

Natural Resources

The Governor's proposed 2002-04 budget for Natural Resources results in a net decrease of \$13.2 million GF for the biennium when compared to the adjusted appropriation for current operations. This total represents new funding of \$7.3 million, offset by \$20.5 million in targeted reductions.

About \$6.9 million GF, comprising 95 percent of the new funding for the Natural Resources secretariat, is recommended for the Department of Conservation and Recreation. The largest funding initiative is \$6.1 million GF to continue the state's participation in the Conservation Reserve Enhancement Program. The program encourages farmers and landowners to remove environmentally sensitive lands from agricultural and timber production for a period of ten to 15 years in exchange for federal and state payments.

Proposed targeted reductions include \$12.2 million GF for state park operations managed by the Department of Conservation and Recreation, \$2.0 million GF for the Marine Patrol operated by the Marine Resources Commission, and \$6.2 million for the environmental permitting activities of the Department of Environmental Quality.

HB/SB 30 proposes transferring \$8.7 million each year from the Game Protection Fund, which is a major funding source for the Department of Game and Inland Fisheries. Of this amount, \$6.1 million would be transferred to the Department of Conservation and Recreation to offset general fund reductions for state park operations. Another \$1.0 million would be used to supplant an equal amount of general fund dollars used by the Marine Resources Commission for law enforcement activities. The remaining \$1.6 million would be transferred to the general fund of the state treasury.

In addition to the targeted reductions mentioned above, an additional \$11.5 million GF savings is contained in the Central Appropriations, representing a 6 percent across-the-board reduction. Actions for achieving these savings are not specified in the budget.

Natural Resources Central Appropriation Reductions		
Agency	FY 2003	FY 2004
Secretary of Natural Resources	\$ 33,160	\$ 33,160
Conservation & Recreation	1,454,041	1,454,041
Chippokes Plantation	15,297	15,297
Marine Resources	284,097	284,097
Game & Inland Fisheries	1,568,293	1,598,293
Chesapeake Bay Local Assist.	90,239	90,239
Historic Resources	189,870	188,550
Environmental Quality	1,972,878	1,903,878
Natural History Museum	136,790	136,790
Total	\$ 5,744,665	\$ 5,704,345

- **Dept. of Conservation and Recreation**
 - **State Park Operations.** Proposes to supplant \$6.1 million GF each year, or 50 percent of park operations, with an equal amount of nongeneral fund revenues from the Game Protection Fund.
 - **Conservation Reserve Enhancement Program.** Adds \$3.9 million GF the first year and \$2.2 million GF the second year to pay farmers and landowners for taking certain lands out of production, reward farmers for cost-share installation of best management practices, and purchase conservation easements of established or restored riparian buffer areas and wetlands.
 - **Vehicle and Equipment Replacement.** Proposes \$360,349 GF the second year for lease payments through the Master Equipment Lease Program to purchase about \$1.0 million of equipment for state park operations. The Division of State Parks manages 274 vehicles, 70 percent of which exceed 100,000 miles and/or 10 years.
 - **Virginia Dam Safety Program.** Increases funding for the program by \$154,551 GF the first year and \$85,812 GF the second year.

Recent statutory changes require the state to regulate almost 800 dams across Virginia, 335 of which are considered significant to high hazard.

- **Dept. of Environmental Quality**
 - ***Environmental Permitting Fees.*** Reduces general fund support for permitting activities by \$2.5 million the first year and \$3.7 million the second year. To replace the loss of general fund support, the Governor will propose legislation to increase fees associated with hazardous waste management, solid waste management, and the department's water program.
- **Dept. of Game and Inland Fisheries**
 - ***Game Protection Fund Transfers.*** Transfers half of the sales tax on hunting, fishing, and wildlife equipment sales (\$6.1 million each year) to the Department of Conservation and Recreation for state park operations, and 20 percent of the watercraft sales and use tax funding (\$1.0 million each year) to the Marine Resources Commission for law enforcement activities. Also, an additional \$1.6 million, representing a 6 percent across-the-board reduction, would be transferred from the Game Protection Fund to the general fund of the state treasury. The transfers reduce revenue available to the department by over 20 percent in 2002-04, but the department's appropriations and position level are not adjusted in the proposed budget to reflect the revenue losses.
- **Marine Resources Commission**
 - ***Marine Patrol Equipment.*** Provides \$360,349 GF the second year to replace about one-half of the agency's existing marine patrol vessels, many of which are beyond the average useful life, through the Master Equipment Lease Program.
 - ***Marine Patrol Operations.*** Proposes to supplant \$1.0 million GF each year with an equal amount of nongeneral fund revenues transferred from the Game Protection Fund, to cover 25 percent of the agency's law enforcement budget.