



SC Department of Environmental Services

FY 2025 Budget Request

House Ways & Means Healthcare Subcommittee
January 31, 2024

Agency Attendees



- **Myra Reece** - *EA Director/DES Interim Director*
- **Keith Frost** - *EA/DES Legislative Affairs*
- **Chris Wimberly** – *Finance*
- **DES Leadership**
 - **Rhonda Thompson**, *Air*
 - **Henry Porter**, *Land and Waste*
 - **Jennifer Hughes**, *Water*
 - **Renee Shealy**, *Field Operations/Laboratory*
 - **Marian Page**, *OCRM (Acting)*

SC Department of Environmental Services

“What looks the same...what looks even better”



Culture & Values

- Transparency, Accountability, Customer Service, Collaborative partnerships/problem solving, Excellence, Innovation, Community engagement

Same environmental programs plus 2

- DNR Water Resource Planning & Aquatic Nuisance Species Programs

152 operations staff will support DES (HR, IT, Finance, OGC)

Opportunities





- “Right size” SC’s env programs; modernize tools & processes; transform from reactive to proactive; better delivery of services

FY25 Budget Request



15 Requests for Recurring State Funds of \$35,975,073

3 Requests for Non-Recurring State Funds of \$9,235,448

	Workforce Retention	\$10.2M	(1 Recurring)
	Restructuring	\$5.8M \$6.4M	(2 Recurring) (2 Non-Recurring)
	Sustainable Funding	\$18.9M \$2.8M	(11 Recurring) (1 Non-Recurring)
	Service Enhancement	\$1M	(1 Recurring)

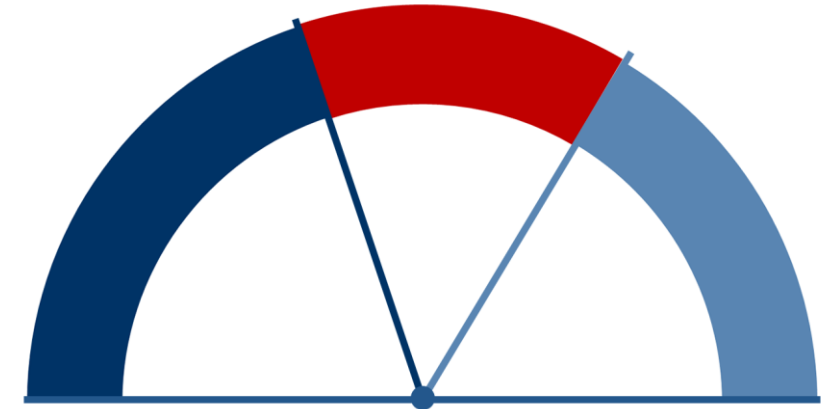
*Additional request for \$5M in federal authorization to support infrastructure grants

Retaining Experienced & Credentialed Workforce



Recurring: \$10,228,003 (48.93 FTE conversions)

- **Need:** The goal to advance workforce innovation and productivity starts with retaining experienced and credentialed workforce.
- **Solution:**
 - Engineer and technical workforce **salary increases**
 - **Training** to build credentialed workforce
 - Incentive/**Performance**-based compensation for staff
- **Impact if not received:**
 - Delegation of authority from EPA for critical programs would be compromised
 - Permitting timeframes will continue to increase
 - Inexperienced workforce managing challenging issues

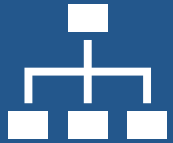


40%

Staff with <5
yrs.
Programmatic
Experience

>33%

Environmental
Experts Can
Retire Within 3-
5 yrs.



Agency Restructuring – DES Costs

- Request reflects costs reported in Fiscal Impact Statement
- \$5.8M recurring; \$6.4M non-recurring

- Separate DES Network and appropriate systems (security, servers, etc.)
- Non-recurring for hardware and contractors
- Recurring costs for licensing and internet access

IT Network
& Systems



- Non-recurring to move staff and replace signage
- Recurring to cover rent in shared space in county health departments

Facilities





Supporting Environmental IT Services with Data Driven Decision Making

Recurring: \$1,977,443 (5 new FTEs)

- **Need:** System modernization funding for compute, storage, firewall and data visualization. DES collects data on a variety of services in SC (Dam Data, Superfund Sites, and much more). This data comes in a wide variety of formats that needs to be analyzed so that decision makers need to make the best decisions possible.
- **Solution:** Requesting funding to modernize IT systems for DES and enhancement of Geographical Information System (GIS) to collect, organize, analyze, and visualize data for environmental decision making.
- **Impact if not received:**
 - Without the ability for GIS to visualize the data, DES and partners will not be fully utilizing the significant quantity of data in making environmental decisions.
 - Inability to proactively identify trends.
 - DES will be limited in its ability to timely keep the public informed of environmental trends and risks.

