



Advocacy Department

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**RECOMMENDATIONS TO THE EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS;
 FISCAL YEAR 2012 BUDGET**

December 16, 2010

Jack Clarke, Director of Public Policy & Government Relations

The public environmental programs that Mass Audubon supports leverage modest state financial resources for invaluable public benefits, protecting the nature of Massachusetts and protecting the environment and health of its residents. These programs ensure clean air and water; assess and protect natural resources and wildlife; restore and manage critical habitats; and guide decision-making on conservation and development priorities by providing information and analyses to government officials and others. The Commonwealth’s environmental agencies have been struggling since long before the economic crash. Agencies were already understaffed from the cuts following the economic troubles of 2003.

The Commonwealth invests less than a penny on the dollar for environmental programs – or 0.64% of the state budget. Funding for environmental agencies has decreased 16% since FY01. There is not much left in the environmental agencies to cut following the earlier set-backs of a few years ago. We are not going to do more with less. We do less with less. Mass Audubon challenges the Patrick Administration and the legislature to restore environmental spending to a **minimum of 1% of the total operating budget**. Investments in natural resource protection last reached 1% of the operating budget in FY2001; over the past several years, annual state spending has increased overall while the Commonwealth’s commitment to our environment has declined.

HISTORY OF ENVIRONMENTAL SPENDING AS A PERCENTAGE OF THE STATE BUDGET											
	FY01 GAA*	FY02 GAA	FY03 GAA	FY04 GAA	FY05 GAA	FY06 GAA	FY07 GAA	FY08 GAA	FY09 GAA	FY10 GAA	FY11 GAA
Annual environmental budget	\$225.3 million	\$209.1 million	\$185.1 million	\$169.9 million	\$170 million	\$187.1 million	\$207.6 million	\$217.1 million	\$231.2 million	\$206.8 million	\$190.0 million
Total state budget	\$22.4 billion	\$23.3 billion	\$24.7 billion	\$23.1 billion	\$24.1 billion	\$25.1 billion	\$26.2 billion	\$28.3 billion	\$27.6 billion	\$26.9 billion	\$29.9 billion
% of total budget spent on environmental programs	1.00%	0.90%	0.75%	0.73%	0.71%	0.74%	0.79%	0.77%	0.84%	0.79%	0.64 %
*GAA = GENERAL APPROPRIATIONS ACT, DOES NOT REFLECT ADDITIONAL APPROPRIATIONS OR CUTS MADE LATER IN THE YEAR. TO MAINTAIN COMPARISONS, FY08 FORWARD DOES NOT INCLUDE THE ENERGY AGENCIES WHICH WERE MERGED INTO THE ENVIRONMENTAL SECRETARIAT.											

Mass Audubon offers the following budget recommendations, recognizing the fiscal uncertainty of the times and the need to lay a marker and a target for environmental protection. Mass Audubon requests that the environmental agencies be funded around Fiscal Year 2009 levels, post budget reductions.

LINE ITEM	PROGRAM	TOTAL FY10 SPENDING, INCLUDING 9C CUTS	FINAL FY11 BUDGET	MASS AUDUBON FY12 REQUEST
2300-0100	DFG/Administrative	\$639,628	\$636,569	\$730,000
2310-0300	DFW/Natural Heritage & Endangered Species Program	\$0	\$0, but with final waiver	\$250,000
2300-0101	DER/Riverways Program	\$390,002	\$390,002	\$450,000
2200-0100	DEP/Admin	\$27,945,126	\$26,446,561	\$33,600,000
2200-0102	DEP/Wetlands Retained Revenue	\$260,812	\$260,812	\$1.2 million w/new fees
2800-0100	DCR/Administrative including Resource Management Planning	\$4,129,630	\$3,613,779	\$5,785,000
2810-0100	DCR/State & Urban Parks	\$44,899,539	\$41,945,772	\$50,800,000
2800-9004	DCR/Trailside Museum	\$125,000 as part of line item #2810-0100	\$425,000 as part of line item #2810-0100	\$425,000

Division of Fisheries & Wildlife Natural Heritage & Endangered Species Program

Line Item 2310-0300

FY12 Recommendation: \$250,000

We also urge the Governor and legislature to permanently waive indirect charges for expenditures from the Natural Heritage & Endangered Species Fund.

