

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

Room 25 House Office Building

January 28, 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 ABSENT: Sen. Ralph Okerlund
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.

1. Call to Order and Introductions

Co-Chair Mathis called the meeting to order at 8:06 a.m. and introduced committee members.

2. Approval of Minutes

MOTION: Sen Dayton moved to approve the minutes of the September 10, 2013 meeting held in Kanab, Utah. The motion passed unanimously with Rep. Duckworth, Rep. Ivory, and Rep. Noel absent for the vote.

3. Subcommittee Overview

Mr. Ivan Djambov, Fiscal Analyst, LFA, provided a tutorial for subcommittee members interested in accessing materials online for individual appropriations meetings. Resources can be found by going to the Legislature home page and clicking on "meeting materials."

The subcommittee reviews and approves a budget for the following state agencies: Department of Agriculture, Department of Natural Resources (DNR), School and Institutional Trust Lands Administration (SITLA), Department of Environmental Quality (DEQ), Public Lands Policy Coordination Office (PLPCO), and Office of Energy Development (OED).

Mr. Djambov presented the Issue Brief, "Report on Implementation of FY 2013 Legislative Intent

Language," illustrating areas of possible concern and interest, along with making note of the document "Proposed Funding Sources, 2014 General Session" indicating sources of possible funding.

Ms. Angela Oh, Economist/Statistician, reviewed the Issue Brief, "Action Items on 'Off-Budget' Funds" which catalogues 457 state funds, operations, and tax incentives not currently included in the appropriations process.

4. DNR Administration

Mr. Djambov instructed the subcommittee on information available in the Compendium of Budget Information (COBI), along with providing clarification on the document "DNR Administration, Budget Details Over Time."

Item 2 in H.B. 5 funds the Endangered Species Protection Program, which is intended to prevent any plant or animal species from being added to the endangered list. Mr. Djambov pointed to the performance measures and the chart in the COBI showing the restricted account activity over time.

The Watershed section in COBI provides performance measures on acres treated, how much money the agency is able to get from partners for each dollar appropriated from the Legislature, and the number of partners over time.

Co-Chair Mathis reviewed with subcommittee members the purpose of the base budget week. He requested the members review the agencies' programs, missions, goals, and objectives and ask themselves if the goals are being met.

Mr. Mike Styler, Director, DNR, introduced two new directors: Mr. Brian Cottam, State Forester, Utah Division of Forestry, Fire and State Lands and Mr. Eric Millis, Utah Division of Water Resources. Director Styler presented an overview of the agency's history in relation to increased efficiency and self reliance. Over time, the agency has decreased reliance on the General Fund, while increasing services by combining and consolidating finance positions and privatizing park concessions and the Lone Peak Conservation Nursery.

Mr. Alan Clark, DNR, provided an overview of the Watershed Restoration Initiative, which is a partnership-driven conservation effort to restore and manage land health and priority areas across the state. The initiative hopes to improve water quality and quantity, reduce catastrophic wildfires, rehabilitate after wildfires, increase the forage for wildlife, and prevent endangered species listings.

Mr. Chris Keleher, DNR, Assistant Director of the Recovery Program, updated the subcommittee on the recovery program of the June Sucker in Utah Lake, involving reduction of the carp population in the lake.

5. Division of Oil, Gas and Mining

Mr. Djambov reviewed the subcommittee materials, directing members to the section in COBI that covers the details for the Division of Oil, Gas, and Mining (DOGMA), which states the mission, focus areas, statutory requirements, intent language, and performance measures. He then reviewed the trend analysis showing historical numbers for funding, programs, and expenditure categories for the division.

Mr. John Baza, Director, along with Ms. Paula Dupin-Zahn, Finance Manager, distributed the handout, "Division of Oil, Gas and Mining - 2014," along with reviewing a PowerPoint presentation. There are

three regulatory programs within the division: oil and gas, coal, and minerals. In addition, there is a non-regulatory program for abandon mines. The purpose of the division is to foster responsible development of extracted minerals in the state, protect the public, and preserve the environment.

6. Utah Geological Survey

Mr. Djambov offered a brief introduction, directing subcommittee members to Item 14 of H.B. 5 and associated hyperlinks showing history and major funding sources in COBI. He commented on the Land Exchange Distribution Account with revenues generated on SITLA lands.

Mr. Rick Allis, State Geologist and Director, Utah Geological Survey (UGS), introduced Ms. Jodi Patterson, Finance Manager, and Ms. Kimm Harty, Deputy Director, before offering a slide presentation highlighting the agency. The mission of UGS is to make Utah richer and safer. Director Allis discussed the budget, performance measures, and geologic hazards.

MOTION: Rep. Ivory moved to adjourn. The motion passed unanimously. Co-Chair Mathis adjourned the meeting at 11:00 a.m.

Sen. David Hinkins, Co-Chair

Rep. John G. Mathis, Co-Chair

