

Department of Environmental Management

House Fiscal Staff Presentation to the Subcommittee on
Environment/Transportation
Governor's FY 2024 Revised, FY 2025 Recommended, and
FY 2025 - FY 2029 Capital Recommendation
April 2, 2024

Department Overview

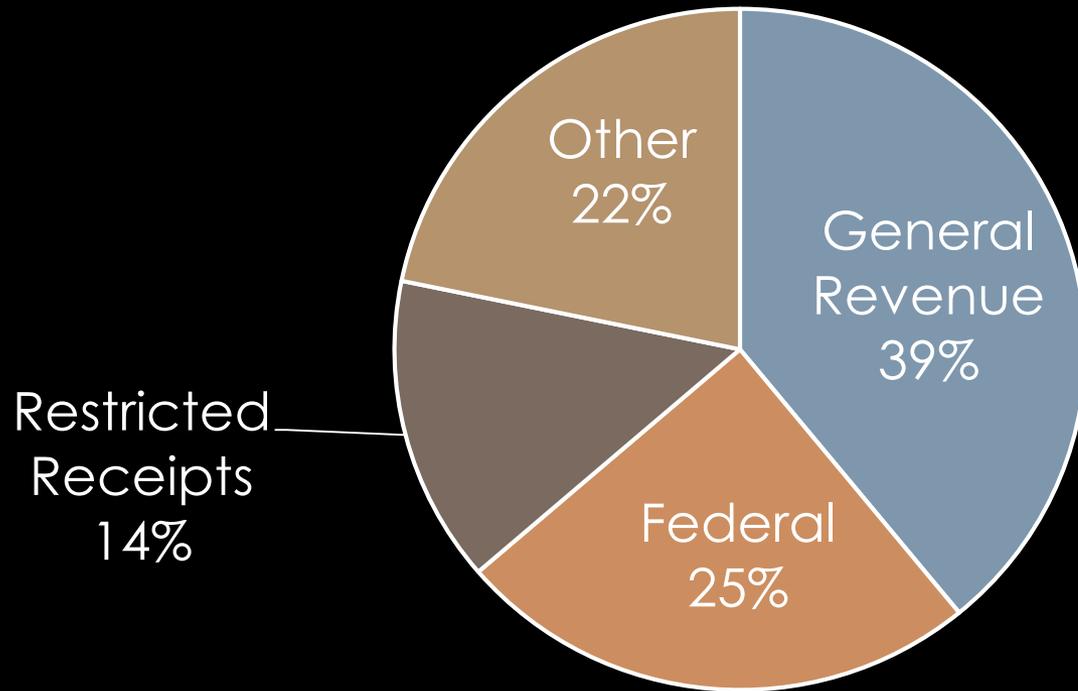
- Agency Responsibilities
 - Preserve the quality of the environment
 - Maintain the health and safety of residents
 - Provide environmental assistance to individuals, businesses and municipalities
 - Conduct research
 - Enforce all environmental laws and regulations

Budget Articles HFC 3/6

Topic	Article	
Underground Storage Tank Trust Fund Transfer	2024-H 7224	Article 1, Section 8
DEM Reporting Repeals	2024-H 7225	Article 3, Section 7&8
Paint Recycling		Article 3, Section 10
Mattresses Stewardship		Article 3, Section 13 &14
Green Economy Bonds		Article 5 – Question 4
Vessel Discharge Decals		Article 6, Section 24

Summary by Source

Governor's FY 2025 Recommendation



Summary by Category

	FY 2024 Enacted	FY 2024 Revised	FY 2025 Governor	Chg. to Enacted
Salaries & Benefits	\$62.4	\$62.4	\$63.4	\$1.0
Contracted Services	9.6	14.9	13.7	4.1
Operating	21.0	21.8	21.1	0.1
Grants	9.4	10.4	9.6	0.2
Capital	25.4	27.5	38.5	13.2
Total	\$127.8	\$137.0	\$146.4	\$18.6

\$ in millions

Staffing – New FTE Request

	FY 2024 Enacted	FY 2025 Request	Chg to Enacted	FY 2025 Gov.	Chg to Enacted
Office of the Director	41.0	45.0	4.0	43.0	2.0
Natural Resources	205.0	219.0	14.0	214.0	9.0
Environmental Protection	179.0	180.0	1.0	180.0	1.0
Total	425.0	444.0	19.0	437.0	12.0

