



# INTERIM HIGHLIGHTS

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

Meetings were held September 17, 2014, or as noted.

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**Prison Relocation Commission**

**Public Utilities and Technology**

**Retirement and Independent Entities**

**Revenue and Taxation**

**Senate Judicial Confirmation Committee**

**State Water Development Commission**

**Transportation**

**Veterans' and Military Affairs Commission**

## Administrative Rules Review Committee

September 9, 2014

### Agencies that Enforce, Adjudicate, and Collect Penalties

Discussed the statutory authority, including grants of rulemaking authority, that enables some state entities to enforce state law and employ administrative law judges to adjudicate alleged violations and assess and collect financial penalties.

*Chairs: Rep. Curtis Oda / Sen. Howard A. Stephenson  
Staff: Art L. Hunsaker (Policy Analyst) / Christine R. Gilbert (Attorney) / Tracey Fredman (Secretary)*

## Business and Labor

### Community Associations

Received comments from a legislator and from the condominium and community association industry regarding potential changes to the Condominium Ownership Act and the Community Association Act. Possible changes include clarifying notice requirements for fines, hearings, and appeals. Other potential topics for legislation include:

- open meeting requirements for association boards;
- board requirements regarding rentals in association communities;
- procedures for maintaining utility services in vacant units; and
- the hierarchy of documents.

### New Automobile Franchise Act

Received an overview of the New Automobile Franchise Act from committee staff. Received comments from the new automobile dealers' industry on how the act assures a competitive and stable industry.

### Performance Audit of the Utah Fund of Funds

Received an audit report from the Office of the Legislative Auditor General regarding the Utah Fund of Funds (UFOF). The audit findings include:

- the lack of consistent methodology has resulted in the over-reporting of economic impact;
- the portion of investment dollars in Utah attributable to the UFOF is relatively small; and
- the UFOF economic reports are inconsistent and difficult to interpret.

The committee also received the UFOF's response to the audit.

*Chairs: Rep. James A. Dunnigan / Sen. Curtis S. Bramble  
Staff: Bryant R. Howe (Assistant Director) / Christine R. Gilbert (Attorney) / Patricia Owen (Attorney) / Kristen C. Ricks (Secretary)*

## Commission for the Stewardship of Public Lands

August 27, 2014

### Stakeholder Reports and Updates

Received reports and updates on activities concerning the stewardship of public lands from the Utah attorney general, Utah's congressional delegation, the governor's energy advisor, the Utah Association of Counties, and the Public Lands Policy Coordination Office.

*Chairs: Rep. Keven J. Stratton / Sen. David P. Hinkins  
Staff: Leif G. Elder (Policy Analyst) / Tiffany A. Stanley (Policy Analyst) / RuthAnne Frost (Attorney) / Cathy J. Dupont (Attorney) / Timothy J. Barber (Secretary)*

## Commission on Federalism

September 9, 2014

### Curriculum for Continuing Education on Federalism

Received a presentation by committee staff regarding the status of a request for proposals to develop the curriculum for the continuing education on federalism seminar.

### Cross Jurisdictional Issues

Received presentations from the Utah Association of Counties and the county commissioners and sheriffs of Garfield County and San Juan County regarding cross jurisdictional issues between the counties and federal government for federal land that lies within the counties' boundaries.

Issues discussed included:

- responsibility for search and rescue operations;
- land management policies;
- wildfire prevention and coordination;
- the impact of endangered species on private land;
- Public safety; and
- the operation and management of state roads that run through federal land.

### Responses from State Agencies

Received a presentation by commission staff regarding the letters that state agencies have provided in response to the request for input on federalism that the commission had sent out. To date, 4 of the 23 agencies that were contacted have responded.

**Action:** Directed commission staff to follow up with the 19 state agencies that have not yet responded to the request for information sent by the commission.

*Chairs: Speaker Rebecca D. Lockhart / President Wayne L. Niederhauser  
Staff: Jerry D. Howe (Managing Policy Analyst) / Nathan W. Brady (Policy Analyst) / Robert H. Rees (Attorney) / Cathy J. Dupont (Attorney) / Sara J. Thomas (Secretary)*

## Economic Development and Workforce Services

### Affordable Housing

Received presentations from the Utah Housing Coalition, the Housing Authority of Salt Lake, and the Crossroads Urban

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Center regarding affordable housing. They stated that the supply of affordable housing is not keeping pace with the increasing demand. Options to increase funding may include:

- a real estate transfer tax;
- a document recording fee;
- interest on real estate escrow accounts;
- General Fund appropriations;
- general obligation bonds; and
- redevelopment tax increment financing set-asides.

Transit-oriented development that includes low- and moderate-income housing can also help reduce transportation costs, making housing more affordable.

### Arts, Libraries, and Museum Grants Program

Received a presentation from the Department of Heritage and Arts on the arts, libraries, and museum grants program. By statute, a competitive process is provided for awarding grants to eligible applicants for capital facility projects in arts, libraries, and museums.

The process requires applicants to submit detailed grant applications, which are then formally reviewed by each of the departments' boards. In practice, however, the statutory process is largely overlooked in favor of individual legislators sponsoring legislation or an

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appropriation for each specific project. The department sought the committee's input on whether the statutory process should be retained and followed, revised, or repealed.

