

**2017 Legislature - Operating Budget
Transaction Compare - Governor Structure
Between 18Adj Base and 18Gov**

Numbers and Language Differences Agencies: DEC

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													
Savings from Shared Services of Alaska Implementation	18Gov	Dec	-17.2	-17.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<i>The Department of Environmental Conservation is transferring an initial wave of positions to the Shared Services of Alaska organization for accounts payable and travel activities.</i>													
<i>It is anticipated that an initial ten percent savings in personal services costs can be realized in FY2018 for these activities, with increased savings in future fiscal years as the organization matures.</i>													
<i>The remaining personal services authority will be used to fund a reimbursable services agreement with Shared Services of Alaska for the cost of services provided.</i>													
<i>The Shared Services organizational structure provides back-office support for common administrative functions, allowing the agency to focus more closely on core mission responsibilities.</i>													
<i>The Shared Services organization model will increase the quality and speed of service delivery, and increase client satisfaction while decreasing the overall cost to the department for performing these functions. This is achieved through a business structure focused on continuous process improvement that includes standardizing business processes and improving transaction cycle-times.</i>													
1002 Fed Rcpts (Fed)			-2.3										
1003 G/F Match (UGF)			-0.3										
1004 Gen Fund (UGF)			-1.2										
1007 I/A Rcpts (Other)			-9.1										
1052 Oil/Haz Fd (DGF)			-2.9										
1093 Clean Air (Other)			-0.8										
1166 Vessel Com (DGF)			-0.2										
1205 Ocn Ranger (DGF)			-0.1										
1230 CleanAdmin (Other)			-0.2										
1231 DrinkAdmin (Other)			-0.1										
Eliminate Accounting Tech (18-7385)	18Gov	Dec	-94.4	-81.0	0.0	-13.4	0.0	0.0	0.0	0.0	-1	0	0
<i>Starting in FY2018, the Department will recognize efficiencies gained from the new integrated state accounting system, IRIS. As a result, the Department will eliminate an accounting technician and redistribute the workload within the accounts payable group. Conversely, the burden of implementing the IRIS Human Resources Module may have an adverse impact on the Division of Administration's ability to process transactions, clear revenue, and make payments to vendors in a timely manner.</i>													
1004 Gen Fund (UGF)			-94.4										
Increase Statutory Designated Program Receipts to More Accurately Reflect Spending Plan	18Gov	Inc	30.0	0.0	0.0	30.0	0.0	0.0	0.0	0.0	0	0	0
<i>The reallocation of statutory designated program receipt authority from the Division of Air Quality to the Division of Administration will bring the Department's budget closer in line with actual spending. This is a technical adjustment and has no impact on services to the public.</i>													
1108 Stat Desig (Other)			30.0										
Increase Interagency Receipts to More Accurately Reflect Spending Plan	18Gov	Inc	400.0	376.0	0.0	24.0	0.0	0.0	0.0	0.0	0	0	0

