



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 potential study items for the 2002 Interim and completed a survey to prioritize study items.
- Received an update from the Departments of Alcoholic Beverage Control, Commerce, Financial Institutions, and Insurance and the Labor Commission regarding priority issues and potential legislation for the 2002 Interim and 2003 General Session.

*Chairs: Sen. Dan R. Eastman/Rep. Katherine M. Bryson
Staff: Mary Catherine Perry (analyst)/Thad LeVar (attorney)/Sandra Wissa (secretary)*

Education

STUDIES:

- Completed a survey to prioritize study items for the 2002 Interim.
- Received a presentation from the Utah State Office of Education and the superintendents of five school districts on issues the school boards will consider in developing the 2002-03 school district budgets.

*Chairs: Sen. Howard A. Stephenson/Rep. Marda Dillree
Staff: Connie Steffen (analyst)/Dee Larsen (attorney)/Wendy Bangertner (secretary)*

Government Operations

STUDY: Completed a survey to prioritize study items for the 2002 Interim.

*Chairs: Sen. John W. Hickman/Rep. Craig W. Buttars
Staff: John Cannon (analyst)/John Fellows (attorney)/Cassandra Bauman (secretary)*

Health and Human Services

STUDIES:

- Discussed potential study items for the 2002 Interim.
- Discussed the adequacy of the registered nurse workforce.

*Chairs: Sen. Terry R. Spencer/Rep. Carl R. Saunders
Staff: Mark Andrews (analyst)/Paul Hess, Catherine Dupont (attorneys)/Alicia Gambles (secretary)*

IN THIS ISSUE:

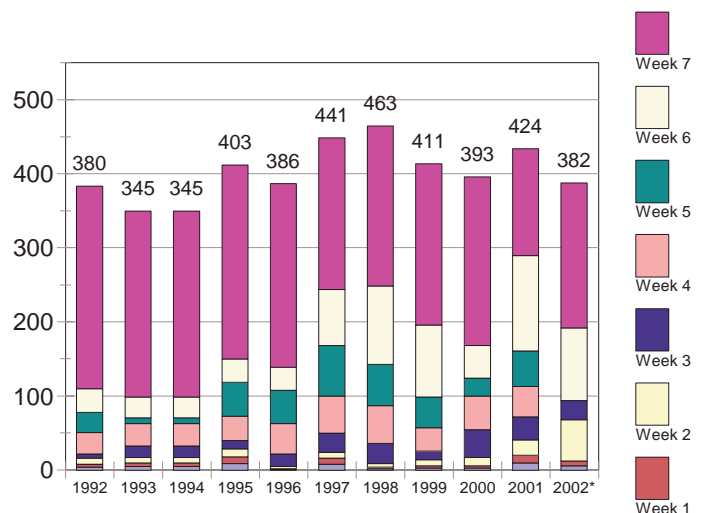
Pages 1 - 2: Interim Committee Actions

Pages 1, 3: General Session Statistics

**Page 4: Legislative Management Committee
Legislature Overrides Veto of H.B. 136
Legislature Called Into Session**

**For information about the
Special Session,
see Page 4 of this newsletter.**

Number of Bills Passed Weekly
1992 to 2002 General Sessions



* The Legislature did not meet Weeks 4 and 5 of the 2002 General Session.

Judiciary

REPORTS:

- Received a report from the Administrative Officer of the Courts and Chief Justice Christine Durham regarding the sunset review of the Administrative Office of the Courts.
- Received a report from former Chief Justice Michael Zimmerman and Sen. John Valentine regarding the Alternative Dispute Resolution Act.

ACTION: Directed staff to draft a letter to legislative management requesting a supplemental audit of the Administrative of the Courts.

Chairs: Sen. David L. Gladwell/Rep. Glenn L. Way

Staff: Jerry Howe (analyst)/Esther Chelsea-McCarty (attorney)/Glenda Whitney (secretary)

Law Enforcement and Criminal Justice

STUDY: Discussed potential study items and prioritized six items to study during the 2002 Interim.

REPORT: Received a report from the Office of the Legislative Fiscal Analyst recommending that the Division of Fleet Operations continue as the centralized manager for the Department of Corrections and the Department of Public Safety fleets.

ACTION: Requested committee staff to work with the Department of Workforce Services to provide recommendations for improving the due process for claimants involved in unemployment insurance fraud.

