



Our mission is to champion a healthy environment for a thriving Montana.

DEPARTMENT OF ENVIRONMENTAL QUALITY

ANNUAL PLAN

FY2027

The [Montana Department of Environmental Quality](#) is responsible for regulating air quality, water quality, underground storage tanks, automobile wrecking facilities, hazardous waste facilities, solid waste management systems, and mining operations; and for the siting and needs analyses of large-scale energy facilities. In addition, the department is the lead agency for reclamation and cleanup activities related to the federal and state superfund programs and leaking underground storage tanks, and for regulation and permitting of mining conducted on private, state, and federal lands. This work is completed through four programs - Central Management, Water Quality, Waste Management & Remediation, and Air, Energy, & Mining. The Petroleum Tank Compensation Board and the Libby Asbestos Superfund Oversight Committee are also attached for administrative purposes.

The department works in partnership with the federal Environmental Protection Agency (EPA), the Department of Energy, and the Department of the Interior's Office of Surface Mining Reclamation and Enforcement. Congress gave the EPA the initial responsibility for development and implementation of environmental protection, but many federal statutes contain preference for delegation of the program to the states when the state can demonstrate capacity to carry it out. This arrangement establishes state-federal environmental goals and priorities with the funding and flexibility to achieve desired results. These joint activities become the basis of future agreements and long-term strategic planning.

CENTRAL SERVICES

The department's central services programs are responsible for agency-wide administration, management, planning, evaluation, and support. They include the director's staff, a centralized legal pool, the Montana Environmental Policy Act and the Montana Facility Siting Act functions, public affairs, the enforcement program, human resources, information management and technology, financial services, records management, safety, emergency management, and continuous process improvement.

AIR, ENERGY, & MINING DIVISION

The Air, Energy, & Mining Division (AEMD) permits and regulates environmentally protective and productive operations in air, hard rock mining, opencut mining, and coal mining industries according to program statutory authority. The permitting and regulatory work includes extensive coordination with other programs to develop environmental review documents that comply with the Montana Environmental Policy Act (MEPA), including environmental assessments and environmental impact statements. AEMD includes the State Energy Office, or Energy Bureau, which promotes and improves Montanan's access to energy efficiency and alternative energy sources while improving the state's energy security by offering financing mechanisms, technical assistance, and education for public and private entities.

WATER QUALITY DIVISION

The Water Quality Division protects public health and water quality in the state of Montana. This is accomplished through the financing and technical assistance provided for community water and wastewater systems; the development of water quality restoration plans; managing a State-wide monitoring network; subdivision review; monitoring compliance of public water systems; and water discharge permitting. The division achieves this through coordination with the public and regulated community by proposing rules, drafting policy, and developing water quality standards.

WASTE MANAGEMENT & REMEDIATION DIVISION

The Waste Management & Remediation Division protects human health and the environment by preventing exposure to contaminants, working with Montana communities and businesses to implement effective material management and cleanup strategies, and overseeing compliance with state and federal laws and regulations. It oversees and conducts or supports remedial investigation and efficient, cost-effective cleanup activities at state and federal Superfund sites; supervises voluntary cleanup activities; reclaims abandoned minelands; implements corrective actions at sites; and administrators regulatory waste management programs.

 Strategic Outcome #1	CITIZEN SERVICE & ACCOUNTABILITY: CONTINUED FOCUS ON CULTURE OF CUSTOMER SERVICE	
	DEQ will continue the agency’s approach regarding routine activities to include enterprising interactions with customers and stakeholders. The focus for this fiscal year is again for staff to physically get to cities and towns across Montana to meet constituents where they are, to be visible and to interact with stakeholders across the state. The agency will measure outreach through the Montana Miles initiative. DEQ will strive to visit all counties and incorporated cities and towns across the state. The agency will strive to continue to demonstrate a culture of helping the public, being responsible and accessible to all Montanans.	
	Key Measures	• DEQ staff will have meaningful visits to all 56 counties and all 128 incorporated cities/towns during fiscal year 2027. • Utilize GIS tracking tool where staff report travel data to track miles as well as locations visited. • Review of Montana Miles (numbers) and success stories to foster relationships with citizens, to ensure continued satisfaction with the work we do, and to prevent problems before they arise. ○ # of miles traveled ○ # and % of 56 Montana counties visited ○ # and % of incorporated cities/towns visited ○ # of unique communities/locations visited



Strategic Outcome

#2

CITIZEN SERVICE & ACCOUNTABILITY: AI-ENABLED SERVICE

DEQ increasingly relies on digital systems and data to deliver permitting, compliance and public information services across Montana. Emerging artificial intelligence (AI) and automation tools now offer practical opportunities to improve how quickly staff can analyze information, prepare clear communication, and respond to citizens and partners, while maintaining required legal, ethical, and security standards. Thoughtful, governed use of AI can help staff focus more time on high-value environmental work and customer service and less on repetitive, manual tasks.

