

## **INTERIM HIGHLIGHTS**

Office of Legislative Research and General Counsel House Building, Suite W210 • Salt Lake City, Utah 84114 • (801) 538-1032

### LEGISLATIVE INTERIM MEETINGS

Meetings were held November 16, 2011 or as noted.

### **Administrative Rules Review Committee**

November 1, 2011

## Rulemaking Process Followed Regarding R392-510 **Utah Indoor Clean Air Act**

Received a report from the Utah Department of Health regarding the rule amendment process it conducted in 2011 that sought to clarify that the smoking of hookah pipes in places of public access was a violation of the Utah Indoor Clean Air Act.

November 15, 2011

## Data Error Leading to Potential Loss of Charter School Funding

Discussed with officials of Karl G. Maeser Preparatory Academy, a charter school, and the State Office of Education the potential reduction in funding to the school by over 75 percent due to a an error in data submitted by the charter school. The Office of Education assured the Committee and charter school officials that the funding would be provided.

## State Auditor Finding of Administrative Rules Violations by Department of Technology Services

Discussed the results of an audit conducted by the Office of the Utah State Auditor which indicates that the Department of Technology Services violated a Department of Human Resource Management rule when the department granted, within one year, an \$8,000 incentive award to retain an employee. The award was made in two increments of \$4,000. The auditor interpreted the rule as setting a maximum of \$4,000 per instance, with a maximum of \$8,000 per employee per year.

**Action:** Voted to recommend to the Legislature in the 2012 General Session that the Department of Human Resource Management rule governing incentive awards not be reauthorized, anticipating that legislation would be introduced that would revise the law authorizing the incentive awards.

Chairs: Rep. Curtis Oda / Sen. Howard A. Stephenson Staff: Art L. Hunsaker (Policy Analyst) / Susan Creager Allred (Attorney) / Tracey Fredman (Secretary)

## **Business and Labor**

### Amendments to the Utah Insurance Code

Action: Approved as a committee bill, "Insurance Amendments," which addresses catastrophic coverage for

(Continued next column)

mental health conditions, modifies special requirements for bail bond producers and bail bond enforcement agents, addresses the insurance commissioner's administrative actions, and makes other amendments.

### **Dispensing Contact Lenses and Eyeglasses**

Action: Approved as a committee bill, "Amendment to the Utah Optometry Act," which: allows a person in certain circumstances to sell, fit, adjust, and dispense eyeglasses or spectacles without being licensed; requires a prescription for eyeglasses; and specifies the activities that an unlicensed person may engage in regarding the sale or dispensing of eyeglasses.

## **Enhanced Business Plan for the Department of Alcoholic Beverage Control**

Received a report from a consultant who reviewed the retail operations of the Department of Alcoholic Beverage Control. Among other things, the consultant recommended that employee training be improved, certain retail stores be consolidated, and licensee compliance functions be transferred to the Department of Commerce.

### Fire Prevention and Fireworks Amendments

Action: Approved as a committee bill, "Fireworks Amendments," which modifies the times during which fireworks may be sold and discharged.

### **General Contractor Amendments**

Action: Approved as a committee bill, "General Building Contractor Amendments," which excludes work related to the operating integrity of an elevator from the work that a general contractor may perform.

## **Mobile Home Park Residency Act Amendments**

Reviewed draft legislation, "Mobile Home Park Residency Act Amendments," which would establish a process for a resident group to challenge a proposed rent increase or service charge increase, a proposed tenancy rule change, or a proposed assessment. The bill would also limit a mobile home park owner's rent increases or decreases to once a year.

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Insert Legislation Recommended by Legislative

Committees for the 2012 General Session

## **Payday Lending Database**

Received a presentation on the desirability and feasibility of establishing a private and secure database as a tool to ensure that certain limits on payday loans are enforced.

## Portable Electronics Insurance-Related Amendments

Reviewed draft legislation, "Portable Electronics Insurance Amendments," which would enact the Portable Electronics Insurance Act. This act would require vendors to hold a limited lines license, provide for application fees, and address claims adjusting.

## **Practice of Cosmetology**

Action: Approved as a committee bill, "Barber, Cosmetologist, Esthetician, Electrologist, and Nail Technician Act Amendments," which adds a licensure exemption for a person assisting in the production of a motion picture under certain circumstances.

