



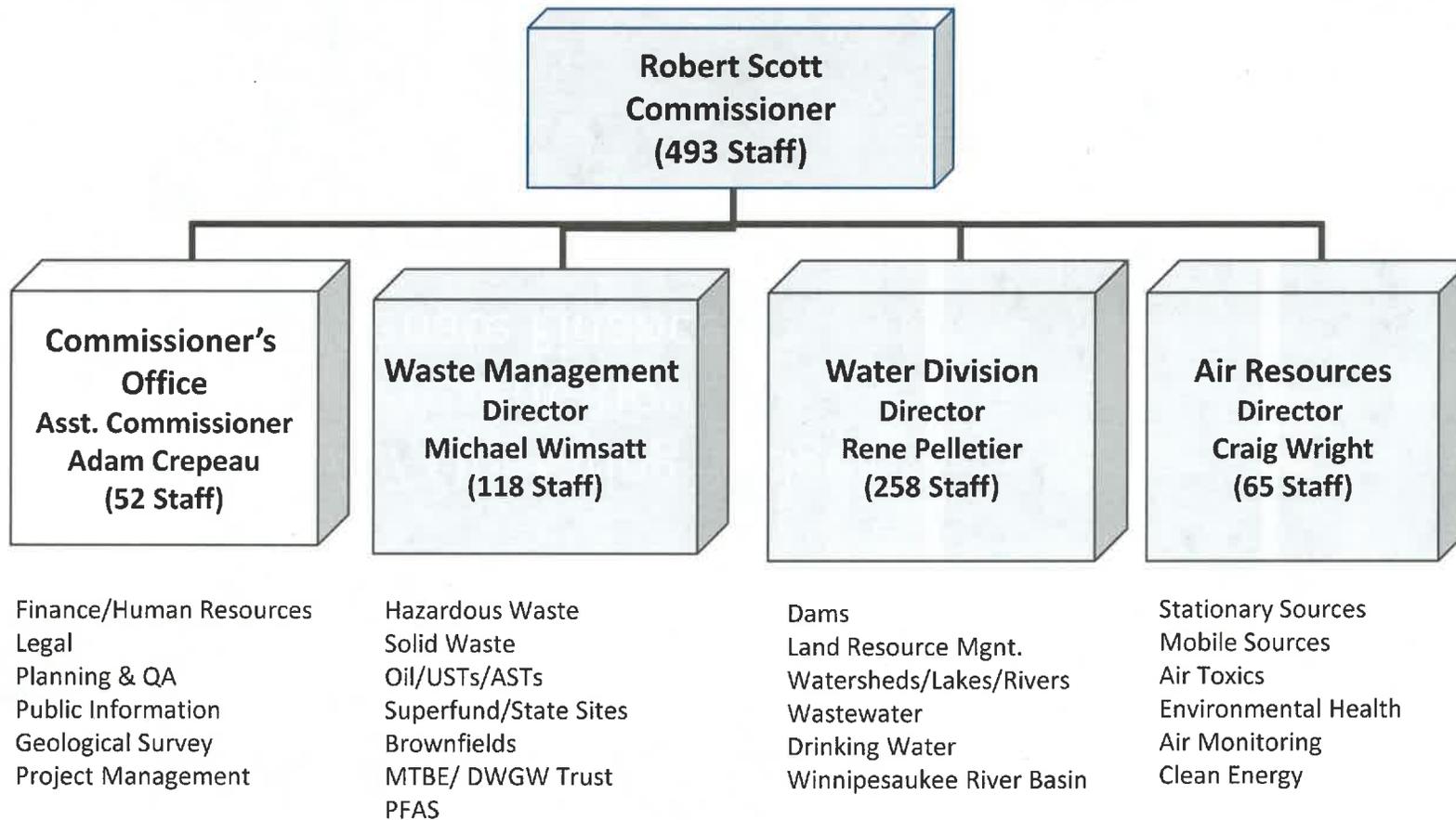
NEW HAMPSHIRE
DEPARTMENT OF
**Environmental
Services**

FY 26/27 Operating Budget
Presentation
Senate Finance

April 18, 2025



NHDES Organization Chart



NHDES Core Functions



- Ensure high levels of water quality for water supplies, ecological balance, and recreational benefits
- Manage water resources for future generations
- Regulate the emissions of air pollutants and ensure air pollution levels are below federal standards
- Foster the proper use and management of materials & waste
- Remediate and reuse contaminated sites
- Permitting for numerous programs
- Emergency preparedness and response

