



# INTERIM HIGHLIGHTS

Office of Legislative Research and General Counsel  
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## LEGISLATIVE INTERIM MEETINGS

*Meetings were held June 23, 2010 or as noted.*

### Business and Labor

#### Catastrophic Coverage for Mental Health

*Action:* Approved as a committee bill, "Catastrophic Mental Health Coverage-Sunset Act," which removes the requirements for catastrophic mental health coverage from the Sunset Act and makes conforming amendments in the Insurance Code.

#### Classification of Workers

Received public comment regarding worker classification. Firms may elect to operate under various business plans with regards to the status of workers as employees, owners, or independent contractors. Received comments from industry representatives and concerned individuals.

#### Construction Trades Licensing Issues

Discussed a variety of construction trade licensing issues, including licensing of mechanical technicians, continuing education requirements, and licensing of structural masonry contractors. Also received comments from the Division of Occupational and Professional Licensing regarding licensing issues in the construction trades.

*Action:* Recommended that legislators continue to work with interested parties regarding construction trade licensing issues.

#### Health Insurance Mandate Review

Received a committee staff presentation regarding the Committee's responsibility to conduct reviews of health insurance mandates. Also received a presentation from the Insurance Department regarding health insurance mandates currently in state law.

*Action:* Recommended that the Committee not conduct a health insurance mandate review during the 2010 interim.

*Chairs:* Rep. James A. Dunnigan / Sen. John L. Valentine

*Staff:* Bryant R. Howe (Assistant Director) / Patricia Owen (Attorney) / Amanda K. Majers (Secretary)

### Education

#### Athletic Eligibility for Transfer Students

Received public comment on proposed legislation, "Eligibility for Interscholastic Competition in Secondary Schools," which provides that a student who transfers between schools may not be barred from participating

in interscholastic activities because of the transfer.

#### Instruction in American History, Government, and Civics

Received recommendations from a history teacher on the importance of studying original source documents and relating history to today's issues.

#### Post-secondary Education and Career Planning

Viewed a demonstration by representatives of the Utah State Office of Education and State Board of Regents of a new website tool, [www.utahfutures.org](http://www.utahfutures.org), designed for education and career planning. The website is being used by public school students and is currently receiving approximately 1,000,000 hits monthly.

#### State Instructional Materials Commission

Received a sunset report from the Utah State Office of Education on the State Instructional Materials Commission. The Committee chair noted the Committee will take action on the reauthorization of the Commission after the State Board of Education makes a recommendation.

*Action:* Recommended that the State Instructional Materials Commission be removed from the Sunset Act.

*Chairs:* Rep. Gregory H. Hughes / Sen. Howard A. Stephenson

*Staff:* Allison M. Nicholson (Policy Analyst) / Constance C. Steffen (Policy Analyst) / Angela Oakes Stallings (Attorney) / Glenda S. Whitney (Secretary)

### Ethics

#### Code of Conduct

Received a presentation from Utahns for Ethical Government making suggestions to improve the Legislature's Code of Official Conduct.

Received a report from committee staff that compared the Legislature's Code of Official Conduct with that of other states.

*Chairs:* Rep. John Dougall / Sen. Stephen H. Urquhart

*Vice Chairs:* Rep. Rebecca Chavez-Houck / Sen. Patricia W. Jones

*Staff:* John Q. Cannon (Managing Policy Analyst) / Michael E. Christensen (Director) / John L. Fellows (General Counsel) / Eric N. Weeks (Deputy General Counsel) / Phalin L. Flowers (Administrative Assistant)

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## Government Operations and Political Subdivisions

### Joint State/Salt Lake City Emergency Operations Center

Received a report from the Division of Facilities Construction and Management, the Department of Public Safety, and Salt Lake City on their preliminary discussions for the programming, design, and expenses of a joint emergency operations center. The intent language passed during the 2010 General Session in H.B. 3, "Appropriations Adjustments," required a report of their recommendations and analysis regarding the cost effectiveness and potential operational efficiencies of this type of facility.

### Procedures for the Withdrawal of Ballot Proposition

Received a committee staff briefing on the issue of whether procedures should be provided in statute for the withdrawal of a ballot proposition. The Utah Constitution specifies that state statute sets the requirements of holding ballot propositions. Title 20A, Chapter 7, "Issues Submitted to Voters," provides some requirements for ballot propositions, but is silent as to whether a ballot proposition which qualifies for the ballot may be withdrawn.