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Administration (continued)													
Administrative Services (continued)													
Increase Interagency Receipts to More Accurately Reflect Spending Plan (continued)													
<i>The reallocation of interagency receipt authority from the Division of Spill Prevention and Response to the Division of Administration will bring the Department's budget closer in line with actual spending and reduce the need for unbudgeted reimbursable service agreements (RSAs) in the Administrative Services component. This is a technical adjustment and has no impact on services to the public.</i>													
	1007 I/A Rcpts (Other)		400.0										
	* Allocation Difference *		318.4	277.8	0.0	40.6	0.0	0.0	0.0	0.0	-1	0	0
State Support Services													
	Recognized Savings from Lease Consolidation	18Gov Dec	-185.5	0.0	0.0	-185.5	0.0	0.0	0.0	0.0	0	0	0
<i>In FY2016 the Department of Environmental Conservation consolidated office space in Anchorage into one building reducing overall lease costs to the Department. This has no impact on services to the public.</i>													
	1004 Gen Fund (UGF)		-185.5										
	* Allocation Difference *		-185.5	0.0	0.0	-185.5	0.0	0.0	0.0	0.0	0	0	0
	** Appropriation Difference **		132.9	277.8	0.0	-144.9	0.0	0.0	0.0	0.0	-1	0	0
Environmental Health													
Laboratory Services													
	Reduce Uncollectible Statutory Designated Program Receipts	18Gov Dec	-50.0	0.0	0.0	0.0	-50.0	0.0	0.0	0.0	0	0	0
<i>A reduction of uncollectible receipt authority will bring the Department's budget closer in line with actual spending. This is a technical adjustment and has no impact on services to the public.</i>													
	1108 Stat Desig (Other)		-50.0										
	Maintain the Shellfish Biotoxin and Growing Water Testing Program	18Gov FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<i>To participate in interstate and international commercial shellfish markets, Alaska is required to have a shellfish program that is approved by the FDA National Shellfish Sanitation Program (NSSP), a cooperative program recognized by the FDA and the Interstate Shellfish Sanitation Conference (ISSC), for the sanitary control of shellfish sold for human consumption. The EHL is the only laboratory in Alaska that currently holds NSSP conformance by FDA for performing the required growing water and marine toxin testing on commercial shellfish samples.</i>													
<i>If the State does not maintain approval by NSSP, shellfish harvested in Alaskan waters cannot be sold in a commercial market outside of Alaska. Most shellfish harvested in Alaska is sold on international markets so the State's shellfish program is as much a commerce issue as it is a public health issue.</i>													
<i>The legislature began appropriating Commercial Passenger Vessel Environmental Compliance (CPVEC) fees to the EHL in FY2009 to subsidize analytical testing costs for a commercial industry, thereby ensuring Alaskan shellfish sold on the commercial market is safe for consumption. Additional UGF increments have been made since that time to support and maintain the State's commercial shellfish program.</i>													
<i>The EHL's commercial shellfish testing activity is currently funded with \$333.7 unrestricted general funds and \$103.4 CPVEC. While commercial shellfish growers do pay for sample collection and the cost of shipping samples</i>													

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Environmental Health (continued)													
Laboratory Services (continued)													
Maintain the Shellfish Biotoxin and Growing Water Testing Program (continued)													
<i>for testing, all analytical testing performed to support the commercial shellfish industry is subsidized (EHL leverages staff, facilities, and equipment by performing non-commercial sample testing for a fee, representing approximately \$20.0 in annual GFPR revenue). The Department requests to shift the general fund portion of this industry subsidy onto CPVEC.</i>													
			1004 Gen Fund (UGF)	-333.7									
			1166 Vessel Com (DGF)	333.7									
			* Allocation Difference *	-50.0	0.0	0.0	0.0	-50.0	0.0	0.0	0.0	0	0
Drinking Water													
			Reduce Uncollectible Federal Receipts	18Gov	Dec	-100.0	0.0	-100.0	0.0	0.0	0.0	0	0
<i>A reduction of uncollectible receipt authority will bring the Department's budget closer in line with actual spending. This is a technical adjustment and has no impact on services to the public.</i>													
			1002 Fed Rcpts (Fed)			-100.0							
			* Allocation Difference *			-100.0	0.0	-100.0	0.0	0.0	0.0	0	0
			** Appropriation Difference **			-150.0	0.0	-100.0	0.0	-50.0	0.0	0	0
Air Quality													
Air Quality													
			Replace Clean Air Protection Fund Receipts with Program Receipts	18Gov	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0	0
<i>This fund source change provides an authority shift for increased Title I permits, paid by fees through GFPR and reduces the uncollectible authority for Title V permits, paid by fees through the Clean Air Protection Fund (CAPF). This fund source change is needed in order to ensure adequate budget authority to spend the revenue already being collected through fees to do this work. This is a technical adjustment and has no impact on services to the public.</i>													
			1005 GF/Prgm (DGF)			250.0							
			1093 Clean Air (Other)			-250.0							
			Reallocate Uncollectible Statutory Designated Program Receipts to the Division of Administration	18Gov	Dec	-30.0	0.0	0.0	-30.0	0.0	0.0	0	0
<i>The reallocation of statutory designated program receipt authority from the Division of Air Quality to the Division of Administration will bring the Department's budget closer in line with actual spending. This is a technical adjustment and has no impact on services to the public.</i>													
			1108 Stat Desig (Other)			-30.0							
			Reduce Uncollectible Clean Air Protection Fund Receipts	18Gov	Dec	-250.0	0.0	0.0	-250.0	0.0	0.0	0	0
<i>A reduction of uncollectible receipt authority will bring the Department's budget closer in line with actual spending. This is a technical adjustment and has no impact on services to the public.</i>													
			1093 Clean Air (Other)			-250.0							
			Reduce Uncollectible Interagency Receipts	18Gov	Dec	-68.3	0.0	0.0	-68.3	0.0	0.0	0	0
<i>A reduction of uncollectible receipt authority will bring the Department's budget closer in line with actual spending. This is a technical adjustment and has no impact on services to the public.</i>													

