

Natural Resources

The proposed 2002-04 budget for Natural Resources results in a net decrease of \$28.1 million GF for the biennium when compared to the Chapter 899 appropriation for current operations. This total represents new funding of \$1.7 million, offset by \$29.8 million in reductions.

The Department of Conservation and Recreation's budget is reduced by \$13.0 million GF for the biennium, or 19 percent from Chapter 899 levels. Funding for state parks is reduced by \$4.2 million, resulting in the elimination of ten positions and a total of 15 layoffs. In addition, 50 seasonal wage positions will be eliminated. The Governor also proposes supplanting \$1.8 million in general funds for the Conservation Reserve Enhancement Program (CREP) with \$1.2 million in Water Quality Improvement Act funding. The CREP program compensates farmers and other land owners for implementing best management practices. Finally, funding for local Soil and Water Conservation Districts is reduced by \$1.6 million GF for the biennium.

The Governor proposes a \$1.6 million GF reduction to the Marine Resources Commission budget in anticipation of several saltwater fishing fee increases. The proposed budget anticipates the license fee increases will generate \$1.3 million NGF in FY 2004, contingent on approval of legislation by the General Assembly during the 2003 session. General Fund transfers to the Department of Game and Inland Fisheries' Game Protection Fund are also reduced by \$2.0 million each year.

The introduced budget proposes the consolidation or transfer of three Natural Resources agencies. These include transferring the responsibilities of the Museum of Natural History to the Science Museum of Virginia, merging the Chesapeake Bay Local Assistance Department into the Department of Conservation and Recreation as a new division, and folding Chippokes Plantation Farm Foundation into the Department of Conservation and Recreation.

To implement the Governor's proposed information technology initiative, the budget proposes reductions of \$1.5 million GF and \$814,247 NGF in the second year for Natural Resources agencies. Of the general fund reductions, \$1.4 million are from the Department of Environmental Quality. In addition, the Department of Game and Inland Fisheries contributes \$590,000 nongeneral funds to the IT initiative through a Part 3 transfer. The detail of these agency savings is contained in the spreadsheets (Appendix C).

- **Secretary of Natural Resources**
 - ***Governor's October Actions.*** Proposes to reduce general funds by \$30,000 the first year and \$42,000 the second year to be achieved by operational efficiencies.
- **Chesapeake Bay Local Assistance Department**
 - ***Governor's October Actions.*** Proposes to reduce general funds by \$80,499 the first year and \$137,216 the second year to be achieved by operational efficiencies.
 - ***Reduce Personnel Costs.*** Reduces agency appropriations by \$78,887 GF the first year and \$123,252 GF the second year and eliminates three positions, two of which are vacant.
 - ***Consolidate Into DCR.*** Proposed language directs the Department of Planning and Budget to submit a plan by July 1, 2003 to the House Appropriations and Senate Finance Committees for merging the agency into DCR. Language also anticipates submittal of legislation to the 2004 General Assembly to amend the Code of Virginia to effect the reorganization.
- **Chippokes Plantation Farm Foundation**
 - ***Governor's October Actions.*** Proposes reductions of \$26,779 GF and \$11,841 NGF in the first year and \$34,491 GF and \$11,841 NGF in the second year to be achieved by operational efficiencies.
 - ***Merge Into DCR.*** Transfers all remaining funds and positions to the Department of Conservation and Recreation. Language requires DPB to submit a plan to the General Assembly by July 1, 2003 to effectuate the transfer of operations to DCR and suggests legislation will be introduced to the 2004 General Assembly to complete the reorganization.
- **Department of Conservation and Recreation**
 - ***Governor's October Actions.*** The Governor's recommended October reductions for DCR result in a decrease of \$8.8 million GF for the biennium. A variety of reductions are intertwined with other reductions in the introduced budget. These strategies are detailed in the following items.

- ***Consolidations and Vacancies.*** The budget proposes reductions of \$807,800 GF first year and \$832,271 GF the second year with first and second year NGF increases of \$118,000 and \$123,000, respectively. Proposed actions include consolidating the Tappahannock regional office into the Fredericksburg office, eliminating the shoreline erosion advisory program, eliminating vacancies and delaying technology programs.
- ***Reductions to State Parks.*** Park appropriations are reduced by \$1.8 million GF in the first year and \$2.4 million GF the second year. These reductions are accompanied by a ten percent increase in park fees effective July 2003. The budget proposes to reduce operating hours at False Cape, Sky Meadows, and Southwest Virginia Museum State parks and at Caledon Natural Area to eight hours a day, five days a week; and, would close the campground at Clinch Mountain Wildlife Management Area. Personnel reductions include 15 layoffs in the first year, and elimination of ten FTE and 50 seasonal wage positions.
- ***Division of Natural Heritage.*** The introduced budget reduces funding for natural heritage programs by \$147,562 GF in FY 2003 and \$222,660 in FY 2004, resulting in two layoffs.
- ***Total Maximum Daily Load (TMDL) Planning.*** The introduced budget proposes reductions of \$490,900 GF first year and \$490,620 GF the second year, thus eliminating all general fund support for the initiative. Virginia is required to complete over 400 TMDL plans by 2010 under a federal court consent decree.
- ***Conservation Reserve Enhancement Program.*** The proposed budget reduces CREP program funding by \$303,481 GF the first year and \$1.5 million GF the second year while increasing nongeneral funds by \$1.2 million in the second year only. The source of the NGF is from funds previously appropriated through the Water Quality Improvement Act. The CREP program compensates farmers for taking certain lands out of production, rewards farmers for installation of best management practices, and provides for purchase of conservation easements on riparian buffers and wetlands.
- ***Virginia Outdoors Foundations (VOF).*** Proposes to reduce operational funding for VOF by \$200,000 GF, or 33 percent each year.