### Temporary Assistance for Needy Families

Received a presentation from the Department of Workforce Services on Temporary Assistance for Needy Families (TANF), also known as the Family Employment Program (FEP). This federal assistance program helps families with children when the parents or other responsible relatives cannot provide for the family's basic needs. FEP also supports women during their third trimester of a pregnancy.

### Performance Audit of the Utah Fund of Funds

Received the report on an audit of the Utah Fund of Funds (UFOF) from the Office of the Legislative Auditor General.

The Utah Capital Investment Corporation (UCIC) was initially created in statute in 2003 as an independent quasi-public corporation to make venture capital fund investments through the UFOF to provide access to alternative capital for Utah entrepreneurs. While the obligations of the corporation are not obligations of the state or any of its political subdivisions, investments are backed by Utah tax credits.

The audit, "A Performance Audit of the Utah Fund of Funds," which was released in August 2014, found that the UCIC, which administers the UFOF, overstated its economic impact, including overstating its reported positive effect on income tax revenue. The audit also described substantial inconsistencies in UFOF public reports and criticized the UFOF for not having an economic development plan or metrics that are consistently tracked and reported.

The audit stated that due to \$37.3 million in financing costs, UFOF's portfolio is currently negative, but improving. Between 2005 and 2013, three positions on UCIC staff received \$330,000 in bonuses and severance payments without there being any developed criteria or documentation.

*Chairs: Rep. Rebecca P. Edwards / Sen. Aaron Osmond  
Staff: Benjamin N. Christensen (Policy Analyst) / Peter Asplund (Attorney) / Debra Hale (Secretary)*

## Education

### Computer Programming Instruction for Public Education Students

Received a [presentation](#) from a company that teaches professional computer science and engineering skills to public education students.

### Students Learning English

Received a [report](#) from the Utah State Office of Education (USOE) on the progress in serving students with limited English proficiency. Pursuant to Title III of the federal No Child Left Behind Act, USOE has established three achievement objectives for English learners.

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USOE reported that over the past three years, all local education agencies (LEAs) met the first two achievement objectives related to making progress in English language acquisition and proficiency. However, some local education agencies failed to meet the third achievement objective related to English learners meeting adequate yearly progress in both language arts and math.

### Peer Assistance and Review Pilot Program

Received a [report](#) on the Peer Assistance and Review Pilot Program, which was created by [2012 General Session H.B. 115, "Peer Assistance and Review Pilot Program."](#) The Utah State Office of Education and program participants reported on their activities utilizing peer assistance and review in evaluating teachers.

### STEM Action Center

Received a [report](#) from the Science Technology Engineering and Math Action Center on the progress and effectiveness of the center in delivering services to students and educators.

### Utah Futures Evaluation

Received a [report](#) from the Utah Futures evaluation panel, which was created by [2014 General Session S.B. 34 "Statewide Data Alliance and Utah Futures,"](#) to evaluate Utah Futures and determine whether any or all components of Utah Futures should be outsourced to a private provider. The panel recommended that the state continue its investment in Utah Futures, reevaluate the funding requirements, and partner with stakeholders to assure that the new UtahFutures2.0 receives adequate resources and support to become a fully functional career and college planning tool.

*Chairs: Rep. Francis D. Gibson / Sen. Stuart C. Reid  
Staff: Constance C. Steffen (Policy Analyst) / Tiffany A. Stanley (Policy Analyst) / Angela Oakes Stallings (Attorney) / Debra Hale (Secretary)*

## Education Task Force

July 22, 2014

### Education Modernization Initiative

Received demonstrations on how educational technology can be used in classrooms to personalize learning.

### Higher Education Funding

Introduced a revised formula for funding higher education, including:

- providing a certain level of performance-based funding while ensuring adequate baseline funding;
- requiring higher education to maintain an even balance between tuition revenues and state revenues; and
- dedicating a certain percentage of baseline funding for research purposes.

### State Government Finance

Received briefings from the Office of the Legislative Fiscal Analyst on the [fiscal impact of making incremental changes to various taxes](#) and [historical trends in state funding of higher education](#).

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August 26, 2014

## Utah College of Applied Technology

Received a [presentation](#) from the Utah College of Applied Technology (UCAT) Board of Trustees on equity funding for regional college campuses.

Received presentations from [UCAT](#) and [public education interests](#) on their respective organizations' roles and responsibilities for delivering career and technical education to high school students.

## Career and Technical Education

Reviewed a letter to the Legislative Audit Subcommittee requesting a performance audit of career and technical education.

## Education Technology Implementation

Received presentations from the School Improvement Network, Park City School District, and iSchool Campus on the importance of training teachers on the use of technology before the technology is provided to students.

## Finnish Education System

Received a [presentation](#) from the Center for the Study of Europe at Brigham Young University regarding a study of the Finnish public education system, particularly its teacher training system. The center provided for a group of Utah teachers to travel to Finland to visit Finnish schools and meet with Finnish teachers and administrators.

## Higher Education Completion Incentives

Discussed a proposal to provide incentives to improve college completion rates, including offering tuition incentives to a student for following an educational plan to complete a bachelor's degree in eight semesters.

## School Principals and School Leadership

Received a presentation from the State Board of Education on recent board initiatives to improve the effectiveness of school leaders, including performance standards, an administrative licensing exam, and an evaluation tool for school administrators.

