



Department of Environmental Conservation

House Finance Committee

Larry Hartig
Commissioner

Tom Cherian
Administrative Services Director

January 27, 2017



DEC's Mission

Protect human health and the environment.

AS 46.03.010, AS 44.46.020

Sources

Mission: <http://dec.alaska.gov/commish/index.htm>

Statutory Authority: <http://dec.alaska.gov/commish/regulations/statutes.htm>

Performance Measures: <https://www.omb.alaska.gov/html/performance/program-indicators.html?p=37>



Department of Environmental Conservation Share of Total Agency Operations (GF Only) (\$ Thousands)

The department's GF budget grew by about \$11.5 million (33%) between FY08 and FY18 Gov - an average annual growth rate for that period of 2.0%.

The department's total FY18 GF budget equals \$137 per resident worker.*

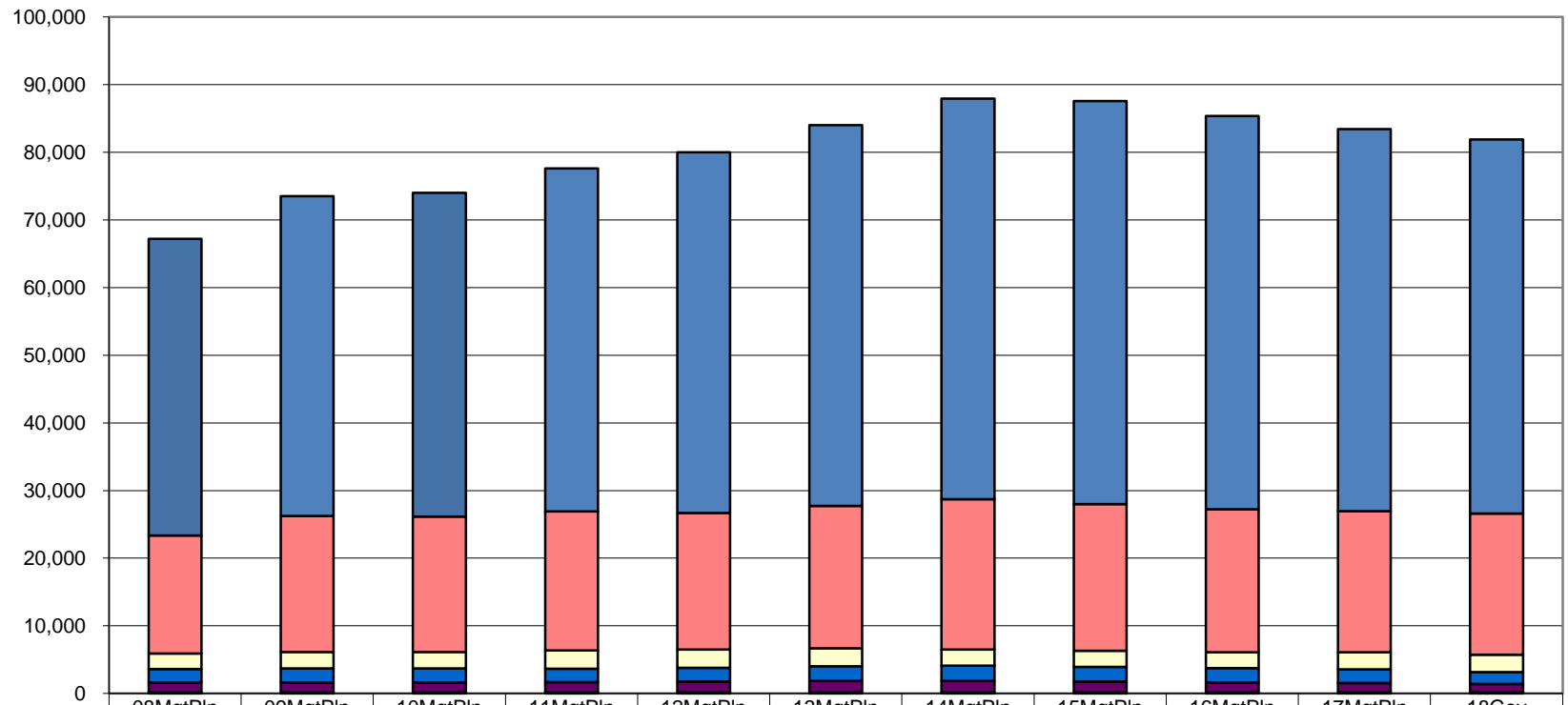


* According to the Department of Labor and Workforce Development, there were 334,628 resident workers in Alaska in 2014.