Staffing – FY 2024 New Positions

- 2023 Assembly authorized 8.0 new positions for FY 2024
 - 6.0 positions authorized but not funded
 - 3.0 positions for the Office of the Director
 - 3.0 for the Bureau of Natural Resources
 - 2.0 Forestry Staffing Positions
 - Candidates have been identified
 - April start dates

Staffing

FTE	Authorized	Avg. Filled	Avg. Vacant
FY 2018	400.0	373.5	26.5
FY 2019	395.0	374.5	20.6
FY 2020	394.0	389.2	4.8
FY 2021	394.0	385.8	8.2
FY 2022	401.0	385.3	15.7
FY 2023	417.0	395.9	21.1
FY 2024*	425.0	397.4	27.7

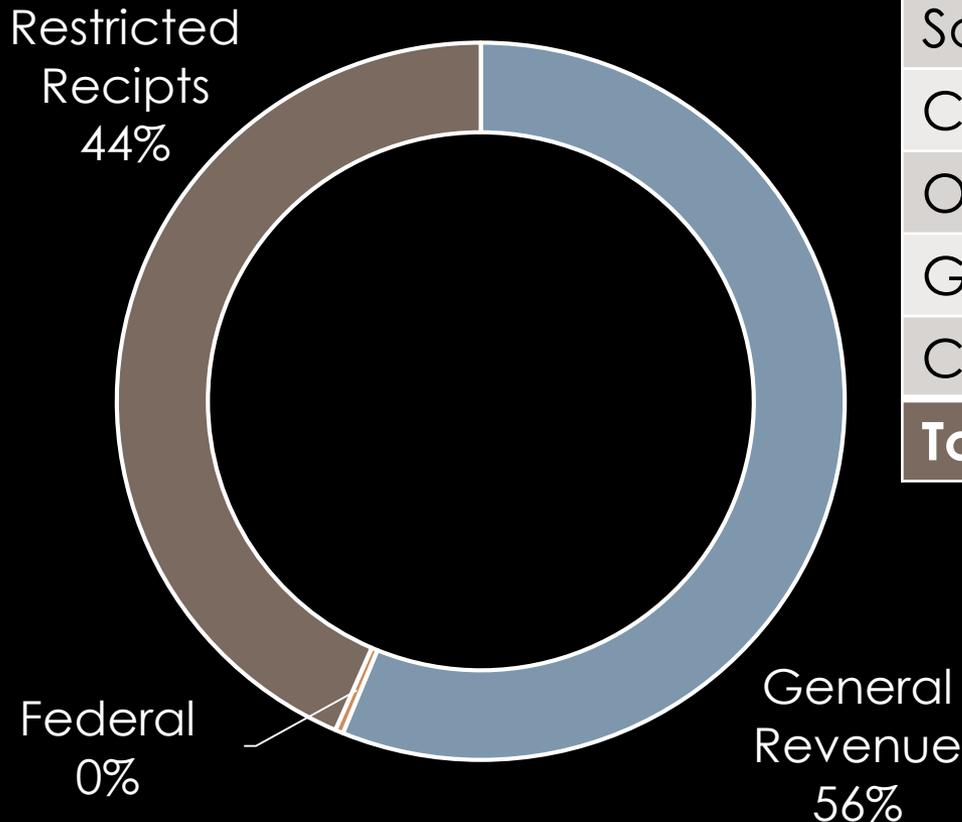
** As of March 23 pay period*

Office of the Director

- Administrative branch of the Department for fiscal, legal, etc.
 - 5 Divisions
 - Administration
 - Administrative Adjudication
 - Environmental Coordination
 - Legal Services
 - Management Services

Office of the Director

SUMMARY BY SOURCE OF FUNDS



SUMMARY BY CATEGORY

Salaries & Benefits	\$ 6,472,537
Contracted Services	442,500
Operating	3,345,092
Grants	857,067
Capital	28,750
Total	\$ 11,145,946

Office of the Director

- Foundry Headquarters Lease
 - 10 year lease effective July 2016
 - Current lease is set to expire in FY 2026
 - Occupancy costs - \$2.9 million annually
 - FY 2024 Revised and FY 2025 - Same as enacted
 - 126,184 square feet for 354 workstations
 - 325 workstations filled

	FY 2024 Revised / FY 2025 Governor
Electricity	\$ 263,950
Rent and Tax	2,643,597
Total	\$ 2,907,547