**Action:** *Voted to request the Utah State Office of Education to prepare a briefing paper for the Legislature on State Board of Education initiatives to improve the effectiveness of school principals.*

## State Government Finance

Received a [briefing](#) from the Office of the Legislative Fiscal Analyst on revenue generated from incremental tax changes, which shows the estimated revenue generated by making certain changes to income, property, sales, or gas taxes.

*Chairs: Speaker Rebecca D. Lockhart / President Wayne L. Niederhauser  
Staff: Constance C. Steffen (Policy Analyst) / Tiffany A. Stanley (Policy Analyst) / Angela Oakes Stallings (Attorney) / Debra Hale (Secretary)*

## Government Communications Task Force

August 14, 2014

### Potential Funding Sources

Considered potential state and local funding sources for the update of the public safety radio system.

### Radio Tower Sites

Discussed information about Utah Communications Authority (UCA) radio tower sites, including where the sites are located and when new sites might be necessary. The task force discussed issues related to tower sites, including:

- co-location of TV;
- ownership of the site;
- compatibility of various transmissions;
- providers of services to and from the site; and
- third party vendors.

### Status of Consultant Report

Received an update from the consultant retained by the UCA who was charged with analyzing and reporting on the logistics of building a statewide emergency radio system. The consultant reviewed the status of the report and key elements of the updated system, as well as how the information obtained from the public hearings in Richfield and Vernal affected the content of the report.

September 11, 2014

### Utah Communications Authority

Received a report from the UCA, which was established on July 1, 2014. The Utah Communications Agency Network was merged with the radio communications part of the Department of Technology Services to form the UCA. The UCA board held its first meeting on July 15, 2014. UCA reported to the committee on the merger and its first meeting.

### 911 Fees in Other States Compared with Utah's Fees

Received a [presentation](#) from Weber Area Dispatch 911 & Emergency Services District regarding 911 fees in other states compared with Utah's 911 fees.

### First Responder Network Authority

Received a presentation from the UCA on the First Responder Network Authority (FirstNet). In 2012, Congress created the First Responder Network Authority as an independent authority within the National Telecommunications and Information Administration to provide emergency responders with the first nationwide, high-speed, broadband network dedicated to public safety.

### Public Safety Communications Funding

Received a report from the Office of the Legislative Fiscal Analyst regarding Utah state funding for public safety communications both prior to and upon full implementation of [2014 General Session H.B. 155, "Utah Communication Agency Network and Utah 911 Committee Amendments."](#)

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### Potential Funding Sources

Explored potential state and local funding sources for the update of the public safety radio system.

### Public Safety Radio System Funding in Other States

Received a presentation regarding the sources and amounts of funding for public radio systems in other states.

*Chairs: Rep. Brad L. Dee / Sen. Wayne A. Harper  
Staff: Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Timothy J. Barber (Secretary)*

## Government Operations

### Campaign Contribution Amendments

Considered [draft legislation "Campaign Contribution Amendments,"](#) which amends campaign finance provisions related to anonymous contributions of cash or a negotiable instrument and the aggregate reporting of those contributions.

### Campaign Finance Amendments

Considered [draft legislation "Campaign Finance Amendments,"](#) which amends [Title 20A, Chapter 11, Campaign and Financial Reporting Requirements,](#) by establishing and enforcing contribution limits.

**Action:** Voted to direct staff to make certain changes to

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*draft legislation "Campaign Finance Amendments" and to place the revised legislation on the committee's November agenda.*

### Election Day Voter Registration Pilot Project

Received a statutorily required report from the Office of the Lieutenant Governor on the implementation of the election day voter registration pilot project.

### Initiative and Referendum Petitions

Followed up on discussions from the committee's July interim meeting about statutory challenges regarding initiative and referendum petitions. Received a [presentation](#) from committee staff on potential alternative policies that could address those challenges.

### Report from the State Records Ombudsman

Received a statutorily required [report](#) from the state records ombudsman on the work the ombudsman performed during the previous year.

### Voting by Mail

Received a statutorily required [report](#) from the Office of the Lieutenant Governor on administering an election in which each registered voter receives a ballot by mail. Discussed administrative considerations of conducting an election by mail, the public's opinion on voting by mail, and the effects voting by mail has on voter turnout.

*Chairs: Rep. Jack R. Draxler / Sen. Margaret Dayton  
Staff: Brian J. Bean (Policy Analyst) / Shannon C. Halverson (Attorney) / Thomas R. Vaughn (Attorney) / Victoria Ashby (Attorney) / Anna M. Allen (Secretary)*

## Health and Human Services

### Care for Aging Utah Population

Received presentations from:

- a legislator;
- the Utah Foundation;
- Mountainland Aging and Family Services;
- AARP Utah;
- the Division of Aging and Adult Services;
- Adult Protective Services;
- Utah's Medicaid Program; and
- the Utah Commission on Aging.

The presentations addressed the aging of Utah's population, the settings in which seniors typically receive health care and other services, challenges associated with each of those settings, and potential public policy responses, which include:

- the potential policy responses include expanding in-home services for seniors;
- increasing support for caregivers;
- facilitating "aging in place";
- increasing protection of vulnerable adults; and
- improving the delivery of skilled nursing and palliative care.