Department of Environmental Conservation Line Items (All Funds) (\$ Thousands)

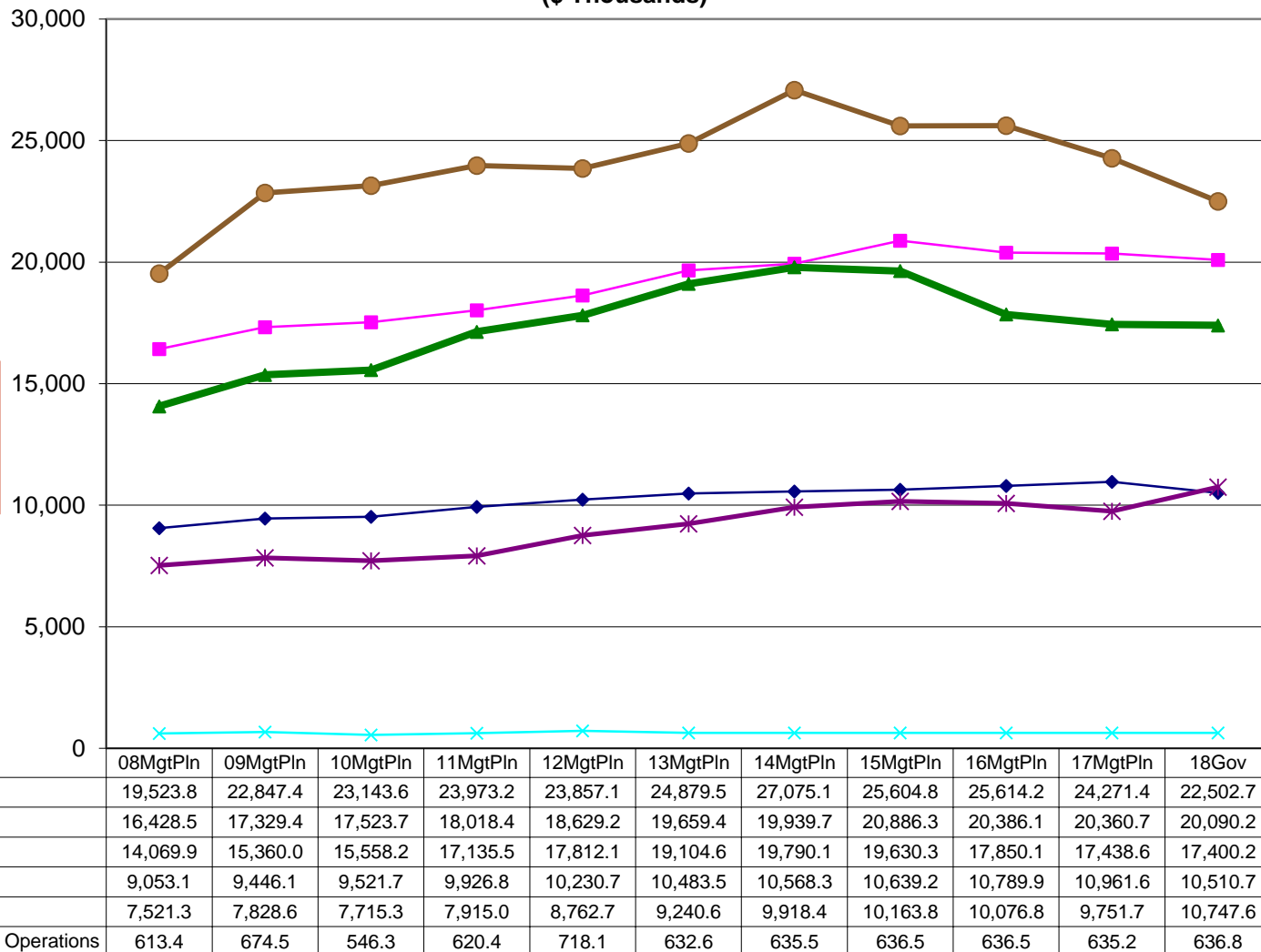
The majority of FY18 funding in DEC is comprised of the following two line items:
Personal Services--68%
Services--25%





