



STATE OF MAINE
DEPARTMENT OF ENVIRONMENTAL PROTECTION

JOHN ELIAS BALDACCI
GOVERNOR

DAVID P. LITTELL
COMMISSIONER

September 1, 2009

Hon. William Diamond, Senate Chair
Hon. Emily Ann Cain, House Chair
Committee on Appropriations & Financial Affairs
124th Maine Legislature
100 State House Station
Augusta, ME 04333-0100

Subject: \$30 Million FY11 Cut

Dear Senator Diamond and Representative Cain:

I am writing this letter in response to your August 18, 2009, request that each agency

“...identify [General Fund supported] programs and activities that may be appropriate for a change in structure or mission statement, consolidation, or elimination.

The committee requests that all agencies submit a list of their programs grouped in such a way that it is clear which programs are “high priority” or “mission critical;” which programs may not vital to the core mission of the agency; and which programs are outside of your organization’s core mission, overlap the activities of other programs, are less effective at accomplishing their stated goals as was hoped or, for any reason, would not be proposed now if it did not already exist.”

In order to provide your committee with the information it needs to evaluate department programs in this analysis, we first provide some background on the DEP’s recent history of General Fund budget and program reductions as well as descriptions of the activities that money supports. Because the General Fund contributes such a small percentage to our overall funding mix, it has for many years only been budgeted by the Legislature to support high priority, mission critical, environmental protection activities.

BACKGROUND

The Department of Environmental Protection is charged with protecting and improving the quality of our natural environment and the air, water and land resources that constitute it, and with enhancing the public’s opportunity to enjoy the environment by directing growth and development in a sustainable fashion. The department is organized into three bureaus which implement most programs and central administration (Office of the Commissioner) overseeing all operations and implementing agency-wide programs.

The department administers the State’s environmental protection system. The department has federally-delegated authority from the U.S. Environmental Protection Agency (EPA) under the Clean Water Act, the Clean Air Act, and the Resource Conservation and Recovery Act as

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well as State-specific authority including Site Location of Development, Natural Resource Protection Act, Oil Pollution Control Laws, Solid Waste, Water Classification, Borrow Pits & Quarries, Dams, Asbestos & Lead Abatement, Sludge and Residuals, Uncontrolled Hazardous Substance Sites and Hazardous Materials.

The primary functions that the Legislature has charged DEP with providing to Maine citizens include evaluation and permitting of potential or ongoing pollution sources through licensing; oversight of activities by field staff to be sure that permits issued and other legal requirements are followed on an ongoing basis; clean-up of soil and groundwater contamination that threatens people's health and protected environmental resources; and monitoring Maine's overall environmental quality – land, air and water.

HEADCOUNT

DEP has consistently implemented Governor Baldacci's budget directions and the Legislature's will, with nearly a 12% reduction in workforce since this administration took office (from 461.4 of headcount in FY03 to 410.02 at the beginning of FY10). The cuts at DEP from FY03 to FY08 are in addition to the 38.1 positions that had been abolished in the eight years between FY95 and FY02 (from 499.5 to 461.4). The net result is that DEP's headcount has been cut by over 18% under the last two executive branch administrations.

DEP GENERAL FUND REDUCTIONS

Compared to most agencies who have "controlled" the rate of general fund increases, DEP's General Fund has been reduced in real terms – more than 22% during that period. The only major increase in General Fund that DEP has seen since FY03 has been to pay for services now provided by the Office of Information Technology (OIT), with all of these general funds going directly to OIT.

PROMINENT DEP EFFICIENCIES AND CONSOLIDATIONS

DEP has repeatedly cut administrative costs in order to manage General Fund and federal funding cuts. Illustrative of these cuts are internal consolidations, where two divisions have been merged into other organizational units in order to allow two (2) division director positions (ranges 32 and 34) to be abolished. Likewise, individual programs have long histories of trimming budgets while simultaneously taking on additional charges from the Legislature. If the Committee requests, I would welcome the opportunity to provide a description of recent innovations that have delivered on the very thing your committee is calling for: "...activities that may be appropriate for a change in structure or mission statement, consolidation, or elimination" while at the same time doing more work.