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## Alzheimer's Disease

Considered a [proposal](#) by AARP Utah to make the Utah Department of Health primarily responsible for implementing the Utah State Plan for Alzheimer's Disease and Related Dementias by requiring the department to:

- incorporate the state plan into its strategic planning process; and
- coordinate its implementation with other departments of state government.

In 2012, the Legislature expressed its support for implementation of the state plan, which includes providing individuals who have the disease, and their families, with needed resources.

*Chairs: Rep. Paul Ray / Sen. Evan J. Vickers*

*Staff: Mark D. Andrews (Policy Analyst) / Samuel C. Johnston (Attorney) / Cathy J. Dupont (Attorney) / Lee A. Killian (Attorney) / Lori Rammell (Secretarial Supervisor)*

## Health Reform Task Force

*August 28, 2014*

### Medicaid Expansion — Update on Healthy Utah Plan

Received a report from the Utah Department of Health on Governor Gary R. Herbert's Healthy Utah Plan. Approval of the "work effort" requirement is the last hurdle to be cleared for the plan to receive approval from the US Department of Health and Human Services, although implementation of the plan will still require the approval of the Legislature.

The department expressed its belief that the state could also receive approval from the US Department of Health and Human Services for plans that expand Medicaid eligibility to only a portion of Utahns with household incomes at or below 138% of the federal poverty guidelines, if the expansion is funded at the ordinary 70/30 federal/state contribution rates.

Received a report on the economic impacts of the governor's Healthy Utah plan from a local economist hired by a local group promoting the expansion of Medicaid eligibility under the federal Affordable Care Act. The group said the governor's plan will promote economic and individual well-being.

### Optional Medicaid Eligibility Expansion

Received recommendations from the Salt Lake Chamber of Commerce Health Reform Task Force that the state should pursue the use of all available federal funds to develop a flexible, Utah-specific Medicaid expansion that:

- promotes a competitive private insurance market;
- creates an environment where health care providers compete on the basis of keeping people healthy;
- promotes the accountability of those receiving assistance; and
- protects the state, should the federal government become unwilling or unable to be a funding partner.

Received comments from individuals who have been unable to obtain needed health care because they are unable to obtain public or private health insurance.

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## State Innovations Model Grant

Received a report from the Utah Department of Health on the department's July 21, 2014, application for a \$66 million State Innovations Model Round 2 grant under the federal Affordable Care Act. The application includes a request for \$13.4 million to integrate physical and behavioral health care services.

*September 18, 2014*

### Health Reform and the Criminal Justice Population

Received reports from the [Commission on Criminal and Juvenile Justice](#), the Administrative Office of the Courts, the Department of Corrections, the Utah Association of Counties, and the Division of Substance Abuse and Mental Health that an expansion of Medicaid eligibility under Governor Gary R. Herbert's Healthy Utah plan would increase the availability of substance abuse and mental health treatment and potentially reduce the number of individuals entering and returning to Utah's jails and prisons.

### Medicaid Expansion — Update on Healthy Utah Plan

Received a report from the Department of Health that the US Centers for Medicare and Medicaid Services has agreed to all key provisions of the governor's Healthy Utah proposal to expand health care coverage using Medicaid funding available under the federal Affordable Care Act. The department reported that the US Centers for Medicare and Medicaid Services has agreed to a "work effort" requirement that would offer enrollees training and support to obtain or improve employment.

### Health Insurance Plan Rates — 2015

Received a briefing by the Utah Insurance Department on how health insurance premiums in 2015 are likely to change for plans sold inside or outside the two health insurance exchanges that were established in Utah under the federal Affordable Care Act. Premium rates should be available by the beginning of November of this year.

*Chairs: Rep. James A. Dunnigan / Sen. Allen M. Christensen*

*Staff: Mark D. Andrews (Policy Analyst) / Cathy J. Dupont (Attorney) / Lori Rammell (Secretarial Supervisor)*

## Judiciary

### Domestic Asset Protection Trusts

Received a presentation from committee staff on the background of domestic asset protection trusts related to the provisions in [2014 General Session H.B. 162, "Asset Protection Trust Amendments."](#)

Also received input and remarks from a legislator and an estate planning attorney on this study item.

### Expungement of Administrative Records

Continued discussion on the issue of administrative actions related to orders of expungement. Focused on current federal statutes and practices that may hinder the complete

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expungement of some administrative or criminal records on the state level and discussed possible interpretations for the current statutory language found in [Utah Code Section 77-40-108](#).

### Sentencing Discussion

Continued the discussion from the July interim meeting related to the current sentencing structure in Utah, prison commitments, and prison population drivers. Introduced an additional topic, mandatory minimum sentencing.

*Chairs: Rep. Kay L. Mccliff / Sen. Mark B. Madsen  
Staff: Esther Chelsea-McCarty (Attorney) / Melinda Boulter (Research Assistant) / Kristen C. Ricks (Secretary)*

## Law Enforcement and Criminal Justice

### Federal 1033 Program

Received presentations from the State Surplus Property Program, the American Civil Liberties Union of Utah, and the Department of Public Safety regarding equipment received by law enforcement agencies in Utah through the federal government's 1033 program. The 1033 program distributes surplus military equipment to local law enforcement agencies. Items received by local law enforcement agencies in Utah through the 1033 program include rifles, grenade launchers, armored personnel carriers, Humvees, and mine resistant ambush protected vehicles.