Office of the Director

FY 2025 Governor	Change to Enacted	
Item	General Revenue	All Funds
Salaries and Benefits	-	\$0.3
Litter Removal Initiative	\$0.1	\$0.1
Regional Greenhouse Gas Initiative	-	\$0.1

\$ in millions

Office of the Director

- Salaries & Benefits
 - \$6.5 million for FY 2025
 - \$0.3 million more than enacted
 - Current service adjustments
 - Excludes \$0.2 million requested for 2.0 grants management positions
 - \$6.3 million for FY 2024
 - \$0.1 million more than enacted
 - Turnover savings and statewide adjustments

Office of the Director

- In April 2022 Gov McKee announced new Litter-Free Rhody initiative
 - To encourage citizens, state agencies & businesses to remove trash/litter from state parks, beaches & management areas
- Enacted budget - \$100,000 from GR
 - Grants to municipalities & organizations for litter clean-ups
- Governor recommends \$100,000 from general revenue for additional year

Office of the Director

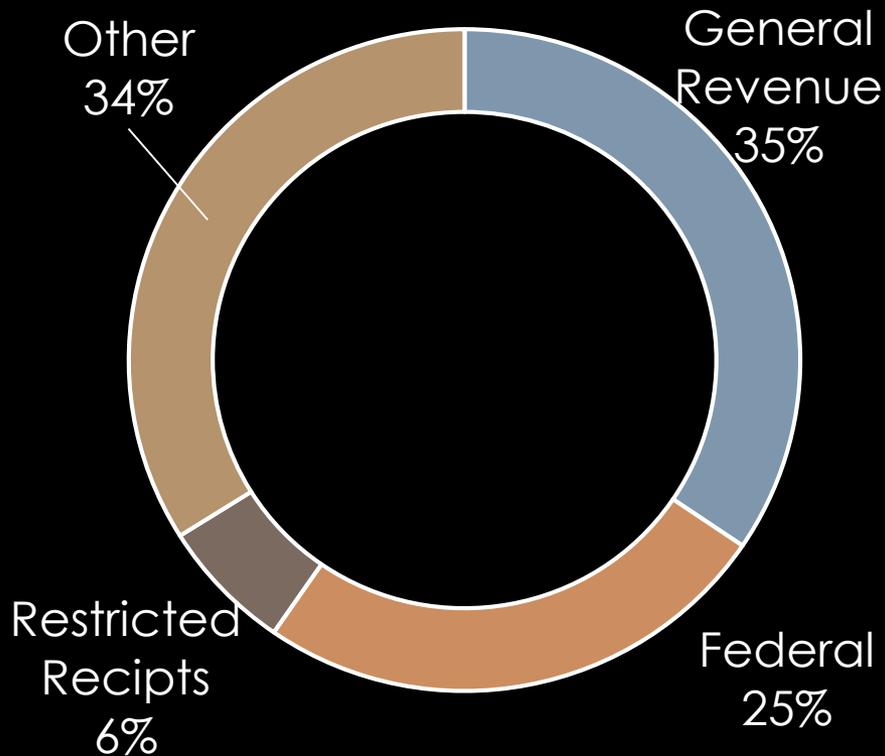
- Regional Greenhouse Gas Initiative
 - FY 2024 enacted budget includes \$0.5 million from restricted receipts
 - Projects reduce long-term consumer energy demands and costs
 - Governor adds \$0.1 million in both FY 2024 and FY 2025 the 2023 Assembly authorized for related Executive Climate Change Coordinating Council (EC4) projects
 - Shifts funding from DOA to agencies that will work to achieve Council's goals

Bureau of Natural Resources

- Protects, manages, and restores the state's wide array of historic parks, beaches, recreational facilities, and green spaces
 - Nine divisions
 - Agriculture
 - Coastal Resources
 - Law Enforcement
 - Forestry
 - Fish and Wildlife
 - Parks and Recreation
 - Planning and Development
 - Marine Resources
 - Narragansett Bay Estuarine Research Reserve

Bureau of Natural Resources

SUMMARY BY SOURCE OF FUNDS



SUMMARY BY CATEGORY

Salaries & Benefits	\$31,719,366
Contracted Services	6,866,170
Operating	11,641,097
Grants	5,441,658
Capital	38,203,076
Total	\$ 93,871,367