Chairs: Sen. D. Chris Butters/Rep. DeMar "Bud" Bowman

Staff: Chyleen Arbon (analyst)/Susan Creager Allred (attorney)/Alicia Gambles (secretary)

Natural Resources, Agriculture, and Environment

REPORT: Received reports from the Utah Department of Agriculture and Food, the U.S. Department of Agriculture, and the Utah State University Extension Service on efforts to control cricket and grasshopper infestation in Utah.

ACTIONS:

- Concurred with the Board of Parks and Recreation's recommendations to close state parks in order to meet budget reduction requirements.
- Recommended that Title 58, Chapter 20a, Environmental Health Scientist Act, which is scheduled to sunset on July 1, 2003, be reauthorized for 10 years.
- Recommended that Title 23, Chapter 26, Wildlife Heritage Act, which is scheduled to sunset on December 31, 2003, be allowed to sunset.

Chairs: Sen. Parley G. Hellewell/Rep. Bradley T. Johnson

Staff: Brian Allred (analyst)/Jeanenne Larson (attorney)/Joy Miller (secretary)

Political Subdivisions

STUDIES:

- Received a briefing from Salt Lake County regarding the delivery of municipal services to the citizens of the unincorporated areas of Salt Lake County and municipalities contracting with the county.
- Received information on a proposal to require providers of police, fire, emergency medical services, and paramedic services in Salt Lake County to enter into agreements to facilitate the closest responder regardless of geographic or political boundaries.

Chairs: Sen. Carlene M. Walker/Rep. David L. Hogue

Staff: Joseph Wade (analyst)/Keith Woodwell (attorney)/Joy Miller (secretary)

Public Utilities and Technology

STUDIES:

- Received an update from the committee chair regarding issues which have been raised by S.B 29, "Interlocal Cooperative Act and Electric Power Facilities Amendment" for the purpose of determining whether any modification is needed.
- Received a staff presentation regarding the current state of energy generation, prices, and consumption.
- Discussed alternative energy development and the current barriers for non-regulated energy generators, such as wind turbines and natural gas, to interact with the regulated providers.

Chairs: Sen. Leonard M. Blackham/Rep. John E. Swallow

Staff: Richard North (analyst)/Patricia Owen (attorney)/Junie Anderson (secretary)

Revenue and Taxation

STUDIES:

- Received a staff report on various aspects of the Utah Inheritance Tax.
- Received a staff report and invited public input on issues relating to job growth and the Utah business tax climate.

REPORTS:

- Received an update on state revenue from the Utah State Tax Commission. Combined General Fund/Uniform School Fund revenue collections are about \$30.55 million below legislative projections. Transportation Fund revenue collections are about \$350,000 above legislative projections.
- Received a staff report explaining the state tax implications of two recently enacted federal laws: "Job Creation and Worker Assistance Act of 2002" and "Economic Growth and Tax Relief Reconciliation Act of 2001." These laws were enacted in March 2002 and June 2001, respectively.

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

Staff: Bryant Howe (analyst)/Rebecca Rockwell (attorney)/Sandra Wissa (secretary)

Transportation

STUDY: Discussed driver license applicant identity requirements, including provisions for a Social Security number or other identifying number, Utah residency, and proof of legal presence in the United States.

REPORTS:

- Received a report from the Department of Transportation on the status of the Legacy Parkway Construction and the current construction injunction. The injunction is currently costing the state an average of approximately \$100,000 per working day in contractor delay fees, but these costs should decrease in future months.
- Received a report from the Traffic Management Committee on the progress of statewide traffic signal coordination, traffic monitoring, and utahcommuterlink.com.

*Chairs: Sen. David H. Steele/Rep. Joseph G. Murray
Staff: Benjamin Christensen (analyst)/Keith Woodwell (attorney)/Junie Anderson (secretary)*

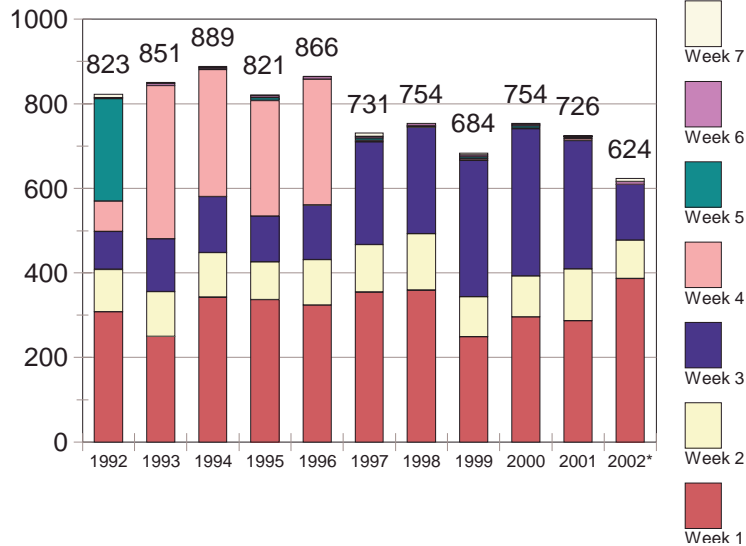
Workforce Services and Community and Economic Development

STUDY: Discussed master study resolution items and prioritized five items to study during the 2002 Interim.

