

# **State of Alaska FY2003 Governor's Operating Budget**

## **Department of Natural Resources Claims, Permits & Leases Component Budget Summary**

## Component: Claims, Permits & Leases

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### Component Mission

Encourage environmentally sound use and development of state land and resources for public and private purposes.  
(Differs from SLA 2001, CH90, Section 112)

This component provides most of the state authorizations necessary for the use of state land. For that reason, the major outcomes for which this component is responsible are:

- I. Provide Revenue to the State Treasury
- II. Facilitate Job Creation from the Use of State Land
- III. Assure Environmentally Responsible Use of State Land

This component also provides authorizations necessary for oil and gas, mining, forestry, fishing, mariculture, trapping, commercial recreation, road-building, etc. There are few, if any, industries in Alaska that use state land that do not require an authorization provided by this component.

This component is budgeted based on the assumption that revenue generated by the development of state land should not only pay for its cost, but also provide a return to the state. Thus, the services provided by this component require approximately \$7 million. However, the direct revenue collected by this component is expected to be almost \$10 million, of which over \$2 million will go into the permanent fund. These revenues do not include all revenues generated by the development of state land, only the fees, rents, and royalties collected directly by this component. That is, the figure does not include oil and gas royalty, forestry stumpage fees, mining license tax, etc.

### Component Services Provided

This component provides the land use authorizations necessary for the development of Alaska's state land. Almost all industries require authorizations provided by this component to operate on state land. Examples include:

- Oil and Gas: ice roads, support facility leases, exploration camps;
- Mining: claims, leases, access, plans of operations, reclamation plans, major project coordination;
- Forestry: log-transfer sites, access, support camps;
- Commercial Fishing: mariculture sites; shore fishery leases; leases for processors;
- Tourism: lodges sites, access, and related permits.
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The Division of Mining, Land and Water is the steward of the state's land. Most authorizations for the use of state land are granted through this component. The Division works with industry and the public to develop state land in a way that is efficient for industry, protects public resources, provides a return to the state and appropriately involves the public in decisions that affect them.

The division also provides much assistance through this component to the private citizens by issuing permits and leases as needed whether it is for a trapping cabin on some remote site or for a utility line to bring services to a family. The division provides for personal use material sales to individuals, or competitive materials sales for those requiring larger quantities. Driveways, roads, trails, or waterlines are just a few of the rights-of-way issued to individuals. The division through land use plans and its public involvement processes recognizes the importance and value of public input in the decisions it makes in use of state land and resources. Working with private citizens to provide for their needs is important to the division.

Twenty separate programs are funded through this component, most of which involve a permit, lease, or other authorization. The Division reports specific performance measures for each. Detailed spreadsheets that describe the performance for each program is available upon request from DNR Admin Services Manager (Nico Bus 465-2406). A general description of each program is provided below.

**UPLAND AND TIDELAND PERMITS.** Land permits are an authorization issued to use state land, on a temporary basis, for a variety of purposes. The permits range in duration from one to five years. They are intended for temporary, non-permanent uses such as floating lodges, log storage, scientific research, guide camps, equipment storage and commercial recreation uses. These permits do not convey any interest to the land and permanent structures are not allowed. Permit applications require an application fee set by regulation. As these are short duration permits, most permits are closed upon expiration, with a lower percentage requesting another permit to continue with the project. Beginning in 1996, DNR began using many 5-year permits rather than one-year permits.

**TRAPPING CABIN PERMITS.** The division issues 10-year non-exclusive permits to licensed trappers for construction and use of "shelter" cabins along established trap lines. Because of the program's narrow scope, only a few new permits are issued each year. Under this program, each trapper is allowed up to three cabins per permit for a one-time use fee of \$100. Controversial locations require a large amount of staff time to resolve. Similarly, field visits are performed only when there are complaints that the cabins are being used for more than trapping purposes, such as guiding, or personal recreation.