### Public Hearing and Notice Requirements for Municipal Enterprise Fund Transfers

Received presentations from the Utah State Auditor, the Utah League of Cities and Towns, and the Utah Association of Counties on the requirements for municipalities and counties to provide notice and a public hearing if an entity proposes an allocation or transfer of money from a utility enterprise fund to another fund.

The Committee also discussed whether a local government should be subject to penalties for not complying with notice and hearing requirements.

### State Building Board Construction Projects

Received a briefing from the Division of Facilities Construction and Management on the Building Board Five-Year Building Program, construction status reports, and funding needs.

### Status of a Law Being Challenged While a Local Referendum is Pending

Received a briefing and comments regarding a discrepancy between statute and the Utah Constitution. The Utah Constitution Article VI allows legal voters, under conditions provided by statute, to "require any law or ordinance passed by the law making body of the county, city, or town to be submitted to voters ... before the law or ordinance may take effect." Utah Code Subsection 20A-7-601(3)(b), however, states "The local law remains in effect until repealed by the voters via a referendum."

*Action:* Recommended that a letter be sent to the Utah

Constitutional Revision Commission requesting that the Commission study this issue.

*Chairs:* Rep. Craig A. Frank / Rep. Fred R Hunsaker / Sen. Peter C. Knudson  
*Staff:* Benjamin N. Christensen (Policy Analyst) / Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Emily R. Brown (Attorney) / Wendy Bangertner (Secretary)

## Health and Human Services

### Controlled Substances Advisory Committee

Requested that the Controlled Substance Advisory Committee study whether tramadol, "spice" or "pepspice," and salvia divinorum, in that order, should be scheduled as controlled substances. Also requested that the advisory committee report to the Committee in November on its progress.

### Division of Services for People with Disabilities (DSPD) Budget Changes

Received a report from DSPD on how it has responded to recent changes to its budget and how it plans to meet budget targets for fiscal year 2011.

### Sports-related Concussions

Received information about sports-related concussions from the Department of Health and a medical doctor as background to legislation to be drafted and considered later this year.

### Tamper-resistant Prescription Forms

Received information from a representative of a tamper-resistant prescription documents manufacturer stating that prescription fraud in Utah's Medicaid program could be reduced by \$14 million if the state required the use of uniform, secure, and validated prescription drug forms. The estimate is based on the prescription savings achieved by the State of New York.

*Chairs:* Rep. Paul Ray / Sen. D. Chris Butters  
*Staff:* Mark D. Andrews (Policy Analyst) / Thomas R. Vaughn (Attorney) / Cathy J. Dupont (Attorney) / Joy L. Miller (Administrative Assistant)

## Health System Reform Task Force

### All Payer Database

Received a briefing by the Department of Health's Office of Healthcare Statistics on the implementation of Utah's All Payer Database (APD). The office presented reports developed from the database and said that early work for integrating APD data with the Utah Health Exchange should be completed later this year.

### Federal Reform Update

Received a report from the Insurance Department on provisions of the federal Patient Protection and Affordable Care Act that affect Utah insurers and become effective September 23, 2010. The department reported that regulation of those areas by the department will shift to the federal government unless the Legislature amends the state's Insurance

Code to reflect the federal provisions.

### Risk Adjuster Board

Received a briefing from the Utah Defined Contribution Risk Adjuster Board on the board's work to develop rules for the operation of the Utah Health Exchange that reflect statutory changes enacted during the 2010 session of the Legislature.

### Task Force Workgroups

Reviewed the objectives, tasks, and potential membership of two task force workgroups, the Implementation Oversight Workgroup and the Cost Containment Workgroup.

### Tax Consequences of Federal Reform

Received a report from a Salt Lake City accountant on the tax implications to employers, insurers, and individuals of the federal Patient Protection and Affordable Care Act.

