

Natural Resources

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Summary

The Natural Resources function includes the Department of Environmental Management, the State Water Resources Board and the Coastal Resources Management Council. The Governor recommends total full-time equivalent positions of 445.0 FTE in FY 2009 and 453.0 FTE in FY 2010 for the natural resource function. Up to 350 temporary positions may also be utilized for seasonal support at state parks and beaches. Certain debt service for general obligation bonds issued to finance capital projects of the Narragansett Bay Commission and the Rhode Island Clean Water Finance Agency are appropriated in the Department of Administration, though the agencies themselves are not part of the state budget.

The Department of Environmental Management manages and protects Rhode Island's public and common natural assets, including land, air and water resources. It manages state-owned lands, including state parks and beaches, forests, port facilities, and fish and wildlife management areas. The department administers a capital management program financed by general obligation bonds, funds from the Rhode Island Capital Plan Fund, federal funds, restricted receipts and third-party sources (for land acquisition). Capital program activities include: acquisition and development of recreational, open space and agricultural lands; municipal and non-profit grant programs for land acquisition and development; improvements to state-owned ports and recreation facilities; Superfund federal mandates; construction of new state environmental facilities; municipal wastewater facility construction grant programs; and, grants to non-governmental entities for specified water quality improvement projects. The department also monitors the use and quality of state groundwater; regulates discharges and uses of surface fresh and salt water; enforces game, fishing and boating regulations; coordinates a statewide forest fire protection plan; regulates air quality; and monitors the disposal of solid and hazardous wastes.

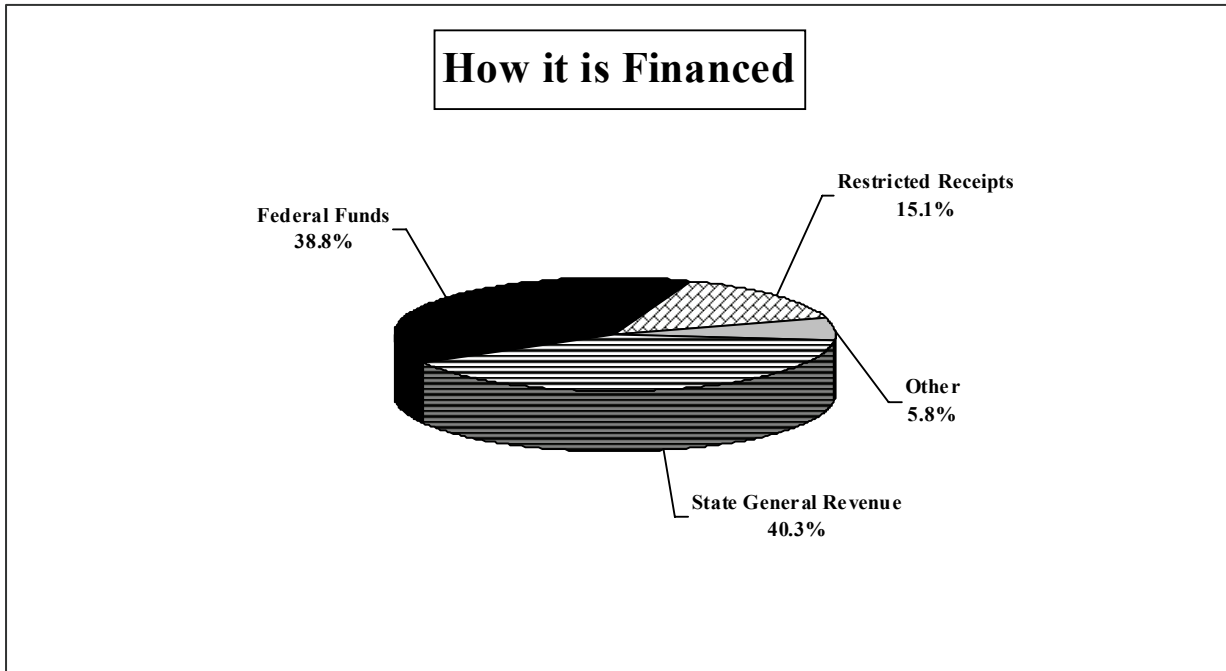
The Coastal Resource Management Council seeks to preserve, protect and restore the coastal resources of the state. The council is administered by sixteen appointed representatives from the public and from state and local government, and is staffed with professional engineers, biologists, environmental scientists and marine resource specialists. The council issues permits regarding proposed changes in coastal facilities within an area from three miles offshore to two hundred feet inland from coastal features, including all freshwater wetlands within the coastal zone. The council formulates, amends, and enforces violations of the Rhode Island Coastal Resources Management Plan and Special Area Management plans. The council: develops guidelines and advises communities on harbor management plans; develops a Submerged Lands Management licensing program for public trust areas; designates public rights-of-way to the shore; and serves as the aquaculture coordinator for permitting and planning actions. The council is the lead agency for all dredging and implements an extensive habitat restoration effort. It also conducts public outreach and public communication campaigns on its programs and activities, and coordinates its programs with other government agencies.

