b>		<b>9,751,031</b>	<b>17,107,284</b>		<b>16,865,185</b>	<b>16,865,185</b>	<b>16,865,185</b>	<b>16,895,457</b>	<b>16,895,457</b>	<b>16,895,457</b>

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

## **Analysis of Budget Request**

**Appropriation:** 2TR - Waste Water Licensing

**Funding Sources:** MWW - Waste Water Licensing Fund

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

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency Request is for Base Level of \$149,073 in FY10 and \$151,542 in FY11.

The Executive Recommendation provides for Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TR - Waste Water Licensing

**Funding Sources:** MWW - Waste Water Licensing Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	36,887	39,435	37,087	90,235	90,235	90,235	92,308	92,308	92,308
<b>#Positions</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
Personal Services Matching	5010003	11,513	11,409	11,388	27,117	27,117	27,117	27,513	27,513	27,513
Operating Expenses	5020002	11,594	26,632	26,632	26,632	26,632	26,632	26,632	26,632	26,632
Conference & Travel Expenses	5050009	2,409	5,089	5,089	5,089	5,089	5,089	5,089	5,089	5,089
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>62,403</b>	<b>82,565</b>	<b>80,196</b>	<b>149,073</b>	<b>149,073</b>	<b>149,073</b>	<b>151,542</b>	<b>151,542</b>	<b>151,542</b>
<b>Funding Sources</b>										
Fund Balance	4000005	367,912	444,984		499,919	499,919	499,919	465,507	465,507	465,507
Special Revenue	4000030	139,475	137,500		114,661	114,661	114,661	117,527	117,527	117,527
Total Funding		507,387	582,484		614,580	614,580	614,580	583,034	583,034	583,034
Excess Appropriation/(Funding)		(444,984)	(499,919)		(465,507)	(465,507)	(465,507)	(431,492)	(431,492)	(431,492)
<b>Grand Total</b>		<b>62,403</b>	<b>82,565</b>		<b>149,073</b>	<b>149,073</b>	<b>149,073</b>	<b>151,542</b>	<b>151,542</b>	<b>151,542</b>

The Budget amount in Regular Salaries and Personal Services Matching exceeds the Authorized amount due to salary and matching rate adjustments during the 2007-2009 biennium.

## **Analysis of Budget Request**

**Appropriation:** 2TS - Land Reclamation

**Funding Sources:** TLR - Land Reclamation Fund

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

The Agency Request is for Base Level of \$950,000 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TS - Land Reclamation

**Funding Sources:** TLR - Land Reclamation Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Reclamation Contracts 5900043	0	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
Total	0	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000

Funding Sources									
Bond Forfeitures 4000120	0	950,000		950,000	950,000	950,000	950,000	950,000	950,000
Total Funding	0	950,000		950,000	950,000	950,000	950,000	950,000	950,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	0	950,000		950,000	950,000	950,000	950,000	950,000	950,000

## **Analysis of Budget Request**

**Appropriation:** 2TT - Hazardous Waste Permit Program

**Funding Sources:** SHW - Hazardous Waste Permit Fund

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

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

In addition to Base Level of \$1,410,053 in FY10 and \$1,433,630 in FY11, the Agency is requesting an increase in Capital Outlay of \$30,000 each year to replace one vehicle each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TT - Hazardous Waste Permit Program

**Funding Sources:** SHW - Hazardous Waste Permit Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	726,393	801,500	739,320	836,835	836,835	836,835	856,634	856,634	856,634
	<b>#Positions</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>
Extra Help	5010001	0	15,795	15,795	15,795	15,795	15,795	15,795	15,795	15,795
	<b>#Extra Help</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching	5010003	222,592	234,074	221,766	258,169	258,169	258,169	261,947	261,947	261,947
Overtime	5010006	0	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Operating Expenses	5020002	151,642	197,304	197,304	197,304	197,304	197,304	197,304	197,304	197,304
Conference & Travel Expenses	5050009	12,773	47,700	47,700	47,700	47,700	47,700	47,700	47,700	47,700
Professional Fees	5060010	234	53,000	53,000	53,000	53,000	53,000	53,000	53,000	53,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	13,000	13,000	30,000	30,000	30,000	30,000	30,000	30,000
<b>Total</b>		<b>1,113,634</b>	<b>1,363,623</b>	<b>1,289,135</b>	<b>1,440,053</b>	<b>1,440,053</b>	<b>1,440,053</b>	<b>1,463,630</b>	<b>1,463,630</b>	<b>1,463,630</b>

Funding Sources										
Fund Balance	4000005	4,742,839	4,611,323		4,651,061	4,651,061	4,651,061	4,700,892	4,700,892	4,700,892
Special Revenue	4000030	1,132,199	1,568,361		1,347,479	1,347,479	1,347,479	1,381,166	1,381,166	1,381,166
Other	4000370	149,919	135,000		142,405	142,405	142,405	145,965	145,965	145,965
Transfers / Adjustments	4000683	(300,000)	(300,000)		0	0	0	0	0	0
<b>Total Funding</b>		<b>5,724,957</b>	<b>6,014,684</b>		<b>6,140,945</b>	<b>6,140,945</b>	<b>6,140,945</b>	<b>6,228,023</b>	<b>6,228,023</b>	<b>6,228,023</b>
<b>Excess Appropriation/(Funding)</b>		<b>(4,611,323)</b>	<b>(4,651,061)</b>		<b>(4,700,892)</b>	<b>(4,700,892)</b>	<b>(4,700,892)</b>	<b>(4,764,393)</b>	<b>(4,764,393)</b>	<b>(4,764,393)</b>
<b>Grand Total</b>		<b>1,113,634</b>	<b>1,363,623</b>		<b>1,440,053</b>	<b>1,440,053</b>	<b>1,440,053</b>	<b>1,463,630</b>	<b>1,463,630</b>	<b>1,463,630</b>

The Actual and/or Budget amounts in Regular Salaries and Personal Services Matching exceed the Authorized amount due to salary and matching rate adjustments during the 2007-2009 biennium.

Other funding is comprised of fees collected from two Arkansas companies which use an extraordinary amount of regulatory manpower and compensate the Agency accordingly.

Transfers/Adjustments - Special Language allows an annual transfer from various departments into State Operations (appropriation 2TP) if General Revenue funding is unable to cover expenditures.

## **Analysis of Budget Request**

**Appropriation:** 2TU - Reclamation of Abandoned Mines - State

**Funding Sources:** MAE - Abandoned Mine Reclamation Fund

The Agency utilizes the Reclamation of Abandoned Mines appropriation to expend funds received from the U.S. Department of Interior - Office of Surface Mining for reclamation of land that was mined prior to the adoption of mining regulations in 1977.

