

Natural Resources

The adopted budget for Natural Resources agencies contains a net increase of \$61.1 million GF over the adjusted appropriation for current operations.

Almost 97 percent of the general fund increase can be attributed to three items – improving water quality (\$39.4 million), conserving open space and other natural resources (\$15.8 million), and managing the state park system (\$4.0 million).

Nongeneral funds are slated to increase by \$18.7 million –

- Environmental Quality: \$4.9 million to control air pollution, \$1.0 million for the Total Maximum Daily Load program, and \$2.7 million for the Water Quality Improvement Fund;
- Game Department: \$7.8 million for wildlife management programs and other services;
- Conservation and Recreation: \$925,000 in anticipation of a federal grant from the Land and Water Conservation Fund and \$1.0 million for the Water Quality Improvement Fund; and
- Marine Resources & Historic Resources: \$250,877 for the recreational fishing and oyster management programs and \$82,435 for the federal highway marker replacement program.

Water Quality Improvement Fund

The General Assembly established the Water Quality Improvement Fund to provide grants to local governments, soil and water conservation districts, institutions of higher education, and individuals for point and nonpoint source pollution prevention, reduction and control programs. Funds come from 10 percent of any revenue surplus at the end of each fiscal year, along with 10 percent of unspent and unobligated balances. Language creating the program prohibits the Fund's use for agency operating costs.

The General Assembly made three changes to the budget, as introduced, concerning the Water Quality Improvement Fund (WQIF). First, the General Assembly adjusted the general fund deposit to the Fund to avoid a double-counting in the original calculation. Second, the General Assembly appropriated interest earned on the Fund for the period of December 1998 through January 2000, and removed language allocating \$3.35 million of the Fund for modifications to the Blue Plains Wastewater Treatment Facility. Third, the General Assembly deleted language in the budget, as introduced, authorizing

\$19.0 million of on-going DEQ and DCR operations from the Fund. These legislative changes result in new spending of \$28.85 million being directed toward WQIF programs -- \$16.85 million for the point source program and \$12.0 million for the nonpoint source program.

In addition, the adopted budget provides \$13.8 million to address the on-going operations of DEQ and DCR.

Legislative Plan Adopted for Water Quality Improvement Fund (in millions)		
	<u>FY 2001</u>	<u>FY 2002</u>
<i>DEQ – Point Source Program</i>		
Construction Grants to Localities	\$16.85	\$0.0
<i>DCR – Nonpoint Source Program.</i>		
Grants to Localities and Others	\$7.40	\$0.0
Landowner Payments	\$4.60	\$0.0
TOTAL WQIF SPENDING	\$ 28.85	\$0.0
General Fund Appropriations in Lieu of WQIA Funds (in millions)		
Total Maximum Daily Loads	\$0.3	\$0.0
Poultry Litter Control	\$0.6	\$0.6
James River CSOs	\$7.6	\$0.0
Fish Tissue Analyses	\$0.3	\$0.3
Bay Tributary Strategies	<u>\$0.3</u>	<u>\$0.4</u>
DEQ Totals	\$9.1	\$1.3
Total Maximum Daily Loads	\$0.6	\$0.6
Managing Water Quality Act	\$0.5	\$0.5
Conservation Reserve Program	\$0.1	\$0.1
Poultry Litter Control	\$0.4	\$0.4
BMPs Engineering Services	<u>\$0.2</u>	<u>\$0.0</u>
DCR Totals	\$1.8	\$1.6

- **Secretary of Natural Resources**
 - **Special Project Coordinator.** Provides \$44,537 GF each year and one position to oversee joint efforts by state agencies on overlapping issues, including Chesapeake Bay initiatives.

