

2023 Legislature - Operating Budget
Transaction Compare - Governor Structure
Between AdjBase+ 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
Administration													
Administrative Services													
Administration Proportionality True Up	24GovAmd	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
The Division of Administrative Services costs are distributed proportionate to how the rest of the Department spends personal services. Additional federal receipts and clean air protection fund receipts authority is needed for the Division to realize available revenue from these sources.													
1002 Fed Rcpts (Fed)			258.2										
1003 GF/Match (UGF)			-58.2										
1007 I/A Rcpts (Other)			-235.0										
1093 Clean Air (Other)			35.0										
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
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.													
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.													
1002 Fed Rcpts (Fed)			2,597.0										
Delete Interagency Receipt Authority No Longer Needed for Administrative Services Director	24GovAmd	Dec	-203.9	-203.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
After Transfer from OMB													
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.													
1007 I/A Rcpts (Other)			-203.9										
* Allocation Difference *			2,393.1	-203.9	0.0	900.0	1,697.0	0.0	0.0	0.0	0	0	0
State Support Services													
Administration Proportionality True Up	24GovAmd	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
The Division of Administrative Services costs are distributed proportionate to how the rest of the Department spends personal services. Additional federal receipts authority is needed for the division to realize available revenue from these sources.													
1002 Fed Rcpts (Fed)			54.1										
1003 GF/Match (UGF)			-14.1										
1205 Ocn Ranger (Other)			-40.0										
* Allocation Difference *			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			2,393.1	-203.9	0.0	900.0	1,697.0	0.0	0.0	0.0	0	0	0

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Environmental Health													
Environmental Health													
Recurring Reimbursable Services Agreements	24GovAmd	Inc	147.4	0.0	0.0	147.4	0.0	0.0	0.0	0.0	0	0	0
Increase interagency receipts authority for several recurring Reimbursable Services Agreements (RSA) in the Division of Environmental Health that are currently paid with unbudgeted interagency receipt authority.													
1007 I/A Rcpts (Other)			147.4										
Expanded Permitting and Testing in Drinking Water and Environmental Health Lab	24GovAmd	Inc	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0	0	0
Due to the increase in federally funded infrastructure, research, and economic development projects throughout the state, the Division of Environmental Health (EH) anticipates a significant increase in workload and associated permitting and testing fees to support multiple regulatory programs, including the Drinking Water Program and Environmental Health Laboratory. Additional general fund program receipt authority is needed to accommodate the temporary increase in fee collection. There is a corresponding supplemental request for FY2023.													
1005 GF/Prgm (DGF)			250.0										
Delete Uncollectable Authority	24GovAmd	Dec	-1.3	0.0	0.0	-1.3	0.0	0.0	0.0	0.0	0	0	0
Eliminate uncollectable budgetary authority.													
1108 Stat Desig (Other)			-0.2										
1205 Ocn Ranger (Other)			-1.1										
* Allocation Difference *			396.1	0.0	0.0	396.1	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			396.1	0.0	0.0	396.1	0.0	0.0	0.0	0.0	0	0	0

Air Quality

Air Quality

Federally Required Air Quality State Improvement Plan Development and Regulatory Required Monitoring	24GovAmd	Inc	1,207.8	849.3	16.0	292.5	50.0	0.0	0.0	0.0	8	0	0
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In 2014, the Fairbanks North Star Borough (FNSB) recorded wintertime fine particulate pollution at nearly four times the health-based standard. Significant progress has been made to cut pollution levels in half with wintertime air pollution in the FNSB now only at twice the health-based standard. Despite this progress, federal requirements threaten to derail the community-based plan to achieve clean air. Additional resources are required to develop State Implementation Plans (SIPs) which will hold the federal government at bay and allow the community-based plan time to work. To effectively defend our SIPs, additional resources will be necessary to support how air pollution monitored inside the non-attainment or planning area is impacted by transport from outside or international sources; this requires additional resources in modelling, analysis, and legal defense to make certain weight of evidence arguments.

