

Budget Brief – NRAS Summary

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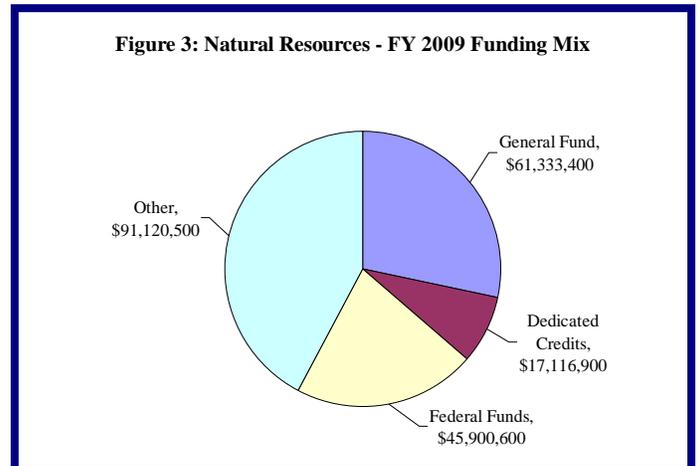
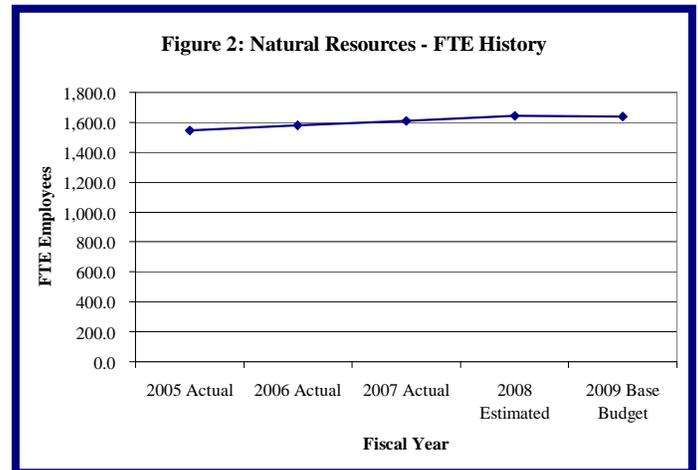
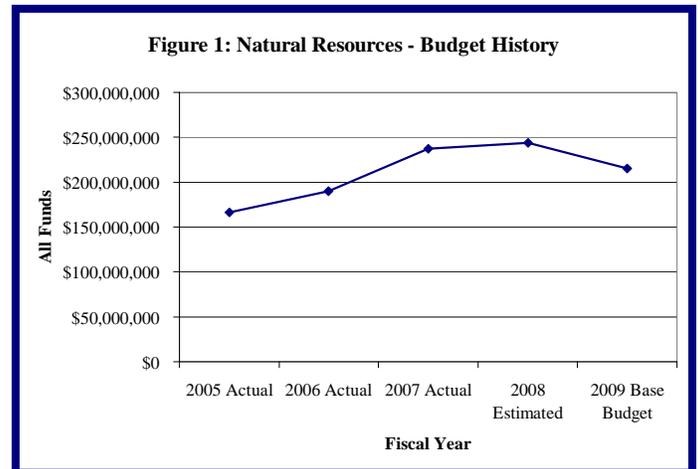
SUMMARY

The Natural Resources Appropriations Subcommittee (NRAS) reviews and then approves a budget for each of the four state agencies: Department of Agriculture, Department of Natural Resources, School and Institutional Trust Lands Administration, and the Public Lands Policy Coordination Office. The recommendations are then made to the Executive Appropriations Committee and the whole Legislature for final approval.

The Budget Analysis Format

The budget analyses for the 2008 General Session consist of the following three parts:

- **Compendium of Budget Information (COBI)** provides detailed information at a program level. The COBI was mailed to all Legislators in November 2008 and is also available on the Legislative Fiscal Analyst’s webpage (<http://www.le.utah.gov/asp/lfa/lfareports.asp>).
- **Budget Briefs** (the document you are currently reading) are short documents with light green headers. They present information about a budget area, address issues, provide accountability measures, and a brief funding history. They also contain the Analyst’s recommendations for budget and intent language.
- **Issue Briefs** have light blue headers and are also short documents which discuss issues transcending line items or merit more space than available in a Budget Brief.



ISSUES***Department of Natural Resources***

Water Allocation: Utah is the second most arid state in the union. All future economic development is contingent upon the availability of water. Early water engineers were unable to accurately determine the amount of water available in the aquifers; thus water was over-appropriated. As water continues to come into greater demand two things will occur: illegal taking of water intrastate and interstate and speculative behavior in the water markets.