**COMMERCIAL RECREATION PERMITS.** Commercial guides and outfitters, and other purveyors of commercial recreational services that overnight on state land are required to obtain a permit under this program. Essentially a general permit, this authorization is obtained over the counter upon application and payment of the fee. DNR collects valuable data concerning land use patterns and type of activities.

**UPLAND AND TIDELAND LEASES.** Leases are long-term authorizations for a wide variety of purposes. Leases are a basic tool for the long-term development of state land. Examples of facilities authorized by lease include support facilities on the north slope, or docks and marinas on state tidelands for communities. Because leases typically are either bid or require payment of fair market value for the land, they provide significant return to the state. Leases can be categorized into two types, short term (less than 10 years) and long term (10 to 55 years). A variety of factors, such as years to amortize a business project and whether the project can be negotiated or competitive, determine the lease duration. Leases convey an interest in state land and may, upon approval, be assigned or sublet. A wide variety of projects can be leased and may include such uses as upland commercial lodges, tideland log transfer and log storage facilities, docks supporting private upland lodges, seafood processing facilities and marinas. Length of time to issue a lease is partially driven by whether the annual rental can be established by a fee schedule or whether an appraiser is required and also whether a lease diagram or a monumented survey is necessary. These authorizations are issued with annual fees or another method of compensation, (including five year reappraisal).

**COMMERCIAL RECREATION FACILITIES DEVELOPMENT LEASES.** This program is authorized by a specific statute, AS 38.05.073, to provide DNR with a "modern" set of "tools" to appropriately design and authorize a large commercial recreation development. At the present time we manage only one lease, Alyeska Resort. The Hatcher Pass lease, also developed under this statute has been assigned to the Matanuska-Susitna Borough.

**AQUATIC FARM LEASE.** Alaskans wishing to grow and harvest shellfish and other ocean species may do so with an authorization under this program. Alaskan oysters are sold nationally and mussels are sold locally and used in many restaurants. This growing program is currently expanding into the farming of bottom shellfish such as geoducks and clams. In FY 95, this program was shut down by a court decision. The program was not re-established until a new statute was passed and new regulations were promulgated. Last year's opening was the first opening since 1995. Regulations require DNR to hold an opening every two years.

**SET NET LEASE.** This long-standing program allows limited entry permit holders for gill net fishing from shore to obtain a lease to their fishing sites. Although it is not a requirement to fish, a lease gives the fishers a control over the location where they habitually fish. The leaseholder may use the location for a set-net fishing to the exclusion of others.

**PUBLIC AND CHARITABLE LEASES AND SALES.** This long-standing program is designed to facilitate public uses of state land which are permanent in nature and require site control which is accomplished by official land survey and conveyance of an interest in the land. Examples of leases processed under this program include sites for local fire stations and community centers; girl scout camping facilities; public works maintenance facilities. The processing of a lease under this authority is very similar to that of a regular lease and involves written decision, public notice and survey. The statute allows the payment by the lessee to be less than fair market value. An appraisal may be required to establish the actual lease rate. The workload under this authority has decreased somewhat as local governments receive their land entitlement under the Municipal Entitlement Program. However, the complexity of each leasing action increases as land status, social issues and competition for land increases.

**LOG TRANSFER FACILITY LEASES AND PERMITS.** Log transfer and log storage leases authorize the movement of logs from public and private uplands into the marine waters. Leases can be short term (less than 10 years) and long term (10 to 55 years). The lease duration is determined by a variety of factors such as the number of years that logging is expected to occur and whether a negotiated or competitive process can lease the site determine the lease duration. Leases convey an interest in state land and may, upon approval, be assigned or sublet. With the exception of the U.S. Forest Service, leases are issued with annual fees. DEC's recently approved general permit, addresses potential bark accumulation on the ocean floor for both log transfer and log storage sites. It establishes a new workload for the program by requiring greater analysis and review of remediation proposals by the leasee in the next few years, through a joint review by DNR and other state agencies. The number of authorizations is expected to decline due to the majority of private lands being already logged and continuing legal challenges to the USFS timber program.

