



INTERIM HIGHLIGHTS

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

LEGISLATIVE MEETING SUMMARIES

Meetings held August 20, 2008, or as noted.

Administrative Rules

(July 28, 2008)

STUDIES:

- Discussed the issuing of a cease and desist order by the Department of Insurance against Beech Street Corporation's Wellness International Network Association for selling insurance without a license.
- Discussed statutes that grant state agencies authority to establish criminal penalties by administrative rule, and the need for legislation to repeal those grants of authority.

(August 11, 2008)

STUDIES:

- Received an update from the State Board of Regents regarding the implementation of the scholarship program established by 2008 S.B. 180, "Regents' Scholarship Program," and by a proposed administrative rule.
- Received briefings from the Department of Health and the Department of Insurance regarding their study of statutes allowing their agencies to establish criminal penalties by administrative rule.
- Received a report on the effects of the 2008 General Session legislation which recodified titles 63 and 78 of the Utah Code.

Chairs: Sen. Howard A. Stephenson / Rep. Ben C. Ferry

Staff: Art L. Hunsaker (analyst)/Susan Creager Allred (attorney)/Tracey Fredman (secretary)

Business and Labor

STUDIES:

- Received presentations from commissioners of the National Conference of Commissioners on Uniform State Laws, and the Division of Corporations and Commercial Code on the process to review whether or not Utah should adopt the Revised Uniform Limited Liability Company Act, the Uniform Limited Partnership Act, and the Uniform Partnership Act.
- Conducted a sunset review of Title 34A, Chapter 8, Utah Injured Worker Reemployment Act, and directed staff to work with interested parties to bring back possible legislation amending the Act.

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ACTION:

- Authorized sending a letter to the Governor encouraging support for the Helmets to Hardhats Program, which connects veterans with career training and employment opportunities in the construction industry.

Chairs: Sen. Kevin T. Van Tassell / Rep. Stephen D. Clark

Staff: Allison M. Nicholson (analyst)/Patricia Owen (attorney)/Phalin L. Flowers (secretary)

Child Welfare Legislative Oversight Panel

(July 10, 2008)

STUDIES:

- Reviewed the status of child welfare legislation and appropriations recommended by the Panel for the 2008 General Session.
- Received a report from the Utah Foster Care Foundation on the recruitment, retention, training, and needs of foster parents in Utah. The Foundation noted that Utah foster parents are paid 50 to 70 percent of the amount it costs to care for foster children, excluding expenses for child care and travel. The Panel will follow up at its next meeting on reimbursing foster parents for their actual expenses and shortening the time it takes for a prospective foster parent to receive a foster child.

REPORT:

- Received reports from the Division of Child and Family Services required by an exit agreement made last year in federal court. The federal court agreed to terminate its oversight of Utah's child welfare system pending successful completion of the exit agreement which is scheduled to expire at the end of this year.

Chairs: Sen. Dan R. Eastman / Rep. Steven R. Mascaró

Staff: Mark D. Andrews (analyst)/Thomas R. Vaughn (attorney)/Wendy Bangertner (secretary)

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Education

(August 20, 2008)

STUDIES:

- Received the tentative recommendations of the Governor's Blue Ribbon Panel on Assessment regarding changes in the statewide student achievement testing system.
- Received an update from Congressman Bishop on proposed federal legislation to mitigate the impact of federal land ownership in western states on education funding.
- Considered proposed legislation to modify and extend a program that provides grants to teachers for out-of-pocket expenses related to taking tests to meet highly qualified teacher standards and to obtain advanced-level certification.
- Received a report from a working group on proposed changes to the statute and the State Board of Education rule relating to the Utah Schools for the Deaf and the Blind, and received public comment on the report.

(August 21, 2008)

STUDIES:

- Received a presentation from committee staff on school districts' and charter schools' performance-based compensation plans. The Legislature directed the State Board of Education to allocate \$20,000,000 of nonlapsing fund balances for performance-based compensation in fiscal year 2008-09.
- Received presentations from an education evaluation and research firm and a school district on methods of assessing teacher quality, including the use of parent and student surveys for the purpose of awarding compensation.
- Received and discussed preliminary findings of the Utah State Board of Education's Differentiated Compensation Work Group.

Chairs: Sen. Howard A. Stephenson / Rep. Gregory H. Hughes
Staff: Constance C. Steffen & Phillip V. Dean (analysts)/Dee S Larsen (attorney)
Glenda S. Whitney (secretary)

Government Operations

REPORTS:

- Received a briefing from the Department of Community and Culture on methods for state agencies to respond and resolve citizens' inquires and disputes involving government services. The recommendations included collaborating with the existing 211 information services, adopting a best practices guide, and providing training and resource sharing for front-line personnel on complaint-handling systems.
- Received a briefing from county clerks on potential changes to the Election Code, including issues relating to voter challenges, text on ballot questions, voter date of birth records, and early voter locations.
- Received a briefing from the Division of Facilities Construction and Management on the Salt Lake Area Master Plan for State Office Space Needs. The briefing indicated an

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immediate need for 290,000 square feet of office space. Options were presented on how the state might address the need.