Invasive Species Plants and Animals: Cheat grass, Quagga/Zebra mussels, Phragmites, etc. take over lands and water bodies. These species destroy rangelands, exacerbate wildland fires, and ruin aquatic life and shorelines. Healthy watersheds provide quality habitat for grazing, increased water yields and conditions conducive to endangered specie mitigation.

Parks Infrastructure: There are 42 parks throughout the State with needs for paving, roofing, painting, maintenance, and general renovation. The Division of Parks has estimated that these costs exceed \$150 million.

Discretionary & COLA Compensation: It is becoming increasingly difficult to attract and recruit quality employees having certain critical areas of expertise to the workforce. Competitive pay in cities, counties, local governments, and the federal government is at higher levels than currently offered by the State. DNR must be able to compete for quality labor in order to deliver quality service to the stakeholders.

School and Institutional Trust Land Administration

Wilderness Designation on Federal Lands: There is continuing pressure from the environmental community to designate vast parts of Utah as wilderness. These designations could impact significant acreages of trust land and could impose limitations on the potential for generating income for the state.

Federal Resource Management Planning Process: The BLM is developing Resource Management Plans for a number of Resource Areas throughout the state. Many of the draft plans propose to restrict access to parcels of trust land, and, in addition, they propose to take vast acreages of federal land out of production. This will have a significant impact on the trust lands that are surrounded by these federal lands.

Designation of Endangered Species: As a consequence of a recent federal court ruling, the US Fish and Wildlife Service is required to re-examine previous determinations about listing the Sage Grouse as a threatened or endangered species. Should this re-examination result in a listing of the species it will have a substantial impact on mineral development in the Uintah Basin, and throughout Utah. Since mineral revenues are the largest part of the agency's income stream, a listing could have serious detrimental effects on revenue.

Management of Sensitive Lands: Frequently SITLA manages lands that is sensitive to one constituency or another. Taking management actions on these lands to fulfill SITLA's fiduciary duty often creates critical concern among these constituencies.

Department of Agriculture and Food

Food Safety and Consumer Protection: There is an increase of incidences of animal diseases, invasive species (such as Japanese Beetles and Mormon Crickets), and noxious weeds that impact the quality of life, health, and prosperity of Utah Agribusinesses. The Department has the responsibility to provide a delicate balance between protecting public health and ensuring a viable regulated industry. There will be a need for increased follow up inspections of national product recalls as well as an increase in food safety inspections of Utah facilities.

Protecting Critical Resources: Livestock is the largest sector of the ag economy due primarily to large tracts of public land grazing. It is critical and important to implement programs that will improve landscape health and implement public land policy that will maintain viable livestock operations. This is an important part of the War on Cheatgrass initiative, as well.

Discretionary & COLA Compensation: difficulties to attract and recruit quality employees with experience.

BUDGET DETAIL

As a rule, the appropriations from FY 2008 have become the agencies' base budgets for FY 2009 and will be presented to the whole Legislature for voting in the first part of the 2008 General Session. This will be the first of a series of appropriations bills this year.

At this time the Executive Appropriations Committee (EAC) has not allocated any General Funds beyond the agencies' base budgets. Appropriations subcommittees are encouraged to fund their priorities through reallocation of base budgets among programs and to prepare a funding priority list for the EAC.

Base Budget Adoption

Adoption of a base budget enables programs to continue for the next fiscal year at relatively similar budget level as the current fiscal year. However, the base budget for some agencies has been adjusted due to increases or decreases in federal funds or dedicated credit revenues, program shifts within a line item, etc. The base budgets for the programs are provided in the Budget Detail tables of each Budget Brief.

None of the requests for funding increase are built in the tables and charts of the Budget Briefs.

Compensation Package Not Discussed

The Analyst's recommendations do not include personal services. For the sake of fairness, the compensation and benefits increases for all state employees will be addressed by the Executive Appropriations Committee.

Adoption of Fees

The current and proposed fees for each agency will be presented in Issue Briefs for approval by the Legislature.

Intent Language

Proposed intent language is included in the Budget Briefs of the corresponding line items for Legislative approval.

