

**MINUTES OF THE
RURAL DEVELOPMENT LEGISLATIVE LIAISON COMMITTEE**

Tuesday, October 16, 2007 – 3:00 p.m. – Room W020 House Building

Members Present:

Rep. DeMar 'Bud' Bowman, House Chair
Sen. Dennis E. Stowell, Senate Chair
Sen. Fred J. Fife
Sen. Scott K. Jenkins
Rep. Melvin R. Brown
Rep. James R. Gowans
Rep. Brad King
Rep. Patrick L. Painter
Rep. Mark A. Wheatley

Members Absent:

Sen. Mike Dmitrich
Rep. Eric K. Hutchings

Staff Present:

Mr. Stewart E. Smith, Policy Analyst
Mr. James L. Wilson, Associate General Counsel
Ms. Joy L. Miller, 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. Committee Business

Chair Bowman called the meeting to order at 3:00 p.m.

MOTION: Sen. Jenkins moved to approve the minutes of the September 21, 2006 meeting. The motion passed unanimously. Rep. Gowans, Rep. King, and Rep. Wheatley were absent for the vote.

2. Governor's Rural Partnership Board Report

Chair Bowman requested members of the Board (Governor's Rural Partnership Board) to introduce themselves.

Lt. Governor Gary Herbert, Board Cochairman, stated he would provide a copy of the Board's report to the Committee in November. He outlined the following issues that the Board has addressed and considers important to rural Utah:

- Industrial Assistance Fund
- higher education programs in rural areas
- Business Resource Centers (BRC)
- access to health care in rural Utah
- rural public utility infrastructure
- rural broadband program
- enterprise zone legislation
- importance of promoting tourism

Ms. Noelle Cockett, Vice President for Extension and Agriculture, USU (Utah State University), provided a brief summary of the extension's efforts in rural development and entrepreneurship. She explained that their efforts in extension have been focused primarily in northern Utah because of the location of their specialist assigned to academic efforts. However, they also have made significant efforts in Garfield, Kane, Sanpete, and Emery counties through their county agents.

Mr. Rob Adams, Board member, Beaver County, pointed out that there are areas in rural Utah that are underserved with electrical power. He stated that inadequate power in these areas does not promote the needed growth.

Mr. Gayle McKeachnie, Office of Rural Affairs, discussed reseeding efforts being taken in the Milford Flats fire area. He commented that the BLM (Bureau of Land Management) has allocated more than \$40 million for rehabilitation in that area.

Ms. Cockett indicated that the BLM is aware of the productivity and opportunities associated with forage kochia for grazing opportunities and healthy landscape but cannot include it in the reseeding effort because it is not a native plant. Any forage kochia that can be collected will be put on the private lands affected by the fire.

The Committee discussed the obstacles involved with getting utility infrastructure into rural areas. It was noted that it is very difficult to get a power line through public lands that have environmental concerns. The issue was raised of who should pay for the infrastructure. The Committee discussed the possibility of a rural Utah development fund.

Mr. Wes Curtis, Southern Utah University, stated the Legislature created a fund for rural disadvantaged communities approximately four years ago. He explained that the money initially appropriated to it was distributed for various projects during the first year and no subsequent appropriation has been made.

Lt. Governor Herbert stated the Board would research the origins of the fund and the criteria under which the money was allocated and would come back with some recommendations for the Committee to consider.

Mr. Les Prall, Governor's Office of Economic Development, stated the fund money was set up to be prioritized by the Board each year. After the initial appropriation there was no ongoing funding to determine the highest and best use of the funds.

Mr. Gil Miller, Board member, Bear River City, stated the city received \$45,000 from the fund and used it to evaluate the structural integrity of an existing building that will be used as their BRC.

Mr. Wilson explained that the fund was originally established as a grant and loan account to be effective until 2015. The mechanism for this funding is called the Business Development for Disadvantaged Rural Communities Act.

Rep. Gowans said industries in the west desert have expressed concern with the increasing rates imposed on them by the Union Pacific Railroad. He felt the Committee should address the issue.

Mr. Adams noted that Union Pacific has been losing business and laying off many of its workers in the Milford area. He commented that increasing the rates is not the solution.

3. Role of the Legislative Liaison Committee/Future Meeting Plans

Sen. Stowell referred the members to the information contained in the mailing packet concerning the statutory role of the Committee.

Mr. Wilson explained he has been directed to draft legislation regarding the BRCs to be discussed by the Business and Labor Interim Committee. The Workforce Services and Economic Development Interim Committee will be discussing technical changes on economic development.

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Mr. Curtis informed the Committee that the next meeting of the Board is scheduled for November 15 at 9:00 a.m. in Kanab.

4. Other Items / Adjourn

Rep. Brown suggested that once the budget is formulated and it is determined what areas of the budget are important for rural development, the Committee could determine at that point what budget items it wants to pursue.

MOTION: Rep. Painter moved to adjourn. The motion passed unanimously.

Chair Bowman adjourned the meeting at 4:30 p.m.