- Received a briefing from the Department of Human Resource Management (DHRM) on the background and implementation of a four-day work week for state employees. DHRM said most state employees favor the program. DHRM also stated that conserving energy and enhancing customer service are two reasons for the change. The economic impact is estimated to be a \$14 million savings which includes savings on building energy, employees' vehicles, and reallocation of expenditures into the economy.

Chairs: Sen. Peter C. Knudson / Rep. Douglas C. Aagard
Staff: Benjamin N. Christensen (analyst)/Christopher R. Parker (attorney)/Chelsea Barrett (secretary)

Health and Human Services

STUDY:

- Considered, in a joint meeting with the Political Subdivisions Committee, a request from local health departments that the Legislature study several alternatives for increasing funding to local health departments. The funding would enable them to better meet local needs by providing services not mandated by the state or the federal government. The chairs of the two committees will determine which proposals will be studied further by each committee.

REPORTS:

- Received a report from the Department of Health on a new federal grant and the Department's efforts to prevent obesity, including the Gold Medal Schools program. The Committee also received a report from the Utah Partnership for Healthy Weight on its role in obesity prevention.
- Received a follow-up report from the Utah Health Information Network on how the implementation of 2008 H.B. 47, "Standards for Electronic Exchange of Clinical Health Information," will apply to mental health records.

Chairs: Sen. D. Chris Butters / Rep. Paul Ray
Staff: Mark D. Andrews (analyst)/Catherine J. Dupont & Thomas R. Vaughn (attorneys)
Joy L. Miller (secretary)

Health System Reform Task Force

(August 21, 2008)

REPORTS:

- Received a briefing from the task force staff on federal guidelines that govern the use of employer wellness programs. United Healthcare, Regence BlueCross BlueShield of Utah, and Health Behavior Innovations briefed the Task Force on programs that they offer employers based on these guidelines.
- Received briefings from task force staff and the Governor's Office of Planning and Budget on the legal issues and the potential benefits to employers and employees of expanding the use of Section 125 plans as a means for increasing the purchase of health insurance.

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- Received reports from two working groups on reform recommendations for the Task Force, the community group, and the insurers group. The insurers group briefed three proposals:
 - to create an insurance product exempt from most state health insurance mandates;
 - to create an additional, more affordable product for individuals losing employer-supported coverage; and
 - to create a state Internet portal for consumers in the individual insurance market to learn about and apply for insurance.
- Received an update from the Department of Health on the status of proposed Medicaid waivers it is developing for approval by the federal Centers for Medicare and Medicaid Services.

*Chairs: Sen. Sheldon L. Killpack / Rep. David Clark
Staff: Mark D. Andrews (analyst)/Catherine J. Dupont (attorney)
Phalin L. Flowers (secretary)*

Higher Education and Applied Technology Governance

(July 15, 2008)

STUDIES:

- Received a progress report from the Office of the Commissioner of Higher Education and the Utah College of Applied Technology on their collaboration and proposals to enhance the delivery and governance of career and technical education in the Utah System of Higher Education, including increasing opportunities for students to transfer between institutions.
- Reviewed a working draft of legislation, "Career and Technical Education Authority Governance Structure," and created a working group of the Committee to further work on legislative options.

(August 8, 2008)

ACTIONS:

- Reviewed, amended, and approved in concept a working draft of legislation, "Career and Technical Education Amendments - Utah Institute of Technology Version."
- Directed committee staff to bring additional legislative options to the next meeting.

*Chairs: Sen. Curtis S. Bramble / Rep. Kevin S. Garn
Staff: Allison M. Nicholson (analyst)/Dee S Larsen (attorney)/Wendy L. Bangarter (secretary)*

Judiciary

STUDY:

- Considered legislation that provides certain penalties for minors who distribute pornographic material or deal in material harmful to minors.

REPORTS:

- Received a report from Tooele County officials about the need for a juvenile receiving center in Tooele County.
- Received a report from the Office of Recovery Services about federal regulations regarding cash medical support requirements.

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ACTIONS:

- Adopted as a committee bill, "Condominium and Community Association Provisions."

