

Natural Resources

The Governor’s proposed 2006-2008 appropriation for Natural Resources includes a total of \$434.7 million GF and \$410.1 million NGF. For the general fund, this total is \$240.5 million, or 123.8 percent, larger than the adjusted appropriation for current operations. For nongeneral fund spending, the total proposed budget is \$12.4 million (3.1 percent) greater than the adjusted appropriation for current operations.

Water quality and related issues comprise almost the entire general fund increase included in the introduced budget, with the Department of Environmental Quality (DEQ) representing the majority of this increased spending, as is shown in the table below.

DEQ Water Quality Initiatives (\$ in millions)	
<u>Proposed Initiatives</u>	<u>Dollars</u>
Upgrade wastewater treatment plants in Chesapeake Bay region	\$200.0
Upgrade wastewater treatment plants in Southern Rivers region	25.0
Support James Rivers Combined Sewer Overflow projects	7.5
Increase biological monitoring and development of TMDL plans	1.4
Improve management of groundwater supply in coastal Virginia	0.9
Investigate fish kills in Shenandoah River	0.2
Implement pilot wetlands protection program	<u>0.1</u>
Total for DEQ Water Quality Initiatives	\$235.1

Efforts to address nonpoint source pollution are the responsibility of the Department of Conservation and Recreation (DCR). The introduced budget includes \$1.0 million in general fund support for the Soil and Water Conservation Districts to assist farmers in implementing best management practices and other land conservation measures.

- **Secretary of Natural Resources**
 - *Virginia Indian Heritage Program.* Provides \$300,000 the first year and \$200,000 the second year from the general fund to develop a heritage program in cooperation with the Virginia Foundation for the Humanities, the Council on Indians, and the state’s eight-recognized tribes. Funding will be used for research, developing a database and Website, education, and grants to tribes and other organizations interpreting Virginia Indian history.

- **Department of Conservation and Recreation**
 - *Water Quality Improvement Fund - Nonpoint Program.* The budget assumes that the \$39.6 million proposed for deposit to the WQIF in HB/SB 29 in FY 2006 will be made available for appropriation in 2006-2008. The department intends to use the funds for agricultural best management practices in both the Chesapeake Bay Watershed and the Southern Rivers; special water quality initiatives throughout the state; statewide grants to local governments and other public entities; and the Conservation Reserve Enhancement Program (CREP). The department will also begin using three-year contracts with farmers in order to attract greater participation by farmers and to increase the duration of best management practices on agricultural lands.

 - *Southside “Rails to Trails” Project.* Proposes \$950,000 the first year from the general fund to acquire 166 miles of abandoned rail bed from Norfolk Southern. This purchase is in addition to 41 miles funded for purchase in FY 2006.

 - *Additional State Park Operating Support.* Adds 21 positions and \$1.6 million from the general fund and \$250,000 in nongeneral funds each year to staff and operate new facilities opening during the 2006-2008 biennium.

 - *Stormwater Management Program.* Transfers 15 positions and \$1.5 million each year in nongeneral funds from the Department of Environmental Quality to the DCR. This transfer completes the consolidation of this program within a single agency as required by HB 1177, which was approved by the 2004 Session of the General Assembly.

- *Stormwater Management Fees.* Provides \$300,000 the first year from the general fund to cover a projected revenue shortfall in the stormwater management program. This is a one-time expenditure intended to assist the program while restructuring of the program’s administration and fees is completed. This restructuring is expected to make the program self-sufficient.
 - *Maintenance of State Parks-owned Dams.* Continues \$650,000 from the general fund in each year to repair dams in Virginia’s state parks.
 - *New State Parks Revenue.* Adds \$500,000 in nongeneral funds from cabin and campground rentals and concession charges each year to support the operations of the state park system.
 - *Soil and Water Conservation Districts (SWCDs).* Provides \$500,000 from the general fund each year to the SWCDs to assist farmers in implementing best management practices and other land conservation measures to control nonpoint source pollution.
 - *Captain John Smith Water Trail.* Includes \$140,000 the first year from the general fund to promote Captain John Smith’s 1607 and 1608 explorations as part of Jamestown 2007’s commemoration. Funding will be used to develop signage at various points along the James and York Rivers (\$50,000); design and print travel guides for the York River segment of the trail (\$65,000); and develop cooperative ventures with Maryland and the National Park Service (\$25,000).
 - *Beaumont Juvenile Correctional Center.* Includes budget language prohibiting the development of a state park on property transferred from the juvenile correctional center to state parks until the completion of a park master plan, which will include adequate opportunity for public participation in the planning process.
- **Department of Environmental Quality**
 - *Wastewater Treatment Plant Improvements in Chesapeake Bay Region.* Provides \$200.0 million the first year from the general fund for deposit into the Water Quality Improvement Fund to finance the costs of design and installation of biological nutrient removal technology at 92 publicly owned treatment facilities. A separate deposit of \$17.0 million from the general fund is contained in the Caboose Bill (HB/SB 29).

