



The State of New Hampshire  
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

March 10, 2011

The Honorable William Belvin  
Chair, Division I, House Finance  
Legislative Office Building  
Concord, NH 03301

Dear Chairman Belvin:

The Department of Environmental Services (DES) is pleased to appear before Division 1 of the House Finance Committee to discuss and answer questions about the DES budget for Fiscal Years 2012 and 2013. In response to the request in your letter of March 4, 2011, DES has identified options for further reductions in the General Fund portion of the DES budget. Please understand that DES and Governor Lynch do not propose, support, endorse or recommend any of the potential additional reductions identified on the attached spreadsheet. The consequences and program impacts of the potential additional reductions are briefly described on the pages following the spreadsheet.

Respectfully submitted,

Thomas S. Burack,  
Commissioner

cc: Governor John Lynch

**Department of Environmental Services  
House Finance Division I**

**Consequences and Program Impacts of Potential Further General Fund Reductions**

**Budget Page #736, Commissioner's Office, Accounting Unit 10020000  
Commissioner's Office - Administration and Support**

a) The 16 positions in the Administrative Services Unit provide accounts payable, fund accounting, grants management and general fleet and building services. Elimination of any of these positions would jeopardize the agency's ability to properly manage, disburse and account for the approximately \$225 million in public funds in the DES budget, and would significantly impede DES's ability to efficiently operate its vehicle fleet and maintain its facilities.

The option shown would reduce facility services staff from 2 to 1, eliminate one accounting staff position, and transfer one accounting staff position to federal funds.

b) The 3 attorneys and a legal assistant in the Legal Unit undertake the department's administrative enforcement and rule-making responsibilities. Elimination of any of these positions will prevent adequate and timely enforcement of environmental laws and timely and thorough updates of 1008 sets of environmental rules administered by DES.

The option shown would have no impact on this program.

c) The 4 positions in the Human Resource Unit manage the personnel and payroll functions for the agency's 475+ employees. Elimination of any of these positions will seriously impair the agency's ability to address the personnel needs of its employees and to comply with the legal requirements for carrying out any future reductions-in-force.

The option shown would eliminate one human resource staff position.

d) The 5 positions in the Public Information and Permitting (PIP) Unit ensure that all public records requests under RSA 91-A are timely satisfied, coordinate environmental permitting for new development projects and lead DES's emergency preparedness and response activities. They also respond to public and press inquiries and maintain the agency's website and other social media outlets. Elimination of these positions will adversely affect the agency's ability to make its operations transparent to the public and to provide high-quality customer service to the public, including developers and communities looking to build new projects and citizens who request access to public records under the Right-to-Know Law.

The option shown would eliminate one position in the PIP Unit.

**Budget Page #738, Commissioner's Office, Accounting Unit 00130000  
Commissioner's Office**

Elimination of funding for any of the positions of Commissioner, Assistant Commissioner, Chief Operations Officer and two Administrative Assistants would seriously impair the effective management of the agency.

The option shown would eliminate one Administrative Assistant position.

**Budget Page #741, Commissioner's Office, Accounting Unit 38510000  
Commissioner's Office - New Hampshire Geological Survey (NHGS) Unit**

The NHGS Unit, which includes the State Geologist and 3 other General Fund positions, develops and maintains a digital map of all of the state's waterways, maintains a digital database and map of the state's groundwater resources and generally collects valuable data and performs research on land, mineral and water resources. NHGS work products and data analysis related to the state's water resources are important tools for municipalities and developers and are vital to the function of many DES water programs. NHGS maps, data and technical watershed-specific technical interpretation also provide important realtime analysis for NH Homeland Security and Emergency Management operations during natural disasters such as flood events, droughts and earthquakes. If the program is reduced or eliminated, the State's ability to collect, analyze and map geologic and water resources for economic development and emergency response purposes would be substantially reduced.

The option shown would retain only one General Fund position, the State Geologist. The loss of positions would mean that DES would likely lose the State Mapping Grant and the Geologic Data Inventory Grant (both from the US Geologic Survey) for lack of state matching funds. The loss of the State Mapping Grant would negatively impact communities across New Hampshire who are seeking to have geologic mapping completed for their communities.

**Budget Page #744, Commissioner's Office, Accounting Unit 38530000  
Commissioner's Office - Planning, Prevention and Assistance (PPA) Unit**

The functions of the 5 positions in the PPA Unit include oversight and operation of the department's performance management and tracking system, leadership of the department's LEAN continuous process improvement efforts and integrated unified permitting initiative, and assistance to municipalities with smart growth and low impact development ordinances. Elimination of these positions would eliminate work on these important initiatives and would jeopardize DES's ability to meet federal grant reporting requirements.

The option shown would have no impact on this program.

