



Alaska State Legislature

House Finance Subcommittee Dept. of Environmental Conservation


Rep. Alan Austerman, Chair
Rep. Nancy Dahlstrom
Rep. Kyle Johansen
Rep. Kurt Olson
Rep. Paul Seaton
Rep. Les Gara
Rep. Pete Peterson

House Finance Committee
Rep. Mike Hawker, Co-chair
Rep. Bill Stoltze, Co-chair
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MEMORANDUM

DATE: February 27, 2009

TO: Representative Mike Hawker, Co-chair
Representative Bill Stoltze, Co-chair
House Finance Committee

FROM: Representative Alan Austerman, Chair
DEC House Finance Subcommittee 

SUBJ: Department of Environmental Conservation FY10 Closeout
Narrative | Summary Excel Notebook | Legislative Finance Reports

The House Finance Budget Subcommittee on the Department of Environmental Conservation submits an operating budget for FY10 as follows:

GF: \$19,140.5 Fed Funds: \$21,497.6 Other Funds: \$33,496.9 TOTAL: \$74,135.0

The DEC Subcommittee conducted three hearings regarding the FY10 Governor's Operating Budget Request for the Department of Environmental Conservation. The following actions took place at the closeout meeting of February 23, 2009. A quorum was established at the closeout as Austerman, Dahlstrom, Johansen, Olson, and Seaton were all present. The vote to move this out of subcommittee was 5-0.

Budget Action

The subcommittee accepted the FY10 Governor's Amended Budget except for the following change:

1. >Commissioner's Office deletes 184.0 GF OTI from Climate Impact Work Group
>Environmental Health/Air Quality adds 184.0 GF into Base for the Climate Change Sub-Cabinet Activity.
 - **Subcommittee accepted the increment of 184.0 GF as a one-time item (OTI)**

Wordage Action

The subcommittee accepted additional Intent under the Water Quality allocation concerning the Ocean Ranger program. See the Wordage Report for the specific language.

Amendment Action

Only one amendment (#1) was offered before the subcommittee. This amendment was to the Food Safety and Sanitation allocation under Environmental Health for an increment of 2,000.0 GF (1004). This amendment failed by a vote of 0-5.

Items of Concern

1. The intent of the amendment above was to provide funding for the department to hire sixteen additional permanent full time food inspectors. The general consensus of the subcommittee was that food safety and sanitary inspections were exceedingly deficient around the state. This not only involves your typical restaurants, grocery stores, coffee shops, etc, but also seafood processors both shoreside and at-sea. While the department seems to be doing a good job in the training and testing of food handlers and managers, the subcommittee was very troubled that safety of the public was at risk because the department was not asking for the funding they needed to accomplish their mission.

2. Crowley Marine Services Inc. is the contractor for the Ocean Ranger program under DEC. This program consists of marine engineers licensed by the U.S. Coast Guard to serve as observers onboard large cruise ships to monitor state and federal requirements for marine discharge and pollution. The contract with Crowley requires an Alaskan hiring preference. In 2008, Crowley employed only one Alaskan as an Ocean Ranger and two other Alaskans as administrative type personnel. There was considerable discussion by the subcommittee regarding the lack of more Ocean Ranger hires from Alaska. We discussed the minimum requirements in subcommittee and received additional information from the department. The level of concern was such that the subcommittee placed intent language into this report instructing DEC to conduct an audit of Crowley pertaining to the contract provisions regarding the hiring preference.

3. There is quite a list of fees currently being charged by the Environmental Health Lab (EHL) under DEC. Fees charged by the EHL are determined by a variety of regulations implemented by other State programs. The subcommittee expressed some concern that milk and cheese testing do not generate a fee to those specific industries. It was noted however, that since cheese production is a new industry in Alaska, no regulations exist yet to regulate that activity at all.

Attached Reports (Numbers Only)

~House Structure~

Agency Totals

Allocation Summary

Allocation Summary – General Funds

Transaction Compare – Between Adj Base and Hse Sub – Differences Only

Transaction Compare – Between Gov Amd and Hse Sub – Differences Only

Wordage Report

**Department of Environmental Conservation FY10 Budget
House Finance Budget Subcommittee Recommendations**

| | <u>GF-GF/MH</u> | <u>Fed</u> | <u>Other</u> | <u>Total</u> |
|---|-----------------|------------|--------------|--------------|
| FY09 Revised Management Plan | 18,891.4 | 21,396.8 | 33,086.8 | 73,375.0 |
| FY10 Adjusted Base Budget | 18,893.1 | 21,575.9 | 33,392.6 | 73,861.6 |
| Governor's FY10 Budget | 19,140.5 | 21,497.6 | 33,496.9 | 74,135.0 |
| Governor's FY10 Budget Amendments | 0.0 | 0.0 | 0.0 | 0.0 |
| Governor's Amend FY10 Budget Total | 19,140.5 | 21,497.6 | 33,496.9 | 74,135.0 |
| Subcommittee Adjustments | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Subcommittee FY10 Budget Recommendations Total | 19,140.5 | 21,497.6 | 33,496.9 | 74,135.0 |