*Chairs: Speaker David Clark / Sen. Wayne L. Niederhauser*

*Staff: Mark D. Andrews (Policy Analyst) / Cathy J. Dupont (Attorney) / Wendy Bangerter (Secretary)*

## Judiciary, Law Enforcement, and Criminal Justice

### Courts Services and Functions

Received from the State Court Administrator a report on the effects of recent years' budget cuts on court services and functions. While the growing civil caseload has been increasing, the courts reported a cumulative budget reduction from FY 2009 through FY 2011 of \$8,532,700 or 7.9%. This represents a reduction of 91 positions or 9% of the nonjudicial workforce. It was also reported that the courts have made significant progress in establishing electronic records, and receiving electronic payments and case filings.

### Dispute Resolution Programs

Received from the Administrative Office of the Courts a statutorily required report on the alternative dispute resolution programs available in the various district courts. The programs available in some districts for mediation include: appeals; divorce; probate; small claims; landlord-tenant; truancy; and child welfare. Mediators are qualified by the courts and are hired by the parties involved or are furnished by the court, depending on the type of case.

### Firearm Safety Education in Public Schools

Received a presentation by a senator and a citizen regarding the implementation of Section 53A-13-106 of the Utah Code and the need for firearm safety education in the state's public schools.

### Funding E-911 Emergency Service

*Action:* Voted to recommend a ten year extension on the July 1, 2011 sunset of Utah Code Section 69-2-5.6, "Emergency services telecommunications charge

to fund statewide unified E-911 emergency service."

### Guardianship Amendments

Reviewed draft legislation, "Guardianship Amendments," which creates a method within the courts for the appointment of a guardian or conservator for a minor or an incapacitated adult. The bill also eliminates a school board's ability to designate guardians for students within its district and eliminates expedited guardianship proceedings for residents of the Utah State Developmental Center.

### Inmate Health Insurance

Discussed issues relating to the use of an inmate's private health and dental insurance for incurred medical costs while the insured is in the custody of the Department of Corrections or a county jail.

*Action:* Approved as a committee bill, "Inmate Health Insurance Amendments," which provides that if an insured is otherwise eligible for health or dental benefits under a policy, an insurer must coordinate benefits and may not exclude coverage for an insured who is an inmate housed in a correctional facility, a county jail, or an offender in the custody of the Department of Corrections.

### Mandatory Education for Divorcing Parents

Received from the Administrative Office of the Courts a required annual report on the mandatory educational course for divorcing parents, which is a prerequisite to receiving a divorce decree and is designed to educate and sensitize divorcing parents to the needs of their children both during and after the divorce process.

### Statutorily Required Reports

Reviewed information from committee members and reporting agencies on whether the reporting requirements for certain programs should be modified or deleted.

*Chairs: Sen. Jon J. Greiner / Rep. Douglas C. Aagard / Rep. Lorie D. Fowlke*

*Staff: Jerry D. Howe (Policy Analyst) / Stewart E. Smith (Policy Analyst/Spe Proj Mgr) / Susan Creager Allred (Attorney) / Esther Chelsea-McCarty (Attorney) / Amanda K. Majers (Secretary)*

## Natural Resources, Agriculture, and Environment

### Increasing the Number of Veterinarians in Utah

Received a report from Utah State University and Washington State University on a proposed collaboration between the two universities to provide veterinary education to Utah residents. The proposal is intended to provide more opportunity to Utah students interested in veterinary education in an effort to increase the number of veterinarians in the state.

*Action:* Voted to support the proposed collaboration between Utah State University and the University of Utah to provide a regionally distributed veterinary education program.

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### Natural Gas Drilling on the West Tavaputs Plateau

Received a report from an energy company on the status of proposed natural gas drilling on the West Tavaputs Plateau.

### Use of "Liberally Construed" in Utah State Administrative Rules

*Action:* Voted to recommend to the Administrative Rules Review Committee that current language in the administrative rules assigned for review be retained.

### Water Source Protection Ordinance Compliance

Received a report from the Division of Drinking Water on first and second class counties that have complied with a statutory requirement that they adopt a water source protection ordinance.

*Chairs:* Rep. Roger E. Barrus / Sen. Dennis E. Stowell

*Staff:* J Brian Allred (Policy Analyst) / Christopher R. Parker (Attorney) / Joy L. Miller (Administrative Assistant)

## Public Utilities and Technology

### Natural Carbon Sequestration

Received a presentation and a report from the Western Counties Alliance and the Rangeland Restoration Academy about natural carbon sequestration using grasses, arbuscular mycorrhizal fungi, and pulse grazing to improve rangeland quality and the sequestration of carbon. Research projections for Australia indicate a .05 percent increase in soil carbon would sequester all of Australia's annual CO<sub>2</sub> emissions.