Bureau of Natural Resources

FY 2025 Governor	Change to Enacted	
Item	General Rev.	All Funds
Salaries and Benefits	\$0.2	\$(0.1)
Parks & Recreation Operations	(0.02)	0.2
RI Seafood Marketing	0.1	0.1
Mosquito Surveillance	0.2	0.2
Local Agriculture & Seafood Grants	-	-
Farmland Preservation	(1.5)	(1.5)
Federal Grants	-	4.0
Capital	-	11.6

\$ in millions

Bureau of Natural Resources

- \$31.7 million for 214.0 FTE
 - \$0.1 million less than enacted
 - \$0.2 million more from general revenues
 - \$0.2 million less than requested
- Converts seasonal staff to permanent employees within Parks & Recreation
 - Uses \$1.0M from existing funds for 12 new FTE
- Excludes 5.0 requested positions
 - 4.0 environmental police officers
 - 1.0 agriculture marketing specialist

Bureau of Natural Resources

- Parks & Recreation Operations
 - Responsible for operation & maintenance of state's campgrounds, parks and beaches
 - Governor - \$5.5 million for FY 2025
 - \$0.3 million less than spent in FY 2023
 - \$0.2 million more than enacted
 - Primarily from Burlingame Campground reservation fees – restricted receipts

Bureau of Natural Resources

- Seafood Marketing Collaboration
 - Statewide promotion & marketing campaign
 - Develop promotional content, point-of-sale support, consumer education & paid media
 - Increase consumer awareness of & demand for local seafood products
- Governor recommends \$100,000 for contracted marketing specialist
 - DEM request - \$160,000
 - Funded additional promotional material/supplies

Bureau of Natural Resources

- Mosquito Surveillance - \$200,000
 - Governor recommends general revenues to maintain current program
 - Surveillance of Eastern Equine Encephalitis and West Nile Virus
 - Prior federal funding through CDC grants
 - Not available for FY 2025

Bureau of Natural Resources

- Local Agriculture & Seafood Grants
 - Grants to local agriculture & food businesses
 - Support growth, development & marketing of local food & seafood in the state
 - 119 grants in the last five years totaling \$1.4 million

	Base Funding	One-Time	Total
FY 2012-2022	\$0.1	n/a	\$0.1
FY 2023	\$0.2	\$0.5	\$0.7
FY 2024	\$0.2	\$0.5	\$0.7
FY 2025 Gov	\$0.2	\$0.5	\$0.7

\$ in millions

Bureau of Natural Resources

- Farmland Preservation
 - FY 2024 enacted budget includes one-time appropriation of \$2.5 million
 - Purchase of eligible farms
 - Helps farming remain viable in the state
 - Eligible farms have been identified
 - Real estate transactions were delayed

Budget	FY 2024	FY 2025	Total
FY 2024 Enacted	\$2,500,000	-	\$2,500,000
FY 2025 Governor	\$1,514,000	\$986,000	\$2,500,000

Bureau of Natural Resources

- Host Beach Communities
 - DEM collects fees for daily & seasonal parking at 7 facilities across the state
 - Reimburses 4 host communities 27% of all daily parking fees from Memorial Day to Labor Day
 - Charlestown, Westerly, Narragansett & South Kingstown
 - 2021 Assembly authorized DEM to increase beach/park/rec fees at Westerly state facilities
 - Governor recommends \$0.7 million
 - As enacted & based on \$2.1 million in receipts

