

Board of Trustees

Director's Report

March 2014

Board Policy on Inter-beneficiary Loans

- ❖ Policy is focused on development projects and not other inter-beneficiary issues (i.e. reconciling beneficiary budget expenditures at the end of the fiscal year)

The Board of Trustees

Of the

School and Institutional Trust Lands Administration

New Policy

Policy Statement No. 2014-01

Subject: Inter-beneficiary Loans

The Board of Trustees of the School and Institutional Trust Lands Administration (the "Board") met in open, public session on 20 March 2014, and by majority vote declares the following to be an official policy of the Board on inter-beneficiary loans for development projects.

- Utah Code § 53C-3-102 requires that at the end of each fiscal year, all money received by the Administration be paid to the State Treasurer, allocated by beneficiary, and that the source of funds shall be classified as to sales, rentals, royalties, interests, fees, penalties, and forfeitures.
- Any inter-beneficiary loan that extends past a fiscal year end must be approved by a majority vote of the Board. Such approval must include at least the following: (a) the amount of the loan; (b) the length of the loan; (c) the interest rate for the loan; (d) the repayment terms; (e) whether security will be required and, if so, the adequacy of any security offered; and (f) results of consultation with the affected beneficiaries.
- Typically, inter-beneficiary loans should be repaid in the same fiscal year in which they are issued.

Board Policy on Inter-beneficiary Loans

- ❖ Policy is focused on development projects and not other inter-beneficiary issues (i.e. reconciling beneficiary budget expenditures at the end of the fiscal year)
- ❖ All affected beneficiaries will be given an opportunity for consultation

The Board of Trustees

Of the

School and Institutional Trust Lands Administration

New Policy

Policy Statement No. 2014-01

Subject: Inter-beneficiary Loans

The Board of Trustees of the School and Institutional Trust Lands Administration (the "Board") met in open, public session on 20 March 2014, and by majority vote declares the following to be an official policy of the Board on inter-beneficiary loans for development projects.

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- Any inter-beneficiary loan that extends past a fiscal year end must be approved by a majority vote of the Board. Such approval must include at least the following: (a) the amount of the loan; (b) the length of the loan; (c) the interest rate for the loan; (d) the repayment terms; (e) whether security will be required and, if so, the adequacy of any security offered; and (f) results of consultation with the affected beneficiaries.
- Typically, inter-beneficiary loans should be repaid in the same fiscal year in which they are issued.

Board Retreat Items

- ❖ Land Exchange Issues
- ❖ Asset Purchase Using Capital Account
- ❖ Staffing Needs and Satellite Locations
- ❖ Relationships with Other State Agencies (UGS)
- ❖ Discussion of risk definition
- ❖ Conservation Issues
- ❖ Update on External Relations Strategy

Legislative Issues

- ❖ Budget

- ❖ Ongoing Budget Approved as Requested - \$9,649,800

Line Item 35

- ❖ One-time Requests Approved

- ❖ \$300K for federal land issues

- ❖ \$46,300 for County ROW Program

- ❖ Stewardship Account as Requested - \$500,000

Line Item 36

- ❖ Capital Budget as Requested - \$8,300,000

Line Item 37

Legislative Issues

- ❖ Budget
 - ❖ Ongoing Budget Approved as Requested - \$9,649,800
 - ❖ One-time Requests Approved
 - ❖ \$300K for federal land issues
 - ❖ \$46,300 for County ROW Program
 - ❖ Stewardship Account as Requested - \$500,000
 - ❖ Capital Budget as Requested - \$8,300,000
- The legislature also funded a 1% COLA, and a .25% discretionary increase; and, covered all costs for benefit increases.