## Report of the Worker Classification Enforcement Council

Received a report from the Worker Classification Enforcement Council. This council is composed of representatives of certain state agencies that deal with labor and employment regulation. The council coordinates regulatory and law enforcement responsibility related to employee misclassification.

## State Building Code and State Fire Prevention Code Amendments

Action: Approved as committee bills:

- "State Construction Code Amendments," which: updates the National Electrical Code, adopted by reference, to the 2011 edition; enacts a new exception to the International Building Code related to concrete durability requirements; and adopts amendments to the International Plumbing Code by certain local governments; and
- "State Fire Code Amendments," which enacts a definition of "premixed" with respect to antifreeze and water solution, deletes and replaces a provision related to hazardous conditions, and modifies provisions relating to antifreeze used in automatic sprinkler systems.

Chairs: Rep. James A. Dunnigan / Sen. John L. Valentine Staff: Bryant R. Howe (Assistant Director) / Patricia Owen (Attorney) / Robert H. Rees (Attorney) / Jennifer K. Christopherson (Secretary)

## **Education**

## **Performance-based Compensation Pilot Program**

Received a report on a two-year pilot program created and funded by the Legislature in 2009 to provide compensation to elementary school classroom-related staff based on: student learning gains; instructional quality; and parent, student, or community satisfaction. The University of Utah Education Policy Center conducted an evaluation of the program and provided recommendations for performance-based compensation programs.

## **Public Education Employment Reform**

Received a report from a legislator on feedback received from public meetings and other sources regarding a proposal to modify the terms of employment for public school employees, including employment contracts, termination policy and procedures, and compensation.

### **School Grading**

Received a final report and recommendations from the State Board of Education on implementing the School Grading System enacted in the 2011 General Session, in which schools will receive a grade based on the academic proficiency and performance of a school's students. The board recommended using a model for measuring growth referred to as "growth to proficiency."

## **Statewide Online Education Program**

Received comments from representatives of schools, school districts, and two consortia that have formed regarding online course offerings and the successes and challenges of implementing the Statewide Online Education Program, created by 2011 General Session S.B. 65, "Statewide Online Education Programs."

Chairs: Rep. Bill Wright / Sen. Howard A. Stephenson Staff: Allison M. Nicholson (Policy Analyst) / Constance C. Steffen (Policy Analyst) / Angela Oakes Stallings (Attorney) / Debra Hale (Secretary)

## Government Operations and Political Subdivisions

## **Ballot Proposition Amendments**

Discussed methods for allowing citizens to seek an initiative or referendum to contest a local obligation law or a proceeding related to a local obligation law.

Action: Approved as a committee bill, "Ballot Proposition Amendments," which repeals a provision restricting an initiative or referendum related to a land use ordinance, provides an exception for the residency requirement for a person who verifies a signature on a petition in certain circumstances, requires a verification on the final page of a local petition packet, and amends the signature requirements for a referendum on a local obligation law.

## **Draft Legislation Regarding Election Law**

Discussed several changes to the state's election law, including candidacy, municipal election notice, and deadline requirements.

**Action:** Approved as a committee bill, "Election Law Amendments," which requires a municipality to give notice of the declaration of the candidacy filing period, changes the time in which a person's right to vote may be challenged, and changes certain deadlines related to municipal elections.

## **Electing President by National Popular Vote**

Discussed whether the President of the United States should be elected by national popular vote through an agreement with other states and within the current electoral system.

### Local Government Referendum Process

Discussed the signature requirements for a referendum on a local obligation law.

### **Privatization Policy Board Report**

Received a report regarding the Utah Privatization Policy Board's recommendations on privatizing agency goods or services and the status of the commercial activities inventory.

### **Procurement Code Revisions**

Discussed efforts underway to revise, update, and clarify the Utah Procurement Code.

### **State Compensation Report**

Discussed a report, based on the work of an independent consulting firm, regarding the compensation for state employees compared to the open market, recommendations on employee salary and benefits, and how to make changes to the current compensation system and keep the state competitive.

### State Issued Identification Numbers

Discussed the use of Social Security numbers by some state agencies to identify citizens receiving services and whether this practice increases the risk of identity theft.

Action: Approved as a committee bill, "State Issued Identification Numbers," which prohibits the state and its political subdivisions from using a Social Security number to identify an individual unless required to do so by federal or state law. The bill also prohibits the state and its political subdivisions from creating and assigning to an individual a nine digit identification number except when required in order to use the Social Security number, and exempts the State Tax Commission from the provisions of the bill.