Bureau of Natural Resources

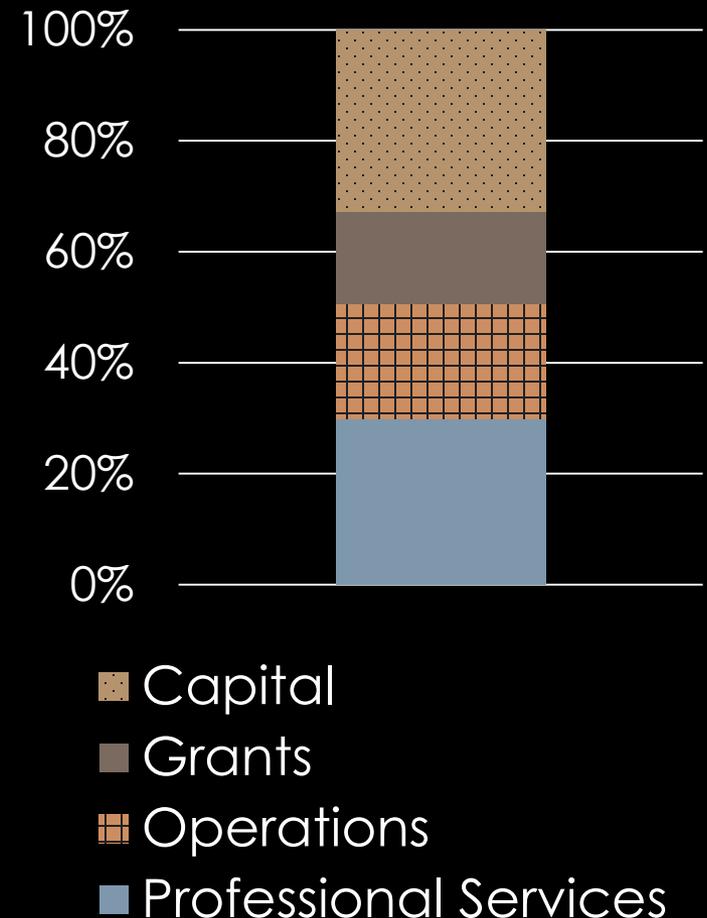
- Marine Mammal Emergency Response
 - FY 2024 enacted budget includes \$150,000 from general revenues
 - Serves as state match to federal funds
 - FY 2025 same as enacted
 - Supports the rescue and rehabilitation of marine mammals that become stranded in Rhode Island Waters
 - Two contracts in place for emergency response and for marine mammal research

Bureau of Natural Resources

- Non-Native Plant Removal
 - FY 2024 enacted budget includes one-time appropriation of \$100,000
 - Invasive plant species documented at Hundred Acre Pond in South Kingstown
 - Herbicide treatments will begin in May
 - Will inhibit the growth and spread of fanwort, variable milfoil, and Brazilian elodea
 - Governor excludes one-time funding

Bureau of Natural Resources

- Federal Grants - \$23.6 M
 - \$6.2 million for salaries & benefits
 - \$17.4 million for all other expenses
 - Outdoor recreation
 - Fish and wildlife
 - Wildlife and habitat restoration
 - Marine fishing and monitoring
 - Animal health and behavior



Article 6, Section 24 – Vessel Discharge Decals HFC 3/6

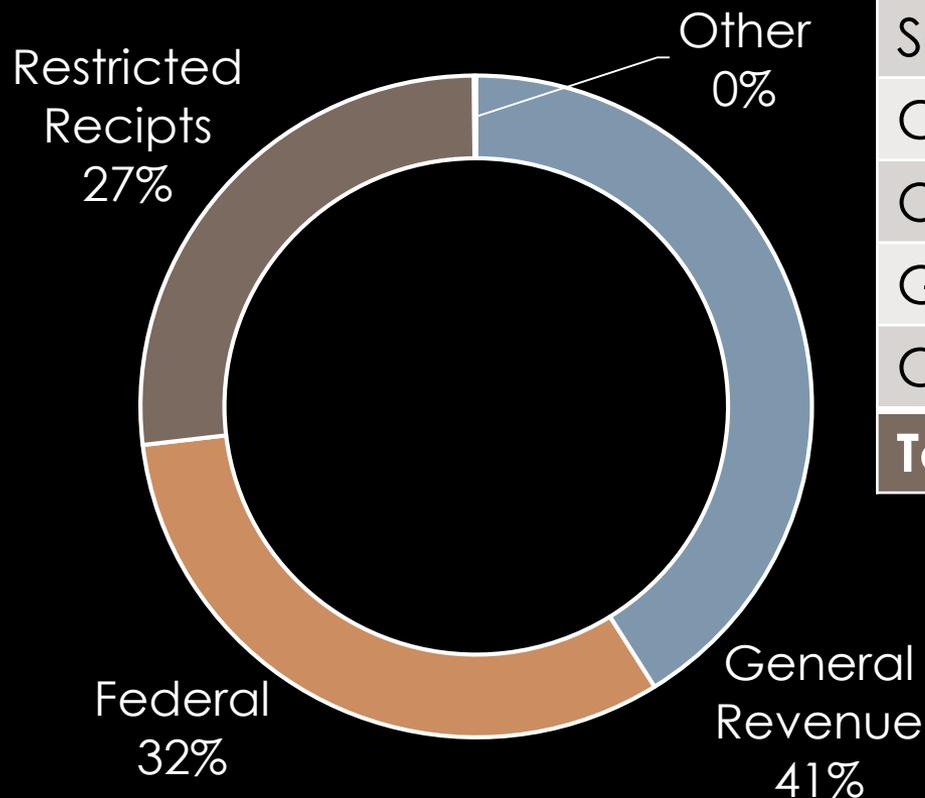
- Current Law
 - Vessels must display “no discharge certificate decals”
 - DEM is empowered to collect \$10 per decal
 - Fees defray the cost of implementation
- Section 24
 - Governor proposes to eliminate decal requirement & associated fees
 - Effective January 1, 2025
 - Owners provided with educational materials on responsibility to secure marine sanitation devices
 - Assumed revenue loss for FY 2025 is \$2,000