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Air Quality (continued)													
Air Quality (continued)													
Reduce Uncollectible Interagency Receipts (continued)													
1007 I/A Rcpts (Other)			-68.3										
Reduce UGF for non-reimbursable services	18Gov	Dec	-160.5	-0.2	0.0	-156.3	-4.0	0.0	0.0	0.0	0	0	0
<i>Of the \$1,855.1 in unrestricted general funds appropriated to the Division of Air Quality, \$1,426.2 is required to meet the maintenance of effort (MOE) to receive federal grants. That leaves just 428.9 UGF to support program activity that is not eligible for other fund sources including complaint response, non-permit related enforcement, and overhead. The division will be able to reduce general funds by nine percent and still meet the MOE.</i>													
<i>With the reorganization in FY2017 that eliminated the Director's Office component, Air Quality will be able to reallocate some costs previously funded by general funds to other allowable fund sources. The division will also be able to find opportunities to implement efficiencies to recognize savings. At the same time, both Anchorage and Fairbanks are handing required air monitoring efforts back to the State, which means taking on additional work and maintenance of those air monitors.</i>													
<i>The significant impact of this reduction is a loss of flexibility for non-grant eligible and non-permit related expenses. This includes the ability for the Division to react to emerging issues such as PM2.5, climate change, and coordinating interagency work associated with new federal regulations such as the Clean Power Plan, as well as the ability to fund legal support from the Department of Law for work not eligible for reimbursable fund sources such as analysis of proposed federal regulations, public records requests, civil lawsuits, and appeals to permits brought by parties other than the permittee.</i>													
1004 Gen Fund (UGF)			-160.5										
* Allocation Difference *			-508.8	-0.2	0.0	-504.6	-4.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			-508.8	-0.2	0.0	-504.6	-4.0	0.0	0.0	0.0	0	0	0
Spill Prevention and Response													
Spill Prevention and Response													
Reallocate Uncollectible Interagency Receipts to the Division of Administration	18Gov	Dec	-400.0	-100.0	-50.0	-250.0	0.0	0.0	0.0	0.0	0	0	0
<i>The reallocation of interagency receipt authority from the Division of Spill Prevention and Response to the Division of Administration will bring the Department's budget closer in line with actual spending and reduce the need for unbudgeted reimbursable service agreements (RSAs) in the Administrative Services component. This is a technical adjustment and has no impact on services to the public.</i>													
1007 I/A Rcpts (Other)			-400.0										
* Allocation Difference *			-400.0	-100.0	-50.0	-250.0	0.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			-400.0	-100.0	-50.0	-250.0	0.0	0.0	0.0	0.0	0	0	0
Water													
Water Quality													
Replace General Funds with Program Receipts	18Gov	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<i>All fees established under AS 37.10.052 require a review at least once every four years. This fee study process calculates the actual program expenses, and updated fees are proposed based on the findings. These fees may not exceed the average reasonable direct cost incurred.</i>													

