

Natural Resources

Adopted Adjustments (\$ in millions)				
	FY 2013 Adopted		FY 2014 Adopted	
	<u>GF</u>	<u>NGF</u>	<u>GF</u>	<u>NGF</u>
2012-14 Base Budget, Ch.890	\$91.3	\$278.1	\$91.3	\$278.1
Technical Adjustments	(0.9)	0.5	(0.8)	0.5
Increases	100.7	19.9	5.2	13.2
Decreases	(6.9)	(19.6)	(3.9)	(22.5)
\$ Net Change	<u>93.8</u>	<u>0.4</u>	<u>1.2</u>	<u>(9.4)</u>
Chapter 3 (HB 1301, as Adopted)	\$184.2	\$279.0	\$91.6	\$269.2
% Change	103.8%	0.14%	1.3%	(3.36%)
FTEs	1,017.50	1,160.50	1,017.50	1,160.50
# Change	(10.00)	(1.00)	(10.00)	(1.00)

- **Secretary of Natural Resources**

- *Water Quality Improvement Fund Reserve.* Eliminates the proposed language allowing the Secretary of Natural Resources to determine the uses of the legislatively-created Water Quality Improvement Fund (WQIF) Reserve. Includes language waiving the normally required deposit of up to 15 percent of any amounts provided to the WQIF from year-end general fund surpluses to the Reserve in the first year. Language is also included to permit the Department of Conservation and Recreation (DCR) to utilize up to \$1.0 million from the WQIF Reserve's cash balances for local stormwater assistance grants. This limited amount was provided rather than allowing the Reserve's entire balance to be used as was proposed in the introduced budget.
- *Council on Indians Support Services.* Includes a reduction of \$70,836 GF each year due to the elimination of the Council on Indians. This was a recommendation of the Governor's reform commission that was approved by the General Assembly in separate legislation.

- **Department of Conservation and Recreation**

- ***Nonpoint Source Pollution Funding.*** Approved new funding for the implementation of agricultural best management practices totals \$5.0 million GF in FY 2013. This amount represents 10 percent of the \$50.3 million statutory deposit to the Water Quality Improvement Fund. In addition, \$9.1 million NGF each year continues to be provided to the Natural Resources Commitment Fund to control nitrogen, phosphorus, and sediment runoff from farming. The source of these nongeneral funds is an existing deed recordation fee of \$10.00. Also included for deposit to the Natural Resources Commitment Fund is a net adjusted appropriation of \$18.0 million NGF the first year and \$11.6 million NGF the second year representing existing prior year balances
- ***Soil and Water Conservation Districts.*** Restores a reduction of over \$2.0 million GF each year proposed in the introduced budget to the operating support provided for local soil and water conservation districts. In addition, language requires the Secretary of Natural Resources to convene a stakeholder group to review the process for distributing technical assistance and agricultural cost-share funding to districts and to provide a report, including any recommendations, to the Governor and Chairmen of the Senate Finance and House Appropriations Committees no later than October 1, 2012. Language also prohibits the Soil and Water Conservation Board from merging or modifying the boundaries of any district until such time as the General Assembly has received the stakeholder group’s recommendations and taken action on any such recommendations.
- ***Funding for Office Relocation.*** Provides \$1.9 million GF the first year for costs associated with relocation and consolidation of the agency’s offices. The total cost of the move is estimated at \$3.0 million but the Department of General Services will provide the balance of the funding to complete the relocation.
- ***State Park Operations Funding.*** Restores a reduction proposed in the introduced budget of \$450,000 GF each year that was intended to be offset by increased state park fees and restores an additional \$125,000 GF each year and three positions the introduced budget proposed for elimination.
- ***Land Conservation Fund.*** Restores \$500,000 GF each year for the Virginia Land Conservation Foundation to provide a total of \$1.0 million each year for open-space land preservation. A related Part 3 amendment also transfers any balances from the Foundation for Virginia’s Natural Resources Trust Fund to the Virginia Land Conservation Foundation. The elimination of the Foundation for Virginia’s Natural Resources Trust Fund was a recommendation of the Governor’s reform commission approved by the General Assembly in separate legislation. The total amount transferred to the Virginia Land Conservation Foundation is about \$8,000.
- ***“Friend of the Chesapeake” License Plates.*** Provides an appropriation of \$307,662 NGF in the first year from the proceeds of sales of the “Friend of the Chesapeake”

