

**2023 Legislature - Operating Budget  
Transaction Compare - Governor Structure  
Between 24Gov and 24GovAmd**

**Numbers  
Differences  
Agencies: DEC  
Exclude Transaction Types: SalAdj**

**Agency: Department of Environmental Conservation**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Administration</b>													
<b>Administrative Services</b>													
Office Furniture Replacement	24GovAmd	IncOTI	2,597.0	0.0	0.0	900.0	1,697.0	0.0	0.0	0.0	0	0	0
<p>This request is to temporarily increase federal receipt expenditure authority to allow spending federal indirect revenue. The Department of Environmental Conservation (DEC) submits a federal indirect cost rate proposal to the Environmental Protection Agency (EPA) for approval each year that allows the Department to collect federal revenue to pay for indirect overhead costs. The office furniture in our Southcentral locations, which is largely from the mid to early-1990s, sustained significant damage in the November 2018 earthquake and has been difficult or impossible to safely repair and secure. Additionally, new positions associated with the Infrastructure Investment and Jobs Act and a move to statewide recruitment and hybrid work environment has made current office configurations challenging for employees.</p> <p>The denser floorplan, hybrid-work environment requires new cubicle furniture to achieve the smaller footprint. The Department must also bear some minor one-time costs as part of the renovation process.</p>													
1002 Fed Rcpts (Fed)			2,597.0										
Delete Interagency Receipt Authority No Longer Needed for Administrative Services Director After Transfer from OMB	24GovAmd	Dec	-203.9	-203.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<p>Eliminate uncollectible interagency receipt authority. The Administrative Services Director position was moved from the Office of Management and Budget (OMB) to the Department along with \$203.9 in interagency Authority that had been used at OMB to bill the Department. This authority is no longer necessary now that the position is back with the Department.</p>													
1007 I/A Rcpts (Other)			-203.9										
<b>* Allocation Difference *</b>			2,393.1	-203.9	0.0	900.0	1,697.0	0.0	0.0	0.0	0	0	0
<b>** Appropriation Difference **</b>			2,393.1	-203.9	0.0	900.0	1,697.0	0.0	0.0	0.0	0	0	0
<b>Spill Prevention and Response</b>													
<b>Spill Prevention and Response</b>													
Federal Infrastructure Funding for Verification and Assessment of ANCSA Contaminated Lands (FY24-FY28)	24GovAmd	IncT	1,400.0	0.0	0.0	1,400.0	0.0	0.0	0.0	0.0	0	0	0
<p>The Spill Prevention and Response division will receive a total of \$7 million in federal funds over a five-year period beginning July 1, 2023. The department will receive \$1.4 million per year for verification and assessment of ANCSA contaminated lands.</p>													
1002 Fed Rcpts (Fed)			1,400.0										
<b>* Allocation Difference *</b>			1,400.0	0.0	0.0	1,400.0	0.0	0.0	0.0	0.0	0	0	0
<b>** Appropriation Difference **</b>			1,400.0	0.0	0.0	1,400.0	0.0	0.0	0.0	0.0	0	0	0
<b>Water</b>													
<b>Water Quality, Infrastructure Support &amp; Financing</b>													
Annual America's Water Infrastructure Act	24GovAmd	Inc	213.0	6.6	0.0	2.2	0.0	0.0	204.2	0.0	0	0	0
Sewer Overflow and Stormwater Reuse Municipal Grant Program													

# **2023 Legislature - Operating Budget Transaction Compare - Governor Structure Between 24Gov and 24GovAmd**

<b>Numbers</b> <b>Differences</b> <b>Agencies: DEC</b> <b>Exclude Transaction Types: SalAdj</b>
--

