

FY 2026

Governor's Recommended Budget

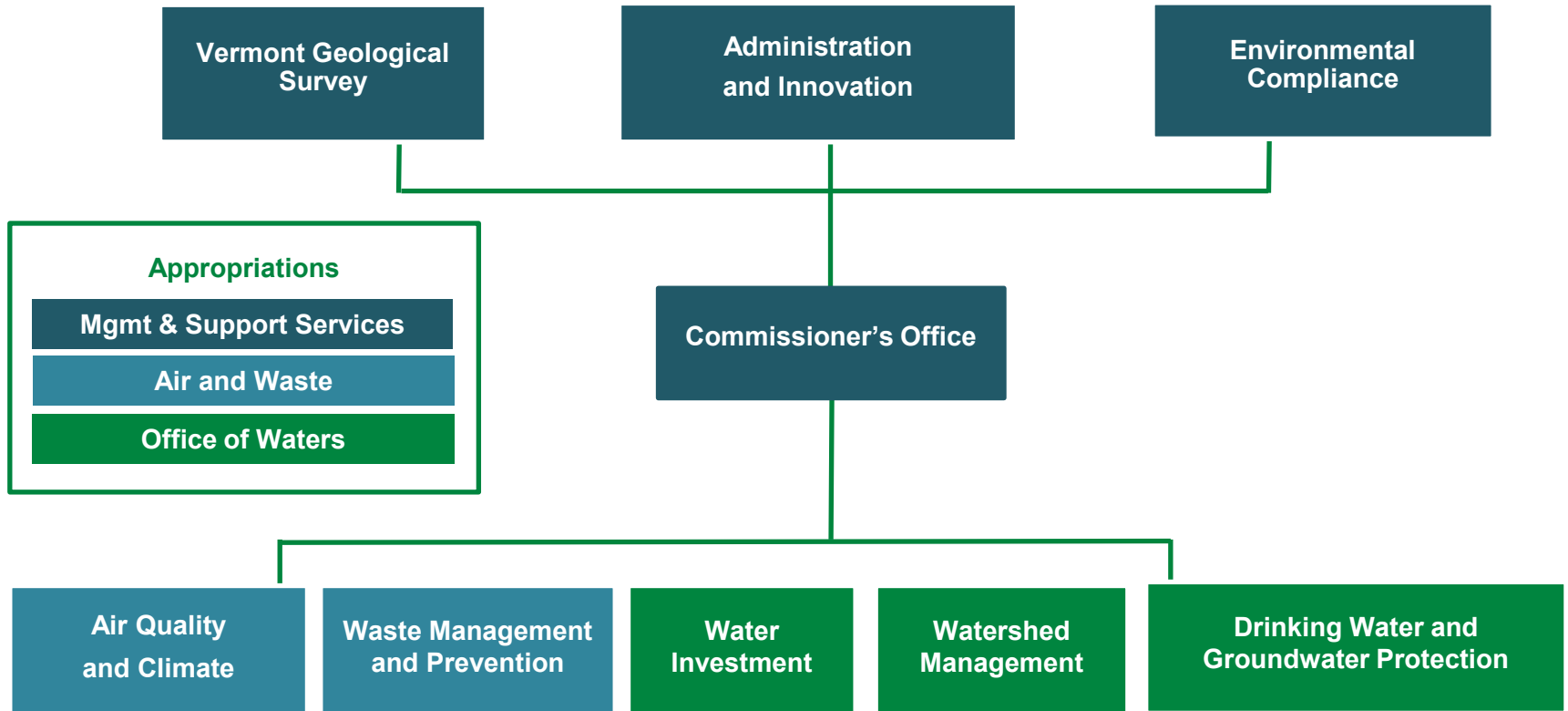
Department of Environmental Conservation

Jason Batchelder, Commissioner

Agenda

- DEC Organizational Structure
- FY26 DEC Budget Overview
- DEC One-Time Investments
- FY26 DEC Budget - Key Changes
- Position Changes
- Significant Initiatives and Challenges
- Budget Development Form