Significant Department-Wide Activities

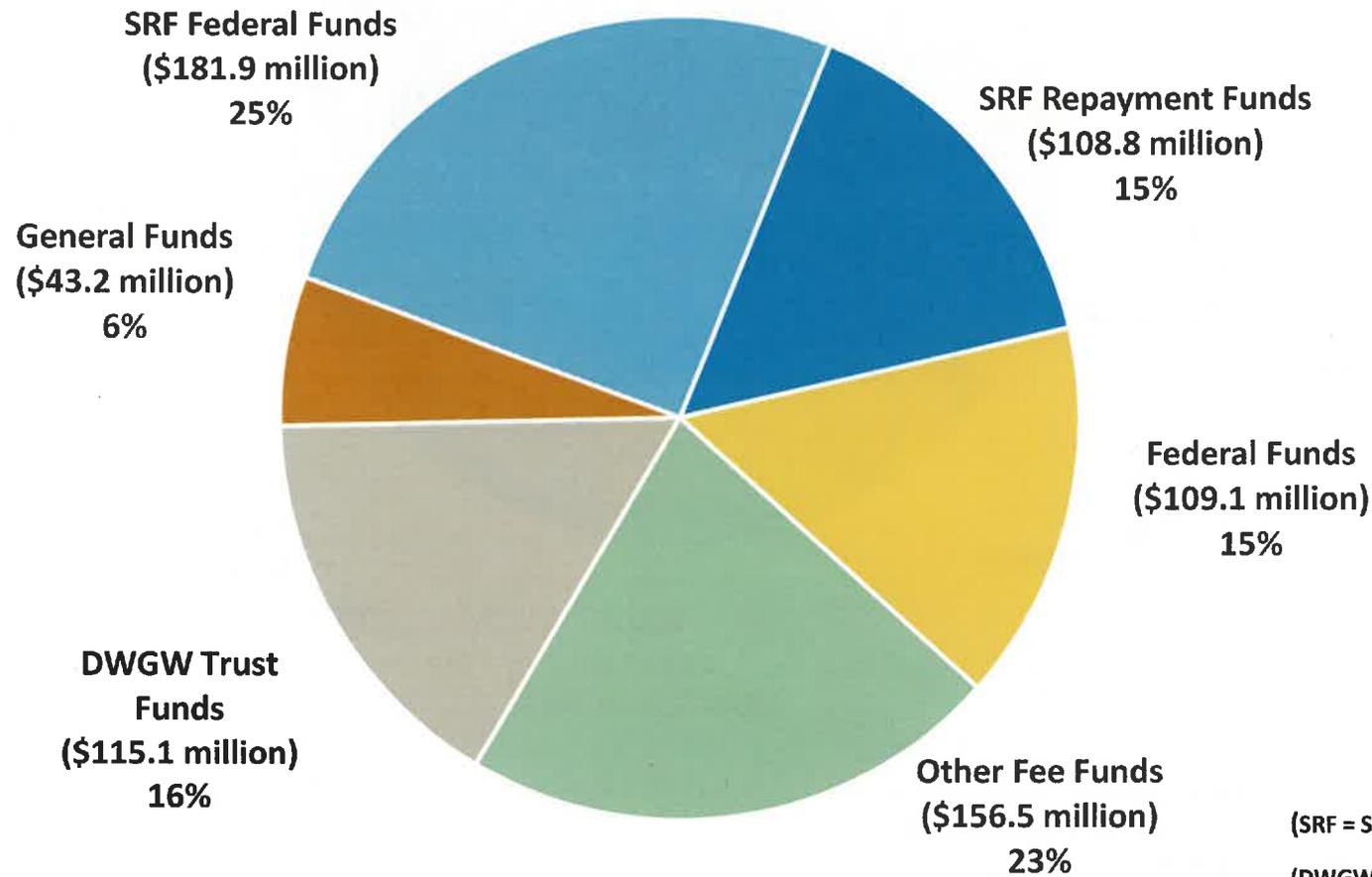


- ▶ Water/Air/Land contamination
 - PFAS, Arsenic, etc
- ▶ Infrastructure
 - DWSRF, CWSRF, DW/GWTF, ARPA, BIL
- ▶ Wetlands and land management improvements
- ▶ Maintenance & operation of state-owned dams
- ▶ Improving data and management systems

FY 2026/2027 – Total Sources of Funds – House Passed



TOTAL BIENNIAL BUDGET = \$714.7 Million



(SRF = State Revolving Fund)

