

## **DNREC OMB FY24 Operating Budget Public Hearing**

### **Remarks (11/15/22)**

- Thank you for the opportunity to present DNREC's funding requests to you and the public. As always in this process, we considered many needs and worthy ideas, not all of which made it to our final request. What I'll highlight today are requests for new funding and where applicable, how they tie into DNREC's four top priorities for the Department: environmental justice, climate change, the Clean Water Trust/SRF, and sustaining programs through user fees as well as general funds.
- In support of environmental justice, we request \$24,300 to annualize the EJ Coordinator position established in FY23. We have completed our interviews for this position and expect to announce a decision soon. The Coordinator will be responsible for supporting and implementing EJ initiatives throughout the Department to ensure underserved and overburdened communities not only have a seat at the table, but know that there is a table to be seated.
- We have also requested \$132,800 for partial-year funding of two new environmental scientists in the Division of Air Quality. The Area Sources environmental scientist will help us address the shortfalls the EPA identified in our vehicle inspection and maintenance programs and provide additional support for compliance activities. As our statewide air quality network has expanded and the federal government has imposed additional requirements, we will need a second environmental scientist to ensure we remain in compliance and can better respond to communities' concerns about their air quality.
- We request \$40,000 to match \$120,000 in FEMA Community Assistance Partnership grants to assist communities in administering the National Flood Insurance Program.
- As the lowest-lying state, it is imperative that Delaware combat and prepare for the effects of climate change. We are seeking a new engineer in the Division of Air Quality to perform regional and local modeling of greenhouse gases and particulate matter. Their work will help us prepare mitigation strategies and also help us attain the federal ozone standard. That position will require \$42,300 in general funds and \$19,900 in ASF to be supplemented by \$31,000 in federal funding. We also have an opportunity to secure a \$7.5 million federal grant, paid over five years, to build up the resilience of our electric grid. That grant will require \$260,100 in matching funds for the first year. And to implement one of Governor Carney's signature programs, a Tree for Every Delawarean Initiative, also known as TEDI, we are requesting \$500,000 to plant 100,000 additional trees.
- Our largest request is the Clean Water Trust/State Revolving Fund (SRF) because as we have discussed, the General Assembly reallocated funding last January to other capital projects and did not restore it in the Bond Bill. OMB's assistance in locating some funds to address the shortfall has been very welcome, but we will still require an additional \$8

million to cover what was reappropriated and the standard annual allocation of \$10 million to get projects back on schedule. State funds are especially essential to continue the Governor's Clean Water for Underserved Communities Initiative. Federal SRF funds limit our ability to resource these projects because to the federal loan structure.

- Less than a quarter of DNREC's funding comes from general funds. Many of our permitting and enforcement programs are expected to be self-sustaining while relying on fees that have not been raised in many years, some over 30 years. This has very real impacts on our ability to meet our responsibilities. It is not only completing inspections, reviewing applications, and issuing permits in a timely fashion, but to be able to support other programs the Department offers. I feel the best way to address our fee structure is through the budget process. We expect to deliver a proposal to restore these programs' self-sufficiency through new fee schedules in the coming weeks.
- We note that the flexibility we have to set a number of user fees in our Division of Parks & Recreation yields enough revenue to pay for some of the positions we are requesting in FY24. Last year our parks earned our second National Gold Medal Award for Excellence and that excellence has drawn a 67% increase in park visitors and 78% increase in surf fishing tags over the last 11 years.
  - Four of our parks host overnight visits, which are up 50% since 2017 including higher usage in the shoulder seasons. These parks required an additional maintenance worker at each location to keep up with demand for repairs and upkeep of essential infrastructure, which were provided last year. We request annualization of these positions, using fees for three and \$17,900 in general funds for one.
  - We are seeking \$24,300 in authority ASF to annualize the Lifeguard Captain position established last year to recruit, train, and supervise summer lifeguards and \$27,100 in general funds for a Park Superintendent II to start booking guests and events at the Biden Center. We are also requesting \$127,800 in general funds to support 3 new Natural Resource Police positions which will bring us to just 29 year-round officers to handle enforcement at 16 state parks. Finally, to responsibly manage the increased transactions that have yielded a 96% increase in revenue over the past four years, we request 2 new fiscal positions to be paid through park fees.
  - For wildlife areas managed by our Division of Fish & Wildlife, we request \$102,500 in general funds for a Park Superintendent II and Conservation Technician III to manage the increased public use of wildlife areas and trails. As an example of the higher demands placed on these areas, we note that the Michael Castle Trail had an estimated 258% increase in visits between 2016 and 2020.
- Finally, we ask for \$203,500 to offer paid summer internships. These will provide greater opportunities to those students who cannot afford to take an unpaid internship and compete with the private sector, especially for science and engineering students. One of

the goals of this program is to build a feeder pattern for the next generation of DNREC employees, and to hopefully give us a better opportunity to continue to develop our workforce to reflect those we represent.