

1 **RETIREMENT AND INDEPENDENT ENTITIES**

2 **COMMITTEE AMENDMENTS**

3 2003 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Beverly Ann Evans**

6 **This act modifies the Independent Entities Code by changing the name of the Legislative**
7 **Quasi-Governmental Entities Committee and the Legislative Independent Entities**
8 **Committee to the Retirement and Independent Entities Committee. This act repeals the**
9 **Quasi-Governmental Entities Act which was replaced by the Independent Entities Act**
10 **that became effective on July 1, 2002.**

11 This act affects sections of Utah Code Annotated 1953 as follows:

12 AMENDS:

13 **9-3-410**, as last amended by Chapter 88, Laws of Utah 2001

14 **31A-22-605.5**, as enacted by Chapter 220, Laws of Utah 2002

15 **63E-1-102**, as last amended by Chapters 159 and 250, Laws of Utah 2002

16 **63E-1-201**, as enacted by Chapter 201, Laws of Utah 2001

17 **63E-2-104**, as enacted by Chapter 201, Laws of Utah 2001

18 REPEALS:

19 **63-95-101**, as last amended by Chapter 210, Laws of Utah 2000

20 **63-95-102**, as last amended by Chapters 159 and 250, Laws of Utah 2002

21 **63-95-201**, as enacted by Chapter 210, Laws of Utah 2000

22 **63-95-202**, as last amended by Chapter 250, Laws of Utah 2002

23 **63-95-203**, as last amended by Chapter 159, Laws of Utah 2002

24 **63-95-301**, as enacted by Chapter 210, Laws of Utah 2000

25 **63-95-302**, as enacted by Chapter 210, Laws of Utah 2000

26 **63-95-401**, as last amended by Chapter 262, Laws of Utah 2002

27 **63-95-402**, as renumbered and amended by Chapter 210, Laws of Utah 2000



28 **63-95-403**, as renumbered and amended by Chapter 210, Laws of Utah 2000

29 *Be it enacted by the Legislature of the state of Utah:*

30 Section 1. Section **9-3-410** is amended to read:

31 **9-3-410. Relation to certain acts.**

32 (1) The authority is exempt from:

33 (a) Title 51, Chapter 5, Funds Consolidation Act;

34 (b) Title 63, Chapter 38, Budgetary Procedures Act;

35 (c) Title 63, Chapter 56, Utah Procurement Code;

36 (d) Title 63A, Chapter 1, Utah Administrative Services Code; and

37 (e) Title 67, Chapter 19, Utah State Personnel Management Act.

38 (2) The authority shall be subject to audit by:

39 (a) the state auditor pursuant to Title 67, Chapter 3, Auditor; and

40 (b) the legislative auditor general pursuant to Section 36-12-15.

41 (3) The authority shall annually report to the [~~Legislative Quasi-Governmental~~]

42 Retirement and Independent Entities Committee created under Section 63E-1-201 concerning
43 the authority's implementation of this part.

44 Section 2. Section **31A-22-605.5** is amended to read:

45 **31A-22-605.5. Application.**

46 (1) For purposes of this section "insurance mandate":

47 (a) means a mandatory obligation with respect to coverage, benefits, or the number or
48 types of providers imposed on policies of accident and health insurance; and

49 (b) does not mean an administrative rule imposing a mandatory obligation with respect
50 to coverage, benefits, or providers unless that mandatory obligation was specifically imposed
51 on policies of accident and health insurance by statute.

52 (2) (a) Notwithstanding the provisions of Subsection 31A-1-103(3)(f), any law
53 imposed under this title that becomes effective after January 1, 2002, which provides for an
54 insurance mandate for policies of accident and health insurance shall also apply to health
55 coverage offered to the state employees' risk pool under Subsection 49-20-202(1)(a).

56 (b) If health coverage offered to the state employees' risk pool under Subsection
57 49-20-202(1)(a) offers coverage in the same manner and to the same extent as the coverage
58 required by the insurance mandate imposed under this title or coverage that is greater than the

59 insurance mandate imposed under this title, the coverage offered to state employees under
60 Subsection 49-20-202(1)(a) will be considered in compliance with the insurance mandate.

61 (c) The program regulated under Subsection 49-20-202(1)(a) shall report to the
62 [~~Quasi-Governmental~~] Retirement and Independent Entities [~~Interim~~] Committee created under
63 Section 63E-1-102 by November 30 of each year in which a mandate is imposed under the
64 provisions of this section. The report shall include the costs and benefits of the particular
65 mandatory obligation.

66 Section 3. Section **63E-1-102** is amended to read:

67 **63E-1-102. Definitions.**

68 As used in this title:

69 (1) "Authorizing statute" means the statute creating an entity as an independent entity.

70 (2) "Committee" means the [~~Legislative~~] Retirement and Independent Entities
71 Committee created in Section 63E-1-201.

72 (3) "Independent corporation" means a corporation incorporated in accordance with
73 Chapter 2, Independent Corporations Act.

74 (4) (a) "Independent entity" means an entity having a public purpose relating to the
75 state or its citizens that is individually created by the state or is given by the state the right to
76 exist and conduct its affairs as an:

77 (i) independent state agency; or

78 (ii) independent corporation.