OBJECTID	Shape	BluespotID	Z	MaxDepth	Capacity	WatershedArea	FillUp
1	Point	2875	18.12724	0.144154	4.531278	4367.2	1.03757
2	Point	2916	21.1939	0.79212	6.825351	111.36	61.29087
3	Point	2925	21.44697	0.105827	2.332094	5048.16	0.461969
4	Point	2932	18.08217	0.563423	31.036263	814.72	38.094391
5	Point	2931	21.4642	0.156357	5.778504	216.32	26.71276
6	Point	2938	23.31326	0.332937	52.339135	2881.44	18.164229
7	Point	2901	21.13603	0.228317	38.438094	1705.28	22.540635
8	Point	2939	17.67389	0.214764	3.157016	592	5.332797
9	Point	2949	26.29555	0.520149	1.783918	192.8	9.252688
10	Point	2946	18.10277	0.056416	1.009035	567.04	1.779477
11	Point	2897	21.11445	1.652136	18.947337	1493.92	12.682967
12	Point	2947	22.81365	0.139593	4.798713	472.96	10.146128
13	Point	2940	22.29071	0.185522	5.634567	278.4	20.239104
14	Point	2957	20.90001	0.149351	7.066126	1552.16	4.552447

Example: data table transformed into a visualization of potential flooding

Data Table



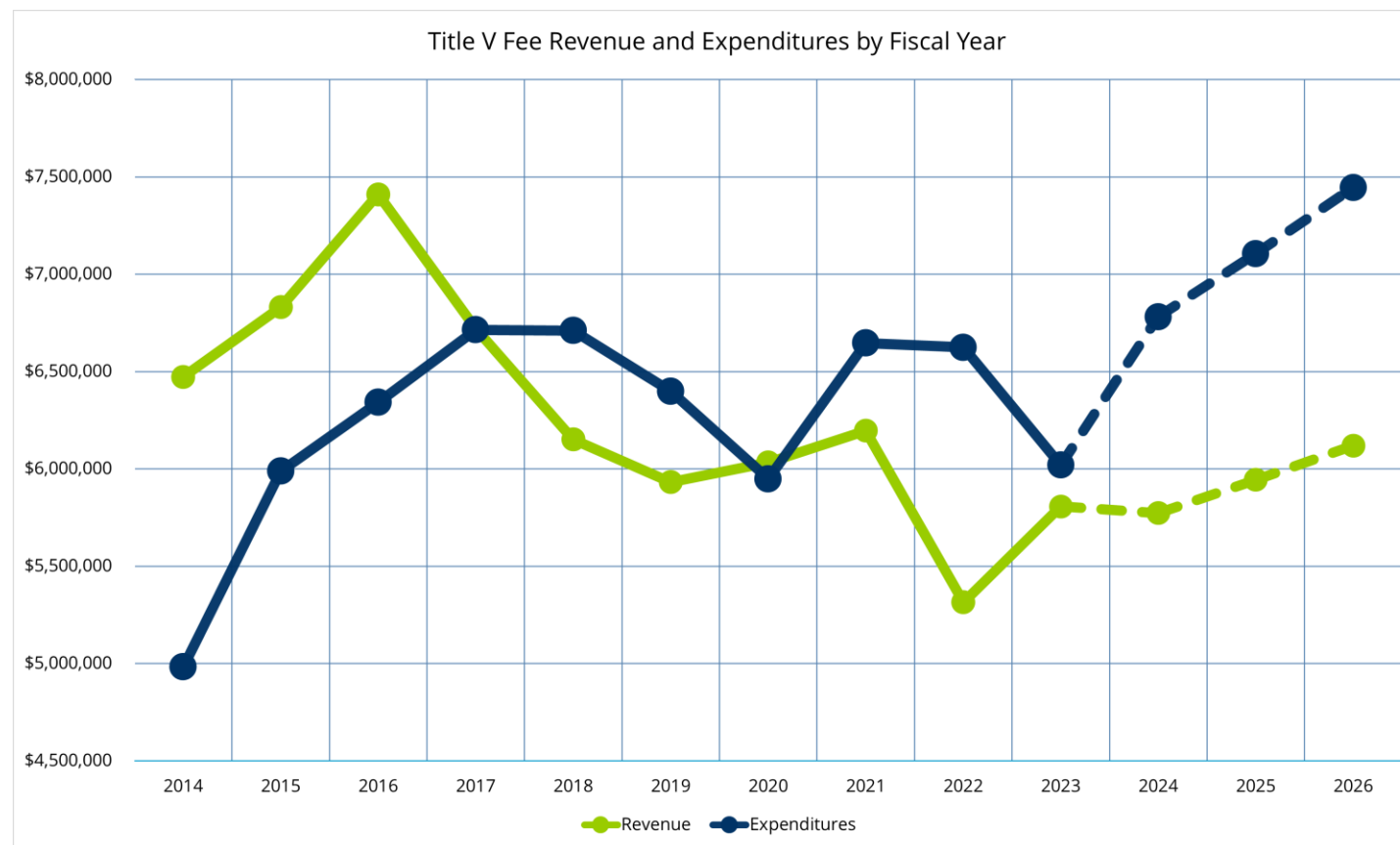
Data Visualization



Sustaining SC's Air Quality Program for Environmental & Economic Success

Recurring: \$4,325,116 (8 new FTEs | 8 FTE conversions)

