

State of Rhode Island and Providence Plantations

Budget



Fiscal Year 2017

Executive Summary

Gina M. Raimondo, Governor

Natural Resources

Natural Resources

Summary

The Natural Resources function includes the Department of Environmental Management and the Coastal Resources Management Council. The Governor recommends total full-time equivalent positions of 428.0 in FY 2016 and 430.0 in FY 2017 for the Natural Resource function. Up to 350 temporary positions may also be used for seasonal support at state parks and beaches. Certain debt service for general obligation bonds issued to finance capital projects for the Narragansett Bay Commission and the Rhode Island Infrastructure Bank are appropriated in the Department of Administration, though the agencies themselves are not part of the State Budget. A major focus shaping the goals and mission of the Department of Environmental Management and the Coastal Resources Management Council is and will continue to be climate change and its impact on Rhode Island.

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: acquiring and developing 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, coastal policy analysts, marine resources and infrastructure specialists, an aquaculture and dredging coordinator, environmental scientists and administrative support staff. 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 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.

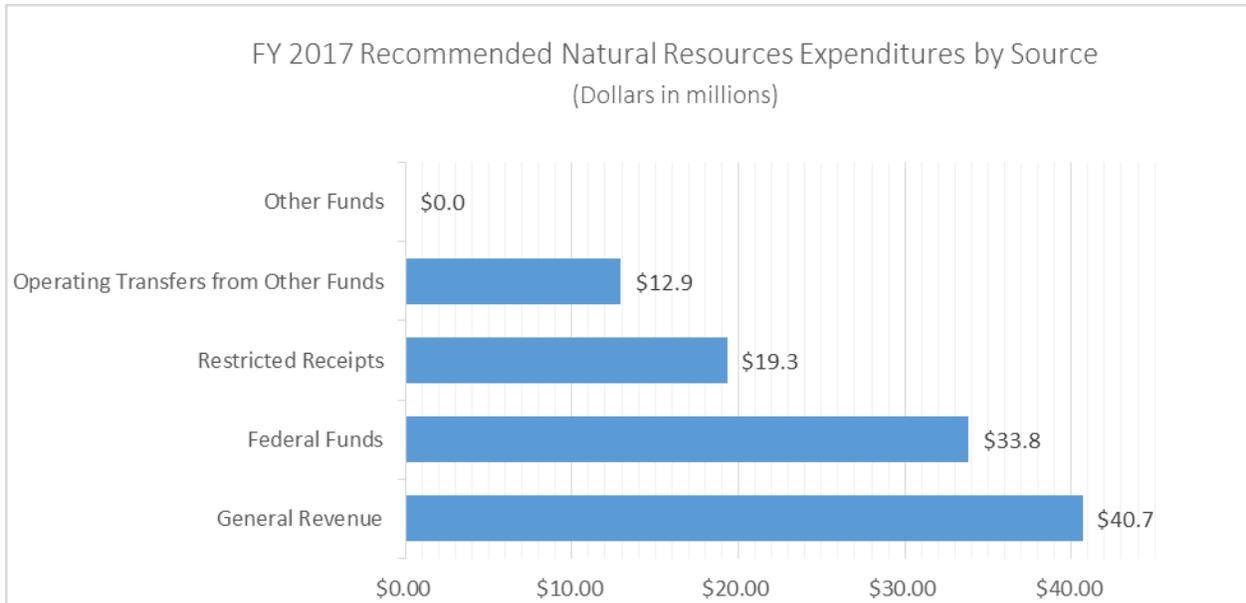
The Governor's FY 2016 revised budget in all funds for all natural resource agencies is \$110.0 million, an increase of \$5.0 million from the FY 2016 enacted appropriation of \$105.0 million. Of this amount, \$40.8 million, or 37.1 percent, is from general revenue, \$35.6 million, or 32.4 percent, is from federal funds, \$19.7 million, or 17.9 percent, is from restricted receipts, and \$13.9 million, or 12.6 percent, is from other funds. General revenues increase by \$827,284, or 2.1 percent, federal funds by \$3.7 million, or 11.5 percent, restricted receipts by \$1.1 million, or 6.0 percent, and other funds decrease by \$574,149, or 4.0 percent above the enacted level.