79 (b) "Independent entity" includes the:

80 (i) Dairy Commission created in Title 4, Chapter 22, Dairy Promotion Act;

81 (ii) Utah Technology Finance Corporation created in Title 9, Chapter 13, Utah
82 Technology and Small Business Finance Act;

83 (iii) Heber Valley Railroad Authority created in Title 9, Chapter 3, Part 3, Heber
84 Valley Historic Railroad Authority;

85 (iv) Utah Science Center Authority created in Title 9, Chapter 3, Part 4, Utah Science
86 Center Authority;

87 (v) Utah Housing Corporation created in Title 9, Chapter 4, Part 9, Utah Housing
88 Corporation Act;

89 (vi) Utah State Fair Corporation created in Title 9, Chapter 4, Part 11, Utah State Fair

90 Corporation Act;

91 (vii) Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'
92 Compensation Fund;

93 (viii) Utah State Retirement Office created in Title 49, Chapter 11, Utah State
94 Retirement Systems Administration;

95 (ix) School and Institutional Trust Lands Administration created in Title 53C, Chapter
96 1, Part 2, School and Institutional Trust Lands Administration; and

97 (x) Utah Communications Agency Network created in Title 63C, Chapter 7, Utah
98 Communications Agency Network Act.

99 (c) Notwithstanding this Subsection (4), "independent entity" does not include:

100 (i) the Public Service Commission of Utah created in Section 54-1-1;

101 (ii) an institution within the state system of higher education;

102 (iii) a city, county, or town;

103 (iv) a local school district;

104 (v) a special district created under the authority of Title 17A, Special Districts; or

105 (vi) a local district created under the authority of Title 17B, Limited Purpose Local
106 Government Entities.

107 (5) "Independent state agency" means an entity that is created by the state, but is
108 independent of the governor's direct supervisory control.

109 (6) "Monies held in trust" means monies maintained for the benefit of:

110 (a) one or more private individuals, including public employees;

111 (b) one or more public or private entities; or

112 (c) the owners of a quasi-public corporation.

113 (7) "Public corporation" means an artificial person, public in ownership, individually
114 created by the state as a body politic and corporate for the administration of a public purpose
115 relating to the state or its citizens.

116 (8) "Quasi-public corporation" means an artificial person, private in ownership,
117 individually created as a corporation by the state which has accepted from the state the grant of
118 a franchise or contract involving the performance of a public purpose relating to the state or its
119 citizens.

120 Section 4. Section **63E-1-201** is amended to read:

121 **63E-1-201. Retirement and Independent Entities Committee creation.**

122 (1) There is created [~~a Legislative~~] the Retirement and Independent Entities Committee
123 composed of 14 legislators appointed as follows:

124 (a) five senators, appointed by the president of the Senate, with at least two senators
125 from the minority party; and

126 (b) nine representatives, appointed by the speaker of the House of Representatives,
127 with at least three representatives from the minority party.

128 (2) (a) The president of the Senate shall designate one of the Senate appointees as a
129 cochair of the committee.

130 (b) The speaker of the House of Representatives shall designate one of the House of
131 Representatives appointees as a cochair of the committee.

132 (3) Committee members serve for two years, but may be reappointed by the speaker or
133 the president.

134 (4) The committee shall meet at least twice each year, but may meet more frequently if
135 the chairs determine that additional meetings are needed.

136 (5) In conducting all of its business, the committee shall comply with the rules of
137 legislative interim committees.

138 (6) The Office of Legislative Research and General Counsel shall provide staff services
139 to the committee.

140 (7) Salaries and expenses of legislative committee members shall be paid in
141 accordance with:

142 (a) Section 36-2-2; and

143 (b) Legislative Joint Rule 15.03.

144 Section 5. Section **63E-2-104** is amended to read:

145 **63E-2-104. Legislative review.**

146 (1) Each independent corporation is subject to review by the [~~Legislative~~] Retirement
147 and Independent Entities Committee in accordance with Chapter 1, Independent Entities Act.

148 (2) Notwithstanding Section 36-12-15, the Office of Legislative Auditor General may
149 conduct comprehensive and special purpose audits, examinations, and reviews of any
150 independent corporation.

151 (3) Each independent corporation shall report, as requested, to the committee on

- 152 matters related to audits.
- 153 Section 6. **Repealer.**
- 154 This act repeals:
- 155 Section **63-95-101, Title.**
- 156 Section **63-95-102, Definitions.**
- 157 Section **63-95-201, Legislative Quasi-Governmental Entities Committee creation.**
- 158 Section **63-95-202, Duties of the committee.**
- 159 Section **63-95-203, Exemptions from committee activities.**
- 160 Section **63-95-301, Review by committee required for creating a**
- 161 **quasi-governmental entity.**
- 162 Section **63-95-302, Recommendations of the committee.**
- 163 Section **63-95-401, Benefits to interested parties of a quasi-governmental entity.**
- 164 Section **63-95-402, Privatization process -- Audit.**
- 165 Section **63-95-403, Penalties for violation.**

Legislative Review Note
as of 10-4-02 9:28 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Interim Committee Note
as of 12-11-02 9:42 AM

The Quasi-Governmental Entities Interim Committee recommended this bill.

Fiscal Note
Bill Number SB0005

Retirement and Independent Entities Committee Amendments

02-Jan-03

1:42 PM

State Impact

No fiscal impact.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst