



# INTERIM HIGHLIGHTS

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

Meetings were held July 20, 2011 or as noted.

### Administrative Rules Review Committee

June 28, 2011

#### Reporting Requirements for Nursing Homes and Assisted Living Facilities

Discussed the Division of Aging and Adult Services' requirement that adult care facilities report abuse, neglect, or exploitation of a vulnerable adult. Also discussed the potential impact on facilities and the division if every incident that meets the current standard of abuse, neglect, or exploitation were reported.

Chairs: Rep. Curtis Oda / Sen. Howard A. Stephenson

Staff: Art L. Hunsaker (Policy Analyst) / Susan Creager Allred (Attorney) / Tracey Fredman (Secretary)

### Business and Labor

#### Alcoholic Beverage Control Act Amendments

**Action:** Adopted S.B. 2002, "Alcoholic Beverage Control Act Amendments" (2011 Second Special Session), which modifies the Alcoholic Beverage Control Act to address issues related to the regulation of alcoholic products. Issues include modifying the commission's power to issue a club license when there is a change of ownership that meets certain criteria, addressing the transfer of a grandfathered facility licensed for on-premise banquet catering, and modifying the definition of recreational amenity.

#### Alcoholic Beverage Control Act Fees

Received public comment regarding a proposed change to the renewal fee for a full service restaurant license. The change, as proposed by the Department of Alcoholic Beverage Control, would change the current graduated fee schedule to a single renewal fee of \$1,430.

#### Department of Alcoholic Beverage Control Audit

Received a response from the Department of Alcoholic Beverage Control to an audit by the Office of the Legislative Auditor General that was presented at last month's meeting. The response included the administrative changes that the department is implementing based on the audit's recommendations.

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### Implementation of Federal Health Care Reform

Received a report from the Insurance Department regarding its implementation of the federal Patient Protection and Affordable Care Act and other federal laws related to health care. The department reported on how it proposes to regulate health benefit plans as it implements these laws.

### Insurance Amendments

**Action:** Adopted H.B. 2003, "Insurance Amendments" (2011 Second Special Session), which amends the provisions related to health benefit plans in the insurance code, including amending provisions related to unfair marketing practices by insurance producers, allowing a carrier to use either four, five, or six rate tiers based on family size for certain health plans, and amending provisions that require certain notifications to a small group employer.

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

Staff: Bryant R. Howe (Assistant Director) / Patricia Owen (Attorney) / Robert H. Rees (Attorney) / Joy Miller (Secretary)

### Education

#### Recidivism Reduction Plan

**Action:** Recommended that Section 53A-1-403.5, which provides for the education of persons in the custody of the Department of Corrections, be reauthorized for an additional ten years.

**Action:** Approved draft legislation, "Corrections Education Amendments," as a committee bill. This bill modifies the role of the State Board of Regents in corrections education and directs the Department of Corrections to report on the impact of corrections education programs on recidivism.

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## School Board Elections

Discussed proposals for modifying the process for selecting members of the State Board of Education or a local school board. The proposals include eliminating the current process in which candidates for the State Board of Education are nominated by the governor and allowing voters to directly elect members through either a nonpartisan or partisan election. The Committee also discussed a proposal to move state and local school board elections to odd-numbered years.

*Chairs: Rep. Bill Wright / Sen. Howard A. Stephenson*

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

## Government Operations and Political Subdivisions

### Second Special Session Legislation

Discussed S.B. 2001, "Bonds Secured by Federal Mineral Lease Payments" (2011 Second Special Session), which would extend the sunset date to December 31, 2020 during which time special service districts may issue bonds that are secured by federal mineral lease payments. This bill would also provide for sunset review of the bond provisions described in the bill before it is repealed on December 31, 2020.

**Action:** *Approved S.B. 2001, "Bonds Secured by Federal Mineral Lease Payments" (2011 Second Special Session), as a committee bill.*

### Boards and Commissions

Discussed potential questions to include in a survey of boards and commissions established by executive, legislative, and judicial branches of Utah state government and whether to include all boards and commissions in the survey or only those created by state statute.

