

DEPARTMENT OF NATURAL RESOURCES
FY2018 HOUSE FINANCE BUDGET SUBCOMMITTEE NARRATIVE REPORT
February 23rd, 2018

SUBCOMMITTEE MEMBERS: (in alpha order)

Rep. David Guttenberg, Chair	Rep. Birch	Rep. Drummond
Rep. D. Johnson	Rep. Josephson	Rep. Lincoln
Rep. Parish	Rep. Rauscher	Rep. Talerico
Rep. Tarr	Rep. Tuck (Alt)	

SUBCOMMITTEE MEETINGS:

The House Finance Budget Subcommittee for the Department of Natural Resources held ten meetings with the department during the review of the FY19 budget request.

RECOMMENDATIONS:

The Chair of the House Finance Budget Subcommittee for the Department of Natural Resources recommends that the House Finance Committee accept the Department of Natural Resources FY19 Amended Budget with further amendment(s):

The budget without amendment totals:

Fund Source: (dollars are in thousands)

Unrestricted General Funds (UGF)	\$57,683.3
Designated General Funds (DGF)	\$32,793.3
Other Funds	\$35,775.5
Federal Funds	\$16,644.3
Total	\$142,896.4

The Unrestricted General Fund difference from FY15 Management Plan to the FY19 House Subcommittee Recommended budget is a reduction of \$28.972 million, a decrease of 33.4 percent.

Positions:

Permanent Full-time	625
Permanent Part-time	215
Temporary	62
Total	902

The following budget amendments are submitted by the subcommittee chair to the House Finance Committee for consideration:

#1 Fire Preparedness

DEPARTMENT: Department of Natural Resources

APPROPRIATION: Fire Suppression, Land and Water Resources

ALLOCATION: Fire Suppression Preparedness

ADD: \$700,000 Unrestricted General Funds 1004

EXPLANATION: Funds to cover the increased costs of aviation contracts for air tankers and helicopters necessary to be prepared to fight fires. These additional costs are due to contract renegotiations and their increases to keep tankers and helicopters on standby. If these resources are not on standby and available in the wake of a fire then resources will be pulled from the lower states which will compromise a timely response.

#2 Mental Health Trust Lands

DEPARTMENT: Department of Natural Resources

APPROPRIATION: Administration & Support Services

ALLOCATION: Mental Health Trust Lands Administration

ADD: \$326.0 MHTAAR (1092)

EXPLANATION: Restoring to previous level \$355.0 of authority subtracting merit increase of \$29.2

#3 Northern Regions Permits Position

DEPARTMENT: Finance Department of Natural Resources

APPROPRIATION: Fire Suppression, Land & water Resources

ALLOCATION: Mining, Land & water

ADD: \$107.0 UGF (1004)

POSITIONS: Add 1 PFT Position

EXPLANATION: Add back \$107.0 and 1 PFT position for Northern Region Permits and Easements, which were deleted in the Governor's budget. Retaining this position will reduce the backlog of permits.

#4 Pittman-Robertson Fund

DEPARTMENT: Department of Natural Resources

APPROPRIATION: Parks & Outdoor Recreation

ALLOCATION: Parks Management & Access

ADD: \$21.0 Vehicle Rental Taxes (1200) and \$63.0 Interagency Receipts (1007). IncT (FY19-FY21)

ADD POSITIONS: 1 Non-Permanent Position

EXPLANATION: This position would work with the Department of Fish and Game, municipalities, and nonprofit groups to find eligible projects and identify sources of matching funds. Fish and Game has insufficient matching funds to utilize all available federal funds and has reverted funding in the past two fiscal years. Both Fish and Game and the Division of Parks have wildlife-related projects that would be eligible for funding.

#5 Compensatory Mitigation Program

APPROPRIATION: Administration & Support Services

ALLOCATION: Office of Project Management & Permitting

DELETE: \$100,000 UGF, fund code 1004

POSITIONS: No changes

EXPLANATION: As of 2/15/18, the department had spent \$26,136 of the \$200,000 appropriated in the FY18 operating budget for compensatory mitigation program in OPMP, leaving an unspent amount of \$173,864.

DNR estimates spending another \$50,000 of the appropriation before the end of FY18 and acknowledges that they do not need \$200,000 for the compensatory mitigation program in FY19. This amendment reduces the base budget amount from \$200,000 to \$100,000.

#8 Governor's Proposed Geospatial Funding

APPROPRIATION: Administration & Support Services

ALLOCATION: Office of Project Management & Permitting

ADD: \$100.0

POSITIONS: No changes

EXPLANATION: This increment will primarily maintain access to statewide satellite imagery, which is one of the seven core data layers the AGC provides access to. During the first five months of the current contract with GeoNorth, there has been an average of 2.5 million digital data requests a month from 1,500 unique users who downloaded an average of 127GB of data per month. This is a heavily used dataset and maintaining access to it is crucial. This increment will fund four months of the coordinator's salary for the Alaska Geographic Information Officer, the principal representative of the Alaska Geospatial Council, and continue contractual services for the distribution of Satellite imagery for the unfunded portion of FY2019. As capital funds will run out halfway through FY2019, an increment estimated to be \$400.0 will be considered to maintain these efforts in the FY2020 budget.

OTHER INFORMATION:

The Subcommittee discussed a variety of issues during the meetings. Those that I have not put forward for consideration by the House Finance Committee include, but are not limited to: (don't list every item but do include the major topics/proposals that were discussed)

1. An amendment proposal was discussed that would have reduced funding for oil & Gas in the allocation to match FY17 actual spending under 1108, adjusted for inflation of 2.2%.
- 2.

ATTACHED REPORT:

Transaction Detail – House Structure Amendments Recommended by Subcommittee

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David Guttenberg".

Representative David Guttenberg, Chair
House Finance Budget Subcommittee for the Department of Natural Resources