The State Water Resources Board is a water supply planning and development agency responsible for promoting the protection of developed and undeveloped drinking water supplies for the thirty-nine municipal water supply systems located in the state. The board regulates water supply distribution lines connecting water supply systems and is creating a computerized database for drought alert communication. The board also manages the Big River Management Area, a water supply reservation. The board is composed of thirteen appointed representatives from the public and from state and local government.

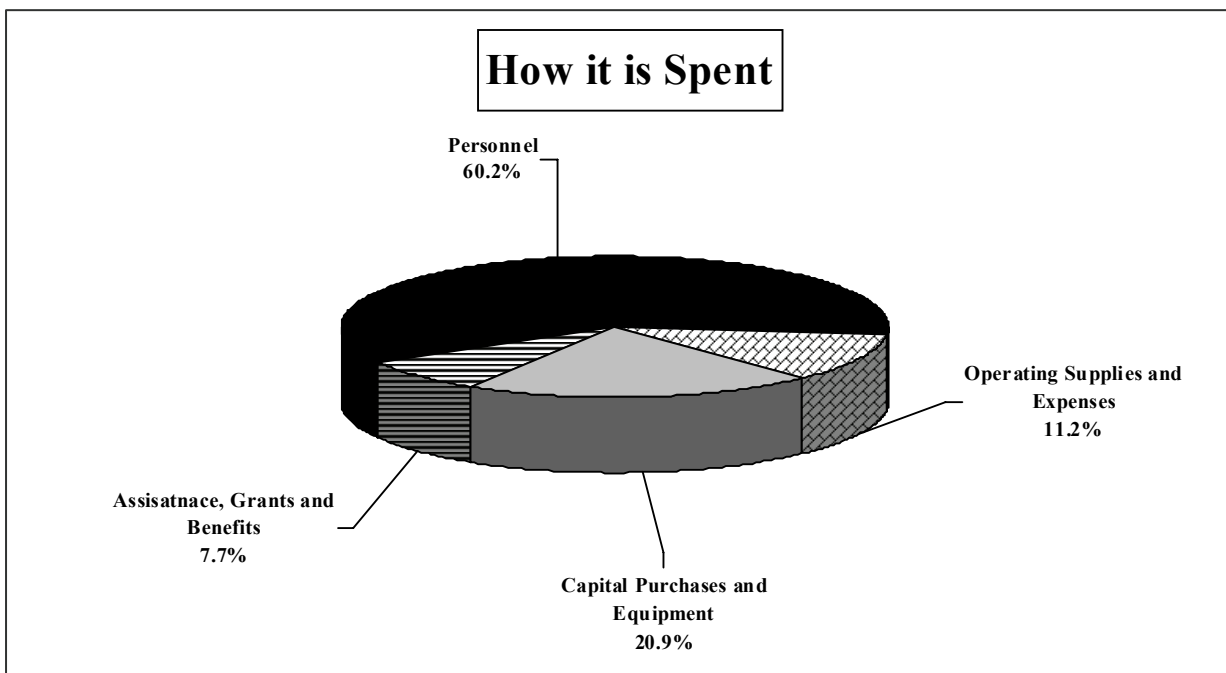
The Governor revised recommendation for FY 2009 from all funds for natural resource agencies is \$92.9 million, or a decrease of \$2.7 million from the enacted appropriations of \$95.7 million. Of this amount, \$37.4 million, or 40.3 percent, is from general revenue, \$36.2 million, or 38.8 percent, is from federal funds, \$14.0 million, 15.1 percent, is from restricted receipts, and \$5.4 million, or 5.8 percent, is from other funds. General revenues decrease by \$1.6 million, or 4.1 percent, federal funds increase by \$1.3