**MATERIAL SALES.** Sale contracts for materials such as pit-run gravel, peat, and sand are issued to meet private and public needs. Sand and gravel sales to private companies support economic activities, such as industrial, mineral, and oil & gas development, construction of roads, and building pads. Public sales are provided for DOTPF and community projects, such as road construction, bank stabilization, or emergency projects following natural disasters. If materials are sold non-competitively from an existing pit, contracts can typically be issued in less than a week. Personal use sales of up to 100 cubic yards are sold over-the-counter, same-day service; the division issues approximately 160 personal use contracts annually. Cycle times for new material sources and competitive sales (greater 25,000 cy per year) are variable based on location and size; average cycle time is 18 months since these require best interest findings and public notices. Except for public purpose sales, materials are sold at a competitive price based on private-sector sales.

**EASEMENT ASSERTION/MANAGEMENT & VACATION.** The Division is seeing a large increase in requests to assert RS 2477s and other easements, define exact locations for previously asserted easements, and to vacate those previously asserted. The staff time required to resolve these issues is large, seems to be ever-increasing, and in previous years unbudgeted. Legislation is being proposed that would address issues related to landowner liability and maintaining a list of identified RS 2477s. In addition, the division is proposing an increment that will aide in managing these easements. Management of RS 2477 and other easements is becoming an increasingly significant issue with the public.

**RIGHTS-OF-WAY.** Permits are issued for the construction of roads, trails, driveways, public and private utilities, and communications facilities. Examples of these permits include authorization for ice roads for oil and gas exploration, access to mining claims, etc. Permits are issued for a reasonable term. Fees can be one-time for public uses or annual rental based on regulation. An exclusive use right-of-way is a disposal of state interest and requires a best interest finding, public notice and appraisal to determine annual rental. In all cases, a state-approved location of the right of way must be submitted -- a trail diagram or an as-built survey. Cycle times for processing rights-of-way are highly variable depending upon the applicant's supplying necessary survey and appraisal. Inspections are performed only when there are complaints from third-party users; the number of inspections is approximately 2-5% of the total permits issued annually.

**PLAT APPROVAL IN THE UNORGANIZED BOROUGH.** By law, DNR is the platting authority in the unorganized borough. This project involves review and approval of survey plats submitted by surveyors for subdivision of lands and right-of-way dedications in the unorganized borough. This purpose of this project is to insure that subdivisions within the Unorganized Borough are surveyed, recorded and have legal access. Prior to passage of AS 40.15.300, these requirements were not addressed, allowing for paper plat subdivisions and subdivision by deed, (without a field survey). Those were prone to produce gaps, overlaps, and clouded boundaries, creating survey problems and title problems.

**INTERAGENCY LAND MANAGEMENT ASSIGNMENTS.** DNR is the major state agency with authority to hold title to land. Thus, where other agency facilities are needed, DNR holds title to the land but assigns the land management authority to the requesting agency. In some cases where significant public concern is involved, the assignment requires public notice and significant public discussion. The Department of Transportation and Public Facilities and the Division of Parks and Outdoor Recreation are the most frequent assignees. Almost all assignments to these agencies provide land for roads or developed facilities that are planned and funded.

**MINERAL PROPERTY MANAGEMENT.** This project processes and maintains the state's mineral location records on state-owned lands. Mineral exploration, development and production in Alaska on state-owned lands is dependent upon current and up-to-date mineral title records documenting ownership and current status of locations, all of which are maintained by the division. The project is expected to process approximately 5-8,000 new mining claims next year. This is still a significant increase from the 2-3 thousand claims staked in the early 90's, and reflects the continuing trend

of interest in Alaska's state-owned mineral lands. This project also maintains and administers the records and annual filings for approximately 55,000 mining claims and leasehold locations, about 2,000 prospecting sites, 45 upland mining leases, 44 coal leases, and 32 offshore mining leases. It does, however, represent a significant drop from FY01. This project also administers the rental billings and royalty audits to assure 6(i) revenues are correctly paid to the state treasury and permanent fund. Before the passage of SB 175 in 2000, the processing time for new mining claims had increased to 12 weeks. After implementing that legislation, the Division was able to decrease processing time to 2 weeks. This is an important increase in service to the mining industry.