### **Transfer of Development Rights**

- Discussed the results of an audit conducted by the Office of the Legislative Auditor General, which examined county and municipal use of Transfer of Development Rights programs. The programs transfer development density away from property where development is not desired toward property where development is desired.
- Discussed the need to address the concerns raised in the legislative audit through legislation.

Chairs: Sen. Peter C. Knudson / Rep. Kraig Powell / Rep. R. Curt Webb Staff: Art L. Hunsaker (Policy Analyst) / Joseph T. Wade (Policy Analyst) / Emily R. Brown (Attorney) / Victoria Ashby (Attorney) / Wendy Bangerter (Secretary) / Lori R. Rammell (Secretary)

## **Health and Human Services**

### Alzheimer's Task Force

Received a report from the Alzheimer's Task Force created during the 2011 General Session. The task force presented its action plan for addressing Alzheimer's disease and related dementias. The plan will be introduced as a resolution during the 2012 General Session.

## Clinical Health Information Exchange (cHIE)

Action: Approved as a committee bill, as amended, "Electronic Personal Medical Records," which requires Medicaid, Children's Health Insurance Program (CHIP), and Public Employees Health Program enrollees to participate in an electronic clinical health information exchange (cHIE), with an opt-out provision for Medicaid and CHIP enrollees. The legislation also directs the Department of Health to develop a Medicaid waiver request, which if approved, would eliminate the opt-out provision.

### **Healthcare-associated Infections**

Considered "Health Care Associated Infections," draft legislation that would require hospitals and surgery centers to provide data on healthcare-associated infections, and require the Utah Department of Health to report the data, by facility, every six months.

**Action:** By motion, the Committee endorsed the draft legislation in concept.

## **Utah Commission on Aging**

Conducted a sunset review of the Utah Commission on Aging. Received an annual report and a sunset report from the commission.

**Action:** Recommended that the Utah Commission on Aging be reauthorized for five years, but with no state funding.

### Verification of Patient Identity

**Action:** Approved as a committee bill, "Patient Identity Validation," which creates the legal framework for statewide verification of patient identity by hospitals, other medical providers, and third-party payers.

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**

### **Health Exchange Benefits**

Received reports from Allergan, the Utah Optometric Association, and Intermountain PKU and Allied Disorders Association on the importance of including coverage in the state's 2014 health insurance exchange for bariatric intervention, vision care, and medical food for treatment of PKU and inborn metabolic errors.

## High Deductible Health Plan/Health Savings Account Enrollment

Received a report from Public Employees Health Program (PEHP) on public employee enrollment in PEHP's high deductible health plan paired with a health savings account. PEHP reported that state employee enrollment in HSAs has increased from 70 in fiscal year 2010 to 1,652 (7%) of state employees in fiscal year 2012. Total insureds (employees plus dependents) for fiscal year 2012 totals 5,074.

## **Hospital and Clinic Quality Measures**

Received a report from the Department of Health and HealthInsight on the implementation of 2011 H.B. 128, "Health Reform Amendments," which requires expanded reporting of health care quality measures for hospitals and health care clinics.

## Merging High-risk Insurance Pools with the Individual Market

Received a report from the administrator of Utah's Comprehensive Health Insurance Pool and federally qualified programs on issues related to transitioning enrollees from the two high-risk insurance pools to the commercial insurance market when the federal Patient Protection and Affordable Care Act requires all individuals to have health care coverage, beginning in 2014.

### **Retainer-based Health Care**

Received a request from a local physician for an exclusion in the Utah Insurance Code that would allow the practice of retainer-based primary care. The Department of Insurance explained why state law prohibits retainer-based care.

Chairs: Rep. James A. Dunnigan / Sen. Wayne L. Niederhauser Staff: Mark D. Andrews (Policy Analyst) / Cathy J. Dupont (Attorney) / Lori R. Rammell (Secretary) / Wendy Bangerter (Secretary)

# Judiciary, Law Enforcement, and Criminal Justice

## **Asset Division in Divorce Proceedings**

Reviewed draft legislation, "Asset Division in Divorce Proceedings," which would prohibit a court from awarding property in a divorce in a manner that would cause one of the parties to be dependent upon public assistance.

### **Child Support Guidelines Amendments**

Action: Approved as a committee bill, "Child Support Guidelines Committee Amendments," which changes the appointment and dissolution dates for the Child Support Guidelines Advisory Committee and makes clarifying corrections to the statute.

