

DNREC FEES FACT SHEET



The Department of Natural Resources and Environmental Control (DNREC) relies heavily on its own funding streams, many of which come from fixed permit and licensing fees. Most of these fees are established by law in the Delaware Code and can only be adjusted by passing a bill and enacting it into law. Many of the Department's fees have not been updated since 1991 and, in some cases, even earlier. Permit and licensing programs are operating at a loss. DNREC struggles to keep up with pay increases required to recruit and retain staff, perform its regulatory duties, and address emerging issues.

How 1990's Dollars Fall Short

- The amount of money collected in permit and license fees in 1991 is now worth substantially less.
- The overall cost of running the programs has significantly increased.

Programs Safeguard Public Health

- Permit and license fees are critical to operating DNREC's regulatory programs essential to public health and protecting Delaware's natural resources for future generations.

DNREC Current Funding Model

- DNREC received only 22% of its operating budget from the General Fund in FY23. The remaining 78% of the budget is covered by fees and grants, with 54% coming from fees and 24% coming from grants.

Cost Growth and Higher Demands

- Enactment of new laws by both Congress and the General Assembly impacts DNREC by increasing the amount of work without additional funding.
- Advancements in science and technology create additional responsibilities in maintaining tools and equipment that did not exist when fees were set 32-plus years ago.
- Increased emphasis on more sophisticated monitoring and intervention techniques.
- DNREC must cover required salary increases for positions that are not funded by the General Fund.
- New issues emerge that require additional attention and analysis, such as climate change, emerging contaminants, and enhanced support for underserved and overburdened communities.

Hazardous Substances

- Ensuring the proper cleanup and disposal of solid and hazardous waste.
- Overseeing accidental release prevention and emergency planning activities.

Air Emissions

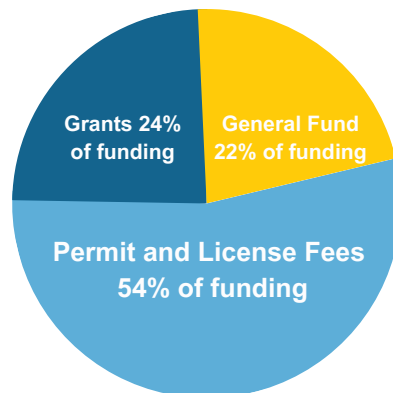
- Controlling air emissions, such as Volatile Organic Compounds (VOCs), from smaller sources of air pollution.

Water Quality

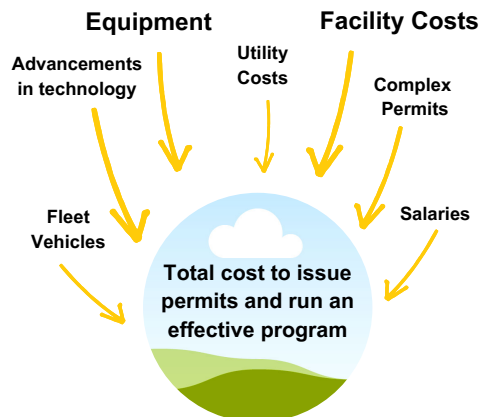
- Controlling stormwater runoff and nonpoint source pollution.
- Overseeing wastewater treatment system construction and operation.

Natural Resource Protection

- Overseeing activities impacting wetlands and waterways.
- Overseeing construction and development along Delaware's coastline.



- The General Fund only covers a very small portion of expenses. Increases in pay, benefits, or other operational needs like fleet vehicles, IT, and office rent primarily falls to DNREC to absorb.



Benefits of an Increased Fee Structure

- DNREC will get closer to closing the gap in running the programs with the expenses paid from the permitting and license fees, making the programs more sustainable in the long run.
- Those who need the services pay for them.
- Fee increases will be in effect 180 days after passage.

Results of an Outdated Fee Structure

- Programs are operating at a significant loss in issuing permits and performing necessary compliance inspections and assistance, data reviews, outreach, and enforcement.
- Programs risk losing federal funding when we aren't able to meet the requirements under delegated authorities.
- Problems may not be caught until they become emergencies or threats to public health.
- Risk of loss or destruction of valuable habitat.
- Cannot update regulations, practices, and policies to keep up with changing times.
- Recruitment and retention become increasingly difficult due to our inability to compete with private sector compensation.

What DNREC is Proposing

- DNREC needs to align its fees with the actual cost to provide its services to continue the work of the department. To align with current demands, DNREC is proposing legislation that would raise some of DNREC's permitting and licensing fees.
- A program by program evaluation was done on each fee, and not all fees are being raised.
- While this legislation would not completely cover the shortfalls in DNREC programs, it would bring some fees closer to their appropriate levels, especially for those that have fallen behind the most.
- The Secretary shall annually prepare a schedule of regulatory program fees under this section and submit the same as part of the Department's annual operating budget proposal. The Secretary may increase the fees levied by the Department by no more than 5%, which shall approximate and reasonably reflect all costs necessary to defray the expenses of the Department for the operation of all regulatory programs.
- The proposed increases are based on a thorough analysis of the programs' costs incurred to provide the services and what comparable agencies, such as in other state agencies or delegated agencies, are charging for similar services. In many cases, DNREC found that its fees have languished behind other agencies providing similar services.
- The fees need to cover the cost of running the program. 92% of the fee changes in the proposed legislation haven't been raised in 32 years.
- Parks fees and Fish & Wildlife license fees are not impacted by this legislation.

Contact Information

Please contact NotRaisedSince1991@delaware.gov with any questions or feedback.