**Action:** *Approved sending the survey, as presented to the Committee, to all boards and commissions created by the executive, legislative, and judicial branches of government.*

### Electronic Signatures

Received a presentation from the Lieutenant Governor's Office on the advisability and feasibility of electronic signatures in candidate petitions, initiative and referendum petitions, and political petitions. The presentation also addressed potential questions regarding the validity of those signatures.

### Voting Equipment

Discussed the preferential voting process and what voting equipment upgrades would be needed to implement preferential voting in Utah.

*Chairs: Rep. Craig Powell / Sen. Peter C. Knudson / Rep. R. Curt Webb*

*Staff: Art L. Hunsaker (Policy Analyst) / Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Emily R. Brown (Attorney) / Wendy Bangerter (Secretary)*

## Health and Human Services

### State Medical Examiner

Received reports from the State Medical Examiner, the Utah Highway Patrol, and the Utah Department of Health on problems created by the statutory exclusion of highway deaths from the definition of accidental deaths, which are under the automatic jurisdiction of the medical examiner. The medical examiner recommended repeal of the exclusion, which would resolve the problem of trying to obtain the signature of an attending physician when there is not one, and would preserve vital forensic evidence in some cases. The repeal could increase annual medical examiner costs by \$290,000 and annual state laboratory costs by \$87,000.

*Chairs: Rep. Paul Ray / Sen. Allen M. Christensen*

*Staff: Mark D. Andrews (Policy Analyst) / RuthAnne Frost (Attorney) / Cathy J. Dupont (Attorney) / Kimberly A. Heiner (Secretary)*

## Health System Reform Task Force

### Federal Health Care Reform

Received a report from committee staff highlighting five areas of federal health care reform implementation that are not yet finalized and that state legislatures could potentially influence, including determination of expanded Medicaid eligibility, offerings in state health exchanges, enforcement of the coverage mandate, administration of premium subsidies, and creation of statewide risk adjusters.

### Wellness Programs and Incentives

Received a report from Public Employees Health Program (PEHP) on its use of wellness programs, including premium rebates to motivate enrollee participation and attainment of biometric milestones. PEHP reported that the 12% of its enrollees with more than four medical risks incur \$14,897 more in annual medical expenses than the 68% of its enrollees with two or fewer medical risks, resulting in total annual expenses of \$16,242 versus \$1,345. Also received reports from Regence BlueCross BlueShield of Utah, Educators Mutual Insurance Association, and SelectHealth on their use of employee wellness programs.

*Chairs: Rep. James A. Dunnigan / Sen. Wayne L. Niederhauser*

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

## Judiciary, Law Enforcement, and Criminal Justice

### Forfeited Property Report

Received background information from the Commission on Criminal and Juvenile Justice regarding the collection of funds or property as reported by Utah law enforcement agencies on federal asset forfeiture cases. The Commission also provided information on how these funds are used in support of crime prevention and law enforcement within the state.

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### Jail Reimbursement and Contracting

Received a presentation from a legislator regarding the state's use of local jail facilities to house state inmates and the contracted rates at which the state reimburses local jails. This The Department of Corrections uses this practice to manage its inmate population when the number of state inmates exceeds the number of available prison beds.

### Multi-Agency Strike Force Annual Report

Received a report from the Office of the Attorney General regarding the strike force activities for 2010-11. The strike force was established in 2009 to combat violent and other major felony crimes associated with illegal immigration and human trafficking.

### Sex and Kidnap Offender Registry

Discussed draft legislation that would reorganize Section 77-27-21.5, which establishes the Sex and Kidnap Offender Registry. The proposed changes are technical in nature and would increase accessibility to the current provisions.

### Use of Criminal Surcharges and Fines Report

Received background information from the Utah Commission on Criminal and Juvenile Justice regarding the surcharges and fines that have been established to help fund drug task forces. Priority funding is given to the seventeen established multi-jurisdictional drug and crime task force units and then to projects that are designed to address drug prevention, awareness, treatment, and research in the state.

