

Natural Resources

Approved amendments to the budget for the 2008-10 biennium for the Natural Resources secretariat include general fund reductions of \$26.0 million, offset by general fund increases of \$2.3 million. Net general fund spending for the biennium is \$208.1 million or a 10.2 percent reduction from the budget approved in Chapter 879 of the 2008 Acts of Assembly. Total nongeneral fund spending for the biennium is \$623.7 million or 3.5 percent more than in Chapter 879.

Additional spending items for the biennium include \$20.0 NGF in the second year for the Natural Resources Commitment Fund, which is used to support agricultural best management practices designed to improve water quality. An additional \$1.6 million GF is included to provide the statutorily required deposit to the Water Quality Improvement Fund, of which \$1.1 million is provided to the Department of Conservation for nonpoint source pollution control and \$476,700 is provided to the Department of Environmental Quality for point source projects.

- **Chippokes Plantation Farm Foundation**

- *Eliminate Marketing and Fundraising Contract.* Reduces general fund support for the Foundation by \$24,325 each year, which represents an 18 percent reduction. The Foundation will cancel a contract with a professional marketing and fundraising firm to meet the reduction.

- **Department of Conservation and Recreation**

- *Natural Resources Commitment Fund.* Provides \$20.0 million NGF the second year for deposit into the Virginia Natural Resources Commitment Fund established by Chapters 643 and 701 of the 2008 Acts of Assembly (HB 1335 and SB 511). The source of the nongeneral funds is \$4.8 million from interest earnings on WQIF nonpoint source funds and \$15.2 million in federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009. These funds will be distributed to support agricultural best management practices and provide technical assistance through the soil and water conservation districts. (A companion amendment to Item 3-1.01 transfers \$5.2 million from the WQIF Reserve Fund to the general fund).
- *Water Quality Improvement Fund.* Provides \$1.1 million GF in the first year, representing the nonpoint source portion of the statutorily required deposit to the Water Quality Improvement Fund. Language allows that up to \$500,000 from this deposit may be used for completion of a project to modernize and improve the computerized system used by Soil and Water Conservation Districts for tracking agricultural best management practices.
- *Additional Nongeneral Fund Appropriation for Existing Grant Awards.* A technical amendment providing \$19.4 million NGF the second year for the payment of grants from the Water Quality Improvement Fund and the Virginia

Land Conservation Fund. These grant payments will be made from prior appropriations that were unexpended at the end of the fiscal year in which the appropriations were provided.

- ***Reduce State Park Operating Support.*** Includes a general fund reduction for State Park operations of approximately \$2.1 million the first year and \$1.6 million the second year. Reduction strategies include holding open 25 vacant positions, deferring maintenance and equipment purchases and cutting marketing efforts. However, none of Virginia’s 35 State Parks is proposed to be closed.
- ***Land Conservation Fund.*** Replaces \$2.0 million GF the second year for the Land Conservation Fund with \$2.0 million in federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009.
- ***Eliminate General Fund Support for Repairs to Soil and Water Conservation District-Owned Dams.*** Eliminates \$866,000 GF each year for repairs to SWCD owned dams. Bond funding for dam repairs in the amount of \$20.0 million was provided by the 2008 General Assembly and can be used to meet needed repairs.
- ***Reduce Operating Support for Soil and Water Conservation Districts.*** Reduces general fund support for the 47 local soil and water conservation districts by \$203,697 the first year and \$407,394 the second year. This represents a 5 percent cut in the first year in general fund support for the districts and an 8 percent cut in the second year.
- ***Reduce Matching Funds for the Conservation Reserve Enhancement Program.*** Funds provided for matching federal CREP funds are reduced by \$685,473 GF the first year and \$435,473 GF the second year. The agency has stated it can use balances in this program to meet its obligations.
- ***Chesapeake Bay Restoration Fund.*** Provides \$392,574 NGF in the second year from sale of “Friends of the Chesapeake” license plates for projects recommended by the Chesapeake Bay Restoration Fund Advisory Committee.
- ***Reduce Water Quality Implementation Support.*** Reduces general fund support by \$200,000 each year for total maximum daily load (TMDL) implementation in the Chesapeake Bay and Southern rivers watersheds. This reduction will apply to ten soil and water conservation districts that had previously been provided TMDL implementation funding.
- ***Reduce Operating Support for the Virginia Outdoors Foundation.*** Reduces support for the operations of the Virginia Outdoors Foundation (VOF) by \$102,500 GF in the second year. This represents a 5 percent reduction in funding for VOF.
- ***Reduce Funding for the Natural Heritage Program.*** Reduces general funds for the Natural Heritage Program by \$161,786 the first year and \$188,618 the second year by eliminating two full-time positions and one wage position and using

nongeneral fund revenue to support five previously general fund-supported positions. The nongeneral fund support for these positions will be derived from additional contract work.

- ***Increase Fees for Land Disturber Permits.*** Reduces general funds for review of construction and development permits by \$60,000 the first year and \$125,000 the second year. The reduction in general funds is to be made up by an increase in the permit fee from \$95 to \$125 for each permit application.
- ***Financing for Lake of the Woods Dam.*** Language authorizes DCR, in consultation with the Virginia Resources Authority, to make cost effective financing available to Orange County for modifications necessary for the Lake of the Woods Dam to meet state dam safety requirements. Allows DCR to secure funding or provide a grant of up to \$1.0 million from existing funds in the Dam Safety, Flood Prevention and Protection Assistance Fund.