Of the \$110.0 million recommended for Natural Resources in FY 2016, personnel is budgeted at \$63.2 million, or 57.5 percent; operating at \$14.9 million, or 13.5 percent; assistance, grants, and benefits at

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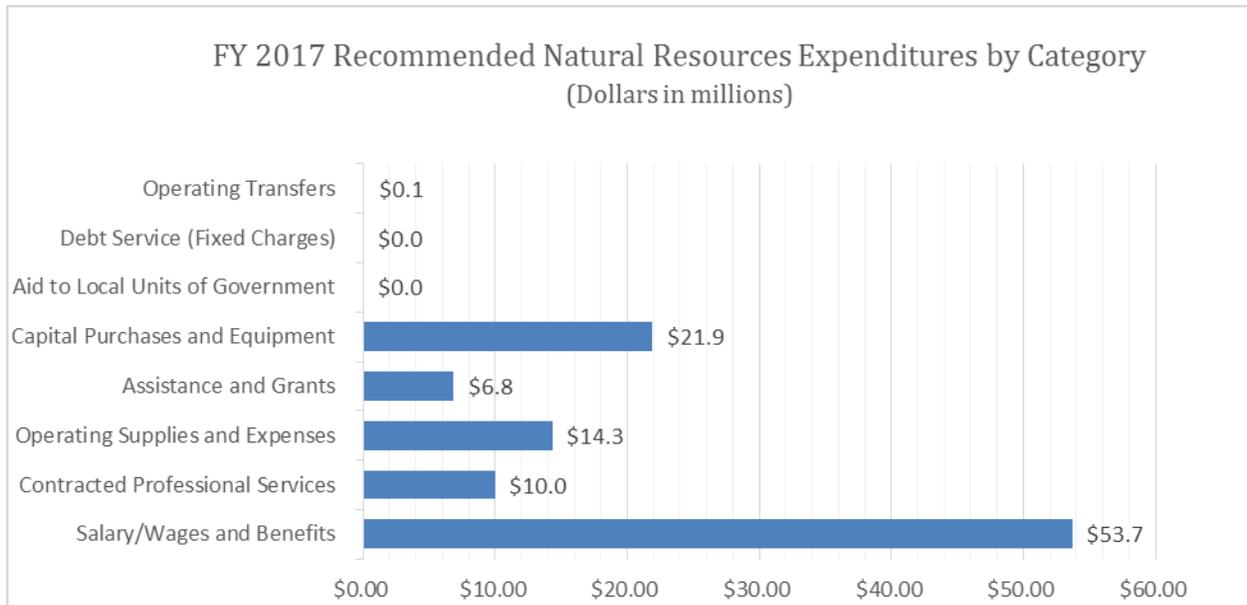
\$7.4 million, or 6.7 percent; capital improvements at \$24.4 million, or 22.2 percent; and operating transfers at \$131,077, or 0.1 percent.

The Governor’s FY 2017 Budget from all funds for Natural Resource agencies is \$106.8 million, an increase of \$1.8 million from the FY 2016 enacted appropriation of \$105.0 million. Of this amount, \$40.7 million, or 38.1 percent, is from general revenue; \$33.8 million, or 31.7 percent, is from federal funds; \$19.3 million, or 18.1 percent, is from restricted receipts; and \$12.9 million, or 12.1 percent, is from other funds. General revenues increase by \$673,671, or 1.7 percent; federal funds increase by \$1.9 million, or 6.0 percent; restricted receipts increase by \$727,419, or 3.9 percent; and other funds decrease by \$1.5 million, or 10.5 percent, from the enacted level.



Of the \$106.8 million recommended for Natural Resources for FY 2017, personnel is budgeted at \$63.7 million, or 59.7 percent; operating at \$14.3 million, or 13.4 percent; assistance, grants, and benefits at \$6.8 million, or 6.4 percent; capital improvements at \$21.9 million, or 20.5 percent; and operating transfers at \$50,000, or 0.1 percent.