Since 1978, the Division of Fisheries & Wildlife's Natural Heritage & Endangered Species Program (NHESP) has worked to gather, manage, and distribute information about the Commonwealth's rare plant and animal species and their habitats, as well as other features of the state's biological diversity. The program's database contains over 14,000 records of rare species and natural community locations across Massachusetts, which is used to guide conservation planning, scientific research, and environmental impact review under the Massachusetts Endangered Species Act. In FY07 the United States Fish and Wildlife Service approved Massachusetts' Comprehensive Wildlife Conservation Strategy, Division of Fisheries & Wildlife, a plan to keep species from becoming threatened and a significant source of federal match monies. Heritage is eligible for much of this reimbursement, but must first provide a state share of funding. With additional support from the Commonwealth, Heritage can continue to set land acquisition priorities, provide match for federal State Wildlife Grant

monies, increase coordination between state agencies, non-governmental conservation partners and municipal officials, and improve ecological management techniques on existing conservation lands.

In past years, Heritage received funding from three sources: 36% from the Natural Heritage & Endangered Species Fund (donations from state income tax check-offs); 22% from the Inland Fisheries and Game Fund (hunting and fishing license fees); and 42% from the General Fund. In 2004, the Heritage line item was struck from the state budget, leaving Heritage funded only by project-specific bond monies; federal aid, which covers wildlife but not natural communities or plants (of the 442 listed species, 264 are plants); a small but appreciated number of voluntary individual contributions on state income tax forms; and fees from Environmental Review under the Massachusetts Endangered Species Act (the FY05 budget allowed Heritage to assess and retain fees for its review of development projects). General funds were restored for one year, Fiscal Year 2009, but were lost the subsequent year. Fees collected under environmental review do not cover the core program functions of research, restoration, and conservation planning. This has left Heritage in a tenuous position, leaving rare plant and natural community protection poorly supported and with uncertain and limited funds for rare species research and restoration.

Mass Audubon also urges the Commonwealth to permanently waive indirect charges for expenditures from the Natural Heritage & Endangered Species Fund. The Natural Heritage and Endangered Species Program (NHESP), within the Division of Fisheries and Wildlife (DFW), has not received general operating funds since FY04, with the exception of FY09. NHESP is at this point entirely funded by permit fees, federal aid, bond, grants, and donations. The NHES Fund is an account that houses fees from Massachusetts Endangered Species Act project reviews, mitigation funds, donations made via the state income tax check off form which average about \$250,000 annually, and grants. It semi-permanent waiver was authorized in 2006, details below, with a “permanent” waiver from fees assessed by the comptroller. Because the language is unclear, the waiver has to be requested by the Department of Fish & Game (DFG) and granted, or not granted, by Administration & Finance on an annual basis. Up until last year, A&F granted the waiver. However, the waiver is no longer being requested by DFG due to changes in A&F policy. \$400,000 annually is assessed in the 33% overhead charge. Part of the assessment is derived from individual donations, meaning taxpayers donate on their income tax form and 34.16% of their donation goes back to the state.

Department of Fish & Game, Administrative Line

Line Item 2300-0100

FY12 Recommendation: \$730,000

The Commissioner’s office is responsible for overseeing the four divisions of the Department of Fish and Game: the Division of Fisheries and Wildlife (*MassWildlife*), the Division of Marine Fisheries, the Office of Fishing and Boating Access, and the Division of Ecological Restoration. The Commissioner’s office has been an outstanding leader within the environmental agencies in climate change policy directed towards helping natural systems and species adapt to a changing climate. The office also brought together wetlands and river restoration programs into a new Division of Ecological Restoration, furthering the wetlands restoration capacity of the Commonwealth. The office provides funds for land protection staff. The Department of Fish and Game currently protects 181,000 acres of critical wildlife habitat and the Commissioner’s office provides the administrative and legal staff for this program, as well as the legal support for all four Divisions.

