



**27<sup>th</sup> Alaska State Legislature**  
**House Finance Budget Subcommittee**  
**Department of Environmental Conservation**  
**FY 2012 Operating Budget**

**Chairman:**

Rep. Reggie Joule  
 Capitol Room 410  
 465-4833

**Members:**

Rep. Alan Dick  
 Capitol Room 104  
 465-4527

Rep. Eric Feige  
 Capitol Room 126  
 465-4859

Rep. David Guttenberg  
 Capitol Room 418  
 465-4457

Rep. Kyle Johansen  
 Capitol Room 114  
 465-3424

Rep. Pete Petersen  
 Capitol Room 422  
 465-4939

Rep. Paul Seaton  
 Capitol Room 102  
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**Committee Aide:**

Alexei Painter  
 465-4790

Christine Hess  
 465-4924

**DEPARTMENT OF ENVIRONMENTAL CONSERVATION**  
**FY2012 HOUSE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT**  
**February 24, 2011**

**RECOMMENDATIONS:**

The House Finance Budget Subcommittee for the Department of Environmental Conservation submits a recommended operating budget for FY2012 to the House Finance Committee as follows:

Unrestricted General Funds (UGF)	\$19,283.7
Designated General Funds (DGF)	\$26,334.4
Other Funds	\$10,726.1
Federal Funds	\$23,555.2
<b>TOTAL</b>	<b>\$ 79,899.4</b>

**BUDGET ACTION:**

The House Finance Budget Subcommittee for the Department of Environmental Conservation held two meetings with the Department and analyzed all of the Governor's budget transactions. The following are budget action highlights:

The Subcommittee recommends authorizing \$887.1 less general funds and two fewer full-time positions as the Governor's Amended FY2012 request.

The Subcommittee recommends a total increase from the FY2012 Adjusted Base of \$1.6 UGF and \$110.9 DGF for a total General Fund change of \$112.5. The change from Adjusted Base in Other Funds is \$150.5 less and from Federal Funds is \$469.2 more. The total change from the Adjusted Base is \$431.2 and one full-time position.

The committee agreed with the governor's increments, decrements, and fund changes except as noted below. Note: All nondiscretionary funding increments related to wages, contractual increases were fully funded.

The descriptions below will also have a notation linked to the corresponding page number from the FY12 Governor's Operating Budget Request (known as "short forms.")

Accepted all increments for increased lease costs in the Department's Anchorage and Juneau buildings (**3a**). The lease cost increases appear to be unavoidable and increased funding is necessary to maintain current service levels.

Accepted funding and PCN for a microbiologist position in the Environmental Health lab (**7a**), but for one year only. The Subcommittee agrees that the position is necessary, but is concerned that the new position could cause user fees to rise. The Subcommittee additionally recommends the following intent language be added: "It is the intent of the Legislature that the Department of Environmental Conservation work closely with molluscan shellfish producers to explore methods of lowering the cost to the public and private sectors of certifying the water quality of shellfish harvest areas. DEC shall produce a written report on progress to the Legislature during the first month of the 2012 Legislative session."

Denied funding for three increments and two PCNs for gasoline-related permitting work (**11a, 11b, 13a, 17b**). As permits have not yet been filed and are unlikely to be in the next fiscal year, the Subcommittee is not convinced that these increments are necessary at this time. However, the Subcommittee accepted an increment of \$55.0 in Program Receipts for pre-permitting work that the Department is already performing.

Accepted inter-agency receipt authority for work performed under HB 369, relating to construction of an in-state gasoline. However, the subcommittee recommends monitoring this item to ensure the full amount is realizable.

The Subcommittee approved a decrement to the Ocean Ranger Program (**17**) to reflect the Department's projections of lower revenue than was reflected in the budget. The receipt authority was lowered from \$4,120.1 to \$3,500. The spending authority for the Water Division's Services component was reduced from \$7,038.2 to \$6,418.1.

The Subcommittee recommends the following intent language: "It is the intent of the Legislature that in future budgets inter-agency receipt authorization in the Administrative Services Division be adjusted to reflect actual figures. This gives a more accurate view of the Department's true actions than the current accounting method."

#### **ATTACHED REPORTS:**

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The House Finance Budget Subcommittee for the Department of Environmental Conservation adopts the attached reports:

##### **Subcommittee generated reports**

Budget Action Worksheet

**Legislative Finance Division Reports – House Structure**

1. Agency Totals – FY2012 Operating Budget
2. Appropriation/Allocation Summary (All Funds)
3. Appropriation/Allocation Summary (GF)
4. Transaction Comparison between ADJ Base and H Subcomm
5. Transaction Comparison between Gov Amd and H Subcomm
6. Wordage Report – FY2012 Operating Budget



**Representative Reggie Joule, Chair**

**House Finance Budget Subcommittee for the Department of Environmental Conservation  
February 24, 2011**