

**MINUTES OF THE
COMMISSION FOR THE STEWARDSHIP OF PUBLIC LANDS**
Wednesday, December 3, 2014 – 8:30 a.m. – Room 450 State Capitol

Members Present:

Sen. David P. Hinkins, Chair
Rep. Keven J. Stratton, Chair
Sen. Scott K. Jenkins
Rep. Joel K. Briscoe
Rep. Melvin R. Brown
Rep. Ken Ivory
Rep. Michael E. Noel

Member Absent:

Sen. Jim Dabakis

Staff Present:

Mr. Leif G. Elder, Policy Analyst
Ms. Tiffany A. Stanley, Policy Analyst
Ms. Cathy J. Dupont
Ms. RuthAnne Frost, Associate General Counsel
Ms. Debra Hale, Legislative Secretary

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

1. Commission Business

Chair Hinkins called the meeting to order at 8:39 a.m.

MOTION: Rep. Ivory moved to approve the minutes of the October 29, 2014 meeting. The motion passed unanimously.

2. Report on Public Lands Transfer Study and Economic Analysis

Mr. Anthony L. Rampton, Assistant Attorney General, Public Lands Section Chief, Office of the Attorney General, gave background information on “An Analysis of a Transfer of Federal Lands to the State of Utah.” Mr. Rampton stated that 2013 General Session H.B. 142, “Public Lands Policy Coordinating Office,” requires the office to oversee an economic analysis of the transfer of public lands to the state of Utah. He said that the University of Utah, Utah State University, and Weber State University conducted the study. Mr. Rampton also discussed the companion report, “Pathway to a Balanced Public Lands Policy,” which reviews and summarizes the economic study, finding it to be a cautionary, yet optimistic analysis of the opportunities and challenges facing a public lands transfer. He then turned over the time to the research team who conducted the study.

Mr. Paul M. Jakus, professor, Utah State University, presented "How Does Public Land Ownership & Management Affect Economic Growth?" and explained that the study includes a literature review of the research in this area. He explained that the research in this area is inconclusive. He discussed that the study includes an exploration of the relationship between economic growth and measures of public land ownership in 276 western counties. He explained that the results of this analysis indicate that a relatively small amount of land managed by the state for general use is initially a drag on growth but once a critical mass of land is achieved, state land management is associated with faster economic growth than federal land management.

Ms. Therese Grijalva, professor, Weber State University, presented "Value of Recreating on Public Lands" and discussed consumer surplus and how the research team determined the market value of recreating on public lands. She explained that their analysis indicates that total consumer surplus for 14 recreational activities on USFS and BLM lands is \$7.1 billion.

Ms. Jan Elise Stambro, Senior Research Economist, Bureau of Economic and Business Research, University of Utah, gave a presentation and discussed the potential costs to the state of managing public lands and revenues produced on public lands. She explained that the researchers used ten forecast models using two different oil and gas price assumptions to examine the scenarios under which the state could cover the cost of managing the land with revenues produced on public lands. She explained that based on their analysis, the land transfer could be profitable for the state if oil and gas prices remain stable and high and the state negotiates a change in the royalty revenue share from 50 percent to 100 percent. Ms. Stambro also distributed, "Discussion of Oil and Gas Price Assumptions," and discussed the historical forecasts of oil prices, oil and gas royalties, and tax revenues.

Mr. Rampton presented, "Transfer of Public Lands Study" and directed the commission to section VI of "Pathway to a Balanced Public Lands Policy", titled "Frequently Asked Questions." Following commission discussion, Mr. Rampton emphasized the study's findings and balance in considering different uses and development possibilities of public lands.

Mr. John Harja, Senior Policy Analyst, Public Lands Policy Coordinating Office, recommended that the commission continue the process of evaluating this study. He recommended that the commission consider how the lands would be administered at the state level, including whether a new agency would need to be created. He also recommended the commission consider how the state would protect valid existing rights and how to involve local governments in the management of public lands in the event of a transfer.

Ms. Kathleen Truman, member of the public, asked whether the ski industry was included in the value of recreating on public lands analysis. Ms. Grijalva answered that the \$7.1 billion projection in the study does not include ski activity, because it only includes activities that do not have a market value.

3. Work Plan for Commission

Rep. Ivory distributed and discussed "Proposed Work Plan: Commission for the Stewardship of Public Lands," and how it can provide a framework for the work of the commission over the coming years.

MOTION: Rep. Ivory moved that the commission adopt the Proposed Work Plan, with the understanding that the work plan may be amended. The motion passed unanimously.

4. Litigation Workgroup Update

Rep. Ivory summarized the findings of the litigation workgroup and the commission discussed the notion of developing a request for a proposal to hire outside counsel for the work of the commission.

MOTION: Rep. Ivory moved to secure specialized legal counsel by issuing a request for proposal under the direction of John Fellows with the Office of Legislative Research and General Counsel. The motion passed with Rep. Briscoe voting in opposition.

5. Other Items/Adjourn

MOTION: Sen. Jenkins moved to adjourn. The motion passed unanimously.

Chair Hinkins adjourned the meeting at 11:11 a.m.