**Agency: Department of Environmental Conservation**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Water (continued)</b>													
<b>Water Quality, Infrastructure Support &amp; Financing (continued)</b>													
Annual America's Water Infrastructure Act													
Sewer Overflow and Stormwater Reuse													
Municipal Grant Program (continued)													
The America's Water Infrastructure Act of 2018 was signed into law and amended section 221 of the Federal Water Pollution Control Act (also known as the Clean Water Act or CWA) to reauthorize the Sewer Overflow and Stormwater Reuse Municipal Grants Program. This program is intended to address infrastructure needs for combined sewer overflows, sanitary sewer overflows, and stormwater management. The state will make sub-awards to eligible entities for eligible projects.													
The Department of Environmental Conservation, Division of Water applied and was awarded this grant for the first time in FY2023. This amount is based on an EPA formula and the Division anticipates this approximate amount to be available annually.													
1002 Fed Rcpts (Fed)			170.4										
1004 Gen Fund (UGF)			42.6										
Retroactive America's Water Infrastructure Act	24GovAmd	IncOTI	213.0	6.6	0.0	2.2	0.0	0.0	204.2	0.0	0	0	0
Sewer Overflow and Stormwater Reuse													
Municipal Grant Program													
The America's Water Infrastructure Act of 2018 was signed into law and amended section 221 of the Federal Water Pollution Control Act (also known as the Clean Water Act or CWA) to reauthorize the Sewer Overflow and Stormwater Reuse Municipal Grants Program. This program is intended to address infrastructure needs for combined sewer overflows, sanitary sewer overflows, and stormwater management. The state will make sub-awards to eligible entities for eligible projects.													
The Department of Environmental Conservation, Division of Water applied and was awarded this grant for the first time in SFY2023. This amount is an annual allocation based on an EPA formula. The Division did not apply for the first year and was allowed to apply for the previous and current year's allocation. This request is for a one-time increment to accommodate the previous year's allocation.													
1002 Fed Rcpts (Fed)			170.4										
1004 Gen Fund (UGF)			42.6										
Federal Infrastructure Bureau of Land Management Good Neighbor Authority Program (FY24-FY28)	24GovAmd	IncT	1,050.0	335.0	50.0	647.0	10.0	8.0	0.0	0.0	0	0	0
The Infrastructure Investment and Jobs Act (IIJA) provides hundreds of millions in federal funds that will be awarded across the country. The Bureau of Land Management (BLM) was awarded \$65 million for its Gravel to Gravel Keystone initiative. This initiative works to complete projects from land management projects from one area to a neighboring area. These funds were awarded under the Good Neighbor Authority which requires BLM to work with State and Tribal partners to administer land management projects. The Department of Environmental Conservation (DEC), Division of Water and BLM currently partner on a much smaller watershed scale conducting water quality assessments. BLM has approached DEC under this initiative to increase capacity and provide funding for water quality assessments over much larger areas (Arctic, Yukon, and Kuskokwim regions).													
This additional work supports DEC missions and aligns with current goals and objectives related to increasing the amount known about Alaska's waters. This effort brings an additional \$1.05 million to DEC through federal													

**2023 Legislature - Operating Budget  
Transaction Compare - Governor Structure  
Between 24Gov and 24GovAmd**

**Numbers**  
**Differences**  
**Agencies: DEC**  
**Exclude Transaction Types: SalAdj**

**Agency: Department of Environmental Conservation**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Water (continued)</b>													
<b>Water Quality, Infrastructure Support &amp; Financing (continued)</b>													
Federal Infrastructure Bureau of Land													
Management Good Neighbor Authority Program													
(FY24-FY28) (continued)													
pass-through funding from BLM. Federal funding will be available in this grant program starting in FY2024 to													
support department operations. Funding estimates are based on anticipated appropriations over the next five													
years, as well as preliminary guidance received on how the funds will be able to be used.													
1002 Fed Rcpts (Fed) 1,050.0													
<b>* Allocation Difference *</b>			<b>1,476.0</b>	348.2	50.0	651.4	10.0	8.0	408.4	0.0	0	0	0
<b>** Appropriation Difference **</b>			<b>1,476.0</b>	348.2	50.0	651.4	10.0	8.0	408.4	0.0	0	0	0

**Assumption of 404 Program**

**Assumption of 404 Program**

Assumption of Primacy Over Section 404	24GovAmd	Inc	4,965.3	3,487.5	124.8	1,129.0	224.0	0.0	0.0	0.0	28	0	0
--	----------	-----	---------	---------	-------	---------	-------	-----	-----	-----	----	---	---

Permitting of the Discharge of Dredged or Fill  
Material into Waters and Wetlands

The Clean Water Act (CWA), enacted in 1972, is the primary federal law governing pollution control and water quality of the Nation's waterways. The Act's objective is to restore and maintain the chemical, physical, and biological integrity of the Nation's waters.

Section 404 of the CWA regulates the discharge of dredged or fill material into the waters and wetlands of the U.S. (WOTUS) and requires the U.S. Army Corps of Engineers (USACE) to issue a Section 404 permit before dredged and fill material may be discharged in WOTUS. Activities typically requiring a Section 404 permit include:

- Site improvement fill for residential, commercial, or recreational development
- Construction of revetments, groins, breakwaters, levees, dams, dikes, and weirs
- Placement of riprap and fill material for roads, airports, or buildings

While the State has not assumed the Section 404 program, the State does regulate discharges of dredged or fill materials to WOTUS within its boundaries. Whenever a federal permit is required, namely a Section 404 permit, an applicant must obtain a Section 401 water quality certification from DEC. When reviewing an application, DEC reviews the project, analyzes its potential water quality impacts, solicits public and agency comments, and coordinates with other State and federal agencies and local governments. DEC can either approve, approve with conditions, waive, or deny the Section 401 water quality certification based on compliance with the CWA, State water quality standards, and other applicable State laws. Any conditions imposed by the State through its Section 401 water quality certification automatically become conditions of the USACE's Section 404 permit.

