

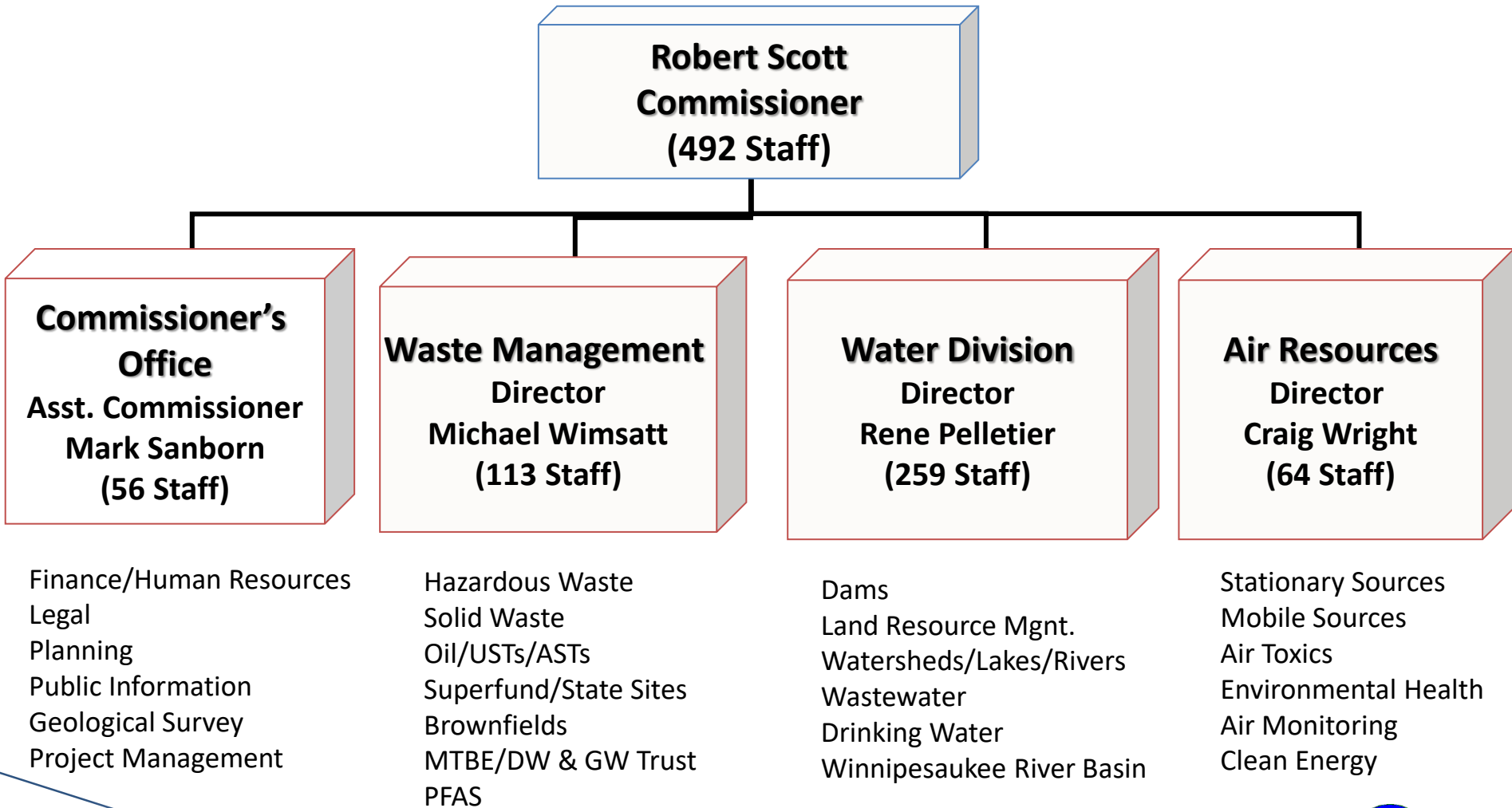
New Hampshire Department of Environmental Services

FY 24/25 Operating Budget Presentation for Senate Finance Committee

April 17, 2023



NH Department of Environmental Services



NHDES Mission Statement

... to help sustain a high quality of life for all citizens by protecting and restoring the environment and public health in New Hampshire.

... Recognizing that a strong economy and a healthy environment go hand in hand!