The Agency Request is for Base Level of \$5,700,000 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TU - Reclamation of Abandoned Mines - State

**Funding Sources:** MAE - Abandoned Mine Reclamation Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Abandoned Mine Reclamation Contra 5900043	337,021	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
<b>Total</b>	<b>337,021</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>
<b>Funding Sources</b>									
Federal Revenue 4000020	337,021	5,700,000		5,700,000	5,700,000	5,700,000	5,700,000	5,700,000	5,700,000
<b>Total Funding</b>	<b>337,021</b>	<b>5,700,000</b>		<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>337,021</b>	<b>5,700,000</b>		<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>	<b>5,700,000</b>

## **Analysis of Budget Request**

**Appropriation:** 2TV - Surface Coal Mining

**Funding Sources:** MAF - Surface Coal Mining Operation Fund

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

The Agency Request is for Base Level in the amount of \$15,000 for each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TV - Surface Coal Mining

**Funding Sources:** MAF - Surface Coal Mining Operation Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	3,781	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Conference & Travel Expenses	5050009	0	0	0	0	0	0	0	0	0
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	3,959	5,000	5,000	0	0	0	0	0	0
<b>Total</b>		<b>7,740</b>	<b>20,000</b>	<b>20,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
<b>Funding Sources</b>										
Fund Balance	4000005	36,465	35,335		18,435	18,435	18,435	6,713	6,713	6,713
Other	4000370	6,610	3,100		3,278	3,278	3,278	3,300	3,300	3,300
<b>Total Funding</b>		<b>43,075</b>	<b>38,435</b>		<b>21,713</b>	<b>21,713</b>	<b>21,713</b>	<b>10,013</b>	<b>10,013</b>	<b>10,013</b>
Excess Appropriation/(Funding)		(35,335)	(18,435)		(6,713)	(6,713)	(6,713)	4,987	4,987	4,987
<b>Grand Total</b>		<b>7,740</b>	<b>20,000</b>		<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>

Other funding is comprised of Coal Permit Fees collected pursuant to A.C.A. §15-58-508.

## **Analysis of Budget Request**

**Appropriation:** 2TW - Mining Reclamation

**Funding Sources:** TMA - Mine Reclamation Trust Fund

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

The Agency Request is for Base Level of \$1,520,000 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TW - Mining Reclamation

**Funding Sources:** TMA - Mine Reclamation Trust Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Mining Reclamation Contractual Servi5900043	0	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Total	0	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000	1,520,000

Funding Sources									
Bond Forfeitures	4000120	0	1,520,000		1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Total Funding		0	1,520,000		1,520,000	1,520,000	1,520,000	1,520,000	1,520,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0
Grand Total		0	1,520,000		1,520,000	1,520,000	1,520,000	1,520,000	1,520,000

## **Analysis of Budget Request**

**Appropriation:** 2TX - Fee Administration

**Funding Sources:** TPE - ADEQ Fee Trust Fund

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

In FY08 there was a onetime transfer of the fund balance of \$13,581,950 from Special Revenue to reflect the change of fund type to a Trust fund which was approved by the 86<sup>th</sup> General Assembly. Special Language allows for transfers from various funds to supplement the funding in ADEQ State Operations (appropriation 2TP). The Agency transferred \$409,353 in each year of the 2007-09 biennium.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency requests the following in addition to Base Level of \$13,852,980 in FY10 and \$14,022,740 in FY11:

- Increase in Capital Outlay \$74,500 for FY10 and \$54,300 for FY11 to provide one (1) hybrid vehicle to the Air Division each year, along with one (1) large format laminator and replacement of obsolete office equipment in the Public Outreach Division.
- Continuation of a currently authorized supplemental position (Legal Policy Advisor) as a regular position for the purpose of advising the Director on public policy decisions, to better respond to federal statutory and regulatory actions, and to focus on changes in federal case law. The Agency surrendered an unfilled chemist position in exchange for this position in FY09, the Regular Salaries line item for this position is \$81,240 in FY10 and \$86,163 in FY11 along with associated matching.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TX - Fee Administration

**Funding Sources:** TPE - ADEQ Fee Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	5,944,366	6,629,030	6,621,979	7,075,844	7,075,844	7,075,844	7,220,319	7,220,319	7,220,319
<b>#Positions</b>		<b>162</b>	<b>163</b>	<b>163</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>	<b>165</b>
Extra Help	5010001	29,341	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
<b>#Extra Help</b>		<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
Personal Services Matching	5010003	1,853,247	1,951,775	2,040,272	2,195,479	2,195,479	2,195,479	2,223,055	2,223,055	2,223,055
Supplemental Emerg Positions	5010007	0	81,600	0	0	0	0	0	0	0
Operating Expenses	5020002	888,084	1,383,468	1,383,468	1,383,468	1,383,468	1,383,468	1,383,468	1,383,468	1,383,468
Conference & Travel Expenses	5050009	96,397	152,389	152,389	152,389	152,389	152,389	152,389	152,389	152,389
Professional Fees	5060010	910,349	2,056,221	2,137,821	2,056,221	2,056,221	2,056,221	2,056,221	2,056,221	2,056,221
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	1,091,266	1,181,450	1,181,450	1,124,500	1,124,500	1,124,500	1,104,300	1,104,300	1,104,300
<b>Total</b>		<b>10,813,050</b>	<b>13,480,933</b>	<b>13,562,379</b>	<b>14,032,901</b>	<b>14,032,901</b>	<b>14,032,901</b>	<b>14,184,752</b>	<b>14,184,752</b>	<b>14,184,752</b>

Funding Sources										
Fund Balance	4000005	0	13,710,692		11,599,403	11,599,403	11,599,403	9,316,904	9,316,904	9,316,904
Special Revenue	4000030	11,351,145	11,778,997		11,750,402	11,750,402	11,750,402	12,038,870	12,038,870	12,038,870
Transfer from Special Revenue	4000565	13,581,950	0		0	0	0	0	0	0
Transfers / Adjustments	4000683	(409,353)	(409,353)		0	0	0	0	0	0
<b>Total Funding</b>		<b>24,523,742</b>	<b>25,080,336</b>		<b>23,349,805</b>	<b>23,349,805</b>	<b>23,349,805</b>	<b>21,355,774</b>	<b>21,355,774</b>	<b>21,355,774</b>
Excess Appropriation/(Funding)		(13,710,692)	(11,599,403)		(9,316,904)	(9,316,904)	(9,316,904)	(7,171,022)	(7,171,022)	(7,171,022)
<b>Grand Total</b>		<b>10,813,050</b>	<b>13,480,933</b>		<b>14,032,901</b>	<b>14,032,901</b>	<b>14,032,901</b>	<b>14,184,752</b>	<b>14,184,752</b>	<b>14,184,752</b>

The Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

The one time transfer from Special Revenue in FY08 is a balance transfer within in this appropriation due to the change of fund type to a trust fund during the last biennium.

Transfers/Adjustments - Special Language allows an annual transfer from various departments into State Operations (appropriation 2TP) if General Revenue funding is unable to cover expenditures.