- ***Soil and Water Conservation Districts.*** Reduces funding for local Soil and Water Conservation Districts by \$423,498 GF the first year and \$1.2 million GF the second year.
- ***Balance Reductions.*** The introduced budget also proposes transferring \$531,359 the first year and \$122,594 the second year to the general fund from various DCR nongeneral fund cash balances.
- **Department of Historic Resources**
 - ***Governor's October Actions.*** Proposals to eliminate two positions, one vacancy, and other discretionary program cuts would result in a \$266,058 GF reduction the first year and \$320,851 GF the second year.
 - ***Other Reductions.*** Reduces general funds \$129,561 in the first year and \$130,342 in the second year by eliminating two vacant and one central office position, and closing the Petersburg office and relocating staff to Richmond.
- **Department of Environmental Quality**
 - ***Governor's October Actions.*** The Governor's October reductions for DEQ result in a decrease of \$7.1 million GF for the biennium. These strategies are detailed in the following items.
 - ***Management Consolidation.*** The Governor proposes general fund savings of \$337,338 GF in FY 2003 and \$589,384 in FY 2004 by eliminating three positions and supplanting seven positions with nongeneral funds.
 - ***Reduction in Solid Waste Inspection.*** Proposes to transfer three solid waste inspectors (from a total of 30) to the petroleum storage tank program with reductions of \$135,085 GF the first year and \$180,113 GF the second year.
 - ***Elizabeth River Reductions.*** Savings of \$127,563 the first year and \$225,000 the second year are proposed by eliminating a one-time match to the Army Corps of Engineers for river restoration; and, reducing funding for ambient water quality monitoring efforts.
 - ***Eliminate Litter /Recycling Grants.*** Reduces \$1.3 million NGF each year by eliminating grants to localities from the Litter Control and Recycling Fund.

- ***Pollution Prevention and Small Business Compliance Programs.*** Proposes to transfer nine positions to other programs, resulting in a GF reduction of \$222,317 in FY 2003 and \$373,498 in FY 2004.
 - ***Virginia Water Facilities Revolving Fund.*** Reduces state matching funds by \$493,000 GF the first year. These funds will be replaced by interest on the fund managed by the Virginia Resources Authority.
 - ***Water Quality Permits.*** Increases by \$1.6 million GF the second year (with an equivalent NGF reduction) to cover a portion of the permit fees DEQ was expecting to collect as a result of fee increases approved by the 2002 General Assembly. Actual revenues have been lower than anticipated due to permit holders renewing prior to the effective date of the increases.
 - ***Balance Reductions.*** The introduced budget also transfers \$2.4 million NGF the first year and \$1.7 NGF the second year into the general fund from agency balances.
- **Department of Game and Inland Fisheries**
 - ***Governor's October Actions.*** Proposes eliminating 139 positions and reducing the Department's appropriation by \$1.1 million NGF each year. These positions range from clerical to field personnel, many of which are seasonal. The Department will halt development of a computer-based licensing system, creating annual savings of \$650,000 NGF. The Department will close one of nine fish hatcheries, resulting in \$127,500 NGF savings each year.
 - ***Reduce Transfer to Game Protection Fund.*** Proposed language in Part 3 of the introduced budget reduces the general fund transfers to the Game Protection Fund from watercraft sales taxes by \$307,326 each year, and sales taxes on hunting and fishing equipment by \$1.7 million each year.
- **Marine Resources Commission**
 - ***Governor's October Actions.*** Proposes a general fund reduction of \$1.0 million the first year and \$875,628 the second year by reducing the oyster replenishment program and other agency efficiencies.
 - ***Reduce Marine Patrol.*** The budget proposes reducing funding for marine police by \$247,560 GF each year.

- ***Increase Saltwater Boat License.*** Proposes a reduction of \$712,620 GF in the second year. Legislation will be introduced to increase the recreational boat saltwater fishing license from \$30.00 to \$50.00 to provide a like increase in nongeneral funds.
 - ***Increase Saltwater Individual License.*** Proposes a second year reduction of \$429,065 GF. Legislation will be introduced to increase saltwater individual fishing license from \$7.50 to \$12.50 to provide a like increase in nongeneral funds.
 - ***Increase Seafood Landing License.*** Proposes a reduction of \$11,950 GF in the second year. Legislation will be introduced to increase the commercial seafood landing license from \$150.00 to \$200.00 to provide a like increase in nongeneral funds.
 - ***Increase 10-Day Saltwater License.*** Proposes a second year general fund reduction of \$35,350. Legislation will be introduced to increase the 10-day saltwater license from \$5.00 to \$10.00 to provide a like increase in nongeneral funds.
 - ***Increase Commercial Fishing Registration License.*** Proposes a reduction in the second year of \$67,925 GF. Proposed legislation will increase the commercial fishing registration license fee from \$150.00 to \$175.00 to provide a like increase in nongeneral funds.
 - ***Replace General Funds with Royalties.*** Proposes to reduce general funds by \$155,000 the second year and increase nongeneral funds by that amount through collection of royalties owed for use of state-owned aqueous bottomland.
- **Virginia Museum of Natural History**
 - ***Governor's October Actions.*** Proposes to reduce general funds \$287,184 in the first year and \$311,001 in the second year by eliminating part-time staff and other efficiencies.
 - ***Closure of the Charlottesville and Blacksburg Branches.*** Proposes a reduction of \$137,000 the second year from closure of the two museum branches.
 - ***Consolidation into the Science Museum of Virginia.*** Proposes transferring to the Science Museum of Virginia \$1.5 million GF and \$444,601 NGF and 31 FTE positions in the second year through the consolidation of the two museums.