Section 404(g)(1) of the CWA gives states the ability to assume partial authority over the Section 404 program. It states the "Governor of any State desiring to administer its own individual and general permit program for the discharge of dredged or fill material into navigable waters ... within its jurisdiction may submit to the Administrator a full and complete description of the program it proposes to establish and administer under State law...". This provision requires the USACE to retain permitting authority over certain categories of waters and allows the State to assume permitting authority over all other WOTUS (commonly known as "assumable waters").

**2023 Legislature - Operating Budget  
Transaction Compare - Governor Structure  
Between 24Gov and 24GovAmd**

<b>Numbers</b> <b>Differences</b> <b>Agencies: DEC</b> <b>Exclude Transaction Types: SalAdj</b>
--

**Agency: Department of Environmental Conservation**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Assumption of 404 Program (continued)</b>													
<b>Assumption of 404 Program (continued)</b>													
Assumption of Primacy Over Section 404													
Permitting of the Discharge of Dredged or Fill													
Material into Waters and Wetlands (continued)													
State assumption of the Section 404 program will provide a streamlined permitting procedure, greater certainty to the regulated community, conservation of resources of both the applicant and regulator, and greater control over the development of its natural resources while complying with federal law. However, the process for Section 404 program assumption is complex and costly, the process for determining how to assume the program is equally complex and costly, and the limits on the scope of waters for which a State may assume permitting responsibility may reduce the attractiveness and effectiveness of a State-run Section 404 program.													
Preparing for the State assumption of the Section 404 program will require 28 total positions in SFY 2024 and an additional four in SFY 2025 to implement the program, for a total of 32 cumulative base positions. The general duties include program development; manage a workgroup of permittees that will assist in the analysis of 404 primacy; establish agreements with the Environmental Protection Agency (EPA), Corps, and other agencies (state and federal) that include a workplan, timeline, responsibilities, and requirements for the process to obtain and implement the program; establish and manage contractor assistance to conduct a gap analysis and draft initial statutes and regulations for program implementation; develop work plan; develop program description; manage wetlands program development grant from EPA; develop a communications plan; develop the State's knowledge and capability in the 404 permit program; negotiate with the Corps on one or more statewide programmatic general permits that allow the State to implement small, targeted portions of the 404 program; and to establish a workshare agreement with the Corps for sharing staff resources.													
The Legislature appropriated \$1 million to DEC for FY23 to complete a feasibility study on the assumption of primacy of Section 404 of the Clean Water Act. That feasibility study was published in January 2023. The report conclusion was that Alaska should assume the 404 program.													
1004 Gen Fund (UGF) 4,965.3													
<b>* Allocation Difference *</b>			4,965.3	3,487.5	124.8	1,129.0	224.0	0.0	0.0	0.0	28	0	0
<b>** Appropriation Difference **</b>			4,965.3	3,487.5	124.8	1,129.0	224.0	0.0	0.0	0.0	28	0	0
<b>*** Agency Difference ***</b>			10,234.4	3,631.8	174.8	4,080.4	1,931.0	8.0	408.4	0.0	28	0	0
<b>**** All Agencies Difference ****</b>			10,234.4	3,631.8	174.8	4,080.4	1,931.0	8.0	408.4	0.0	28	0	0

## Column Definitions

**24Gov (24Gov)** - Includes FY24 Adjusted Base plus the Governor's operating budget requests for increments, decrements, fund source changes, and language transactions submitted on December 15, 2022.

**24GovAmd (24Gov plus GovAmds 2/15)** - FY24 Governor's budget plus amendments received on the statutory deadline of 2/15.

## Transaction Type Definitions

<b>FndChg</b>	Funding Change
<b>Gov</b>	Governor
<b>GovAmd</b>	Governor Amended
<b>GovAmd+</b>	Governor Amended Plus
<b>HseAdd</b>	Added by House
<b>HseAmnd</b>	Amended by House
<b>LegAdd</b>	Added by Legislature
<b>LegAmnd</b>	Amended by Legislature
<b>Reapprop</b>	Reappropriation
<b>RPL</b>	RPL
<b>Scope</b>	Scope Change
<b>SenAdd</b>	Added by Senate
<b>SenAmnd</b>	Amended by Senate
<b>Suppl</b>	Supplemental
<b>Veto</b>	Veto