Department of Fish & Game Riverways Program

Line Item 2300-0101

FY12 Recommendation: \$450,000

The Riverways Program, part of the Division of Ecological Restoration, works side-by-side with local citizens, municipal officials, watershed groups, and other partners to restore and protect the state’s rivers, coastal resources and their ecosystems through: Priority Project Program, which funds community-based activities, such as dam removal and culvert replacement to restore rivers, riparian corridors and salt marshes; Urban Rivers Program, which revitalizes urban riverfronts and promotes neighborhood participation in rediscovering rivers flowing through the Commonwealth’s cities.

River Instream Flow Stewards program, which coordinates local group efforts to collect high quality stream flow data; and the Adopt-a-Stream Program, which assists over 100 local groups across the Commonwealth in generating baseline data and monitor conditions of local streams and brooks.

The Division of Ecological Restoration/Riverways Program works to leverage energy and expertise from local watershed groups with minimal state resources to enhance freshwater and saltwater resources. In 2009, the Division and partners received a Coastal America Award from President Obama Increased investments in the Riverways Program are necessary to sustain local river protection and restoration efforts across the Commonwealth. The Division of Ecological Restoration leverages \$2 to \$3 dollars in federal and local funds for every \$1 in state funds spent. The Division has leveraged over 11 million dollars for over eighty active restoration projects. These projects put people to work and stimulate local economies. Massachusetts should place a priority on the important work and partnerships represented by the Division of Ecological Restoration by adequately funding this important agency.

Department of Environmental Protection Administrative

Line Item 2200-0100

FY12 Recommendation: \$33,600,000

The Department of Environmental Protection (DEP) is the state agency primarily responsible for implementing the Commonwealth's environmental laws, ensuring clean air and water, the safe management of toxics and hazards, the recycling of solid and hazardous wastes, the timely cleanup of hazardous waste sites and spills, and the preservation of wetlands and coastal resources. The Administrative line item is the primary account that funds the Department. DEP has lost 325 positions since FY04, down from a high of 1,215. Their total budget has dropped nearly 20% since FY09. That drop in support results in decreased enforcement, slower permitting, and less oversight and protection of our environmental resources. Water quality and air quality monitoring positions have been lost, as well as many cuts across all sectors of the Department.

Department of Environmental Protection Wetlands Program

Line Item 2200-0102

FY12 Recommendation: Maintain \$1,200,000 Retained Revenue Account

The Department of Environmental Protection's (DEP) Wetlands Program works to protect Massachusetts' inland and coastal wetlands, tidelands, great ponds, rivers and floodplains. The Commonwealth's Wetlands Protection Act is a national model for protection of water quality, drinking water, groundwater, wildlife habitat, fisheries, shellfish, and prevention of flooding and storm damage. Administered locally by municipal conservation commissions with state agency oversight, the Act combines provisions for protecting significant public natural resources with the Commonwealth's long tradition of home rule and local control of land-use decision-making. Conservation commissions, which provide thousands of hours of volunteer service, rely on DEP staff to provide direct training and technical assistance, hear appeals, and ensure consistency in the application of the Wetlands Protection Act statewide. DEP's wetlands program has been cut by over 25% in recent years. In FY2005, Mass Audubon supported the establishment of a retained revenue account to collect DEP wetland permitting fees (a portion of the fees will directly support local conservation commissions). The permit fee structure is outdated and needs to be readjusted, in particular for large development projects, in order to provide funding for this program. The preservation of the retained revenue account and reconsideration of fees is essential to consistent enforcement of the Wetlands Protection Act.

