

**Highlights of Significant Budget Changes
(FY05 to FY18)**

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1	DEPARTMENT OF ENVIRONMENTAL CONSERVATION									
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5	FY15	Agency Unallocated Reduction	Agency Unallocated Reduction	Legislative Deletion	Departmentwide UGF Unallocated Travel Reduction	(72.9)			(72.9)	The legislature removed a total of \$2,634.1 of UGF as an "unallocated travel reduction" from various agencies' travel expenditure level. The Department of Environmental Conservation's share of this UGF reduction is \$72.9, or 2.8%.
6	FY15-17	Administration	Office of the Commissioner	Fiscal Note, Legislative Deletion	HB 140--Regulations: Notice, Review, Comment	155.7			155.7	HB 140 (Chapter 87, SLA2014) requires the development of estimated annual cost to implement the proposed regulation as well as for private person, state agencies, and municipalities to comply with the proposed regulations. The department added \$95.2 for a 1 new PFT Economist III position plus \$155.7 in Services. In FY17, the legislature removed this position and the associated funding, but retained the Services funding.
7	FY16	Administration	Office of the Commissioner	Governor's Request	Office of the Commissioner reductions to realize efficiencies from reorganization of administrative functions	(43.1)	(71.0)		(114.1)	Eliminated one position with minimal impact on delivery of services. Reduced funding by \$43.1 UGF and \$71.0 I/A Receipts.
8	FY17	Administration	Office of the Commissioner	Legislative Deletion	Delete Manager for Rural and Tribal Environmental Issues PCNs: Removes 1 PFT position	(145.1)			(145.1)	The legislature eliminated one position and \$145.1 UGF. The position was paid for with unbudgeted interagency receipts, so the reduction will be absorbed by the department.
9	FY14	Administration	Administrative Services	Governor's Request	Increased Indirect Revenues Related to Federal Grants			400.0	400.0	Federal Receipt authority which will allow the department to pay for managing increased federal awards and for human resource positions recently transferred in from the Department of Administration.
10	FY15	Administration	Administrative Services	Governor's Request	Replace Declining Federal Receipts with Administrative Fees to Manage Loans Made from the Clean/Drinking Water Funds		96.0	(96.0)	0.0	The legislature approved the Governor's request to replace declining Federal Receipts with the funds from Clean Water Fund and Drinking Water Fund administrative fees that have been collected to cover costs associated with managing the loans. This fund change allows for maintaining the existing program.
11	FY18	Administration	Administrative Services	Governor's Request	Eliminate Accounting Tech	(94.4)			(94.4)	The position, along with associated funding, was eliminated due to efficiencies gained from the implementation of IRIS, the state's new accounting system.

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12	FY18	Administration	State Support Services	Governor's Request	Recognized Savings from Lease Consolidation	(185.5)			(185.5)	The department consolidated Anchorage office space.
13	FY06	Environmental Health	Food Safety & Sanitation	Governor's Request	Seafood Monitoring and Inspection PCNs: Adds 2 PFT positions	255.8			255.8	Receipt Supported Services (DGF) to increase monitoring, inspection, and laboratory testing fees, especially in regard to paralytic shellfish poisoning (PSP).
14	FY11	Environmental Health	Food Safety & Sanitation	Governor's Request	Funds to support Permit and Inspection of New Shellfish Farms and to Focus on Retail Food Establishment Safety Inspections PCNs: Adds 2 PFT positions	200.8			200.8	
15	FY13	Environmental Health	Food Safety & Sanitation	Governor's Request	Travel for Food Safety Inspections at High-Risk Facilities or to Meet Federally-Mandated Inspection Requirements	124.6			124.6	Travel \$114.6/ Commodities - \$10.0
16	FY16-17	Environmental Health	Food Safety & Sanitation	Governor's Request, Legislative Deletion	Reduction of Inspections of Retail Food Facilities, Public Accommodations, and Non-Food Facilities PCNs: Removes 8 PFT positions	(1,137.4)			(1,137.4)	FY16: The Governor's budget eliminated eight positions and \$869.3 UGF. This will reduce inspections and focus remaining inspections on high-risk areas only. FY17: The legislature reduced funding by an additional \$268.1. This resulted in the closure of the Kodiak field office and the loss of one PFT position.
17	FY11	Environmental Health	Laboratory Services	Governor's Request	Essential Public Health Equipment Maintenance and Service Contract Shortfalls	260.0			260.0	Increased contract costs for equipment calibration to provide accurate results and maintain federal certification and licensing.
18	FY12-FY13	Environmental Health	Laboratory Services	Governor's Request/ Adjusted by the Legislature	Add Microbiologist and Related Costs to Support Shellfish Testing (including Dungeness crab) PCNs: Adds 1 PFT position	84.0			84.0	IncOTI in FY12 (\$80.0)/ Governor requested IncM in FY13 (\$84.0 GF/Program Receipts). The Legislature changed the funding source to UGF and added it to the base budget.
19	FY12-FY15	Environmental Health	Laboratory Services	Multiyear	Recreational Shellfish Beach Monitoring Pilot Program	400.0			400.0	Ch. 5, FSSLA11, Sec. 27(b) (SB 46) created a pilot program to monitor recreational shellfish beaches for PSP. This funding ended in FY15.
20	FY13	Environmental Health	Laboratory Services	Governor's Request	Expansion of Paralytic Shellfish Poison Testing	190.0			190.0	Increased demand from geoduck farms, wild harvest areas, and commercial Dungeness whole-crab sellers.

