

**MINUTES OF THE
NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE**
Tuesday, July 9, 2002 – 9:00 a.m. – Room 305 State Capitol

Members Present:

Rep. Michael R. Styler, House Chair
Sen. Ron Allen
Sen. Bill Wright
Rep. Craig W. Buttars
Rep. Carl W. Duckworth
Rep. Ben Ferry
Rep. Fred J. Fife, III
Rep. James R. Gowans
Rep. Bradley T. Johnson
Rep. Brent D. Parker
Rep. Darin G. Peterson

Members Absent:

Sen. Parley Hellewell, Senate Chair

Staff Present:

Mr. Steve Allred, Fiscal Analyst
Ms. Jennifer Markham, Legislative Secretary

1. Committee Business

Chair Styler called the meeting to order at 9:45 a.m.

MOTION: Rep. Gowans moved to approved the minutes of the February 26 and June 26, 2002 meetings. The motion passed unanimously.

Chair Styler summarized the Governor's proposal to divert sales taxes from water development to the General Fund. He stated that the \$2.3 million reduction would affect the Water Resources Conservation and Development Fund, the Waste Water Loan Program, and the Drinking Water Loan Program.

Mr. Larry Anderson, Director, Division of Water Resources, stated that money had been committed to the Piute Dam and Reservoir for the first phase of upgrades. He stated that no other commitments had been made and the Division could live with the cuts. He described future projects. Mr. Anderson summarized the loan programs and repayments. He responded to questions regarding the possibility of private financing of water development.

Mr. Warren Peterson, Chair, Water Resources Board, described the process of decisions. He emphasized that the Water Resources Board was addressing only the highest priority items this year and that the Board sets interest rates based on the ability to pay.

Mr. Bob Morgan, Executive Director, Department of Natural Resources, confirmed discussions between the Department of Natural Resources and the Governor's Office.

Mr. Ron Thompson, Washington County Conservancy District, emphasized the positive economic impact generated from the use of reservoirs like Quail Creek.

Mr. Cary Peterson, Commissioner, Department of Agriculture and Food, provided a history of water development in the state.

Minutes of the Natural Resources Appropriation Subcommittee
July 9, 2002
Page 2

Mr. Allred discussed the changes to the Department of Natural Resources and the Department of Agriculture and Food's budgets recommended at the last meeting and distributed a handout, "Majority Party Agreement Balanced Budget - FY 2003."

Commissioner Peterson emphasized the need for one FTE and requested flexibility to move between the line items.

Committee agreed to give Mr. Allred the authority to make adjustments in the Appropriation Act.

2. Adjourn

MOTION: Rep. Buttars moved to adjourn the meeting at 10:53 a.m. The motion passed unanimously with Sen. Allen absent for the vote.