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million, or 3.7 percent, attributable to carryover, new awards and the American Recovery and Reinvestment Act, restricted receipts decrease by \$2.6 million, or 15.6 percent, and other funds increased by \$267,523, or 5.3 percent over the enacted level.



Of the \$92.9 million recommended for natural resources for FY 2009, personnel is budgeted at \$56.0 million; or 60.2 percent; operating at \$10.4 million, or 11.2 percent; capital improvements at \$19.4 million, or 7.7 percent; and assistance, grants, and benefits at \$7.2 million, or 20.9 percent.



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The Governor recommends \$96.6 million for the FY 2010 budget from all funds for all natural resource agencies. This is an increase of \$886,836 from the enacted appropriations of \$95.7 million. Of this amount, \$39.0 million is from general revenue, \$33.7 million is from federal funds, \$15.5 million is from restricted receipts, and \$8.3 million is from other funds. General revenues increased by \$14,548, or 0.04 percent, federal funds decreased by \$1.2 million, or 0.35 percent, attributable to carryover, new awards and the American Recovery and Reinvestment Act, restricted receipts increased by \$1.2 million, or 7.0 percent, and other funds increased by \$3.3 million, or 64.9 percent over the enacted level. Of the \$96.6 million recommended for natural resources for FY 2010, personnel is budgeted at \$57.0 million and reflects provisions for a 2.5 percent cost-of-living adjustment for all state employees; or 59.0 percent; operating at \$10.5 million, or 10.9 percent; capital improvements at \$17.9 million, or 18.5 percent; and assistance, grants, and benefits at \$11.1 million, or 11.5 percent.

Environmental Management

The Governor's revised FY 2009 budget for the Department of Environmental Management is \$87.3 million, including \$34.0 million in general revenue, \$34.5 million in federal funds, \$13.5 million in restricted receipts, and \$5.2 million in other funds. This represents a total decrease of \$1.7 million from the enacted budget of \$89.0 million. Funding changes include a decrease of \$1.8 million, or 4.9 percent, in general revenue expenditures, an increase of \$1.1 million, or 3.2 percent, in federal funds expenditures; a decrease of \$2.9 million, or 17.7 percent, in restricted receipts; and an increase of \$1.9 million, or 57.1 percent, of other funds.

The \$1.8 million decrease in general revenue appropriations, reflect the following statewide adjustments: a decrease of \$67,693 achieved from one uncompensated leave day and an increase of \$222,129 for the shift to pay-as-you-go retiree health benefits. Additional general revenue changes include:

- A decrease of \$303,511 within the Office of Administrative Adjudication for 3.0 FTE positions left vacant throughout FY 2009. The Governor is recommending waiting until FY 2010 to fill those positions.
- A decrease of \$48,165 for utilities and rent at the Promenade Street headquarters.
- An increase of \$99,945 required for the IT Support System for Permit Streamlining.
- An increase of \$471,440 for the seasonal recreation program within the Bureau of Natural Resources.
- An increase of \$55,000 for payments to beach host communities.
- An increase of \$194,600 for the Division of Parks and Recreation for grounds-keeping and landscaping services at five beach facilities and five park facilities.
- An increase of \$261,613 for operating expenses for the Division of Parks and Recreation.
- An increase of \$95,000 for the expenditures of waste removal at the ports of Galilee and the state pier in Newport.

