

OFFICE OF
LEGISLATIVE
RESEARCH AND
GENERAL
COUNSEL

Utah State Legislature

**2000
GENERAL SESSION
PREVIEW**

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A Report to the 53rd Legislature
on 1999 Legislative Interim Studies
Report No. 21

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**Prepared by the
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INTRODUCTION

Introduction

The *General Session Preview* is prepared every year by the Office of Legislative Research and General Counsel. It contains a summary of interim activity including most committee studies. The yellow pages contain legislation recommended by the committees for the upcoming legislative session. In this publication, the summaries are categorized by committee. More information on these studies may be obtained by contacting staff members in the Office of Legislative Research and General Counsel. The list of staff is provided on page 123 of this publication. Legislative committee histories are available in the office Information Center; minutes of committee meetings are available on the Internet (www.le.state.ut.us).

Selection of Studies

Each study item selected by a committee is reviewed and approved for study by the Legislative Management Committee. Some of the items studied by interim committees are selected from a “study resolution” passed during the previous legislative session. Task forces function as temporary committees and are created by separate legislation and assigned an area of study. Task force reports can be found under the committee to which they report.

The Office of Legislative Research and General Counsel

The Office of Legislative Research and General Counsel conducts research and drafts legislation for committees and individual legislators. In addition to staffing interim and standing committees, task forces, and commissions of the legislature, the office assists in the bill process during legislative sessions and serves as legal counsel to the legislature.

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**SUMMARY OF
RECOMMENDED LEGISLATION**

SUMMARY OF RECOMMENDED LEGISLATION

Administrative Rules Review Committee

Reauthorization of Administrative Rules, S.B. 85 - annually reauthorizes all administrative rules of state agencies except those specified in the legislation.

Business, Labor, and Economic Development Interim Committee

Liquor Package Agency Contracts, H.B. 172 - appropriates \$129,200 as a one-time compensation adjustment and provides ongoing annual compensation adjustments for Type 3 liquor package agencies as appropriated by the legislature.

Reauthorization of the Recycling Market Development Zone Act, H.B. 171 - extends the sunset date of the Recycling Market Development Zone Act to 2004 and clarifies administration of tax credits in the event of repeal.

Education Interim Committee

Assessing, Reporting, and Evaluating Student Performance, H.B. 177 - establishes a Utah Performance Assessment System for students to provide evaluative information on student performance.

Dixie College Name Change, H.B. 164 - changes the name of Dixie College to Dixie State College of Utah.

Necessarily Existent Small Schools, H.B. 166 - modifies the necessarily existent small schools formula.

Postsecondary Proprietary School Act Amendments, S.B. 80 - modifies the criteria by which the State Board of Regents may refuse to accept a statement of registration or exemption of a postsecondary proprietary school. The bill provides for a surety bond, certificates of deposit, or letter of credit as part of the registration process.

School Safety Programs, H.B. 169 - requires the State Board of Education, through the State Superintendent of Public Instruction, in cooperation with the Center for the School of the Future at Utah State University, to survey and inventory the programs and practices used by school districts to deter school violence and make public schools safe.

Strategic Planning for Public Education Amendments, S.B. 81 - modifies and updates provisions dealing with strategic planning for the state system of public education.

Uniform Data Collection Within The State's Public Education System, H.B. 168 - requires the State

Superintendent of Public Instruction to collect and organize educational data into an automated decision support system to facilitate accountability reporting and performance recognition, school district and school improvement planning, and evaluation of educational policy and program effectiveness.

Government Operations Interim Committee

Election Law Changes, H.B. 8 - revises requirements for petition circulators, including an age requirement for circulators of initiative and referenda petitions. The bill also requires that persons appointed to fill a vacancy in a municipal office meet the legal qualifications for the office.

Health and Human Services Interim Committee

Donation of Prescription Drugs or Devices - Liability Protection, S.B. 7 - extends immunity from liability to pharmaceutical companies and health care providers that donate prescription drugs for charitable purposes.

Health and Human Services Interim Committee Reporting Amendments, H.B. 179 - modifies the reporting requirements of selected reports made to the Health and Human Services Interim Committee.

Legislative Audits of Child Welfare System, H.B. 175 - modifies provisions governing the annual legislative and executive branch audits of the child welfare system.

Standards for Illegal Drug Lab Decontamination, H.B. 162 - creates the "Illegal Drug Lab Environmental Decontamination Act," provides rulemaking authority for the Department of Health to set standards and license contractors for the cleanup of sites, and creates an Illegal Drug Lab Environmental Decontamination Fund within the General Fund.