### Net Metering and Renewable Energy

Received presentations and reports from Utah Clean Energy, Interstate Renewable Energy Council, Dixie Escalante Power, and the Utah Public Service Commission about net metering, renewable energy, cost/benefit subsidies, and the regulatory process. Committee discussion focused on the costs of net metered renewable energy as compared to base-load electric energy generation, the impact of subsidies, and regulatory issues of taxes and surcharges.

*Chairs:* Rep. Michael E. Noel / Sen. Stephen H. Urquhart

*Staff:* Richard C. North (Policy Analyst) / Christopher R. Parker (Attorney) / Tracey Fredman (Secretary)

## Revenue and Taxation

### Economic Conditions and Revenue Collections

Received a presentation from committee staff on recent economic trends, including population, employment, and housing, as well as an overview of Utah's state and local revenue system, including the individual income tax, sales and use tax, property tax, and fuel taxes.

Received a report from the Tax Commission showing revenue collections through the first 11 months of fiscal year 2009-10. The report showed that revenues

are coming in below the February forecast.

### Sales and Use Tax Exemptions

Received a presentation from committee staff on the impact of a sales and use tax exemption for certain mining equipment on certain local governments. Creation of the exemption has significantly reduced sales and use tax revenues for some local governments that generated a high proportion of their sales and use tax base from the sale of mining equipment.

### School Funding and Property Taxes

Received a report from committee staff on lawsuits in other states related to educational equality and adequacy. The report showed differing lawsuit outcomes among the states.

Discussed two proposals to further equalize school funding. One proposal relates to further equalizing property taxes for school operations. The other proposal relates to equalization of property taxes for school capital outlay.

*Chairs:* Rep. Todd E. Kiser / Sen. J. Stuart Adams

*Staff:* Bryant R. Howe (Assistant Director) / Phillip V. Dean (Policy Analyst) / Robert H. Rees (Attorney) / Rebecca L. Rockwell (Attorney) / Chelsea Barrett (Secretary)

## Senate Judicial Confirmation Committee

June 09, 2010

### Judicial Confirmation

Recommended that the Senate confirm the appointment of Robert J. Dale to the Second District Court. (The Senate confirmed the appointment of Mr. Dale on June 23, 2010 in an extraordinary session held for that purpose.)

June 15, 2010

### Judicial Confirmation

Recommended that the Senate confirm the appointment of Thomas R. Lee to the Utah Supreme Court. (The Senate confirmed the appointment of Mr. Lee on June 23, 2010 in an extraordinary session held for that purpose.)

June 16, 2010

### Judicial Confirmation

The Committee met on June 14 and 16, and on June 16 recommended that the Senate confirm the appointment of M. James Brady to the Fourth Judicial District. (The Senate confirmed the appointment of Mr. Brady on June 23, 2010 in an extraordinary session held for that purpose.)

*Chairs:* Sen. Scott K. Jenkins

*Staff:* Jerry D. Howe (Policy Analyst) / Esther Chelsea-McCarty (Attorney) / John L. Fellows (General Counsel) / Amanda K. Majers (Secretary)

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## Transportation

### Driver License Update

Received a report from the Driver License Division stating that:

- the division has implemented several strategies to try to keep lines short at driver license offices, such as allowing appointments, providing office wait times online, and opening on Fridays; and
- if there are significant changes to rules and regulations governing the federal REAL ID program, the division would need legislative approval to comply.

### New Transportation Capacity Projects

Received a committee staff briefing on traffic on I-15 in Utah, Salt Lake, and Davis County.

Received a statutorily required report from the Utah Department of Transportation regarding the reconstruction of I-15 in Utah County, as well as other highway projects.

### Railroad and Railroad Crossing Amendments

Received information from Union Pacific that some public safety concerns could be addressed by amending laws related to traffic at railroad crossings and trespassing on private property where there is a railroad facility.

### State Highway System Changes

Received a statutorily required report from the Department of Transportation regarding proposed additions to or deletions from the state highway system regarding the following state routes: 8, 48, 73, 89 (Ogden), 107, 197, and 212.