- **Need:** Federal air emission limits have become more stringent, requiring more oversight. At the same time, fee revenue has continued to decline. Current balance can sustain the program only through FY25.
- **Solution:** Funds will be used to supplement fee funded FTEs and new FTEs with state appropriations to offset revenue reduction.
- **Impact if not received:**
 - Risk losing EPA delegation of authority
 - Impact to economic development
 - Increased permitting timeframes
 - Failure to meet National Ambient Air Quality Standards – “non-attainment designation”





Sustaining SC's Drinking Water Program

Recurring: \$4,325,116 (8 new FTEs | 32.4 FTE conversions)

- **Need:** Current fee structure will not be able to sustain the existing level of staffing and services required to permit, inspect and sample drinking water systems by FY26.
- **Solution:** Conversion of fee funded FTEs to state funds and the addition of new FTEs will allow the Agency to maintain current service level for the Drinking Water program.
- **Impact if not received:**
 - Risk losing EPA delegation of authority over Safe Drinking Water Act
 - Increased drinking water costs to consumers of public water systems
 - Reduction in services that ensure drinking water providers meet regulatory requirements

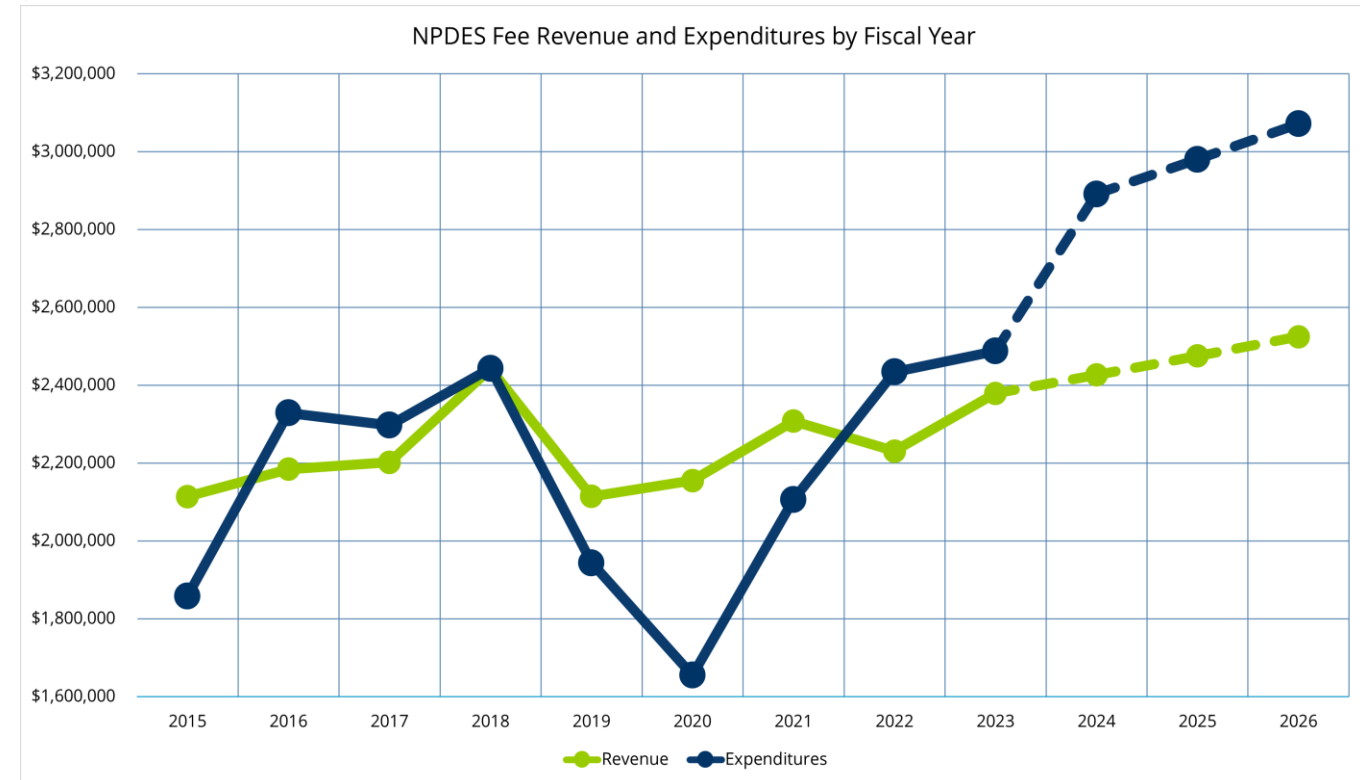




SC's National Pollutant Discharge Elimination System (NPDES) Program for Environmental & Economic Success