NHDES Core Functions

- **Ensure high levels of water quality for water supplies, ecological balance, and recreational benefits**
- **Manage water resources for future generations**
- **Regulate the emissions of air pollutants and ensure air pollution levels are below federal standards**
- **Foster the proper use and management of materials & waste**
- **Remediate and reuse contaminated sites**
- **Emergency Preparedness and Response**

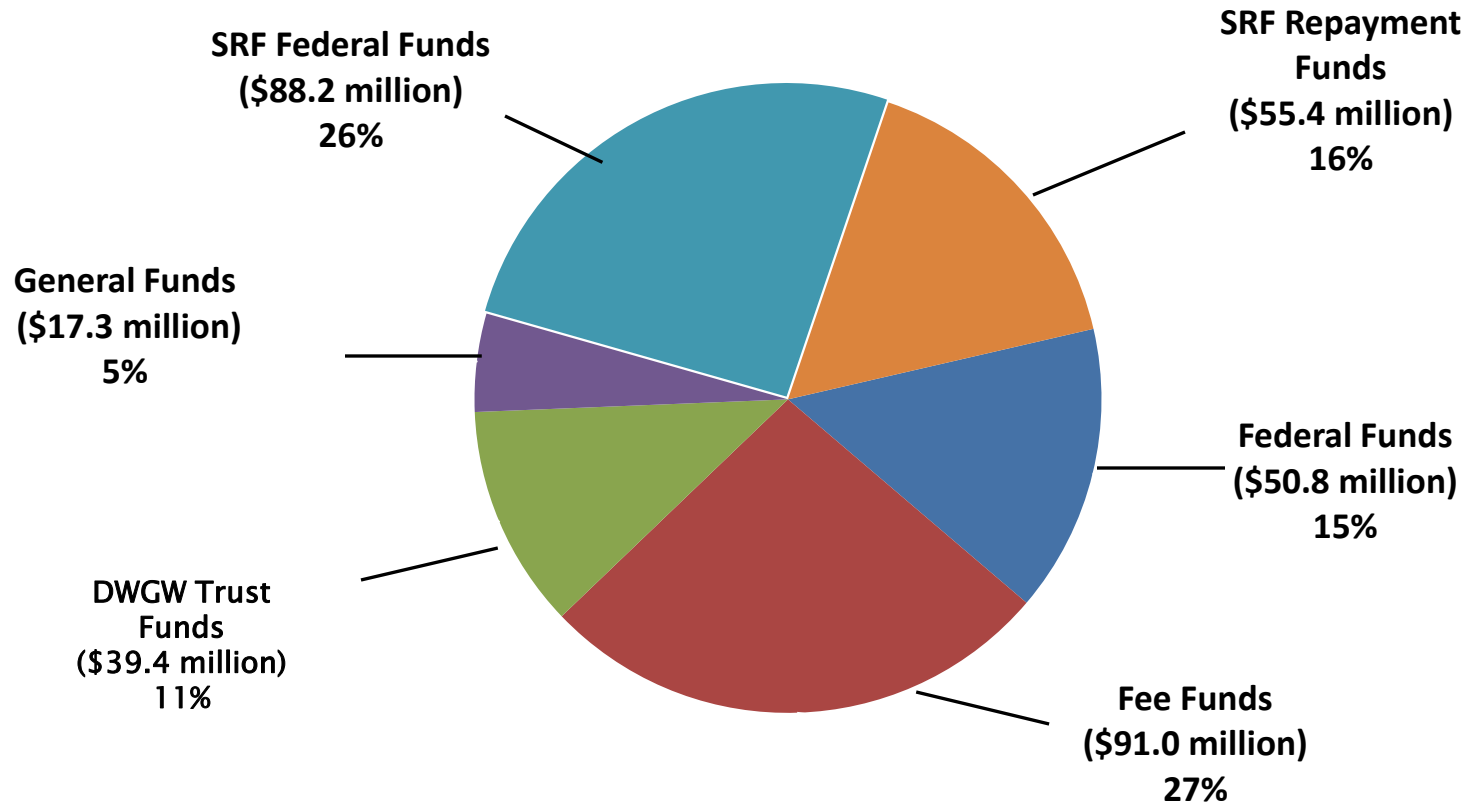
NHDES Budget Highlights

- ▶ FY 24/25 Operating Budget = \$342.1 million annually
- ▶ Doubles federal funding from \$61M to \$139M
- ▶ Adds or expands 8 federal programs through BIL funding including:
 - DWSRF Supplemental, CWSRF Supplemental, Coastal Resiliency Infrastructure, WIIN Emerging Contaminants, Superfund, DWSRF Lead & Copper, Brownfields Infrastructure, and Dam Safety
- ▶ Increases Loans by 50%
- ▶ Increases Grants by 82%
- ▶ Increases Contracts by 110%