### Forfeited Property Report

Received a [report](#) from the Commission on Criminal and Juvenile Justice regarding the equitable sharing of funds and the property reported by Utah law enforcement agencies on federal asset forfeiture cases. State agencies in Utah received just over \$848,000 in FY 2014, which is lower than the \$1.1 million that state agencies reported in FY 2013. Over the past nine years, Utah has received an average of \$1.3 million each year from this program.

### Multi-Agency Strike Force Report

Received a [report](#) from the Office of the Attorney General regarding the activities and accomplishments of the Multi-agency Strike Force.

The strike force is authorized in statute to combat violent crimes and other major felonies associated with illegal immigration and human trafficking. In FY 2014, the strike force opened 294 investigations and arrested 103 suspects.

### Penalty for Traffic Violation Causing a Death

Discussed [draft legislation "Penalty for Traffic Violations Causing a Death,"](#) which provides that a violation of the Traffic Code, otherwise punishable as an infraction or a class C misdemeanor, is a class B misdemeanor if, as a result of the violation, the operator of the vehicle causes the death of another person.

**Action:** Voted to amend the language of the draft

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*legislation to apply to all vehicles, not only motor vehicles.*

*Chairs: Rep. Curtis Oda / Sen. Todd Weiler  
Staff: Nathan W. Brady (Policy Analyst) / Susan Creager Allred (Attorney) / Lori Rammell (Secretarial Supervisor)*

## Natural Resources, Agriculture, and Environment

### Clean Fuel Amendments and Rebates

Discussed [draft legislation "Clean Fuel Amendments and Rebates,"](#) which authorizes the Department of Environmental Quality to make grants from the Clean Fuels and Vehicle Technology Fund to a person who installs conversion equipment on a motor vehicle.

### Energy Producer States' Agreement

Received a report on Utah's involvement in the Energy Producer States' Coalition and the efforts of the coalition to establish an energy production agreement.

### Impact of Federal Land Ownership

Discussed ways that federal land ownership and federal agency actions affect the state and its citizens. The discussion focused on:

- management of lands adjacent to federal lands;
- economic development;
- threatened and endangered species;
- wild horse and burro damage; and
- livestock transportation and branding.

### Outdoor Recreation Office

Received a [report](#) from the Outdoor Recreation Office on the activities of the office.

### Water Application Revisions

Discussed proposed changes to water right change application procedures and how existing water rights could be protected from impairment.

*Chairs: Rep. Michael E. Noel / Sen. Scott K. Jenkins  
Staff: J Brian Allred (Policy Analyst) / RuthAnne Frost (Attorney) / Anna M. Allen (Secretary)*

## Occupational and Professional Licensure Review Committee

*September 16, 2014*

### Request for Licensure of Interior Designers

Received a presentation from a group of professional interior designer organizations requesting state licensure for interior designers.

Received comments from representatives of the profession regarding the benefits to the public from licensure.

**Action:** Opened a committee bill file to authorize an interior designer who holds a national certification to submit

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certain interior design plans to a building code official for approval, as an alternative to state licensure.

*Chairs: Rep. Brian M. Greene / Sen. John L. Valentine  
Staff: Bryant R. Howe (Assistant Director) / Peter Asplund (Attorney) / Tracey Fredman (Secretary)*

## Political Subdivisions

### Assessment Areas

Received a progress report from a legislator regarding an informal workgroup that has been discussing concerns with [Utah Code Title 11, Chapter 42, Assessment Area Act](#).

Distributed [draft legislation "Assessment Area Act Modifications"](#) for informational purposes. The legislator distributed and discussed a [summary](#) of the main concepts of the legislation.

### Military Installation Development Authority

Received a [presentation](#) from the Military Installation Development Authority (MIDA) created in [Utah Code Title](#)

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Statue of Marriner S. Eccles.

See the [Salt Lake Tribune](#) article "[Statue of Marriner S. Eccles unveiled at Utah Capitol](#)"

### [63H, Chapter 1, Military Installation Development Authority Act](#).

The presentation addressed the following:

- when and why was MIDA created;
- the statutory history of MIDA;
- the statutory powers and limitations of MIDA;
- how is MIDA governed;
- MIDA's goals and objectives;
- projects MIDA is working on;
- projects anticipated for MIDA;
- MIDA's revenue sources and amounts; and
- how is MIDA's revenue spent.

### Mobile Home Parks

Received a progress report from the committee chairs regarding an informal workgroup that has been discussing concerns with the current law found in [Utah Code Title 57, Chapter 16, Mobile Home Park Residency Act](#). The discussion focused on potentially creating an ombudsman to mediate disputes between an owner of a mobile home park and the owner of the mobile home who rents space within the mobile home park.

*Chairs: Rep. R. Curt Webb / Sen. Daniel W. Thatcher  
Staff: Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Sara J. Thomas (Secretary)*

## Prison Relocation Commission

*September 3, 2014*

### Consultant Updates

Received a [presentation](#) from commission consultants who:

- reviewed the siting and development process;
- summarized current efforts to identify land parcels;
- summarized current efforts to screen land parcels that have been identified; and
- reported on the operational and architectural programming of new prison facilities.

### Site Selection Criteria

Received a [presentation](#) from committee staff on potential site selection criteria by which to evaluate parcels of land under consideration for the relocation of the Draper prison.