## **Analysis of Budget Request**

**Appropriation:** 2TY - Solid Waste Performance Bonds

**Funding Sources:** MWP - Solid Waste Performance Bond Fund

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

The Agency Request is for Base Level of \$500,000 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2TY - Solid Waste Performance Bonds

**Funding Sources:** MWP - Solid Waste Performance Bond Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Solid Waste Performance Bonds Cont 5900043	5,004	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
<b>Total</b>	5,004	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
<b>Funding Sources</b>									
Bond Forfeitures 4000120	5,004	500,000		500,000	500,000	500,000	500,000	500,000	500,000
<b>Total Funding</b>	5,004	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	5,004	500,000		500,000	500,000	500,000	500,000	500,000	500,000

## **Analysis of Budget Request**

**Appropriation:** 2TZ - Hazardous Waste Cleanup

**Funding Sources:** THS - Hazardous Substance Remedial Action Trust Fund

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

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The request for this appropriation includes Base Level of \$7,485,407 in FY10 and \$7,488,527 in FY11. In addition, the Agency is requesting an increase in Capital Outlay of \$263,198 for FY10 and \$262,040 for FY11 to purchase equipment that will be utilized to perform accurate and reliable analysis of air, water, soil, hazardous waste, solid waste, and biological samples. The equipment will include global position satellite (GPS) units, mobile geographic information workstations, computers, printers, and software and is in compliance with the Agency's Information Technology Plan.

A \$308,000 reallocation from Contractual Services to Operating Expenses is also requested by the Agency. The Arkansas Remedial Action Trust Fund Hazardous Substance Site Priority List identifies hazardous sites for which expenditures are authorized from the Hazardous Substance Remedial Action Trust Fund. The site priority list includes (8) National Priority sites, (27) State Priority investigative sites and (24) State Priority remediation sites. State funds supplement federal funds during the investigative and site remediation phase. Upon completion the site remediation phase, the state assumes 100% of the operations and maintenance costs. During the 2009-11 biennium, many of these sites will progress from the cleanup phase to the operations and maintenance phase, the State is required to assume all operations and maintenance costs.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation is to discontinue Special Language provisions for carry forward of appropriation.

## Appropriation Summary

**Appropriation:** 2TZ - Hazardous Waste Cleanup

**Funding Sources:** THS - Hazardous Substance Remedial Action Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	90,393	111,793	104,952	114,915	114,915	114,915	117,535	117,535	117,535
<b>#Positions</b>		<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
Personal Services Matching	5010003	30,933	33,907	33,905	37,237	37,237	37,237	37,737	37,737	37,737
Operating Expenses	5020002	43,745	93,358	93,358	401,358	401,358	401,358	401,358	401,358	401,358
Conference & Travel Expenses	5050009	0	33,960	33,960	33,960	33,960	33,960	33,960	33,960	33,960
Professional Fees	5060010	0	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	140,688	275,000	275,000	263,198	263,198	263,198	262,040	262,040	262,040
Contractual Services	5900043	908,653	6,502,000	6,502,000	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000	6,194,000
Data Processing Purchases	5900044	329,929	453,937	453,937	453,937	453,937	453,937	453,937	453,937	453,937
<b>Total</b>		<b>1,544,341</b>	<b>7,753,955</b>	<b>7,747,112</b>	<b>7,748,605</b>	<b>7,748,605</b>	<b>7,748,605</b>	<b>7,750,567</b>	<b>7,750,567</b>	<b>7,750,567</b>

Funding Sources										
Fund Balance	4000005	12,141,867	12,271,147		5,764,565	5,764,565	5,764,565	0	0	0
Trust Fund	4000050	1,673,621	1,247,373		1,389,831	1,389,831	1,389,831	1,424,576	1,424,576	1,424,576
<b>Total Funding</b>		<b>13,815,488</b>	<b>13,518,520</b>		<b>7,154,396</b>	<b>7,154,396</b>	<b>7,154,396</b>	<b>1,424,576</b>	<b>1,424,576</b>	<b>1,424,576</b>
Excess Appropriation/(Funding)		(12,271,147)	(5,764,565)		594,209	594,209	594,209	6,325,991	6,325,991	6,325,991
<b>Grand Total</b>		<b>1,544,341</b>	<b>7,753,955</b>		<b>7,748,605</b>	<b>7,748,605</b>	<b>7,748,605</b>	<b>7,750,567</b>	<b>7,750,567</b>	<b>7,750,567</b>

The Budget amount in Regular Salaries and Personal Services Matching exceeds the Authorized amount due to salary and matching rate adjustments during the 2007-2009 biennium.

The excess appropriation in FY10 and FY11 assumes full expenditure of contingency appropriation in the Contractual Services line item.

2007-2009 Special Language provided for the carry forward of unused appropriation. No carry forward was utilized by the Agency in 2009.

## **Analysis of Budget Request**

**Appropriation:** 2UA - Emergency Response Program

**Funding Sources:** THS - Hazardous Substance Remedial Action Trust Fund

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

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency requests Base Level of \$487,604 for FY10 and \$489,854 for FY11 and an additional \$30,000 in Capital Outlay in FY10 for replacement of an emergency response vehicle.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UA - Emergency Response Program

**Funding Sources:** THS - Hazardous Substance Remedial Action Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	75,672	78,185	74,049	83,060	83,060	83,060	84,949	84,949	84,949
<b>#Positions</b>		<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
Personal Services Matching	5010003	23,745	23,302	23,431	26,056	26,056	26,056	26,417	26,417	26,417
Operating Expenses	5020002	2,623	3,833	3,833	3,833	3,833	3,833	3,833	3,833	3,833
Conference & Travel Expenses	5050009	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	30,000	30,000	30,000	0	0	0
Contractual Services	5900043	19,346	372,655	372,655	372,655	372,655	372,655	372,655	372,655	372,655
<b>Total</b>		<b>121,386</b>	<b>479,975</b>	<b>475,968</b>	<b>517,604</b>	<b>517,604</b>	<b>517,604</b>	<b>489,854</b>	<b>489,854</b>	<b>489,854</b>
<b>Funding Sources</b>										
Trust Fund	4000050	121,386	479,975		517,604	517,604	517,604	489,854	489,854	489,854
Total Funding		121,386	479,975		517,604	517,604	517,604	489,854	489,854	489,854
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		121,386	479,975		517,604	517,604	517,604	489,854	489,854	489,854

The Actual and/or Budget amount in Regular Salaries and/or Personal Services Matching exceeds the Authorized amount due to salary and matching rate adjustments during the 2007-2009 biennium.