DEQ will introduce AI capabilities in a measured, transparent way that protects privacy, upholds public trust, and aligns with statewide IT strategy, while demonstrating real, tangible benefits for staff and citizens. During FY 2027, DEQ will focus on a small number of practical, low-risk AI use cases that improve service responsiveness, support clearer communication, and enhance internal efficiency, using platforms and guardrails developed by the Information Technology Bureau.

Key Measures

- DEQ will implement a set of AI-enabled tools to support staff in delivering more timely, consistent, and accessible information to the public and program partners. At least three AI use cases will be in productive or active operational use by the end of FY 2027, such as assisted drafting of public communications, summarizing technical documents, or improving internal legacy applications, in alignment with the agency priority to advance practical AI adoption.
 - Number of AI use cases implemented in production or active operational use by the end of FY 2027.
 - Qualitative examples of improved timeliness, clarity, or efficiency in citizen-facing or program support activities attributable to AI-assisted tools, gathered through brief staff feedback and success stories during the fiscal year.



Strategic Outcome

#3

EFFICIENCY & EFFECTIVENESS: RED TAPE RELIEF & REGULATORY REFORM

DEQ will continue to make common sense regulatory reform measures through FY 27 by prioritizing rules reviewed by the agency. DEQ will evaluate rules that are ripe for advancement through the legislative/executive streamlining efforts with a focus on effectiveness and efficiency. DEQ will continue to prioritize review of outdated rules (older than 30 years) while continuing to improve the reading level required to understand the agency's rules.

Key Measures

- DEQ will evaluate agency rulemaking needs and calendar timelines to successfully update identified and required rules. DEQ will strive to advance at least 15 significant rule packages.
 - Monthly meeting of agency rule review team to discuss priorities, timelines and stay on track –monthly occurrence.
 - Advancement of red tape relief concepts through 2027 session.
 - Report out progress through metrics
 - # Rules amended, # Rules repealed, # Rules new
 - # Circulars adopted final, # Circulars amended
 - Average reading level for DEQ rules



Strategic Outcome

#4

CITIZEN SERVICE AND ACCOUNTABILITY: PUBLIC FACING COMPLAINT DASHBOARD

DEQ receives approximately 1,000 complaints each year. DEQ's Enforcement Program follows up on each complaint to determine whether a violation has occurred, and whether DEQ has statutory authority over the alleged violation.

Key Measures

- DEQ will create a dashboard available on its website displaying up-to-date statistics about citizen complaints.
 - Report on # of complaints received, closed, and referred
 - Report on # of active complaints
 - Report on # of complaints closed
 - Report on # complaints by media type

 Strategic Outcome #5	CITIZEN SERVICE & ACCOUNTABILITY: ENGINEERING REVIEW OF WATER SYSTEMS TO PROTECT MONTANANS	
	The WQD will maintain a consistent and timely review process for public water and sewer projects, as well as subdivisions, with a strong emphasis on accountability and delivering exceptional customer service.	
	Key Measures	• WQD will enhance staff proficiency in the consistent application of ARM and Circulars by providing comprehensive training on relevant rules and procedures. Additionally, WQD will empower staff to thoroughly review applications and, where a lawful and protective solution exists, collaborate with applicants to identify and implement viable alternatives rather than defaulting to denial. ○ # of Programmatic Environmental Assessments completed and in use ○ # of preapplication meetings held per month ○ # of new subdivision lots and dwelling units approved ○ # of pending plan and spec and subdivision files ○ # of AI tools in use for writing clarity and cross-checking legal alignment

 Strategic Outcome #6	PROTECT MONTANA WAY OF LIFE: SAFE DRINKING WATER FOR ALL MONTANANS	
	The WQD will continue to strive to reduce risks to public health from drinking water by setting enforceable standards, monitoring compliance, and promoting ongoing improvements in water system infrastructure and source protection throughout Montana.	
	Key Measures	• The WQD regulates public water systems and supports local operators through Water School continuing education, building partnerships with other state and local agencies, and by providing technical assistance for compliance. ○ # of sanitary surveys completed ○ # of certified operator exams administered ○ # of Water School attendees



Strategic Outcome

#7

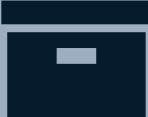
PROTECT MONTANA WAY OF LIFE: PROTECT MONTANA'S HIGH-QUALITY WATERS

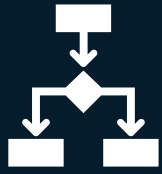
The WQD will define the next steps to implement protections for Montana waters from nutrient pollution.

Key Measures

The WQD will engage with local and Federal partners to implement protections and programs that are feasible and predictable, while also addressing causes of non-point source pollution.