**Action:** Amended proposed criteria and adopted [final weighted criteria](#) by which to evaluate parcels of land under consideration for the relocation of the Draper Prison.

### Workgroup Updates

Received progress reports from each of the commission's three [workgroups](#):

- Site Selection;

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- Criminal Justice Reform and Programming; and
- Plan of Financing.

As a part of the Criminal Justice and Programming work group's report, received a [presentation](#) from the Pew Charitable Trusts.

*Chairs: Rep. Brad R. Wilson / Sen. Jerry W. Stevenson  
Staff: Brian J. Bean (Policy Analyst) / Bryant R. Howe (Assistant Director) / Robert H. Rees (Attorney) / Sara J. Thomas (Secretary)*

## Public Utilities and Technology

### Federal Land Management — High Voltage Transmission Lines

Received a presentation from the deputy forest supervisor of the Uinta Wasatch Cache National Forest about the process that the approximately 38 different government entities involved in transmission line considerations must follow in approving or disapproving applications.

### Nuclear Power Electricity Generation

Received a presentation from Blue Castle Project about the demand, supply, and cost of current electricity generation and for projected electricity generation in Utah. The presentation also addressed regulatory proposals and the advantages of a balanced energy portfolio, including nuclear power.

### Utah Department of Technology Services

Received a presentation from the Department of Technology Services about the department's provision of information technology to 22 state agencies and numerous local governments. The presentation included information about data applications, networks, security, and reduction in staff due to consolidation.

### Utah Office of Energy Development

Received a presentation from the Governor's Office of Energy Development about the office's initiatives to implement the governor's proposals for developing all of Utah's energy resources, including oil, gas, oil shale and sands, renewables, and unconventional energy sources.

### Utah Public Service Commission

Received a presentation from the Utah Public Service Commission about the statutory role of the commission in regulating telecommunication, energy, and water. The presentation included information about the energy generation utility integrated resource planning and specifically the approval of 450 MW of new renewable electrical generation facilities.

*Chairs: Rep. Roger E. Barrus / Sen. David P. Hinkins  
Staff: Richard C. North (Policy Analyst) / Samuel C. Johnston (Attorney) / Tracey Fredman (Secretary)*

## Retirement and Independent Entities

*September 10, 2014*

### Utah's Independent Entities

Received a report from committee staff on the updated "A Guide to Utah's Independent Entities," which was first released in August 2012. Like the 2012 guide, the July 2014 version inventories and explains the purpose of existing independent entities and adds information describing the process to create and dissolve an independent entity.

### 2-1-1 Information and Referral Network Funding

Received an update from the United Way of Salt Lake, the designated service provider for the 2-1-1 Information and Referral Network. During the 2013 General Session, the Legislature passed [S.B. 56, "Utah 211 Referral Information Network,"](#) which authorizes the 2-1-1 service as a dial up helpline that connects with information about:

- emergency food pantries;
- utilities assistance;
- low-to-no-cost health and dental resources;
- child care and youth resources;
- government services;
- tax assistance;
- legal aid; and
- behavioral and substance abuse treatment.

### Postretirement Employment Restrictions

Received presentations from committee staff and the Utah Retirement Systems regarding the 2010 retirement reforms, which implemented stricter postretirement reemployment restrictions, including:

- a one-year employment separation requirement after retirement; and
- a prohibition on collecting a retirement allowance while receiving any employer retirement contribution or while earning additional service credit.

### Utah Retirement System Legislation — Updates

Received an update from the Utah Retirement Systems regarding recommended statutory changes to update the Utah State Retirement and Insurance Benefit Act. In addition, the Utah Retirement Systems is suggesting separate legislation to address Tier II retirement systems and benefit claim limitations.

### Public Employees Health Program (PEHP) Cost Updates

Received a report from the Public Employees Health Program on its current efforts to control costs and

increase effectiveness of the program in order to:

- avoid an increase in administrative costs;
- bring reserves to an equivalent of 80 days of average expenditures; and
- keep the increase in premiums to 4.9% for the next fiscal year.

## Total Compensation Analysis for State Employees

Received briefings from committee staff, the Department of Human Resource Management, and the Office of Management and Budget on compensation for state employees. Currently there are 18,517 permanent state employees, excluding elected officials, board members, judges, and temporary employees, with an average annual salary of \$47,773. This average salary amounts to 58% of total compensation. Total compensation of an employee earning the average annual salary is:

- 58% salary;
- 36% benefits; and
- 5% taxes.

The Department of Human Resource Management reported that its statutes need to be revised and that help is needed to fill some positions where skills and experience are critical. In addition, some outdated statutory provisions limit what data the department can use while addressing compensation.

The Office of Management and Budget suggested converting the current termination pool into a trust fund and obtaining an actuarial assessment of risks related to leave liabilities.

## Performance Audit of the Utah Fund of Funds

Received an audit report and an overview of the Utah Capital Investment Corporation (UCIC) from the Legislative Auditor General. The audit, "A Performance Audit of the Utah Fund of Funds" (UFOF), which was released in August 2014, found that UFOF overstated its economic impact, including overstating its reported positive effect on income tax revenue. The audit also described substantial inconsistencies in UFOF public reports and criticized the UFOF for not having an economic development plan or metrics that are consistently tracked and reported.