## **Analysis of Budget Request**

**Appropriation:** 2UB - Asbestos Control Program

**Funding Sources:** SAC - Asbestos Control Fund

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

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency requests Base Level of \$242,823 for FY10 and \$245,272 in FY11 along with an increase of \$3,200 in Capital Outlay for each year. The increase will be used to purchase a tablet computer for a field inspector to increase efficiency of the document management system utilized by this appropriation and is in line with the Agency's Information Technology Plan.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UB - Asbestos Control Program

**Funding Sources:** SAC - Asbestos Control Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	112,072	145,684	115,577	156,841	156,841	156,841	158,896	158,896	158,896
<b>#Positions</b>		<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Personal Services Matching	5010003	39,520	44,568	40,262	50,340	50,340	50,340	50,734	50,734	50,734
Operating Expenses	5020002	3,591	29,452	29,452	29,452	29,452	29,452	29,452	29,452	29,452
Conference & Travel Expenses	5050009	940	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090
Professional Fees	5060010	0	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	3,200	3,200	0	0	0	3,200	3,200	3,200
<b>Total</b>		<b>156,123</b>	<b>229,094</b>	<b>194,681</b>	<b>242,823</b>	<b>242,823</b>	<b>242,823</b>	<b>248,472</b>	<b>248,472</b>	<b>248,472</b>
<b>Funding Sources</b>										
Fund Balance	4000005	969,848	1,142,651		1,189,707	1,189,707	1,189,707	1,220,710	1,220,710	1,220,710
Special Revenue	4000030	328,926	276,150		273,826	273,826	273,826	280,672	280,672	280,672
Total Funding		1,298,774	1,418,801		1,463,533	1,463,533	1,463,533	1,501,382	1,501,382	1,501,382
Excess Appropriation/(Funding)		(1,142,651)	(1,189,707)		(1,220,710)	(1,220,710)	(1,220,710)	(1,252,910)	(1,252,910)	(1,252,910)
<b>Grand Total</b>		<b>156,123</b>	<b>229,094</b>		<b>242,823</b>	<b>242,823</b>	<b>242,823</b>	<b>248,472</b>	<b>248,472</b>	<b>248,472</b>

The Budget amount in Regular Salaries and Personal Services Matching exceeds the Authorized amount due to salary and matching rate adjustments during the 2007-2009 biennium.

## **Analysis of Budget Request**

**Appropriation:** 2UC - Solid Waste Mgmt/Recycling Prog

**Funding Sources:** TWS - Solid Waste Management Recycling Fund

Act 849 of 1989 (A.C.A. §8-6-605) established a Solid Waste Management and Recycling Fund to assist counties, cities, and solid waste authorities in the development of solid waste management plans, programs, and facilities that integrate recycling as a functional part of the solid waste management system. During the 79<sup>th</sup> General Assembly, further legislation was adopted strengthening the recycling aspect of solid waste management. Funding for this program is from landfill disposal fees collected pursuant to legislative enactments. This appropriation contains unfunded contingency appropriation. This contingency appropriation was created by Act 512 of 2007 as a funding mechanism for building electronic waste recycling infrastructure throughout the State in the event that funds become available.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency requests Base Level of \$8,348,653 in FY10 and \$8,366,947 in FY11 plus a total increase of \$27,000 each year as follows:

- \$20,000 in Capital Outlay each year will be used to replace obsolete computers, software, and purchase global positioning satellite (GPS) units. This will aid the Agency by increasing the efficiency in compliance monitoring, inspections, enforcement activities and address permitting. All this will be accomplished through the use of the Agency's electronic filing system and by allowing Inspectors to access GPS units. The equipment is in compliance with the Agency's Information Technology Plan.
- \$6,000 in Operating Expenses to provide for increased costs of supplies and inspections.
- \$1,000 for Conference and Travel Expenses.

The Executive Recommendation provides for the Agency Request except for \$1,000 in Conference and Travel Expenses.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UC - Solid Waste Mgmt/Recycling Prog

**Funding Sources:** TWS - Solid Waste Management Recycling Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	691,964	782,097	759,606	806,496	806,496	806,496	821,859	821,859	821,859
<b>#Positions</b>		<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>
Personal Services Matching	5010003	223,645	233,067	238,201	255,960	255,960	255,960	258,891	258,891	258,891
Operating Expenses	5020002	120,337	120,529	120,529	126,529	126,529	126,529	126,529	126,529	126,529
Conference & Travel Expenses	5050009	11,964	15,668	15,668	16,668	15,668	15,668	16,668	15,668	15,668
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Grants and Aid	5100004	3,507,936	4,650,000	4,650,000	4,650,000	4,650,000	4,650,000	4,650,000	4,650,000	4,650,000
Capital Outlay	5120011	8,310	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Electronic Waste Recycling Infrastruc	5900046	0	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
<b>Total</b>		<b>4,564,156</b>	<b>8,321,361</b>	<b>8,304,004</b>	<b>8,375,653</b>	<b>8,374,653</b>	<b>8,374,653</b>	<b>8,393,947</b>	<b>8,392,947</b>	<b>8,392,947</b>

Funding Sources										
Fund Balance	4000005	6,267,608	6,880,894		3,239,082	3,239,082	3,239,082	0	0	0
Special Revenue	4000030	5,025,457	4,526,336		4,811,122	4,811,122	4,811,122	4,885,510	4,885,510	4,885,510
Investments	4000315	151,985	153,213		151,984	151,984	151,984	152,000	152,000	152,000
<b>Total Funding</b>		<b>11,445,050</b>	<b>11,560,443</b>		<b>8,202,188</b>	<b>8,202,188</b>	<b>8,202,188</b>	<b>5,037,510</b>	<b>5,037,510</b>	<b>5,037,510</b>
Excess Appropriation/(Funding)		(6,880,894)	(3,239,082)		173,465	172,465	172,465	3,356,437	3,355,437	3,355,437
<b>Grand Total</b>		<b>4,564,156</b>	<b>8,321,361</b>		<b>8,375,653</b>	<b>8,374,653</b>	<b>8,374,653</b>	<b>8,393,947</b>	<b>8,392,947</b>	<b>8,392,947</b>

The Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

The excess appropriation in FY10 and FY11 assumes full expenditure of the contingency appropriation in the Electronic Waste Recycling Infrastructure line item.

## **Analysis of Budget Request**

**Appropriation:** 2UD - Reg. Substance Storage Tank

**Funding Sources:** SRS - Regulated Substance Storage Tank Program Fund

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

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency Request is for Base Level of \$998,639 in FY10 and \$1,013,216 in FY11.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UD - Reg. Substance Storage Tank

**Funding Sources:** SRS - Regulated Substance Storage Tank Program Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	541,518	650,891	677,310	693,262	693,262	693,262	705,503	705,503	705,503
<b>#Positions</b>		<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>
Personal Services Matching	5010003	181,371	198,429	216,240	229,244	229,244	229,244	231,580	231,580	231,580
Operating Expenses	5020002	42,952	71,128	71,128	71,128	71,128	71,128	71,128	71,128	71,128
Conference & Travel Expenses	5050009	4,466	5,005	5,005	5,005	5,005	5,005	5,005	5,005	5,005
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>770,307</b>	<b>925,453</b>	<b>969,683</b>	<b>998,639</b>	<b>998,639</b>	<b>998,639</b>	<b>1,013,216</b>	<b>1,013,216</b>	<b>1,013,216</b>
<b>Funding Sources</b>										
Fund Balance	4000005	944,673	1,102,171		1,401,718	1,401,718	1,401,718	1,304,641	1,304,641	1,304,641
Special Revenue	4000030	927,805	1,225,000		901,562	901,562	901,562	907,500	907,500	907,500
<b>Total Funding</b>		<b>1,872,478</b>	<b>2,327,171</b>		<b>2,303,280</b>	<b>2,303,280</b>	<b>2,303,280</b>	<b>2,212,141</b>	<b>2,212,141</b>	<b>2,212,141</b>
Excess Appropriation/(Funding)		(1,102,171)	(1,401,718)		(1,304,641)	(1,304,641)	(1,304,641)	(1,198,925)	(1,198,925)	(1,198,925)
<b>Grand Total</b>		<b>770,307</b>	<b>925,453</b>		<b>998,639</b>	<b>998,639</b>	<b>998,639</b>	<b>1,013,216</b>	<b>1,013,216</b>	<b>1,013,216</b>