Legislative Issues

- ❖ Bills We Ran (or were friendly)

Legislative Issues

❖ Bills We Ran (or were friendly)

**CONCURRENT RESOLUTION RECOGNIZING THE 20TH
ANNIVERSARY OF THE SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION**

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Melvin R. Brown

Senate Sponsor: John L. Valentine

Legislative Issues

- ❖ Bills We Ran (or were friendly)

FEDERAL LAND ACQUISITION AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Michael E. Noel

Senate Sponsor: Stephen H. Urquhart

Legislative Issues

❖ Bills We Ran (or were friendly)

**CONCURRENT RESOLUTION ON SCHOOL AND
INSTITUTIONAL TRUST LANDS EXCHANGE ACT**

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Michael E. Noel

Senate Sponsor: Evan J. Vickers

Legislative Issues

❖ Bills We 'Fixed'

Legislative Issues

❖ Bills We 'Fixed'

GRAZING AND TIMBER AGRICULTURAL COMMODITY

ZONES IN UTAH

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Michael E. Noel

Senate Sponsor: Ralph Okerlund

(a) BLM[;] ~~and~~ Forest Service[;] ~~and SFFLA~~ lands in Carbon County that are situated in the following townships: Township 12S Range 6E, Township 12S Range 7E, Township 12S Range 8E, Township 12S Range 9E, Township 12S Range 10E, Township 12S Range 11E, Township 12S Range 12E, Township 12S Range 13E, Township 12S Range 14E, Township 12S Range 15E, Township 12S Range 16E, Township 12S Range 17E, Township 12S Range 18E, Township 13S Range 6E, Township 13S Range 8E, Township 13S Range 9E, Township 13S Range 10E, Township 13S Range 11E, Township 13S Range 12E, Township 13S Range 13E, Township 13S Range 14E, Township 13S Range 15E, Township 13S Range 16E, Township 13S Range 17E, Township 14S Range 6E, Township 14S Range 8E, Township 14S Range 9E, Township 14S Range 11E, Township 14S Range 12E, Township 14S Range 13E, Township 14S Range 14E, Township 14S Range 15E, Township 14S Range 16E, Township 14S Range 17E, Township 15S Range 7E, Township 15S Range 8E, Township 15S Range 9E, Township 15S Range 10E, Township 15S Range 11E, Township 15S Range 12E, Township 15S Range 13E, Township 15S Range 14E, Township 15S Range 15E, and Township 15S Range 16E; and

(b) BLM[;] ~~and~~ Forest Service[;] ~~and SFFLA~~ lands in Emery County, excluding any areas that are or may be designated as wilderness, national conservation areas, or wild or scenic rivers, that are situated in the following townships and represented in the Emery County Public Land Management Act DRAFT Map prepared by Emery County and available at emerycounty.com/publiclands/LANDS-USE-15.pdf: Township 13S Range 6E, Township 14S Range 6E, Township 14S Range 7E, Township 15S Range 6E, Township 15S Range 7E, Township 16S Range 6E, Township 16S Range 7E, Township 16S Range 8E, Township 16S Range 9E, Township 16S Range 10E, Township 16S Range 11E, Township 16S Range 12E, Township 16S Range 13E, Township 16S Range 14E, Township 16S Range 15E, Township 17S Range 6E, Township 17S Range 7E, Township 17S Range 8E, Township 17S Range 9E, Township 17S Range 10E, Township 17S Range 11E, Township 17S Range 12E, Township 17S Range 13E, Township 17S Range 14E, Township 17S Range 15E, Township 18S Range

Legislative Issues

❖ Bills We 'Fixed'

INDEPENDENT ENTITIES FINANCIAL TRANSPARENCY

DISCLOSURE

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Deidre M. Henderson

House Sponsor: Steve Eliason

(b) For purposes of this part, an independent entity described in Subsection (6)(a) is not required to submit to the division, or provide a link to, other financial information, including:

(i) revenue transactions of a fund or account created in its enabling statute;

(ii) fiduciary or commercial information related to any subject if the disclosure of the information:

(A) would conflict with fiduciary obligations; or

(B) is prohibited by insider trading provisions;

(iii) information of a commercial nature, including information related to:

(A) account owners, borrowers, and dependents;

(B) demographic data;

(C) contracts and related payments;

(D) negotiations;

(E) proposals or bids;

(F) investments;

(G) the investment and management of funds;

(H) fees and charges;

(I) plan and program design;

(J) investment options and underlying investments offered to account owners;

(K) marketing and outreach efforts;

(L) lending criteria;

(M) the structure and terms of bonding; and

(N) financial plans or strategies; and

(iv) information protected from public disclosure by federal law.