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21	FY06-17	Environmental Health	Laboratory Services	Governor's Request/ Legislative Deletion	Fish Tissue Testing Program PCNs: Adds 1 PFT Position	0.0	307.0		307.0	FY06: \$400.0 of federal grant money and 1 PFT PCN for the Fish Tissue Testing program and for biomonitoring studies to determine the prevalence of toxins and other contaminants that pass from Alaskan fish to humans that consume them. FY13: \$557.0 UGF was added in FY13 to replace federal funding for this testing. FY16: The legislature reduced this item by \$250.0 UGF. FY17: Fund source for the remaining \$307.0 was changed to the Ocean Ranger Fund (Other).
22	FY16	Environmental Health	Laboratory Services	Governor's Request	Delete Two Microbiologist Positions in Laboratory Services PCNs: Removes 2 PFT positions	(170.0)			(170.0)	The Laboratory Services component will be reduced \$170.0 in general funds, and eliminate two Microbiologist I/II positions. This may increase response time but should not create a backlog of tests.
23	FY17	Environmental Health	Laboratory Services	Governor's Request	Reduce UGF by \$100.0 to be replaced with increased fees	(100.0)			(100.0)	Reduce Laboratory Services by \$100.0, as ongoing fee studies will bring in additional revenue. The allocation has sufficient GF/PR authority to accommodate the increase.
24	FY18	Environmental Health	Laboratory Services	Governor's Request	Net zero fund change of \$333.7 from UGF to Vessel Compliance Fund (Other) for commercial shellfish testing	(333.7)	333.7		0.0	The Governor's FY18 budget requested that the full cost of commercial shellfish testing be switched from UGF to the Vessel Compliance Fund. The Legislative Finance Division has concerns that this usage of the fund is in conflict with federal rules, but the legislature approved the change.
25	FY07-FY09	Environmental Health	Drinking Water	Governor's Request	Obtain and Implement Primacy for New Public Drinking Water System Federal Rules PCNs: Adds 14 PFT positions over 3-yr period (5 each in FY07 & FY08 plus 4 in FY09)	847.2		847.2	1,694.4	Additional staff to obtain and maintain full primacy-keeping pace with new federal drinking water requirements by adopting and implementing new federal rules in a timely manner. Provides that Alaska's public water systems will be regulated by the state Drinking Water Program and not by the EPA.
26	FY11	Environmental Health	Drinking Water	Governor's Request	Environmental Protection Agency Drinking Water Rule Implementation	300.0		300.0	600.0	For adoption and implementation of required EPA rules.

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27	FY14	Environmental Health	Drinking Water	Governor's Request/ Adjusted by the Legislature	Additional Environmental Protection Agency Drinking Water Rule Implementation	175.0			175.0	The Legislature approved half of the Governor's UGF request for increased staff time and support related to the adoption and implementation of two new drinking water rules required under the Safe Drinking Water Act.
28	FY16	Environmental Health	Drinking Water	Governor's Request	Drinking Water Reductions due to Efficiencies from Reorganization PCNs: Removes 4 PFT positions	(507.3)			(507.3)	The Drinking Water component will be reduced \$507.3 in general funds and eliminate four positions. This will reduce capacity to provide technical assistance and slow response times.
29	FY16	Environmental Health	Solid Waste Management	Governor's Request	Solid Waste Management Reductions due to Efficiencies from Reorganization of Administrative Functions PCNs: Removes 1 PFT position	(85.6)			(85.6)	The Solid Waste Management component will be reduced by \$85.6, and eliminate one Environmental Program Specialist I/II/III with minimal impact to services.
30	FY06	Environmental Health	Air Quality	Governor's Request	Switch Fund for Clean Air Act/ Title I Activities (construction permits) to Receipt Supported Services (AS 37.05.146(c)(17))	1,137.0	(1,137.0)		0.0	This transaction separates funding for Clean Air Act, Title I activities (construction permits) from Title V Activities (operating permits and compliance). Technically, this dramatically increases the GF in Air Quality between FY05 and FY06.
31	FY08	Environmental Health	Air Quality	Governor's Request	Implementation of Air Permit Reform, Fee Adjustments	90.9	978.1		1,069.0	Air permit reform, begun in 2003 under HB 160, will conclude with implementation of fee regulations in January 2007. Transaction captures additional receipts from the new fee structure to provide enhanced program services.
32	FY14	Environmental Health	Air Quality	Fiscal Note	Alaska Gasline Development Corp; RCA (Regulatory Commission of Alaska)		54.6		54.6	Permitting a gas pipeline under Ch. 11, SLA13 (HB 4) will require pre-application assistance, data reviews, modeling, engineering plan review and approval for air quality permits in conjunction with development of the pipeline.

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33	FY15	Air Quality	Air Quality	Structure Change	The Governor's budget added an appropriation for Air Quality to the FY15 budget. Two allocations--Air Quality Director and Air Quality are contained within this appropriation.					In previous budget submissions, these two allocations were part of the Environmental Health appropriation; however, the departmental organization had reflected Air Quality as a separate division within the department. This structural change is intended to bring budgetary and organizational clarity and bring all structures into sync.
34	FY15	Air Quality	Air Quality	Governor's Request/ Adjusted by the Legislature	Alaska Gasline Development Corporation Ch. 11 SLA 2013 (HB4) <i>Fiscal Note</i> additions		106.0		106.0	2nd year funding to meet the directives outlined in HB4 (FY2013) which mandated the Alaska Gasline Development Corporation (AGDC) move forward with building a small-diameter, in-state gas pipeline. Of this amount, \$78.3 is a one-time item to reflect the need for additional term contractors to work on construction and permit applications in FY15. The fund source is the Instate Natural Gas Pipeline Fund I/A (Other).
35	FY16	Air Quality	Air Quality	Governor's Request	Expand Air Permitting Program to Meet Growing Oil & Gas Industry Needs PCNs: Adds 1 PFT position	123.0			123.0	Added a position funded entirely by GF/Program Receipts to eliminate a bottleneck in the air quality permitting process.
36	FY18	Air Quality	Air Quality	Governor's Request	Reduce UGF for non-reimbursable services	(160.5)			(160.5)	Reorganization allowed for more services to be charged to fund source other than UGF. This resulted in some loss of flexibility in the use of funds.
37	FY13-15	Spill Prevention and Response	Contaminated Sites Program	Governor's Request	Cleanup of Contaminated Sites			1,509.5	1,509.5	In FY13 and FY15, the Department received federal funding to support additional cleanup work to reduce historical contamination, help to close exposure pathways, and restore sites for reuse. FY13: \$550.0 FY15: \$959.5

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38	FY08-17	Spill Prevention and Response	Industry Preparedness and Pipeline Operations	Governor's Request	Additional Resources for Compliance Oversight and North Slope Flow Line Integrity PCNS: Adds 2 PFT positions	398.3			398.3	\$606.5 of UGF funding and four PFT positions to provide regulatory oversight of oil and gas exploration, production, refining, transportation, and storage within Alaska, including protective standards for the construction and operation of certain oil pipelines. In FY16, the program was reduced by \$208.2 and 2 PFT positions to absorb an unallocated reduction. In FY17, the fund source was changed from UGF to the Oil and Hazardous Substance Release Fund.
39	FY16	Spill Prevention and Response	Spill Prevention and Response	Governor's Request/ Legislative Deletion	Structure change to combine allocations. Combine SPAR programs to eliminate \$520.0 Oil/Haz Fund. PCNS: Removes 4 PFT positions	(620.0)			(620.0)	The previous five allocations in SPAR were combined into a single allocation, and all existing programs were merged into a single program. This eliminated 4 positions and \$520.0 from the Oil and Hazardous Release Prevention Fund. The legislature additionally removed \$100.0 from the same fund source.
40	FY06-FY07	Water	Water Quality	Fiscal Note	Ch. 95, SLA 2005 (SB 110) Pollution Discharge & Waste Treatment/Disposal (1st and 2nd yr implementation) PCNs: Adds 13 PFT positions	1,547.9			1,547.9	Funding and positions to implement the NPDES (National Pollutant Discharge Elimination System) Wastewater Discharge Permitting Program.
41	FY08-FY09	Water	Water Quality	Governor's Request	Implementation of Ocean Ranger Program	0.0	4,000.0		4,000.0	Implementation of the Cruise Ship Ballot Initiative that passed in August, 2006. Required implementation of an Ocean Ranger Program - marine engineers licensed by the U.S. Coast Guard to serve as independent observers on board large cruise ships to monitor compliance with state and federal requirements for marine discharge and pollution. (FY12: <i>Decrement of (\$620.1)</i> taken to more accurately reflect funding levels.) Funded with Ocean Ranger Fees (Other).
42	FY13	Water	Water Quality	Governor's Request	Alaska Pollutant Discharge Elimination System (APDES) Primacy	372.1			372.1	DEC is assuming the responsibility for all oil and gas wastewater discharge permitting from the EPA.