## **Analysis of Budget Request**

**Appropriation:** 2UE - Petroleum Storage Tank Trust

**Funding Sources:** TPT - Petroleum Storage Tank Trust Fund

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

The Agency utilizes this appropriation to take corrective action as needed because of accidental releases from a storage tank of unknown ownership or when corrective action is not taken by the owner or operator in a timely manner. This appropriation contains \$10,000,000 of unfunded contingency appropriation that is utilized when necessary for corrective actions. Special Language allows for a transfer from various Agency funds into appropriation 2TP (State Operations) to alleviate funding shortfalls. A transfer of \$200,000 was made each year of the 2007-09 biennium.

Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency request is for Base level of \$21,802,660 in FY10 and \$21,805,610 in FY11.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UE - Petroleum Storage Tank Trust

**Funding Sources:** TPT - Petroleum Storage Tank Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	217,492	233,454	418,855	234,739	234,739	234,739	237,216	237,216	237,216
<b>#Positions</b>		<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Personal Services Matching	5010003	59,026	61,045	122,088	64,960	64,960	64,960	65,433	65,433	65,433
Operating Expenses	5020002	5,798,584	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800	18,999,800
Conference & Travel Expenses	5050009	1,725	3,005	3,005	3,005	3,005	3,005	3,005	3,005	3,005
Professional Fees	5060010	129,081	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156	2,500,156
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	7,455	0	0	0	0	0	0	0	0
<b>Total</b>		<b>6,213,363</b>	<b>21,797,460</b>	<b>22,043,904</b>	<b>21,802,660</b>	<b>21,802,660</b>	<b>21,802,660</b>	<b>21,805,610</b>	<b>21,805,610</b>	<b>21,805,610</b>

Funding Sources										
Fund Balance	4000005	16,631,102	18,364,917		3,934,079	3,934,079	3,934,079	0	0	0
Interest	4000300	515,244	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Other	4000370	7,631,934	7,066,622		7,001,796	7,001,796	7,001,796	7,050,000	7,050,000	7,050,000
Transfers / Adjustments	4000683	(200,000)	(200,000)		0	0	0	0	0	0
<b>Total Funding</b>		<b>24,578,280</b>	<b>25,731,539</b>		<b>11,435,875</b>	<b>11,435,875</b>	<b>11,435,875</b>	<b>7,550,000</b>	<b>7,550,000</b>	<b>7,550,000</b>
Excess Appropriation/(Funding)		(18,364,917)	(3,934,079)		10,366,785	10,366,785	10,366,785	14,255,610	14,255,610	14,255,610
<b>Grand Total</b>		<b>6,213,363</b>	<b>21,797,460</b>		<b>21,802,660</b>	<b>21,802,660</b>	<b>21,802,660</b>	<b>21,805,610</b>	<b>21,805,610</b>	<b>21,805,610</b>

Actual amount exceeds Authorized in Capital Outlay due to an authorized appropriation of \$40,000 in Capital Outlay in FY08.

Other funding is comprised of environmental fees collected pursuant to A.C.A. §8-7-906.

Transfers/Adjustments - Special Language allows an annual transfer from various departments into State Operations (appropriation 2TP) if General Revenue funding is unable to cover expenditures.

The excess appropriation in FY10 and FY11 assumes full expenditure of the contingency appropriation (Petroleum Storage Tank Remediation Program) in the Operation Expenses line item.

## **Analysis of Budget Request**

**Appropriation:** 2UF - Regulated Storage Tank Program

**Funding Sources:** FYP - Federal Funds

Acts 172 and 173 of 1989 created the Regulated Storage Tank Program and placed the responsibilities of the program under the direction of the Department of Environmental Quality. The Agency utilizes this appropriation for contractual services on corrective actions with federal funding derived from the Environmental Protection Agency. This funding requires an 80/20 federal/state match ratio.

The Agency Request is for Base Level of \$3,925,000 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UF - Regulated Storage Tank Program

**Funding Sources:** FYP - Federal Funds

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regulated Storage Tank & Contractu:5900043	349,214	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Total	349,214	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000	3,925,000

Funding Sources									
Federal Revenue	4000020	349,214	3,925,000		3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Total Funding		349,214	3,925,000		3,925,000	3,925,000	3,925,000	3,925,000	3,925,000
Excess Appropriation/(Funding)		0	0		0	0	0	0	0
Grand Total		349,214	3,925,000		3,925,000	3,925,000	3,925,000	3,925,000	3,925,000

## **Analysis of Budget Request**

**Appropriation:** 2UG - Landfill Post Closure Program

**Funding Sources:** TLP - Landfill Post Closure Trust Fund

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

The Illegal Dump Eradication and Corrective Action Program was created by Act 938 of 1997 (A.C.A. §8-6-504) to set forth a state policy to eliminate illegal dumping of solid waste and to provide a means to fund the program up to \$1,000,000 each year for five years. Pursuant to Act 938 of 1997, funding for all programs is capped at \$25,000,000, with no additional funds collected once this level is reached; however, collections are reinstated once the fund diminishes to \$15,000,000. In addition, for administrative purposes, the Agency may utilize these funds at a level not exceeding \$300,000 annually, with an annual escalator not exceeding 3%. An additional \$100,000 may be budgeted for administrative expenses of the Illegal Dump Eradication and Corrective Action Program.

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency Request is for Base Level of \$7,846,293 in FY10 and \$7,853,176 in FY11.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UG - Landfill Post Closure Program

**Funding Sources:** TLP - Landfill Post Closure Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	265,594	278,428	284,489	290,031	290,031	290,031	295,810	295,810	295,810
<b>#Positions</b>		<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
Personal Services Matching	5010003	79,057	78,269	82,952	85,966	85,966	85,966	87,070	87,070	87,070
Operating Expenses	5020002	206	30,923	30,923	30,923	30,923	30,923	30,923	30,923	30,923
Conference & Travel Expenses	5050009	0	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	4,093	5,000	5,000	0	0	0	0	0	0
Contractual Services	5900043	237,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373	7,433,373
<b>Total</b>		<b>586,323</b>	<b>7,831,993</b>	<b>7,842,737</b>	<b>7,846,293</b>	<b>7,846,293</b>	<b>7,846,293</b>	<b>7,853,176</b>	<b>7,853,176</b>	<b>7,853,176</b>