DEC Organizational Structure

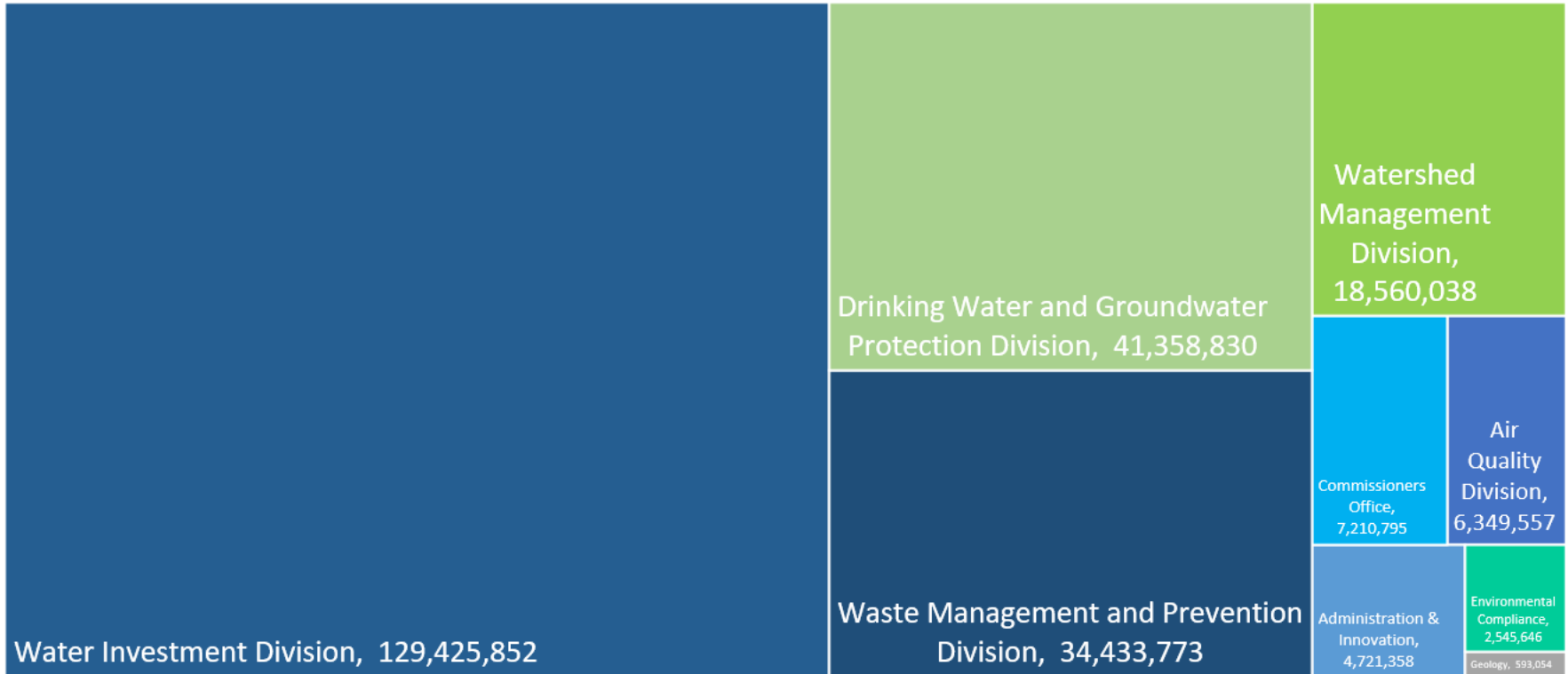


FY26 DEC Budget Overview

	FY 2024 Actuals	FY2025 Budget	FY2026 Gov Rec	25-26 Change
Major Object				
Personal Services	60,204,757	87,351,713	80,461,349	(6,890,364)
Operating Expenses	21,833,007	23,963,124	23,717,209	(245,915)
Grants	55,772,619	97,430,875	141,020,347	43,589,472
Total	137,810,384	208,745,712	245,198,905	36,453,193
Funds				
General Funds	16,250,096	14,330,576	15,748,560	1,417,984
Special Funds	46,591,096	56,405,597	63,079,512	6,673,915
Federal Funds	64,101,565	128,119,317	156,788,282	28,668,965
Interdepartmental Transfer	10,867,627	9,890,222	9,582,551	(307,671)
Total	137,810,384	208,745,712	245,198,905	36,453,193

Note: Table represents base budget. Vantage budgeting system totals for FY 2025 include DEC's B.1100 one-time appropriations (\$2,425,000) and DEC's B.1102 contingency list funding (\$4,000,000).