The Governor's recommendation for federal funds totals \$34.5 million in FY 2009, which is an increase of \$1.1 million from the enacted budget of \$33.4 million. A decrease of \$15,000 in the Office of the Director is attributed to a reduction in financing for the Lead Paint Outreach program. In the Bureau of

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Natural Resources, the Governor recommends a decrease of \$708,742 from the enacted level. Major changes include: a decrease of \$2.1 million in the Division of Agriculture, primarily associated with the reduction of the Specialty Crops Block grant; a decrease of \$984,044 in the Natural Resources Administration, including a decrease of \$850,000 in the Coastal Zone Management grant; an increase of \$1.1 million in the Division of Fish and Wildlife including an increase of \$1.5 million for the Comprehensive Wildlife Management Plan grant; and an increase of \$1.5 million for the Division of Forest Environment primarily associated with the Forest Legacy Administration grant. Federal funds in the Bureau of Environmental Protection increase by \$1.8 million. This increase includes \$150,000 for the Diesel Emissions Program, \$328,835 for the Division of Air Resources, and \$327,461 for the Rosehill Landfill Superfund Site, and \$675,000 from the American Recovery and Reinvestment Act to include \$250,000 from the Leaking Underground Storage Tanks funding and \$420,000 from the Diesel Emissions Program.

For restricted receipts, the Governor recommends expenditures totaling \$13.5 million, a decrease of \$2.9 million as compared to the enacted budget of \$16.4 million. This decrease is primarily due to a decrease of \$2.9 million in the Bureau of Environmental Protection and includes: a decrease of \$355,795 in the Environmental Response Fund II; a decrease of \$242,144 in the Oil Spill Prevention, Administration and Response fund; and a decrease of \$2.2 million in the UST Reimbursement Fund. The Governor's revised budget recommends the diversion of \$2,237,500 from the UST Reimbursement Fund to the Intermodal Surface Transportation Fund. The funds will then transfer to the Rhode Island Public Transit Authority.

The Governor recommends expenditures of \$5.2 million from other funds, an increase of \$1.9 million over the enacted budget of \$3.3 million. Major changes to the enacted budget include an increase of \$1.4 million from the Rhode Island Capital Fund for additional or expanded capital projects, an increase of \$400,000 for the Retrofit Heavy-Duty Diesel Vehicles fund; and an increase of \$151,851 for the Rosehill Landfill Superfund Site.

For FY 2009, the Governor recommends 409.0 FTE positions for the Department of Environmental Management a decrease of 64.0 FTE positions from the enacted level of 473.0 FTE positions. This decrease is a reflection of the number of FTE positions the department has lost due to retirements, transfers and turnover.

The Governor recommends FY 2010 expenditures for the Department of Environmental Management totaling \$87.5 million, including \$35.7 million in general revenue, \$30.0 million in federal funds, \$15.2 million in restricted receipts and \$6.5 million in other funds. This represents a total decrease of \$1.4 million from the FY 2009 enacted budget of \$89.0 million and includes a decrease of \$127,806, or 0.36 percent, in general revenue expenditures; a decrease of \$3.4 million, or 10.17 percent, in federal funds expenditures; a decrease of \$1.2 million, or 7.31 percent, in restricted receipts; and an increase of \$3.2 million, or 96.05 percent, of other funds. The general revenue increase includes an increase of \$574,588 in personnel costs due to the 2.5 percent cost of living adjustment for state employees.

