



INTERIM HIGHLIGHTS

Office of Legislative Research and General Counsel

Office of the Legislative Fiscal Analyst

Office of the Legislative Auditor General

INTERIM COMMITTEE ACTIONS

Business and Labor

STUDIES:

- Discussed state noncompetition contract law issues.
- Reviewed draft legislation “Mechanics’ Lien and Payment Amendments,” “Rights for Motor Vehicle Repairs,” and “Consumer Credit Protection.”

REPORTS:

- Received a report from the Privately Owned Health Care Organization Task Force.
- Received a report from the Occupational and Professional Licensure Review Committee requesting one more year to study the regulation of general building contractors.

*Chairs: Sen. Scott K. Jenkins / Rep. Stephen D. Clark
Staff: Allison Morgan (analyst)/Patricia Owen (attorney)/Tracey Fredman (secretary)*

Education

STUDIES:

- Received a nonprofit research organization’s analysis of the K-3 Reading Improvement Program.
- Considered proposed legislation “Reading Requirements for Student Achievement,” “Utah Basic Skills Competency Test Alternative,” “Utah Basic Skills Competency Test Remediation,” and “Secondary School Amendments.”

REPORTS:

- Received a report from the Governor’s Working Group on Student Achievement.
- Received the final report from the State Board of Education on the implementation of S.B. 154, “Public Education Amendments” (2003 General Session).

*Chairs: Sen. Howard A. Stephenson / Rep. Margaret Dayton
Staff: Constance Steffen & Phillip Dean (analysts)/Dee Larsen (attorney)/Glenda Whitney (secretary)*

Government Operations

REPORTS:

- Received a report from the Government Records Access and Management Act Task Force, including recommended legislation “Amendments to Government Records Access and Management Act,” “GRAMA Appeals Process and Document Request Amendments,” and “Access and Fee Amendments to Government Records Access and Management Act.”

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- Received a report from the Utah Seismic Safety Commission on its resolution titled “Resolution Recognizing the Unreinforced Masonry Building Hazard in Utah.”

ACTIONS:

- Voted to reauthorize for ten years Section 63A-4-204 which allows school districts and school district foundations to participate in the State Risk Management Fund.
- Voted to sunset Section 63A-4-205, which allows local health departments to participate in the State Risk Management Fund.

*Chairs: Sen. Parley Hellewell / Rep. Douglas C. Aagard
Staff: Benjamin Christensen (analyst)/Eric Weeks (attorney)/Cassandra Bauman (secretary)*

Health and Human Services

STUDY:

- Reviewed draft legislation “Resolution Supporting Medicaid Preferred Drug List for Acid Reflux and Statins” and “Public Health Amendments.”

REPORT:

- Received a Department of Health briefing on its efforts to assist Hurricane Katrina victims and the state’s preparations to respond to an avian influenza pandemic.

*Chairs: Sen. Allen M. Christensen / Rep. Bradley G. Last
Staff: Mark Andrews (analyst)/Catherine Dupont, Thomas Vaughn (attorneys)/Joy Miller (secretary)*

Judiciary

REPORT:

- Received a report from the Commission on Criminal and Juvenile Justice on a survey of Utah women regarding sexual violence.

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- Received a report from the Child Welfare Legislative Oversight Panel recommending proposed bills “Child Protection Amendments,” “Child Welfare - Licensing and Management Information Systems,” “Child Welfare Revisions,” “Office of Child Welfare Parental Defense Amendments,” and “Utah Child Abuse Prevention Board.”
- Heard from the Families, Agencies, and Communities Together and Youth At Risk Council regarding a rewrite of Utah Code Title 63, Chapter 75, Families, Agencies, and Communities Together and Youth At Risk Act.

Chairs: Sen. David L. Thomas / Rep. James A. Ferrin

Staff: Jerry Howe (analyst)/Esther Chelsea-McCarty (attorney)/Cassandra Bauman (secretary)

Law Enforcement and Criminal Justice

REPORTS:

- Discussed expansion of the DNA database to include all class A misdemeanors and to increase the fee for testing.
- Received the Dispatch Services Subcommittee update.

ACTIONS:

- Requested a preliminary feasibility study from the UDC (Utah Department of Corrections) on two privately operated facilities.
- Directed the staff to send a letter to Utah’s congressional delegation requesting continued federal funding of DNA specimen testing.
- Encouraged legislation addressing mortgage fraud issues.