The audit stated that due to financing costs of \$37.3 million, UFOF's portfolio is currently negative, but improving. Between 2005 and 2013, three positions on UCIC staff received \$330,000 in bonuses and severance payments without any developed criteria or documentation.

The UCIC was initially created in statute in 2003 as an independent quasi-public corporation to make venture capital fund investments through the Utah Fund of Funds to provide access to alternative capital by Utah

(Continued next column)

entrepreneurs. While the obligations of the corporation are not obligations of the state or any of its political subdivisions, investments are backed by Utah tax credits.

The committee asked for follow-up by the UCIC on each of the audit recommendations.

## Utah Housing Corporation

Received a presentation from the Utah Housing Corporation, which was created in statute as an independent public corporation in 1975 to raise funds and create opportunities to assist low- and moderate-income individuals in obtaining safe and sanitary housing. The corporation does not receive any state funds. The corporation purchases and services mortgage loans made by private lenders to low- and moderate-income buyers and packages the loans into various securities that are sold to investors seeking highly rated, secure, fixed rate investments.

*Chairs: Rep. Craig Powell / Sen. Todd Weiler  
Staff: Benjamin N. Christensen (Policy Analyst) / Peter Asplund (Attorney) / Shannon C. Halverson (Attorney) / Timothy J. Barber (Secretary)*

## Revenue and Taxation

### Income Tax Credits and Contribution Accounts

Reviewed [draft legislation "Income Tax Amendments,"](#) which repeals provisions related to corporate and individual income tax credits and individual income tax contributions.

### Special Service District Issues

**Action:** Directed committee staff to write a letter to the Legislative Management Committee asking permission to study issues related to special service districts.

### Tax Review Commission Study Request

**Action:** Directed committee staff to write a letter to the Legislative Management Committee requesting authorization for the Tax Review Commission to study sales tax earmarks, particularly the earmarks related to water and transportation purposes.

### Taxation of Molten Magnesium

**Action:** Directed committee staff to open a committee bill file to address issues related to the taxation of molten magnesium.

### Centrally Assessed Property Valuation

**Action:** Directed committee staff to open a committee bill file to address issues related to valuation appeals for centrally assessed property.

*Chairs: Rep. Daniel McCay / Sen. Deidre M. Henderson  
Staff: Bryant R. Howe (Assistant Director) / Leif G. Elder (Policy Analyst) / Rebecca L. Rockwell (Attorney) / Sara J. Thomas (Secretary)*

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## Senate Judicial Confirmation Committee

September 9, 2014

### Confirmation of Kate A. Toomey

The committee met on September 9, 2014, and recommended that the Senate confirm Ms. Kate A. Toomey as a judge on the Utah Court of Appeals.

The Senate met in extraordinary session on September 17, 2014, and approved the recommendations of the Senate Judicial Confirmation Committee.

Chair: Sen. Scott K. Jenkins

Staff: Michael E. Christensen (Director) / Susan Creager Allred (Attorney) / Kristen C. Ricks (Secretary)

## State Water Development Commission

September 16, 2014

### Filing of Change Applications

[Discussed](#) the right of an owner of a water contract interest to file a change application on another person's water right.

### Groundwater Resource Management

Discussed the [commission's response](#) to the proposed US Forest Service directive for groundwater resource management.

### State Water Strategy Advisory Team

Received a [report](#) from the governor's environmental adviser on the efforts and activities of the State Water Strategy Advisory Team.

### Utah Water Issues

Received a [report](#) from the Department of Natural Resources and the Department of Environmental Quality on providing clean and abundant water to meet Utah's needs.

Chairs: Rep. Keith Grover / Sen. Margaret Dayton

Staff: J Brian Allred (Policy Analyst) / RuthAnne Frost (Attorney) / Anna M. Allen (Secretary)

## Transportation

### Driver License Record Amendments

**Action:** Approved [draft legislation, "Amendments to Driver License Records,"](#) which authorizes the Driver License Division to disclose portions of a driving record to an employer or a designee of an employer, for purposes of monitoring the driving record and status of current employees who drive as a responsibility of their employment.

The bill also requires that the authorized disclosure of a driving record be limited to the driving record of a current employee of the employer and amends

provisions regarding the content of and requirements for disclosing a commercial driver license motor vehicle record.

### General Aviation Facilities at the Salt Lake International Airport

Received a [presentation](#) from a private aviation company that addressed concerns the company has regarding general aviation facilities at the Salt Lake International Airport, and received a response from the Salt Lake City Department of Airports.

Additional [information](#) related to the private company's concerns was also distributed.

### Performance Audit of the Utah Transit Authority

Received a [performance audit](#) of the Utah Transit Authority, as summarized in a [presentation](#) by the Office of the Legislative Auditor General, and received a [response](#) to the audit findings from the Utah Transit Authority.

### Reimbursement to the State for Damage to Highways

Received a presentation from the Utah Department of Transportation regarding the funds collected by the department from persons held responsible for damage to Utah's highways during the past three years.

### Sales Tax Earmarks

Received a [report](#) from the Office of the Legislative Fiscal Analyst addressing the various sales tax earmarks and historical sales tax earmarking levels.