Major general revenue changes as compared to the FY 2009 enacted budget include:

- A decrease of \$70,519 for utilities and rent at the Promenade Street headquarters.
- An increase of \$99,945 required for the IT Support System for Permit Streamlining.
- An increase of \$491,377 for seasonal recreation program within the Office of Natural Resources.
- An increase of \$50,000 for payments to beach host communities.

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- An increase of \$205,600 for the Division of Parks and Recreation for grounds-keeping and landscaping services at five beach facilities and five park facilities.
- An increase of \$184,313 for operating expenses for the Division of Parks and Recreation.
- An increase of \$95,000 for the expenditures for waste removal at the ports of Galilee and the state pier in Newport.
- An increase of \$812,340 for the Office of Water Resources for payroll expenditures due to the elimination of some federal funding and the decrease of revenue collections in some restricted receipt accounts.
- An increase of \$528,503 in the Bureau of Environmental Protection due to the filling of 7.0 vacant FTE positions.

The Governor's recommendation for federal funds totals \$32.1 million in FY 2010, and reflects a decrease of \$1.4 million from the FY 2009 enacted level of \$33.4 million. An increase of \$254,802 in the Office of the Director is primarily attributable to the exhaustion of funding for the Lead Paint Outreach program and the addition of the One Stop Reporting grant of \$291,315. In the Bureau of Natural Resources, the Governor's recommendation is a decrease of \$4.6 million from the enacted level. Major changes include: a decrease of \$1.9 million of the Specialty Crops Block grant program, a decrease of \$950,000 of the Coastal Zone Management grant, a decrease of \$822,240 in the Forest Legacy Administration grant, and a decrease of \$170,000 for the Boating Infrastructure grant. Federal funds in the Bureau of Environmental Protection increase by \$3.0 million. This increase includes \$588,250 for the Diesel Emissions Program, an increase of \$432,141 for the Non-point Source Pollution Management grant, an increase of \$170,745 for the UST Stag grant, an increase of \$475,000 for the EPA Brownfields Assessment grant, a decrease of \$387,750 for the Groundwater – 106 Program, a decrease of \$248,930 for the Rosehill Landfill Superfund Site, and \$2.0 million from the American Recovery and Reinvestment Act to include \$750,000 from the Leaking Underground Storage Tanks funding and \$1,275,000 for the Diesel Emissions Program.

For restricted receipts, the Governor recommends expenditures totaling \$15.2 million, a decrease of \$1.2 million compared to the FY 2009 enacted level of \$16.4 million. This decrease is primarily due to a decrease of \$1.2 million in the Bureau of Environmental Protection and includes: a decrease of \$435,824 in the Water & Air Protection Program, a decrease of \$406,822 in the Oil Spill Prevention, Administration & Response fund, and a decrease of \$255,754 in the UST Reimbursement Fund.

The Governor recommends expenditures of \$6.6 million from other funds, which is an increase of \$3.2 million from the FY 2009 enacted budget of \$3.3 million. Changes include an increase of \$2.2 million from the Rhode Island Capital Fund for additional or expanded capital projects to include an increase of \$1.9 million for Dam repairs and an increase of \$250,000 for Newport Pier upgrades, and an increase of \$1.0 million for the Retrofit Heavy-Duty Diesel Vehicles fund.

The Governor recommends 417.0 FTE positions for FY 2010, which is a decrease of 56.0 FTE positions from the enacted level of 473.0 FTE positions.