Chairs: Sen. D.C. Buttars / Rep. DeMar “Bud” Bowman

Staff: Stewart Smith (analyst)/Susan Creager Allred (attorney)/Wendy Bangerter (secretary)

Natural Resources, Agriculture, and Environment

STUDY:

- Discussed proposed legislation “Groundwater Management Plan” and “Water Issues Task Force.”

ACTION:

- Recommended that the “Guiding Principles and Recommendations” sections of the Energy Policy Work Group Report be incorporated in legislation.

Chairs: Sen. Thomas V. Hatch / Rep. Roger E. Barrus

Staff: Brian Allred (analyst)/John Fellows & Emily Brown (attorneys)/Joy Miller (secretary)

Political Subdivisions

REPORTS:

- Received from the Tax Reform Task Force a summary of proposed legislation regarding redevelopment agencies.
- Received the Quality Growth Commission’s annual report.
- Received recommendations from the Highway Jurisdictional Transfer Task Force.

ACTION:

- Voted to continue the Special Districts Subcommittee during the 2006 interim.

Chairs: Sen. Carlene M. Walker / Rep. Brad L. Dee

Staff: Joseph Wade (analyst)/Robert Rees (attorney)/Wendy Bangerter (secretary)

Public Utilities and Technology

REPORTS:

- Received an update from the Division of Emergency Services regarding preparation for state energy emergencies.
- Received a progress report from the Energy Policy Working Group. Directed staff to prepare legislation based on the working group’s recommendations.
- Received a report from Dr. Laura Nelson, Governor’s Energy Policy Advisor, regarding her assignments and budget.
- Received a report from the Government Records Access and Management Act Task Force recommending draft legislation “Amendments to Government Records Access and Management Act,” “GRAMA Appeals Process and Document Request Amendments,” and “Access and Fee Amendments to Government Records Access and Management Act.”
- Received a report on the use of alternative fuel vehicles in the state vehicle fleet, and resulting energy savings.

Chairs: Sen. Gregory S. Bell / Rep. Sheryl L. Allen

Staff: Richard North (analyst)/Christopher Parker (attorney)/Phalin Flowers (secretary)

Revenue and Taxation

REPORTS:

- Received a report from the Utah Tax Review Commission regarding its review of: 1) several aspects of the state’s individual income tax laws; and 2) sales and use tax exemptions.

Chairs: Sen. Curtis S. Bramble / Rep. Wayne A. Harper

*Staff: Bryant Howe & Phillip Dean (analysts)/Rebecca Rockwell & Angela D. Oakes (attorneys)
Phalin Flowers (secretary)*

Transportation

REPORT:

- Received a report from the Highway Jurisdictional Transfer Task Force outlining its studies and recommendations.

ACTION:

- Voted to encourage legislation enabling public-private partnerships for financing transportation projects.

Chairs: Sen. Sheldon L. Killpack / Rep. Joseph G. Murray

Staff: Mark Steinagel (analyst)/Shannon Halverson (attorney)/Tracey Fredman (secretary)

Workforce Services & Community and Economic Development

REPORTS:

- Received the final report from the Tourism Task Force.
- Received a report from the Motion Picture Incentive Fund.

Chairs: Sen. John W. Hickman / Rep. David N. Cox

Staff: Art Hunsaker (analyst)/Jim Wilson (attorney)/Glenda Whitney (secretary)

2005 INTERIM COMMITTEES' RECOMMENDED LEGISLATION

Business and Labor

- *Filing Liens
- Insurance Department - Sunset Amendments and Revisions
- *Insurance Related Investment Amendments
- *Insurance Reports, Tables, and Examination Amendments
- *Life Insurance and Annuity Law Amendments
- *Resolution Supporting Congressional Action on the Deductibility of Medical Expenses

Education

- Care of Students with Diabetes in Schools
- Repeal of Exemption from Nonresident Tuition

Government Operations

- Common Polling Places Amendments
- Early Voting
- Election Code Revisions
- Electronic Meeting Amendments
- Open and Public Meetings Act Revisions
- Open Meetings Law Amendments
- Provisional Ballot Amendments
- *Repeal of Utah Digital Signature Act
- Revisions to Open and Public Meetings Law