Information Technology Commission

Amendments To Digital Signature Act, S.B. 76 - eliminates certain audit requirements for licensed certification authorities, no longer requires the Division of Corporations and Commercial Code to be a certification authority, and specifies under what circumstances the division must publish the contents of its database in at least one recognized repository.

Chief Information Officer Amendments, S.B. 77 - modifies the chief information officer's statutory responsibilities to include the coordination of electronic authentications and electronic transactions.

Information Technology Infrastructure Innovation Fund, H.B. 167 - creates an information technology infrastructure grant fund administered by the chief information officer. The grants will be to state agencies for the purpose of using information technology to gain greater infrastructure efficiencies. The fund is capped at five million dollars and is self-sustaining; monies saved by agencies realizing greater efficiencies will be used to repay the fund.

Removal of Barriers To Electronic Government Services Delivery, H.B. 15 - removes statutory barriers requiring certain documents or transactions to be in writing by allowing them to be in an electronic format where appropriate.

Resolution Petitioning U.S. Government To Release Certain Satellite Data, S.C.R. 1 - requests the federal government to release certain high quality/resolution satellite data that is currently available from foreign governments such as France, India, and Russia. This request does not include data affecting national security.

Judiciary Interim Committee

Background Checks for Weapons Purchases, H.B. 161 - requires background checks for firearm purchases to include juvenile court records.

Identification Number Fraud, H.B. 163 - makes it a crime to use someone else's drivers license number, social security number, insurance, bank, or financial institution account numbers, personal identification codes, personal identification numbers, or digital signatures with the intent to defraud or deceive. If the identification number is used and the value of the fraud is or exceeds \$5,000, the penalty is a second degree felony; otherwise, the penalty is determined by the amount of the fraud.

Weapons Restrictions Amendments, S.B. 79 - establishes that persons convicted of certain violent misdemeanors will be prohibited from purchasing or possessing a firearm. The bill also lists the misdemeanors and provides the Bureau of Criminal Identification access to juvenile court records for the purpose of conducting background checks for firearm purchases.

Weapons Restriction for Mentally Ill Persons, H.B. 176 - requires clerks and magistrates responsible for court records to report when a case involves a judgment of not guilty by reason of insanity, judgment of guilty and mentally ill, a finding of mental incompetence to stand trial, or a current order of civil commitment, for the purpose of including this information as part of the background check for the purchase of a firearm. This bill also changes the standard of an involuntary commitment by requiring that the person be a danger to self or others rather than an "immediate" danger to self or others.

Law Enforcement and Criminal Justice Interim Committee

Council on Sexual Victims and Offenders, H.B. 10 - extends the final reporting date of the Council on Sexual Victims and Offenders to the Judiciary Interim Committee and the Law Enforcement and Criminal Justice Committee to the November interim meetings in 2000.

Forfeiture Relating to Sexual Offenses Against Children, H.B. 173 - allows the forfeiture of the computer equipment of a convicted offender who has used the computer to commit a sexual crime involving a child.

Public Safety Fee Process Revision, H.B. 174 - facilitates the process of annually reviewing all fees collected by the Department of Public Safety through the appropriations process by removing all references in the code to the dollar amount of individual fees and referring the department to the appropriations committee process through Section 63-38-3.2 in order to establish or change any fee.

Legislative Process Committee

Joint Rules Resolution - Mini Appropriations Process, S.J.R. 1 - provides a process for a legislator to file a Request for Appropriation with the Office of the Legislative Fiscal Analyst rather than a Request for Legislation with the Office of Legislative Research and General Counsel when that legislator wants to obtain funding for a project, program, or entity that does not require that a statute be enacted, repealed, or amended. The request for funding will be referred by the Legislative Fiscal Analyst to the appropriate joint appropriations subcommittee where the sponsor may present and discuss the request with the subcommittee.

Natural Resources, Agriculture, and Environment Interim Committee

Oil and Gas Conservation Account, H.B. 170 - creates a restricted account into which a fee on the value of oil and gas is deposited. The money in the account is used for the oil and gas program of the Division of Oil, Gas, and Mining.

Public Utilities and Technology Interim Committee

Identification Number Fraud, H.B. 163 - criminalizes the use of another person's identification numbers without their authorization and allows local government to prosecute violators.

Identity Fraud, S.B. 75 - provides criminal penalties for the unlawful or deceptive use of certain personal identifiers to gain access to an individual's financial resources, requires the Division of Consumer Affairs to investigate, and allows either state or local government to prosecute.