*Chairs: Rep. Kay L. McCliff / Sen. Mark B. Madsen / Rep. Curtis Oda*

*Staff: Jerry D. Howe (Policy Analyst) / Nathan W. Brady (Policy Analyst) / Susan Creager Allred (Attorney) / Esther Chelsea-McCarty (Attorney) / Joy Miller (Secretary)*

## Legislative Management Committee

July 19, 2011

### Actions:

Approved, without change, the requests of the following interim committees and appropriation subcommittees:

- Government Operations Interim Committee
- Natural Resources, Agriculture, and Environmental Quality Appropriations Subcommittee
- Revenue and Taxation Interim Committee
- Social Services Appropriations Subcommittee
- Workforce Services and Community and Economic Development Interim Committee

Approved the recommendation from a legislator that the Government Operations Interim Committee study land use issues and local government as a result of an audit by the Office of the Legislative Auditor General, "A Performance Audit of County and Municipal Transfer Development Rights Use in Utah" (2010).

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*Voted that the Legislature petition the Utah Supreme Court for leave to file an amicus curiae brief on the lawsuit regarding S.B. 2, "Minimum School Program Budget Amendments" (2008 General Session).*

*Chairs: President Michael G. Waddoups / Speaker Rebecca D. Lockhart*

*Staff: Michael E. Christensen (Director) / John L. Fellows (General Counsel) / Chelsea Lloyd (Legislative Secretary)*

## Natural Resources, Agriculture, and Environment

### Carbon Storage

Discussed the feasibility and potential commercialization of carbon capture and sequestration (CCS). The Utah Science Technology and Research Initiative reported on the status of current CCS storage pilot projects. The Committee discussed barriers to, and incentives for, CCS.

### Public Lands Policy Coordinating Office

Received a report from the Public Lands Policy Coordinating Office on the activities and expenditures of the office in the past year.

### R.S. 2477 Plan Report

Received a report from the Public Lands Policy Coordinating Office on the process of identifying, recording, defending, and litigating R.S. 2477 rights-of-way in Utah.

### Remediation Waste Fees

Received a report from the director of the Division of Solid and Hazardous Waste on the collections of remediation waste fees.

### Sunset Review - Mercury Switch Removal Act

**Action:** *Voted to recommend the extension of the sunset date of the Mercury Switch Removal Act, Title 19, Chapter 6, Part 10, to July 1, 2017.*

*Chairs: Rep. Roger E. Barrus / Sen. Ralph Okerlund*

*Staff: J Brian Allred (Policy Analyst) / Tracy J. Nuttall (Attorney) / Kimberly A. Heiner (Secretary)*

## Public Utilities and Technology

### Renewable Energy

Received a presentation from Deseret Power regarding its study and evaluation of using renewable energy resources. The presentation included information about electrical energy demand by consumers and how different types of energy resources provide electricity.

### Cost-Saving Information Technologies in State Government

Received a presentation by the Department of Technology Services on how it provides cost-effective and efficient information and communication services. The department described how these approaches have achieved cost savings for the state of \$25.8 million since 2005.

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## Roof-Top Solar Power and Infrastructure Offset

Received a presentation from Rocky Mountain Power regarding the growth of roof-top power, net metering, and the impact on the current electrical infrastructure. At this time, there are approximately 1,000 net meter and roof-top energy generators in Utah.

*Chairs: Rep. Michael E. Noel / Sen. J. Stuart Adams*

*Staff: Richard C. North (Policy Analyst) / Robert H. Rees (Attorney) / Tracey Fredman (Secretary)*

## Redistricting Committee

<i>June 21 (Tooele)</i>	<i>July 12 (West Jordan)</i>
<i>June 22 (Provo)</i>	<i>July 13 (Logan &amp; Ogden)</i>
<i>July 9 (Moab &amp; Price)</i>	<i>July 20 (Rose Park)</i>

## Public Hearings

Held public hearings in the Utah communities listed above to:

- gather public input on boundaries for congressional, legislative, and state school board districts;
- equalize the population in all districts; and
- ensure equal representation throughout the state.