Recurring: \$1,818,508 (3 new FTEs | 11.95 FTE conversions)

- **Need:** The fees that fund the NPDES program that permit the discharge of pollutants from wastewater and stormwater sources into waters of the state are projected to drop below the level needed to sustain current staffing by FY26.
- **Solution:** Conversion of fee funded FTEs to state funds and the addition of new FTEs will allow for the Agency to maintain current service level for the regulated community.
- **Impact if not received:**
 - Risk losing EPA delegation of authority over Clean Water Act
 - Increased permitting timeframes and negatively impacting economic growth
 - Increased risk of third-party litigation

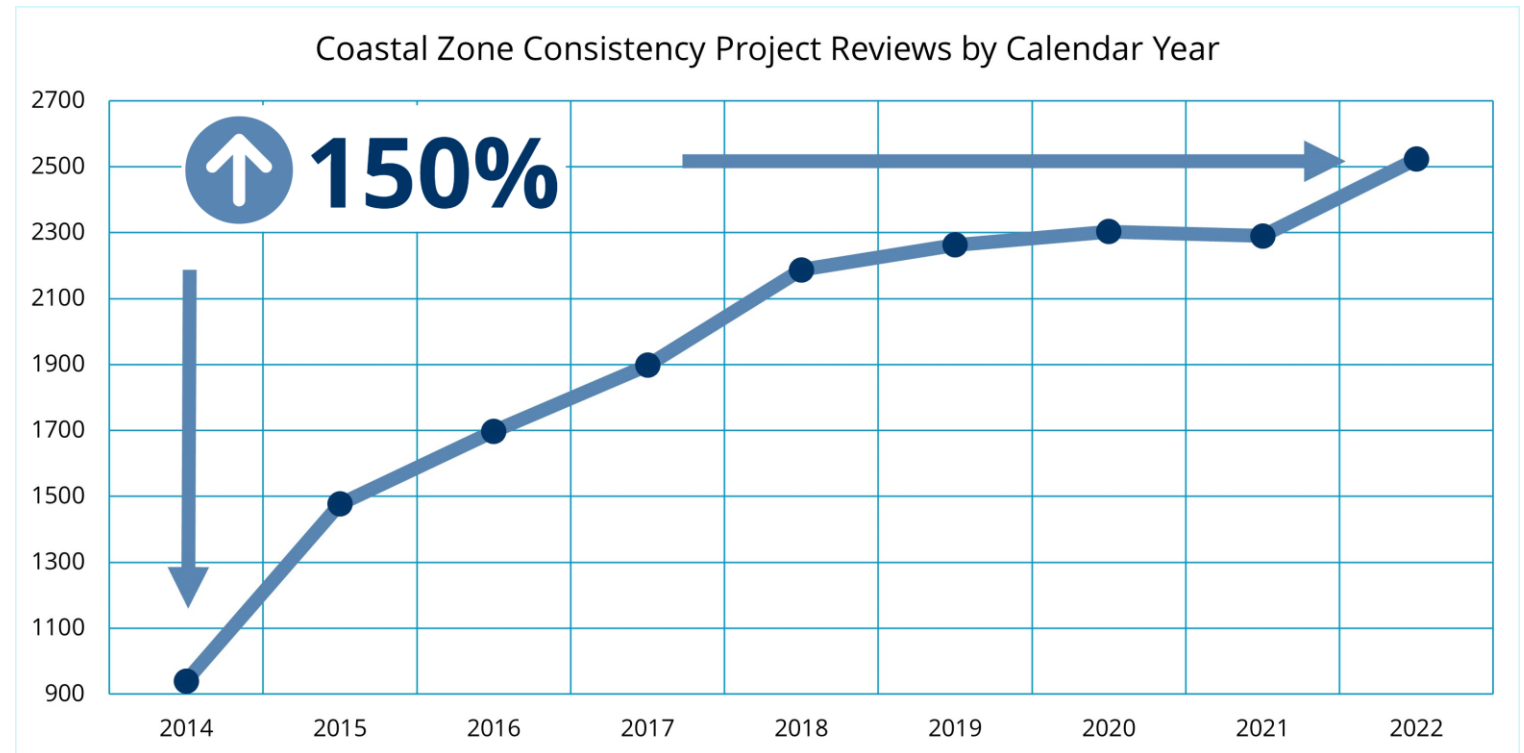




Supporting Environmental and Economic Development Projects in the Coastal Zone

Recurring: \$754,876 (7 new FTEs)

- **Need:** Coastal Zone Consistency (CZC) project reviews examine potential impacts to coastal wetlands, historic, or cultural resources. Project reviews have increased 150% since 2014, resulting in review times of 150-180 days.
- **Solution:** This recurring appropriation will require 7 new FTEs and will reduce the average project review time by over 50%.
- **Impact if not received:** Long review times will continue to:
 - Delay applicants seeking state permits.
 - Impact economic development, infrastructure, and transportation projects.





