

Date: September 24, 2010

To: Adam Horst, Director  
Indiana State Budget Agency

From: Robert E. Carter, Jr., Director  
Indiana Department of Natural Resources

Subject: 2011 – 2013 Biennium Agency Overview

It is my pleasure to submit our FY2012 and FY2013 budget request for consideration by the Indiana General Assembly and the State Budget Committee. Even though state fiscal resources have been reduced, the Indiana Department of Natural Resources (IDNR) has had and continues to have many great accomplishments in the current biennium; all while providing excellent service to our customers. The information contained in this overview will demonstrate the diversity of programming within IDNR as well as highlight the agency's accomplishments, challenges, and program performance in the 2009-2011 biennium.

IDNR has three key agency performance indicators: **people served**, **licenses sold by the Division of Fish & Wildlife**, and the number of permits processed within a certain goal time, which is designated as **permitting efficiency**. The indicators are reported by the respective divisions and then rolled up into a target number for the agency. **People served** is defined as the number of people who buy a hunting or fishing license, enter a state park, attend the Indiana State Museum or a state historic site, and/or participate in educational outreach programs.

**Licenses sold** consist of the total number of licenses sold by the Division of Fish & Wildlife for hunting, fishing, and trapping.

The final key indicator for IDNR is **permitting efficiency**, which is defined as the number of permits processed within a goal time period. The goal time period is usually established in the Indiana Code, Indiana Administrative Rule, or is set by a best practice standard to issue a permit in a certain time frame. Many of IDNR's regulatory divisions report data for this indicator.

IDNR has over 100 programs and subprograms. Of primary importance to IDNR are those programs that have a public health and safety or resource protection component, or those for which there is a very strong identification to public recreation, such as our State Parks & Reservoirs operating program. We also place a great deal of emphasis on our permitting, inspection, and licensing programs. Below is a list of the IDNR divisions, and a brief summary of responsibilities performed under each division.

**Entomology and Plant Pathology**

Protect Indiana's agricultural commodities and exports from injurious new or not widely disseminated plant and pests by certifying, licensing, permitting, and regulating nursery production and exportation.

**Fish & Wildlife**

Manage Indiana's fish and wildlife for present and future generations, balancing ecological, recreational, and economic benefits. The fisheries section monitors and researches fish populations and aquatic habitats in Indiana's freshwater lakes, streams, and rivers. In addition, the Fish & Wildlife division operates several state fish hatcheries that provide a source of additional fish for stocking purposes statewide. The wildlife section is responsible for managing 130,000 acres of wildlife habitat on 21 Fish & Wildlife Areas (FWA), providing technical and financial resources for wildlife habitat improvements on private lands, and conducting wildlife surveys and research. The wildlife diversity section is responsible for the conservation and management of over 750 species of nongame and endangered wildlife. The lake and river enhancement section provides financial and technical resources to address nutrient and sediment problems in publicly accessible lakes and rivers.

**Forestry**

Promote and practice good stewardship of natural, recreational, and cultural resources on Indiana's public and private forestlands. Programs include management of state forests and state recreation areas, cooperative forest management, tree seedling nurseries, wildfire prevention and protection, forest resource information and conservation education, forest health and protection, community and urban forestry and forestry related federal grant management, and timber buyer licensing.

**Historic Preservation and Archaeology**

Promote preservation of the state's historical, architectural and archaeological resources through education, environmental review, permitting, and certification.

**Law Enforcement**

Enforce state laws and promulgated rules, which relate to the management and protection of Indiana's natural resources. Administer statewide outdoor education safety programs.

**State Museum and Historic Sites**

Collect, preserve, manage, and conserve Indiana's cultural artifacts, natural specimens and historic structures to interpret Indiana history through the operation of the Indiana State Museum and Historic Sites. Maintain the State of Indiana's governmental fine arts collections and provide information and assistance to the citizens of Indiana regarding the preservation of their heritage.

**Nature Preserves**

Acquire, dedicate, manage, and maintain Indiana nature preserves by working cooperatively with partners. Provide safe and appropriate public access. Control invasive species. Maintain Indiana Natural Heritage database, endangered plant list, natural areas inventory, and provide information on rare species to partners, agencies, and the public to enable effective conservation and appropriate economic development.

## **Oil & Gas**

Administer Indiana's Oil & Gas Act, regulating petroleum exploration and production operations including well spacing, exploration, permitting, drilling, completion, production, and abandonment operations, underground injection of fluids for enhanced oil recovery or for production fluid disposal, and the underground storage of natural gas or other petroleum products in underground formations.

## **Outdoor Recreation**

Prepare Statewide Comprehensive Outdoor Recreation Plan, manage streams and trails throughout the state, and administer seven (7) recreational grant programs, including: the federal Land and Water Conservation Fund, the Recreational Trails Program, the Shooting Range Program, Wabash River Heritage Corridor, Hometown Indiana, the State Trails Grant Program, and Lilly Trail Grants.

## **Parks & Reservoirs**

Manage and interpret Indiana's unique natural, wildlife, and cultural resources by utilizing the principles of multiple use and preservation while sustaining these resources for current and future generations. The division manages 24 state parks, 9 reservoirs (8 developed by the U.S. Army Corps of Engineers, and 1 developed as a state water project), and 1 forest.

## **Reclamation**

Protect Indiana citizens, property, and environmental resources from the adverse effects of active coal mine operations through the regulatory program, and restore abandoned coal mine land to productivity through the restoration program.

