

**Department of Natural Resources
Recommendation Summary**

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
2015-17 Estimated Expenditures	1,471.5	79,880	525,996	605,876
2017-19 Maintenance Level	1,475.8	99,261	381,842	481,103
Difference from 2015-17	4.3	19,381	-144,154	-124,773
% Change from 2015-17	0.3%	24.3%	-27.4%	-20.6%
Policy Other Changes:				
1. LiDAR Partnerships	0.0	0	-2,100	-2,100
2. Aquatic Land Investigation/Cleanup	0.0	0	150	150
3. MRAC Facilitation	0.0	0	150	150
4. WA Coastal Marine Advisory Council	0.0	0	250	250
5. Recreation Funding	0.0	0	-2,408	-2,408
6. Forest Land Management	0.0	0	-13,002	-13,002
7. Forest Practices	0.0	0	-550	-550
8. ORV Management and Maintenance	0.0	0	-1,138	-1,138
9. RMCA-A and ALEA Fund Shift	0.0	0	0	0
10. Aquatics Management	0.0	0	-1,100	-1,100
11. Adaptive Management Shift	0.0	-1,500	1,500	0
12. Enforcement Fund Shift	0.0	-350	350	0
13. Teanaway Community Forest Operation	2.0	756	0	756
Policy -- Other Total	2.0	-1,094	-17,898	-18,992
Policy Comp Changes:				
14. State Public Employee Benefits Rate	0.0	122	426	548
15. WFSE General Government	0.0	782	1,897	2,679
16. State Represented Emp Benefits Rate	0.0	649	2,447	3,096
17. WPEA General Government	0.0	578	2,762	3,340
18. Non-Rep General Wage Increase	0.0	283	1,015	1,298
19. WFSE Orca Transit Pass	0.0	2	8	10
20. Orca Transit Pass-Not WFSE	0.0	10	36	46
Policy -- Comp Total	0.0	2,426	8,591	11,017

Department of Natural Resources Recommendation Summary

Dollars in Thousands	Annual FTEs	General Fund State	Other Funds	Total Funds
Policy Central Services Changes:				
21. Archives/Records Management	0.0	1	3	4
22. Audit Services	0.0	0	1	1
23. Legal Services	0.0	19	67	86
24. CTS Central Services	0.0	2	9	11
25. DES Central Services	0.0	60	273	333
Policy -- Central Svcs Total	0.0	82	353	435
Total Policy Changes	2.0	1,414	-8,954	-7,540
2017-19 Policy Level	1,477.8	100,675	372,888	473,563
Difference from 2015-17	6.3	20,795	-153,108	-132,313
% Change from 2015-17	0.4%	26.0%	-29.1%	-21.8%

POLICY CHANGES

1. LiDAR Partnerships

The Department of Natural Resources (DNR) received ongoing funding to collect and analyze LiDAR (a high-resolution remote sensing technology) data to identify geologic hazards and to increase geological expertise. In the 2016 supplemental budget, the agency received additional expenditure authority to collect revenue from various partners who want to purchase DNR's LiDAR data. Authority is reduced to reflect lower-than-expected purchases by local government and private partners. (Surveys and Maps Account-State)

2. Aquatic Land Investigation/Cleanup

The Department of Natural Resources (DNR) has obligations as the manager of state-owned aquatic lands to cover the state's share of costs associated with contaminated sediment investigations and cleanups related to leasing activities. DNR has been identified as a potential liable party by the Department of Ecology under the Model Toxics Control Act to complete remedial investigation work. This funding will fulfill DNR's current obligations at Whitmarsh Landfill and the East Waterway site. (State Toxics Control Account-State)

3. MRAC Facilitation

The Marine Resources Advisory Council (MRAC) was established by the Legislature in 2013 and charged with ensuring on-the-ground implementation of the comprehensive strategy to reduce the impact of ocean acidification. One-time funding was provided for a contract for continued facilitation and support services for the MRAC in the 2015-17 budget. Ongoing funding is provided to continue the work of the Council. (Aquatic Lands Enhancement Account-State)

Department of Natural Resources Recommendation Summary

4. WA Coastal Marine Advisory Council

When the Marine Spatial Plan for the Washington coast was completed, the funding for it and activities of the Washington Marine Coastal Advisory Council was removed. This item restores some of that funding for ongoing operations and duties required of the Council to serve as a forum and provide recommendations on coastal management issues. (Aquatic Lands Enhancement Account-State)

5. Recreation Funding

The Department of Natural Resources manages trails and primitive recreation sites throughout the state. Operation and maintenance of these sites is supported through the Park Land Trust Revolving Account. Programs to manage these lands are aligned with available revenues. (Park Land Trust Revolving Account-Non-Appr)

6. Forest Land Management

The department manages 2.1 million acres of forest land that generate revenues for common schools and 618,000 acres of state forest lands to benefit 21 counties across the state. Activities such as reforestation, fertilization and precommercial thinning are reduced to align with forecasted management revenues. (Forest Development Account-State; Resources Management Cost Account-State)

7. Forest Practices

The department regulates timber harvest on private and state lands. These programs are paid for with a combination of State General Fund and forest practice application fees. The current level of activity funded with forest practice fees is reduced to match available revenues. This will result in reduced capacity to review and condition applications to meet forest practice rules. (Forest Practices Application Account-State)

8. ORV Management and Maintenance

The Department of Natural Resources manages over 1,100 miles of trails, many of which are used by off-road vehicles. Off Road Vehicle (ORV) account revenue is used to increase outreach and volunteer efforts, maintain recreational facilities and trails, and reduce the maintenance backlog for trails used by off-road vehicles. Expenditures for these activities are aligned with statutory revenue distributions. (ORV & Non-Highway Vehicle Account-State)