**GENERAL MINE PERMITTING.** Placer mines and mineral exploration activities involving heavy equipment and discharge of water require permits from a variety of state and federal agencies. The mine permitting section issues between 250 to 330 permits and mine reclamation plans of which approximately 50 are within the coastal zone. Permits may be issued for up to 5 years. The project also administers the individual reclamation bonds and operates the reclamation bond pool. Together these contain approximately \$9,100,000 in financial instruments to cover about 2,800 acres of mined land in Alaska. The bulk of this amount is from large mine operations such as the Fort Knox Gold Mine. Miners on federal land also use the state reclamation bond pool to bond federal placer mines.

**COAL SURFACE MINING, REGULATORY.** This project administers the Alaska Surface Coal Mining Control and Reclamation Act (ASCMCRA) in a manner that protects the environment, is efficient to the coal companies, and involves the public. This program is funded by a combination of federal funds and state general fund match. To retain state primacy over the program, the coal program statutes and regulations must be administered consistent with federal standards and procedures. If the state program was eliminated, the regulatory function would be taken over the US Department of Interior, Office of Surface Mining. State management enables Alaska to provide a better program more tailored to Alaskan conditions than would a federally managed program administered out of Washington State or Denver Colorado.

**ABANDONED MINE LAND PROGRAM.** This 100% federally funded program works to reduce or eliminate hazards caused by historic mining (before the advent of modern mining methods and laws) to protect public health, safety, general welfare and property, and to restore the environment where degraded by historic mining. The federal government funds reclamation of mines that were abandoned before the passage of the federal Surface Mining Control and Reclamation Act in 1977. Alaska's program is funded 100% by the federal Office of Surface Mining. No state funds are involved. The federal government will only fund state AML programs for states, like Alaska, that have an approved Surface Coal Mining regulatory program. The operating budget request of \$283,180 is for AML administrative costs necessary to operate the program. Authorization for \$1.5 million is requested in the CIP budget to cover the remainder of the grant and funds received from other joint federal/state projects. A small portion, \$25,000, is obligated to the Emergency AML Program to take immediate action to abate mining related situations threatening life or property.

**LARGE MINE PROJECT.** This project uses funds provided by mining companies in reimbursement agreements to coordinate the permitting of large mines. Under state law DNR is the coordinating agency for large mine projects. Projects that are being coordinated under this program include the Pogo Mine Project near Delta, the Fort Knox and True North Projects near Fairbanks, the Red Dog Project near Kotzebue and an environmental review of the Greens Creek Mine near Juneau.

**GENERAL PUBLIC CONTACT.** This is the only project in this component that does not produce an authorization to use state land. The project is included to document the significant workload and public benefit provided by the general public information and contact required of the Division as the manager of State land. This project provides the majority of funding to DNR's Public Information Center, which expects to handle approximately 17,000 customers in FY01 (this figures reflects only direct person-to-person help to the public, and does not include visits to DNR's web site). Approximately 6,000 people walk in to the Division offices for questions that are unrelated to a particular authorization or are not part of an application or a pre-application discussion.

## Component Goals and Strategies

1. Encourage resource development that creates Alaska jobs and ensures economic growth in all regions of the state. Do so in a manner that is efficient for the applicant, protects public resources, provides a return to the state and appropriately involves the public in decisions that affect them. Spreadsheets that detail the expected level of service for each of the programs described above is available upon request from DNR Admin Services Manager (Nico Bus 465-2406).
2. Streamline natural resource leasing, sales, and permitting processes.