### Competency to Stand Trial Amendments

**Action:** Approved as a committee bill, "Competency to Stand Trial Amendments," which modifies the process for determining a defendant's competency to stand trial.

### **Gambling Amendments**

**Action:** Approved as a committee bill, "Gambling Amendments," which modifies the definition of specified promotional activities that are exempted from statutory provisions governing fringe gambling.

### **Grand Jury Amendments**

**Action:** Approved as a committee bill, "Grand Jury Amendments," which provides exceptions to the requirement of a 72-hour notice for a minor to testify before a grand jury.

## Peace Officer Standards and Training Council Amendments

**Action:** Approved as a committee bill, "Peace Officer Standards and Training Council Amendments," which modifies the Peace Officer Standards and Training Act regarding council membership.

### **Theft Amendments**

**Action:** Approved as a committee bill, "Theft Amendments," which enhances the penalty for individuals who commit multiple theft offenses.

Chairs: Sen. Mark B. Madsen / Rep. Curtis Oda / Rep. Kay L. McIff
Staff: Jerry D. Howe (Policy Analyst) / Nathan W. Brady (Policy Analyst) / Susan Creager
Allred (Attorney) / Esther Chelsea-McCarty (Attorney) / Jennifer K. Christopherson
(Secretary)

## Legislative Information Technology Steering Committee

## **Legislative Email**

Received a staff report on the Request For Proposal (RFP) process, the selection of SHI International to provide cloud email, and contract negotiations. Discussed the features of the new solution and the need to select a new email domain since utah.gov will remain with the executive branch.

**Action:** Voted to recommend le.utah.gov as the domain and email extension for the Legislature. Directed staff to investigate use of email aliases.

## **Streaming of Legislative Meetings**

Received a staff report on the RFP process, the selection of Granicus to provide streaming services, and contract signing.

### **Voting Systems**

Received a staff report on the voting system installation progress. It is mostly complete in the House of Representatives. The House has been testing the system and training staff. Installation in the Senate is in process.

Chairs: Rep. John Dougall / Sen. Curtis S. Bramble Staff: Thomas R. Vaughn (Attorney) / Mark J Allred (IT Manager) / Chelsea B. Lloyd (Secretary)

## **Legislative Management Committee**

October 24, 2011

#### **Actions**

Approved the requests of the following committees:

- Natural Resources, Agriculture, and Environment Interim Committee for an additional study item;
- Government Operations and Political Subdivisions Interim Committee for an additional study item; and
- Higher Education Appropriations Subcommittee for a proposed meeting agenda.

Approved the recommendations of the RFP panel in awarding a contract to SHI for a hosted cloud-based email, calendar, and instant message solution, and Granicus for a streaming audio and video solution, and their proposed budgets.

Approved an extension of the Legislature's mobile phone contract with T-Mobile through calendar year 2012 and approved issuing an RFP after the 2012 General Session for a mobile phone contract through calendar year 2013.

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

# Natural Resources, Agriculture, and Environment

### Agriculture Sustainability Task Force

Received a report from the Agriculture Sustainability task force on challenges facing the agriculture industry in the areas of food security, invasive species, grazing, immigration, urban agriculture, promotion and profitability, next generation farms, and irrigation infrastructure. The task force presented recommendations in each area intended to help sustain agriculture in Utah.

### Definition of a Wolf in Wildlife Resources Code

Action: Approved as a committee bill, "Definition of Wolf in Wildlife Resources Code of Utah," which permits a person to apply for or obtain a wolf hunting permit if the Division of Wildlife Resources issues permits, establishes penalties for the wanton destruction of wolves, and establishes minimum restitution values for wolves taken or possessed illegally or wantonly destroyed.

## Department of Environmental Quality—Boards Revisions

Action: Approved as a committee bill, "Department of Environmental Quality Board Revisions," which changes the composition of each board created under Title 19, Environmental Quality Code. The bill establishes specific qualifications for board members, subjects board members to certain requirements, transfers some powers and duties from boards to the executive director or division directors in the Department of Environmental Quality, and gives additional rulemaking authority to the department.

# Department of Environmental Quality—Board Adjudicative Proceedings

Action: Approved as a committee bill, "Department of Environmental Quality Board Adjudicative Proceedings," which would modify requirements and procedures where a party challenges an agency order, other than a termination order. Challenges may relate to a permit, plan, license, approval order, or other administrative authorization made under the Environmental Quality Code.