FY 2024 -- Sources of Funds

DES TOTAL BUDGET = \$342.1Million



(SRF = State Revolving Fund)

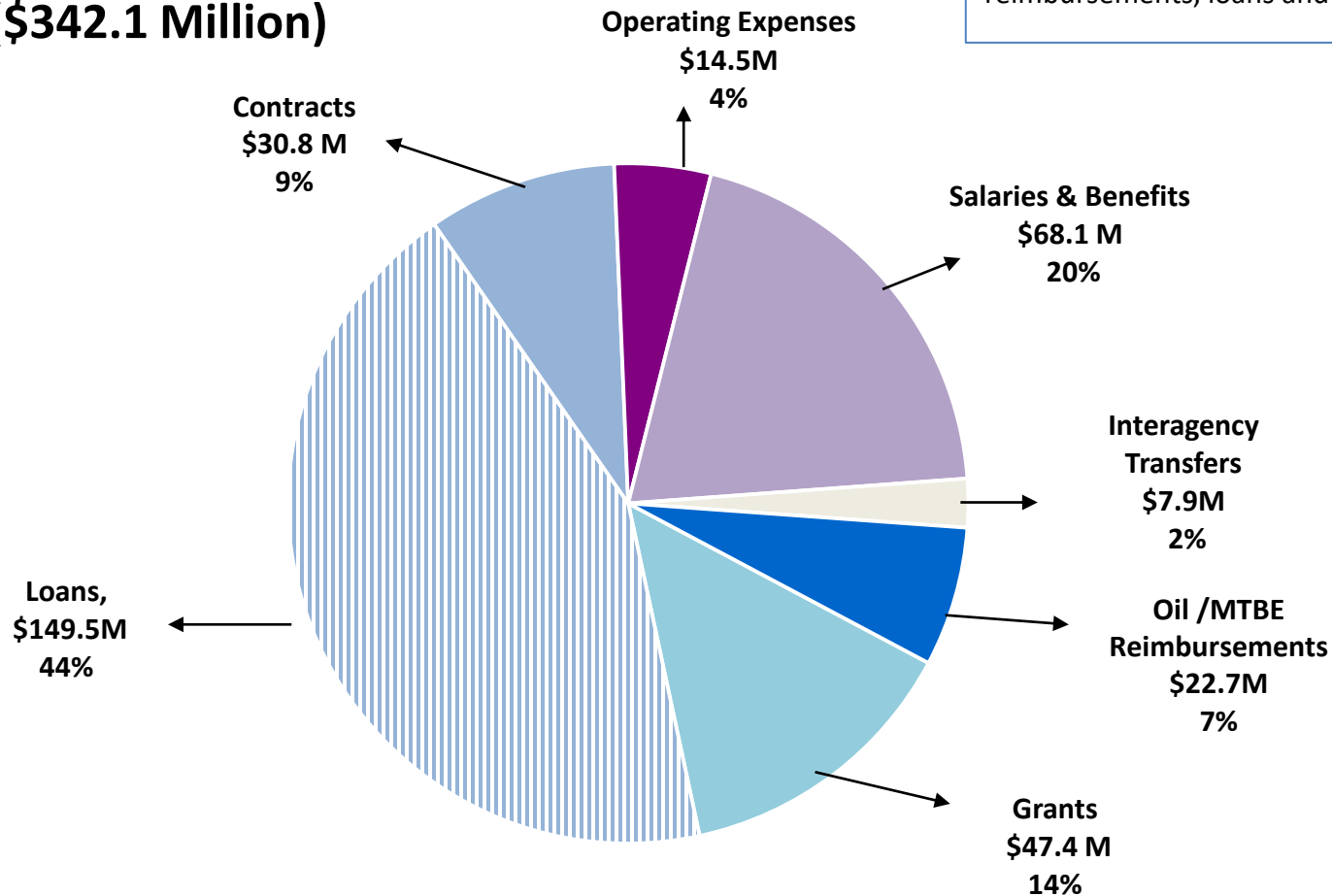
(DWGW = Drinking Water/Ground Water)



