



Legislative Fiscal Bureau

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April 18, 2023

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Department of Natural Resources Section 13.10 Request for 1.0 Four-Year Water Resources Specialist Project Position -- Agenda Item II

REQUEST

On May 9, 2022, the Department of Natural Resources (DNR) submitted a request to the Joint Committee on Finance under s. 16.505 of the statutes for 1.0 full-time program revenue (PR) supported four-year project position beginning in fiscal year 2022-23. The position would oversee the collection and dissemination of water use data for the Department to satisfy its obligations under the Great Lakes Compact. The Committee notified DNR of an objection to the request on May 27, 2022. The s. 16.505 request is now before the Committee under s. 13.10 of the statutes.

BACKGROUND

DNR is responsible for implementing provisions of the Great Lakes Compact, a formal agreement between the Great Lakes states that details states' commitments to manage and protect the Great Lakes-St. Lawrence River Basin. Effective on December 8, 2008, the Compact bans any diversion of water outside of the Great Lakes basin, with limited exceptions. DNR's Drinking Water and Groundwater program implements the provisions of the Great Lakes Compact, among other responsibilities, with Compact-related duties including: (a) water withdrawal registrations; (b) annual reporting; (c) issuance of water use permits; (d) review of Great Lakes diversion applications; (e) implementation of a water resources inventory; and (f) implementation of a water conservation and efficiency program.

Funding and positions for the water use responsibilities section of DNR's Drinking Water and Groundwater program are provided in part from the PR appropriation under s. 20.370 (4)(ai) of the statutes. Adjusted base funding for the appropriation is \$842,500 PR each year with 4.0 positions. The appropriation is a continuing, all-moneys-received appropriation, which means that the funds can be spent without additional legislative approval, up to the appropriation's available balance and

revenues from water use fees. The appropriation earns revenues from fees paid by property owners or public water supplies who may withdraw an average of 100,000 gallons or more of surface water or groundwater per day, and operations withdrawing more than 50 million gallons of water per year in the Great Lakes basin. In 2021-22, the appropriation collected \$1,018,700 in revenues and had an unencumbered balance of \$1,560,800.

ANALYSIS

The request would create 1.0 water resources management specialist four-year project position funded by the water use fees appropriation under s. 20.370 (4)(ai) to support implementation of Great Lakes Compact requirements. DNR reports that the position would oversee the collection and dissemination of water use data, which had previously been carried out primarily by limited-term employee (LTE) staff with support from DNR permanent staff. DNR states that LTEs have been difficult to retain due to the pay and benefit limitations, and the finite term of employment. DNR and the Administration report high LTE staff turnover has required frequent retraining of new employees, with implications for the consistency and continuity of program service. Further, DNR reports that the permanent staff that were previously helping with portions of the work are no longer able to assist, while also fulfilling their own program responsibilities.

The Department indicates that this 1.0 requested position would serve as a single point of contact and provide consistent implementation of the statewide water quantity inventory, with responsibilities including: (a) work planning; (b) budget management; (c) field data collection; (d) data analysis; (e) data visualization; and (f) data dissemination. DNR estimates the total annual cost of the position to be \$91,200, including: (a) \$76,200 in annual salary and fringe benefits; and (b) \$15,000 in supplies, services, other equipment, and travel. DNR indicates that, if approved, the position would have a start date of June 1, 2023, and an end date of June 1, 2027. DNR indicates that, after four years, the Department would reevaluate whether the position should be requested as ongoing.

The following table shows the estimated condition of the water use fees appropriation through the 2023-25 biennium under current law. The table shows annual water use program revenue fees and available balances are sufficient to cover expenses anticipated from the requested position. DNR indicates that there are no current positions or vacancies with suitable funding sources that could be reallocated or shifted to cover the responsibilities outlined in the request.

DNR Water Use Fees Appropriation Condition

	<u>Actual</u> <u>2021-22</u>	<u>Budgeted</u> <u>2022-23</u>	<u>Current Law</u> <u>2023-24</u>	<u>Current Law</u> <u>2024-25</u>
Opening Balance	\$1,802,000	\$1,575,300	\$1,732,800	\$1,825,200
Water Use Fees	1,018,700	1,000,000	1,000,000	1,000,000
Expenses	<u>1,245,400</u>	<u>842,500</u>	<u>907,600</u>	<u>907,600</u>
Closing Balance	\$1,575,300	\$1,732,800	\$1,825,200	\$1,917,600

Section 16.505 Request Item (Change to Current Law Balance)

1.0 Water Resources				
Management Position			<u>91,200</u>	<u>91,200</u>
Closing Balance			\$1,734,000	\$1,735,200

Given that the position would be funded by an all-monies-received program revenue appropriation that is equipped to handle the added expense, the Committee could approve the four-year project position [Alternative 1]. The Committee could specify that the position is a two-year project position, allowing for a reevaluation of labor needs at the end of the 2023-25 biennium [Alternative 2]. The Committee could also deny the request [Alternative 3].

ALTERNATIVES

1. Provide 1.0 full-time program revenue (PR) supported four-year project position beginning on June 1, 2023.
2. Specify the position as a two-year project position.
3. Deny the request.

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