### **Public Land Protection**

Discussed potential legislation, "Utah Lands Protection Act," which would modify the definition of sovereign lands, prohibit the Division of Forestry, Fire, and State Lands from selling or substantially changing the management of certain sovereign lands, provide for the State School Fund to receive 5% of the proceeds from the sale of certain sovereign lands, and make technical corrections.

### Water Issues Task Force

Received a report from the Water Issues Task Force on future water needs in the state and ways to meet those needs. The task force discussed ways to fund the Lake Powell Pipeline project in Southern Utah.

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**

## Department of Technology Services—Annual Report

Received an agency report about state information technology services activities for the year, including centralized human resource services and a unified workforce services payment system. The report noted a reduction in overall costs by \$29.8 million.

### Renewable Electric Energy

Action: Approved as a committee bill, "Energy Amendments," which allows a customer to sign a contract for the delivery of renewable electric energy, including provisions that prohibit any costs from becoming part of the general ratepayer base and requiring the Public Service Commission to approve a contract.

### **Geographic Information Systems**

Received a presentation from the state's Automated Geographic Information Center that provided information on broadband and wireless coverage across the state, parcel level address sharing between state and local agencies, the state's centralized land survey database, and a multi-state cloud hosting partnership.

### **Next Generation 911**

Received a presentation from the Valley Emergency Communication Center about the development of and the need to deploy a Next Generation 911 system that allows a variety of communication modes including text, images, video, and data to communicate with a public safety answering point.

Chairs: Rep. Michael E. Noel / Sen. J. Stuart Adams
Staff: Richard C. North (Policy Analyst) / Robert H. Rees (Attorney) / Tracey Fredman
(Secretary)

# Retirement and Independent Entities Retirement Modifications

Considered a proposed bill, "Retirement Modifications," which would update language and make substantive and technical changes in the Utah State Retirement and Insurance Benefit Act.

## **Total Compensation Market Survey and Analysis Study**

Received a report from the Department of Human Resource Management's independent consulting firm, Hay Group, on total compensation for state employees compared to the market. The study, titled "State of Utah: Total Compensation Market Survey and Analysis Study," found:

- that the current salary for state employees is on average, approximately 10.5 percent behind the market average;
- the state's benefits program is at the market's 75th percentile compared to the Utah employer market; and
- the state's total compensation is at or below market median in the Hay Group market, because the higher benefits program value does not fully offset the lower salary.

The key remaining issue is determing the right mix between salary and benefits to assure the state remains competitive.

Chairs: Rep. Don L. Ipson / Sen. Daniel R. Liljenquist Staff: Benjamin N. Christensen (Policy Analyst) / Cathy J. Dupont (Attorney) / Shannon C. Halverson (Attorney) / Debra Hale (Secretary)

## **Revenue and Taxation**

## **Alternative Form of Currency**

Received information from a legislator on alternative forms of currency, including using gold and silver coins issued by the U.S. government and other entities in payment of taxes.

### **Community Impact Board Grants**

Action: Approved as a committee bill, "Permanent Community Impact Fund Board Grants," which authorizes the Community Impact Board to make grants to certain entities affected by sales and use tax reductions and makes related sales and use tax changes.

### **Income Tax Credits**

**Action:** Approved as committee bills:

- "Research Tax Credit Amendments," which repeals provisions related to the expiration of research tax credits; and
- "Life Science and Technology Tax Credit Amendments," which makes changes related to how certain claimants may claim life science and technology tax credits and makes technical changes.

## **Property Tax**

**Action:** Approved as a committee bill, "Property Taxation of Business Personal Property," which expands and increases a property tax exemption for certain personal property.

### Statutorily-Required Reports and Studies

Received a report from the Tax Commission indicating that no tax credits or checkoff contributions are scheduled to be removed from the income tax return for failure to meet specified thresholds.

Discussed the taxation of pass-through entities, including S-corporations, trusts, and estates.

**Action:** Approved a motion to recommend allowing the entity-level tax on S-corporations to expire at the end of taxable year 2012, per current statute.

#### Tax Refunds

Action: Approved as a committee bill, "Amendments to the Revenue and Taxation Title," which addresses various tax issues in light of the recent Utah Supreme Court decision in Ivory Homes v. Utah State Tax Commission, including tax refund procedures, circumstances under which a person may receive a refund, the taxability of certain transactions, and statutory construction.