FY 2024 -- Uses of Funds

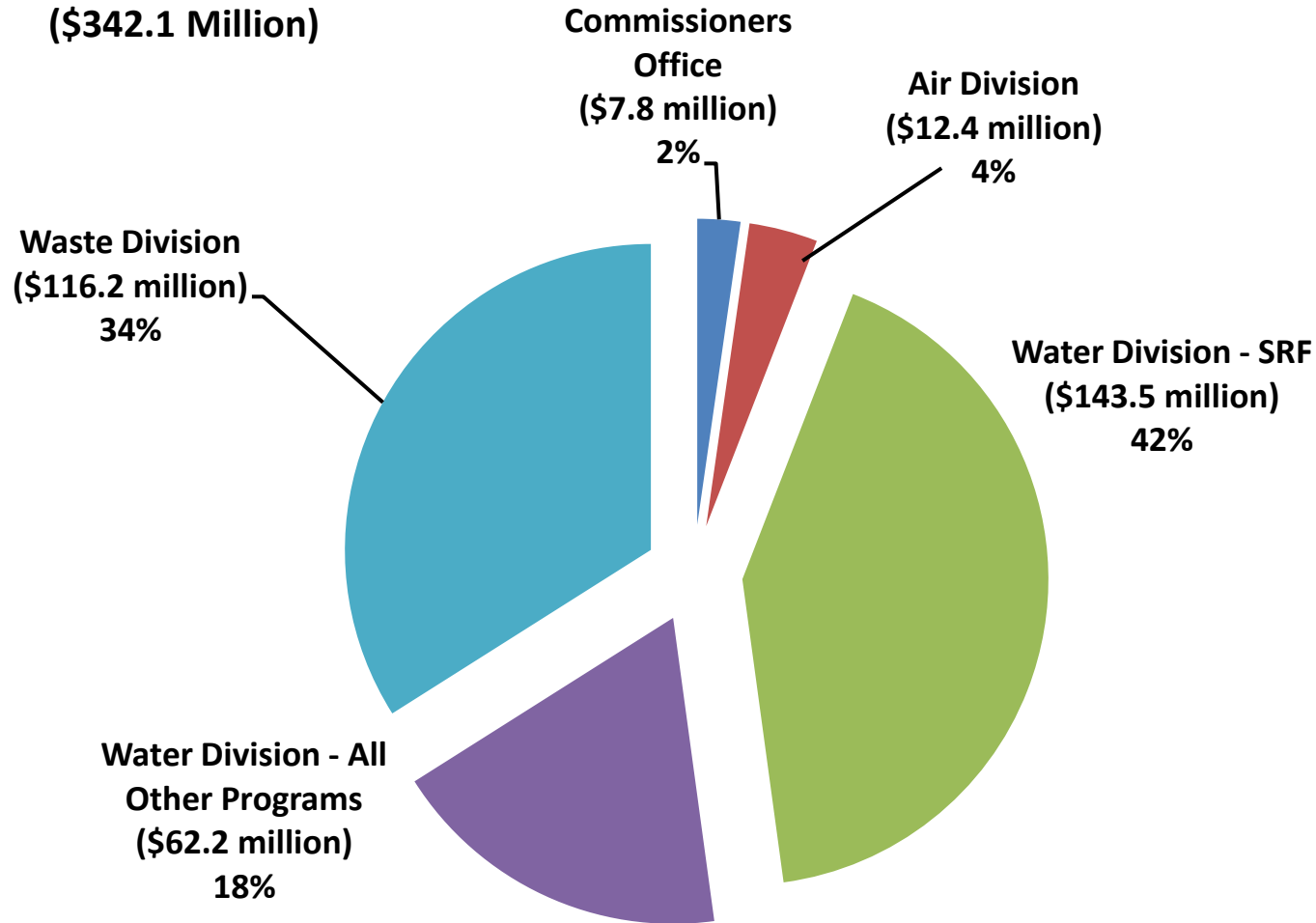
DES FY 2024 Total Budget (\$342.1 Million)

Note: 74% of all Funds are pass through in the form of grants, reimbursements, loans and contracts



FY 2024 Budget by Division

DES FY 2024 Total Budget
(\$342.1 Million)



(SRF = State Revolving Fund)

Budget Analysis by Cost Category

ANALYSIS OF BUDGET CHANGES BY COST CATEGORIES

(amounts shown in thousands)

	FY 2023	FY 2024	\$ Change	Percent Change	FY 2025	\$ Change	Percent Change
Grants	\$ 26,061	\$ 47,417	\$ 21,356	82%	44,484	(2,933)	-6%
Loans	101,000	149,500	48,500	48%	142,500	(7,000)	-5%
Oil/MTBE Reimbursements	21,950	22,710	760	3%	22,710	-	0%
Contracts	14,636	30,757	16,121	110%	38,475	7,718	25%
Operating Expenses	14,105	15,735	1,630	12%	15,700	(35)	0%
Salaries & Benefits	67,317	68,126	809	1%	69,693	1,567	2%
Interagency Transfers	6,903	7,884	981	14%	8,043	159	2%
TOTAL	\$ 251,972	\$ 342,129	\$ 90,157	36%	341,605	(524)	0%