Chairs: Rep. Johnny Anderson / Sen. Kevin T. Van Tassel  
Staff: Art L. Hunsaker (Policy Analyst) / Shannon C. Halverson (Attorney) / Timothy J. Barber (Secretary)

## Veterans' and Military Affairs Commission

July 30, 2014

### Protection of Veteran Benefit Claimants

Received presentations from commission members about proposed draft legislation regulating people who provide assistance to veterans who are claiming benefits. The discussion included the importance of an enforcement mechanism to ensure that those providing assistance are accredited and are following both state and federal laws.

**Action:** Voted unanimously to incorporate [2014 General Session H.B. 428, "Veteran Benefit Assistance Disclosure,"](#) language into the draft proposal, "Protection of Veteran Benefit Claimants."

### Utah Code Definition of a Veteran

Discussed draft legislation about developing a consistent definition of a veteran, including broadening the definition from members of the armed forces to members of the uniformed services.

Additional discussion addressed ensuring that certain veterans who were separated under less than honorable conditions are not eligible for benefits.

**Action:** *Voted to direct staff to include the commission recommendations in draft legislation for the next commission meeting.*

### Utah Veterans Court

Received a report from the Utah Office of the Court Administrator about the creation of a pilot veterans' court in Utah. The report included information about the organizational process the courts are using to develop the pilot program.

Commission discussion also included the possibility of creating a veterans' court in northern Utah.

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### Veterans' Military Retirement Benefit Tax Exemption

Discussed exempting part or all of a military member's retirement pay from state income tax. Presentations included nationwide information about how other states treat military retirement pay.

**Action:** *Voted to direct commission staff to draft options regarding who should receive an exemption and how much the exemption should be, and to provide a dynamic fiscal note reflecting the different options.*

*Chairs: Rep. Paul Ray / Sen. Peter C. Knudson  
Staff: Richard C. North (Policy Analyst) / Esther Chelsea-McCarty (Attorney) / Tracey Fredman (Secretary)*

## Awards

### National Conference of State Legislatures — Minneapolis

#### Utah Legislature's Website Receives the **ONLINE DEMOCRACY AWARD** at NCSL

The Utah Legislature's website (le.utah.gov) received the 2014 Online Democracy Award in August during the National Conference of State Legislatures' (NCSL) 2014 Legislative Summit in Minneapolis for producing a superior legislative website. NCSL's Online Democracy Award is given each year to a legislature, legislative chamber, or caucus whose website makes democracy user-friendly in an exceptional way. The winning website is chosen by a committee of legislative staffers who evaluate each site's design, content, and use of technology.

This is the second time Utah has won the award—the Legislature's website also won in 2005, when NCSL initiated the program. This year, the panel of judges was impressed with the website's simple interface and intuitive navigation that facilitates the public's access to the Legislature.

According to the judges, the Utah site is "an information powerhouse." Its most notable features include:

- the sophisticated layout and functionality of the legislative calendar;
- straightforward search capabilities and options;
- fully integrated audio and video;
- a mobile-friendly version;
- special attention to accessibility and a comprehensive ADA Web page;
- features that draw interest, such as the Taxpayer Receipt; and
- a "How can we improve this page?" element on every page that encourages public feedback.

The legislative website team that manages the site was created in 2012 and consists of staff from each of Utah's legislative offices: Senate, House, Office of Legislative Research and General Counsel, Office of the Legislative Fiscal Analyst, and Office of the Legislative Auditor General.

Accepting the award at the 2014 NCSL Summit on behalf of the Utah Legislature were Senate President Wayne Niederhauser and House Speaker Rebecca Lockhart.

The Online Democracy Award is sponsored by two of NCSL's legislative staff organizations: the National Association of Legislative Information Technology (NALIT) and the Legislative Information and Communications Staff (LINCS).

*(Awards continued on next page)*

**Constance C. Steffen is Awarded the *LEGISLATIVE EDUCATION STAFF OF THE YEAR AWARD***

Constance C. Steffen is the 2014 recipient of the Legislative Education Staff Network Recognition Award. This esteemed award recognizes Connie's 29-year career in the Office of Legislative Research and General Counsel, where she has provided outstanding service to the legislative process.

Connie has worked the past 14 years staffing the House and Senate Education Standing Committees, the Education Interim Committee, and numerous other task forces that have reviewed policies on numerous issues, including education finance, charter schools, testing, and school vouchers. Before working in Education, Connie worked in Natural Resources. Over her career, Connie has not only researched hundreds, if not thousands, of different public policies, but she is also a prolific bill drafter. Connie sets the standard of what it means to be a policy analyst and we are honored that she is being recognized by NCSL as the Legislative Education Staff of the Year.

**Office of Legislative Research and General Counsel Receives *NOTABLE DOCUMENTS AWARD***

Mark Andrews, OLRGC analyst for health policy and issues, produced three documents that garnered the NCSL Notable Documents Award in two categories:

**Innovative Presentation:**

*Medicaid Expansion: The Debate Continues* ([Video](#))

**Public Policy — Health:**

[Implementation of the Affordable Care Act: Medicaid Expansion Options and Their Impacts](#)

[Implementation of the Affordable Care Act: The Utah Model for Implementing Exchanges](#)

Next Interim Day— [October 15, 2014](#)



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For more information about legislative activities, visit the  
Utah State Legislature's website at: [le.utah.gov](http://le.utah.gov)

*Staff: Susan Creager Allred, Nathan W. Brady, Leif G. Elder, and Anna M. Allen*

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