### **Taxes and Fees on Medical Aircraft**

**Action:** Approved as a committee bill, "Taxes and Fees on Emergency Medical Aircraft," which reduces a registration fee on certain helicopters used 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**

## **Annual State Highway System Changes**

**Action:** Approved as a committee bill, "State Highway System Modifications," which modifies the state highway system to reflect changes that were recommended by the Transportation Commission.

## **Disposition of Realigned Highways Revisions**

**Action:** Approved as a committee bill, "Disposition of Realigned Highways Revisions," which provides that when a state highway is realigned, the Department of Transportation may dispose of the former portion of the highway by complying with certain disposal of real property provisions if the former highway was purchased in fee.

### **Driver Education**

Received presentations from committee staff and the Department of Public Safety on driver education requirements for persons 18 and older. Utah is one of seven states that requires all first time driver license applicants to take a driver education course.

### **Driver License Emergency Contact Database**

**Action:** Approved as a committee bill, "Driver License Emergency Contact Database," which creates an emergency contact database for driver license and identification card holders.

### **DUI Lab Testing**

Received presentations from committee staff, the Department of Health, and the Department of Public Safety on the timeliness and process of laboratory test results related to DUI violations. The Committee discussed a number of ways to make the testing more efficient, including increasing the number of lab technicians and updating software to facilitate communication of information between law enforcement agencies and the laboratory.

## Establishment of a Family Assistance Fund

**Action:** Approved as a committee bill, "Concurrent Resolution Supporting Establishment of a Fund for Assistance to Families," which expresses support for the establishment of a fund for families of fallen police officers.

### **Off-highway Vehicles Amendments**

**Action:** Approved as a committee bill, "Off-highway Vehicles Amendments," which increases the cap on the registration

fee that the Board of Parks and Recreation may establish for snowmobile registrations.

## Transportation Corridor Preservation Revolving Loan Fund

**Action:** Approved as a committee bill, "Transportation Corridor Preservation Revolving Loan Fund Amendments," which renames the Transportation Corridor Preservation Revolving Loan Fund as the Marda Dillree Corridor Preservation Fund.

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**

November 14, 2011

### Water Development Financing

Received information from the Division of Water Resources and the Washington County Water Conservancy District regarding the need for additional water development in Southern Utah and the business plan to finance and construct the Lake Powell Pipeline Project.

The task force also received a staff report regarding various options to finance the construction of the Lake Powell Pipeline Project, including the creation of a statewide water district.

**Action:** Voted to recommend that the Legislature consider using up to 15 percent of the estimated increase in sales tax revenues to fund future water development projects, beginning in the 2014 fiscal year.

Chairs: Rep. Patrick Painter

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

## Workforce Services and Community and Economic Development

## **Economic Development Regulatory Environment**

**Action:** Approved as a committee bill, "Economic Development Task Force," which creates and provides for the membership of an Economic Development Task Force. The task force is required to study ways to increase economic production, create high-paying jobs, and attract more businesses to the state.

### **Health Insurance for School Districts**

Received an audit report titled "A Survey of School Districts' Health Insurance" from the Office of the Legislative Auditor General. The audit recommended school districts competitively bid for their health plans every three to five years and that the Legislature look at options to assist school districts in maintaining cost-effective and adequate health insurance plans, including creating a statewide pool

for school districts and allowing small school districts to join the state's risk pool.

Action: Approved as a committee bill, "Health Insurance for School Districts," which requires local school boards to seek competitive bids on the health insurance benefits it offers school district employees beginning in the 2012-13 school year and continuing every three years. The bill also establishes criteria for the competitive bids for health care benefits.

## Legislative Hearing for the Community Services Block Grant Program

Held a legislative hearing for the Community Services Block Grant (CSBG) Program. In accordance with federal law (Public Law 105-285 Title II, Section 676(a)(3)), a state must hold a legislative hearing once every three years in conjunction with the development of the State Plan for CSBG.

## State Contracts for Purchases from a Community Rehabilitation Program

**Action:** Approved as a committee bill, "Purchasing from Community Rehabilitation Programs Amendments," which defines the term "reasonably competitive" and increases the size of the Purchasing from Persons with Disabilities Advisory Board. The bill requires the advisory board to publish and distribute a list of goods and services provided by community rehabilitation programs to all state agencies and interested political subdivisions.

