



Department of  
**Environment &  
Conservation**

# Division of Remediation Financial Update

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# Sources of DoR funding

- \$1,000,000 annual appropriation, required by statute (TCA 68-212-203(e))
- Five different EPA grants
- US Department of Defense cooperative agreement for DOD cleanup sites across the state, allows division provide oversight at the DOD projects
- Other revenue sources
  - Fees on hazardous waste (HWRAF)
    - The Division of Remediation collects fees on the generation of waste
    - The Division of Solid/Hazardous Waste Management collects fees on the disposal of waste
  - Cost recovery; voluntary and enforcement (VOAP)
  - Dry Cleaners Environmental Response Program (DCERP)

# Hazardous Waste Remedial Action Fund

	Beginning Balance HWRAF
FY18-19	\$2,552,731.46
FY19-20	\$3,172,364.93
FY20-21	\$5,349,833.96
FY21-22	\$2,704,888.84
<b>FY22-23</b>	<b>HWRAF - \$3,235,643</b> <b>Non DCERP (obligated) - \$570,505</b> <b>NPL (obligated) - \$902,050</b> <b>Total - \$4,708,198</b>

TCA 68-212-204 establishes the Hazardous Waste Remedial Action Fund (HWRAF) to provide funding to operate the program implementing the Act and includes all Division revenues, including obligated and unobligated funds.

# Hazardous Waste Generator Fees

- The revenue from the generation and off-site shipping of hazardous waste currently represents 1/3 of the total funding for the Hazardous Waste Remedial Action Fund.
- The remainder of the funding includes \$1,000,000 in State appropriations (unadjusted since 1994), federal funds for performing work of interest to both the federal government and the State, and recovery of costs from Voluntary Parties.
- Amount Billed through October FY22-23
  - \$ 534,332 - VOAP
  - \$ 299,235 - Hazardous Waste Generator Fees

# FY22-23 Budget

- The FY22-23 budget included a total of \$22M to support the Department's efforts in addressing legacy contamination sites.
- TDEC is pursuing new ways to accelerate environmental cleanups and has developed a framework designed to address contaminated sites on the State's GASB 49 list.
- TDEC is developing a framework with four major phases:
  - Identification
  - Prioritization and selection
  - Execution
  - Completion
- The FY22-23 budget also included \$10M for NPL SSC matches.

# Federal Funding Update through the BIL

- EPA has already committed over \$102M to NPL sites in TN:
  - \$3.7M for the Former Custom Cleaners site (Memphis)
  - \$4.0M for the Smokey Mountain Smelters site (Knoxville)
  - \$6.6M for the Walker Machine Shop site (Collierville)
  - \$87.7M for the Chattanooga Southside site (Chattanooga)
- DoR is currently reviewing the SSC for an additional \$70M at the Velsicol Chemical Corp site in Hardeman County.
- Funds from the BIL do not increase the State's current NPL match obligation.
- TDEC staff will still provide oversight at sites funded by the BIL.