BUDGET DETAIL TABLE

Natural Resources						
Sources of Finance	FY 2007 Actual	FY 2008 Appropriated	Changes	FY 2008 Revised	Changes	FY 2009* Base Budget
General Fund	53,801,300	61,333,400	0	61,333,400	0	61,333,400
General Fund, One-time	14,067,000	6,967,000	0	6,967,000	(6,967,000)	0
Uniform School Fund, One-time	0	5,000,000	0	5,000,000	(5,000,000)	0
Federal Funds	57,034,600	46,627,700	(1,005,300)	45,622,400	278,200	45,900,600
Dedicated Credits Revenue	18,650,900	16,291,500	239,800	16,531,300	585,600	17,116,900
Federal Mineral Lease	2,746,100	2,839,900	(344,500)	2,495,400	1,503,400	3,998,800
GFR - Boating	4,730,300	4,262,200	0	4,262,200	0	4,262,200
GFR - Constitutional Defense	2,030,500	2,037,100	0	2,037,100	0	2,037,100
GFR - Horse Racing	50,000	50,000	0	50,000	0	50,000
GFR - Livestock Brand	916,200	877,000	0	877,000	0	877,000
GFR - Mineral Bonus	0	12,600	(12,600)	0	0	0
GFR - Off-highway Vehicle	3,466,800	4,382,500	0	4,382,500	(850,000)	3,532,500
GFR - Oil & Gas Conservation Account	3,240,400	3,382,200	0	3,382,200	(40,000)	3,342,200
GFR - Sovereign Land Mgt	4,866,600	3,482,900	0	3,482,900	0	3,482,900
GFR - Species Protection	983,000	584,600	0	584,600	0	584,600
GFR - State Fish Hatch Maint	1,205,000	1,205,000	0	1,205,000	0	1,205,000
GFR - State Park Fees	10,455,100	10,509,500	0	10,509,500	(168,000)	10,341,500
GFR - Wildlife Damage Prev	611,800	633,900	0	633,900	0	633,900
GFR - Wildlife Habitat	1,652,600	2,558,700	(700,000)	1,858,700	541,300	2,400,000
GFR - Wildlife Resources	26,449,800	27,430,400	715,000	28,145,400	(1,191,300)	26,954,100
GFR - Wolf Depredation & Mgt	0	15,000	(15,000)	0	0	0
Agri Resource Development	629,400	804,400	0	804,400	0	804,400
Agri Rural Dev Loan Fund	0	1,000,000	(1,000,000)	0	0	0
Land Grant Mgt Fund	17,586,800	18,125,700	0	18,125,700	(123,900)	18,001,800
Utah Rural Rehab Loan	18,000	63,000	0	63,000	0	63,000
Water Resources C&D	6,281,100	6,479,400	0	6,479,400	0	6,479,400
Water Res Construction	150,000	150,000	0	150,000	0	150,000
Transfers	16,482,100	1,656,600	0	1,656,600	19,000	1,675,600
Pass-through	155,300	0	0	0	0	0
Beginning Nonlapsing	18,260,700	1,005,000	20,941,400	21,946,400	(20,627,200)	1,319,200
Closing Nonlapsing	(22,017,400)	(843,600)	(3,741,400)	(4,585,000)	3,660,300	(924,700)
Lapsing Balance	(7,630,700)	0	(150,000)	(150,000)	0	(150,000)
Total	\$236,873,300	\$228,923,600	\$14,927,400	\$243,851,000	(\$28,379,600)	\$215,471,400
Agencies						
Natural Resources	189,351,300	172,048,700	12,798,900	184,847,600	(19,207,200)	165,640,400
Public Lands Office	2,641,100	2,901,100	371,600	3,272,700	(521,600)	2,751,100
Agriculture	27,327,600	27,491,000	3,114,000	30,605,000	(3,526,900)	27,078,100
School & Institutional Trust Lands	17,553,300	18,125,700	0	18,125,700	(123,900)	18,001,800
Restricted Revenue - NRAS	0	8,357,100	(1,357,100)	7,000,000	(5,000,000)	2,000,000
Total	\$236,873,300	\$228,923,600	\$14,927,400	\$243,851,000	(\$28,379,600)	\$215,471,400
Categories of Expenditure						
Personal Services	95,476,900	105,125,200	1,220,900	106,346,100	(193,700)	106,152,400
In-State Travel	1,353,900	1,526,400	97,000	1,623,400	(28,300)	1,595,100
Out of State Travel	647,400	651,000	80,300	731,300	(1,800)	729,500
Current Expense	53,236,900	45,893,700	7,809,500	53,703,200	(8,980,300)	44,722,900
DP Current Expense	4,918,000	3,432,200	1,335,900	4,768,100	(399,100)	4,369,000
DP Capital Outlay	140,900	7,249,300	(7,230,600)	18,700	0	18,700
Capital Outlay	45,309,500	17,974,500	9,022,900	26,997,400	(4,916,800)	22,080,600
Other Charges/Pass Thru	35,456,600	47,058,100	2,584,400	49,642,500	(13,859,600)	35,782,900
Cost Accounts	(600)	13,200	7,100	20,300	0	20,300
Operating Transfers	333,800	0	0	0	0	0
Total	\$236,873,300	\$228,923,600	\$14,927,400	\$243,851,000	(\$28,379,600)	\$215,471,400
Other Data						
Budgeted FTE	1,608.9	1,563.5	77.9	1,641.4	(1.9)	1,639.5
Retained Earnings	(2,820,900.0)	40,000.0	(40,000.0)	0.0	6,500.0	6,500.0
Vehicles	927	898	29	927	0	927

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.