

# ALASKA STATE SENATE

SENATOR JOE THOMAS, CHAIR  
 SENATOR JOE PASKVAN  
 SENATOR TOM WAGONER  
 SENATOR BILL WIELECHOWSKI



DEPARTMENT OF  
 NATURAL RESOURCES  
 SENATE FINANCE SUBCOMMITTEE

## MEMO

Date: March 17, 2011

To: Senator Lyman Hoffman, Co-Chair  
 Senate Finance Committee

From: Senator Joe Thomas, Chair  
 Senator Joe Paskvan  
 Senator Tom Wagoner  
 Senator Bill Wielechowski

Re: DNR FY12 Operating Budget – Subcommittee Report

### Dept. of Natural Resources

The Senate Finance Subcommittee for the Department of Natural Resources submits an operating budget to the full Senate Finance Committee for FY12 as follows:

	<b>FY11 Mgt Pln</b>	<b>FY12 Adj Base</b>	<b>Governor</b>	<b>Senate Subcom</b>	<b>House-Amds</b>
Unrestricted GF	69,669.4	66,560.9	76,728.5	75,613.5	76,762.7
Designated GF	24,931.0	25,702.8	25,647.3	25,647.3	25,647.3
Other	33,970.3	34,778.2	34,790.3	35,213.3	35,101.3
Federal Funds	16,782.7	17,055.8	16,640.7	16,640.7	16,640.7
<b>Total</b>	<b>145,353.4</b>	<b>144,097.7</b>	<b>153,806.8</b>	<b>153,114.8</b>	<b>154,152.0</b>

### Position Changes in DOLWD:

	<b>FY11 Mgt Pln</b>	<b>FY12 Adj Base</b>	<b>Governor</b>	<b>Senate Subcom</b>	<b>House-Amds</b>
PFTs	776	776	782	782	784
PPTs	249	248	248	248	248
Temps	98	98	98	98	98

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## **Budget Action:**

### **1. Adopted the Governor's amended FY12 budget proposed increments & decrements for:**

- a. Resource Development Appropriation
  - i. \$200 UGF for Arbitration of Oil & Gas Royalty Issues.
  - ii. \$300 UGF OTI for an Increase in Funding for Arbitration of Oil & Gas Royalty Issues.
  - iii. \$802 UGF for Public Land Stewardship – Mine Permitting.
  - iv. \$240 UGF for Continued Cooperation with federal agencies on OCS permitting.
  - v. \$400 Statutory Designated Funds for new mining, oil and gas permitting.
  - vi. \$671 UGF for Oversight of Federal Land Transfers.
  - vii. \$400 UGF for Forest Management & Best Practices.
- b. State Public Domain & Public Access Appropriation
  - i. \$100 UGF for Recordable Disclaimer of Interest Fees.
  - ii. \$599 UGF for RS2477 Access Assertion Litigation in the Fortymile/East Alaska area.
- c. Statewide Fire Suppression Appropriation
  - i. \$390 UGF for the Wildland Fire Academy.

### **2. Denied the Governor's amended FY12 budget proposed increments & decrements for:**

- a. Resource Development Appropriation
  - i. \$377.5 UGF for AGIA Public Information & Participation.

### **3. Modified the Governor's amended FY12 budget proposed increments & decrements for:**

- a. Resource Development Appropriation – AGIA Line Items: It is the recommendation of the subcommittee that proposed AGIA increments be funded as onetime items in the FY12 Operating Budget
  - i. \$800 UGF OTI for AGIA Commercial Monitor & Advisor.
  - ii. \$1,290.0 UGF OTIA for AGIA Coordinator's Staff and Capacity.
  - iii. \$1,150.0 UGF OTI for AGIA Contractors & Consultants.
- b. North Latitude Plant Material Center
  - i. \$100 UGF for Continuation of Certified Seed Potato Program.
    1. Governor requested \$200 UGF.
  - ii. \$710.6 UGF OTI and three new positions for Improving Efficiency of Land and Water Use Application Process.
    1. Governor requested \$1,421.1 UGF and six new.

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- 4. The Subcommittee adopts the following amendment to the Governor's proposed FY12 budget for the Department of Natural Resources:**
  - a. Resource Development.
  - b. \$498.7 MHTAAR Funds and three new positions.
  - c. Appropriation and Allocation Structure Change.
    - i. The Senate Subcommittee accepts the reorganization of the Department of Natural Resources proposed by Legislative Finance and approved by the other body. A diagram showing the proposed change is attached to this report.
  
- 5. Differences from House Finance**
  1. Resource Development
    - a. AGIA Items - The Senate funds AGIA lines as onetime items, the House puts the funding into the base.
    - b. Guide Concession Area Program - The Senate funded the \$120 UGF item that is supported by the department, the governor and the Board of Game. The other body did not.
    - c. Public Land Stewardship - The House funded this \$802 UGF line as a onetime item, the Senate proposes moving this funding into the base.
    - d. Land Sales for Southeast AK Region - The House funded this \$105 UGF line as a onetime item, the Senate proposes moving this funding into the base.
    - e. Oversight of Federal Land Transfers - The House funded this \$671 UGF line as a onetime item, the Senate proposes moving this funding into the base.
    - f. North Latitude Plant Material Center – The other body added \$20 UGF to the governor's \$200 UGF request. The Senate Subcommittee proposes funding this line at \$100 UGF.
    - g. Mining and Land Development – The other body recommended a funding increment of \$1,421.1 UGF and six new positions.
    - h. Mental Health Trust Lands Administration – The other body approved an increment of \$3,279.4 MHTAAR Funds. The Senate Subcommittee recommends the full \$3,391.4 MHTAAR request from the Mental Health Trustees be funded.
  2. Appropriation and Allocation Structure Change
    - a. The Senate Subcommittee recommends maintaining the AGIA Coordinator position within the Department of Natural Resources. The other body's budget moves the position to the Office of the Governor.

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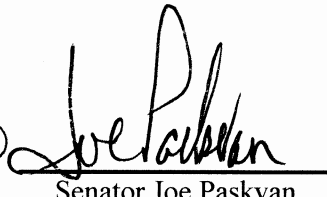
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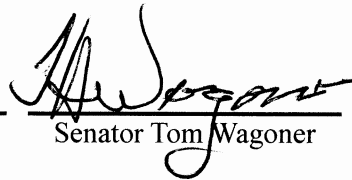
The subcommittee adopts the Legislative Finance Division reports attached.

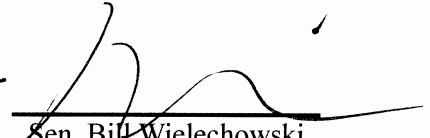
1. Agency Totals – FY 2012 Operating Budget – Senate Structure
  2. Appropriation/Allocation Summary (GF) – Senate Structure
  3. Appropriation/Allocation Summary (All Funds) – Senate Structure
  4. Transaction Comparison – Senate Structure (Between ADJ Base and Sen Subcom)
  5. Transaction Comparison – Senate Structure (Between GovAmds and Sen Subcom)
  6. Transaction Comparison – Senate Structure (Between Hse and Sen Subcom)
  7. Wordage Report – FY 2012 Operating Budget, Senate Structure
  8. Diagram of proposed reorganization of DNR budget appropriation and allocation structure
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Respectfully Submitted,

  
Senator Joe Thomas,  
Chair

  
Senator Joe Paskvan

  
Senator Tom Wagoner

  
Sen. Bill Wielechowski