Health and Human Services

- *Amendments to Indoor Clean Air Act
- *Child Welfare—Licensing and Management Information Systems
- *Child Welfare Revisions
- Health and Human Services Sunset and Reporting Amendments
- *Medicaid Dental Reimbursement Amendments
- *Office of Child Welfare Parental Defense Amendments
- *Pilot Program for the Provision of Services for People with Disabilities
- *Utah Child Abuse Prevention Board

Judiciary

- * Civil Antitrust Amendments
- * Divorce Education Amendments
- * Emancipation of a Minor
- Marriage Preparation Education

Law Enforcement and Criminal Justice

- *Domestic Violence and Dating Violence Amendments
- *Weapons Amendments

Natural Resources, Agriculture, and Environment

- *Bear River Development Act
- *General Fund Surplus Appropriation for Water Development Projects

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- *Lake Powell Pipeline Development Act
- *Water Reuse Amendments

Political Subdivisions

- *Local Government Amendments
- *Township Amendments

Public Utilities and Technology

- Notice Requirements For Budget Transfers From Utility Funds
- *Renewable Energy Tax Credit
- *Utility Improvement Districts Revisions
- Utah International Trade Commission

Revenue and Taxation

- * Apportionment of Business Income to Utah
- * Gross Receipts Tax Amendments, Repeal, and Public Utility Tariffs
- * Local Option Sales and Use Tax Distribution Amendments
- * Property Tax — Circuit Breaker Qualifying Limits
- * Resolution Regarding Property Tax on Personal Property
- * Sales and Use Tax — Exemption for Isolated or Occasional Sales
- * Sales and Use Tax Exemption for Sales of Certain Agricultural Products
- * Sales and Use Tax Exemption for Semiconductor Fabricating, Processing, Research, or Development Materials
- * Sales and Use Tax Exemption — Telecommunications
- * School Districts — Limited Amendments to Truth in Taxation
- * Sales and Use Tax Exemption for Transportation Tax on Insurance Premiums

Transportation

- Commercial Driver License Amendments
- Commercial Driver Training School Act Amendments
- * Driving Under the Influence Amendments
- * Highway Transfer Process Amendments
- Identification Card Expiration Amendments
- * State Highway Amendments
- Uninsured Motorist Identification Database Program Amendments

Workforce Services and Community and Economic Development

- *Department of Community and Culture Amendments
- Employment Security Amendments
- *Expenditures for Tourism, Recreation, Cultural, and Convention Facilities and Activities
- *Office of Museum Amendments
- *Preservation of and Access to State Publications
- *Public Assistance Amendments
- Unemployment Compensation - Social Security Offset

* Bills recommended at the November interim meeting

LEGISLATIVE MANAGEMENT COMMITTEE**REPORTS:**

- Heard from the Utah Department of Transportation on the Legacy Parkway settlement agreement.
- Received a report from the Natural Resources, Agriculture, and Environment Interim Committee regarding the results of the study required by H.B. 308 "Archeological Resources Amendments" (2005 General Session).
- Received a report from Gay Taylor, Legislative General Counsel, that the subpoenas requiring Representative David Clark to testify in the UPEA lawsuit were quashed in the Third District Court based on the speech and debate clause testimonial privilege.

ACTIONS:

- Approved payment of per diem and expenses of legislators who attended one of the briefing meetings on Legacy Parkway settlement agreement held on both November 7 and November 8, 2005.
- Approved the request from the Legislative Process Committee that all appropriations subcommittees meet on the same day before the 2006 General Session to begin budget deliberations. This request is a result of the Executive Appropriations Committee's approval of proposed legislation that would, by rule, require the Legislature to pass base budget bills by the tenth day of the General Session.
- Approved the requests from the following interim committees or appropriations subcommittees for additional meetings:
 - Revenue and Taxation Interim Committee for one meeting on November 30, 2005;
 - Health and Human Services Appropriations Subcommittee for one meeting on December 6, 2005;
 - Transportation, Environmental Quality, and National Guard Joint Appropriations Subcommittee for one meeting in November 2005; and
 - Higher Education Appropriations Subcommittee for one meeting on November 10, 2005.
- Approved the recommendation presented by Representative David Clark on behalf of the Legislative Automation Committee and the Utah Technology Commission to purchase BlackBerrys for legislators and legislative staff.
- Approved, with one amendment, the drafting of a sunset act and reauthorization bill that would include the interim committees' recommendations.