## **Unemployment Insurance**

Action: Approved as committee bills:

- "Unemployment Insurance Amendments," which reduces the maximum unemployment insurance contribution rate for an employer from 9 percent (plus the social contribution rate) to 7 percent (plus the social contribution rate) beginning in calendar year 2012. The bill caps the social unemployment insurance contribution rate for all employers at .4 percent for calendar year 2012 only
- "Special Administrative Expense Account Amendments," which requires the Department of Workforce Services to develop a cost allocation plan that complies with Department of Labor regulations when funds from the Special Administrative Expense Account are used for purposes unrelated to the administration of the unemployment insurance program.
- "Centralized New Hire Registry Act Amendments," which requires employers in the state to report the date of hire or rehire of each new employee to the Department of Workforce Services, in compliance with recent additional reporting requirements of the federal Social Security Act.

Chairs: Rep. Jim Bird / Sen. Stuart C. Reid Staff: Benjamin N. Christensen (Policy Analyst) / Peter Asplund (Attorney) / Robert H. Rees (Attorney) / Debra Hale (Secretary)

Editors: Susan Creager Allred & Nathan W. Brady Office of Legislative Research and General Counsel

For more information about legislative activities, visit the Utah State Legislature's website at: le.utah.gov

### **ВЕТИВИ SERVICE REQUESTED**

OFFICE OF LEGISLATIVE RESEARCH
HOUSE BUILDING, SUITE 210
PO BOX 145210
SALT LAKE CITY UT 84114-5210



## **Recommended Legislation for the 2012 General Session**

#### **Business and Labor**

Amendment to Utah Optometry Practice Act

Barber, Cosmetologist, Esthetician, Electrologist, and Nail Technician Act Amendments

Fireworks Amendments

General Building Contractor Amendments

**Insurance Amendments** 

State Construction Code Amendments

State Fire Code Amendments

#### Education

College and Career Readiness Assessment Corrections Education Amendments

Statewide Adaptive Testing

## **Government Operations and Political Subdivisions**

**Ballot Proposition Amendments** 

**Candidate Vacancy Amendments** 

**Election Law Amendments** 

Government Records Access and Management Act—Voter Registration Records

Petitions by Candidates or Political Parties

State Issued Identification Numbers

**Voter Information Pamphlets** 

**Voter Registration Amendments** 

## **Health and Human Services**

Electronic Personal Medical Records Medical Examiner Amendments

Patient Identity Validation

## Judiciary, Law Enforcement, and Criminal Justice

Acupuncture Practice Act

Child Support Guidelines Advisory Committee Amendments

Civil Commitment Amendments

Competency to Stand Trail Amendments

**Department of Corrections Amendments** 

**Gambling Amendments** 

**Grand Jury Amendments** 

Kidnapping Offender Amendments

Offender Registry Review

Peace Officer Standards and Training Council Amendments

Sex Offender Registry Chapter

Theft Amendments

### Natural Resources, Agriculture, and Environment

Definition of Wolf in Wilderness Resources Code of Utah Department of Environmental Quality Boards Adjudicative Proceedings

Department of Environmental Quality Boards Revisions

### **Public Utilities and Technology**

**Energy Amendments** 

#### **Revenue and Taxation**

Amendments to Revenue and Taxation Title

Extension of Recycling Market Development Zone Tax Credits

Life Science and Technology Tax Credit Amendments

Permanent Community Impact Fund Boards Grants

Property Taxation of Business Personal Property

Research Tax Credit Amendments

Sales and Use Tax—Computer Software and Other Tangible Personal Property Amendments

Sales and Use Tax Act Revisions

Taxes and Fees on Emergency Medical Aircraft

### Transportation

Concurrent Resolution Supporting Establishment of a Fund

for Assistance to Families of Fallen Officers

Disposition of Realigned Highway Revisions

Driver License and Identification Card Amendments

Driver License Emergency Contact Database

**Driver License Revisions** 

Off-highway Vehicles Amendments

State Highway System Modifications

Transportation Corridor Preservation Revolving Loan Fund Amendments

### **Workforce Services and Economic Development**

Centralized New Hire Registry Act Amendments

Economic Development Task Force

Health Insurance for School Districts

Purchasing from Community Rehabilitation Programs Amendments

Special Administrative Expense Account Amendments

**Unemployment Insurance Amendments**