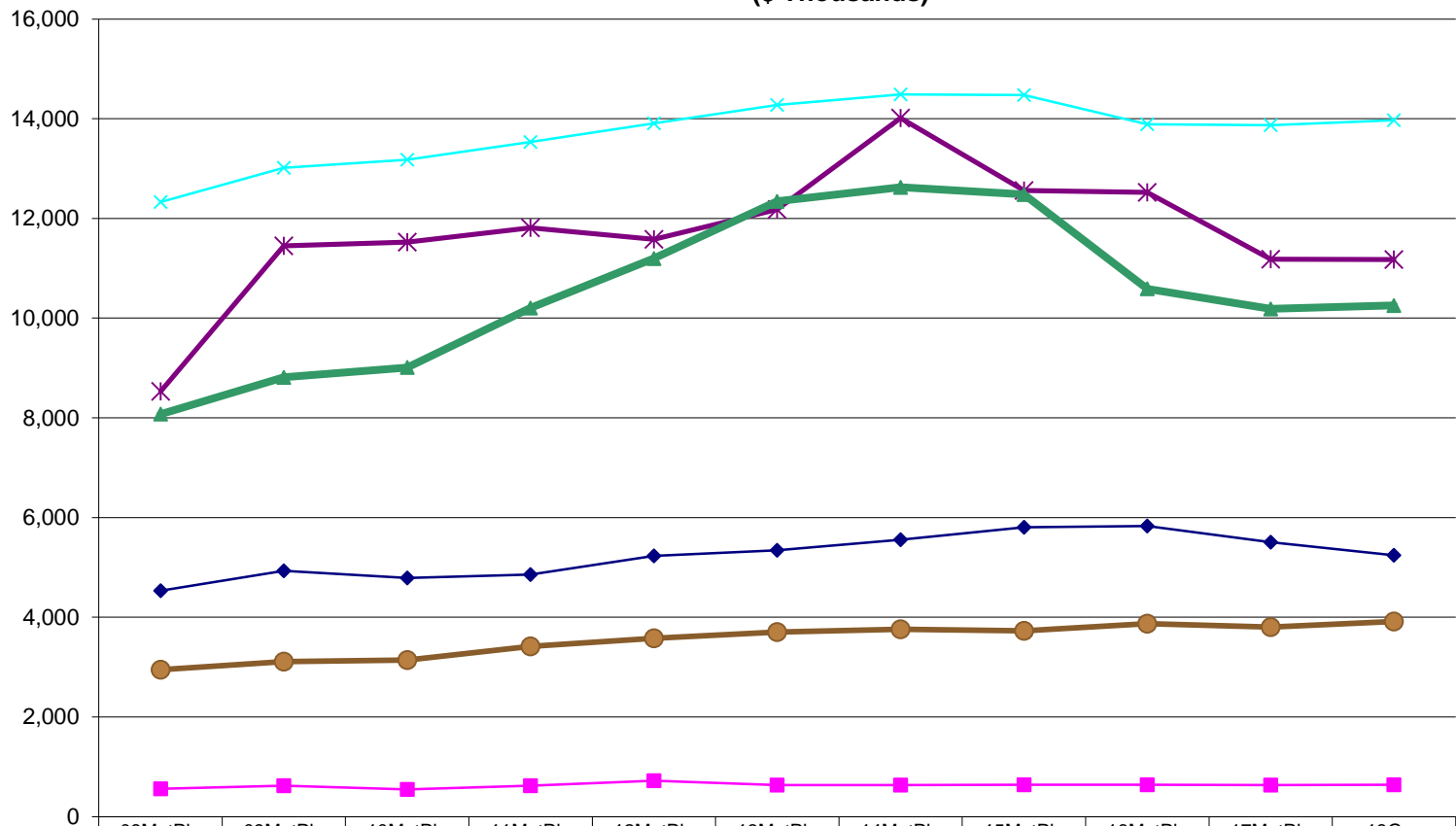
Appropriations within the Department of Environmental Conservation (All Funds) (\$ Thousands)

NOTE: In FY15, Air Quality became a new appropriation rather than an allocation within Environmental Health.