*Chairs: Sen. Gregory S. Bell / Rep. Eric K. Hutchings
Staff: Jerry D. Howe (analyst)/Esther Chelsea-McCarty (attorney)/Amanda K. Majers (secretary)*

Law Enforcement and Criminal Justice

REPORTS:

- Received a report from the Utah Sentencing Commission and the University of Utah Criminal Justice Center showing that the time in jail as a condition of probation does not significantly affect recidivism of felony offenders.
- Received reports from the Utah Commission on Criminal and Juvenile Justice (CCJJ) on:
 - federal property seizures and asset forfeitures reported by Utah agencies during FY 2008. CCJJ outlined the uses of the \$1.3 million federal shared funds received during FY 2008; and
 - state asset forfeiture grants in Utah's Crime Reduction Assistance Program which totaled \$382,219 in FY 2008. The grants were awarded to drug courts, drug and crime task force projects, and law enforcement agencies.

ACTIONS:

- Approved as committee bills:
 - "County Sheriff Qualifications," which requires a person elected to the office of county sheriff to be qualified by taking a course approved by the Peace Officer Standards and Training Council, and to be certified as a correctional facility manager or correctional officer before taking office, and to remain certified during the term of office; and
 - "Sex Offender Contact with Children," which requires a registered sex offender whose offense was against a child younger than 14 to obtain permission from the child's parent or guardian to allow a child younger than 14 to accompany the offender.

*Chairs: Sen. Jon J. Greiner / Rep. DeMar "Bud" Bowman
Staff: Stewart E. Smith (analyst)/Susan Creager Allred (attorney)
Wendy L. Bangarter (secretary)*

Natural Resources, Agriculture, and Environment

STUDY:

- Discussed federal obstacles to the development of Utah energy resources with Senator Orrin Hatch and Congressman Rob Bishop.

ACTIONS:

- Adopted as a committee bill, "Administering Substances to Wildlife."
- Recommended the reauthorization of Title 19, Chapter 6, Part 1, Solid and Hazardous Waste Act for 10 years.

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- Recommended the reauthorization of Title 19, Chapter 6, Part 7, Used Oil Management Act for 10 years.
- Adopted changes relating to policy board members and discussed recodification of the Department of Natural Resources' sections of the Utah Code.

*Chairs: Sen. Darin G. Peterson / Rep. Roger E. Barrus
Staff: J Brian Allred (analyst)/Emily R. Brown (attorney)/Joy L. Miller (secretary)*

Political Subdivisions

STUDIES:

- Held a joint meeting with the Health and Human Services Interim Committee to discuss proposals to improve local health department funding of emergency and day-to-day operations.
- Received from the Utah League of Cities and Towns a status report of an ad hoc task force of interested parties discussing affordable housing issues.
- Discussed two proposals regarding disaster funding:
 - to allow local districts to set aside funding in a disaster recovery fund to be used in the event of a disaster; and
 - to allow municipalities and other entities to obtain a loan from the state in the event the municipality's disaster recovery funds are insufficient and the State Disaster Recovery Fund has a surplus.

*Chairs: Sen. Dennis E. Stowell / Rep. Fred R Hunsaker
Staff: Joseph T. Wade (analyst)/Robert H. Rees (attorney)/Wendy L. Bangerter (secretary)*

Public Utilities and Technology

REPORTS:

- Received a report from Rocky Mountain Power (RMP) about the negotiations with Box Elder County officials regarding the siting of the high voltage Ben Lomond transmission line through ten cities in the county. Testimony was heard from all parties. The item will be continued on the Committee's September agenda.
- Received a report from commercial agricultural interests in Southern Utah about the need for upgraded power lines to prevent power flicker and voltage variations that damage or shut down equipment. RMP said their power generation equipment and transmission lines are designed to prevent these interruptions. The chair of the Utah Public Service Commission (PSC) explained the administrative processes for problem resolution. RMP committed to working with the concerned interests for resolution of the problem.
- Received a report from a representative of telephone consumers, opposing the Overlay Telephone Area Code implementation because it would require consumers to dial 10 digits for all calls, including local calls. Under the Split Telephone Area Code implementation customers would retain the right to dial only 7 digits within their area code. The PSC explained the process and rationale for their decision. The Overlay method will be implemented in March of 2009.

*Chairs: Sen. Scott K. Jenkins / Rep. Michael E. Noel
Staff: Richard C. North (analyst)/Christopher R. Parker (attorney)/Tracey Fredman (secretary)*

Revenue and Taxation

(July 8, 2008)

STUDIES:

- Received an overview report from committee staff on consumed income taxes and consumption taxes.
- Received testimony from Fair Tax on their national sales tax proposal of 23 percent that would replace all current payroll and income taxes at the federal level.
- Received testimony from county assessors regarding assessment of property and challenges associated with determining fair market value.
- Received testimony from the Property Tax Division, Utah State Tax Commission, on its oversight and supervision of county assessors.
- Received testimony from the Bureau of Economic and Business Research regarding the Utah residential housing market.