Bureau of Environmental Protection

- Responsible for preventing and minimizing pollution to environmental resources
- Monitors the quality and oversees the restoration of water, air, and land
 - Six offices
 - Water Resources
 - Air Resources
 - Waste Management
 - Emergency Response
 - Compliance & Inspection
 - Customer & Technical Assistance

Bureau of Environmental Protection

SUMMARY BY SOURCE OF FUNDS



SUMMARY BY CATEGORY

Salaries & Benefits	\$ 25,232,232
Contracted Services	6,439,715
Operating	3,378,672
Grants	3,255,442
Capital	316,000
Total	\$ 38,622,061

Bureau of Environmental Protection

FY 2025 Governor	Change to Enacted	
	General Rev.	All Funds
Salaries and Benefits	\$0.1	\$0.8
Rose Hill Landfill	-	-
OSPAR	-	(0.004)
Underground Storage Tank	-	1.2
Environmental Response Fund	-	1.2
Federal Grants	-	0.8

\$ in millions

Bureau of Environmental Protection

- Salaries & Benefits - \$25.2 million
 - \$0.8 million more than enacted
 - \$60,431 more from general revenues
 - \$0.1 million more than requested
 - Statewide adjustments
- Rose Hill Landfill - \$1 65,000
 - General revenue support for maintenance & monitoring at state superfund site
 - Same as enacted

Bureau of Environmental Protection

- OSPAR - Oil Spill Prevention, Administration & Response Fund - \$1.0 million
 - Restricted receipts from \$0.05 per barrel fee on petroleum products
 - Respond to, remediate oil spills
 - Maintain emergency readiness through responder training & equipment acquisition
 - Claims not covered by responsible parties or federal government

Prior Spending	
FY 2019	\$0.7
FY 2020	\$0.6
FY 2021	\$0.5
FY 2022	\$0.8
FY 2023	\$0.7
FY 2024*	\$1.0
FY 2025*	\$1.0

* Governor;
\$ in millions

Bureau of Environmental Protection

- Environmental Response Fund - \$2.4 million
 - \$1.2 million more than enacted
 - Reflects preliminary plan for 24 contaminated sites
 - Also supported by \$1.3 million from Underground Storage Tank Trust Fund
 - Supported by hazardous waste transport violation fees, as well as any settlements or penalties allowed under Rhode Island General Law

Spending	
FY 2019	\$0.3
FY 2020	\$0.3
FY 2021	\$0.2
FY 2022	\$0.2
FY 2023	\$0.2
FY 2024*	\$2.4
FY 2025*	\$2.4

*Governor;
\$ in millions

Bureau of Environmental Protection

- Underground Storage Tank Trust Fund - \$2.4 million
 - \$1.3 million more than enacted
 - Reflects preliminary plan for 24 contaminated sites
 - Plan also supported by \$1.2 million from Environmental Response Fund
 - ½ cent of the gas tax
 - Reimbursements to responsible parties for the eligible costs incurred by them as a result of releases of certain petroleum from underground storage tanks or systems

Spending	
FY 2019	\$1.0
FY 2020	\$0.9
FY 2021	\$0.8
FY 2022	\$0.8
FY 2023	\$1.0
FY 2024*	\$1.8
FY 2025*	\$2.3

*Governor;
\$ in millions

H 7224 Article 1, Section – UST Fund HFC 3/6

- Section 8 requires transfer of \$2.0 million from the fund by June 30, 2024
 - Fund historically has operating surplus
 - \$0.9 million in FY 2023, ending balance of \$7.7 million
 - FY 2024 estimated year-end balance of \$7.8 million without transfer
 - With transfer, estimated balance is \$5.8 million