Department of Conservation & Recreation Administrative

Line Item 2800-0100

FY12 Recommendation: \$5,785,000

The mission of DCR is to protect, promote and enhance our common wealth of natural, cultural and recreational resources. DCR has many funding needs, including increased funds for parks maintenance, management planning, prescribed fire, forest health program, and water supply protection. The annual operating budget for the combined

divisions of DCR has been reduced by over 30% in recent years. DCR does not have an effective strategy to manage its properties. To do this effectively, the legislature has wisely required DCR to create Resource Management Plans to build a proactive, strong foundation for managing its facilities. Once completed, the plans will allow DCR to manage its 225 facilities more efficiently and provide a sound management system that can be used to determine where resources are best allocated. All facilities management decisions would be based on the Resource Management Plans, and therefore the Plans must be thorough, be responsive to public input, and address key operational and capital funding needs. DCR needs to hire and deploy seven management planners, with at least one planner in each of the agency's administrative regions who will create standardized and streamlined plans. The process will include feedback from public participation and review, as well as from the DCR Stewardship Council. One Geographic Information Systems (GIS) staff member is also required to prepare and oversee the extensive data development and mapping required for these resource management plans. This work will enable DCR to prepare effective management plans that address the overall management needs of the system as well as the needs of all park users. DCR needs \$750,000 a year for three years to carry out this effort. Absent this new dedicated funding, it would likely take more than 20 years to develop management plans for all DCR facilities – over which period the cost of the deferred maintenance burden for forests and parks would increase substantially.

Department of Conservation and Recreation Parks

Line Item 2810-0100

FY12 Recommendation: \$50,800,000

DCR manages nearly 500,000 acres of protected land, including state parks, urban parks, and public watersheds that attract over 35 million visitors annually. This is the ninth largest park service in the nation. Over the past decade, visitor services and routine maintenance of the forests and parks have greatly suffered. The lack of adequate staffing and physical maintenance poses potential public health and safety liabilities.

Department of Conservation & Recreation/Mass Audubon's Blue Hills Trailside Museum

Line Item 2800-9004

FY12 Recommendation: \$425,000

Since 1974, Mass Audubon has managed the publicly owned Blue Hills Trailside Museum as the gateway to the Blue Hills State Reservation. The mission of Blue Hills Trailside Museum is to promote awareness, appreciation, and active concern for the nature of Massachusetts among people of all ages and to provide enjoyable, affordable environmental education by drawing upon the natural resources of the Blue Hills Reservation and beyond. The Museum's environmental education programs reach over ninety-nine communities annually, and are often the only source of natural history for many urban youth. Over 200,000 people visit the Museum each year.

CONCLUSION

The preservation and enhancement of Massachusetts's wealth of natural beauty and recreation opportunities contributes to the market and non-market values of the Commonwealth. Our forests, parks, farms, wetlands, rivers, and other open spaces are elements of Massachusetts' 'green' infrastructure, on which the growth of our Commonwealth depends.

- Quality of life consistently ranks near the top of relocation criteria considered by high-tech, research & development labs and other emerging technology facilities that place great emphasis on attracting and retaining skilled labor (source: *The Importance of Quality of Life in the Location Decisions of New Economy Firms*, David Salvesen, Henry Renski, Center for Urban and Regional Studies, University of North Carolina at Chapel Hill, January 2003).

- Travel and tourism generates \$21 billion and supports over 150,000 jobs annually. Nearly 2/3rd of all trips are spent outside of Greater Boston, in natural areas such as Cape Cod, the Islands, and the Berkshires (source: Massachusetts Office of Travel and Tourism website).
- Undeveloped land in Massachusetts provides over \$6 billion in non-market ecosystem services annually, such as climate regulation and waste purification, with 85 percent of this value provided by land left largely in its natural state (source: *Losing Ground: At What Cost?* Mass Audubon, 2003).

Emerging technology firms view Massachusetts as a talent bank that they must tap into in order to keep pace with new technology demands and developments. Realizing their advantageous position, knowledge workers choose to reside in amenity-rich areas, and knowledge-intensive firms follow in order to gain access to deep pools of highly skilled labor. Other states are making significant investments in natural resource protection as part of their overall economic development strategy to attract new businesses and employees.

We believe the health of our natural resources is critical to the health of the Commonwealth's future. Conservation should be a priority in policy and financial resource allocation decisions. The air we breathe, the water we drink, the food we eat, and the places we visit to seek peace and quiet are all afforded us by strong public investments and policies. The leaders of today have a responsibility to point the way to a healthier and more sustainable environmental future.