The Department of Environmental Conservation (DEC) anticipates three concurrent SIPs due by 2026. Current resources including State employees and contractual support are sufficient only for the development of a single SIP, and this increased workload requires a corresponding increase in State capacity. The current contractor working on SIP efforts has been assisting the State and local air programs for over 30 years and brings an invaluable amount of institutional knowledge to the table. Meanwhile, DEC's two primary SIP authors with a combined 64 years of experience both retired in July 2022, increasing the importance of this support. While contracting support will continue, other employees with extensive institutional knowledge will be retiring, creating an additional gap that will need to be filled. The SIP development timeline is approximately two years due to data

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Air Quality (continued)													
Air Quality (continued)													
Federally Required Air Quality State Improvement Plan Development and Regulatory Required Monitoring (continued)													
collection, data analysis, modeling requirements, public outreach, and public comment periods. Additional capacity is needed in FY2024 to reasonably expect to meet federal deadlines.													
The Municipality of Anchorage (MOA) (Jan 2017) and the FNSB (July 2016) ceased operation and funding of local air quality monitoring programs. DEC was required by federal rules to take over responsibility for these six federally required regulatory monitoring sites, which more than doubled the monitoring workload without adding new positions to the program. In January 2017 a federally mandated increase in sampling frequency for the Fairbanks monitors increased the workload almost four-fold, and DEC established a new monitoring site in Fairbanks in 2019. Current staff levels are not sufficient to maintain the federally required monitoring network.													
Failure to submit SIPs to the Environmental Protection Agency or an inadequate SIP will ultimately result in sanctions, which includes the loss of federal highway funds and a 2-to-1 permitting offset, both in the non-attainment area. After sanctions are imposed, the EPA will develop a Federal Implementation Plan (FIP) for the non-attainment area potentially eliminating wood burning, mandating Ultra Low Sulfur Diesel (ULSD) for home heating, and imposing multi-million-dollar controls on the coal and oil-fired utilities within the non-attainment area. The Division expects to incur roughly \$250.0 in legal costs associated with defending the State's SIPs. Failure to maintain a federally required monitoring program could result in loss of primacy of air programs giving EPA air quality permitting authority within the state.													
The following positions are required to build the capacity necessary to complete the monitoring and SIP work:													
-Full time Environmental Program Technician, (18-#155), range 13, located in Fairbanks													
-Full time Environmental Program Technician, (18-#156), range 13, located in Fairbanks													
-Full time Environmental Program Technician, (18-#157), range 13, located in Fairbanks													
-Full time Environmental Program Specialist 3, (18-#158), range 18, located in Fairbanks													
-Full time Environmental Program Specialist 3, (18-#159), range 18, located in Fairbanks													
-Full time Engineering Associate 2 DEC, (18-#160), range 23, located in Juneau													
-Full time Engineering Associate 1 DEC, (18-#161), range 21, located in Juneau													
-Full time Environmental Program Specialist 3, (18-#162), range 18, located in Juneau													
1004 Gen Fund (UGF)			1,207.8										
Air Monitoring and Quality Assurance Program	24GovAmd	Inc	356.9	216.1	21.9	67.7	27.2	24.0	0.0	0.0	2	0	0
Rural Community Monitoring Network													
The Department of Environmental Conservation Air Quality Program (DEC AQ) is responsible for statewide ambient air quality monitoring to ensure that air meets national public health and welfare standards as part of the State's Primacy in Air Quality under the Clean Air Act of 1970. Primacy allows the State to issue permits needed for resource industries and communities. Under the Clean Air Act, as delegated by EPA, the State is required to regulate emission of pollutants that "endanger public health and welfare."													
In response to public pressure and to better document international transport of air pollution for which the State is not responsible, DEC AQ has started to expand a community monitoring network using low-cost sensor													