2005 SECOND SPECIAL SESSION

Governor Huntsman called the Legislature into special session on November 9, 2005 to consider a concurrent resolution approving a proposed settlement agreement involving the construction of Legacy Parkway. Approval of the settlement agreement required consideration of a related bill allowing the Utah Department of Transportation to restrict large truck traffic on Legacy Parkway.

The Legislature passed HCR 201 "Resolution Approving Legacy Parkway Settlement Agreement," and SB 2001 "Limitation of Trucks on Legacy Parkway."

LEGISLATURE HONORS HOUSE CHIEF CLERK CAROLE E. PETERSON AT RETIREMENT

The House of Representatives recognized the service of Carole E. Peterson, Chief Clerk of the House for over 20 years, during its special session held November 9th. An employee of the House for over 30 years, Carole plans to retire November 15th.

In a unanimous House resolution Carole was honored for her "tireless and unselfish service" that "has made the state of Utah, the Utah Legislature, and particularly the Utah House of Representatives stronger, more open, and more effective servants of Utah's citizens." The resolution cited her fairness and impartiality, her administrative skill, and her commitment to the House and its role as a vital institution.



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FISCAL HIGHLIGHTS

EXECUTIVE APPROPRIATIONS COMMITTEE

CO-CHAIRS:

SENATOR LYLE HILLYARD - REPRESENTATIVE RON BIGELOW

Report: Executive and Judicial Compensation Commission Recommendations

Summary: Spencer Pratt, Office of the Legislative Fiscal Analyst, presented the Commission's report to the committee in place of John T. Nielsen, Chairman, who was unable to attend the meeting. The EJCC makes recommendations for three groups: elected officials, appointed officials, and the judiciary.

The EJCC recommends that the Governor's salary should first be established and the salaries of the remaining elected officials be set in accordance with a fixed percentage of the Governor's salary. The Commission recommends that the salaries of the Lieutenant Governor, State Auditor, and State Treasurer all be set at 85 percent of Governor's salary. The Attorney General's salary is currently established at 95 percent of the Governor's salary.

The EJCC recommends that the current salary range structure for appointed officials be retained and that these salary ranges be increased by 5.5 percent. This adjustment allows the Governor latitude in setting actual salary levels for Cabinet members.

Based on information brought to the Commission, the recommendation for the judiciary is a salary increase of 7 percent per year over the next three years for District Court Judges; with other judicial salaries being based on that level. This increase would help reverse the trend of less qualified and/or younger applicants for judicial positions.

Staff Contacts: Spencer Pratt & Juliette Tennert

UPCOMING MEETINGS

- Public Education - November 16, 2005
8:00 a.m. - W135 State Capitol Complex
Staff Contact: Ben Leishman & Mike Kjar
****Please Note the Early Start Time****
- Transportation and Environmental Quality -
November 22, 2005
1:00 p.m. - State Capitol Complex
Staff Contact: Mark Bleazard
- Health and Human Services - December 6, 2005
9:00 a.m. - W125 State Capitol Complex
Staff Contacts: Debbie Headden & Bill Greer

Report: Utah Retirement Systems and Public Employees Health Plan

Summary: Robert Newman, director of the Utah Retirement Systems gave a brief presentation about historical increases in the retirement rate. He then indicated that all of the state retirement plans will require a rate increase for FY 2007 and noted the main reason for the increase was low returns on investments over a rolling five year average. Costs for this increase are still being calculated and the 2006 Legislature will consider the amounts required for funding these increases.

Linn Baker, director of the Utah Public Employees Health Plan noted that an increase of 10.41% will be required in FY 2007. There will not be an increase in the dental rates. Mr. Baker discussed some options for consideration that could reduce the costs of health coverage and/or reduce the amount of state funding required. Costs for this increase are still being calculated and the 2006 Legislature will consider the amounts required for funding these increases.