REPORT: Received a presentation from the Utah Travel Council regarding the one-time \$2 million appropriation for tourism promotion following the Utah Olympic Winter Games.

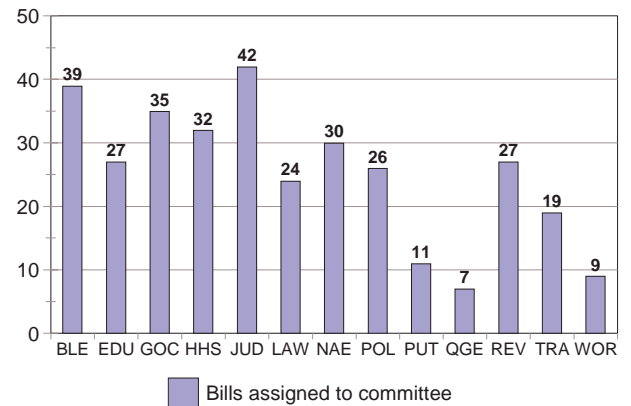
*Chairs: Sen. Beverly Evans/Rep. Richard M. Siddoway
Staff: Jamie Momberger (analyst)/Jim Wilson (attorney)/Jennifer Markham (secretary)*

Number of Bills Introduced Weekly 1992 to 2002 General Sessions

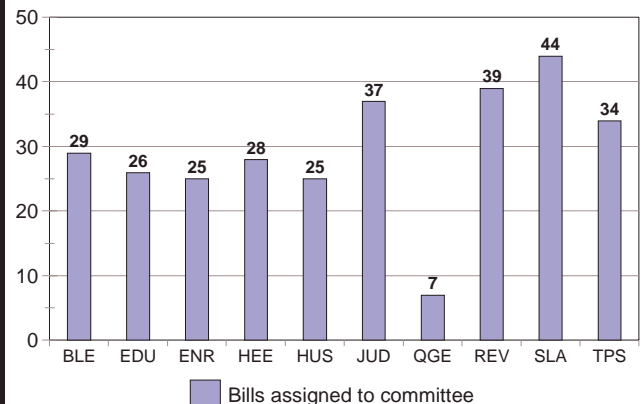


* The Legislature did not meet Weeks 4 and 5 of the 2002 General Session.

House Committees - Bills Assigned 2002 General Session



Senate Committees - Bills Assigned 2002 General Session



LEGISLATIVE MANAGEMENT COMMITTEE

REPORTS:

- Received a report on the development of master plans for annexations from Salt Lake County and the municipalities within Salt Lake County.
- Received a statistical report on the number of bills and resolutions introduced and passed during the 2002 General Session. (See graphs on pages 1 and 3)
- Received a report indicating there were 35,000 visits to the Internet broadcast of the 2002 General Session.

ACTIONS:

- Requested staff to provide information regarding the possible creation of a High Tech Subcommittee, including an assessment of the pros and cons of such a creation.
- Approved the allocation of the Master Study Resolution requests to interim committees and Executive Appropriations Committee.
- Approved Sunset Review assignments for interim committees.
- Approved the Utah Legislature's 2002 interim schedule.
- Approved that there be no site visits for the whole Legislature, interim committees, or appropriations subcommittees this interim, unless specifically authorized by the Legislative Management Committee, because of budget constraints.
- Referred a letter from the State Auditor regarding Utah's compliance with federal funding to Executive Appropriations Committee for review.
- Approved Legislative General Counsel's representation of legislators subpoenaed in their legislative capacity relative to the Voluntary Contributions Act lawsuit.
- Approved request for information on public parking options at the State Capitol during remodeling, including the possibility of a shuttle service on interim days.

LEGISLATURE CALLED INTO SPECIAL SESSION

BILL ON THE CALL: S.B. 3001, "Election Law Revisions" (*C. Bramble*). For the full text of this bill, please visit our website at www.le.state.ut.us.