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DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

Source Of Funds	FY 2014 Actuals	FY 2015 Actuals	FY 2016 Enacted	FY 2016 Revised	FY 2017 Recommended
General Revenue	\$34,534,163	\$36,110,396	\$37,586,385	\$38,425,074	\$38,240,878
Federal Funds	\$22,231,819	\$26,411,282	\$29,307,477	\$31,376,799	\$29,728,792
Restricted Receipts	\$13,377,916	\$12,186,477	\$18,354,537	\$19,462,047	\$19,081,956
Other Funds	\$1,516,068	\$817,588	\$2,484,312	\$2,484,312	\$3,212,589
RI Capital Plan Fund	\$7,809,748	\$13,442,991	\$11,571,910	\$11,046,135	\$9,287,500
Total Funding	\$79,469,714	\$88,968,734	\$99,304,621	\$102,794,367	\$99,551,715
FTE Authorization	399.0	399.0	399.0	399.0	401.0

FY 2016 Revised Budget

The Governor recommends revised FY 2016 appropriations of \$102.8 million for the Department of Environmental Management, including \$38.4 million from general revenue, \$31.4 million from federal funds, \$19.5 million from restricted receipts, \$11.0 million from the Rhode Island Capital Plan Fund, and \$2.5 million in other funds. Relative to FY 2016 enacted levels, recommended general revenue financing increases by \$838,689, federal funds financing increases by \$2.1 million, restricted receipts financing increases by \$1.1 million, Rhode Island Capital Plan Fund financing decreases by \$525,775, and other funds financing is unchanged. The revised FY 2016 budget is inclusive of enacted statewide medical benefit and other savings distributed to state agencies, which resulted in \$116,340 of general revenue savings being allocated to the Department of Environmental Management.

Office of Director

Within the Office of Director, the Governor recommends revised FY 2016 appropriations of \$9.7 million, including \$5.2 million from general revenue, \$150,000 from federal funds, and \$4.4 million from restricted receipts. Relative to FY 2016 enacted levels, recommended general revenue financing increases by \$65,185, federal funds financing is unchanged, and restricted receipt financing increases by \$1.3 million, attributable to the following adjustments:

- *Increased Operating Expenses.* The Governor includes an increase of \$117,762 from general revenues to cover new software licenses in order for the Department's systems to be compatible with those of other state agencies as well as additional funding for actual electricity costs.

Bureau of Natural Resources

Within the Bureau of Natural Resources, the Governor recommends revised FY 2016 appropriations of \$62.3 million, including \$21.4 million from general revenue, \$21.3 million from federal funds, and \$6.2 million from restricted receipts, \$11.0 million for the Rhode Island Capital Plan Fund, and \$2.3 million from other funds. Relative to FY 2016 enacted levels, recommended general revenue financing increases by \$756,814, federal fund financing increases by \$2.2 million, restricted receipt financing decreases by \$182,604, Rhode Island Capital Plan Fund financing decreases by \$525,775, and other funds financing is unchanged, attributable to the following adjustments:

- *Minimum Wage Increase.* The Governor's recommendation includes \$3.2 million in general revenue financing for the Seasonal Recreation Program. Financing for this program and all seasonal positions throughout the Department reflect the implementation of the increase in the

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minimum wage to \$9.60 through RI State Minimum Wage R.I.G.L. 28-12-3 effective January 1, 2016.

- *Macrobust Thunderstorm State Facility Clean Up Costs.* The Governor's recommendation includes an \$800,000 increase in general revenue financing for the one-time expense of tree removal, and clearing of debris at state facilities associated with the August 2, 2015 storm.
- *Pilot Permit Bank Program.* The Governor recommends \$911,412 in additional revolving loan funds to commercial fishermen.
- *RICAP Adjustments.* The Governor's recommendation makes adjustments to RICAP funding across projects for the Department, including a \$425,775 decrease associated with a revised project schedule for the Fort Adams Sailing Improvements project.