**Budget Page #757, Water Division, Accounting Unit 10000000**  
**Water Division**

a) The 7 positions in the Limnology Center/Aquatic Biology Programs operate a water and biological laboratory that analyzes aquatic plants to identify invasive species (such as milfoil) and mercury levels in fish. The Limnology Laboratory serves the volunteer programs that assess and monitor 182 lakes and 23 rivers and public beaches adjacent to them. State regulation of pools and spas is also performed by one of these staff. If these positions were unfunded, the State would no longer provide monitoring of beaches, pool and spas as well as other lake sampling and analysis that serves to assess and protect water quality in New Hampshire's lakes and rivers. As a consequence, there would be undetected contamination that would result in human illnesses, economic dislocations due to avoidable exposures to bacterial contamination, and loss of tourism revenue. Many communities may be compelled to start paying for sampling and analysis of local waterbodies.

The option shown would retain only one General Fund position, the Chief Water Pollution Biologist. The loss of positions would mean that DES would likely lose the \$250,000 Clean Vessel federal grant for lack of state matching funds. This would eliminate the availability of funding for new or upgraded dumping stations at fresh water and salt water marinas and for mobile pump out boats.

b) The one position in the Water Well Program licenses 250 water well contractors (drillers) and 435 pump installers, investigates well and pump-related complaints from homeowners and businesses and provides technical and administrative support to the Water Well Board. Annual license fees raise approximately \$68,000 toward the \$104,000 cost (in FY 2012) of the program. If the position were not funded, the well driller and pump installer licensing program and citizens would lose an ombudsman for the resolution of their water well complaints. This program has provided vital protection of public health and consumer interests since its inception in 1984. Its elimination would lead to more unscrupulous well and pump installations, resulting in more bacterial contamination of water supplies.

The option shown would eliminate this program.

c) Two positions in Laboratory Certification (one general fund and one federal fund) annually review and certify that approximately 100 private laboratories are qualified to perform compliance tests for New Hampshire public by the federal Safe Drinking Water Act (SDWA). Approximately 3,000 New Hampshire public water systems are required by the SDWA to have samples analyzed by a state certified laboratory. These systems rely on this program to certify laboratories for this purpose. The program cannot meet the existing demand for laboratory certification without both positions. If the program were reduced, public water supplies would not have the same level of access to certified laboratories to assess drinking water quality. Moreover, New

Hampshire-based laboratories, which are typically small businesses, that can no longer be certified would lose revenue. Application fees received from laboratories seeking certification offset costs to the general fund of administering the program.

The option shown would transfer the general fund position to the federal Safe Drinking Water Act program (Accounting Unit 14260000) to completely shift this program off of the general fund.

**Budget Page #767, Water Division, Accounting Unit 15180000**  
**Water Division - Lakes and Rivers Management**

The 4 general fund positions in this program implement the Lakes and Rivers Management and Protection programs authorized in RSA 483 and RSA 483-A, including support of state-level advisory committees for rivers and lakes and local advisory committees for 16 protected rivers in 120 communities. If these positions were unfunded, professional scientific and technical support would no longer be provided to what are largely volunteer, grass-roots community initiatives to protect New Hampshire's lakes and rivers, and it would become more difficult to ensure that local river advisory committees have an opportunity, as provided in statute, to comment on proposed projects in close proximity to their rivers. Coordination activities assisting municipalities or river restoration efforts on many rivers statewide would also be curtailed substantially.

The option shown would eliminate this program.

**Budget Page #769, Water Division, Accounting Unit 15230000**  
**Water Division - Shellfish program**

The one fulltime position in this program monitors water quality (bacteria and red tide conditions) on the Seacoast to ensure that the state's shellfish beds are safe for commercial and recreational harvesting. If the position were eliminated, all shellfish growing areas in Hampton Harbor, Great Bay/Little Bay, Little Harbor and Atlantic Ocean aquaculture sites would have to be closed for harvesting due to lack of compliance with federal and state food safety requirements. This would result in the complete closure of commercial and recreational shellfish harvesting in New Hampshire.

The option shown would eliminate this program. The elimination of this program would mean that DES would likely lose the Estuaries grant for lack of state matching funds. This would result in a decrease in the monitoring and analysis of the Great Bay Estuary at a time when this work is critical because of concerns with water quality.

**Budget Page #791, Water Division, Accounting Unit 38000000**  
**Water Division – Dam Bureau Administration**

The six general fund positions in the dam safety and water resource management program are responsible for overseeing the operation and maintenance of 216 state-owned dams and related properties, including those that impound Lake Winnepesaukee, Lake Winnisquam, Newfound Lake, Squam Lake, Lake Ossipee and Lake Sunapee. The Dam Bureau also registers and inspects 2,600 privately-owned dams. If any of these positions were unfunded, the Department's ability to manage the lake levels of some of the State's most valuable recreational resources would be compromised to the extent that the program would not be operational. The State would no longer have adequate capacity to control flooding during severe rain events, which would jeopardize the safety of our citizens and result in significant property damage. Public safety would also be jeopardized if the structural condition of privately-owned dams were not periodically assessed to identify and ensure prompt correction of deficiencies.

