

(Draft - Awaiting Formal Approval)

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

Room 210 Senate Building

June 16, 2016

Members Present: Rep. Mike McKell, Co-Chair
Rep. Kay J. Christofferson, House Vice Chair
Sen. Jim Dabakis
Sen. Scott K. Jenkins
Sen. Ralph Okerlund
Sen. Kevin T. Van Tassell
Rep. Scott Chew
Rep. Susan Duckworth
Rep. Brian M. Greene
Rep. Stephen G. Handy
Rep. Ken Ivory
Rep. Michael E. Noel
Rep. Lee B. Perry

Members Excused: Sen. David P. Hinkins, Co-Chair
Sen. Margaret Dayton
Rep. Marc K. Roberts

Members Absent: Sen. Peter C. Knudson
Rep. Timothy Hawkes
Rep. Lynn N. Hemingway

Staff: Mr. Ivan D. Djambov, Fiscal Analyst
Mr. Brian Wikle, Fiscal Analyst
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.

Chair McKell called the meeting to order at 8:15 a.m.

1. Public Lands Policy Coordinating Office

Mr. Brian Wikle, Fiscal Analyst, introduced Ms. Kathleen Clarke, Director, Public Lands Policy Coordinating Office (PLPCO), and the topics on which she would be speaking.

Ms. Clarke commented on the challenge given PLPCO to find areas where performance measures could be established. They have developed the following: (1) process archeology applications for permits and data collection within 30 days; (2) complete 360 degree filming of all RS2477 roads; and (3) create a grazing initiative involving meeting with ranchers across the state to give them an opportunity to voice their concerns. In addition, PLPCO will meet with Forest Service and BLM representatives in an effort to promote trust and understanding between all parties.

Ms. Clarke discussed cost accounting and time tracking, along with reporting on FY 2016 supplemental funding and FY 2017 funding.

2. Division of Air Quality

Mr. Bryce Bird, Director, Division of Air Quality (DAQ), introduced Mr. Patrick Barickman, Technical Analysis Section Manager, DAQ.

Mr. Barickman distributed a handout, "DAQ Applied Research Program 2014 - Present." He reported on the Applied Research Program, which was created to direct and manage the appropriations for applied air quality research provided by the Legislature over the past three years. He also presented background information on the issues contributing to air quality and stressed the importance of building strong, professional relationships with science divisions at the University of Utah and the federal government, as well as private business associations. Finally, Mr. Barickman reviewed a KSL 5 News video regarding ozone monitoring which appeared on June 16, 2016.

Mr. Bird reported on air quality monitoring equipment. DAQ will have 25 air monitoring sites across the state, however, 43 percent of those sites have equipment that is currently beyond useful life. He discussed the challenge for DAQ to replace the old, outdated equipment.

3. Approval of Minutes

MOTION: Rep. Handy moved to approve the minutes of the February 1, 2016, February 3, 2016, February 5, 2016, February 9, 2016, and February 11, 2016 meetings. The motion passed unanimously with Rep. Ivory absent for the vote.

4. In-depth Review of Fees: Department of Environmental Quality

Mr. Wikle commented that statute directs agencies charging fees to recover the cost of the service they provide. In addition, agencies are to bring to a public hearing any fee that they want changed or any new fee to be implemented, giving an opportunity for public comment. Each agency was asked to address their respective fees with the following topics in mind: (1) fee amounts that changed from FY 2015 to FY 2016; (2) who pays fees - businesses, governmental entities, or members of the public; (3) the amount of revenue generated from fees; (4) the number of years since a fee amount changed; and (5) whether revenues are sufficient to cover the costs of providing service. Further information can be found in the Issue Brief, "Department of Environmental Quality, Fees Review" 2016 Interim.

a. Department of Environmental Quality - Mr. Alan Matheson, Director, expressed the importance of working together to make sure the system of fees is fair, sensible, and in the public interest. Fees do allow for provision of direct benefits to members of the public and ensure that some of the costs are borne by those whose activities create those costs.

b. Division of Air Quality - Mr. Bryce Bird discussed three major fee categories: (1) air admission, (2) direct permitting, and (3) asbestos and led-based paint.

c. Division of Waste Management and Radiation Control - Mr. Scott Anderson, Director, presented a brief overview of the consolidation of the Division of Solid and Hazardous Waste and the Division of Radiation Control. The division depends on fees for 79 percent of the budget; all but one fee is sufficient to cover costs.

The following industry representatives expressed their views on fees:

Mr. Kevin Murray, Attorney, Holland and Hart
Mr. Vern Rogers, Energy Solutions
Mr. Paul Rogers, Republic Services
Mr. Dave Davis, President, Utah Food Industry Association/Utah Retail Merchants
and member of the Underground Storage Tank Advisory Council
Mr. Tom Ward, Developmental Engineer, Salt Lake City Public Utilities
Mr. Jim Webb, Smithfield

d. Division of Environmental Response and Remediation - Mr. Brent Everett, Director, explained that his division has two main programs - underground storage tank program and superfund program for the federal government. The majority of the division's fees are tied to the underground storage tank program where services provided directly benefit or are in response to the needs of regulating owners and operators of facilities of underground storage tanks. The division works closely with a stakeholder group to look at the fee structure, as well as other program elements as they prepare and promote potential fees or fee increases.

e. Division of Water Quality - Mr. Walt Baker, Director, distributed a handout, "State-by-State Surface Water Permitting Program Comparison, 2014," showing what other states charge for water quality fees. The division tracks the timeliness of permit issuing monthly, leads the region in timeliness, and seeks feedback from permittees. Fee increases normally occur every five years raising them by approximately ten percent to keep up with the cost of administering the program.

f. Division of Drinking Water - Mr. Ken Bousfield, Director, reviewed fees charged by the division: (1) well sealing, (2) operator certification, (3) cross connection control training, and (4) loan program.

MOTION: Sen. Dabakis moved to adjourn. The motion passed unanimously. Chair McKell adjourned the meeting at 11:55 a.m.