## **Water**

Administer programs focused on professional surface and ground water resource management. To accomplish this task, staff manages a wide variety of water resource related programs including dam safety, floodplain management, permitting, significant water withdrawals, surface and ground water assessment, and water use.

## **Accomplishments & Challenges over the 2009-2011 Biennium**

IDNR has had many noteworthy accomplishments in the current biennium. The agency continues to utilize a mixture of state, federal, and private contributions to undertake a variety of projects ranging from infrastructure upgrades to the successful implementation of the Young Hoosiers Conservation Corps (YHCC). IDNR worked closely with the Department of Workforce Development to employ nearly 1,900 young adults on several IDNR properties in FY10. Participants in YHCC constructed and repaired buildings and trails, treated thousands of acres for invasive species, and were involved in many more projects on more than 75 IDNR properties.

The IDNR also collaborated with several partners to bring the first ever Hoosier Outdoor Experience to the state. This event, which attracted over 20,000 outdoor enthusiasts in FY11, is designed to attract new and experienced individuals to participate in outdoor recreational activities. Even amidst tough fiscal times, the IDNR continued developing partnerships and reaching out to our customers to provide excellent service and new opportunities for participation in outdoor recreational activities.

Several additional accomplishments are highlighted below:

- IDNR and the Adjutant General's Office are well on their way to completing the Atterbury/Putnamville land exchange which is set for completion in mid-October of this fiscal

year. This land exchange could provide up to 800 new jobs and investments of over \$100 million at Camp Atterbury, while adding nearly 1,000 acres of land under active state conservation management.

- The Indiana State Museum brought the Library of Congress Lincoln exhibit “With Malice Toward None: The Abraham Lincoln Bicentennial Exhibition,” and the Lincoln Financial Foundation exhibit to the state in FY10.
- Division of Fish & Wildlife saw an increase of nearly 50,000 in the number of licenses sold in 2010.
- All regulatory divisions were very successful in meeting statutorily defined or internal best practice turn-around times for processing permits and other statutory reviews. In FY10, IDNR processed 97% of permits within goal time periods.
- State Parks & Reservoirs posted increases in gate revenue, campground revenue, and total operating receipts for calendar year 2009. Gate revenue (annual permits and daily entrance fees) was up 8 percent over 2008. Campground revenue (advance reservations and on-site registrations) was up 10 percent over 2008. Those two categories combined with other revenue streams resulted in total operating receipts of \$21,348,054, a 7 percent increase over 2008.
- The Division of Fish & Wildlife began the process of appraising and acquiring land for two significant land conservation initiatives – one in the floodplain of the Wabash River and Sugar Creek and the other along the Muscatatuck River in Scott, Jackson, and Washington counties.
- The Division of State Parks & Reservoirs obtained a \$5.1 million economic stimulus grant to improve the water system at Charlestown State Park. The grant allowed updating the old system that was obtained by the DNR as part of land transfers from the U.S. Army that established the park. The system supplies water to the River Ridge Commerce Center near Charlestown. Improvements will allow water supply for economic development to the area and potentially throughout southeast Indiana.
- The Division of Forestry sold 2.1 million board feet of “green certified” wood with gross revenue of \$335,972. Fifteen percent of the proceeds were allocated to county governments to support their volunteer fire departments.
- The Division of Historic Preservation and Archeology conducted environmental reviews of approximately 2,000 regulatory project submissions within 30 days, meeting program performance targets in all cases.
- The Division of Law Enforcement graduated 24 new conservation officers from recruit school and placed 22 graduates into active duty around the state.
- Under the Indiana Oil and Gas Association partnership, 14 wells were plugged at two locations, including a site at Indiana State University in Terre Haute. Additionally, a major cleanup project involving the reclamation of an abandoned oil production facility in Harmonie State Park is 60 percent completed. This is a joint project between the Division of Oil and Gas and Countrymark Cooperative, LLP of Mt. Vernon.
- Outdoor Recreation acquired more than 16 miles of abandoned railroad corridor for the proposed B&O Trail in Hendricks County. B&O is one of the visionary trails listed in the state’s long-range trails plan, *Hoosiers on the Move*.
- The Division of Reclamation awarded a \$5.2 million grant on Aug. 24 to Nevins Township, Vigo County to construct a new water distribution system to provide potable drinking water to citizens whose local groundwater has been adversely impacted by historic coal mining.

Many of the projects accomplished in the biennium would not have succeeded without working with our partners and using a variety of funding sources. As we continue in FY11 and look forward to FY12 and FY13, primary concerns include maintaining our properties and facilities with limited capital resources and operating with aging equipment. IDNR has been very fortunate in that it has not needed to close properties as other states have done to create budgetary savings. Supplying preventative maintenance to all IDNR properties is vitally important as it directly impacts customer safety. When cost savings initiatives are implemented, we make sure that we are not neglecting properties or endangering the safety of our customers in order to achieve savings. As resources become more limited, there will be challenges involved in providing the same quality product our customers have grown to expect.

### **Objectives for the next Biennium**

During the current biennium, IDNR has taken every opportunity to review programs and related business practices to reduce operational costs yet provide services required by law and those services our customers expect. We have continued to hold public meetings, conduct surveys, and listen to public opinion. It is important our customers understand the purpose and benefits of IDNR. To enhance our existing programs and to provide the best possible quality in our future programming, we will continue to seek out new partners, sponsorships, donations, volunteerism, and/or other forms of support from individuals, foundations, corporations, non-profit organizations, and other entities. We will also continue with efforts to review our organizational structure in order to obtain increased efficiencies and streamline processes as we work with fewer state resources.