Funding Sources										
Fund Balance	4000005	19,967,159	23,132,077		19,979,635	19,979,635	19,979,635	15,749,444	15,749,444	15,749,444
Special Revenue	4000030	3,084,264	4,526,336		3,131,233	3,131,233	3,131,233	3,209,514	3,209,514	3,209,514
Investments	4000315	666,977	153,215		484,869	484,869	484,869	484,869	484,869	484,869
<b>Total Funding</b>		<b>23,718,400</b>	<b>27,811,628</b>		<b>23,595,737</b>	<b>23,595,737</b>	<b>23,595,737</b>	<b>19,443,827</b>	<b>19,443,827</b>	<b>19,443,827</b>
Excess Appropriation/(Funding)		(23,132,077)	(19,979,635)		(15,749,444)	(15,749,444)	(15,749,444)	(11,590,651)	(11,590,651)	(11,590,651)
<b>Grand Total</b>		<b>586,323</b>	<b>7,831,993</b>		<b>7,846,293</b>	<b>7,846,293</b>	<b>7,846,293</b>	<b>7,853,176</b>	<b>7,853,176</b>	<b>7,853,176</b>

## **Analysis of Budget Request**

**Appropriation:** 2UH - Waste Tire Recycling Program

**Funding Sources:** TTG - Waste Tire Grant Fund

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

This appropriation is used to disburse Tire Recycling Grant Funds to the Regional Solid Waste Management Districts and contains unfunded contingency appropriation in the amount of \$1,000,000 that is utilized for grants.

The Agency Request is for Base Level of \$6,425,000 each year.

The Executive Recommendation provides for Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UH - Waste Tire Recycling Program

**Funding Sources:** TTG - Waste Tire Grant Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Grants and Aid	5100004	4,739,529	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000	6,425,000
<b>Total</b>		<b>4,739,529</b>	<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>
<b>Funding Sources</b>										
Fund Balance	4000005	1,681,593	1,853,136		264,127	264,127	264,127	0	0	0
Special Revenue	4000030	4,911,072	4,835,991		4,800,000	4,800,000	4,800,000	4,820,000	4,820,000	4,820,000
<b>Total Funding</b>		<b>6,592,665</b>	<b>6,689,127</b>		<b>5,064,127</b>	<b>5,064,127</b>	<b>5,064,127</b>	<b>4,820,000</b>	<b>4,820,000</b>	<b>4,820,000</b>
Excess Appropriation/(Funding)		(1,853,136)	(264,127)		1,360,873	1,360,873	1,360,873	1,605,000	1,605,000	1,605,000
<b>Grand Total</b>		<b>4,739,529</b>	<b>6,425,000</b>		<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>	<b>6,425,000</b>

The excess appropriation in FY10 and FY11 assumes full expenditure of the contingency appropriation in the Grants and Aid line item.

## **Analysis of Budget Request**

**Appropriation:** 2UJ - St Mktg Brd for Recyclables Prog

**Funding Sources:** SMB - State Marketing Board Fund

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

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

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

The request for this appropriation includes Base Level of \$28,876 each year with an increase in Capital Outlay of \$3,500 each year. The increase will allow for the purchase of computer equipment which will be utilized for electronic presentations in schools and other public outreach programs. The equipment purchase is in line with the Agency's Information Technology Plan.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UJ - St Mktg Brd for Recyclables Prog

**Funding Sources:** SMB - State Marketing Board Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries 5010000	540	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<b>#Positions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Personal Services Matching 5010003	41	115	115	115	115	115	115	115	115
Operating Expenses 5020002	5,925	13,846	13,846	13,846	13,846	13,846	13,846	13,846	13,846
Conference & Travel Expenses 5050009	3,163	6,415	6,415	6,415	6,415	6,415	6,415	6,415	6,415
Professional Fees 5060010	0	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	3,125	3,125	3,500	3,500	3,500	3,500	3,500	3,500
<b>Total</b>	<b>9,669</b>	<b>32,001</b>	<b>32,001</b>	<b>32,376</b>	<b>32,376</b>	<b>32,376</b>	<b>32,376</b>	<b>32,376</b>	<b>32,376</b>
<b>Funding Sources</b>									
Fund Balance 4000005	145,895	153,203		139,414	139,414	139,414	124,006	124,006	124,006
Special Revenue 4000030	16,977	18,212		16,968	16,968	16,968	17,392	17,392	17,392
Total Funding	162,872	171,415		156,382	156,382	156,382	141,398	141,398	141,398
Excess Appropriation/(Funding)	(153,203)	(139,414)		(124,006)	(124,006)	(124,006)	(109,022)	(109,022)	(109,022)
<b>Grand Total</b>	<b>9,669</b>	<b>32,001</b>		<b>32,376</b>	<b>32,376</b>	<b>32,376</b>	<b>32,376</b>	<b>32,376</b>	<b>32,376</b>

## **Analysis of Budget Request**

**Appropriation:** 2UK - Environmental Education Program

**Funding Sources:** MEE - Environmental Education Fund

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

The Base Level salary for the classified position reflects the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The request for this appropriation includes Base level of \$312,711 in FY10 and \$313,922 in FY11 and an increase in Capital Outlay of \$8,000 for each year. This increase would allow the Agency to purchase new computer equipment to develop and provide electronic environmental education presentations for use in schools and other public outreach programs. The request is in line with the Agency's Information Technology Plan.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UK - Environmental Education Program

**Funding Sources:** MEE - Environmental Education Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	42,165	43,554	40,912	45,050	45,050	45,050	46,067	46,067	46,067
<b>#Positions</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching	5010003	12,749	12,501	12,505	13,700	13,700	13,700	13,894	13,894	13,894
Operating Expenses	5020002	31,426	151,961	151,961	151,961	151,961	151,961	151,961	151,961	151,961
Conference & Travel Expenses	5050009	3,036	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Professional Fees	5060010	20,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000	94,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	6,395	11,000	11,000	8,000	8,000	8,000	8,000	8,000	8,000
<b>Total</b>		<b>115,771</b>	<b>321,016</b>	<b>318,378</b>	<b>320,711</b>	<b>320,711</b>	<b>320,711</b>	<b>321,922</b>	<b>321,922</b>	<b>321,922</b>
<b>Funding Sources</b>										
Fund Balance	4000005	277,312	301,669		74,828	74,828	74,828	0	0	0
Other	4000370	140,128	94,175		105,000	105,000	105,000	110,000	110,000	110,000
<b>Total Funding</b>		<b>417,440</b>	<b>395,844</b>		<b>179,828</b>	<b>179,828</b>	<b>179,828</b>	<b>110,000</b>	<b>110,000</b>	<b>110,000</b>
Excess Appropriation/(Funding)		(301,669)	(74,828)		140,883	140,883	140,883	211,922	211,922	211,922
<b>Grand Total</b>		<b>115,771</b>	<b>321,016</b>		<b>320,711</b>	<b>320,711</b>	<b>320,711</b>	<b>321,922</b>	<b>321,922</b>	<b>321,922</b>

The Actual and Budget amounts in Regular Salaries and Personal Services Matching exceed the Authorized amounts due to salary and matching rate adjustments during the 2007-2009 biennium.