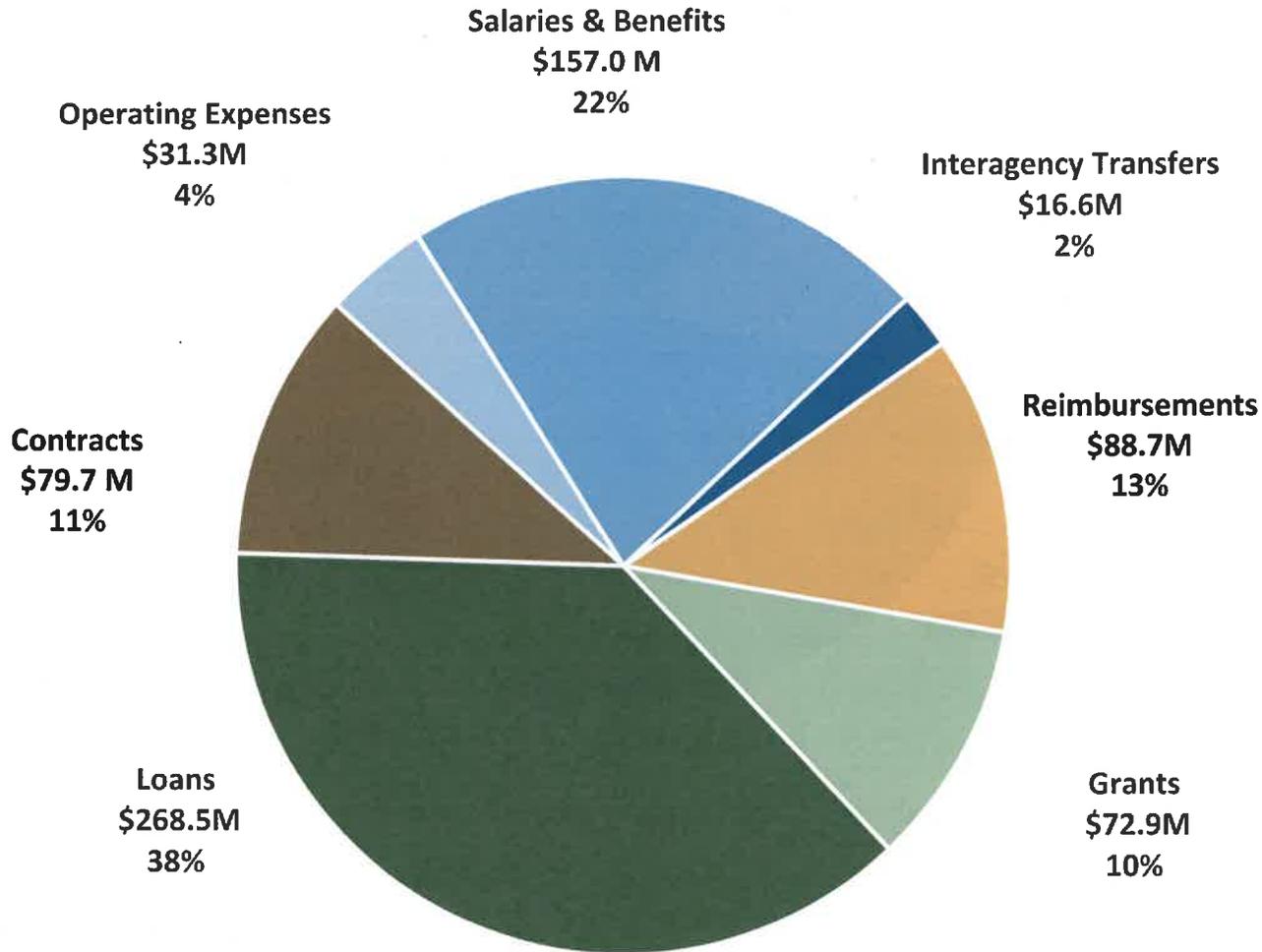
(DWGW = Drinking Water/Ground Water)

FY 2026/2027 – Total Uses of Funds - House Passed

TOTAL BIENNIAL BUDGET= \$714.7 Million



72% of all Funds are pass through in the form of grants, loans reimbursements, and contracts



Budget Analysis by Cost Category

House Phase



ANALYSIS OF BUDGET CHANGES BY COST CATEGORIES

(amounts shown in thousands)

	FY 2025	FY 2026	\$ Change	Percent Change	FY 2027	\$ Change	Percent Change
Grants	\$ 40,816	\$ 37,553	\$ (3,263)	-8%	35,340	(2,213)	-6%
Loans	183,950	137,325	(46,625)	-25%	131,200	(6,125)	-4%
Reimbursements	22,710	17,975	(4,735)	-21%	15,660	(2,315)	-13%
Contracts	40,433	42,769	2,336	6%	36,963	(5,806)	-14%
Operating Expenses	15,881	15,790	(91)	-1%	15,457	(333)	-2%
Salaries & Benefits	74,997	77,282	2,285	3%	79,773	2,491	3%
Interagency Transfers	8,446	8,241	(205)	-2%	8,395	154	2%
SUBTOTAL	\$ 387,233	\$ 336,935	\$ (50,298)	-13%	322,788	(14,147)	-4%
DWGW Court Settlement		55,000	55,000	100%	-	(55,000)	-100%
TOTAL	\$ 387,233	\$ 391,935	\$ 4,702	1%	322,788	(69,147)	-18%