- \$ Amount of funding injected into Montana's economy for projects to reduce non-point source pollution
- # of updated TMDLs using nutrient assessment methodology
- # of administratively continued discharge permits that were updated

 Strategic Outcome #8	CITIZEN SERVICE & ACCOUNTABILITY: BROWNFIELDS REVITALIZATIONS	
	The Brownfields Program is an assistance program focusing on improving public health and the environment, creating economic opportunities by sparking private investment in rural Montana and urban downtown areas, and revitalizing communities by preserving historic structures, eliminating blight, and providing spaces for critical community services such as new housing, childcare facilities, and recreational destinations. The Brownfields Program provides assessment, planning and cleanup assistance to properties such as former gas stations, vacant historic buildings, and former commercial/industrial sites so they can be reused and returned to the tax base.	
	Key Measures	• The Brownfields Program will continue to protect human health and the environment by conducting environmental site assessments and cleanup, so properties are ready for redevelopment. • The Brownfields program will continue to build strong partnerships with communities: assisting local leaders with funding and technical expertise to transform blighted sites into community assets. ○ # of community revitalization outcomes: new housing units supported, historic structures preserved, and creation or expansion of childcare facilities, parks, or community centers enabled by Brownfields redevelopment ○ Total acres returned to beneficial reuse ○ # of communities engaged statewide (with urban vs. rural breakdown) ○ Brownfields \$ spent in Montana communities and funds leveraged



Strategic Outcome

#9

EFFICIENCY & EFFECTIVENESS: OBTAIN STATE COST SHARE FOR FORWARD PROGRESS ON FEDERAL SUPERFUND SITES

DEQ's Federal Superfund Program relies on relationships built on great communication and trust to move federal superfund sites forward. EPA is typically the lead agency, while DEQ is the consulting agency. DEQ works closely with partners in local governments and communities, helping to educate and listen to concerns.

Also of great importance are DEQ's relationships with Montana legislators. Federal superfund sites typically require a 10% state match on remediation of these sites. The 1989 legislature developed a mechanism for obtaining this match, and DEQ's success depends on the legislature agreeing to allocate the funding for the match.

Key Measures

- # of Federal Superfund Sites moved from one phase to the next
- # of Federal Superfund Sites nearing need for state match
- \$ needed for state match
- Projection of the total # of Federal Superfund sites that will require a state match



Strategic Outcome

#10

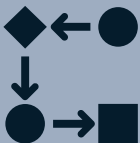
EFFICIENCY & EFFECTIVENESS: FIND BALANCE BETWEEN PROTECTION OF HUMAN HEALTH & THE ENVIRONMENT & FOSTERING ECONOMIC GROWTH & STABILITY

This initiative is focused on the state's junk vehicle (JV) program, which has been the subject of much legislative attention over the last 10 years. If counties were ever to take the full disbursement they're allowed, there will not be enough funding in the junk vehicle fund to cover those grants. DEQ will continue to study this topic, provide grants to counties and track funds coming into and going out of the junk vehicle fund.

Key Measures

- DEQ will continue to examine and analyze fiscal year General Fund Transfer to the JV Program. This will be the first step in a broader conversation with the Legislature.
- \$ Annual crushing revenue.
- \$ Amount of Junk Vehicle funds granted to counties.
- # of licenses issued (or renewed annually)
- # of inspections performed annually
- # of vehicles collected annually

 Strategic Outcome #11	EFFICIENCY & EFFECTIVENESS: MINE PROGRAM FUNDING	
	The Mining Bureau will utilize fee structures, including mining fees, Natural Resource Operations (NRO), and General Fund for effective and efficient mine program implementation.	
	Key Measures	• The Mining Bureau will continue to seek, collect, and review Annual Progress Reports and annual fees for Opencut Mining permittees to support the opencut mining permitting, bonding, and compliance work performed by DEQ. • The Mining Bureau will continue to seek, collect, and review annual information and fees for entities subject to the Metal Mine Reclamation Act (MMRA) [for operating permits, exploration licenses, and small miner exclusion statements (SMES)]. The Bureau will utilize the fees to support hard rock mining permitting, bonding, and compliance work performed by DEQ and to reduce DEQ's reliance on General Fund. ○ Report on \$ fees collected in fiscal year ○ Report on # of permits issued ○ Report on \$ bonds held ○ Report on # of inspections conducted

 Strategic Outcome #12	EFFICIENCY & EFFECTIVENESS: MINE RECLAMATION ACTIVITIES	
	The Mining Bureau will manage reclamation activities at the CR Kendall Mine and the Zortman-Landusky Mining Complex to achieve the appropriate reclamation outcomes at the most reasonable expense. This will focus on strategizing for future, dependable funding sources.	
	Key Measures	• Continue to seek opportunities to improve reclamation and reduce/minimize reclamation costs. • Identify and report on reclamation improvement options. • Report on reclamation changes considered • Report on reclamation changes made • Report on treatment accomplished

 Strategic Outcome #13	JOBS & THE ECONOMY: ALL THE ABOVE ENERGY SOLUTIONS	
	DEQ's state energy office will coordinate and contribute to implementation of the recommendations from the Governor's Energy Task Force. The recommendations focus on generation, growing demand for energy in Montana, and the role of transmission and markets.	
	Key Measures	• Tangible and practical outcomes identified by Task Force are advanced. • Recommendations related to Executive Agencies move forward and near completion ○ MOU establishing clearer, more efficient executive energy functions ○ Advancement in state participation in regional transmission activities and planning ○ DEQ intervention in PSC large-customer tariff activities concludes with results to ensure ratepayer protections and clarity in process. ○ Number of recommendations advanced toward implementation ○ # of bills passed in 2027 advancing recommendations from the Task Force