- Continue efforts to utilize on-line application, notice and receipt of comment for permit applications.
- Offer business transaction service over the Internet (payments, cabin rentals, etc.).
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## Key Component Issues for FY2002 – 2003

### Permit/Lease Processing.

In many cases, it takes too long for the Division to process permits or leases. This is in part because of the procedures required and in part because there is not enough staff to do the work required. Some complicated leases take 2-3 years for processing (including survey, appraisal, etc.) That length of time is too long for most businesses to plan for. If we are truly going to be responsive to the needs of commerce and industry in a way that protects public resources, and appropriately involves the public, the Division must improve the cycle time required for authorizations and on-the-ground management. The revenue-based budget approach described above is a method of continuously looking to improve the quality of our service. Methods to increase efficiency and improve the quality of the Division's land management include making better use of technology through such techniques as allowing on-line payment and applications, and through streamlining procedures and processes.

## Major Component Accomplishments in 2001

This component has contributed greatly to the economic and job growth over the years in the various regions of the state.

3. **Mining Law Changes (SB 175).** The 2000 legislature revised the mining law in SB 175 to allow more efficient mining locations to be located, which in turn made for more efficient processing of new mining locations. As part of that legislation, in FY 01, the Division received an additional \$75,000 from new revenues paid by the mining industry to increase this level of service to the industry. As a result, the division has decreased the processing time of new locations from over 3 months (essentially a mining season), to approximately two weeks. The Division is proud to announce that it accomplished this task by November 2000.
4. **Shore Fisheries Lease. (SB 283).** The 2000 legislature as part of SB 283 provided a funding source to restore the Division's shore fisheries lease program that had previously been cut. In FY 2001, the Division has staffed up to restore the services to former levels.
5. **Large Mine Projects**
  - Illinois Creek Gold Mine.* Mining continued and reclamation efforts were initiated at this operation southwest of Galena. The original operators of the Illinois Creek Gold Mine went bankrupt at the beginning of FY 2000, and left the state with the responsibility of actively maintaining the site to ensure that the environment remained protected. The Division re-leased the mine in an innovative leasing process that allowed the lessee to mine in order to generate funds to accomplish reclamation. The mine resumed production during the summer of 2000 and continued this seasonal operation through the summer of 2001, creating jobs for villagers from the hard-hit Yukon-area. The summer payroll (for FY 01) of approximately \$800,000 was an important source of income for the hard-hit villages. Mine production is projected through 2002 and reclamation activities will accelerate and extend through the 2003 operating season. The Division expects that the mine will be fully reclaimed by the new lessee.
  - Pogo Mine Project.* The Division coordinated permitting of advanced exploration at the Pogo Mine Project northeast of Delta Junction. In FY 2000, the exploration project began construction of a tunnel to the ore body that is now over a mile long. The mine is now seeking the necessary permits and the Division is coordinating state permitting and participation in the federally required EIS. The EIS should be completed and all permits issued in early FY 2003. This mine will employ over 300 people for at least 12 years.
  - True North.* The Division completed coordination and issued permits for the True North Mine Project in FY 2001. The mine project included the construction of a new 12-mile haul road and a \$1 million Steese Highway underpass, and has created over 100 new jobs. During FY 2003, the division will continue to administer the permits, and will complete permitting of a major expansion to the mine.
  - Green's Creek Environmental Review.* At the invitation of the US Forest Service and Green's Creek Silver-Lead-Zinc Mine, the Division will continue to participate in federal-state environmental review of operations and coordinate any state permitting requirements for the site near Juneau. In FY2002, the focus was on verifying that adequate financial assurances were in place to complete reclamation.
  - Fort Knox Mine Project.* The division continues to administer the permits for this mine project, which is one of the

major employers of the Fairbanks area. The division coordinates the interagency team that conducts annual inspections, reviews project change requests, and monitors reclamation success.

*Red Dog Zinc-Lead-Silver Mine.* The division has begun a project to coordinate the permitting activities

- associated with the world's largest zinc mine, which employs more than 400 Alaskans, most of whom are Alaska Native residents of Northwest Alaska. In FY2002, this included efforts to address the needs for a solid waste permit, a revised reclamation plan and establishing adequate financial assurances for reclamation and closure. These efforts will continue through FY2003. With mine life projected to extend beyond 50 years, many challenges will need to be addressed in the oversight of this project's environmental issues.