Sustaining SC's Mining and Reclamation Program for Environmental and Economic Success

Recurring: \$620,000 (2 new FTEs | 4 FTE conversions)

- **Need:** Economic and population growth necessitates the increased need for mined materials for infrastructure and construction projects. Funds received from the fee-based structure are unable to meet the demands for permitting. Current balance can sustain the program only through FY25.
- **Solution:** This recurring appropriation will allow the Mining and Reclamation Program to meet the increased need for permits for mining sites across the state.
- **Impact if not received:**
 - Increased processing time for applications as well as issuing permits, which would impact economic growth.
 - Community concerns may not be addressed as timely.



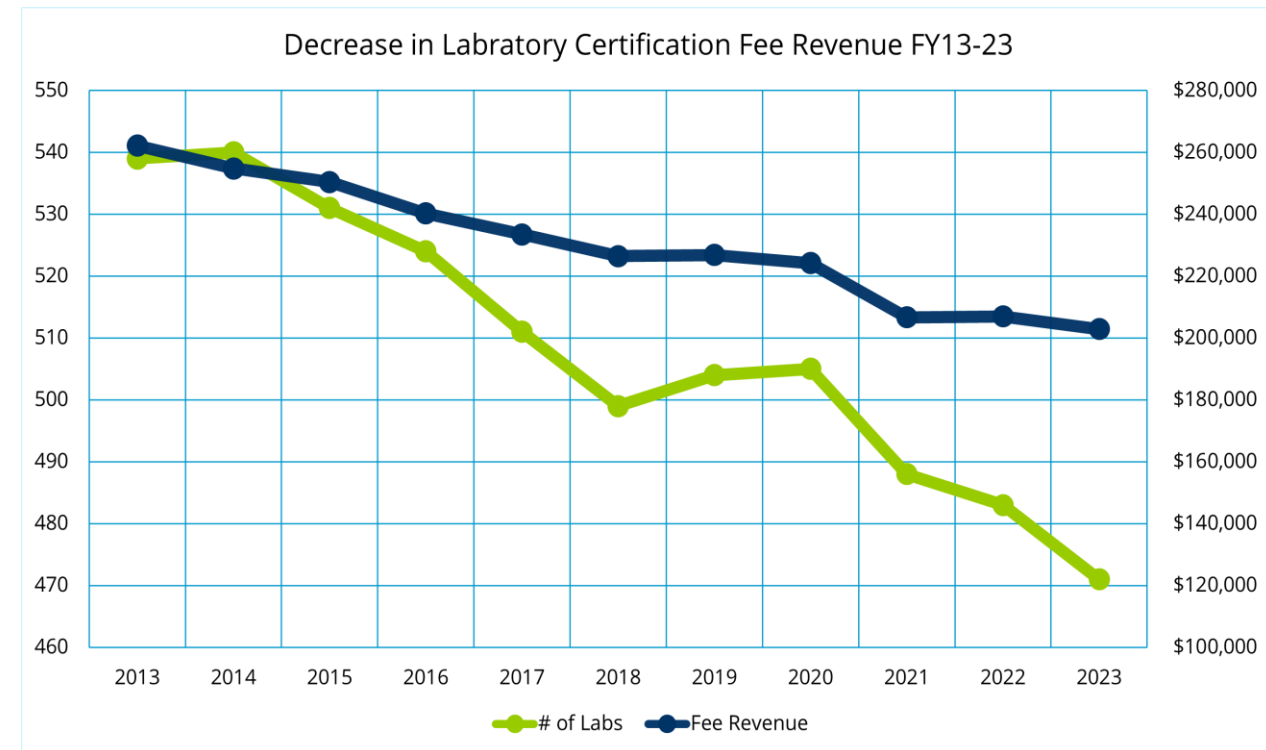
Berkeley County Reclaimed Mine Site – onsite sourced materials



Sustaining SC's Laboratory Certification Program

Recurring: \$275,000 (3 FTE conversions)

- **Need:** SC needs to meet the federal Safe Drinking Water Act requirements to maintain federal primacy enforcement responsibility for public water systems. Current balance can sustain the program only through FY25.
- **Solution:** Convert fee funded FTEs to state funding to sustain the level of service currently being provided to the regulated community.
- **Impact if not received:**
 - Risk losing EPA delegation of authority.
 - DES will be unable to meet statutory requirements of issuing certification within 90 days and the regulatory requirement of conducting re-evaluations of laboratories every 3 yrs.