- **Department of Environmental Quality**

- ***Issuance of Bonds for Wastewater Treatment Plant Improvements.*** Language provides authorization for the Virginia Public Building Authority to issue up to \$250 million in bonds to finance Water Quality Improvement Fund grants, as approved by the department, for the capital costs of improving wastewater treatment plants' nutrient reduction capabilities.
- ***Water Quality Improvement Fund Deposit.*** Provides \$476,700 GF the first year, representing the point source portion of the statutorily required deposit to the Water Quality Improvement Fund.
 - Language directs the use of \$120,000 from this appropriation for the investigation of factors causing fish lesions and mortality in the Shenandoah, Potomac, and James Rivers.
- ***Hampton Roads Special Order by Consent.*** Language directs the department to use its existing available resources to ensure that adequate staffing is provided to expeditiously determine affected localities and service authorities' compliance with the provisions and timelines contained in the Hampton Roads Special Order by Consent. The Special Order by Consent was agreed to by area localities and service authorities, the Environmental Protection Agency, and the Department of Justice on September 26, 2007.
- ***Opequon Wastewater Treatment Plant Nutrient Allocations.*** Language directs the State Water Control Board to give due consideration to several factors in determining whether to grant additional nitrogen and phosphorus nutrient allocations to the Opequon Water Reclamation Facility located in Frederick County. These factors include: the provision of multiple WQIF grants to the facility, execution of a nutrient improvement agreement prior to December 1, 2008, capital investments to expand the facility's capacity made prior to July 1, 2005, the

capacity at which the facility will operate by December 31, 2010, and the improvement project's likely completion date.

- ***Reduced General Fund Support.*** Combined general fund reductions for the Department of Environmental Quality total \$10.1 million for the biennium and result in the loss of 59.0 FTE positions, including 35 layoffs. There is no change proposed to nongeneral fund appropriations. The individual strategies composing these reductions are discussed below.
- ***Reduce Administrative Staff.*** Eliminates 16.0 FTE positions, resulting in nine layoffs in management and administrative staff by reorganizing regional offices and realigning staff. This will result in savings of \$185,855 GF in the first year and \$1.3 million GF in the second year.
- ***Reduce Staff in the Hazardous Waste Program.*** Reduces staff in the hazardous waste program by 6.0 FTE positions, including three layoffs, resulting in savings of \$92,096 GF the first year and \$416,503 GF the second year.
- ***Reduce Staff in the Air Inspection Program.*** Reduces staff in the air inspection program by 16.0 FTE positions, including ten layoffs, resulting in savings of \$342,774 GF the first year and \$1.0 million GF the second year.
- ***Reduce Staff in the Water Permitting Program.*** Reduces staff in the water permitting program by 8.0 FTE positions, including three layoffs, resulting in savings of \$67,592 GF the first year and \$560,402 GF the second year.
- ***Reduce Staff in the Wastewater Engineering Program.*** Reduces staff in the wastewater engineering program by 8.0 FTE positions, including eight layoffs, resulting in savings of \$84,597 GF the first year and \$736,377 GF the second year.
- ***Reduce Match for Wastewater Revolving Loan Fund.*** Reduces the state match for the revolving loan fund for wastewater treatment plant upgrades by nearly \$3.0 million GF in the first year due to declining federal support for state wastewater revolving loan funds.
- ***Waste Tire Fund Balances.*** Transfers \$500,000 each year from the waste tire fund to the general fund.
- ***Transfer Balances from the Virginia Environmental Emergency Response Fund.*** Proposes transferring \$300,000 each year to the general fund from the VEERF.

- **Department of Historic Resources**

- ***Montpelier Matching Grant Program.*** Provides an additional \$134,196 GF the second year for the restoration of Montpelier, President James Madison's home. Section 10.1-2213.1 of the Code of Virginia requires that the Commonwealth provide \$0.20 for each \$1 raised by the Montpelier Foundation and spent on restoration of Madison's home. However, this action is offset by a 15 percent

reduction applied to the currently authorized funding for the Montpelier Foundation. This reduction, totaling \$94,729 each year, means the net effect of the second year funding is an increase of \$39,467.

- *Eliminate Various Positions.* Proposes reductions of 4.0 FTE and one wage position, including one layoff, resulting in savings of \$184,650 GF the first year and \$240,286 GF the second year. Positions eliminated include accounts payable, procurement officer, project reviewer and an administrative position.
- *Reduce Funding for Cost Share Program.* Produces savings of \$120,000 GF each year by reducing the state match for local historic preservation and community revitalization projects.

- **Marine Resources Commission**

- *Reduce Funding for Oyster Replenishment.* Reduces funding for oyster replenishment work by \$386,833 GF the first year and \$481,933 GF the second year.
- *Supplant General Fund Spending with Nongeneral Fund License Revenue.* Supplants \$243,416 the first year and \$255,966 the second year in general fund support for the agency's marine law enforcement functions with like amounts in nongeneral fund revenue. The nongeneral fund revenue is derived from saltwater fishing license revenue collected by the agency.
- *Revert Maintenance Reserve Funds.* Reduces maintenance reserve funding by \$70,000 GF the first year. These funds were for a parking lot renovation that will not be completed.

- **Virginia Museum of Natural History**

- *Close Museum on Sundays, Mondays and Holidays.* Generates savings of \$152,953 GF in the first year by closing the museum two days or more per week. The proposed reduction also includes a furlough for all full-time Museum employees of one day per week for 21 weeks.
- *Eliminate Discretionary Spending.* Generates savings of \$139,956 GF the first year and \$118,576 GF the second year by reducing spending on supplies, travel, training and equipment purchases.
- *Eliminate Positions.* Generates savings of \$13,940 GF the first year and \$201,584 GF the second year by eliminating a vacant collections manager position, and laying-off a publications administrative and supervisory position.
- *Eliminate Research Area.* Includes upfront costs of \$28,805 GF the first year and savings of \$114,937 GF the second year from the elimination of an existing research area and the use of that space for volunteer researchers and education staff. This action includes one layoff.