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Water (continued)													
Water Quality (continued)													
Replace General Funds with Program Receipts (continued)													
<i>The Water Quality component completed the most recent fee study in FY2016 and new fee regulations have been proposed, subject to public notice, review, and comment. It is estimated Water Quality will receive \$800.0 additional general fund program receipts in FY2018 as a result of the revised fees, and so the Department requests a fund source change of \$800.0 from unrestricted general funds to general fund program receipt authority.</i>													
<i>Water Quality does not currently have sufficient program receipt authority for the projected additional fees in FY2018. Without this fund source change, the Department will be forced to lapse excess fee collections and continue to rely on a general fund subsidy to support its regulatory programs.</i>													
			-800.0										
			800.0										
1004 Gen Fund (UGF)			-800.0										
1005 GF/Prgm (DGF)			800.0										
Reduce Uncollectible Statutory Designated Program Receipts	18Gov	Dec	-15.0	0.0	0.0	-15.0	0.0	0.0	0.0	0.0	0	0	0
<i>A reduction of uncollectible receipt authority will bring the Department's budget closer in line with actual spending. This is a technical adjustment and has no impact on services to the public.</i>													
1108 Stat Desig (Other)			-15.0										
Reduce Travel and Contractual for APDES Permitting and Compliance	18Gov	Dec	-58.8	0.0	-8.8	-50.0	0.0	0.0	0.0	0.0	0	0	0
<i>The Water Quality component will reduce unrestricted general funds by \$58.8 by scaling back on funding for the Alaska Pollutant Discharge Elimination System (APDES) permitting and compliance program to travel and contract out for technical assistance. This will have an impact on services to the public and the State's ability to assure the protection of its waterbodies.</i>													
<i>Travel, especially to remote permitted facilities, can be costly, and this reduction will result in fewer compliance inspections outside of Alaska's population centers of permitted facilities discharging wastewater. Fewer contracts will impact the Department's ability to bring in technical expertise, particularly on complex permits. This will result in a longer turnaround time on permits as in-house staff have to gain the specialized expertise.</i>													
1004 Gen Fund (UGF)			-58.8										
* Allocation Difference *			-73.8	0.0	-8.8	-65.0	0.0	0.0	0.0	0.0	0	0	0
Facility Construction													
Reduce Uncollectible Capital Improvement Project Receipts	18Gov	Dec	-1,000.0	-260.0	-30.0	-680.0	-30.0	0.0	0.0	0.0	0	0	0
<i>A reduction of uncollectible receipt authority will bring the Department's budget closer in line with actual spending. This is a technical adjustment and has no impact on services to the public.</i>													
1061 CIP Rcpts (Other)			-1,000.0										
* Allocation Difference *			-1,000.0	-260.0	-30.0	-680.0	-30.0	0.0	0.0	0.0	0	0	0
** Appropriation Difference **			-1,073.8	-260.0	-38.8	-745.0	-30.0	0.0	0.0	0.0	0	0	0
*** Agency Difference ***			-1,999.7	-82.4	-188.8	-1,644.5	-84.0	0.0	0.0	0.0	-1	0	0
**** All Agencies Difference ****			-1,999.7	-82.4	-188.8	-1,644.5	-84.0	0.0	0.0	0.0	-1	0	0

Column Definitions

18Adj Base (FY18 Adjusted Base) - FY17 Management Plan less one-time items, plus FY18 adjustments for position counts, funding transfers, line item transfers, temporary increments (IncT) from prior years, and additions for statewide items (risk management and most salary and benefit increases). The Adjusted Base is the "first cut" of the FY18 budget; it is the base to which the Governor's and the Legislature's increments, decrements, and fund changes are added.

18Gov (FY18 Governor Request) - Includes FY18 Adjusted Base plus the Governor's operating budget bill requests for increases (increments), decreases (decrements), fund source changes, and language transactions submitted by the Governor on December 15, 2016.