Appropriations within the Department of Environmental Conservation (GF Only) (\$ Thousands)

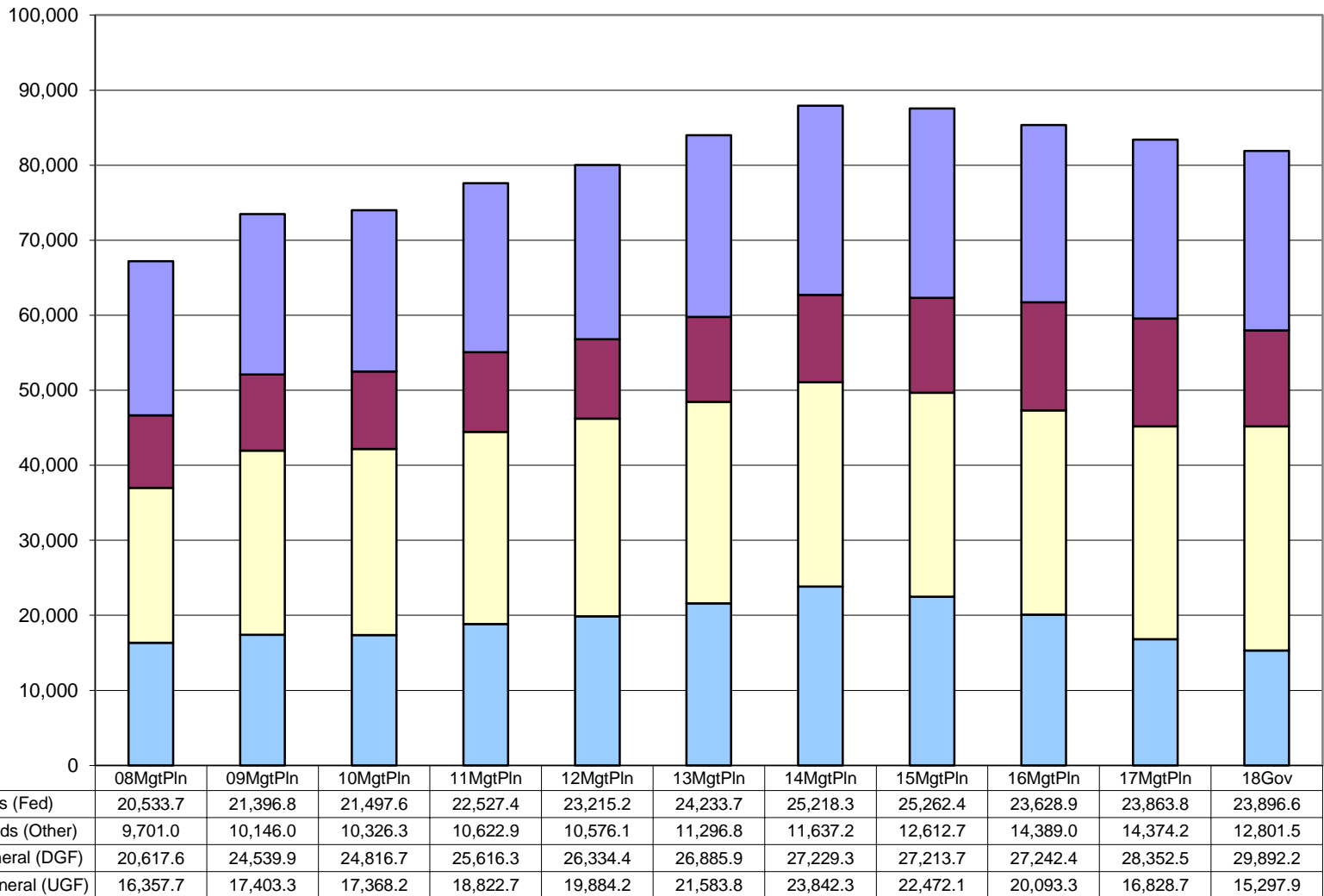


	08MgtPln	09MgtPln	10MgtPln	11MgtPln	12MgtPln	13MgtPln	14MgtPln	15MgtPln	16MgtPln	17MgtPln	18Gov
Spill Prevention and Response	12,331.9	13,017.2	13,177.0	13,534.1	13,910.2	14,273.7	14,486.4	14,478.3	13,889.4	13,871.9	13,967.4
Water	8,533.4	11,450.5	11,522.9	11,809.0	11,582.6	12,178.2	14,012.9	12,559.4	12,523.2	11,184.1	11,174.0
Environmental Health	8,073.2	8,814.3	9,010.3	10,205.2	11,196.6	12,342.8	12,625.4	12,481.9	10,587.7	10,186.6	10,253.8
Administration	4,531.4	4,933.3	4,788.0	4,855.5	5,233.3	5,341.1	5,555.2	5,802.0	5,829.1	5,502.3	5,245.3
Air Quality	2,946.4	3,109.1	3,141.1	3,414.8	3,577.8	3,701.3	3,756.2	3,727.7	3,869.8	3,801.1	3,912.8
DEC Bldgs Maint & Operations	559.0	618.8	545.6	620.4	718.1	632.6	635.5	636.5	636.5	635.2	636.8



Department of Environmental Conservation Total Funding Comparison by Fund Group (All Funds) (\$ Thousands)

Between FY08 & FY18:
 --UGF *decreased* by \$1.1 million (-6%)
 --DGF increased by \$9.7 million (45%)
 --Other Funds increased by \$3.1 million (32%)
 --Federal Receipts increased by \$3.4 million (16%)





Division of Administration

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
