

State of Alaska FY2003 Governor's Operating Budget

Department of Environmental Conservation Office of the Commissioner Component Budget Summary

Component: Office of the Commissioner

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Component Mission

Provide support and policy direction to the divisions in the department.

Component Services Provided

- Develop partnerships and work cooperatively with the regulated community and other government and non-governmental stakeholders to protect human health and the environment.
- Lead department employees to accomplish department priorities and performance measures.
- Represent the department's authorities and responsibilities on the Governor's cabinet.
- Work with the legislature on the department's budget and legislative priorities.
- Represent the department's authorities and responsibilities on the Exxon Valdez Trustees Council, State Emergency Response Commission, and Alaska Coastal Policy Council.

Component Goals and Strategies

1) USE THE BEST AVAILABLE SCIENCE AND STAKEHOLDER INPUT TO ACHIEVE STANDARDS FOR CLEAN AIR, LAND, WATER, FOOD SAFETY AND THE ENVIRONMENT.

Use Stakeholder working groups to review and recommend changes to department priorities and policies.

2) PROVIDE EASY PUBLIC ACCESS TO DEPARTMENT INFORMATION AND TECHNICAL ASSISTANCE.

Maintain a department web page and a department-wide Internet information assistance system.

Key Component Issues for FY2002 – 2003

The Commissioner's Office clearly communicates to the public and affected stakeholders what services can be realistically expected from the department's human and fiscal resources.

Major Component Accomplishments in 2001

The department was very successful in working with interested stakeholder work groups and the public on the following major state policy issues:

Cruise Ship Compliance Monitoring. Following the Royal Caribbean pollution court case, the department worked with the cruise ship industry and concerned stakeholders to begin a cruise ship waste sampling program. Wastewater samples taken as part of the stakeholder program showed that cruise ships were discharging the equivalent of raw sewage into Alaska's inside waters. As a result the Governor worked with the federal administration and Senator Murkowski to enact federal law to strengthen federal oversight of cruise ship discharges. In addition to strengthening the federal pollution control safety net it was essential that Alaska have an independent role in controlling pollution. State legislation was passed in a special session to give the department the tools to monitor and control cruise ship pollution.

As a result of the department's investigation with affected stakeholders of cruise ship disposal practices, there is now a comprehensive state and federal oversight program to monitor cruise ship and Alaska State ferry discharges, learn more about their effects on the environment and regulate those discharges in a way that places a minimal burden on the cruise industry and the Alaska Marine Highway System.

Improved Non Tank Spill Prevention and Preparedness. The grounding of the cargo ship Kuroshima and the associated oil spill in Dutch Harbor followed by a number of large oil spills by the Alaska Railroad demonstrated the need for improvement in spill prevention and preparedness for these modes of transportation. To develop an appropriate legal foundation to upgrade the spill prevention and response systems for these industries, the department chaired a 23-

member task force with representatives from the maritime industry, the Alaska Railroad, petroleum producers, distributors and transporters, spill response cooperatives, and the US Coast Guard.

Based on the recommendations of the task force, legislation was passed that requires the Alaska Railroad and sea-going vessels of 400 or more gross tons to demonstrate the ability to pay for responding to oil spills. The law also established a response planning standard for industry to be able cleanup 15% of the vessel's maximum oil storage capacity within 48 hours of an oil spill.

Reasonable and Accountable Permit Fees. The department worked with public and private stakeholders affected by the department's permit programs including environmental organizations, members of industry (oil and gas, seafood processing, mining), other agencies, and municipalities to agree on a way to fund the department's permit programs with a balance of permit fees and general funds. Based on the recommendations made by the stakeholder working group the legislature passed HB 361, a bill that directs the department to establish appropriate permit fees for department services and directs the method of establishing those fees.

Briefly, the new law requires that fees charged for permits by the department must reflect only the actual and "reasonable direct" cost of issuing the permit. The department must establish a schedule of fixed fees for their routine "simple repetitive permitting activities," but requires them to negotiate special fees for large industries or controversial permit proposals. It also requires the agency to use a uniform accounting system to manage the fees and give permit-holders monthly invoices detailing the expenses charged to them. The result of the department's work with the permit fee working group will be a more user-friendly regulatory environment with predictability, standardization and stability. The department undertook rulemaking and release draft permit fee regulations for public comment in FY 2001 and anticipates that the regulations will be in effect by January 2002.

Statutory and Regulatory Authority

AS 46.03.010; AS 46.08.040; AS 46.08.050

Office of the Commissioner
Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	405.1	343.2	353.4
72000 Travel	56.4	21.5	21.5
73000 Contractual	48.0	38.1	38.1
74000 Supplies	10.0	2.3	2.3
75000 Equipment	18.2	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	537.7	405.1	415.3
Funding Sources:			
1002 Federal Receipts	104.3	104.9	107.5
1004 General Fund Receipts	290.7	300.2	307.8
1007 Inter-Agency Receipts	140.4	0.0	0.0
1053 Investment Loss Trust Fund	1.7	0.0	0.0
1108 Statutory Designated Program Receipts	0.6	0.0	0.0
Funding Totals	537.7	405.1	415.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	104.3	104.9	104.9	107.5	107.5
Interagency Receipts	51015	140.4	0.0	0.0	0.0	0.0
Statutory Designated Program Receipts	51063	0.6	0.0	0.0	0.0	0.0
Restricted Total		245.3	104.9	104.9	107.5	107.5
Total Estimated Revenues		245.3	104.9	104.9	107.5	107.5

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Proposed Changes in Levels of Service for FY2003

No significant changes in levels of service are anticipated.

Summary of Component Budget Changes

From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	300.2	104.9	0.0	405.1
Adjustments which will continue current level of service:				
-Year 3 Labor Costs - Net Change from FY2002	7.6	2.6	0.0	10.2
FY2003 Governor	307.8	107.5	0.0	415.3

Office of the Commissioner

Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2002</u> <u>Authorized</u>	<u>FY2003</u> <u>Governor</u>		
Full-time	5	5	Annual Salaries	280,230
Part-time	0	0	COLA	8,692
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	89,530
			<i>Less 6.62% Vacancy Factor</i>	(25,052)
			Lump Sum Premium Pay	0
Totals	5	5	Total Personal Services	353,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Commissioner	1	0	0	0	1
Dep Commissioner	0	0	1	0	1
Exec Secretary III	1	0	0	0	1
Paralegal Asst II	0	0	1	0	1
Secretary	0	0	1	0	1
Totals	2	0	3	0	5