6. **Permit/Lease/Claim Processing; Revenues to the State of Alaska.** This component of the Division processed a wide variety of permits, mining claims, and leases. In FY 01, this work resulted in approximately \$9.7 millions of dollars in revenue to the state including fees, rents, and royalties. Of this amount, approximately \$1.8 million permanent fund and \$60.4 thousand to the school fund. The figure also includes federal revenue to the component. It does not include revenues such as taxes, royalties, or timber stumpage that accrue through other divisions or departments. The cost of this component in FY 01 was \$6.9 million. Including federal funding and interagency receipts, the total income is almost \$3.0 million greater than the cost to operate the Division. For FY 2002, the revenue is expected to be \$9.4 million.

### Statutory and Regulatory Authority

AS 38, AS 41, 11 AAC

**Claims, Permits & Leases**  
**Component Financial Summary**

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	5,231.4	5,829.2	6,060.5
72000 Travel	181.4	131.9	156.9
73000 Contractual	886.9	849.3	964.3
74000 Supplies	422.1	62.1	89.6
75000 Equipment	88.3	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
<b>Expenditure Totals</b>	<b>6,810.1</b>	<b>6,872.5</b>	<b>7,271.3</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	671.8	711.2	722.8
1003 General Fund Match	124.2	125.9	127.9
1004 General Fund Receipts	3,484.6	2,853.5	3,181.1
1005 General Fund/Program Receipts	1,942.7	2,011.7	2,048.7
1007 Inter-Agency Receipts	252.4	163.1	167.0
1053 Investment Loss Trust Fund	62.2	0.0	0.0
1055 Inter-agency/Oil & Hazardous Waste	18.3	30.7	31.3
1061 Capital Improvement Project Receipts	19.5	0.0	0.0
1105 Alaska Permanent Fund Corporation Receipts	0.0	673.6	684.5
1108 Statutory Designated Program Receipts	234.4	302.8	0.0
1154 Shore Fisheries Development Lease Program	0.0	0.0	308.0
<b>Funding Totals</b>	<b>6,810.1</b>	<b>6,872.5</b>	<b>7,271.3</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
<b>Unrestricted Revenues</b>						
General Fund Program Receipts	51060	2,467.1	1,319.5	1,319.5	1,318.2	1,318.2
Statutory Designated Program Receipts	51063	148.0	0.0	155.0	0.0	0.0
Shore Fisheries Development Lease Prog	51074	0.0	0.0	0.0	155.0	155.0
Unrestricted Fund	68515	4,037.9	3,605.3	3,605.3	3,605.3	3,605.3
<b>Unrestricted Total</b>		<b>6,653.0</b>	<b>4,924.8</b>	<b>5,079.8</b>	<b>5,078.5</b>	<b>5,078.5</b>
<b>Restricted Revenues</b>						
Federal Receipts	51010	671.8	711.2	711.2	722.8	722.8
Interagency Receipts	51015	252.4	163.1	138.1	167.0	167.0
General Fund Program Receipts	51060	1,942.7	2,011.7	2,011.7	2,048.7	2,048.7

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Statutory Designated Program Receipts	51063	234.4	302.8	302.8	0.0	0.0
Shore Fisheries Development Lease Prog	51074	0.0	0.0	0.0	308.0	308.0
Capital Improvement Project Receipts	51200	19.5	0.0	0.0	0.0	0.0
Interagency Recs./Oil & Hazardous Waste	51395	18.3	30.7	30.7	31.3	31.3
<b>Restricted Total</b>		<b>3,139.1</b>	<b>3,219.5</b>	<b>3,194.5</b>	<b>3,277.8</b>	<b>3,277.8</b>
<b>Total Estimated Revenues</b>		<b>9,792.1</b>	<b>8,144.3</b>	<b>8,274.3</b>	<b>8,356.3</b>	<b>8,356.3</b>