Sustaining SC's Fish Advisory Program

Recurring: \$390,773 (3 new FTEs)

- **Need:** Restoring the fish advisory program by having dedicated funding. Increasing collection sites and parameters to include smaller tributaries and streams used by the general population for fishing and additional chemicals. Allow for distribution of a more robust statewide Fish Consumption Advisory, especially to critical segments of the population (pregnant or nursing mothers, elderly, and underserved communities).
- **Solution:** Expand the number of collection sites and include additional parameters for fish tissue analysis. Improve education and outreach by expanding the scope of the current program.
- **Impact if not received:**
 - Limited collection sites and lab analyses.
 - Additional species and chemicals will not be assessed.
 - Potential health impacts to sensitive populations.



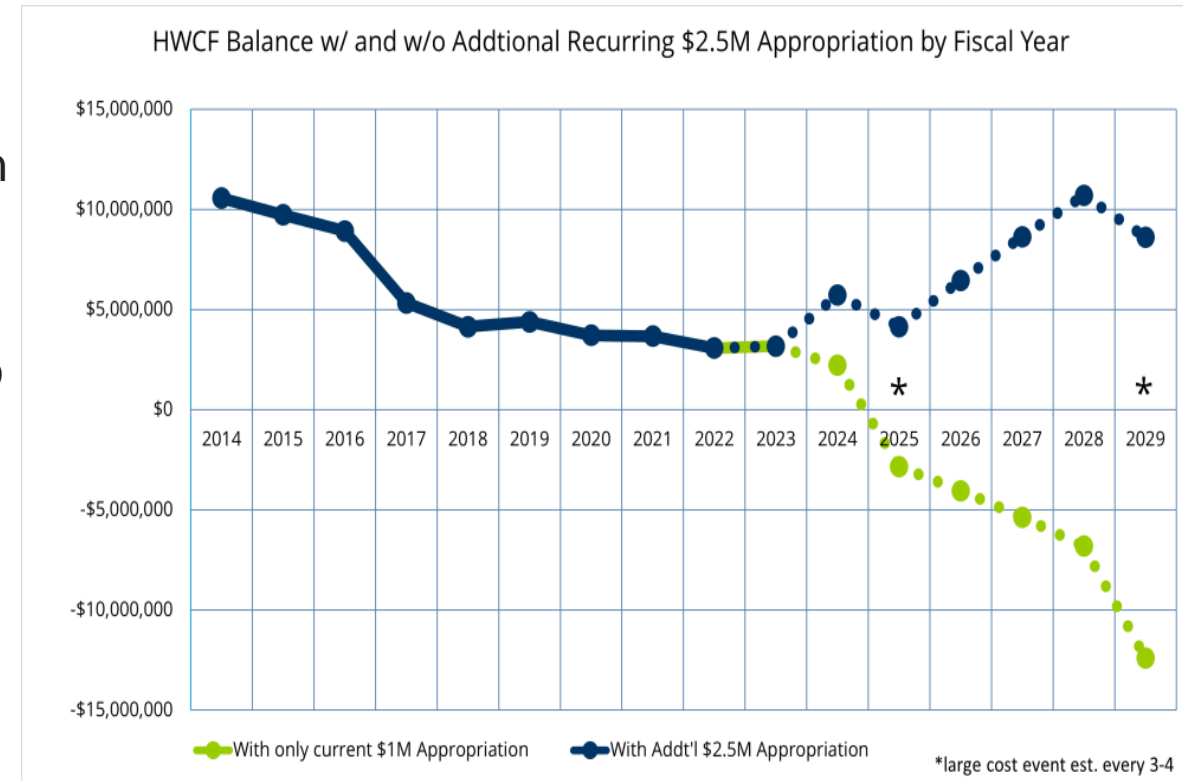
Wateree River Fish Sampling



Sustainable Funding for the Clean-Up of Uncontrolled Hazardous Waste Sites

Recurring: \$2,500,000

- **Need:** The Hazardous Waste Contingency Fund is projected to drop below the level needed to protect human health and the environment from uncontrolled hazardous waste sites.
- **Solution:** A \$2.5M increase in appropriations is needed to adequately support clean up of existing known sites and large-scale response actions.
- **Impact if not received:** DES's capacity to respond to uncontrolled hazardous waste sites could be limited as early as FY26.