The option shown would have no impact on this program.

**Budget Page #794, Water Division, Accounting Unit 38150000**  
**Water Division -Wetlands Program**

The seven general funded positions in the Wetlands program provide permit review and program support in this program, which reviews over 2,000 permit applications per year to implement the requirements of RSA 482-A, Fill and Dredge in Wetlands. State permits issued for wetland impacts of less than 3 acres in size also serve as federal permits under a State Programmatic General Permit (SPGP) issued by the US Army Corps of Engineers. Reductions in this program would significantly impair the department's ability to issue permits. As a result, the SPGP would be rescinded by the Army Corps of Engineers, which would then require New Hampshire citizens and businesses to submit to the more costly and time-consuming (typically 6-9 month permit review queues) federal wetlands permitting process. This would cause substantial harm to municipalities, businesses and homeowners. State funding reductions would also result in loss of matching federal grant funds.

The option shown would have no impact on this program.

**Budget Page #830, Air, Accounting Unit 54960000**  
**Air Resources Division – Radon Program**

The one position in this program provides radon test kits and technical information about radon health impacts, measurement and mitigation procedures to approximately 2,000 homeowners, landlords and schools per year. Radon in indoor air is the second leading cause of lung cancer in NH, responsible for approximately 100 lung

cancers per year. The state funding is match for a federal EPA grant (50% general funds/50% federal funds). If the program were eliminated, homeowners, landlords, businesses and schools would no longer be able to obtain any information or assistance from DES in addressing radon contamination in indoor air.

The option shown would eliminate this program.

**Budget Page #836, Air, Accounting Unit 91000000  
Air Resources Division - State Matching Funds**

The two positions include the Division Director and Assistant Director, who are responsible for the day-to-day management and administration of the Air Resources Division programs. The positions are 100% General Funds (although currently 25% of the Assistant Director costs are transferred to other air programs). Elimination of these positions would seriously impair the ability of the Division to meet not only its state statutory requirements but also a number of federal Clean Air Act requirements, thereby potentially subjecting the state to federal sanctions.

The option shown would have no impact on this program.

**Budget Page #852, Waste Management Division, Accounting Unit 25890000  
Waste Division - CERCLA Maintenance/CERCLA Programs**

The CERCLA/Superfund program is funded 90% federal/10% state for the first 10 years of cleanup at a site, and then it becomes a 100% state responsibility. There are 20 Superfund sites in New Hampshire, 5 of which are now 100% state responsibilities. The program has 4 federally funded positions and 2 general fund positions. General funds are also used to operate groundwater treatment plants at two Superfund sites. If the general funds were reduced or eliminated in the FY 2012/2013 budget, the State's ability to manage the 20 Superfund sites in accordance with federal law would be compromised, and two groundwater treatment plants would have to be shut down. Contaminated groundwater at Superfund sites under state control would migrate unchecked into drinking water aquifers, which would pose a public health risk. This program provides part of the maintenance of effort matching requirements to maintain \$7.7 million in federal funds.

The option shown would have no impact on this program.

**Budget Page #856, Waste Management Division, Accounting Unit 54010000  
Waste Management Division – Waste Management Programs**

The positions in this account include the Division Director, Assistant Director, and the Administrative Supervisor, who are responsible for the day-to-day management and administration of the Division's programs. Elimination of these positions would seriously impair the ability of the Division to meet its state and federal mandates. The fourth position is a Bureau Administrator for the Hazardous Waste Remediation Bureau.

The option shown would transfer funding for the Bureau Administrator position from general to federal funding and would likely result in the loss of one project manager's position in site remediation programs. The impact would be to reduce the ability of the program to respond in a timely fashion to technical reports and cleanup plans submitted by site owners.

**Budget Page #857, Waste Management Division, Accounting Unit 54020000  
Waste Management Division - Solid Waste Program**

The 14 general fund positions in the Solid Waste Program administer permits to construct and operate the 7 landfills, 2 commercial incinerators and some 250 transfer and collection stations in New Hampshire, and a financial assurance program to assure proper facility closure and post-closure environmental monitoring. Two positions in the program perform emergency spill response and investigate citizen complaints regarding improper or illegal solid waste disposal. In addition, the program monitors groundwater impacts of approximately 200 closed unlined landfills. The Program also provides training and certification to over 1000 solid waste facility operators annually and landfill closure grants to communities. If any of the program positions were eliminated, it would adversely affect the State's ability to regulate the solid waste industry, which would likely result in increased waste disposal costs for citizens, public dissatisfaction with the environmental and aesthetic impacts from poorly-operated facilities, and threats to groundwater from leachate running off of inadequately regulated facilities.