H 7224 Article 1, Section 8 – UST Fund

Gov Proposal – Fiscal Year	2021	2022	2023	2024*	2025*
Prior Balance	\$4.8	\$5.9	\$6.9	\$7.7	\$5.8
Receipts	1.8	1.8	1.8	1.8	1.8
Transfer	-	-	-	(2.0)	-
<i>Total Available</i>	\$6.6	\$7.7	\$8.7	\$7.6	\$7.6
Staffing/Operations	\$0.1	\$0.1	\$0.2	\$1.0	\$1.5
Grants	0.7	0.7	0.8	0.8	0.8
<i>Total Expenses</i>	\$0.8	\$0.8	\$1.0	\$1.8	\$2.3
Balance	\$5.8	\$6.9	\$7.7	\$5.8	\$5.4

* Governor's recommendations; \$ in millions

Bureau of Environmental Protection

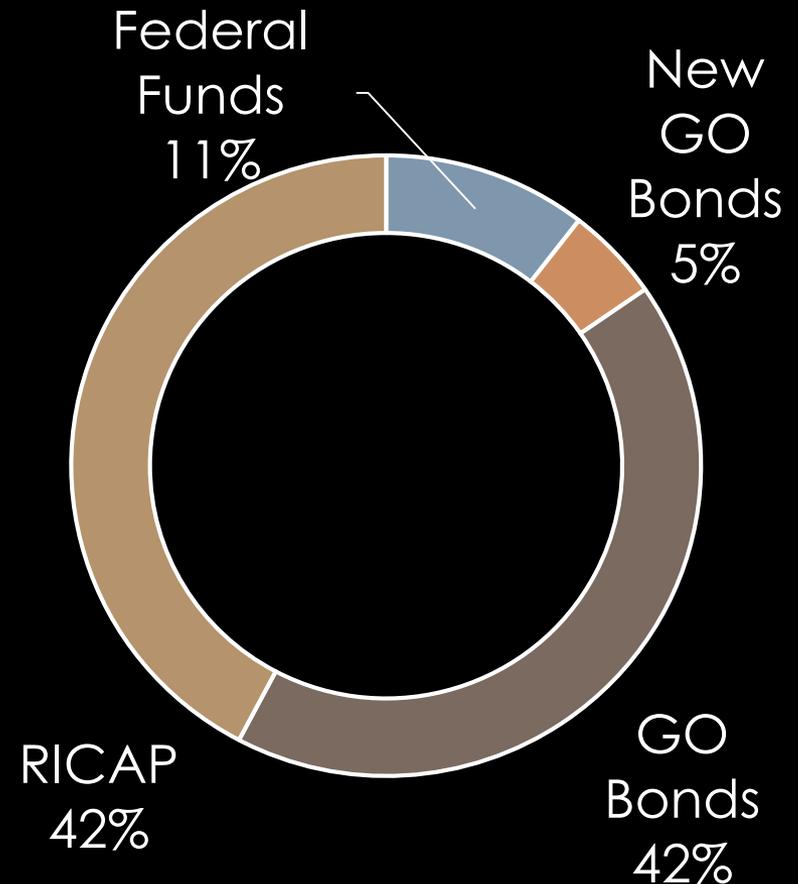
- Municipal Firefighting Foam
 - \$0.8 million in final FY 2023 budget
 - \$0.2 million in FY 2024 revised recommendation
 - Reflects unspent FY 2023 funding and new funds for removal of contaminated empty containers
 - DEM requested \$0.2 million from FY 2025
 - Governor did not recommend

	FY 2022 Spent	FY 2023 Spent	FY 2024 Enacted	FY 2024 Revised	Total
DEM	-	\$0.1	-	\$0.2	\$0.3
DBR	-	0.5	-	-	0.5
Total	-	\$0.6	-	\$0.2	\$0.8

\$ in millions

Capital Development Plan

- Governor recommends \$408.5 million for 26 projects
 - \$227.6 million between FY 2025 and FY 2029
 - One new project
 - Newport Cliff Walk
 - Major Revisions
 - Dam Repair



RICAP Revisions

Project	FY 2024 – FY 2029	Governor Change
Dam Repair	\$21.4	\$12.5
Fort Adams Trust	\$2.6	\$1.0
Galilee Piers	\$55.7	\$(3.7)
Natural Resources Offices and Visitors Center	\$4.2	\$(0.7)
Newport Piers	\$2.0	\$(0.2)
Recreational Facilities Improvements	\$22.1	\$1.5
Recreation Facilities Asset Protection	\$4.5	\$0.7