Budget Analysis by Funding Category House Phase



(amounts shown in thousands)

	FY 2025	FY 2026	\$ Change	Percent Change	FY 2027	\$ Change	Percent Change
General Funds	\$ 18,562	\$ 22,534	\$ 3,972	21%	\$ 20,713	\$ (1,821)	-8%
Federal Funds - SRF	129,345	90,428	(38,917)	-30%	91,506	1,078	1%
Federal Funds - All Other	57,689	57,123	(566)	-1%	51,958	(5,165)	-9%
Other Funds - SRF	55,354	54,468	(886)	-2%	54,347	(121)	0%
Other Funds - DWGW Trust	39,460	31,179	(8,281)	-21%	28,919	(2,260)	-7%
Other Funds - All Other	86,823	81,203	(5,620)	-6%	75,345	(5,858)	-7%
SUBTOTAL	\$ 387,233	\$ 336,935	\$ (50,298)	-13%	\$ 322,788	\$ (14,147)	-4%
DWGW Trust Court Settlement	\$ -	\$ 55,000	55,000	100%	-	(55,000)	-100%
TOTAL	\$ 387,233	\$ 391,935	\$ 4,702	1%	\$ 322,788	\$ (69,147)	-18%

Budget Analysis By Cost Categories Agency to House Phases FY 2026



(amounts shown in thousands)

	Agency	Governor	\$ Change	Percent Change	House	\$ Change	Percent Change
Grants	\$ 41,269	39,733	(1,536)	-4%	37,553	(2,180)	-5%
Loans	137,325	137,325	-	0%	137,325	-	0%
Reimbursements	17,975	72,975	55,000	306%	72,975	-	0%
Contracts	42,632	42,669	37	0%	42,769	100	0%
Operating Expenses	15,696	15,719	23	0%	15,790	71	0%
Salaries & Benefits	76,927	77,574	647	1%	77,282	(292)	0%
Interagency Transfers	8,176	8,241	65	1%	8,241	-	0%
TOTAL	\$ 340,000	\$ 394,236	\$ 54,236	16%	391,935	(2,301)	-1%

Budget Analysis By Cost Category Agency to House Phases FY 2027



(amounts shown in thousands)

	Agency	Governor	\$ Change	Percent Change	House	\$ Change	Percent Change
Grants	\$ 38,833	37,520	(1,313)	-3%	35,340	(2,180)	-6%
Loans	131,200	131,200	-	0%	131,200	-	0%
Reimbursements	15,660	15,660	-	0%	15,660	-	0%
Contracts	36,825	36,863	38	0%	36,963	100	0%
Operating Expenses	15,357	15,385	28	0%	15,457	72	0%
Salaries & Benefits	79,407	80,080	673	1%	79,773	(307)	0%
Interagency Transfers	8,330	8,416	86	1%	8,395	(21)	0%
TOTAL	\$ 325,612	\$ 325,124	\$ (488)	0%	322,788	(2,336)	-1%

Budget Analysis By Funding Sources Agency to House Phases FY 2026



(amounts shown in thousands)

	Agency	Governor	\$ Change	Percent Change	House	\$ Change	Percent Change
General Funds	\$ 29,470	\$ 27,359	\$ (2,111)	-7%	\$ 22,534	\$ (4,825)	-18%
Federal Funds - SRF	90,436	90,428	(8)	0%	90,428	\$ -	0%
Federal Funds - All Other	57,138	57,123	(15)	0%	57,123	\$ -	0%
Other Funds - SRF	54,478	54,468	(10)	0%	54,468	\$ -	0%
Other Funds - DWGW Trust	31,180	31,179	(1)	0%	31,179	\$ -	0%
Other Funds - All Other	77,298	78,679	1,381	2%	81,202	\$ 2,523	3%
SUBTOTAL	\$ 340,000	\$ 339,236	\$ (764)	0%	\$ 336,934	\$ (2,302)	-1%
DWGW Court Settlement	-	55,000	55,000	100%	55,000	\$ -	0%
TOTAL	\$ 340,000	\$ 394,236	\$ 54,236	16%	\$ 391,934	\$ (2,302)	-1%