Bureau of Environmental Protection

Within the Bureau of Environmental Protection, the Governor recommends revised FY 2016 appropriations of \$30.8 million, including \$11.8 million from general revenue, \$9.9 million from federal funds, \$8.9 million from restricted receipts, and \$164,734 from other funds. Relative to FY 2016 enacted levels, recommended general revenue financing increases by \$16,690, federal financing decreases by \$82,846, and restricted receipt financing increases by \$38,149, and other funds financing is unchanged.

FY 2017 Recommended Budget

The Governor recommends FY 2017 appropriations of \$99.6 million for the Department of Environmental Management, including \$38.2 million from general revenue, \$29.7 million from federal funds, \$19.1 million from restricted receipts, and \$9.3 million from the Rhode Island Capital Plan Fund, and \$3.2 million from other funds. Relative to FY 2016 enacted levels, recommended general revenue financing increases by \$654,493, federal funds financing increases by \$421,315, restricted receipt financing increases by \$727,419, Rhode Island Capital Plan Fund financing decreases by \$2.3 million, and other funds financing increases by \$728,777. The Governor recommends an additional \$87,980 in statewide medical and other savings within the Department of Environmental Management.

Office of Director

Within the Office of Director program, the Governor recommends FY 2017 appropriations of \$9.1 million, including \$5.2 million from general revenue and \$3.9 million from restricted receipts. Relative to FY 2016 enacted levels, recommended general revenue financing increases by \$47,128, federal fund financing decreases by \$150,000 and restricted receipt financing increases by \$801,037 attributable to the following adjustments:

- *Increased IT Licensing Costs.* The Governor recommends an additional \$80,000 from general revenues to cover new software licenses in order for the Department's systems to be compatible with those of other state agencies.
- *Lease Space Costs.* The Governor includes an additional \$262,833 from general revenue for increased costs for the current lease space. The Department recently entered into a new ten-year lease, which begins July 6, 2016.

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Bureau of Natural Resources

Within the Bureau of Natural Resources, the Governor recommends FY 2017 appropriations of \$59.6 million, including \$21.4 million from general revenue, \$20.0 million from federal funds, and \$6.2 million from restricted receipts, \$9.3 million for the Rhode Island Capital Plan Fund, and \$2.3 million from other funds. Relative to FY 2016 enacted levels, recommended general revenue financing increases by \$352,291, federal fund financing increases by \$915,663, restricted receipt financing decreases by \$139,537, Rhode Island Capital Plan Fund financing decreases by \$2.3 million, and other funds financing decreases by \$728,277, attributable to the following adjustments:

- *Local Agriculture and Seafood Grants.* The Governor's recommendation includes a \$100,000 decrease in general revenue financing with a corresponding increase in restricted receipt financing to be derived from fees collected from the lease of submerged tidal lands from renewable energy projects to support the local agriculture and seafood grants program.
- *Pilot Permit Bank Program.* The Governor recommends \$911,412 in additional revolving loan funds for commercial fishermen.
- *RICAP Adjustments.* The Governor's recommendation makes adjustments to RICAP funding across projects for the Department, however the \$2.5 million decrease reflects revised project schedules primarily for the Fort Adams Sailing Improvements project, World War II State Park project and environmental liability clean-up for the former Rocky Point Amusement Park.

Bureau of Environmental Protection

Within the Bureau of Environmental Protection, the Governor recommends FY 2017 appropriations of \$30.8 million, including \$12.0 million from general revenue, \$9.7 million from federal funds, \$9.0 million from restricted receipts, and \$164,734 from other funds. Relative to FY 2016 enacted levels, recommended general revenue financing increases by \$255,074, federal fund financing decreases by \$344,348, and restricted receipt financing increases by \$65,919, and other funds financing is unchanged, attributable to the following adjustments:

- *Additional Personnel.* The Governor's recommendation includes an additional \$207,868 in general revenue for 2.0 FTE positions within the division. An environmental scientist within the Office of Compliance and Inspection will be responsible for increasing response-time to non-compliance complaints and enforcing new provisions of the amended wetlands and cesspool statutes. A senior legal counsel position will pursue litigation to compel compliance and ensure payment of administrative fines and penalties.