FY26 DEC Budget Overview – by Program Divisions



One-Time DEC Investments

- **Concentrated Animal Feeding Operation (CAFO) Permitting (\$850k):**
 - Draft CAFO Corrective Action Plan under review by US EPA commits ANR to inspect farms, to issue CAFO permits to farms that discharge to surface waters, and to enforce against farms that are discharging without a CAFO permit.
 - \$250k for implementation of a database for CAFO permitting.
 - Funds will expand on an existing AAFM database to serve both agencies.
 - \$600k for contracted to support implementation of the action items in the CAFO Corrective Action Plan in a timely manner.

One-Time DEC Investments

- **Municipal Wastewater Connection Design Standards:**
 - \$50k to support development of a technical standards database for use by municipalities that are delegated technical review for new municipal wastewater connections.
 - This is a key recommendation of the legislative study on municipal connections as part of the Home Act of 2023.
- **Continued Funding for Testing and Remediation of Polychlorinated biphenyls (PCBs) in Schools:**
 - \$9.52M to support schools in the State that are required remediate or mitigate impacts of PCB contamination in the school after the school has been tested.

Significant Initiatives and Challenges

- American Rescue Plan Act
- Bipartisan Infrastructure Law
- Management of PFAS in the Environment
- PCBs in Schools
- Flood Safety Act of 2024
- CAFO Permitting Program
- Reducing Nutrient Pollution to Lakes, Rivers, and Wetlands

FY26 DEC Budget Key Changes

- **Bipartisan Infrastructure Law (BIL):**
 - Includes \$41.6M increase of Federal BIL/IIJA funding for significant project efforts within our existing State Revolving Fund Loan Programs and grant programs to help public water systems in small, underserved, and disadvantaged communities achieve compliance with drinking water regulations
- **Ongoing and other Operational Costs:**
 - Salary and benefits increase of \$3.2M across all base funding sources
 - Contractual cost net decrease \$9.9M, including reduction for groundwater remediation at Commerce Street site in FY26 and reduced activity in lead service line inventories as work finishes

FY26 DEC Budget Key Changes

- **Ongoing and other Operational Costs (cont'd):**
 - Increase of \$507k in fees for samples submitted by DEC to the Vermont Agricultural and Environmental Lab (VAEL)
 - Decrease of \$706k across all appropriations for our internal administrative services allocations and other minor adjustments
- **Establish New Positions**
 - Two Environmental Analyst VIs to support concentrated animal feeding operation (CAFO) permitting corrective action in Watershed Management Division, CAFO Section