Entire Division	\$10,747.6; \$2,723.1 UGF, \$2,522.2 DGF, \$2,502.3 Fed, \$3,000.0 Other	47 PFT						
Office of the Commissioner Component	\$1,021.2; \$427.2 UGF, \$0.0 DGF, \$564.4 Fed, \$29.6 Other	6 PFT	Not applicable, administrative support component	0%	Important	Yes	No	No
Administrative Services Component	\$7,359.9; \$854.8 UGF, \$2,113.2 DGF, \$1,505.4 Fed, \$2,886.5 Other	41 PFT	Not applicable, administrative support component	16%	Important	No	No	No
State Support Services Component	\$2,366.5; \$1,441.1 UGF, \$409.0 DGF, \$432.5 Fed, \$83.9 Other	0 PFT	Not applicable, administrative support component	8%	Important	No	No	No



Division of Environmental Health

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
Building Maintenance & Operations	\$636.8 UGF	2 PFT	Not applicable, state-owned building support RDU/component	0%	Important	No	No	Yes; AS 37.07.020(e)*
Entire Division**	\$17,400.2; \$5,762.1 UGF, \$4,491.7 DGF, \$6,888.6 Fed, \$257.8 Other	132 PFT						
Environmental Health Director Component	\$1,068.0; \$603.5 UGF, \$464.5 Fed	8 PFT	Not applicable, administrative support component	0%	Important	No	No	No

* The Executive Budget Act requires a separate operating budget appropriation for facility operations, maintenance, and repairs