(August 20, 2008)

STUDY:

- Received a report and overview from committee staff regarding the state's centrally assessed property tax system.

REPORT:

- Received a report from a member of the Texas Legislature on the benefits of congestion pricing as a means to improve the efficiency of highways.

ACTION:

- Adopted as a committee bill, "Repeal of Certain Income Tax Credits and Contributions."

*Chairs: Sen. Wayne L. Niederhauser / Rep. John Dougall
Staff: Bryant R. Howe & Phillip V. Dean (analysts)/Rebecca L. Rockwell & Angela D. Oakes (attorneys)/Phalin L. Flowers (secretary)*

Transportation

STUDIES:

- Received presentations from the Utah Department of Transportation, Union Pacific, and the Utah Trucking Association on moving freight in and out of Utah.
- Received presentations from committee staff and the Public Lands Policy Coordinator on R.S. 2477 Rights-of-Way and recent legal developments in this area.
- Received presentations from the Utah Highway Patrol and Xcite Powersports on implementation issues relating to 2008 1st Substitute S.B. 181, "Off-highway Vehicle Use of Public Highways."
- Received a presentation from the Utah Department of Transportation on the proposed strategy for maintaining state roads and bridges with a projected funding gap in maintenance funds.

REPORT:

- Received a report from the Department of Transportation on the Critical Highway Needs Fund.

*Chairs: Sen. Carlene M. Walker / Rep. Todd E. Kiser
Staff: Leif G. Elder (analyst)/Shannon C. Halverson (attorney)
Tracey Fredman (secretary)*

Workforce Services & Community and Economic Development

STUDIES:

- Discussed the various economic development incentives provided by the state, with emphasis on the Economic Development Incentives Act and the Motion Picture Incentive Fund, to attract business and to increase state revenues.
- Discussed state efforts to enhance the training of Utah's workforce to fill jobs available in the state.

REPORTS:

- Heard reports from the Department of Human Resource Management and the Office of the Attorney General on current law regarding drug testing of state employees.
- Received a report on the status of litigation regarding a Social Security offset provision as it applies to the receipt of Workers Compensation benefits.

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

Staff: Arthur L. Hunsaker (analyst)/James L. Wilson (attorney)/Glenda S. Whitney (secretary)



Utah's Legislators Bring Civics to Life in the Classroom

Utah's legislators have been bringing civics to life in Utah's classrooms for many years, and students have greatly enjoyed these valuable contacts with state leaders. Legislators listen to students' concerns and students learn about being a legislator through discussions, simulated hearings, mock sessions, and drafting bills.

With 88% participation from our legislature during the 2007-08 school year, Utah has again ranked as one of the top three legislatures in America's Legislators Back to School Program, sponsored by NCSL. This outreach program is designed to promote greater understanding of the legislative process and to strengthen public understanding and confidence in government among our nation's youth. Utah teachers continue to welcome legislators into their classrooms each year.

Congratulations to Utah's legislators who give of their time and expertise throughout the year to remind students--our future voters and leaders--about their responsibilities as citizens, and encourage them to be actively engaged in the political process.

For information, contact the Office of Legislative Research and General Counsel or visit <http://le.utah.gov/lrgc/backtoschool.htm>

LEGISLATIVE MANAGEMENT COMMITTEE

(July 8, 2008)

ACTIONS:

- Approved the following requests:
 - **Health and Human Services Appropriations Subcommittee** - to hold a meeting at the Matheson Courthouse in Salt Lake City on October 8, 2008;
 - **Health System Reform Task Force** - to hold one additional meeting for the Health and Human Services Appropriations Subcommittee in either August or September;
 - **Immigration Interim Committee** - to hold public hearings at various sites throughout the state;
 - **Native American Legislative Liaison Committee** - to hold a committee meeting while attending the governor's annual Native American Summit at Fort Duchesne, which is held September 24 and 25, 2008;
 - **Revenue and Taxation Interim Committee** - to hold two public hearings on property taxes, one in the northern part of the state and the other in the southern part of the state, and to include overnight lodging; and
 - **Executive Appropriations Committee (EAC)** - to ask the governor to request his Office of Planning and Budget to develop a comprehensive approach to turnover savings for inclusion in the "Governor's Budget Recommendations" and report to the EAC before the next General Session.

Next Interim Day – September 17

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House Building, Suite W210 • Salt Lake City, UT • 84114
(801) 538-1032



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*Editors: Susan Creager Allred & Stewart E. Smith
Office of Legislative Research and General Counsel*