- **Dept. of Conservation and Recreation**
 - **Preserve Civil War Battlefields.** Appropriates \$3.4 million GF the first year for the Virginia Land Conservation Foundation to leverage \$6.8 million of federal and private moneys. Budget language disburses the grants to private non-profit organizations to acquire four threatened Civil War battlefields. These sites are at Brandy Station, Cedar Creek, Kernstown, and Opequon. The language further instructs the Department of Historic Resources to assist the Foundation and nonprofit organizations in the purchase of the battlefields.
 - **Preservation of Open Space.** Provides \$6.2 million GF each year to carry out the purposes of the Virginia Land Conservation Fund to preserve Virginia’s agricultural lands, forests, natural areas, and historic sites through conservation easements and other mechanisms.
 - **Federal Land and Water Conservation Fund.** Includes \$925,000 NGF the first year. Previous federal grants were deposited to the Virginia Outdoors Fund to capitalize a revolving loan fund for local recreational development projects.
 - **Dredging of Pretty Lake.** Provides \$200,000 GF the first year for the City of Norfolk to dredge a channel for boat access in Pretty Lake. Another \$300,000 GF the first year is allocated for Norfolk to continue construction of a system of offshore breakwaters to protect public beaches and property development in East Ocean View.
 - **Other Water Quality Items.** Appropriates \$875,000 GF each year to support the programs of the Soil and Water Conservation Districts, and \$1.0 million GF the first year for the Best Management Practices cost-share program.
 - **State Park Operations.** Provides \$2.0 million GF each year for the state park system’s operations and maintenance in response to the recommendations of the Commission on the Future of the Environment. Another \$625,000 GF the first year is provided to continue capital improvements at Breaks Interstate Park.

- **Public Beach Board.** Provides \$307,581 GF the first year for public beach replenishment (\$230,000); research (\$70,000); and technical and operational support for the Board (\$7,581).
- **Natural Heritage Program.** Provides \$250,000 GF each year and four positions to support the program.
- **Dept. of Environmental Quality**
 - **Clean Air Act Compliance.** Provides \$3.5 million NGF the first year and \$1.3 million NGF the second year and 24 positions to ensure compliance with permits issued under Title V, Title III (Air Toxics), and other provisions of the Clean Air Act. Funds will be used to maintain and operate new types of monitoring systems needed to measure the air program's effectiveness. Permit and vehicle emissions inspection fees support the appropriation.
 - **Other Water Quality Items.** Includes \$200,000 GF the first year and three positions and \$670,000 GF the second year and ten positions to develop and implement a statewide comprehensive nontidal wetlands management program; \$850,000 GF the first year to develop a statewide water supply planning initiative and to sponsor water research; \$100,000 GF each year to study the minimum instream flow of the North Fork River; and \$321,000 GF the first year and \$141,000 GF the second year to support the water quality monitoring and cleanup efforts of citizen and community-based organizations.
- **Dept. of Game and Inland Fisheries**
 - **Managing the Capital Outlay Process.** Provides \$158,145 NGF the first year and \$151,762 NGF the second year and two positions to supplement the agency's efforts to manage its capital outlay program.
 - **Wildlife Management Technical Assistance.** Provides \$198,331 NGF the first year and \$166,055 NGF the second year and three wildlife biologist positions. The amendment converts three part-time positions to full-time status in response to an increasing workload.
 - **Watchable Wildlife Program.** Includes \$230,724 NGF the first year and \$185,244 NGF the second year and two positions to develop a "watchable wildlife" program. The program builds upon current agency programs targeted at urban and suburban residents with an objective of maximizing opportunities for the public to enjoy the state's native wildlife.

- ***Embrey Dam Fish Passage Feasibility Study.*** Deposits \$121,250 GF to the Fish Passage Grant and Revolving Loan Fund. The moneys will fulfill the Commonwealth’s portion of the non-federal cost share for an Army Corps of Engineers study on the removal of the Embrey Dam located on the Rappahannock River. Removing the dam will make some 71 miles of the river accessible to migratory fish.
- ***Additional Nongeneral Fund Appropriation.*** Includes \$600,000 each year and eight positions to provide additional administrative support for the agency; \$2.2 million each year and 14 positions to support wildlife and fisheries management; and \$200,000 each year and five positions for the boating safety and regulation program.
- **Historic Resources**
 - ***Administrative Support.*** Includes \$600,000 GF each year and four positions in response to an increasing workload. One of the positions will be dedicated to the administration of grants for historic and nonstate entities.
- **Marine Resources Commission**
 - ***Oyster Shell Beds.*** Removes authorization for \$150,000 NGF each year derived from the sale of "Friend of the Chesapeake" license plates to be used for oyster shell beds.
 - ***Administrative Support.*** Provides \$175,000 GF each year to support the agency’s operations.