The option shown would reduce from two positions to one position the Solid Waste staff available to address spill response, solid waste complaints and improper solid waste management.

**Budget Page #858, Waste Management Division, Accounting Unit 5492000  
Waste Management Division - Hazardous Waste Program**

The Hazardous Waste Program's 4 general fund positions perform inspections, compliance monitoring and enforcement for 2,251 active hazardous waste generators in the state, such as manufacturing facilities, auto service shops, state agencies and hospitals, which collectively produce 10 million pounds of hazardous waste annually.

The state program is authorized to act in lieu of federal hazardous waste regulation by the EPA. The program is funded 43% general funds and 57% federal funds on a grant match basis. If general funds were reduced in the budget, then federal match funds would also be reduced. If positions were unfunded in the next budget, the ability of the program to function effectively would be impaired, and the federal authorization could be rescinded, thus forcing New Hampshire businesses to deal with the federal regulatory system.

The option shown would have no impact on this program. This program provides the required maintenance of effort funds under the federal delegation and leverages \$1 million in federal funds for FY 12/13.

NH Department of Environmental Services - Presentation to House Finance Committee - Division I, March 10, 2011												
Summary of General Fund Programs (Taking into Account Changes Proposed in Governor's Budget Proposal)												
Budget P#	Division	Accounting Unit	Account Title	FY11 # of positions	FY12/13 # of positions	Total General funding FY2012	FY2013	Potential Further Positions Affected	Options for potential further reductions*	Reduction costs	Biennial Savings	Net
735-736	CO	10020000	Administration - Support	34	29	\$1,867,601	\$1,888,869	5		\$104,763	\$536,375	\$0
738	CO	10130000	Commissioner's Office	5	5	\$738,423	\$728,836	1		\$0	\$117,636	\$0
741	CO	38510000	NH Geological Survey Administration	7	4	\$401,616	\$404,786	3		\$102,147	\$345,535	\$0
744	CO	38530000	Prevention, Planning & Assistance Unit General Fund	12	5	\$536,529	\$536,716				\$0	\$0
752	CO	61630000	Unemployment Compensation	N/A	N/A	\$1,000	\$1,000				\$0	\$0
754	CO	80580000	Worker's Compensation	N/A	N/A	\$20,000	\$20,000				\$0	\$0
757	Water	10000000	Pollution Control Program	13	9	\$1,009,277	\$1,004,163	6		\$280,005	\$786,847	\$0
763	Water	14260000	Public Water Systems - Lab Certification	1	1	\$109,023	\$110,275	1		\$0	\$219,298	\$0
767	Water	15180000	Lakes - Rivers Mgmt	4	3	\$345,536	\$350,968	3		\$195,776	\$500,728	\$0
769	Water	15230000	Shellfish Protect Prog	1	1	\$183,807	\$183,021	1		\$78,291	\$288,537	\$0
791	Water	38000000	Dam Bureau Administration	13	6	\$790,858	\$795,869				\$0	\$0
794	Water	38150000	Wetlands Administration	10	7	\$662,919	\$663,195				\$0	\$0
830	Air	54960000	Radon Program	2	1	\$73,351	\$72,787	1		\$28,932	\$117,206	\$0
836	Air	91000000	State Matching Funds (Air Resources Division mgmt & administration)	6	2	\$312,221	\$310,193				\$0	\$0
852	Waste	25890000	CERCLA (Superfund) Maintenance	2	2	\$753,394	\$790,110				\$0	\$0
856	Waste	54010000	Waste Management Programs	8	4	\$566,042	\$559,396	1		\$0	\$285,557	\$0
857	Waste	54020000	Solid Waste Program	22	14	\$1,402,888	\$1,394,159	1		\$0	\$145,932	\$0
858	Waste	54920000	RCRA HW (Hazardous Waste) Program State Match	6	4	\$444,049	\$443,466				\$0	\$0
				146	97	\$10,218,534	\$10,257,809	23		\$789,914	\$3,343,651	\$0
<b>General Fund Grants</b>												
758	Water	10030000	Municipal Wastewater State Aid Grants	N/A	N/A	\$5,201,385	\$3,326,403					
763	Water	14260000	Public Water System State Aid Grants	N/A	N/A	\$1,185,156	\$1,138,309					
857	Waste	54020000	Solid Waste Program (Landfill closure grants)	N/A	N/A	\$927,658	\$899,812					
						\$7,314,199	\$5,364,524					
						\$17,532,733	\$15,622,333					

\* These options for potential further reductions are not proposed, supported, endorsed or recommended by DES or Governor Lynch and are provided solely for illustrative purposes in response to the request in Chairman Belvin's letter to DES dated 03/04/11

The consequences and program impacts of these options are described on the attached pages.