Budget Development Form

	General \$\$	Clean Water \$\$	Special \$\$	Federal \$\$	Interdept'l	Total \$\$
DEC Whole FY 2025 Appropriation	14,330,576	16,610,000	39,795,597	128,119,317	9,890,222	208,745,712
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY24 budget)	0	0	0	0	0	0
FY 2025 Other Changes	0	0	0	0	0	0
Total Approp. After FY 2025 Other Changes	14,330,576	16,610,000	39,795,597	128,119,317	9,890,222	208,745,712
CURRENT SERVICE LEVEL/CURRENT LAW	1,417,984	1,855,112	4,818,803	28,668,965	(307,671)	36,453,193
<i>Personal Services</i>	1,365,967	(700,346)	5,046,778	(12,046,634)	(556,129)	(6,890,364)
500000: Salary & Wages: Classified Employees	300,748	22,124	96,293	649,451	(778,225)	290,391
500010: Salary & Wages: Exempt Employees						
501500: Health Insurance: Classified Employees	414,716	0	902,633	0	0	1,317,349
501510: Health Insurances: Exempt Employees						
502000: Retirement: Classified Employees	270,395	0	827,530	0	0	1,097,925
502010: Retirement: Exempt Employees						
All Other Employee Payroll Related Fringe Benefits	12,030	0	142,130	0	0	154,160
504040: VT Family & Medical Leave Insurance Premium	215	0	7,846	0	0	8,061
504045: Child Care Contribution	4,671	0	29,666	0	0	34,337
505200: Workers' Compensation Insurance Premium	5,896	0	0	0	30,933	36,829
508000: Vacancy Turnover Savings	0	0	(363,046)	0	(62,948)	(425,994)
Net Change in Contracts and 3rd Pty Services	152,848	(722,470)	3,230,226	(12,696,085)	171,111	(9,864,370)
Net Change in Temporaries	(23,000)	-	173,500	-	83,000	233,500
Transfer of regulatory authority over CAFO, creation of two new positions and associated operating expenses	227,448	-	-	-	-	227,448
<i>Operating Expenses</i>	52,017	82,058	309,594	(934,905)	245,321	(245,915)
515010: Fee-for-Space Charge	(4,820)	-	(26,759)	-	1,475	(30,104)
516000: Insurance Other Than Employee Benefits	31	-	-	-	164	195
516010: Insurance - General Liability	(1,452)	-	-	-	(7,617)	(9,069)
516671: VISION/ISD	6,584	-	-	-	34,540	41,124
516685: ADS Allocated Charge	8,422	-	-	-	48,340	56,762
519006: Human Resources Services	4,492	-	-	-	24,403	28,895
523620: Single Audit Allocation	-	-	-	-	3,471	3,471
522400 Other Equipment	-	-	-	(262,200)	-	(262,200)
519150 Environmental Site Work	-	-	-	(420,000)	-	(420,000)
Increase in GIS licences \$6k; also increase for salesforce licenses and O&M \$377k due to LGMS implementation	-	-	133,725	-	128,606	262,331
514000 Leases	(334,792)	-	354,704	345	15,001	35,258
519110 Increase in VAEL Lab Fees	301,000	25,000	118,500	63,000	-	507,500
Net decrease admin spread \$-486k and other varous changes in operating costs and reallocation of funding sources	-	57,058	(270,576)	(316,050)	(3,062)	(532,630)
Transfer of regulatory authority over CAFO, creation of two new positions and associated operating expenses	72,552	-	-	-	-	72,552
<i>Grants</i>	0	2,473,400	(537,569)	41,650,504	3,137	43,589,472
Net Change in Grants/Loans	-	2,473,400	(537,569)	41,650,504	3,137	43,589,472
Subtotal of Increases/Decreases	1,417,984	1,855,112	4,818,803	28,668,965	(307,671)	36,453,193
FY 2026 Governor Recommend	15,748,560	18,465,112	44,614,400	156,788,282	9,582,551	245,198,905
FY 2026 Governor Recommend Target	15,748,560	18,465,112	44,614,400	156,788,282	9,582,551	245,198,905