** Entire Division amounts do not include the Building Maintenance & Operations appropriation



Division of Environmental Health

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
Food Safety & Sanitation Component	\$4,044.1; \$860.9 UGF, \$2,156.2 DGF, \$980.1 Fed; \$46.9 Other	30 PFT						
- Shellfish	\$344.9; \$293.2 UGF, \$51.7 DGF	2.5 PFT	737,625 Alaskans served. There are 265 permitted shellfish harvesters and dealers and countless statewide consumers. Permit holders represent the producers of the Alaskan shellfish industry, who employ numerous individuals in SE Alaska and purchase gas and equipment from local retailers.	15%	Critical	No	Yes*	Yes; AS 17.20
- Manufactured Food/Seafood Processors	\$1,648.0; \$269.8 UGF, \$531.8 DGF, \$846.4 FED	20.5 PFT	737,625 Alaskans served. There are 332 general food and 492 seafood manufacturers statewide. Food manufactured in Alaska enters the retail market and is consumed by residents. Permit holders also represent employers of Alaskan residents.	32%	Critical	No	Yes**	Yes; AS 17.20

* Required for interstate commerce and access to foreign markets

** FDA relies on the states to perform this oversight



Division of Environmental Health

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
- Public Facilities	\$177.0; \$130.1 UGF, \$46.9 Other	2 PFT	This activity serves all Alaskans that utilize or have contact with individuals that utilize public facilities, which include 121 permitted pools and spas and 69 permitted tattoo and body art facilities statewide.	0%	Critical	No	No	Yes; AS 18.35, AS 44.46.020
- Retail Food	\$1,874.2; \$167.8 UGF, \$1,572.7 DGF, \$133.7 FED	5PFT	737,625 Alaskans served. There are 4,506 permitted retail facilities under the State's jurisdiction. These retail facilities include grocery stores and restaurants, as well as retail and food service facilities that are also associated with food processing operations. *	84%	Important	No	No	Yes; AS 17.20

* The Municipality of Anchorage oversees retail and food service facilities located in the MOA. However, the State regulates all food processors, regardless of location, and some retail and food service facilities with food processing operations are located within the MOA.



Division of Environmental Health

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
Laboratory Services Component	\$3,541.1; \$1,502.2 UGF, \$965.3 DGF; \$879.8 Fed, \$193.8 Other	25 PFT						
- Shellfish and Food Safety Testing	\$1,362.6; \$576.3 UGF, \$457.0 DGF, \$329.3 FED	16 PFT	737,625 Alaskans served. All food for human consumption produced, harvested, and/or sold in Alaska is subject to testing in the event of a foodborne illness outbreak. The EH Lab also performs regulatory testing on food products manufactured, produced, and/or distributed under the authority of the DEC Food Safety & Sanitation program and the Office of the State Veterinarian.	34%	Critical	No	Yes*	Yes; AS 17.20
- Lab Certification	\$516.1; \$128.6 UGF, \$147.7 DGF, \$45.6 FED, \$193.8 Other	2.5 PFT	737,625 Alaskans served. This activity serves all Alaskan residents that drink water from a public water system (including "transient" water system, such as restaurants) and/or consume dairy products manufactured by an Alaskan dairy.	29%	Critical	No	Yes**	Yes; AS 46.03.020

* Required for interstate commerce and access to foreign markets

** Certification of drinking water laboratories is required to maintain primacy of the Safe Drinking Water Act



Division of Environmental Health

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
- Dairy Program	\$405.7; \$405.3 UGF \$0.4 DGF	2.5 PFT	This activity serves all Alaskan residents who consume dairy products from the two Alaskan dairies which employ a total of six families. Both operations also sell or purchase feed to/from other Alaska farms.	0%	Important	No	Yes*	Yes; AS 17.20.005
- Animal Health & Traceability	\$950.1; \$392.0 UGF, \$53.2 DGF, \$504.9 FED	1.5 PFT	737,625 Alaskans served. All domestic animals and livestock entering the state must be evaluated by a veterinarian and declared disease free. This protects all residents and wildlife populations from diseases.	6%	Critical	No	No	Yes; AS 03.05.011, AS 03.55.100
- Fish Tissue Testing	\$307.0 DGF	2.5 PFT	737,625 Alaskans served. Alaskan seafood provides an essential food source high in protein and nutrients. Alaskans, especially those living in rural areas, eat considerably more wild fish than people in other parts of the U.S. The commercial seafood industry is Alaska's largest exporter, generating \$3.2 billion worth of exports and employing 9% of Alaskan workers in 2011.	100%	Beneficial	No	No	No

* Required for retail sales or sales to institutions that receive federal funding for meals (prisons, schools, military, etc.)