Budget Analysis By Funding Sources Agency to House Phases FY 2027



(amounts shown in thousands)

	Agency	Governor	\$ Change	Percent Change	House	\$ Change	Percent Change
General Funds	\$ 29,878	\$ 27,835	\$ (2,043)	-7%	\$ 20,713	\$ (7,122)	-26%
Federal Funds - SRF	91,514	91,506	(8)	0%	91,506	\$ -	0%
Federal Funds - All Other	51,976	51,958	(18)	0%	51,958	\$ -	0%
Other Funds - SRF	54,358	54,347	(11)	0%	54,347	\$ -	0%
Other Funds - DWGW Trust	28,920	28,919	(1)	0%	28,919	\$ -	0%
Other Funds - All Other	68,966	70,559	1,593	2%	75,345	\$ 4,786	7%
TOTAL	\$ 325,612	\$ 325,124	\$ (488)	0%	\$ 322,788	\$ (2,336)	-1%

NHDES Operating Budget Changes



• Changes Between Governor and House phases

- Reduction of General Funds by 22% (approx. \$11.9 Million over biennium)
 - From agency phase total Gen Fund reduction is \$18.3 million (31%)
 - Conversion of Solid Waste Program to Fee
 - Conversion of Dam Safety to 100% Fee
 - Conversion of consolidated LRM permitting staff to 100% Fee
 - Reduced wastewater state aid grant appropriations
- Consolidation of Permitting staff between F&G & DNCR with NHDES
 - Revised number of positions moving to NHDES, decreasing from 7 to 5.
- Increase in fees across numerous programs including LRM programs, several Waste Management programs, and several other Water programs
- Reduced number of positions funded by Gen Funds from 108 to 75 (30% reduction)
- House added \$6 million General Fund back of the budget cut (\$3M per year)



HB 2 Sections Related to NHDES

1. Revises language for threatened and endangered species reviews as they relate to NHDES and NHDOT permitting and transfer F&G and DNCR staff to NHDES
2. Repeals HB2 L'23 approving \$15 Million per year to fund State Aid Grants
3. Revises fees for the following programs:
 - a) Wetlands
 - b) Alteration of Terrain
 - c) Subsurface
 - d) Dam Safety licenses & permits
 - e) Oil Fund
 - f) Boater decals – Lake Restoration Fund
 - g) Hazardous Waste
4. Establishes a Solid Waste Facility Site Evaluation Committee
5. Eliminates the motor vehicle emissions program

HB 2 Sections Related to NHDES Con't



6. Modifies requirements for membership in the Air Council, Waste Management Council, Water Council, and Wetlands Council
7. Establishes a Lake License Plate for the Cyanobacteria Fund
8. Creates statutory requirements relative to structures over public waters
9. Establishes a solid waste tipping fee and makes the solid waste program self funded
10. Revises solid waste landfill permitting process
11. Adds a 5% assessment charge to all dedicated fund revenue per year

HB 2 Amendment Requests



I. Amend Section 456: Assessment on Dedicated Funds

1. Add the following to the exception listing:

- a) Hazardous Waste Cleanup Fund
- b) Oil Pollution Control Fund
- c) Water Pollution Control Facilities Replacement Fund
- d) Air Resources Title V Fund
- e) Brownfields Cleanup Revolving Loan Fund
- f) Aquatic Resources Compensatory Mitigation Fund
- g) PFAS Response Fund
- h) DWGW Trust Fund as added by HB 163

II. Remove/adjust Sections 352-362 related to motor vehicle inspection program

III. Remove Sections 224-227 related to solid waste landfill permitting



HB 2 Amendment Request Con't

IV. Add language re distribution of PFAS Court Settlement Funds by amending RSA 485-H:6 I-a to read:

I-a. Following the reimbursement of the department of justice for legal expenses related to relevant litigation, any funds from judgments or settlements received by the state resulting from lawsuits against manufacturers of PFAS attributable to impacts to public drinking water systems shall be deposited directly into the drinking water and groundwater trust fund established in RSA 6-D:1. RSA 7:6-e and RSA 6:13-e, III, shall not apply to funds deposited pursuant to this paragraph. The New Hampshire drinking water and groundwater advisory commission shall ensure that an amount equivalent to the funds deposited pursuant to this paragraph is distributed through a combination of loans and grants to public water systems whose water sources have been impacted by PFAS contamination above applicable standards. ***If the funds from judgments or settlements received by the state for impacts to public drinking water systems accounts for PFAS contamination below applicable standards, the advisory commission may issue grants, loans, or reimbursements to those systems for those impacts.***

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