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Coastal Resources Management Council

The Coastal Resources Management Council's task is to preserve and protect the state's coastal resources through long-range planning, permitting, and enforcement actions in several fields, such as submerged lands management, rights-of-way designations, dredging coordination, coastal habitat preservation and restoration, harbor management, aquaculture development, and non-point pollution control. The Governor's revised FY 2009 budget for the Coastal Resources Management Council is \$4.1 million. This includes \$2.0 million of general revenue, \$1.7 million of federal funds, and \$395,000 in restricted receipts. General revenue personnel and operating expenditures increase by \$156,651, reflecting current service adjustments in payroll and operating of \$67,748; funds in contract services for legal counsel and special clerical services, \$96,500; and the following statewide adjustments: additional costs due to greater than anticipated retiree health costs, \$21,799; and savings from one uncompensated leave day for state employees, \$6,220. In addition, the Governor recommends the transfer of \$23,176 in operating and contract services costs to available federal funds. Federal funds increase by \$205,659 due to the balance forward of unspent funds and the receipt of two new federal grants. Also, \$395,000 in restricted receipt expenditures is recommended for the Coastal and Estuary Habitat Restoration Program and Trust fund from the Oil Spill Prevention, Administration and Response Fund, consisting of unspent FY 2007 balances plus the annual \$250,000 appropriation, to be spent on specific projects to rehabilitate coastal habitats.

In the FY 2010 budget, the Governor recommends \$5.5 million, including \$2.0 million of general revenue, \$1.6 million of federal funds, \$250,000 in restricted receipts, and \$1.7 million from the Rhode Island Capital Plan Fund. In addition to statewide and agency specific target adjustments (including a 2.5 percent COLA adjustment) and those changes identified above, the budget includes statewide adjustments for health benefit rates and retirement rates. In FY 2008, \$1.6 million from the Rhode Island Capital Plan Fund was spent for the state cost-share responsibilities for the Providence River Dredging project, as determined in a final closing and reconciliation process with the Army Corps of Engineers. The additional funding requirement arose due to federal formulas for calculating cost-share based on construction costs. Due to continuing dredging work, the final close-out estimate for the project must be delayed. The second payment of \$1.7 million scheduled in FY 2009 has been delayed until FY 2010.

The FTE position ceiling for the council is unchanged at 30.0 FTE positions for FY 2009 and FY 2010.

State Water Resources Board

The State Water Resources Board's overall responsibility is for the management of the state's water resources, with a special emphasis on the drinking water supply, through financing of upgrades and land acquisition projects and through the coordination of efforts by regulatory agencies and water suppliers. The Governor's revised FY 2009 budget for the Water Resources Board is \$1.6 million, including \$1.4 million in general revenue, \$109,817 in restricted receipts and \$119,635 in other funds. General revenue personnel and operating expenditures decrease by \$25,956 from the FY 2009 enacted budget, reflecting turnover adjustments in payroll, adjusted funding for road maintenance and plowing within the Big River Management area, decreased funding for buildings and grounds services reflecting the closure of the Big River Management Area field office, increased operating costs related to the transfer of agency headquarters to a new location, and the following statewide adjustments: additional costs due to greater than anticipated retiree health costs, \$7,007, and savings from one uncompensated leave day for all state employees, \$2,118. Restricted receipts are recommended at \$109,000 to accommodate final payments for contract services related to the Supplemental Water Supplies project. Other funds increase by \$9,635 or 10.9 percent over the enacted level, for improvements to the Big River Management area projects financed from the Rhode Island Capital Plan Fund.

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In the FY 2010 budget, the Governor recommends \$1.5 million, \$1.4 million in general revenue, and \$110,000 from the Rhode Island Capital Plan Fund. In addition to statewide and agency specific target adjustments (including a 2.5 percent COLA adjustment) and those changes identified above, the budget includes statewide adjustments for health benefit rates and retirement rates. The budget includes \$130,000 to fund a consultant study required to implement the Big River Groundwater Supply Development project to ensure drinking water supply requirements in central Rhode Island, caused by residential, commercial and industrial expansion, and the competing requirements of three other local public water suppliers. The budget also includes \$21,500 in education grants to Exeter/West Greenwich and a \$22,444 legislative grant to the Rhode Island Rivers Council.

The Governor recommends 6.0 FTE positions in both FY 2009 and FY 2010, unchanged from the FY 2009 enacted level.