

AGENDA

**DEPARTMENT OF NATURAL RESOURCES:
BUDGET HEARING
EXECUTIVE DIRECTOR'S OFFICE, RECLAMATION, MINING, AND SAFETY,
PARKS AND OUTDOOR RECREATION, AND WILDLIFE**

**Thursday, December 14, 2006
9:00 a.m. to 12:00 noon**

9:00 a.m. – 9:15 p.m. Introduction and Opening Remarks

**9:15 a.m. – 9:45 a.m. GENERAL QUESTIONS – EXECUTIVE DIRECTOR'S OFFICE & WILDLIFE
(QUESTIONS 1 THROUGH 8)**

Note: Common questions have been asked of all departments on the following topics: (1) performance measures; (2) implementation of legislation concerning illegal immigration (H.B. 06S-1023 and H.B. 06S-1009); and (3) the JBC staff proposal to eliminate the "Cash Funds Exempt" designation in the Long Bill. The Department of Natural Resources already responded to these questions at its hearing on Wednesday, November 29, 2006. As such, these questions are not included on this hearing agenda.

1. Why does the Department require an additional 51.6 FTE?
2. Explain why the Department's request is an 8.75 percent General Fund increase (excluding any decision items)? Is this based on the Governor's common policies?
3. Explain how increases for Senior Executive Service (SES) positions are calculated. Is the percentage increase for SES positions higher than that for other state positions (see page 16 of the briefing packet)?
4. Why do the requested increases for "Salary Survey", "Health, Life, and Dental", and annualized salary rely heavily on General Fund (see page 16 of the briefing packet)?
5. Why is the requested increase for "Payments to Risk Management" and "Workers' Compensation" so reliant on General Fund (see page 16 of the briefing packet)?

Decision Item #13 – Additional Human Resources Staff (see page 11 and page A-13 of the briefing packet)

6. Does the Department believe that performance-based pay is working at all, or is it inadequate only because the state has not been able to fund it?

7. Is the Department having difficulty filling positions because of performance-based pay? If so, why will additional human resources staff help?

DIVISION OF WILDLIFE

Decision Item #16 (see page 12 and page A-14 of the briefing packet)

8. When the Division of Wildlife acquires conservation easements, is there a reduction in the amount of property taxes paid to local entities by the property owner?

9:45 a.m. – 10:45 a.m. DIVISION OF PARKS AND OUTDOOR RECREATION (QUESTIONS 9 THROUGH 24)

Decision Item #10 (see page 10 and page A-8 of the briefing packet)

9. Given that the Department testified last year that there will be cost savings with Voice Over Internet Protocol (VOIP) , why has the Department requested funds and an FTE to implement VOIP in FY 2007-08?
10. Given that the VOIP system was originally funded with lottery proceeds not subject to appropriation by the General Assembly, why should General Fund be used to support the system?
11. Where are the Department of Natural Resources and the Department of Personnel and Administration going with VOIP? Is there a long-term plan for the Department? Has it been successful so far? Have there been savings? If so, quantify the savings? If not, why haven't there been savings?
12. Some of the FTE in Decision Item #10 were requested to reduce the need for seasonal workers and to reduce the need for overtime. Why shouldn't the JBC approve reductions based on the associated savings for these positions?

Colorado Youth Corps Program

13. Please provide an overview of the Colorado Youth Core Program. Is the Youth Core Program useful? Has it been successful? If not, why not? If so, can the kids in this program be used instead of seasonal workers? Has the Department considered expanding the program?

Enterprise Status of State Parks – Footnote 100 (see page 33 of the briefing packet)

14. Provide an update on the status of requested footnote report regarding an analysis of enterprising the state parks (see Footnote 100 on page 33)?

15. How much money could the state save (in General Fund) if the Division of Parks and Outdoor Recreation becomes an enterprise?
16. How much of a General Fund reduction to the state parks would be required for the parks to attain enterprise status?

Cash Fund Parks Briefing Issue (see page 39 of the briefing packet)

17. What steps has the Division taken since the passage of Referendum C to implement its strategic plan to ensure a financially viable park system?
18. Given that the 2002 user survey indicated a willingness for park users to support a \$1 fee increase for daily passes, why shouldn't the Division pursue such an increase for FY 2007-08?
19. If the Division is not willing to pursue a fee increase, would it make sense for the fees to be set in statute? Why or why not?
20. If the JBC reduced the General Fund appropriation to the Division by \$650,000 with a corresponding increase in cash fund spending authority in FY 2007-08, would the Division pursue increasing the fees for daily passes from \$5 to \$6?
21. The Department justified the request for additional FTE in Decision Item #9, in part, on the basis that the request, if approved, would result in an estimated net gain in revenue equal to \$1,087,945. Why shouldn't the JBC consider funding a portion of this anticipated revenue to offset the need for General Fund appropriations to the Division?
22. Justify the request for \$280,331 General Fund for the Division of Parks and Outdoor Recreation in Decision Item #9 and Decision Item #10. Why shouldn't cash funds be used?
23. Does the Division concur with the JBC staff that there may be a business case to increase the emergency reserve from \$500,000? If so, what level would the Department propose? Will the Department seek such a statutory change in the 2007 session?
24. Would the Division support legislation requiring 100 percent of fee revenue from parks fines to be credited to the Parks and Outdoor Recreation Cash Fund? Will the Department seek such a statutory change if requested to do so by the JBC?

10:45 a.m. – 12:00 noon DIVISION OF RECLAMATION, MINING, AND SAFETY
(QUESTIONS 25 THROUGH 38)

Performance Measure Briefing Issue (see page 36 of the briefing packet)

25. Does the Division have any performance measures that relate to the public's experience? Please provide examples.

26. Does the Division have a performance measure for people who get hurt or killed by wandering into an abandoned mine?

Decision Item #21 (see page 14 and page A-15 of the briefing packet)

27. Is this request going to provide more education on safety related to mines, or is the request more focused on basic education related to mines?
28. Don't the mining companies provide this type of educational material?
29. Is this decision item necessary in light of science standards established by the Department of Education?
30. Why do we need more educational materials for mining, given that it is one of the oldest production industries and given that the industry is actually on the decline?

Oil Shale Development (see page 46, page A-2, and page A-3 of the briefing packet)

31. Given past problems associated with oil shale development, what steps will the Department take to ensure that the Department is on top of issues related to new proposals to develop this natural resource?
32. What steps can the Department take to prevent problems with the development of oil shale?
33. Is there a guarantee that companies will move forward if the cost of oil goes down? What is the long term outlook for oil shale development?
34. Have the costs of water and energy for oil shale development been taken into consideration? Can these be quantified at this point in time?
35. What jurisdiction does the state have to regulate the development of oil shale on federal land that is under the control of the Bureau of Land Management?
36. Is it true that the land will be flattened to extract the oil? If so, can the land be reclaimed to restore the original topography to the landscape? How can this be accomplished?
37. Will these areas be easier to reclaim than other methods of resource extraction?
38. Could steps be taken to require oversight of oil shale operations by DNR to pay for itself (e.g., through newly established fees), rather than using existing cash fund balances in the Operational Account of the Severance Tax Trust Fund? Does the Department have a proposal?