

**2017-19 ARB Development and Strategic Planning
November 5, 2015**

Issues to inform decisions for DEQ Policy Option Packages and Legislative Concepts

Program needs related to core work

- Agency Infrastructure needs / technology needs – what is needed to modernize DEQ in order to be a paperless agency in the future? This includes selecting an environmental data management suite, an integrated set of software programs to replace existing, outdated technology systems.
- Fee requests – a number of programs are considering the need for fee increases in 2017. The agency is identifying all potential fee increases, will determine which ones should go forward, and determine how to bridge the gap for programs that may need to wait until 2019. Other considerations include: a fee surcharge concept for technology projects, annual cost adjusters as part of a leg concept, and a bonding request for cleanup. Important to all of this is the need to work with stakeholders to gain their support for any proposed changes to fees.
- Groundwater – DEQ is looking at the current implementation of the statute; what are the gaps; what changes are needed? How does our work relate to WRD, ODA and OHA?
- Materials management – the program developed a six-year strategy to implement the 2050 Vision. This program had two successful bills in 2015. The program is already looking at work that needs to be accomplished in 2015-16 to set up the 2017 request. This will help to fine tune the request for the second biennium.
- Water quality permitting program stabilization – this is a placeholder until water permitting budget note consultant's recommendations are known.
- MS4 stormwater – DEQ is examining options to improve delivery of the stormwater program
- Agency complaints / nuisance response – as public expectations for action grow, the agency is looking for ways to better address the many environmental complaints received. This includes looking at general complaints as well as addressing formal nuisance investigations that focus on a single or multiple groups of sources.
- Spills response and disaster recovery – There is growing awareness of the impacts of a very large Cascadia earthquake. DEQ knows how to address smaller disaster responses but needs to focus on its response in a major earthquake. The agency is considering what is needed to ensure DEQ can fulfill its role in a major disaster.
- Project management office – DEQ has used project management resources for some of the larger projects. This approach has proven to be effective at improving our timeliness on project delivery and minimizing impacts on daily operations. We seek to build on this success and create a Project Management Office. An additional FTE is being considered to staff this office for large non-information technology projects.
- Business analysis support – ongoing outcome-based management process improvements are backlogged due to high demand. Consideration is being given to adding staff to support continuous process improvements at DEQ.
- Contract management – after a process improvement effort and legislation passed in 2015 (HB 2375), additional resources are needed to efficiently and effectively issue, monitor and track contracts and grants.

Emerging issues for DEQ

- Toxics – the agency is updating the existing strategy to reflect accomplishments to date and consider next steps for implementation.
- Harmful Algal Blooms – potential request to seek money since this work is not funded for DEQ and OHA. Coordinated effort with OHA and Governor's Office.
- Onsite loan program – there were extensive 2015 legislative discussions over SB 246, which would have created this program. DEQ is working with Senator Roblan and stakeholders in anticipation of a similar bill in 2017.
- Clean Power Plan – implementation of 111(d) in the form of a statewide plan submitted for EPA approval; work being done in conjunction with DOE and PUC. Possible tie-in to biomass.

Externally driven issues

- Woodstoves and PM attainment issues – ongoing policy work for DEQ which is tied to the 2015-17 interim study bill, including the establishment of a legislatively mandated task force and submittal of legislative recommendations. This effort includes a number of related agencies such as DOE, PUC, OHA, Housing and ODA. Tie-in to biomass.
- Clean diesel – expectation that a legislatively-created workgroup will be created in the near future and a high likelihood of legislation in 2017 sponsored by legislators or stakeholders. There is a linkage to air toxics benchmark review which is underway.
- Climate Change / emissions (carbon tax, life cycle, ZEVs) – legislators indicate they will introduce one or more bills in 2016 and depending on the outcome, perhaps more bills in 2017. There is a likely tie-in to biomass.
- Placer Mining (suction dredge) – Senator Bates will be sponsoring legislation in 2016 that place DEQ in charge of issuing all federal / state permits for in-water motorized placer mining. There is a coordinated effort with DSL, DOGAMI and the Governor's Office.