

Almond Announces \$25.7 Million In Cuts Mandated By General Assembly Budget

Governor Lincoln Almond today announced cuts totaling \$25.7 million in the Fiscal Year 2003 budget approved by the General Assembly. The reduction is mandated in a budget article, which directs the Administration to develop budget reduction plans totaling 2% of each department's personnel costs, 5% of operating costs and 10% of contracted services. The budget does not authorize the Governor to reduce expenditures in other areas of the budget, such as local aid, grants or capital projects.

"These onerous reductions could have been avoided if the General Assembly had adopted just a few of my revenue and expenditure proposals," said Almond in a letter to General Assembly leadership. "Adoption of my proposals to change the split on the video lottery terminals and eliminate the subsidy to the kennel owners would have eliminated the need to execute these statewide reductions. It is irrational to me that you would continue to support the dogs and allow services to our citizens to be jeopardized.

"As you know, the identification of \$25.7 million of reductions is a very difficult job," said Almond. "I believe this is the reason you and your colleagues avoided the task in your rush to adjourn. It is, however, the Governor's responsibility to execute the enacted budget and I will fulfill that constitutional role despite the irrational nature of the adopted budget.

"I have instructed the Budget Office to cause the cabinet to implement these reductions immediately in order to ensure that expenditures do not exceed the enacted appropriations contained in the General Assembly budget. I have and will continue to exercise diligently my constitutional obligation to carry out the mandates of the budget as enacted by the Legislature.

These cuts will help ensure those mandates are met and that the next administration can maintain a balanced budget."

Department of Environmental Management 2003 Budget Cuts

Division of Water Resources, Increased Offsets and Contract Elimination, \$173,500: This reduction requires approval by the Environmental Protection Agency to reprogram \$75,000 federal funds approved for dues to the New England Interstate Water Quality Commission in order to offset state-funded personnel in the Division. The reduction also eliminates contractual services provided by the USGS and Roger Williams University for river and observation well reporting data. Further reductions include elimination of a records archive contract and training for selected permitting employees. Reduced availability of water quality monitoring data used by both the Department and the RI Water Resources Board will result in diminished capacity for drought forecasting.

Underground Storage Tanks Position moved to Federal Brownfields Program, \$52,000 - This action would eliminate a junior sanitary engineer position from the Underground Storage Tank program through reassignment to a vacancy in the federal Brownfields program. Implementation of this reduction may affect the rate of inspection of underground storage tanks; remaining staff will be challenged to fulfill statutory requirements for a two-year inspection schedule.

Transfer of State Brownfields costs to federal Brownfields Program, \$35,000 - This action would allow the department to offset eligible costs from the state waste division to a federal funding source. No impact on either program or the division's workload is expected.

Reduce activity in the Shellfish Transplant program, \$50,000 - This action eliminates payments to commercial shellfishermen to transplant shellfish from polluted areas to non-polluted areas in Narragansett Bay. The DEM and the Narragansett Bay Commission (NBC) have worked in conjunction on this program. As indicated by the department, the NBC will also be limiting its commitment to this program in FY 2003.

Offset enforcement dispatch costs to the boating safety restricted receipt account, \$54,800 - Twenty percent of general fund expenses incurred in the Records and Communication division will be offset to the boating safety account to finance eligible costs for boating safety response. Adequate funds exist in the account, and current activities will not be affected.

Division of Agriculture, \$25,000 - A portion of overtime in the Division of Agriculture for West Nile Virus response is proposed for reduction. Recently, agricultural workers have devoted time outside of assigned schedules in collecting dead birds, manning phone lines and other required tasks in response to threats of West Nile Virus outbreaks. Some overtime financing will still exist in the division in FY 2003. An additional \$5,000 is also removed for mileage reimbursement on personal vehicles.

Reduction of Parks Operating expenditures, \$50,000 - Fifty thousand dollars in operating expenditure is proposed to be reduced from the Parks Division. This reduces total operating

expenditure by approximately 4%. Examples of items to be reduced may include automotive maintenance, repairs to buildings and structures and/or the purchase of new computer equipment.

Hearing Officer in Administrative Adjudication, \$120,000- Legislative action added one additional hearing officer in the Administrative Adjudication Office. The department believes that the current caseload can be adequately processed with existing staff.

Office of the Director, \$24,288 - This item reduces the hours of the office manager in the Director's Office to a three-day workweek. The position is unclassified and the reduction can be accomplished without union approval, though consent of the employee is required.

Accelerated Attrition, \$86,872- In lieu of proposed savings from layoffs and from reduced enforcement presence in state parks, the Budget Office proposes to achieve the department's required reduction amount from additional vacancy savings. Attrition not captured in other reduction items or the department's general turnover rate is expected to occur as some level of a hiring freeze will be continued; most likely savings are in the Environmental Protection program.

Office of Strategic Planning & Policy, \$48,000 - This proposal maintains a vacancy of an environmental planner in the Office of Strategic Planning and Policy. The department contends that by not filling the position, the completion of the Greenhouse Gas Project may be delayed, and public outreach efforts may be limited.

Sustainable Watersheds Program, \$42,765 - This item recognizes the vacancy of a senior environmental planner in the Sustainable Watershed program in the Office of Strategic Planning and Policy. The position is expected to become vacant in September, 2002, and the reduction amount reflects nine months of vacancy. The sustainable watershed program is not statutorily mandated, but has resulted in effective partnerships with federal, state and local entities.

Office of Legal Services, \$105,000 - This item increases offsets of legal office expenses to enhanced collections of outstanding consent agreement payments during FY 2003. Approximately \$300,000 of uncollected payments are pending; the department estimates that one-third are collectable in FY 2003. The fines and penalties are for transgressions of water, air and solid waste rules, regulations and laws.

Environmental Management

Increase Federal Offsets- Water Resources	(173,500)
Underground Storage Tanks- 1 Position	(52,000)
Brownfields-1/2 Fte To Federal	(35,000)
Reduce Shellfish Transplants	(50,000)
Offset Dispatch To Boating Safety	(54,800)
West Nile Overtime Costs	(25,000)
Parks Operating Reduction	(50,000)
New Hearing Officer- Hold Vacant	(120,000)
Three Day Workweek Office Manager-Director's Office	(24,288)
Increase Turnover Savings	(86,872)
One Vacancy In Strategic Planning	(48,000)
FTE Reduction In Sustainable Watersheds	(42,765)
Collect Penalties, Increase Offsets	<u>(105,000)</u>
Total DEM Reductions	(867,225)