

**MINUTES OF THE
NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE
February 7, 2001
Room 305, State Capitol**

MEMBERS PRESENT: Sen. Parley Hellewell, Co-Chair
Rep. Michael R. Styler, Co-Chair
Sen. Ron Allen
Sen. Bill Wright
Rep. Craig W. Buttars
Rep. Carl W. Duckworth
Rep. Ben C. Ferry
Rep. Fred J. Fife III
Rep. James R. Gowans
Rep. Bradley T. Johnson
Rep. Brent D. Parker
Rep. Darin G. Peterson

STAFF PRESENT: Steven Allred, Fiscal Analyst
Vanean Bitton, Committee Secretary

VISITORS: Attached to and made a part of these minutes

Rep. Michael R. Styler called the meeting to order at 2:05 p.m.

MOTION: Rep. Ferry moved to approve the minutes of the January 31 and the February 2, 2001 meetings. The motion passed unanimously with Sen. Wright, Rep. Ferry, and Rep. Johnson absent for the vote.

S.B. 65 Bonding for Soldier Hollow Golf Course (*D. Steele*)

Sen. Steele presented this bill that authorizes the State Building Ownership Authority to issue a \$12 million revenue bond to fund a 36-hole golf course at Soldier Hollow. Assuming revenue projections are accurate, user fees should cover costs after the first year of operation. Rep. Short (emeritus), Robyn Pearson of the Chamber of Commerce of Wasatch County, and Steve Roberts of the Division of Parks and Recreation answered questions from the committee.

MOTION: Rep. Fife moved to include the following intent language:

It is the intent of the Legislature that no portion of a golf course constructed at Soldier Hollow shall infringe upon space designated for biathlon or other Olympic winter events.

The motion passed unanimously with Sen. Wright, Rep. Ferry, and Rep. Johnson absent for the vote.

MOTION: Rep. Ferry moved to refer **S.B. 65** with a favorable endorsement to the Capital Facilities and Administrative Services Appropriations Subcommittee for their prioritization. Although there was not a quorum present, the motion passed with Rep. Peterson voting in opposition and Sen. Allen and Sen. Wright absent for the vote.

Appropriation Request of \$100,000 for “Ag in the Classroom” (Rep. C. Buttars)

Rep. Buttars requested an ongoing appropriation of \$100,000 from the General Fund for Fiscal Year 2002 to Utah State University for the “Ag in the Classroom” program. Mr. Cary Peterson, Commissioner of the Department of Agriculture and Food, oversees the advisory board that administers this program and answered questions from the committee.

MOTION: Rep. Gowans moved to put the appropriations request on the committee’s prioritization list. Although there was not a quorum present, the motion passed unanimously with Sen. Hellewell, Sen. Wright, and Rep. Duckworth absent for the vote.

Mr. David Terry, Director of the **School and Institutional Trust Lands Administration**, presented a lengthy overview of the agency and addressed the subcommittee concerning agency issues. Mr. Ruland Gill, Chairman of the Trust Land Board, made another lengthy presentation and answered questions from the committee.

Mr. Allred discussed the revenues and expenditures of the agency over the past years. He pointed out that Permanent School Fund distributions to schools have been low since FY 1996 due to investments in growth equities. However, he also indicated that in its best year, the Fund distributed \$6.8 million to schools, or only three-tenths of one percent of the \$2 billion public education budget.

Mr. Allred presented the budget for the School and Institutional Trust Lands Administration and recommended a total budget of \$8,472,000. The programs within this agency include:

Board	\$155,800
Director	428,500
Administration	624,600
Accounting	295,100
Royalty	137,000
Minerals	1,193,900
Surface	1,147,500
Development - Operating	935,600
Legal/Contracts	392,700
Data Processing	618,900
Forestry and Grazing	542,400
Development - Capital	2,000,000

The following issues for the School and Institutional Trust Lands Administration were discussed:

- 2.1 Rental and Space Increases: Rental costs on the fifth floor of the agency’s office will increase by \$13,400 in FY 2002. In addition, the agency needs more space. The agency will relinquish its space on the third floor and rent new space on the sixth floor. The annual rental cost will be \$54,000.
- 2.2 West Desert Land Exchange Transaction Costs: The Analyst recommends funding increased costs in the Development Program incurred through the recent West Desert Land Exchange. The Land Grant Management fund will be a one-time expense of

\$57,900.

MOTION: Rep. Ferry moved to add \$30,000 for the agency's bonus program, which would increase the current maximum payments from \$120,000 to \$150,000 in FY 2002. The motion passed unanimously.

MOTION: Rep. Ferry moved to increase the agency's appropriation by \$250,000 for a block management program. In conjunction with the additional appropriation he moved to adopt intent language as follows:

It is the intent of the Legislature that School and Institutional Trust Lands Administration report on the development of management strategies and on the use of the \$250,000 appropriation for blocks of trust lands during fall 2001.

The motion passed unanimously with Sen. Wright and Rep. Johnson absent for the vote.

MOTION: Rep. Gowans moved to tentatively approve the budget for the School and Institutional Trust Lands Administration, to include the increased amounts from Rep. Ferry's motions. The motion passed unanimously with Sen. Wright and Rep. Johnson absent for the vote.

MOTION: Rep. Ferry moved to approve the intent language as follows:

It is the intent of the Legislature that the Department of Natural Resources and the School and Institutional Trust Lands Administration join together in reaching a Memorandum of Understanding. The memorandum should detail areas of mutual benefit arising from resolution of conflicts in respective mission statements and statutory requirements. The Memorandum should also detail conflict of mission statement and statutory requirements that cannot be resolved by mutual agreement. This Memorandum of Understanding shall be jointly presented to the Natural Resources Appropriations Subcommittee or the Natural Resources, Agriculture, and Environment Interim Committee on or before October 2001.

The motion passed unanimously with Sen. Wright and Rep. Johnson absent for the vote.

MOTION: Rep. Gowans moved to adjourn the meeting. The motion passed unanimously.

Rep. Styler adjourned the meeting at 4:45 p.m.