## **Analysis of Budget Request**

**Appropriation:** 2UM - Lead Based Paint Hazard Prog

**Funding Sources:** MPL - Lead Based Paint Hazard Fund

The Lead-Based Paint Hazard Program was created by the 81<sup>st</sup> General Assembly through Act 309 of 1997 (A.C.A. §8-4-409 et esq.). This Act authorized the Agency to establish, administer, and enforce a program for training and licensing individuals and firms engaged in lead-based paint activities. Funding is derived from fees charged to consultants, contractors, and trainers conducting lead-based paint activities.

The Agency Request is for Base Level of \$18,250 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UM - Lead Based Paint Hazard Prog

**Funding Sources:** MPL - Lead Based Paint Hazard Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Operating Expenses	5020002	2,064	16,825	16,825	16,825	16,825	16,825	16,825	16,825	16,825
Conference & Travel Expenses	5050009	1,133	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425
Professional Fees	5060010	0	0	0	0	0	0	0	0	0
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>3,197</b>	<b>18,250</b>	<b>18,250</b>	<b>18,250</b>	<b>18,250</b>	<b>18,250</b>	<b>18,250</b>	<b>18,250</b>	<b>18,250</b>
<b>Funding Sources</b>										
Fund Balance	4000005	153,124	167,062		162,087	162,087	162,087	158,982	158,982	158,982
Special Revenue	4000030	17,135	13,275		15,145	15,145	15,145	15,524	15,524	15,524
<b>Total Funding</b>		<b>170,259</b>	<b>180,337</b>		<b>177,232</b>	<b>177,232</b>	<b>177,232</b>	<b>174,506</b>	<b>174,506</b>	<b>174,506</b>
Excess Appropriation/(Funding)		(167,062)	(162,087)		(158,982)	(158,982)	(158,982)	(156,256)	(156,256)	(156,256)
<b>Grand Total</b>		<b>3,197</b>	<b>18,250</b>		<b>18,250</b>	<b>18,250</b>	<b>18,250</b>	<b>18,250</b>	<b>18,250</b>	<b>18,250</b>

## **Analysis of Budget Request**

**Appropriation:** 2UN - Small Business Loans

**Funding Sources:** TBL - Small Business Revolving Loan Fund

The Small Business Revolving Loan Program was created by the 81<sup>st</sup> General Assembly through Act 691 of 1997 (A.C.A. §8-5-801 et seq.). This Act authorized the Agency to establish and administer the Small Business Revolving Loan Fund to encourage the investment in pollution control and prevention technologies. Funding for this program is derived from interest earnings and repayment streams of the Small Business Revolving Loan Program (appropriation 2UP).

The Agency Request for this biennial appropriation is Base Level in the amount of \$1,100,000.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation is to authorize one-half (1/2) of the total appropriation for each fiscal year.

## Appropriation Summary

**Appropriation:** 2UN - Small Business Loans

**Funding Sources:** TBL - Small Business Revolving Loan Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Loans 5120029	50,230	0	0	1,100,000	1,100,000	550,000	0	0	550,000
<b>Total</b>	<b>50,230</b>	<b>0</b>	<b>0</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>550,000</b>	<b>0</b>	<b>0</b>	<b>550,000</b>
<b>Funding Sources</b>									
Loan Repayment 4000330	50,230	0		1,100,000	1,100,000	550,000	0	0	550,000
<b>Total Funding</b>	<b>50,230</b>	<b>0</b>		<b>1,100,000</b>	<b>1,100,000</b>	<b>550,000</b>	<b>0</b>	<b>0</b>	<b>550,000</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>50,230</b>	<b>0</b>		<b>1,100,000</b>	<b>1,100,000</b>	<b>550,000</b>	<b>0</b>	<b>0</b>	<b>550,000</b>

This was a Biennial Appropriation.

## **Analysis of Budget Request**

**Appropriation:** 2UP - Sm Bus Revolving Loan Prog Exp

**Funding Sources:** TBL - Small Business Revolving Loan Fund

The Small Business Revolving Loan Program was created by the 81<sup>st</sup> General Assembly through Act 691 of 1997 (A.C.A. §8-5-801 et seq.). This Act authorized the Agency to establish and administer the Small Business Revolving Loan Fund to encourage the investment in pollution control and prevention technologies. This appropriation provides for the personal services and operating expenses of the Small Business Revolving Loan Program.

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency Request for this appropriation is for Base Level in the amount of \$57,419 in FY10 and \$58,272 in FY11.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 2UP - Sm Bus Revolving Loan Prog Exp

**Funding Sources:** TBL - Small Business Revolving Loan Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries	5010000	16,296	25,706	28,552	27,424	27,424	27,424	28,140	28,140	28,140
<b>#Positions</b>		<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching	5010003	7,016	9,100	9,996	10,335	10,335	10,335	10,472	10,472	10,472
Operating Expenses	5020002	9,822	11,010	11,010	11,010	11,010	11,010	11,010	11,010	11,010
Conference & Travel Expenses	5050009	0	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650
Professional Fees	5060010	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>33,134</b>	<b>54,466</b>	<b>58,208</b>	<b>57,419</b>	<b>57,419</b>	<b>57,419</b>	<b>58,272</b>	<b>58,272</b>	<b>58,272</b>
<b>Funding Sources</b>										
Interest	4000300	33,134	54,466		57,419	57,419	57,419	58,272	58,272	58,272
Total Funding		33,134	54,466		57,419	57,419	57,419	58,272	58,272	58,272
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
<b>Grand Total</b>		<b>33,134</b>	<b>54,466</b>		<b>57,419</b>	<b>57,419</b>	<b>57,419</b>	<b>58,272</b>	<b>58,272</b>	<b>58,272</b>

## **Analysis of Budget Request**

**Appropriation:** 2UQ - Performance Partnership Syst Exp

**Funding Sources:** TPP - Performance Partnership Trust Fund

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

The Agency Request is for Base Level of \$600,000 in each fiscal year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation is to discontinue Special Language provisions for carry forward of appropriation.

## Appropriation Summary

**Appropriation:** 2UQ - Performance Partnership Syst Exp

**Funding Sources:** TPP - Performance Partnership Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Performance Integrated Syst	5900046	184,547	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Total		184,547	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
<b>Funding Sources</b>										
Fund Balance	4000005	1,196,185	1,047,128		482,903	482,903	482,903	0	0	0
Investments	4000315	35,490	35,775		35,491	35,491	35,491	32,705	32,705	32,705
Total Funding		1,231,675	1,082,903		518,394	518,394	518,394	32,705	32,705	32,705
Excess Appropriation/(Funding)		(1,047,128)	(482,903)		81,606	81,606	81,606	567,295	567,295	567,295
Grand Total		184,547	600,000		600,000	600,000	600,000	600,000	600,000	600,000

2007-2009 Special Language provided for the carry forward of unused appropriation. No carry forward was utilized by the Agency in 2009.

## **Analysis of Budget Request**

**Appropriation:** 2UR - Environmental Settlement Trust

**Funding Sources:** TET - ADEQ Environmental Settlement Trust Fund

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

The Agency Request for this biennial appropriation is Base Level of \$1,500,000.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation is to authorize one-half (1/2) of the total appropriation for each fiscal year.