Division of Environmental Health

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
Drinking Water Component	\$6,510.6; \$1,841.5 UGF, \$333.2 DGF, \$4,335.9 Fed, \$0.0 Other	51 PFT	737,625 Alaskans served. There are 1,480 regulated public water systems statewide comprised of non-transient (residences, schools, hospitals) and transient (restaurants, hotels, campgrounds) systems.	5%	Critical	No	Yes	Yes; AS 46.03.020
Solid Waste Management Component	\$2,236.4; \$954.0 UGF, \$1,037.0 DGF, \$228.3 Fed, \$17.1 Other	18 PFT						
- Solid Waste	\$1,271.1; \$954.0 UGF, \$300.0 DGF, \$17.1 Other	12 PFT	737,625 Alaskans served. There are 270 permitted facilities statewide, and an additional 36 rural landfills working with the program to facilitate proper landfill best management practices.	24%	Critical	No	Yes	Yes; AS 46.03.020, AS 46.03.100
- Pesticides	\$965.3; \$737.0 DGF, \$228.3 FED	6 PFT	737,625 Alaskans served. There are 8,210 registered pesticides and a variety of active permits, including 12 that are focused on aquatic pest eradication.	76%	Critical	No	Yes	Yes; AS 46.03.020, AS 46.03.320, AS 46.03.330



Division of Air Quality

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
Entire Division	\$10,510.7; \$1,704.4 UGF, \$2,208.4 DGF, \$2,168.4 Fed, \$4,429.5 Other	66 PFT	737,625 Alaskans served. The Division of Air Quality partners with both urban and rural communities throughout the state to monitor air quality, work with local governments to assess and clean the air, and responding to complaints or concerns. The Division's primary role is to reduce air pollution from both the private and public sector. The program has roughly 1,500 active permits with industry and a high volume of technical support and interaction with the public.	60%	Critical	No	Yes	Yes; AS 46.14.010, AS 46.14.020, AS 46.14.030



Division of Spill Prevention & Response

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
Division of Spill Prevention and Response	\$20,090.2; \$0.0 UGF, \$12,967.4 DGF, \$5,425.4 Fed, \$697.4 Other	139 PFT						
- Prevention, Preparedness, Response	\$8,697.3; \$7,981.1 DGF; \$52.3 Fed, \$663.9 Other	63 PFT	737,625 Alaskans Served. PPR is responsible for regulating 1,240 statewide facilities, tank and non-tank vessels, and underground storage tank facilities that are all required to have proof of financial responsibility in the event of a release. There are currently 141 active contingency plans on file. In FY2016 there were 1,863 new spills across the state, and 1,472 spills were closed. Each spill has the potential to directly impact thousands of Alaskans.	5%	Critical	No	No	Yes; AS 46.08.030, AS 46.08.040
- Contaminated Sites	\$8,527.0; \$3,637.3 DGF, \$4,856.2 Fed, \$33.5 Other	55 PFT	737,625 Alaskans Served. In FY2016 there were 2,690 active contaminated sites across the state, and 5,204 closed sites. Each site has the potential to directly impact thousands of Alaskans.	0%	Critical	No	No	Yes; AS 46.08.030, AS 46.08.040
- Response Fund Administration	\$2,865.9; \$2,349.0 DGF, \$516.9 Fed	21 PFT	Not applicable, administrative support program	0%	Important	No	No	Yes; AS 46.08.070, AS 46.08.040 (a)(2)(B)(i)