The Governor recommends 399.0 FTE positions in the revised FY 2016 Budget and 401.0 FTE positions in the recommended FY 2017 Budget. Relative to the enacted 2016 level, the revised FY 2016 FTE authorization is unchanged and the FY 2017 authorization increases by 2.0 FTE positions.

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COASTAL RESOURCES MANAGEMENT COUNCIL

Source Of Funds	FY 2014 Actuals	FY 2015 Actuals	FY 2016 Enacted	FY 2016 Revised	FY 2017 Recommended
General Revenue	\$2,160,560	\$2,313,282	\$2,433,260	\$2,421,855	\$2,452,438
Federal Funds	\$2,127,181	\$1,876,791	\$2,614,348	\$4,220,154	\$4,098,312
Restricted Receipts	\$170,000	\$180,733	\$250,000	\$250,000	\$250,000
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$298,374	\$371,775	\$323,401	\$410,657
Total Funding	\$4,457,741	\$4,669,180	\$5,669,383	\$7,215,410	\$7,211,407
FTE Authorization	29.0	29.0	29.0	29.0	29.0

FY 2016 Revised Budget

The Governor recommends revised FY 2016 appropriations of \$7.2 million for the Coastal Resources Management Council, including \$2.4 million from general revenue, \$4.2 million from federal funds, \$250,000 from restricted receipts, and \$323,401 from the Rhode Island Capital Plan Fund. Relative to FY 2016 enacted levels, recommended general revenue financing decreases by \$11,405, federal financing increases by \$1.6 million, restricted receipt financing is unchanged, and Rhode Island Capital Plan Fund financing decreases by \$48,374. The revised FY 2016 budget is inclusive of enacted statewide medical benefit and other savings distributed to state agencies, which resulted in \$15,630 of general revenue savings being allocated to the Coastal Resources Management Council.

- *Personnel Financing.* The Governor's recommendation includes \$3.4 million from all funds for personnel expenditures for 29.0 FTE positions, a decrease of \$63,239 from the enacted FY 2016 level. The recommendation includes \$2.3 million in general revenue financing, a decrease of \$10,415 from the enacted 2016 level.
- *Federal Grant Financing.* The Governor's recommendation includes \$4.2 million in federal funds financing, an increase of \$1.6 million from the enacted 2016 level, primarily associated with a federal discretionary project grant. The Narrow River grant will be used to restore and rebuild wildlife refuges affected by Hurricane Sandy and to mitigate damage from future storms.

FY 2017 Recommended Budget

The Governor recommends FY 2017 appropriations of \$7.2 million for the Coastal Resources Management Council, including \$2.5 million from general revenue, \$4.1 million from federal funds, \$250,000 from restricted receipts, and \$410,657 from the Rhode Island Capital Plan Fund. Relative to FY 2016 enacted levels, recommended general revenue financing increases by \$19,178, federal financing increases by \$1.5 million, restricted receipts financing is unchanged, and Rhode Island Capital Plan Fund financing increases by \$38,882. The Governor's recommendation includes \$7,555 in general revenue medical savings allocated to the Coastal Resources Management Council.

- *Personnel Financing.* The Governor's recommendation includes \$3.5 million for personnel expenditures for 29.0 FTE positions, a decrease of \$6,877 from the enacted level. The recommendation includes \$2.3 million in general revenue financing, an increase of \$20,168 from the enacted 2016 level.

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- *Federal Grant Financing.* The Governor's recommendation includes \$4.1 million in federal funds financing, an increase of \$1.5 million from the enacted 2016 level, primarily associated with the Ninigret Pond grant. The grant will be used to restore salt marshes affected by Hurricane Sandy and to mitigate damage from future storms.

The Governor recommends 29.0 FTE positions in the revised FY 2016 Budget and 29.0 FTE positions in the recommended FY 2017 Budget, which represents no change from the enacted FY 16 level.