Budget Analysis by Funding Category

ANALYSIS OF BUDGET CHANGES BY FUNDING CATEGORIES

(amounts shown in thousands)

	FY 2023	FY 2024	\$ Change	Percent Change	FY 2025	\$ Change	Percent Change
General Funds	\$ 15,887	\$ 17,285	\$ 1,398	9%	\$ 17,475	\$ 190	1%
Federal Funds - SRF	34,772	88,186	53,414	154%	88,374	188	0%
Federal Funds - All Other	26,838	50,817	23,979	89%	55,990	5,173	10%
Other Funds - SRF	46,170	55,361	9,191	20%	55,524	163	0%
Other Funds - DWGW Trust	37,276	39,389	2,113	6%	39,407	18	0%
Other Funds - All Other	91,029	91,091	62	0%	84,835	(6,256)	-7%
TOTAL	\$ 251,972	\$ 342,129	\$ 90,157	36%	\$ 341,605	\$ (524)	0%



HB 2 Sections

HB 2 Section #	Description	Funding
16-17	Modifies and reassigns duties within Commissioner's Office	
18-25	Adds Hearing Officer to AG and changes responsibilities of position and DES councils. Moves Legal Aide position to AG.	
26-29	Moves Subsurface fees into the Water Resources Fund	
30	Establishes a deadline for filing SAG grant applications by towns	
31-32	Provides funding for the Wastewater SAG grants	\$27,900,000
33	Clarifies AOT permit fee calculation	
34	Raises the debt limit ceiling on Winnepesaukee River Basin (WRB)	
35	Removes the set dates for WRB quarterly billings	
36-38	Establishes a PCB Fund	\$ 1,000,000
109	Removes NHDES name from statute that now belongs to the Dept. Of Energy	

HB 2 Sections Con't

HB 2 Section #	Description	Funding
345-349	Establishes limitations on disposal/incineration of food wastes plus creates 1 new position in FY 25	\$98,000
350-357	Renames the PFAS Remediation Loan fund to the PFAS Response fund and clarifies use of funds	
358-360	Provides funding to the Solid Waste Management Fund to provide grants to advance waste reduction, with special focus on food wastes	\$2,000,000
420-423	Creates the Cyanobacteria Mitigation Loan and Grant fund	\$1

HB 2 Adjustments

Add new section to HB 2 to amend RSA 21-O:16 to delete the reference to the Commissioner's Office in this section:

21-O:16 Pollution Prevention Coordinator. – There is established in the ~~office of the commissioner,~~ department of environmental services, the position of state pollution prevention coordinator. The coordinator shall be a classified employee qualified by reason of education and experience. It is the intent of the legislature that coordination of pollution prevention efforts shall complement and reinforce existing state, federal, local, and private pollution prevention efforts.

Additional Funding Requests

Budget Pg #	Title	FY 2024	FY 2025	Funding Mix
TBD	Air IRA Grant – Pollution Reduction	\$824,823	\$784,889	100% Federal
1000	BIL DWSRF Admin	50,500	37,500	100% Federal
881	Water Planning	230,230	170,170	100% Federal
890	Coastal Zone Management	10,000	10,000	100% Federal
937	Environmental Health Program	2,915	27,866	100% Federal
	TOTALS:	\$1,118,468	\$1,030,425	

Additional Funding Request Descriptions

- A. IRA Air Grant – Pollution Reduction – this new Clean Air grant program focuses on reducing greenhouse gases and other harmful air pollutants. This planning grant will position the state to apply for future implementation grants. Failure to participate in this planning grant would prohibit the state from the implementation grant opportunity in the future.
- B. BIL – DWSRF Admin – this requests adds staff training and travel funds plus funds for water monitoring equipment to this program
- C. Water Planning – NHDES received additional funding for this program that we are planning to pass-thru to the DHHS-Division of Public Health to assist childcare facilities to remediate water fixtures producing water with over 5 ppb lead as required by HB 1421 of 2022.
- D. Coastal Zone Management – this adds funding for membership in the Consensus Building Institute and allows the state to participate in Offshore Wind issues as it relates to impacts to NH ocean commercial fishing.
- E. Environmental Health Program – moves the health education/risk communication function under the federal ATSDR grant from DPHS to DES to provide better and more cost effective services to communities facing environmental contamination.

(See the Technical Corrections Sheet for amounts by account, class and funding)



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