

**MINUTES OF THE
NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENTAL QUALITY
APPROPRIATIONS SUBCOMMITTEE**

Room 25 House Office Building

January 30, 2014

MEMBERS PRESENT: Sen. David Hinkins, Co-Chair
Rep. John G. Mathis, Co-Chair
Rep. Mike McKell, House Vice Chair
Sen. Jim Dabakis
Sen. Margaret Dayton
Sen. Kevin T. Van Tassell
Rep. Jerry Anderson
Rep. Roger E. Barrus
Rep. Jon Cox
Rep. Susan Duckworth
Rep. Brian Greene
Rep. Ken Ivory
Rep. Michael E. Noel
Rep. Lee B. Perry
Rep. Larry B. Wiley

MEMBERS EXCUSED: Sen. Ralph Okerlund

MEMBERS ABSENT: Sen. John L. Valentine

STAFF: Mr. Ivan Djambov, Fiscal Analyst
Ms. Angela Oh, Economist
Ms. Linda Service, Committee Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

Vice Chair McKell called the meeting to order at 8:07 a.m.

1. Department of Wildlife Resources - continued from January 29, 2014

Mr. Gregory Sheehan, Director, Department of Wildlife Resources, continued his presentation commenting on efficiencies, issues and challenges, and accomplishments.

2. Division of Parks and Recreation

Mr. Ivan Djambov, Fiscal Analyst, LFA, pointed out the resources for this division can be accessed online by going to this committee on the Legislature's website and clicking on "meeting materials." He called attention to the division's two line items - operational expenditures and capital. Mr. Djambov reviewed the performance measures found in the Compendium of Budget Information (COBI) and commented on the activities in the restricted account funds. Approximately half the parks were able to not only cover costs, but generate some extra revenues which can be used by under-performing parks. He briefly reviewed the trend analysis for the division's operation budget.

Mr. Fred Hayes, Director, Utah Division of Parks and Recreation, introduced Mr. Scott Strong, Financial Manager. He addressed the relationship between the division and This Is The Place Heritage Park. The management of the park has been privatized but the real assets are the property of the state. The division pays for the maintenance of the buildings and those real assets.

The division is responsible for helping people enjoy their life by providing cultural and recreational resources for families and citizens of Utah. Mr. Hayes highlighted major efforts, funding, and performance measures. Mr. Scott Strong responded to a question concerning a \$2,500,000 appropriation in FY 2014 for personnel services which was not spent.

Mr. Greg Sheehan from DWR responded to questions regarding continuous increases for the services of the Department of Technology Services (DTS) and other internal service funds and how budgets are being impacted.

3. School and Institutional Trust Lands Administration

Mr. Djambov focused on items 35, 36, and 37 in H.B. 5, which deal with the base budget of School and Institutional Trust Lands Administration (SITLA). They are funded from the Land Grant Management Trust Fund. SITLA is mandated to generate revenues for the beneficiaries through activities on trust lands. Mr. Djambov directed the subcommittee to COBI where performance measures and other related materials can be found.

Mr. Kevin Carter, Director, SITLA, assisted by Lisa Schneider, Assistant Director for Budget and Accounting, reviewed a PowerPoint presentation. He provided clarification of the Mineral Lease Account and the Land Exchange Distribution Account, indicating the impact of those funds on SITLA. Mr. Carter mentioned the four main income-generating groups: surface, planning and development, mining, and oil and gas. He focused on programs of concern and suggested direction for the future.

4. Public Lands Policy Coordination Office

Ms. Angela Oh, Economist/Statistician, commented on H.B. 5 for the Public Lands Policy Coordination Office (PLPCO). Going to COBI, she stated that the office focuses on key areas, such as: RS2477, federal land management and decision making, mandates from H.B. 148, 2012 General Session and H.B. 142, 2013 General Session, and archeological permitting. Ms. Oh outlined performance measures and a trend analysis for the office.

Ms. Kathleen Clarke, Director, PLPCO, stated the mission of her office is to protect access to the public lands so Utah citizens can continue to enjoy the multiple use benefits and privileges of those areas. She focused on the work of the office regarding RS 2477, pointing out the volume of legal work involved in protecting access to the roads. Ms. Clarke commented on federal land management and the effort to protect the Sage Grouse from listing on the Endangered Species List.

5. Office of Energy Development

Ms. Oh directed the subcommittee to Item 25, H.B. 5. The Office of Energy Development focuses on advancing energy development, delivery, and conservation. Key areas are: conventional energy, unconventional energy, energy efficiency, renewable energy, and energy infrastructure. She referred to COBI where performance measures - targets and actuals - and trend analyses can be found.

Ms. Samantha Julian, Director, Office of Energy Development, distributed the handout, "NRAE Appropriations Subcommittee, Office of Energy Development." The office works with the governor on "Four Cornerstones," which are his priorities for strengthening Utah through education, energy, jobs, and self-determination. Among others, she reviewed the history of the office, their vision and

mission, energy and Utah's economy, and 2013 and 2014 action items.

5. Department of Environmental Quality

Ms. Oh directed the subcommittee to Item 17, H.B. 5. The department has seven primary operating line items. She commented on the mission, function, performance measures, and trends for each line item.

Ms. Amanda Smith, Executive Director, Department of Environmental Quality (DEQ), assisted by Mr. Brad Johnson, Deputy Director, discussed a PowerPoint presentation. The department's mission is to safeguard public health and quality of life by protecting and enhancing the environment. She gave an overview of the Executive Director's Office highlighting structure of support, why we have DEQ in Utah, other service providers, efficiency improvement, and opportunities and challenges. Ms. Smith acknowledged that the major challenge to the department is the uncertainty of federal fund reduction and the resulting impact on programs.

MOTION: Sen. Hinkins moved to adjourn. The motion passed unanimously. Vice Chair McKell adjourned the meeting at 10:43 a.m.

Sen. David Hinkins, Co-Chair

Rep. John G. Mathis, Co-Chair