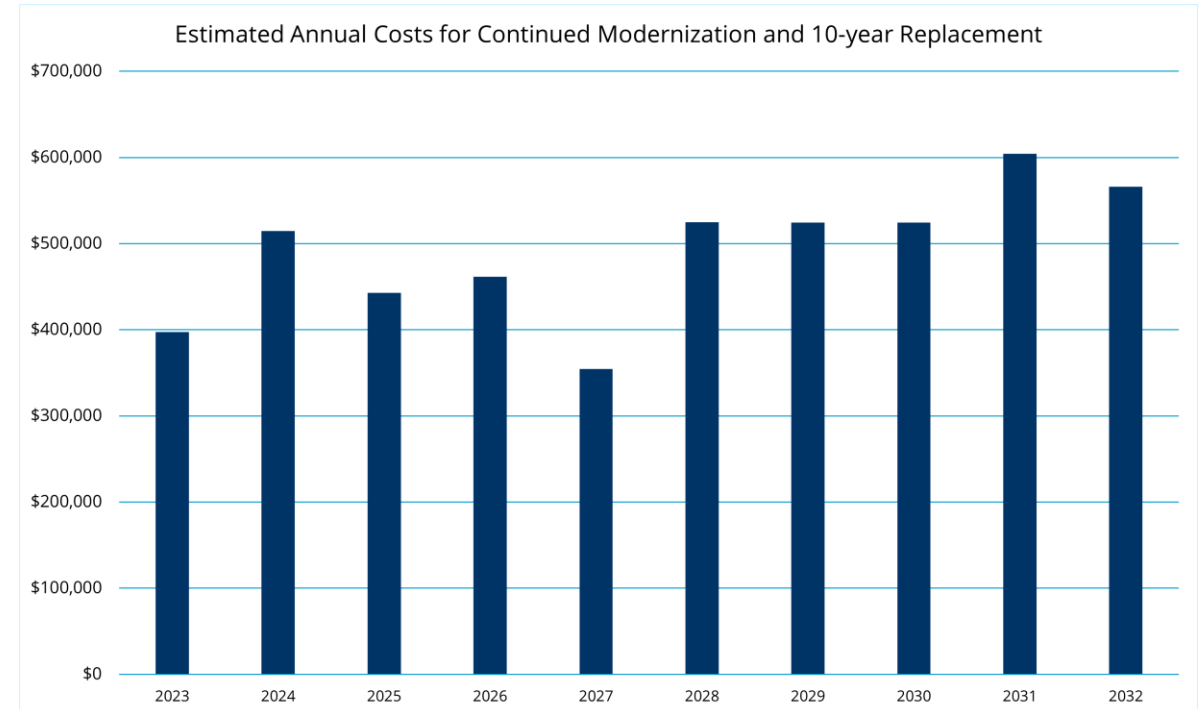




Sustaining SC's Ambient Air Quality Monitoring Network for Environmental and Economic Success

Recurring: \$1,580,000 (10.11 FTE conversions)

- **Need:** Maintain an adequate monitoring network to ensure that national air quality standards are being met. Better quality ambient air data for attainment and permit modeling demonstrations while fee revenue is declining. Current balance can sustain the program only through FY25.
- **Solution:** Convert existing FTEs onto state appropriation. Provide funding to upgrade and maintain SC's ambient air network.
- **Impact if not received:**
 - Risk losing EPA delegation of authority.
 - States not attaining air quality standards are typically not selected for new development.
 - DES cannot determine compliance with clean air standards for South Carolinians.
 - Permit issuance can be delayed.
 - Federal grants could be reduced or eliminated.

