

Department of Natural Resources
FY21 Conference Committee Book - Significant Transactions
(\$ thousands)

Item	Appropriation / Allocation	Description	Governor Request	Amount Enacted	Comment
1	Administration & Support Services / Office of Project Management & Permitting	Add Funding for Federal Plans Review and Coordination	\$595.0 Gen Fund (UGF)	\$595.0 Gen Fund (UGF)	<p>This increment funds the review of federal plans, including major revisions to allow oil and gas exploration in the Arctic National Wildlife Refuge. The funding will enable the State to engage with federal agencies and comment on federal proposals.</p> <p>A portion of the increment will pay for activities that were previously funded by the Arctic Strategic Transportation and Resources capital project, which is nearly expended. The funding will be used for positions within the Office of Project Management and Permitting and for the participation of other divisions within DNR or other agencies. It also includes \$100.0 for travel.</p>
2	Administration & Support Services / Office of Project Management & Permitting	GA 37 Citizen's Advisory Commission on Federal Areas	\$178.1 Gen Fund (UGF) 1 PFT Position	n/a	The legislature denied the Governor's request to add \$178.1 and 1 PFT for the Citizens Advisory Commission on Federal Areas. This Commission had two support positions until FY17, when all funding for it was vetoed. The Governor requested reinstating an executive director position to support commission activities. This increment was not approved by the legislature.
3	Fire Suppression, Land & Water Resources / Mining, Land & Water	Land Sales Fairbanks Project Development Team	\$98.8 State Land (DGF) 1 PFT Position	\$98.8 State Land (DGF) 1 PFT Position	The legislature approved the Governor's request to add a new Natural Resource Specialist position in Fairbanks to prepare Final Finding and Decision documents for land sales. This additional position will allow for more state land to be sold to Alaskans.
4	Fire Suppression, Land & Water Resources / Mining, Land & Water	Aquatic Farm Application Processing	\$187.3 GF/Prm (DGF)	\$187.3 GF/Prm (DGF)	The aquatic farming industry in Alaska has expanded in recent years. Prior to 2017, the division received an average of two aquatic farm lease applications per year. From 2017-2019, the department received 46 applications. The department reprioritized two existing positions to support this industry, but before that a single employee processed all aquatic farm lease applications. This increment will utilize program receipts to fund the additional employees to reduce processing time.
5	Fire Suppression, Land & Water Resources / Mining, Land & Water	Ch. 31, SLA 2020 (SB 155) EXPLORATION & MINING RIGHTS; ANNUAL LABOR Fiscal Note	\$176.7 GF/Prm (DGF) 2 PFT Positions	\$176.7 GF/Prm (DGF) 2 PFT Positions	The fiscal note for Ch. 31 SLA 20 (SB 155), appropriates \$176.7 of program receipts to the Division of Mining, Land & Water to support two new Natural Resource Specialist I positions that will review exploration and mining rights claims. \$10.0 of this note is a one-time cost and the ongoing cost is \$166.7.

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6	Fire Suppression, Land & Water Resources / Fire Suppression Activity	Sec 31(d), HB205 Increase Fire Federal Authorization Estimate to Reflect 10-Year Average Costs	\$8,500.0 Fed Rcpts (Fed)	\$20,500.0 Fed Rcpts (Fed)	The legislature increased the federal funding estimate for fire suppression activity from \$8.5 million to \$20.5 million. This is an open-ended appropriation, so the change is technical in nature. The higher estimate reflects a 10-year average for this item.
7	Fire Suppression, Land & Water Resources / Fire Suppression Activity	Wildland Fire Protection Supplemental	\$110,500.0 Gen Fund (UGF)	\$110,500.0 Gen Fund (UGF)	<p>The calendar year 2019 fire season was the most expensive in Alaska's history, totaling \$224.9 million (\$142.1 million UGF, \$82.8 million federal). That cost is spread across fiscal years 19 and 20. Federal funding for fire suppression comes from an open-ended language appropriation, but the UGF comes from a variety of sources.</p> <p>Per AS 26.23.020(j), when a fire disaster is declared the Governor may expend whatever is necessary to protect life and property. If appropriated funding for fire suppression activity runs out, expenditures will continue and will be submitted as a ratification (for closed fiscal years) or a future supplemental appropriation.</p> <p>In the first half of FY20, UGF spending authorizations exceeded the budgeted amount by \$94.5 million. The legislature approved the Governor's supplemental request, which covered the \$94.5 million that had already been spent plus \$16 million for fires in the first half of calendar year 2020.</p>
8	Agriculture / Agricultural Development	Transfer Agricultural Development allocation from Agriculture appropriation to Fire, Land & Water Resources approp	n/a	n/a	In FY20, there was an appropriation for Agriculture that included two allocations: Agricultural Development and the North Latitude Plant Materials Center. The Governor's budget proposed transferring all funding and positions into a single allocation, Agricultural Development, and moving that allocation to the Fire Suppression, Mining, Land & Water Resources appropriation. The legislature rejected both structure changes and retained the FY20 budget structure.
9	Various	Fund Source Change of 25% of UGF to CBR	n/a	Net Zero \$16,432.8 CBR Fund (UGF) (\$16,432.8) Gen Fund (UGF)	The legislature funded 25% of numbers section UGF items directly from the Constitutional Budget Reserve (CBR) using fund code 1001. For the Department of Natural Resources, that resulted in \$16 million being switched from codes 1003 (GF Match) and 1004 (UGF) to code 1001. Because all three sources are counted as UGF, this change will have no impact on the agency's operations.