

# Executive Summary

## Budget and Revenue Trends

The Natural Resource Secretariat is the only functional area of state government that has had an actual dollar decline in funding since FY 2000 -- \$23 million. Funding for Natural Resources has suffered an 8% absolute dollar decline and a 24% decline in its relative share of all state funding since the peak-funding year of FY 2000. In FY 2004, Natural Resources will receive less than 1 percent -- 0.96% -- of total state appropriations.

The Natural Resource agencies have suffered an even larger decline in general funds since FY 2000 -- almost \$75 million, or a 52 percent decline in the Natural Resource share of state general funds since FY 2000. In FY 2004, Natural Resources will receive only 0.60 percent of state general fund appropriations.

Natural Resource agencies suffered a \$22.1 million net decrease in 2002-04 biennium general fund appropriations in the 2003 Session.

While the Department of Forestry is not part of the Natural Resources Secretariat, it provides an important environmental function in safeguarding Virginia's forest lands. However from FY 2001-2004, annual state general funds for the DOF have declined 14.2 percent from \$15.93 million to \$13.66 million.

Natural Resource agencies are being forced to rely more heavily on fees, permits, other dedicated revenues, and uncertain federal funds.

The lack of state funding support means meeting the multi-billion dollar funding commitments for the Chesapeake Bay cleanup and other water quality and environmental issues will be even harder to achieve.