### Utah Gas Prices

Received presentations from committee staff, AAA Utah, Utah Petroleum Association, Utah Retail Merchants Association, and Utah Petroleum Marketers & Retailers Association on the petroleum industry, related taxes, Utah gas prices, and why gas prices in Utah tend to be higher than the national average. Reasons given for higher than average gas prices in Utah included market forces, location, few supplier options, and sparse population.

*Chairs: Rep. Julie Fisher / Sen. Kevin T. Van Tassell*

*Staff: Leif G. Elder (Policy Analyst) / Shannon C. Halverson (Attorney) / Tracey Fredman (Secretary)*

## Utah Tax Review Commission

*June 15, 2010*

### State and Local Sales and Use Tax

**Action:** Approved creation of a working group to study the proposal to create a uniform statewide sales and use tax rate.

*Chairs: Mr. M. Keith Prescott / Mr. David J. Crapo*

*Staff: Leif G. Elder (Policy Analyst) / Phillip V. Dean (Policy Analyst) / Bryant R. Howe (Assistant Director) / Robert H. Rees (Attorney) / Rebecca L. Rockwell (Attorney) / Chelsea Barrett (Secretary)*

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## Utah Waterways Task Force

*June 24, 2010*

### Division of Wildlife Resources Stream Access Program

Received a report from the Division of Wildlife Resources on its stream access programs. The division explained the tools and resources it can make available to the task force in its study.

### Walk-in Access and Stream Access Development

Visited sites on the Weber River and the Provo River to see walk-in access and stream access development examples.

*Chairs: Rep. Melvin R. Brown / Sen. Dennis E. Stowell*

*Staff: J Brian Allred (Policy Analyst) / Christopher R. Parker (Attorney) / Joy L. Miller (Administrative Assistant)*

## Workforce Services and Community and Economic Development

### Solvency of the Unemployment Insurance Trust Fund

Received an update from the Department of Workforce Services regarding the current balance in the Unemployment Insurance Trust Fund (UITF), including a comparison of revenues received versus revenue projections of when the fund will be insolvent, given current trends.

Discussed potential funding solutions for the UITF.

### Tax Credits for Motion Picture Productions

Received a report on how tax credits have increased motion picture production in the state and the financial benefits of extending tax credits for five or ten years to attract a television series.

### Use of the Phrase "Liberally Construed" in Workforce Services Administrative Rule

Discussed the use of the phrase "liberally construed" in an administrative rule of the Department of Workforce Services, as requested by the Legislature's Administrative Rules Review Committee.

Discussed whether the use of the phrase "liberally construed" in the rule suggests that the department is implementing or interpreting statute beyond the original intent of the Legislature.

### West Coast Marketing Initiative

Received a report from the Governor's Office of Economic Development regarding its marketing and economic development recruitment efforts targeting the west coast markets.

*Chairs: Rep. Steven R. Mascaró / Sen. Mark B. Madsen*

*Staff: Art L. Hunsaker (Policy Analyst) / James L. Wilson (Attorney) / Glenda S. Whitney (Secretary)*

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## Legislative Management Committee

June 22, 2010

### Letters from Committees

Approved the committee study requests from the following interim committees:

- Business and Labor
- Education
- Government Operations and Political Subdivisions
- Health and Human Services
- Judiciary, Law Enforcement, and Criminal Justice
- Natural Resources, Agriculture, and Environment
- Public Utilities and Technology
- Revenue and Taxation
- Transportation
- Workforce Services and Community and Economic Development

Approved appropriation subcommittees to hold up to two meetings this interim after they have submitted a letter providing their agenda and meeting date to the President of the Senate and the Speaker of the House and received their approval.

Authorized the request for a site visit to Delta, Utah by the Natural Resources Appropriations Subcommittee upon the approval of the agenda by the President of the Senate and the Speaker of the House.

Chairs: Speaker David Clark / President Michael G. Waddoups  
Staff: Michael E. Christensen (Director) / John L. Fellows (General Counsel) / Phalin L. Flowers (Administrative Assistant)

Next Interim Day - August 18

For more information about legislative activities, visit the Utah State Legislature's website at: [le.utah.gov](http://le.utah.gov)  
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