special license plates for grants to be made pursuant to the recommendations of the Chesapeake Bay Restoration Fund Advisory Committee.

- ***Dam Safety.*** Includes two actions to rehabilitate high hazard dams. First, \$258,292 GF the first year is provided to rehabilitate a high hazard dam in order to comply with a Special Order issued by DCR in June 2011. This dam includes within its dam break inundation zone numerous residences, several rural roads and U.S. 460. Second, language provides a grant of up to \$408,402, or 25 percent of the costs, to modify a high hazard dam owned by Augusta County to match a previously approved federal grant from the U.S.D.A. covering 65 percent of the project's rehabilitation costs. The locality will provide the remaining 10 percent of the project's costs.
- ***Rappahannock River Basin.*** Provides \$15,000 GF the first year to match \$30,000 in federal funds and \$15,000 in local funds to assist the Rappahannock River Basin Commission and the U.S. Army Corps of Engineers develop a programmatic plan for addressing water quality and supply in the basin. Similarly, \$22,500 is provided to match the same amount in local funds to leverage \$45,000 in funding from the U.S. Army Corps of Engineers to define needs and provide recommendations for implementation of a synchronized flood, rainfall, and water quality gauging network.
- ***Eliminate Vacant Positions.*** Includes a reduction of \$525,000 GF each year for 10 positions that are currently vacant. The eliminated positions are spread throughout the agency, including four from State Parks, four from Stormwater Management and two administrative positions.

- **Department of Environmental Quality**

- ***Point Source Water Quality Improvement Fund.*** Provides a total of \$87.6 million GF in FY 2013 to meet the state's share of the costs for signed grant agreements for upgrading biological nutrient removal technology at publicly-owned wastewater treatment plants. This amount includes \$45.3 million GF representing 90 percent of the statutory deposit to the Water Quality Improvement Fund and an additional \$42.3 million GF appropriation. Language included in the budget specifies that \$3.5 million of this amount shall be provided to the Department of Corrections for a wastewater treatment plant in the Town of Craigsville.
- ***Title V Air Pollution Program.*** Eliminates a proposed \$625,000 GF the first year to support the Title V program and replaces it with \$625,000 NGF. Language is included to require the State Air Pollution Control Board to adjust permit fees to ensure that revenues from the fees cover the total direct and indirect costs of the program consistent with the requirements of Title V of the federal Clean Air Act. Affected industries supported this approach
- ***Waste Tire Fund.*** Eliminates the proposed transfer of \$2.3 million NGF each year from the Waste Tire program to the Department of Transportation for highway

maintenance. Instead provides \$2.3 million NGF to offset a \$2.3 million GF reduction in DEQ administrative funding in the first year. For the second year, the revenue from the fee is not appropriated and language is included for the 2013 General Assembly to consider repealing the fee.