Budget Development Form

	General \$\$	Clean Water \$\$	Special \$\$	Federal \$\$	Interdept'l	Total \$\$
Approp #1 [6140020000] Management and Support Services: FY 2025	2,243,575	336,686	458,181	2,164,711	8,933,416	14,136,569
Approp						
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY 2025 budget)						0
FY 2025 Other Changes	0	0	0	0	0	0
Total Approp. After FY 2025 Other Changes	2,243,575	336,686	458,181	2,164,711	8,933,416	14,136,569
CURRENT SERVICE LEVEL/CURRENT LAW	219,195	18,062	639,429	398,925	(341,326)	934,285
<i>Personal Services</i>	540,730	18,062	88,569	398,580	(592,846)	453,095
500000: Salary & Wages: Classified Employees	306,486	18,062	88,569	598,580	(814,942)	196,755
500010: Salary & Wages: Exempt Employees						
501500: Health Insurance: Classified Employees	40,818					40,818
501510: Health Insurances: Exempt Employees						
502000: Retirement: Classified Employees	142,766					142,766
502010: Retirement: Exempt Employees						
All Other Employee Payroll Related Fringe Benefits	12,030					12,030
504040: VT Family & Medical Leave Insurance Premium	215					215
504045: Child Care Contribution	4,671					4,671
505200: Workers' Compensation Insurance Premium	5,896				30,933	36,829
508000: Vacancy Turnover Savings					(62,948)	(62,948)
Increase in Temporaries					83,000	83,000
Net increase in contracts due mainly to increase in Windsor O&M \$50k, Transfer of UVM Internship Contract and GF from ANR SO to DEC \$8kEco-AmeriCorps \$171k and completion of one time projects \$-200k	152,848			(200,000)	171,111	123,959
Net decrease in other personal services due to reallocation of new positions from Act 121 in FY25	(125,000)					(125,000)
<i>Operating Expenses</i>	(321,535)	0	488,429	345	248,383	415,622
515010: Fee-for-Space Charge	(4,820)				1,475	(3,345)
516000: Insurance Other Than Employee Benefits	31				164	195
516010: Insurance - General Liability	(1,452)				(7,617)	(9,069)
516671: VISION/ISD	6,584				34,540	41,124
516685: ADS Allocated Charge	8,422				48,340	56,762
519006: Human Resources Services	4,492				24,403	28,895
523620: Single Audit Allocation					3,471	3,471
Increase in National Life lease, Middlesex lease and other various operating expenses and reallocation of funding sources	(334,792)		354,704	345	15,001	35,258
Increase in GIS licences \$6k; also increase for salesforce licenses and O&M \$262k due to LGMS implementation	0		133,725		128,606	262,331
<i>Grants</i>	0	0	62,431	0	3,137	65,568
Increase in grant to VAEL for Lab Director salary increases					3,137	3,137
Increase in loans due to moving onsite loan administration from Office of Waters to MSS			62,431			62,431
Subtotal of Increases/Decreases	219,195	18,062	639,429	398,925	(341,326)	934,285
FY 2026 Governor Recommend	2,462,770	354,748	1,097,610	2,563,636	8,592,090	15,070,854
FY 2026 Governor Recommend Target	2,462,770	354,748	1,097,610	2,563,636	8,592,090	15,070,854

Budget Development Form

Approp #2 [6140030000] Air and Waste Management: FY 2025 Approp	199,372	0	24,643,580	18,800,064	84,266	43,727,282
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY 2025 budget)						0
FY 2025 Other Changes	0	0	0	0	0	0
Total Approp. After FY 2025 Other Changes	199,372	0	24,643,580	18,800,064	84,266	43,727,282
CURRENT SERVICE LEVEL/CURRENT LAW	105,975	0	3,182,398	(6,269,041)	36,717	(2,943,951)
<i>Personal Services</i>	5,975	0	4,044,832	(5,601,205)	36,717	(1,513,681)
500000: Salary & Wages: Classified Employees	5,975		322,003	50,871	36,717	415,566
500010: Salary & Wages: Exempt Employees						
501500: Health Insurance: Classified Employees			291,751			291,751
501510: Health Insurances: Exempt Employees						
502000: Retirement: Classified Employees			239,487			239,487
502010: Retirement: Exempt Employees						
All Other Employee Payroll Related Fringe Benefits			28,058			28,058
504040: VT Family & Medical Leave Insurance Premium			2,654			2,654
504045: Child Care Contribution			8,885			8,885
505200: Workers' Compensation Insurance Premium			0			0
508000: Vacancy Turnover Savings			(97,732)			(97,732)
Increase in Temporaries in Air Toxics program \$20k and small decrease \$500 in overtime			19,500			19,500
Decrease in Contracts due to completion of Commerce Street project			3,230,226	(5,652,076)		(2,421,850)
						0
<i>Operating Expenses</i>	100,000	0	(262,434)	(667,836)	0	(830,270)
515010: Fee-for-Space Charge						0
516000: Insurance Other Than Employee Benefits						0
516010: Insurance - General Liability						0
516671: VISION/ISD						0
516685: ADS Allocated Charge						0
519006: Human Resources Services						0
523620: Single Audit Allocation						0
522400 Other Equipment				(262,200)		(262,200)
Decrease in admin spread \$-205k and various other operating expenses and reallocation of funding sources			(271,434)	14,364		(257,070)
519150 Environmental Site Work				(420,000)		(420,000)
519110 Increase in VAEL Lab Fees	100,000		9,000			109,000
<i>Grants</i>	0	0	(600,000)	0	0	(600,000)
550220, 550275: Net decrease in grants due to exhaustion of VW funding			(600,000)			(600,000)
Subtotal of Increases/Decreases	105,975	0	3,182,398	(6,269,041)	36,717	(2,943,951)
FY 2026 Governor Recommend	305,347	0	27,825,978	12,531,023	120,983	40,783,331
FY 2026 Governor Recommend Target	305,347	0	27,825,978	12,531,023	120,983	40,783,331