Telecommunication Definition Technical Amendments, S.B. 73 - amends the old definition of a telephone corporation to mean the same as provided for a telecommunications corporation.

Utilities in Highway Rights-of-Way, S.B. 78 - requires the Department of Transportation to pay 50%

of the cost of relocation of utilities on state highway projects. An agreement for telecommunication access to the interstate is limited to 30 years, specifies maintenance responsibilities, and requires it to be nonexclusive. Compensation charged for access will be set after a market analysis of the right-of-way values based on adjacent property values and may be lump sum or annual payments paid as cash or in-kind compensation. The market analysis will be conducted at least every five years and the value of in-kind compensation will be determined by the department in consultation with the Telecommunications Advisory Council. Any telecommunications capacity acquired as in-kind compensation shall be used exclusively for statewide telecommunications purposes.

Revenue and Taxation Interim Committee

Property Tax - Calculation of New Growth, S.B. 82 - provides that in calculating "new growth" under truth in taxation that a taxing entity must subtract any increase in taxable value assessed by the Utah State Tax Commission resulting in a change in the method of apportionment prescribed by the legislature, a court, or the commission.

Property Tax Certified Tax Rate Adjustments - Uniform Fees, H.B. 178 - requires the Utah State Tax Commission to decrease a taxing entity's certified tax rate under certain circumstances.

Truth In Taxation - Judgment Levy, S.B. 84 - clarifies when a taxing entity may impose a judgment levy.

Transportation Interim Committee

Master Road Amendments, S.B. 74 - deletes from the state highway system a portion of SR-8 through Snow Canyon State Park to SR-18 and deletes SR-297, which are roads within the state fair park. The net decrease to the state highway system is 4.99 miles.

Special Mobile Equipment Amendments, S.B. 5 - amends the definition of special mobile equipment by adding a provision that special mobile equipment means every vehicle not designed to operate in traffic; special mobile equipment does not include a commercial vehicle. The Department of Transportation, in consultation with the Motor Carrier Advisory Board, is required to approve special mobile equipment status. Trucks used exclusively to pump cement, bore wells, or perform crane services with a crane lift capacity of five or more tons are exempted from 50% of registration fees.

Transportation Corridor Preservation Act, H.B. 165 - allows counties and municipalities to adopt an official map, showing actual and proposed alignments for transportation facilities as an element of their general plan. The bill allows the Transportation Commission to establish by rule an advisory council to assist with corridor preservation efforts and provide recommendations on use of Transportation Corridor Preservation Revolving Loan Fund monies. The bill defines terms and declares that corridor preservation is a public purpose. The department, counties, and municipalities may cooperate to enhance corridor preservation, undertake planning and preservation processes, acquire property rights to limit development up to 25 years in advance of construction, make rules or ordinances prescribing procedures for approving limited development, and limit development by land use regulation and

official maps. The department is required to make rules providing for private property owner petitions to have the highway authority acquire all interest in the affected property.

Uninsured Motorist DataBase Reauthorization, S.B. 6 - extends the sunset date of the Uninsured Motorist Identification Database Program from July 1, 2000 to July 1, 2010.

Workforce Services Interim Committee

Amendments to Unemployment Insurance, S.B. 83 - changes the statutory definition of wages to conform to the definition used by the Internal Revenue Service and eliminates the requirement for a recorded hearing in unemployment fraud cases.

COMMITTEE STUDIES

ADMINISTRATIVE RULES REVIEW COMMITTEE

Membership

Sen. Howard A. Stephenson, Senate Chair
Rep. David Ure, House Chair

Sen. Mike Dmitrich	Sen. Howard C. Nielson	Rep. Martin R. Stephens
Sen. L. Alma "Al" Mansell	Rep. Judy Ann Buffmire	Rep. John E. Swallow
Sen. Eddie "Ed" P. Mayne	Rep. James R. Gowans	

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Committee Overview

The Administrative Rules Review Committee was established by the legislature in the 1983 General Session. Section 63-46a-11(3)(b), Utah Code Annotated 1953, requires that the committee review agency rules to ensure they do not exceed the bounds of legislative authority and intent and to determine their impact on the economy, state and local government operations, and affected persons.

The committee reviewed proposed agency rules, which are published twice monthly in the Utah State Bulletin by the Division of Administrative Rules. However, committee members expressed concern that existing rules, many of them based on overly broad grants of statutory authority, were still unreviewed.