- ***Transfer Litter Control and Recycling Fund.*** Eliminates a proposed general fund transfer of \$191,250 NGF the first year and \$127,500 NGF the second year from the Litter Control and Recycling Fund and restores these nongeneral fund appropriation for grants to localities. A total of \$264,939 NGF is also restored in Chapter 2 of the 2012 Special Session I Acts of Assembly (HB 1300). The source of the nongeneral funds are the Soft Drink Excise and Litter Taxes.
- ***Chesapeake Bay Education Funding.*** Restores \$80,000 GF in FY 2013 for the Chesapeake Bay Foundation's educational field studies.
- ***Funding for Legal Services.*** Eliminates \$240,000 GF each year that was proposed in the introduced budget for legal services. A companion amendment to Item 59 clarifies that it is the intent of the General Assembly that general fund appropriations for legal services should be provided in that item.
- ***Interstate Commission on the Potomac River Basin.*** Language expresses the intent of the General Assembly that Virginia remain an active member of the Commission. The same language is included in Chapter 2 as well.
- ***Restore Funding for Ohio River Valley Water Sanitation Commission.*** An amendment in Central Appropriations, Item 471, restores \$48,500 GF each year for dues to continue Virginia's participation in the Ohio River Valley Water Sanitation Commission. An act of Congress is required for Virginia to terminate its membership in this interstate compact.

- **Department of Game and Inland Fisheries**

- ***Notification of Consolidation and Reorganization Activities.*** Language requires the Department to notify the Chairmen of the appropriate House and Senate Committees prior to any further consolidation of regional offices or future reorganization of its organizational structure.

- **Department of Historic Resources**

- ***Civil War Battlefield Preservation.*** Provides \$1.0 million GF each year for Civil War battlefield protection. These funds must be matched at least on a dollar for dollar basis by other sources of funding. A companion amendment in Capital Outlay provides \$2.5 million in unobligated bonds originally provided for open-space preservation and historic preservation by Chapter 879 of the 2008 Acts of Assembly for use by the Civil War Historic Site Preservation Fund for fee simple acquisition of battlefield lands.

- ***Legal Services Charges.*** Eliminates \$66,500 GF each year that was proposed in the introduced budget for legal services. A companion amendment to Item 59 clarifies that it is the intent of the General Assembly that general fund appropriations for legal services should be provided in that item.
- ***Level-Fund Montpelier Payments.*** Language expresses the intent that Montpelier will receive level payments until such time as the Commonwealth’s full grant obligation for the restoration of the facility is completed as provided for in the *Code of Virginia*.
- ***Oversight of Historic Preservation Tax Credit Program.*** Language requires DHR, in consultation with the Auditor of Public Accounts, to develop audit guidelines for certified professional accountants performing attestations to support tax credits. DHR is also authorized to hire outside professionals to enhance the department’s review of tax credit applications and ensure that preservation work is properly completed and documented to reduce the likely hood of fraud against the tax credit program. This same language is also included in Chapter 2.

- **Marine Resources Commission**

- ***Oyster Replenishment.*** Provides \$500,000 GF each year for oyster replenishment efforts to partially restore prior year budget cuts to the program. A related technical amendment reduces the appropriation for the Oyster Replenishment Fund by \$1.0 million NGF each year in anticipation of reduced federal support for the program.
- ***Restore Saltwater Fishing Tournament.*** Restores \$200,000 GF each year for marine law enforcement and a related \$220,000 NGF each year and one position to restore funding for the Virginia Saltwater Fishing Tournament, which was proposed for elimination in the introduced budget. The nongeneral fund savings from eliminating the tournament were proposed to supplant reductions in the general fund support provided for marine law enforcement.
- ***Restore Funding for Potomac River Fisheries Commission.*** An amendment in Central Appropriations, Item 471, restores \$148,750 GF each year for dues to continue participation in the Potomac River Fisheries Commission, which is an interstate compact with Maryland that regulates fishing on the Potomac River.
- ***Reduce Artificial Reef Program.*** Includes a reduction of \$30,092 GF and one position each year the artificial reef program.
- ***Eliminate Funding for Native American Shad Hatcheries.*** Eliminates \$30,000 GF each year by eliminating funding for the Mattaponi and Pamunkey tribes’ shad hatchery operations.

- **Virginia Museum of Natural History**
 - *Restore Senior Curators to Full-Time Status.* Provides \$65,000 GF each year to restore prior year budget cuts preventing Senior Curators from returning to full-time status.