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43	FY14	Water	Water Quality	Governor's Request/ Adjusted by the Legislature	Permitting for Oil and Gas Development PCNs: Adds 1 PFT position	278.5			278.5	\$271.5 UGF plus \$7.0 GF/Prgm in support of new responsibilities for the final and most complex phase of oil and gas wastewater discharge permitting from the EPA, including oil and gas, cooling water intake structures, munitions, and other previously unregulated discharges (e.g. pesticides). With this transfer of authority for the Alaska Pollutant Discharge Elimination System (APDES) program, the state will have assumed full responsibility for all permitting activities under this program.
44	FY14	Water	Water Quality	Fiscal Note	Alaska Gasline Development Corp; RCA (Regulatory Commission of Alaska) PCNs: Adds 2 PFT positions		221.2		221.2	Ch. 11, SLA13 (HB 4) requires approval for wastewater treatment systems constructed in conjunction with the development of the pipeline. The Division of Water will add two full-time positions and will start project planning in 2014 (all paid for with Gas Pipeline Funds). Reduced by \$15.0 in FY15. The fund source is the Instate Natural Gas Pipeline Fund I/A (Other).
45	FY14	Water	Water Quality	Fiscal Note	Regulation of Dredge and Fill Activities PCNs: Adds 5 PFT positions	1,434.7			1,434.7	Ch. 12, SLA 13 (SB 27) provides the authority for the state to evaluate and seek primacy for administering the regulatory program for dredge and fill activities as is allowed under federal law. The department received \$1,434.7 to implement this. \$548.8 of this fiscal note was used for reimbursable services agreements with the Departments of Natural Resources (\$361.8) and Law (\$187.0) in support of their responsibilities to this program.

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46	FY15- FY16	Water	Water Quality	Legislative Deletion	Remove All Funding and Positions Associated with the Regulation of Dredge and Fill Activities PCNs: Deletes 6 PFT positions	(1,538.1)			(1,538.1)	In FY15, the legislature removed continuation funding (\$1,434.7 UGF) that originally had been added to the DEC base budget by the fiscal note attached to Chapter 12, SLA13 (SB 27). Five permanent, full-time positions were also deleted. In FY16, the legislature approved the governor's request to delete an additional position and remove \$103.4 UGF. The position was focused on identifying efficiencies in the existing federal program.
47	FY16- 17	Water	Water Quality	Governor's Request	Reduction due to reorganization and dissolution of the technical services program. PCNs: Removes 9 PFT positions	(1,157.3)			(1,157.3)	In FY16 and FY17, the legislature approved reductions in the Governor's budget to the Water Quality component. FY16: \$95.0 UGF and 1 PFT position were eliminated through reorganization. FY17: \$1,062.3 and 8 PFT positions were deleted through further reorganization, including the dissolution of the technical services program.
48	FY17- 18	Water	Water Quality	Governor's Request	Fund changes totaling \$1,200.0 from UGF to GF/Program Receipts from increased fees	0.0			0.0	Net zero change of \$1,200.0 UGF to \$1,200.0 GF/PR (DGF) in FY17 and FY18 (\$400.0 in FY17, \$800.0 in FY18).
49	FY18	Water	Water Quality	Governor's Request	Reduce Travel and Constructual Costs for APDES Permitting and Compliance	(58.8)			(58.8)	The department reduced travel and services for the APDES permitting and compliance program. This will result in reduced inspections outside Alaska's population centers.
50	FY15- FY16	Water	Facility Construction	Governor's Request	Replace Declining Federal Receipts with Administrative Fees to Manage Loans Made from the Clean/Drinking Water Funds	101.1	1,500.0	(1,601.1)	0.0	In FY15, the legislature approved the Governor's request to replace \$800.0 declining Federal Receipts with the funds from Clean Water Fund and Drinking Water Fund administrative fees that have been collected to cover costs associated with facility construction. This fund change allows for maintaining the existing program. In FY16, an additional \$700.0 was transferred to the Clean Water Fund.

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51	FY16- FY17	Water	Facility Construction	Governor's Request	Utilize Other Fund Sources for Operator Assistance Program	(253.0)	0.0	0.0	(253.0)	<p>A total of \$354.1 of UGF for the Operator Assistance Program has been replaced by other fund sources in FY16 and FY17.</p> <p>FY16: \$101.1 UGF was replaced with GF/PR from revised fees.</p> <p>FY17: \$253.0 UGF was eliminated and replaced with additional fees and newly available federal money. Existing authorization will be utilized for those fund sources.</p>