Legislative Issues

❖ Bills We 'Fixed'

LOCAL GOVERNMENT ENTITIES AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W. Stevenson

House Sponsor: Stephen G. Handy

H → [Section 6. Section 17B-1-122 is enacted to read:

~~17B-1-122. Required multiple commodities, services, or facilities.~~

~~§ → {A} (1) Except as provided in Subsection (2), a local district may establish reasonable rules requiring a customer who signs up for one service to receive multiple commodities, services, or facilities provided by the district under conditions or circumstances that are, as determined by the board of trustees, in the general best interest of the district's customers if:~~

~~§ → {(1)} (a) the local district provides more than one commodity, service, or facility;~~

~~§ → {(2)} (b) one of the commodities, services, or facilities that the district provides is electric~~

~~service; and~~

~~§ → {(3)} (c) the district notifies the customer in writing of:~~

- 15 - House Floor Amendments 3-13-2014 lc/va
Senate 3rd Reading Amendments 3-10-2014 lp/va

1st Sub. (Green) S.B. 51

02-28-14 2:19 PM

~~§ → {(a)} (i) the requirement to receive multiple commodities, services, or facilities;~~

~~§ → {(b)} (ii) the specific additional commodity, service, or facility the customer will be required~~

~~to receive; and~~

~~§ → {(c)} (iii) any fee or levy associated with the additional commodity, service, or facility;~~

~~§ → (2) Subsection (1) does not apply to a utility or a service account with a governmental~~

~~entity. ← § | ← Æ~~

Legislative Issues

❖ Bills We 'Fixed'

INTERNAL AUDIT AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: Steve Eliason

(b) "State agency" does not mean:

(i) a legislative branch agency;

(ii) an independent state agency as defined in Section [63E-1-102](#);

(iii) a county, municipality, school district, local district, or special service district; or

(iv) any administrative subdivision of a county, municipality, school district, local district, or special service district.

Legislative Issues

❖ Bills We 'Fixed'

RESOURCE STEWARDSHIP AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Patrice M. Arent

Senate Sponsor: Ralph Okerlund

Section 2. Section **63A-1-116** is enacted to read:

63A-1-116. Appointment of coordinator of resource stewardship -- Duties of the coordinator of resource stewardship.

(1) The executive director of the department shall appoint a state coordinator of resource stewardship and establish the coordinator of resource stewardship's salary.

(2) The coordinator of resource stewardship shall report to the executive director or the executive director's designee.

(3) The coordinator of resource stewardship shall:

(a) work with agencies to implement best practices and stewardship measures ~~H~~→ **to improve air quality** ~~H~~ ; and

(b) make an annual report on best practices and stewardship efforts ~~H~~→ **to improve air quality** ~~H~~ to the Business and

Labor Interim Committee and Natural Resources, Agriculture, and Environment Interim Committee.

~~S~~→ (4) Each agency will retain absolute discretion whether or not to incorporate any of the practices or measures suggested by the coordinator. ~~S~~

Legislative Issues

❖ Bills We 'Fixed'

FEDERAL LAND EXCHANGE AND SALE AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Michael E. Noel

Senate Sponsor: Ralph Okerlund

Section 3. Section **63L-2-202** is enacted to read:

63L-2-202. Identification and appraisal of state land.