Maps submitted by committee members and maps drawn by members of the public using the online drawing tool at [RedistrictUtah.com](http://RedistrictUtah.com) were presented and discussed by the Committee at these meetings.

*Chairs: Rep. Kenneth W. Sumsion / Sen. Ralph Okerlund*

*Staff: J Brian Allred (Policy Analyst) / Benjamin N. Christensen (Policy Analyst) / Art L. Hunsaker (Policy Analyst) / Allison M. Nicholson (Policy Analyst) / John Q. Cannon (Managing Policy Analyst) / Jerry D. Howe (Policy Analyst) / Leif G. Elder (Policy Analyst) / Mark D. Andrews (Policy Analyst) / Phillip V. Dean (Policy Analyst) / Richard C. North (Policy Analyst) / Joseph T. Wade (Policy Analyst) / Angela Oakes Stallings (Attorney) / Emily R. Brown (Attorney) / Eric N. Weeks (Deputy General Counsel) / John L. Fellows (General Counsel) / Kimberly A. Heiner (Secretary)*

## Retirement and Independent Entities

### Provision of Health Care Benefits to State Employees

Received a presentation from the Utah Retirement Systems and the Public Employees Health Program (PEHP) on PEHP's functions and strategies for providing health care benefits to state employees. During the 2011 General Session, the Legislature passed H.B. 404, "State Health Insurance Amendments," which requires the Committee to review and make recommendations to improve the way the state provides health insurance to state employees, including methods to improve the quality of health care, enhance informed consumer choices, and control state costs.

*Chairs: Rep. Don L. Ipson / Sen. Daniel R. Liljenquist*

*Staff: Benjamin N. Christensen (Policy Analyst) / Shannon C. Halverson (Attorney) / Cathy J. Dupont (Attorney) / Chelsea Lloyd (Secretary)*

## Revenue and Taxation

### Property Tax

Discussed background information on property taxes imposed on business personal property, including a review of constitutional parameters and current exemptions.

**Action:** *Voted that the Committee develop proposals increasing the personal property exemption, including any constitutional changes that would be needed to implement the proposal.*

### Taxation of Hotel Intermediaries

Received background information on the taxation of hotel accommodations when the buyer uses an intermediary, such as a travel website, to make the purchase.

### Taxes and Fees on Medical Aircraft

Reviewed changes made in recent years to taxes and fees imposed on aircraft and the impact of these changes on nonprofit entities that use aircraft for emergency medical transportation.

**Action:** *Voted to prepare draft legislation mitigating the impact of the recent tax and fee changes on aircraft used by nonprofit entities for emergency medical transportation.*

*Chairs: Rep. Patrick Painter / Sen. Curtis S. Bramble*

*Staff: Bryant R. Howe (Assistant Director) / Phillip V. Dean (Policy Analyst) / Rebecca L. Rockwell (Attorney) / Chelsea B. Lloyd (Secretary)*

## Transportation

### Federal Highway Program Update

Received an update from the Department of Transportation on federal highway funding. Federal funding is uncertain at this point because: (1) the previous federal highway funding program expired almost two years ago and it is not clear when the next program will be authorized and what provisions it will contain; and (2) barring further injection of general fund money, the Federal Highway Fund will be insolvent as of September 2012.

### Helmets to Hard Hats

Received a presentation from Helmets to Hardhats, which is a national, nonprofit program that connects National Guard, Reserve, and other transitioning military service members with career opportunities in the construction industry.

### Operation of Trucks on Graded Roadways

Received a presentation from the Department of Public Safety and Department of Transportation (UDOT) on expanding the administrative rule that allows UDOT to designate travel restrictions on certain highways located in canyon areas to include mountain passes on northbound I-15.