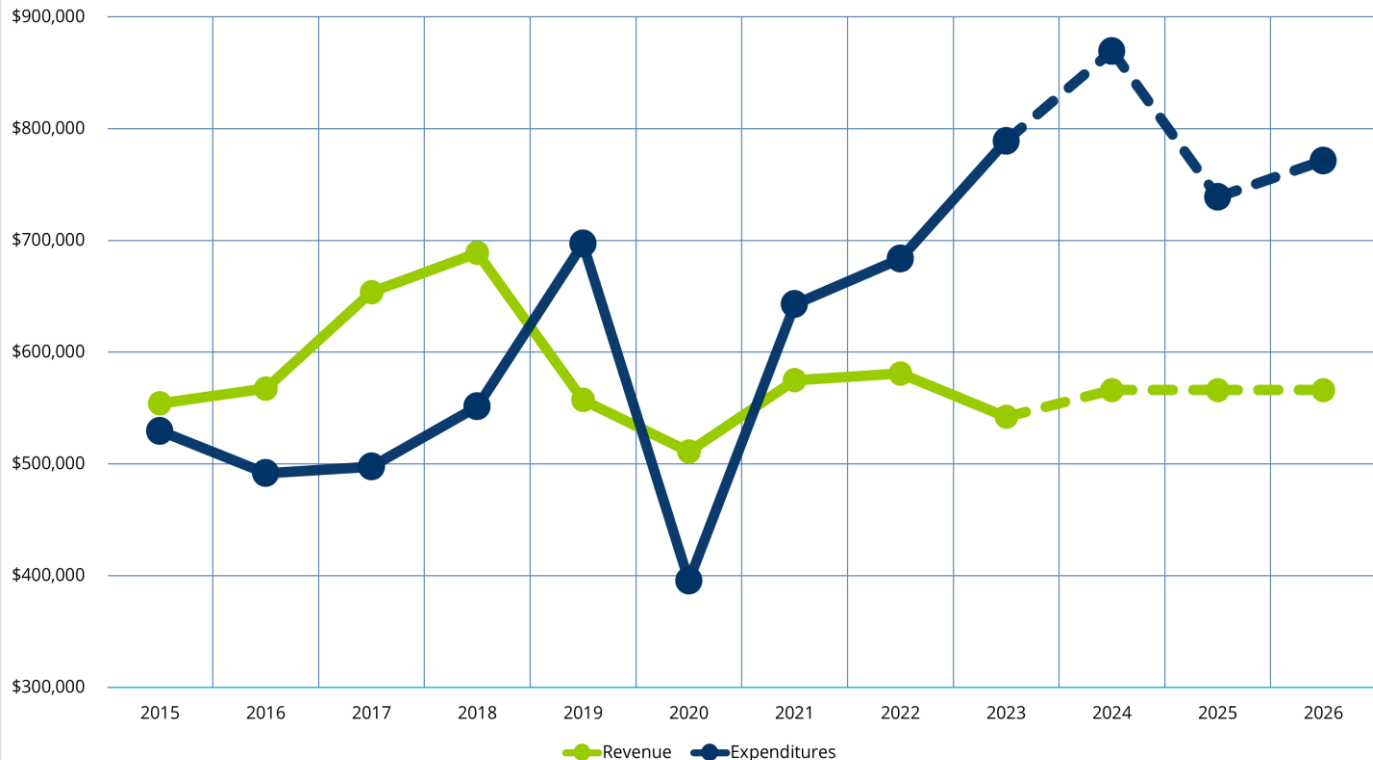




Maintaining South Carolina's Asbestos Program for Environmental and Economic Success

Recurring: \$336,704 (4 FTE conversions)

Asbestos Fee Revenue and Expenditures by Fiscal Year



- **Need:** Licensing fees collected from regulated projects have remained relatively steady in the past decade; however, the costs associated with program implementation, such as personnel costs, lab analysis costs, and training costs, have been increasing. Current balance can sustain the program only through FY25.
- **Solution:** Convert existing FTEs to state appropriation funding. Maintain a robust asbestos licensing and inspection program.
- **Impact if not received:**
 - Risk losing EPA delegation of authority.
 - Impacts economic development.
 - Increased public exposure to asbestos.



DNR Transfer – State Water Plan and River Basin Planning

One-Time: \$2,800,000

- **Need:** Ensure continuity of efforts and decision making to support all future uses and provide for economic growth while protecting the ecological health of the state's water resources. SC's investment to date is approximately \$8M.
- **Solution:**
 - Hire contractors to complete hydrologic investigations and collect additional hydrologic information.
 - Develop supplemental decision-support tools/models
 - Basin-wide education and outreach activities.
 - Implement water management and conservation strategies.
- **Impact if not received:** The quantity and quality of water resources in SC will be negatively impacted affecting the quality of life and the state's economy.





Compliance Assistance and Prevention Focus

Recurring: \$1,015,158 (7 new FTEs)

- **Need:** Improve environmental compliance by providing assistance to businesses to meet complex regulatory requirements.
- **Solution:** Establish a dedicated compliance assistance team to identify common compliance challenges and implement a non-regulatory program to assist new and existing businesses.
- **Impact if not received:**
 - Traditional compliance and enforcement does not provide a proactive, preventative framework to ensure compliance and environmental protection.
 - Permittees will continue to experience increased costs and time associated with non-compliance.





Additional Federal Authorization to Support Infrastructure Grants

Federal Spending Authorization Request: \$5,000,000

- Significant new federal investments are being made in water infrastructure
- Based on information from EPA, we anticipate additional annual grant spending of:
 - \$5M for support of State Revolving Funds increased under the Bipartisan Infrastructure Law.
- We have managed the addition of smaller grants within current authorization, but cannot receive and spend these new resources without an increase

Proviso Update

AMEND

- 34.20: Allocation of Indirect Cost and Recovery
- 34.25: Radiological Health Monetary Penalties

CODIFY

- 34.21: Permitted Site Fund

DELETE

- 34.57: Permit Extension

ADDITION

- NEW: Water Recreational Resources Fund
Transfer



DES Budget Request Contact:

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