PUBLIC HEARING:

Government Operations Interim Committee
Friday, April 26 at 2:00 p.m.
Room 405 State Capitol

SPECIAL SESSION: Monday, April 29 at 8:00 a.m.

LEGISLATURE OVERRIDES VETO ON H.B. 136

The Utah Legislature voted to override the Governor's veto on 1st Substitute H.B. 136, "Judicial Conduct Commission Amendments" (*K. Bryson*).

BILL SUMMARY: This act adds to the Commission one member of the Utah Court of Appeals and replaces three Utah State Bar Commissioners with two lawyers appointed by the Utah Supreme Court. The act requires the Commission to decide whether certain information alleging misconduct should be investigated and to immediately refer an allegation involving criminal conduct to the Utah Supreme Court. The act also establishes an eight-year term limit on Commission members, provides that the burden of proof be a preponderance of the evidence, and requires that certain information be included in the record when any order is sent to the Supreme Court for review. The act also reiterates the Supreme Court's constitutional power to modify any order of the Commission and also requires that the Supreme Court provide a detailed written summary of judicial misconduct for publication in the Voter Information Pamphlet.

EFFECTIVE DATE: May 6, 2002.



Office of Legislative Research and General Counsel

436 State Capitol • Salt Lake City, UT • 84114
(801) 538-1032

Office of the Legislative Fiscal Analyst

425 State Capitol • Salt Lake City, UT • 84114
(801) 538-1034

Office of the Legislative Auditor General

130 State Capitol • Salt Lake City, UT • 84114
(801) 538-1033

For more information about legislative activities, contact one of the legislative offices or access our website at: www.le.state.ut.us.

Editors: Chyleen A. Arbon and Mary Catherine Perry



FISCAL HIGHLIGHTS

JOHN E. MASSEY, DIRECTOR

EXECUTIVE APPROPRIATIONS

CO-CHAIRS:

SENATOR LEONARD BLACKHAM - REPRESENTATIVE JEFF ALEXANDER

Report: "Revenue Update"

Summary:

General Fund

1. Sales tax is on track with FY 2002 projections and should come in at forecast levels.
2. Insurance taxes seem to be bouncing back.

Uniform School Fund

1. Withholding has slowed to a growth rate of 2.4 percent
2. Final payments are beginning to come in, but we will have a better idea of year-end levels in June.
3. Corporate profits are down less than originally forecast

Staff Contact: Andrea Wilko

Study Item: "Should Every Social Service Program be a FACT Program?"

Summary

For more than a decade, the Families, Agencies, and Communities Together (FACT) for Children and Youth-at-Risk Program has received funding to unite State, local, and private social service providers, to promote collaboration among such providers and with recipient families, and to inspire innovation providing social services. S.J.R. 15, the Master Study Resolution, calls for a review of FACT, its effectiveness in delivering services, and whether it should be administered by a single State agency.

Jonathan Ball, Fiscal Analyst, proposed a study that would ask "What models of improved service delivery has FACT generated that can be applied statewide; is it necessary to continue FACT as an independent program; and if so, in what form?" He then requested input from the Committee on a proposed study outline.

Analyst Recommendations:

The Analyst solicited comments on the study.

Action Taken:

Members suggested that the study consider the impact of FACT counselors as ombudsmen; address whether one State agency should administer FACT; detail which FACT service systems are not effective; and examine whether funding has been effectively spent upon services.

Report Team: Jonathan Ball, Stan Eckersley, Bill Greer, Thor Nilsen, Spencer Pratt, Tim Osterstock (Office of Legislative Auditor General)

Staff Contact: Jonathan Ball

Report: "Parks and Recreation - Park Closures"

Summary:

During the 2002 General Session the Legislature reduced the Parks operating budget (additional cuts were made in the capital budget). Part of the budget reductions was a \$500,000 cut with intent language reading: "the State Parks Board, in coordination with the division director, analyze the costs and benefits of each state park, and by December 1, 2002 recommend parks for closure to meet the \$500,000 reduction in the state parks budget. It is further the intent of the Legislature that the reduction may be covered by both the operating and capital budgets of the state parks."

Based on park evaluations done earlier as required by the Legislature, Parks staff recommended the Board close six parks and ten FTE. The Board held public hearings in each of the potentially affected areas. After the public meetings the Board moved not to close three of the parks, and to attempt to turn over the other three parks to local management. Parks that would be turned over to local management include Jordan River (and golf course), Fort Buenaventura, and Minersville State Parks. If no alternative management could be found within 60 days, the Board would close the parks.