## Appropriation Summary

**Appropriation:** 2UR - Environmental Settlement Trust

**Funding Sources:** TET - ADEQ Environmental Settlement Trust Fund

Commitment Item		2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
		Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Environmental Settlement Trust	5900046	519,842	0	0	1,500,000	1,500,000	750,000	0	0	750,000
<b>Total</b>		519,842	0	0	1,500,000	1,500,000	750,000	0	0	750,000
<b>Funding Sources</b>										
Fund Balance	4000005	1,009,681	513,922		513,922	513,922	513,922	0	0	0
Trust Fund	4000050	0	0		986,078	986,078	236,078	0	0	750,000
Investments	4000315	24,083	0		0	0	0	0	0	0
<b>Total Funding</b>		1,033,764	513,922		1,500,000	1,500,000	750,000	0	0	750,000
Excess Appropriation/(Funding)		(513,922)	(513,922)		0	0	0	0	0	0
<b>Grand Total</b>		519,842	0		1,500,000	1,500,000	750,000	0	0	750,000

This was a Biennial Appropriation.

## **Analysis of Budget Request**

**Appropriation:** 2US - Computer/Electronic Recycling

**Funding Sources:** MER - Computer and Electronic Recycling Fund

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

The Agency Request is for Base Level of \$250,000 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

Due to the passage of Amendment 86 requiring annual sessions, the Legislative Recommendation is to discontinue Special Language provisions for carry forward of appropriation.

## Appropriation Summary

**Appropriation:** 2US - Computer/Electronic Recycling

**Funding Sources:** MER - Computer and Electronic Recycling Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Computer & Electronics Recycling Mar5900046	152,992	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
<b>Total</b>	<b>152,992</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>

Funding Sources									
Fund Balance	4000005	184,856	114,859		0	0	0	0	0
M & R Sales	4000340	82,995	135,141		135,000	135,000	135,000	135,000	135,000
Total Funding		267,851	250,000		135,000	135,000	135,000	135,000	135,000
Excess Appropriation/(Funding)		(114,859)	0		115,000	115,000	115,000	115,000	115,000
<b>Grand Total</b>		<b>152,992</b>	<b>250,000</b>		<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>	<b>250,000</b>

M & R Sales are expected to grow due to projected increases in statewide computer sales.

2007-2009 Special Language provided for the carry forward of unused appropriation. No carry forward was utilized by the Agency in 2009.

## **Analysis of Budget Request**

**Appropriation:** 344 - PCE Comm Admn Hearing Officer

**Funding Sources:** TPE - ADEQ Fee Trust Fund

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

The Base Level salaries for classified positions reflect the recommendations of the Pay Plan Study. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium. The Base Level request for Regular Salaries may include board member Stipend payments and Career Services payments for eligible employees. Personal Services Matching includes a \$75 increase in monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

The Agency's request is for Base Level of \$297,820 in FY10 and \$298,757 in FY11 and a reallocation of \$1,000 each year from Operating Expenses to Conference & Travel Expenses. This reallocation will cover increases in fuel, lodging, and seminar registration costs for the thirteen (13) commissioners who attend at least one environmental seminar or conference annually.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 344 - PCE Comm Admn Hearing Officer

**Funding Sources:** TPE - ADEQ Fee Trust Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Regular Salaries 5010000	115,784	144,042	143,744	159,082	159,082	159,082	159,869	159,869	159,869
<b>#Positions</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
Personal Services Matching 5010003	35,358	38,988	40,597	44,599	44,599	44,599	44,749	44,749	44,749
Operating Expenses 5020002	56,613	88,217	88,217	87,217	87,217	87,217	87,217	87,217	87,217
Conference & Travel Expenses 5050009	2,115	5,922	5,922	6,922	6,922	6,922	6,922	6,922	6,922
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>209,870</b>	<b>277,169</b>	<b>278,480</b>	<b>297,820</b>	<b>297,820</b>	<b>297,820</b>	<b>298,757</b>	<b>298,757</b>	<b>298,757</b>
<b>Funding Sources</b>									
Special Revenue 4000030	209,870	277,169		297,820	297,820	297,820	298,757	298,757	298,757
Total Funding	209,870	277,169		297,820	297,820	297,820	298,757	298,757	298,757
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>209,870</b>	<b>277,169</b>		<b>297,820</b>	<b>297,820</b>	<b>297,820</b>	<b>298,757</b>	<b>298,757</b>	<b>298,757</b>

The Budget amount in Regular Salaries exceeds the Authorized amount due to salary adjustments during the 2007-2009 biennium.

## **Analysis of Budget Request**

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

**Funding Sources:** TPE - ADEQ Fee Trust Fund

This appropriation was created by the 86<sup>th</sup> General Assembly in Act 1281 of 2007. This appropriation gives ADEQ the ability to clean up non-hazardous sites which pose a threat to the environment of the State of Arkansas. The ADEQ Fee Trust Fund provides the funding for the appropriation. The ADEQ Fee Trust Fund was created by Act 817 of 1983 (A.C.A. §8-1-103). This Act authorized the Agency to establish and collect permit fees for air, water, and solid waste permitting, monitoring and inspecting activities.

The Agency Request is for Base Level of \$750,000 in each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

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

**Funding Sources:** TPE - ADEQ Fee Trust Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
Contractual Services 5900043	0	750,000	1,000,000	750,000	750,000	750,000	750,000	750,000	750,000
<b>Total</b>	<b>0</b>	<b>750,000</b>	<b>1,000,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>

Funding Sources									
Trust Fund 4000050	0	750,000		750,000	750,000	750,000	750,000	750,000	750,000
<b>Total Funding</b>	<b>0</b>	<b>750,000</b>		<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
<b>Grand Total</b>	<b>0</b>	<b>750,000</b>		<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>

## **Analysis of Budget Request**

**Appropriation:** 467 - PCE Commission Expenses

**Funding Sources:** HUA - Miscellaneous Agencies Fund

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

The Agency Request is for Base Level of \$3,977 each year.

The Executive Recommendation provides for the Agency Request.

The Legislative Recommendation concurs with the Executive Recommendation.

## Appropriation Summary

**Appropriation:** 467 - PCE Commission Expenses

**Funding Sources:** HUA - Miscellaneous Agencies Fund

Commitment Item	2007-2008	2008-2009	2008-2009	2009-2010			2010-2011		
	Actual	Budget	Authorized	Agency	Executive	Legislative	Agency	Executive	Legislative
PC&E Commission Expenses 5900046	3,966	3,977	3,977	3,977	3,977	3,977	3,977	3,977	3,977
Total	3,966	3,977	3,977	3,977	3,977	3,977	3,977	3,977	3,977
<b>Funding Sources</b>									
General Revenue 4000010	3,966	3,977		3,977	3,977	3,977	3,977	3,977	3,977
Total Funding	3,966	3,977		3,977	3,977	3,977	3,977	3,977	3,977
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	3,966	3,977		3,977	3,977	3,977	3,977	3,977	3,977