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Air Quality (continued)													
Air Quality (continued)													
Air Monitoring and Quality Assurance Program													
Rural Community Monitoring Network													
(continued)													
<p>technology. This is part of the long-term strategy of collecting air quality data in rural communities that have been underrepresented to date. Wildland fire smoke related air quality impacts are expected to increase, and the public relies on real time data from DEC AQ regarding health impacts. This additional resource would allow for better responsiveness into monitoring and mitigating potential harmful impacts from wildfire smoke. While the new technology requires much less staff time for set-up and maintenance, expanding the non-regulatory monitoring network by 30 stations significantly increased the data. Specifically, the increase was 1000-fold, or three orders of magnitude. As a State, regulatory monitoring in all communities is not economically feasible. However, there is high demand for providing rural communities with real-time data. This request is a cost-effective solution to proactively provide a service in rural Alaska where there is growing demand.</p> <p>The following positions are required to enable DEC AQ to expand and maintain services to local communities and the public:</p> <p>-Full time Environmental Program Specialist 3, (18-#153), range 18, located in Anchorage</p> <p>-Full time Environmental Program Specialist 3, (18-#154), range 18, located in Anchorage</p> <p>1004 Gen Fund (UGF) 356.9</p>													
* Allocation Difference *			1,564.7	1,065.4	37.9	360.2	77.2	24.0	0.0	0.0	10	0	0
** Appropriation Difference **			1,564.7	1,065.4	37.9	360.2	77.2	24.0	0.0	0.0	10	0	0
Spill Prevention and Response													
Spill Prevention and Response													
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
<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> <p>1002 Fed Rcpts (Fed) 1,400.0</p>													
* Allocation Difference *			1,400.0	0.0	0.0	1,400.0	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			1,400.0	0.0	0.0	1,400.0	0.0	0.0	0.0	0.0	0	0	0
Water													
Water Quality, Infrastructure Support & Financing													
Maintain Clean Water and Drinking Water Administrative Funds		24GovAmd	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<p>Activities under the Alaska Clean Water and Drinking Water Administrative Fund programs are eligible under either fund source. It is the division's intention to spend each of the funds proportionately.</p> <p>1230 CleanAdmin (Other) -202.6</p>													

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Water (continued)													
Water Quality, Infrastructure Support & Financing (continued)													
Maintain Clean Water and Drinking Water													
Administrative Funds (continued)													
1231 DrinkAdmin (Other)	202.6												
Align Authority for Federal Match Requirements	24GovAmd	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
The Division has five federal grant programs that require a State match. A fund source change from General Fund to General Fund Match will align the required match to a more appropriate fund source.													
1003 GF/Match (UGF)	1,015.8												
1004 Gen Fund (UGF)	-1,015.8												
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													
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													

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Water (continued)													
Water Quality, Infrastructure Support & Financing (continued)													
Federal Infrastructure Bureau of Land Management Good Neighbor Authority Program (FY24-FY28) (continued)													
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 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										
* Allocation Difference *			1,476.0	348.2	50.0	651.4	10.0	8.0	408.4	0.0	0	0	0
** Appropriation Difference **			1,476.0	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.

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Assumption of 404 Program (continued)													
Assumption of 404 Program (continued)													
Assumption of Primacy Over Section 404													
Permitting of the Discharge of Dredged or Fill													
Material into Waters and Wetlands (continued)													
<p>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").</p> <p>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.</p> <p>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.</p> <p>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.</p>													
1004 Gen Fund (UGF)			4,965.3										
* Allocation Difference *			4,965.3	3,487.5	124.8	1,129.0	224.0	0.0	0.0	0.0	28	0	0
** Appropriation Difference **			4,965.3	3,487.5	124.8	1,129.0	224.0	0.0	0.0	0.0	28	0	0
*** Agency Difference ***			12,195.2	4,697.2	212.7	4,836.7	2,008.2	32.0	408.4	0.0	38	0	0
**** All Agencies Difference ****			12,195.2	4,697.2	212.7	4,836.7	2,008.2	32.0	408.4	0.0	38	0	0

Column Definitions

AdjBase+ (**AdjBase plus 2/15 SalAdjs**) - AdjBase plus Salary Adjustments received with the Governor's 2/15 amended budget request.

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

Transaction Type Definitions

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