Budget Development Form

	General \$\$	Clean Water \$\$	Special \$\$	Federal \$\$	Interdept'l	Total \$\$
Approp #3 [6140040000] Office of Water Programs: FY 2025 Approp	11,887,629	16,273,314	14,693,836	107,154,542	872,540	150,881,861
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY 2025 budget)						0
FY 2025 Other Changes	0	0	0	0	0	0
Total Approp. After FY 2025 Other Changes	11,887,629	16,273,314	14,693,836	107,154,542	872,540	150,881,861
CURRENT SERVICE LEVEL/CURRENT LAW	1,092,814	1,837,050	996,976	34,539,081	(3,062)	38,462,859
<i>Personal Services</i>	<i>819,262</i>	<i>(718,408)</i>	<i>913,377</i>	<i>(6,844,009)</i>	<i>0</i>	<i>(5,829,778)</i>
500000: Salary & Wages: Classified Employees	1,738,287		(314,279)			1,424,008
500010: Salary & Wages: Exempt Employees						
501500: Health Insurance: Classified Employees	373,898		610,882			984,780
501510: Health Insurances: Exempt Employees						
502000: Retirement: Classified Employees	127,629		588,043			715,672
502010: Retirement: Exempt Employees						
All Other Employee Payroll Related Fringe Benefits			114,072			114,072
504040: VT Family & Medical Leave Insurance Premium			5,192			5,192
504045: Child Care Contribution			20,781			20,781
505200: Workers' Compensation Insurance Premium			0			0
508000: Vacancy Turnover Savings			(265,314)			(265,314)
Increase in Temporaries in Watershed \$125k and WID \$6k	(23,000)		154,000			131,000
Net decrease in Other personal services due to reallocation of new positions from Act 121 in FY25	(1,625,000)	4,062				(1,620,938)
Net decrease in contracts due to completion of one time federal projects \$-6.8m and reallocation of contracts to grants in CWF \$-720k		(722,470)		(6,844,009)		(7,566,479)
Transfer of regulatory authority over CAFO, creation of two new positions and associated operating expenses	227,448					227,448
<i>Operating Expenses</i>	<i>273,552</i>	<i>82,058</i>	<i>83,599</i>	<i>(267,414)</i>	<i>(3,062)</i>	<i>168,733</i>
515010: Fee-for-Space Charge			(26,759)			(26,759)
516000: Insurance Other Than Employee Benefits						0
516010: Insurance - General Liability						0
516671: VISION/ISD						0
516685: ADS Allocated Charge						0
519006: Human Resources Services						0
523620: Single Audit Allocation						0
Net decrease in admin spread \$-281k and other various operating expenses		57,058	858	(330,414)	(3,062)	(275,560)
Transfer of regulatory authority over CAFO, creation of two new positions and associated operating expenses	72,552					72,552
519110 Increase in VAEL Lab Fees	201,000	25,000	109,500	63,000		398,500
<i>Grants</i>	<i>0</i>	<i>2,473,400</i>	<i>0</i>	<i>41,650,504</i>	<i>0</i>	<i>44,123,904</i>
Reallocation of contracts to grants \$720k as well as increase in grants in CWF \$1.8m as well as increase in grants and loans related to Bipartisan Infrastructure federal grants \$41.7m		2,473,400		41,650,504		44,123,904
Subtotal of Increases/Decreases	1,092,814	1,837,050	996,976	34,539,081	(3,062)	38,462,859
FY 2026 Governor Recommend	12,980,443	18,110,364	15,690,812	141,693,623	869,478	189,344,720
FY 2026 Governor Recommend Target	12,980,443	18,110,364	15,690,812	141,693,623	869,478	189,344,720