9. RMCA-A and ALEA Fund Shift

The Department of Natural Resources' Aquatic Resources Division has relied almost exclusively on RMCA-Aquatics funding for its operational budget over the past three biennia. Historically, the division's operating budget averaged approximately 35 percent Aquatic Lands Enhancement Account (ALEA) and 65 percent RMCA-Aquatics. During the same period, ALEA revenue has not been sufficient to offset increased reliance on RMCA-Aquatics funds. The result is a fund balance projected to be at or below zero at the end of the 2017-19 biennium. A portion of RMCA-Aquatics expenditures are shifted to the ALEA. (Aquatic Lands Enhancement Account-State; Resources Management Cost Account-State)

Department of Natural Resources Recommendation Summary

10. Aquatics Management

DNR uses a portion of revenues from aquatic leases and geoduck sales to manage aquatic leases and to conduct reasearch and monitoring, restoration and other activities related to aquatic lands. Appropriation authority is reduced to match current revenues. (Aquatic Lands Enhancement Account-State)

11. Adaptive Management Shift

The Adaptive Management program was created to provide science-based recommendations and technical information to assist the Forest Practices Board in achieving the water quality and habitat goals of the forest practice rules. A portion of State General Fund support for the Adaptive Management program is shifted to the Forest and Fish Support Account to align with the program's work schedule and available resources. (General Fund-State; Forest and Fish Support Account-State)

12. Enforcement Fund Shift

DNR enforcement staff patrol state lands including the safe use of off-road vehicles and nonmotorized recreation. Due to increasing revenues to the Off Road Vehicle Account and from the sale of Discover Passes, a portion of enforcement activities are shifted from the State General Fund to the ORV and NonHighway Vehicle Account, and the Park Land Trust Account. (General Fund-State; ORV & Non-Highway Vehicle Account-State; Park Land Trust Revolving Account-Non-Appr)

13. Teanaway Community Forest Operation

When the Legislature created the Teanaway Community Forest, it established five goals for the stewardship of this landscape including improving watershed protection, restoring forest health, retaining working lands, maintaining recreation access, and fostering community partnerships. Implementing the newly adopted forest management plan and responding to the community's needs require a consistent level of staffing. Current operational funding is directed primarily toward law enforcement, fire and county weed board assessments, and noxious weed control. Increased operational funding is provided for supplies and materials and for two full-time staff needed to manage this important 50,241-acre community forest. (General Fund-State)

14. State Public Employee Benefits Rate

Health insurance funding is provided for state employees who are not represented by a union, who are covered by a bargaining agreement that is not subject to financial feasibility determination, or who are not part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal; Forest Development Account-State; other accounts)

Department of Natural Resources Recommendation Summary

15. WFSE General Government

Funding is provided for a collective bargaining agreement and arbitration award with Washington Federation of State Employees (WFSE), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; a minimum starting wage of \$12 an hour; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal; Forest Development Account-State; other accounts)

16. State Represented Emp Benefits Rate

This provides health insurance funding as part of the master agreements for employees who bargain as part of the coalition of unions for health benefits. The insurance funding rate is \$970 per employee per month for fiscal year 2018 and \$1029 per employee per month for fiscal year 2019. (General Fund-State; General Fund-Federal; Forest Development Account-State; other accounts)

17. WPEA General Government

Funding is provided for a collective bargaining agreement with Washington Public Employees Association (WPEA), which includes a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; a general wage increase of 2 percent, effective January 1, 2019; salary adjustments for targeted classifications; and changes to vacation leave accruals. Employee insurance included in the agreement is displayed in a separate item. (General Fund-State; General Fund-Federal; Forest Development Account-State; other accounts)

18. Non-Rep General Wage Increase

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 2 percent, effective July 1, 2017; a general wage increase of 2 percent, effective July 1, 2018; and a general wage increase of 2 percent, effective January 1, 2019. This item includes both higher education and general government workers. (General Fund-State; General Fund-Federal; Forest Development Account-State; other accounts)

19. WFSE Orca Transit Pass

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. (General Fund-State; Forest Development Account-State; Resources Management Cost Account-State; other accounts)

20. Orca Transit Pass-Not WFSE

This funds transit passes (ORCA cards) for state employees outside of higher education who work in King County, other than those represented by the Washington Federation of State Employees. (General Fund-State; General Fund-Federal; Forest Development Account-State; other accounts)

Department of Natural Resources Recommendation Summary

21. Archives/Records Management

Agency budgets are adjusted to reflect each agency's allocated share of charges for the state archives and state records center (General Fund-State; Forest Development Account-State; Resources Management Cost Account-State)

22. Audit Services

Agency budgets are adjusted to reflect each agency's allocated share of charges for state government audits. (Resources Management Cost Account-State)

23. Legal Services

Agency budgets are adjusted to reflect each agency's anticipated share of legal service charges. The Attorney General's Office will work with client agencies to implement stricter policies and best practices regarding usage of legal services to achieve lower bills. (General Fund-State; Forest Development Account-State; ORV & Non-Highway Vehicle Account-State; other accounts)

24. CTS Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Consolidated Technology Services Agency (WaTech) for the Office of the Chief Information Officer, Office of Cyber Security, state network, enterprise systems, security gateways, and geospatial imaging services. (General Fund-State; Forest Development Account-State; ORV & Non-Highway Vehicle Account-State; other accounts)

25. DES Central Services

Agency budgets are adjusted to reflect each agency's allocated share of charges from the Department of Enterprise Services (DES) for campus rent, utilities, parking, and contracts; a capital project surcharge; financing cost recovery; public and historic facilities; real estate services; risk management services; small agency financial and human resource services; personnel service rates; the Perry Street child care center; and the department's enterprise applications. (General Fund-State; General Fund-Federal; Forest Development Account-State; other accounts)