Staff Contact: John Massey

Report: Significant Factors Driving Agency Budget Requests

Summary: Legislative Fiscal Analyst, John E. Massey, presented a compilation of Significant Factors Driving Agency Budget Requests for fiscal year 2006 supplementals and fiscal year 2007. The document introduced by Mr. Massey includes items mandated by statute or the state Constitution, items historically funded in the past few fiscal years, and other potential funding items. Mr. Massey's report does not include all agency budget requests, but all requests will be heard by individual subcommittees prior to or during the 2006 Legislative General Session.

Staff Contacts: John Massey & Jonathan Ball

Report: Intent Language

Summary: In the June meeting of the Executive Appropriations Committee, EAC chairs asked legislative staff to prepare a list of intent language historically included in appropriations bills that may be better suited for statute. John Massey put forth a document listing intent statements that the Office of the Legislative Fiscal Analyst recommends be written into law. The list will be reviewed by appropriations subcommittees for further action.

Staff Contacts: John Massey & Jonathan Ball

EXECUTIVE APPROPRIATIONS COMMITTEE

Report: Department of Technology Services Implementation

Summary: Information Technology Governance Amendments (HB 109, 2005 General Session) created a new Department of Technology Services that consolidates the existing Division of Information Technology (IT) Services and all other "agency owned" IT resources. The bill envisioned legislative input in the Executive Branch's implementation of it. John Massey and Richard Ellis, Director of the Governor's Office of Planning and Budget, briefly presented an overview of the bill and the governor's implementation to date. Further consideration of this item, should it be required by the Executive Appropriations Committee, will be scheduled for a December meeting.

Staff Contact: Jonathan Ball

Report: Report from the Legislative Compensation Commission

Summary: Mr. Milton Thackeray, chairman of the LCC, presented the commission report as required in Section 36-2-3 UCA. This report is prepared and presented prior to January 2nd of each even numbered year. The LCC recommends: (1) to increase the daily rate for legislators to \$130; (2) to increase all leadership pay by \$500; (3) that legislation be passed to eliminate the inequity between rural and urban legislators by adopting a voucher system for lodging. Upon passage of this change, the LCC recommends increasing the daily rate by an additional \$79; and (4), to consider adopting a model similar to Idaho's Citizen Compensation Commission and delegate authority to make recommendations on total compensation and benefits to the LCC.

Staff Contact: Mark Bleazard

Report: Actuary Report - Other Post Employment Benefits

Summary: Mr. William Fornia, from Gabriel, Roeder, Smith & Company presented his actuarial findings on retiree health insurance benefits. The final report is not yet available since there will be some modification of inflation rates for medical costs. In the 2006 general session, the Legislature will consider either funding the identified liabilities annually based on a 25 year amortization or continue the current "pay as you go" methodology. The final report should be available within 30 days.

Staff Contact: John Massey

Report: Utah State Office of Education - School District Plans to Address Unfunded Post Employment Liability

Summary: Patrick Ogden, Associate State Superintendent, Tom Upton, USOE Budget Manager, and Robert Smith, Business Administrator for Alpine School District updated the committee on efforts by the USOE and Utah's 40 school districts to address post employment benefits. Mr. Upton reported that USOE is on track for implementing recommendations made by the Legislative Auditor General in an audit earlier this year. Mr. Smith provided information to the committee from the perspective of a school district. He reported that many school districts have been trying to actively address post employment liabilities. Many districts have used one or more of the following methods to reduce these liabilities: create plans to fund post employment liabilities, modify benefit packages to minimize liabilities, or, eliminate certain benefits offered to employees. Mr. Smith indicated that many of the large school districts have, or are in the process of, completing their own actuarial studies of these benefits.

Staff Contacts: Mike Kjar & Ben Leishman

APPROPRIATIONS SUBCOMMITTEE MEETING SUMMARY

Commerce and Revenue

Co-Chairs: Senator Mark Madsen & Representative Peggy Wallace

Summary: The subcommittee met on October 27th in the Workforce Services building in American Fork. The agenda consisted of a progress report on the state's largest software program, eREP; a discussion of the work being done to improve the quality of performance measures in the budget presentation; using some of the state funds spent on kindergarten as a qualifying match to draw down federal child care funds; and anticipated big ticket budget items. They then toured the site where eREP is being built and the American Fork Workforce Services office. The committee also heard a report on Workforce Services consolidations and recent awards. Questions on the tour covered Workforce Services role in helping the Hurricane Katrina victims.

Staff Contact: Stan Eckersley