(1) The agency shall:

(a) by January 1, 2016:

(i) evaluate state land, including:

(A) investigating mineral examinations;

(B) conducting title searches;

(C) conducting archeological surveys;

(D) removing encumbrances, if possible; and

(E) curing any deficiencies that may prevent highest and best use;

(ii) establish standards to determine whether a parcel of state land evaluated under

Subsection (1)(a)(i) is suitable for a potential federal land exchange;

(iii) subject to Subsection (2), appraise a parcel of state land that meets the standards established under Subsection (1)(a)(ii) according to nationally recognized appraisal standards, including, to the extent appropriate, the Uniform Appraisal Standards for Federal Land Acquisitions described in the Federal Lands Policy and Management Act of 1976;

(iv) identify federal land that is suitable and desirable for federal land exchange; and

(v) communicate the findings of Subsections (1)(a)(i) through (iv) to the secretary of the United States Department of Agriculture, the Legislative Management Committee, and the Natural Resources, Agriculture, and Environment Interim Committee; and

(b) by November 30, 2016, report to the Legislative Management Committee and the Natural Resources, Agriculture, and Environment Interim Committee on the status of federal land exchanges, including:

(i) any barriers that prevent the expeditious exchange of land as authorized by the Federal Land Management and Policy Act of 1976; and

Legislative Issues

❖ Bills We 'Fixed'

UTAH WILDERNESS ACT

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen G. Handy

Senate Sponsor: Ralph Okerlund

(3) This chapter does not apply to lands owned or acquired by the School and Institutional Trust Lands Administration.

↪ (2) If the School Institutional Trust Lands Administration owns land that is completely surrounded by lands within areas designated by this chapter as protected wilderness:

(a) the School Institutional Trust Lands Administration shall be given rights as may be necessary to ensure adequate access to the land owned by the School Institutional Trust Lands Administration and any successors in interest; or

(b) the land owned by the School Institutional Trust Lands Administration may be exchanged for state-owned land of approximately equal value.

Legislative Issues

❖ Bills We Opposed

Legislative Issues

FEES FOR GOVERNMENT RECORDS REQUESTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brian S. King

Senate Sponsor: _____

SEVERANCE TAX REVISIONS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Joel K. Briscoe

Senate Sponsor: _____

❖ Bills We Opposed

HIGHWAY AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Mike K. McKell

Senate Sponsor: _____

RESTRICTIONS ON SAND AND GRAVEL EXTRACTION

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Douglas V. Sagers

Senate Sponsor: _____

Legislative Issues

- ❖ Bills We Supported

Legislative Issues

**SCHOOL AND INSTITUTIONAL TRUST LANDS AND
FUNDS MANAGEMENT PROVISIONS**

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Melvin R. Brown

Senate Sponsor: Curtis S. Bramble

❖ Bills We Supported

INTERSTATE ELECTRIC TRANSMISSION LINES

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen G. Handy

Senate Sponsor: Curtis S. Bramble

UTAH ENERGY INFRASTRUCTURE AUTHORITY ACT

AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Roger E. Barrus

Senate Sponsor: Kevin T. Van Tassell

Proposed Budget Adjustments

- ❖ FY 2014 Supplemental - \$100,000
- ❖ FY 2015 One-time - \$100,000

5. Non-General Fund Increases

Approved the requests for funding from non-General Fund sources as follows:

Index	Agency	Request	Fund Type	FY 2014		FY 2015	
				One Time		One Time	Ongoing
1	Agriculture	Compliance Officer	Dedicated Credits				\$45,000
2	Agriculture	1.5 FTE Food Inspectors	Dedicated Credits				\$112,500
3	Agriculture	1 FTE Fuel Station Inspector	Dedicated Credits				\$119,300
4	Agriculture	Pesticide Inspector	Dedicated Credits				\$62,100
5	Agriculture	Vehicle for Compliance Officer	Dedicated Credits	\$31,500			
6	Agriculture	Vehicle for Plant Industry	Dedicated Credits	\$21,000			
7	Agriculture	Vehicle for Regulatory Services	Dedicated Credits	\$21,000			
8	Environmental Quality	Funding Adjustments	Restricted Fund				(\$187,200)
9	Environmental Quality	Drinking Water Program Support	Restricted Fund		\$800,000		
10	Environmental Quality	Hazardous Substance Mitigation Fund	Restricted Fund		\$400,000		
11	Environmental Quality	X-Ray and Radioactive Materials	Transfer	\$30,000			
12	Wildlife	Urban Wildlife Removal Specialist	Restricted Fund		\$75,000		\$125,000
13	Wildlife	DWR Compensation Increase	Restricted Fund				\$1,200,000
14	Wildlife	DWR Conservation Easement Maintenance	Restricted Fund				\$15,000
15	Wildlife	Loss of Federal Funds for Warm Fish Hatcheries	Restricted Fund				\$300,000
16	Wildlife	Demand to Increase Warm Fish	Restricted Fund				\$375,000
17	Wildlife	Increase in Community Fisheries Program	Restricted Fund				\$300,000
18	Wildlife	Motorpool Increases	Restricted Fund		\$500,000		
19	Forestry	Sovereign Lands Program Coordinator	Restricted Fund				\$70,000
20	Forestry	GIS/Archeologist	Restricted Fund				\$70,000
21	Forestry	IT Expansion	Restricted Fund				\$15,000
22	Forestry	Cedar City Regional Admin Building	Restricted Fund		\$2,950,000		
23	Forestry/Rep. J. Anderson	Sovereign Lands Management Projects	Restricted Fund		\$1,785,000		
24	Forestry	Re-seeding	Restricted Fund	\$600,000			
25	Forestry	Freeport Center Storage Facility	Restricted Fund		\$56,600		
26	Oil & Gas	E-Permitting Database	Restricted Fund	\$50,000	\$75,000		
27	Public Lands	Land Exchange Distribution Account (LEDA)	Restricted Fund				(\$700,000)
28	SITLA	Federal Land Exchange	Restricted Fund		\$300,000		
29	SITLA	RS 2477 Analyst	Restricted Fund		\$46,300		
30	Utah Geology Survey	Mineral Lease Adjustment	Federal Mineral Leas	\$58,500			\$93,600
31	Rep. Lee Perry	Ogden Bay Waterfowl Management	Restricted Fund		\$2,575,000		
32	Rep. Michael Noel	Sage Grouse Control	Restricted Fund	\$500,000	\$1,500,000		
33	Rep. Mike McKell	DWR Sportsmen Access	Restricted Fund				\$300,000
34	Rep. Ronda Menlove	Bear Lake Public Access	Restricted Fund		\$750,000		
35	Species Protection	Endangered Species Database	Restricted Fund	\$25,000			
36	Sen. Vickers	Prairie Dog Barrier	Restricted Fund	\$185,000			
37	Rep. Mike McKell	Carp Removal	Restricted Fund		\$500,000		
38	Environmental Quality	Radiation Control	Dedicated Credits	\$14,400	\$14,400		
39	Sen. Van Tassell	SITLA Sage Grouse	Restricted Fund	\$100,000	\$100,000		
40	Rep. Noel	Cedar Mtn - Catastrophic Fire	Restricted Fund		\$500,000		
41	Rep. Noel	Beaver North - Catastrophic Fire	Restricted Fund		\$100,000		
42	Rep. Noel	Dutch John - Catastrophic Fire	Restricted Fund		\$100,000		
43	Rep. Noel	Box Elder - Catastrophic Fire	Restricted Fund		\$100,000		
44	Rep. Noel	Grand County Willow Basin - Catastrophic Fire	Restricted Fund		\$100,000		
45	Rep. Noel	Washington County - Catastrophic Fire	Restricted Fund		\$100,000		
46	Rep. Noel	San Pete Front - Catastrophic Fire	Restricted Fund		\$300,000		
47	Rep. Noel	Carbon Fish Creek - Catastrophic Fire	Restricted Fund		\$200,000		
48	Rep. Mathis	Agriculture Animal Health	Dedicated Credits				\$250,000
49	Rep. Mathis	Agriculture Administration	Dedicated Credits				\$300,000

ents

❖ FY

❖ FY

Questions?