## Claims, Permits & Leases

### Proposed Changes in Levels of Service for FY2003

**Denali Block:**

There has been a great deal of mineral exploration in the area that indicates the potential for a significant deposit of platinum. The area is also used for recreation and camping and is important for sport hunting and subsistence. The Denali Block also includes the Tangle Lakes Archaeological district, containing more than 400 sites. DNR has placed 235,000 acres (less than 5% of the total area) on its conveyance priority list to accelerate mineral exploration. With ownership of this land, however, comes the responsibility to actively manage the land.

To accomplish the on-site management now performed by BLM, this budget increment proposes a part-time position with a vehicle and ATV that will be located during the summer months on the site. In addition, the DMLW will contract with the Division of Parks and Outdoor Recreation to continue BLM's inventory of the site so that DNR will have the knowledge to protect the resources.

**Oil Safety & Development Initiative:**

The DMLW is a participant in the management of Oil and Gas leases and actively manages the surface activities outside of the lease boundaries. With the introduction of Shallow Gas Leasing and the expansion of exploration into new and more remote areas of the North Slope, current staffing levels are inadequate to address these programs. This increment requests one additional Natural Resource Officer II (Range 16) to supplement the existing program for initial sale review, permit issuance, and monitoring and compliance activities.

### 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>
<b>FY2002 Authorized</b>	<b>4,991.1</b>	<b>711.2</b>	<b>1,170.2</b>	<b>6,872.5</b>
<b>Adjustments which will continue current level of service:</b>				
-Year 3 Labor Costs - Net Change from FY2002	96.6	11.6	20.6	128.8
<b>Proposed budget increases:</b>				
-Oil Safety & Development Initiative	110.0	0.0	0.0	110.0
-Denali Block Management	160.0	0.0	0.0	160.0
<b>FY2003 Governor</b>	<b>5,357.7</b>	<b>722.8</b>	<b>1,190.8</b>	<b>7,271.3</b>

## Claims, Permits & Leases

### Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2002</u> <u>Authorized</u>	<u>FY2003</u> <u>Governor</u>		
Full-time	94	95	Annual Salaries	4,604,121
Part-time	1	2	COLA	111,347
Nonpermanent	0	0	Premium Pay	18,974
			Annual Benefits	1,688,433
			<i>Less 5.64% Vacancy Factor</i>	(362,375)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>95</b>	<b>97</b>	<b>Total Personal Services</b>	<b>6,060,500</b>

### Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk II	1	0	0	0	1
Accounting Tech I	0	1	0	0	1
Administrative Clerk I	1	0	0	0	1
Administrative Clerk II	2	1	1	0	4
Administrative Clerk III	2	0	0	0	2
Analyst/Programmer III	2	0	0	0	2
Cartographer II	2	0	0	0	2
Engineering Assistant III	1	0	0	0	1
Environmental Spec III	1	0	0	0	1
Geologist I	2	1	0	0	3
Geologist III	0	1	0	0	1
Geologist IV	2	0	0	0	2
Hydrologist I	1	0	0	0	1
Land Survey Asst II	3	0	0	0	3
Land Surveyor I	3	0	0	0	3
Micro/Network Spec I	1	0	0	0	1
Micro/Network Tech II	1	0	1	0	2
Mining Engin Assoc	0	1	0	0	1
Natural Resource Mgr I	4	2	1	0	7
Natural Resource Mgr II	6	2	1	0	9
Natural Resource Mgr III	3	1	1	0	5
Natural Resource Off I	10	1	0	0	11
Natural Resource Off II	7	7	5	0	19
Natural Resource Off III	2	1	1	0	4
Natural Resource Officer III	2	1	0	0	3
Natural Resource Tech II	3	2	1	0	6
Supply Technician I	0	1	0	0	1
<b>Totals</b>	<b>62</b>	<b>23</b>	<b>12</b>	<b>0</b>	<b>97</b>