

**MINUTES OF THE
NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE
January 12, 2009
Room 415, State Capitol Building, State Capitol Complex**

MEMBERS PRESENT: Sen. Dennis Stowell, Co-Chair
 Rep. Kerry W. Gibson, Co-Chair
 Sen. Brent Goodfellow
 Rep. Roger Barrus
 Rep. Jack Draxler
 Rep. James R. Gowans
 Rep. John G. Mathis
 Rep. Michael E. Noel
 Rep. Christine Watkins
 Rep. Brad Winn

MEMBERS ABSENT: Sen. David Hinkins

STAFF: Ivan Djambov, Fiscal Analyst
 Linda Service, Committee Secretary

Note: A list of visitors and a copy of handouts are filed with the committee minutes

Rep. Gibson called the meeting to order at 9:20 a.m. He welcomed committee members and visitors. Rep. Gibson moved to accept the minutes of September 25, 2008. The motion passed unanimously.

Analyst Presentation

Ivan Djambov, Fiscal Analyst, thanked the agencies for their input regarding possible budget cuts; the goal being to make cuts that would cause the least impact. He emphasized the cuts were not due to any lack of efficiency or value on the part of an agency but because of the mandate to balance the budget deficit. From a series of slides, he presented the budget overview including: timing- the fiscal year is named after the year in which it ends such as FY 10 ends on June 30, 2010; revenue estimates are updated at least twice yearly and serve as a target for appropriations; and current revenue shortfall resulted from December 2008 revenue update. He detailed recommendations and constraints in relation to budget reductions of 7.5% and 15%.

Rep. Gibson relinquished the chair to Sen. Stowell.

Sen. Stowell invited comments from the various agencies impacted by proposed budget cuts.

Mike Styler, Executive Director, Department of Natural Resources, gave an opening statement thanking the committee and analyst for working with the agencies thereby demonstrating trust in making cuts. He focused on two priorities: (1) minimize impact on customers, and (2) concern for employees. He asked that the committee be an advocate for the Department of Natural Resources in proposing budget cuts and suggested using the governor's proposed budget. Sen. Stowell invited Becky Bruso, Governor's Office of Planning and Budget (GOPB), to respond to questions from committee members regarding the differences between the governor's proposed budget and the budget proposed by the Office of Legislative

Fiscal Analyst (LFA). She explained that both GOPB and LFA are working with the same numbers, the difference being that the governor's budget office proposes supplementing the budget with bonding and lowering the balance in the Rainy Day Fund.

Sen. Stowell suggested the various agencies respond to questions from the committee.

Agencies Response

Parks and Recreation

Mary Tullius, Director, replied to concerns regarding reduction of staff in the area of law enforcement.

Oil, Gas and Mining

John Baza, Director, responded to questions from the committee concerning keeping state primacy with regard to coal regulation when considering fees. He commented that the new coal fees would not impact authority the state has over the coal regulation program.

Water Resources

Dennis Strong, Director, answered questions raised by committee members in regards to groundwater report, stream gage reductions and reduction to loan funds.

Water Rights

Boyd Clayton, Interim State Engineer, spoke to the proposal to eliminate the Stream Alteration Program. Members of the committee expressed concern over the possibility of losing that program. They recognized the importance of primacy in state programs rather than relinquishing control to the federal government. Knowing the difficulty involved, it was suggested agencies use innovation and efficiency to deal with budget constraints thereby keeping control of programs.

Wildlife Resources

Jim Karpowitz, Director, responded to questions and concerns regarding eliminating funding paid to the Trust Land Administration for public access on trust lands. Sen. Stowell invited John Andrews, Associate Director of School and Institutional Trust Lands Administration, to comment on the relationship between the Division of Natural Resources and his administration. He discussed what the possibilities would be if funding ceased. He stated there are options available to explore if necessary.

Concern by the committee was also expressed over law enforcement for Range Creek management. The suggestion was made that county involvement might be possible to reduce the law enforcement budget.

Forestry, Fire and State Lands

Dick Buhler, Deputy Director, reviewed the match for the "Insurance Fund" and expressed concern over the impact the elimination of that funding would have on counties and the state.

Utah Department of Agriculture

Leonard Blackham, Commissioner, cautioned committee members to take time to evaluate and ponder what is being proposed and the consequences of decisions. He asked Kyle Stevens to distribute handouts for committee members outlining the budget proposal by the department while Commissioner Blackham elaborated on the proposal. Mr. Gordon Yonkers, Executive Director of UACD, was asked to respond to the implications of the proposed reduction for UACD.

Dr. Earl Rogers, State Veterinarian and Director of Meat Inspection, discussed the impact of the proposal to eliminate the meat inspection program. He explained they have worked hard to have primacy in this program and most of the meat inspection establishments prefer to be under state inspection rather than the federal system. There is concern it will be difficult to gain back control once relinquished to the federal government.

Public Lands Office

John Harja, Director of Public Lands Coordination Office, stated his office is eliminating positions through attrition to meet budget cuts.

State Fairpark

Richard Frenette, Executive Director, responded to the proposed budget cuts and the impact on the Fairpark. The proposed budget would cause a sizeable reduction in maintenance to the fairpark facility, including upgrades. It would also involve elimination of staff equivalent to two full-time positions. The Fair board has made the decision not to increase entrance fees because it could potentially decrease attendance.

MOTION: Rep. Roger Barrus motioned to adjourn the meeting at 12:20 p.m. The motion passed unanimously.

Sen. Dennis Stowell, Co-Chair

Rep. Kerry W. Gibson, Co-Chair

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