## Registration of Trailers

Received a presentation from committee staff and the Tax Commission on the registration of trailers of 750 pounds or less unladen weight. Currently, registration for these trailers is optional in Utah but is required by Colorado, Nevada, New Mexico, and Wyoming. Concern has been expressed that a traffic citation could be issued to a Utah resident pulling an unregistered trailer in one of these states. The Committee was presented with three options to address this concern: (1) keep the status quo; (2) provide a permanent registration; or (3) seek reciprocity with other states.

## Regulation of Fuel Manufactured and Sold in Utah

Received a presentation from a member of the public on a proposal to limit federal regulation of oil, natural gas, and coal that is explored, transported, refined, sold, and used in Utah.

*Chairs: Rep. Bradley M. Daw / Sen. Kevin T. Van Tassell*

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

## Water Issues Task Force

*July 19, 2011*

### Nonprofit Mutual Benefit Corporations

**Action:** *Voted to prepare draft legislation recognizing mutual water companies as having unique characteristics under state non-profit corporations law.*

### Water Development Financing

Discussed the status of the Lake Powell pipeline and Bear River development projects and possible ways to finance the projects. Also discussed ways the state could provide financing assistance to entities interested in water development projects.

*Chairs: Rep. Patrick Painter / Sen. Peter C. Knudson*

*Staff: J Brian Allred (Policy Analyst) / Nathan W. Brady (Policy Analyst) / Tracy J. Nuttall (Attorney) / Wendy Bangerter (Secretary)*

## Workforce Services and Community and Economic Development

### Second Special Session Draft Legislation

Received public input on two bills prepared for the 2011 Second Special Session:

- SCR 201, "Concurrent Resolution Supporting United States' Balanced Budget Constitutional Amendment"; and
- H.B. 2002, "Prison Relocation and Development Authority Act Amendments."

**Action:** *The Committee voted to recommend H.B. 2002, "Prison Relocation and Development Authority Act Amendments," as a committee bill.*

## Department of Community and Culture Restructuring

Received a progress report from the Department of Community and Culture on implementation of H.B. 287, "Restructuring the Department of Community and Culture" (2011 General Session). The bill directed the department to conduct an in-depth assessment to identify restructuring opportunities that would improve efficiency, reduce costs, and better focus the state and its employees on providing community and cultural development opportunities, administer related federal-grant programs, and optimize the department's functions to meet stakeholders' needs.

## Utah Advisory Commission to Optimize State Government

Received a presentation from the Governor's Office of Planning and Budget on the findings, best practices, and recommendations of the Utah Advisory Commission to Optimize State Government. In August 2010, the advisory commission submitted a report to the governor identifying 56 recommendations to increase the efficiency and effectiveness of state government. Since that time, the governor's staff has been collaborating with state agencies to implement the study recommendations.

*Chairs: Rep. Jim Bird / Sen. Stuart C. Reid*

*Staff: Benjamin N. Christensen (Policy Analyst) / Peter Asplund (Attorney) / Robert H. Rees (Attorney) / Karen C. Allred (Secretary)*



**2011 Second Special Session — July 20, 2011**

The Legislature convened in a special session and passed the following bills:

- H.B. 2001 “Retention Elections for Justice Court Justices” (Rep. C. Oda)
- H.B. 2002 “Prison Relocation and Development Authority Act Amendments” (Rep. G. Hughes)
- H.B. 2003 “Insurance Amendments” (Rep. J. Dunnigan)
- S.B. 2001 “Bonds Secured by Federal Mineral Lease Payments” (Sen. R. Okerland)
- S.B. 2002 “Alcoholic Beverage Control Act Amendments” (Sen. J. Valentine)
- S.C.R. 201 “Concurrent Resolution Supporting United States’ Balanced Budget Constitutional Amendment” (Sen. S. Reid)

*These bills are available at <http://le.utah.gov>.*

**Next Interim Day—September 21, 2011**



Office of Legislative Research and General Counsel

*Editors: Susan Creager Allred & Nathan W. Brady*

Utah State Legislature's website at: [le.utah.gov](http://le.utah.gov)

For more information about legislative activities, visit the

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