ADDITIONAL WORKLOAD

Throughout the period when the above referenced cuts and consolidations were occurring DEP was being charged with administering some of the largest and most complex environmental initiatives ever. New Governor's and Legislative initiatives enacted since 2003 include the

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Maine climate change plan, the Regional Greenhouse Gas initiative, safer chemicals for children, increased mercury (Hg) reduction requirements, electronic waste, and significant wildlife habitat protections. All of these efforts have furthered Maine's recognition as a national environmental leader.

GENERAL FUND BUDGET PROGRAMS

In FY10, prior to the deappropriations that will be associated with, among other things, shutdown days, the attrition rate change, and health care benefit contributions, General Fund dollars will comprise less than 9% of DEP's total budget. As a result of this relatively low percentage and several reductions over the last decade, every General Fund dollar made available to support the State's environmental protection programs is spent on high-priority, mission critical, functions. The following paragraphs provide details on the functions within each budget program that currently receive General Fund support.

- ***Remediation and Waste Management (0247)***. This budget program exists to support activities primarily administered within DEP's Bureau of Remediation and Waste Management (BRWM). The BRWM oversees management and cleanup of hazardous materials, solid waste, and petroleum on the behalf of Maine citizens. Of the 175 positions that comprise the BRWM, two are budgeted in the General Fund. These positions perform work regarding safer chemicals, product stewardship, and undertake compliance inspections and enforcement under the Resource Conservation and Recovery Act and state hazardous waste laws.
- ***Land and Water Quality (0248)***. This budget program exists to support activities administered within DEP's Bureau of Land and Water Quality (BLWQ). The BLWQ oversees monitoring and assessment of Maine's water quality, licensing and compliance activities regarding all wastewater and land development activities, and providing grants and technical assistance for the purpose of mitigating and eliminating the release of pollutants into Maine's waters. Of the 143 positions that comprise the BLWQ, 45.308 are budgeted in the General Fund. The functions these positions perform are bureau oversight, water sample collection and analysis, and compliance inspections and enforcement.
- ***Air Quality (0250)***. This budget program exists to support activities administered within DEP's Bureau of Air Quality (BAQ). The BAQ oversees Clean Air Act – mandated monitoring of Maine's air quality, and licensing and compliance activities regarding all air pollutant emission sources. Of the 59 positions that comprise the BAQ, 15 are budgeted in the General Fund. The functions these positions perform are bureau oversight, air monitoring and analysis, and compliance inspections and enforcement.
- ***Administration – Environmental Protection (0251)***. This budget program exists to support activities administered within DEP's Office of the Commissioner (OC). The OC oversees and coordinates all DEP activities and directly administers the State's toxics and

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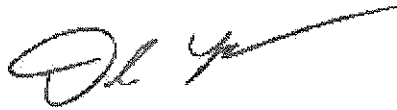
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chemical reduction programs, small business environmental regulatory assistance programs, and greenhouse gas program. Of the 39 positions that comprise the OC, three are budgeted in the General Fund. These positions are the Commissioner, his administrative assistant, and one Resource Administrator who is responsible for connecting program activities with available funding and monitoring the solvency of DEP's accounts.

With an overall low General Fund support behind the State's environmental protection programs, in combination with a 12% cut in headcount over the last seven years and the significant expansion of programs assigned to DEP for administration, each of the programs and activities receiving General Fund support are high priority and mission critical at this point having made ten rounds of budget cuts to DEP's budget since I started in 2003.

We will be happy to answer any additional questions you may have on these matters.

Sincerely,

A handwritten signature in black ink, appearing to read "DL" followed by a long horizontal flourish.

David P. Littell
Commissioner

Cc: Karen Tilberg
Joint Standing Committee on Natural Resources