- ***James River Combined Sewer Overflow (CSO) Projects.*** Provides \$7.5 million in the first year from the general fund for the two James River CSO projects -- \$3.75 million for the City of Richmond and \$3.75 million for the City of Lynchburg.
- ***Wastewater Treatment Plant Improvements in Southern Rivers Region.*** Includes \$25.0 million the first year from the general fund for deposit into the Water Quality Improvement Fund for grants to localities outside the Chesapeake Bay Watershed. The grants are to be used to: (1) design and construct improvements to wastewater treatment plants; (2) correct onsite sewage disposal problems; and (3) develop comprehensive local and regional wastewater treatment plans.
- ***Virginia Water Facilities Revolving Fund.*** Reduces general fund matching dollars for the federal Clean Water Act by \$3.9 million the first year and \$720,000 the second year. Due to federal funding reductions for this program, the agency's base budget contained too much "match" for the federal dollars involved.
- ***Underground Storage Tank Program.*** Adds 18 positions and \$833,472 the first year and \$1.2 million the second year in nongeneral funds to implement the federal Underground Storage Tank Compliance Act of 2005. This legislation requires more frequent inspections, operator training, and new regulatory activities. The state is required to inspect 8,000 underground storage tank facilities to prevent fuel releases every three years, beginning August 2007.
- ***Solid Waste Management Program.*** Adds five positions and \$549,852 the first year and \$511,218 the second year from the general fund to inspect landfills, reduce unauthorized waste disposal, ensure landfill operation per permit requirements, and to respond and evaluate the risk from unpermitted waste disposal sites. The volume of solid waste disposed of in Virginia has increased by 52.0 percent since 1998. Virginia is the second largest "importer" of waste in the United States.
- ***Enterprise Content Management System.*** Includes \$1.2 million the first year from the Virginia Environmental Emergency Response Fund to develop an efficient means of storing, accessing, and managing documents of importance to the agency, regulated community, and public. The department estimates it will save \$3.1 million from such a system's productivity improvements.

- ***Enterprise-wide eGovernment Services.*** Proposes four positions and \$600,000 each year from the Virginia Environmental Emergency Response Fund to replace paper-driven processes with electronic processes, expand the agency’s web-based GIS capacity and add data mining features to the agency’s environmental database. The four positions included in the amendment would involve the conversion of existing contractor positions.
 - ***Increased Water Quality Monitoring of Elizabeth and Shenandoah Rivers.*** Includes one position and \$321,121 the first year and \$189,614 the second year from nongeneral funds to increase special water quality monitoring for the Elizabeth and Shenandoah Rivers. The nongeneral funds are from the Virginia Environmental Emergency Response Fund and payments made by DuPont.
 - ***Groundwater Supply.*** Proposes six positions and \$442,422 the first year and \$415,746 the second year from the general fund to better assess and manage groundwater resources in Virginia’s Coastal Plain. Funding would be used to determine the demands on groundwater sources, evaluate alternatives, identify undocumented withdrawals, and provide technical assistance to better manage existing supplies.
 - ***Water Quality Monitoring.*** Proposes nine positions and \$697,110 the first year and \$660,141 the second year from the general fund to develop Total Maximum Daily Loads for pollutants in Virginia’s waters as required by a federal consent decree and to conduct water monitoring and assessment.
 - ***Shenandoah River Fish Kill.*** Provides \$200,000 the first year from the general fund to investigate the potential factors causing fish lesions and mortality in more than one hundred miles of the Shenandoah River’s South Fork.
 - ***Chesapeake Bay Foundation.*** Increases general fund support for the foundation’s educational field studies by \$50,000 each year. Support for the foundation would total \$150,000 per year.
 - ***Interstate Compacts.*** Provides \$61,132 the first year and \$68,892 the second year from the general fund to support Commonwealth’s participation in several interstate compacts for which the costs of participation have increased.
- **Department of Game and Inland Fisheries**

- *Provide for Unfunded Game Warden Salaries.* Provides \$2.0 million the first year and \$1.0 million the second year from hunting and fishing license sales to provide support for 20 positions originally created during 2004. The agency had originally requested the positions and had stated no additional funds were necessary.
 - *Wildlife Diversity Program.* Provides six positions and \$393,327 the first year and \$363,327 the second year from the Game Protection Fund and federal grants to increase the department’s management of wildlife populations, coordinate state and federal actions on specific wildlife issues, and market wildlife watching opportunities to the public and tourists.
 - *Virginia Migratory Waterfowl Conservation Stamp.* Adds \$200,000 each year in nongeneral funds to carry out legislation adopted by the 2005 General Assembly to establish this stamp and a new fund to collect and disburse revenues from the stamp’s sales.
- **Department of Historic Resources**
 - *Survey and Planning Cost Share Program.* Adds \$157,523 GF and \$120,000 NGF the first year and \$158,839 GF and \$120,000 NGF the second year and one full-time position to increase the department’s efforts to identify, record, and evaluate Virginia’s historic resources. This information is used by VDOT, local governments, and private developers.
 - *Weston Manor.* Provides \$150,000 the first year from the general fund for Weston Manor, which is located on the banks of the Appomattox River in Hopewell. This plantation house was built in 1789 and reflects the late Georgian style of architecture.
 - *Montpelier Matching Grant Program.* Includes \$172,271 each year from the general fund as a matching grant for other charitable contributions received by the Montpelier Foundation for restoration work.
 - **Marine Resources Commission**
 - *Oyster Replenishment.* Provides \$100,000 each year in nongeneral funds to support oyster replenishment efforts. The source of these nongeneral funds is permit and dredging fees and royalties for use of state-owned bottomlands.

- *Fishing License Revenue.* Adds \$1.0 million each year in nongeneral funds to manage commercial and recreational fisheries. Total resources for this activity will total \$4.7 million each year in 2006-2008.
- **Virginia Museum of Natural History**
 - *Operating and Staff Support.* Adds three positions and \$423,749 the first year and \$465,601 the second year from the general fund to hire a collections manager, librarian, and editor to support the operations of the new museum facility in Martinsville. The new museum is expected to open to the public in September 2006.