\$ in millions

RICAP - Dam Repair

- Repairs to “high hazard” state owned dams at various recreational and management areas operated by DEM
 - Often take several years to complete
 - Dependent on seasonal conditions
- Governor recommends \$29.8 million
 - \$11.5 million more than approved plan
 - Governor also adds \$1.0 million in FY 2029
- Non RICAP funding
 - \$0.1 million from federal funds

RICAP - Galilee Piers

- Port of Galilee
 - Managed by DEM
 - ~ 38 acres
 - Home to over 250 commercial fishing vessels and related uses
 - Fish processing
 - Wholesale and retail fish markets
 - Charter fishing operations
 - Restaurants
 - Boat ramp

RICAP - Galilee Piers

- Repairing/replacing 1,500-ft northern bulkhead
 - Replacing commercial fishing docks
 - Updating marine infrastructure
 - Utility services
- Governor recommends \$55.7 million for FY 2024 though FY 2029

Galilee Piers RICAP	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total
Governor	\$10.8	\$11.5	\$16.5	\$14.1	\$2.8	-	\$55.7
Change	\$(2.7)	-	-	\$(1.0)	-	-	\$(3.7)

\$ in millions

New Requested Debt - GO

HFC 3/6

Q4 – Green Economy Bonds	Amount
Port of Davisville Infrastructure at Quonset (QDC)	\$20.0
Climate Resiliency and Public Access (DEM)	2.0
Brownfields Remediation and Economic Development (DEM)	5.0
Local Recreation Development Matching Grant Program (DEM)	5.0
Municipal Resiliency (RIIB)	10.0
Newport Cliff Walk (DEM)	8.0
\$ in millions Total	\$50.0

Article 5, Question 4

Background HFC 3/6

Project	Year	Amt.	Bal.
Brownfields Remediation	2014/2016/ 2018/2022	\$18.0	\$5.0
Coastal Resiliency & Public Access	2018	\$5.0	\$0.9
Farmland Acquisition	2012/2014/2018	\$9.5	\$0.4
Flood Prevention	2014/2018	\$3.0	\$0.0
Forest Restoration	2022	\$3.0	\$2.9
Local Land Acquisition	2016/2018/2022	\$8.0	\$2.6
Local Recreation Projects	2016/2018/2022	\$12.0	\$2.0
Narragansett Bay and Watershed Restoration	2004/2012/2022	\$15.5	\$3.1

\$ in millions

Article 5, Question 4

Background HFC 3/6

- Previously approved related projects have available balances of \$20.8 million
 - Original approval total of \$101.5 million

Project	Year	Amt.	Bal.
State Bikeways	2016/2018	15.0	1.7
State Land Acquisition - Open Space	2012/2016/ 2022	9.5	2.1
Stormwater Pollution Prevention	2016	3.0	0.04
Total		\$101.5	\$20.8

New Requested Debt - GO

HFC 3/6

Q4 – Green Economy Bonds	Amount	Debt Service*	
		Annual	Total
Port of Davisville Infrastructure at Quonset	\$20.0	\$1.6	\$32.0
Climate Resiliency	2.0	0.2	3.2
Brownfields Remediation	5.0	0.4	8.0
Local Recreation Development Grants	5.0	0.4	8.0
Municipal Resiliency	10.0	0.8	16.0
Newport Cliff Walk	8.0	1.7	12.8
Total	\$50.0	\$4.1	\$80.0

\$ in millions *assuming 5% and 20-year term

Article 3, Sec. 7 – DEM Reporting Repeals HFC 3/6

- Current Law
 - Requires publications to use at least 40% post-consumer material on production of their product annually
 - DEM must report annually to Governor & Assembly regarding publications' compliance
- Section 7 Proposal
 - Eliminates annual DEM report

Article 3, Sec. 8 – DEM

Reporting Repeals HFC 3/6

- Current law
 - 1986 Hazardous Waste Reduction, Recycling, & Treatment Research & Demonstration Act
 - Promote & expedite technologies that may reduce, recycle & treat hazardous waste
 - Research, development and demonstration
- Section 8
 - Eliminates reporting requirement
 - Program not active

Article 3, Sec. 10 – Paint Recycling HFC 3/6

- Current Law
 - Representative organization runs statewide paint stewardship program
 - DEM has authority to approve or deny plan
- Section 10
 - Competitive solicitation process every 5 years to select entity to administer program
 - Allows program to create a reserve fund
 - Capped at 50% of prior year's expenses
 - DEM can cap admin expenses at % of program costs

Department of Environmental Management

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