Division of Water

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
Entire Division	\$22,502.7; \$4,471.5 UGF, \$6,702.5 DGF, \$6,911.9 Fed, \$4,416.8 Other	102 PFT 1 NP						
Water Quality Component	\$15,161.7; \$3,685.2 UGF, \$6,561.0 DGF, \$4,042.9 Fed, \$872.6 Other	72 PFT						
- Alaska Pollutant Discharge Elimination System (APDES) Permitting	\$4,481.1; \$636.5 UGF, \$1,884.5 DGF, \$1,194.3 Fed, \$765.8 Other	29 PFT	737,625 Alaskans served. Approx. 5,500 permitted entities (oil and gas, mining, seafood, etc.) which employ an unknown number of Alaskans. In addition, approximately 300,000+ Alaskans are directly served by APDES regulated municipal systems.	42%	Critical	No	Yes	Yes; AS 46.03.020, AS 46.03.100
- Engineering Support & Plan Review	\$1,839.5; \$1,428.3 UGF, \$410 DGF, \$1.2 Other	11 PFT	699,325 Alaskans served. Approx. 2,500+ wastewater systems are reviewed annually. There are an estimated 40,000 septic systems statewide. *	22%	Critical	No	No	Yes; AS 46.03.020, AS 46.03.100

* Excludes single family and duplex homes in the Municipality of Anchorage which are regulated by the MOA



Division of Water

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
- Compliance	\$1,962.2; \$959.8 UGF, 209.3 DGF, \$774.8 Fed, \$18.3 Other	13 PFT	737,625 Alaskans served. Approx. 125 compliance inspections are completed annually, ranging from small placer mines up to large oil & gas production facilities. These facilities employ an unknown number of Alaskans, and activities impact environments downstream. Dozens of public complaints are investigated annually.	11%	Critical	No	Yes	Yes; AS46.03.020, AS 46.03.100
- Surface Water Standards Assessment and Restoration	\$2,821.7; \$660.6 UGF, \$2,073.8 Fed, \$87.3 Other	14 PFT 1 NP	Approx. 555,000 Alaskans served. 20-25 community grants and projects annually cover waters damaged by urban and industrial development areas; 3-5 regulatory projects per year statewide; and a 5-year regional survey of transboundary watersheds in Southeast.	0%	Critical	No	Yes	Yes; AS 46.03.020, AS 46.03.050, AS 46.03.070
- Cruise Ship	\$4,057.1; \$4,057.1 DGF,	5 PFT	The program monitors 46 registered passenger vessels and conducts over 1,500 inspections a year, checking for oil spills, proper disposal of hazardous materials, basic sanitation and health practices, and monitors air emissions from cruise ships and ferries. The program responds to citizen complaints and provides information on ship operations to other state agencies.	100%	Critical	No	No	Yes; AS 46.03.460



Division of Water

Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost Covered by Fees	Rating of Importance to Mission	Constitution Requirement	Federally Required	Required by Statute (include citation(s))
Facility Construction Component	\$7,341.0; \$786.3 UGF, \$141.5 DGF, \$2,869.0 Fed, \$3,544.2 Other	30 PFT 1 NP						
- Village Safe Water (VSW)	\$1,554.1; \$1,554.1 Other	11 PFT 1 NP	Approx. 180 villages are eligible for grant funding through the VSW Program, with a combined population of approx. 50,000. 35-45 planning, design, and construction grants are awarded annually.	0%	Critical	No	Yes	Yes; AS 46.07
- Municipal Matching Grants (MMG)	\$804.1; \$804.1 Other	4 PFT	34 municipalities actively utilize the MMG program, with a population of 440,940. An average of 9 grants have been awarded annually.	0%	Critical	No	No	Yes; AS 46.03.030
- Drinking Water and Clean Water Revolving Loan Funds	\$1,186; \$1,186 Other	4 PFT	34 municipalities actively utilize the loan program, with a population of 440,940. An additional 22 private utilities are eligible borrowers, with a population total of 3,367. An average of 34 loans are extended annually.	100%	Critical	No	Yes	Yes; AS 46.03.032, AS 46.03.036
- Operations Assistance	\$3,796.8; \$786.3 UGF, \$141.5 DGF, \$2,869.0 Fed	11 PFT	A total of 676 water systems and 84 wastewater systems serving 590,094 Alaskans are required to have certified operators. 1,554 Alaskans are currently certified. Remote Maintenance Workers provide assistance to 182 communities that serve a total of 53,765 Alaskans.	0%	Critical	No	Yes	Yes; AS 46.30



Questions?