Action Taken:

The Executive Appropriations Committee voted not to accept the Board's recommendation at this time, but rather to have the division return in thirty days with a revised analysis to include fees and other revenue possibilities.

Staff Contact: Steve Allred

SALES TAX SIMPLIFICATION

NCSL reports that the Iowa and Alabama legislatures gave final approval to legislation authorizing participation in the Streamlined Sales Tax Implementing States (SSTIS.) S.B. 74 (2001 General Session) authorized Utah to become a member. With final approval by their governors' these states will join the 28 states that have already enacted the legislation.

The implementing states are finalizing an interstate agreement to simplify and streamline the collection of state and local sales and use taxes. The implementing states have been meeting regularly and have approved an NCSL proposal on base and rates. Delegates have also approved recommendations for standardized rules for sales tax holidays, elimination of caps and thresholds after Dec. 31, 2005, and uniform definitions for clothing and leasing and a rounding rule.

Source: Capitol to Capitol, An Information Service of NCSL's Assembly on Federal Issues: Vol. 9, Num. 15, April 2002.

Report: “Federal Funds Report”**Summary:**

In accordance with UCA 63-40-4, a presentation was made updating the Committee on Federal Funds issues. Spencer Pratt explained that federal funds amount to \$1.7 billion, or 23 percent of the total FY 2003 State budget. This was the amount that was expected during the 2002 session. However, changes to that amount can occur due to some of the anticipated funding not materializing or additional federal grants becoming available. If a new federal grant is made available, a State agency may apply for those grants. Prior to an agency’s application for new federal grants, it must submit a request to the Governor’s Office of Planning and Budget. The request form is designed to address the concerns of the Legislature dealing with (1) the program’s funding after the federal funding is no longer available, and (2) the number of FTE positions that the grant will add to the agency.

The Legislature has given the Governor’s Office the authority to approve new federal funds during the interim; the Analyst’s Office reports those approvals to the Executive Appropriations Committee. In addition, each Appropriations Subcommittee is informed of all federal grants during the regular appropriations meetings. A further review of federal funds is performed by the State Auditor with the compliance audit that is required by federal audit standards.

The Committee was informed of the grant applications that have been approved by the Governor’s Office since the conclusion of the past session. Mr. Pratt highlighted those applications where FTEs would be added as well as those applications that indicated that state funding would be requested to replace the federal funding upon the termination of the grant.

Action Taken:

The Executive Appropriations Committee decided to review the material and in their next meeting determine if any changes in reporting or authority should be considered. The Committee did request that future reports list any grant applications that were not approved by the Governor.

Staff Contact: Spencer Pratt

Report: “Fleet Issues in the Department of Public Safety and the Utah Department of Corrections”**Summary:**

Core missions within the Utah Department of Corrections (UDC) and the Department of Public Safety (DPS) rely heavily on vehicles. However, agencies that make extensive use of a capital asset are not always in the best position to manage the asset in the most effective manner for the State. Consolidation saves the State money, increases efficiency and ensures that assets are managed as long term investments.

The Legislature strengthened the role of the Division of Fleet Operations (DFO) and moved toward a statewide, consolidated and centralized fleet. This consolidation was designed to improve vehicle tracking, increase accountability and lower costs across the State. It is possible that individual agencies could operate their fleets for less than it costs them to lease from the DFO. However, experience both in Utah and in other states indicates that agencies will cut corners in the short term to save money, thus increasing costs in the long run. Any decentralization of fleet management reduces efficiency at DFO and increases costs for agencies that remain in the centralized fleet.

The Analyst believes that DFO should continue as the centralized manager for DPS and UDC fleets and that tracking should be enhanced to include enhanced reporting of commute authorizations.

Analyst Recommendations:

1. Utah Department of Corrections and Department of Public Safety fleet decentralization is believed to provide little benefit to the State.
2. Highway Patrol vehicle rates should reflect the full cost of operation and charges for vehicles and equipment should be separated.
3. A provision should be added to Administrative Rule requiring any sworn officer with commute privileges to file a DF-61 form (or similar form created by DFO). The rule should exempt UHP officers in marked patrol cars.
4. The Legislature should require the Utah Department of Corrections and Department of Public Safety to report all commute authorizations to DFO and provide updated commute vehicle counts (by division and by vehicle type) to the Executive Offices and Criminal Justice Appropriations Subcommittee and the Capital Facilities and Administrative Services Appropriations Subcommittee each year.

Staff Contact: Kevin Walthers