In the 1988 General Session, funds were appropriated for full-time staff support to provide an existing rules component to the committee's review process. The committee directed staff to prepare legislation deleting the broad grants of rulemaking authority in several state agencies and instructed staff to work with each affected agency to ensure that their statutes, as rewritten, would still provide the specific rulemaking authority they needed. The committee felt that the effort to delete such grants from all agency statutes would require several years to complete.

As part of an agreement reached between members of the Administrative Rules Review Committee and the governor during the 1989 General Session, legislation was passed which granted the committee authority to prepare annual legislation reauthorizing all rules of the state except for rules enumerated in each year's bill. The committee delayed any action on broad statutory grants until after the 1990 General Session.

From 1989 through 1994, the committee examined the rules of every state agency. Agency representatives were presented with a detailed analysis of their rules and met with the committee to establish agreements regarding what rule changes would be made. This process prompted agencies to file more concise, carefully prepared rules that were in harmony with Utah statutes.

With the passage of H.B. 182, "Administrative Rules Review Committee Amendments," 1997 General Session, committee membership increased from six to ten. Currently, the committee reviews the large number of proposed agency rules published twice monthly in the Utah State Bulletin and addresses specific concerns with proposed and existing rules raised by the public. Committee members serve until they are reappointed, their successors are appointed, or they leave the legislature.

Annual Administrative Rules Sunset Legislation

Background

During the 1989 General Session, the legislature enacted a law repealing all state agency rules annually. However, all rules of the state are reauthorized except rules that are specifically enumerated in annual legislation.

Committee Action

The committee met with various state agencies throughout the year regarding specific rules of concern to committee members and citizens. In most cases, agency representatives agreed to make changes requested by the committee and filed those changes with the Division of Administrative Rules. With a rule they chose not to change, or agreed to change but never filed with the division, the committee members decided they would vote to reauthorize the rule or consider the rule for nonreauthorization when preparing its annual sunset legislation.

The committee directed staff to draft legislation titled "Reauthorization of Administrative Rules," which reauthorizes all of the rules. The committee considered this issue at its December 1999 meeting.

Interviewing of Children at School by Division of Child and Family Services Case Workers

Background

The committee heard testimony that on two occasions in 1999 Division of Child and Family Services case workers visited Panguitch Elementary School and informed school officials that they wanted to interview children attending the school as part of a child abuse investigation. When school officials asked if the parents of the children being interviewed were the alleged perpetrators, the case workers said they were not. When school officials then suggested that the parents should be notified of the interview, case workers asked that the parents not be notified.

Committee Action

The committee expressed concern with the interviewing of children without parental notification to representatives of the Division of Child and Family Services. Division representatives acknowledged that the interviews were not conducted according to division policy. They said, however, that it is sometimes difficult to assess whether parents, through nonsupervision of their children, have contributed to the situation in which the abuse occurred. This form of "neglect" could justify not notifying the parents. Committee members expressed concern that this interpretation of neglect could lead to significant abuse of the parental notification policy.

Committee members stated that legislation may be necessary to ensure that parental rights in these situations are preserved. The committee considered the issue at its November 2 and November 24, 1999 meetings but took no formal action.

Other Studies

Prohibited Items or Devices on the Grounds of Public Mental Health Facilities

R523-1-19, a rule published by the Division of Mental Health in April 1999 prohibits weapons at public mental health facilities except for law enforcement personnel. The rule directed that members of the public visiting the facility must store any weapon in their car and out of sight before entering the facility.

The committee discussed with division representatives its concerns regarding the impact the rule would have on the public, specifically those who legally carry a concealed firearm who do not arrive by private vehicle at the mental health facility and are unaware of the requirement. If they have been dropped off or arrived by some means of transportation other than their own vehicle, there is no place for them to store their weapon. The committee urged division representatives to make storage space available at the facility, just as the Utah State Mental Hospital does. Division representatives resisted this request due to what they termed "the provocative gesture of having individuals producing weapons for storage in full view," and preferred to have individuals retain the gun on their person rather than provide storage for weapons. The committee urged the division to modify the rule and return to discuss the changes with the committee.

Division representatives subsequently presented a new version of the rule, which deleted language directing visitors of mental health facilities to store weapons in their car. Committee members pointed out that the division had not addressed the specific concerns of the committee. Division representatives acknowledged this but said they were not prepared to make the requested changes. The committee considered this issue at its April 26 and June 15, 1999 meetings.

Sales Tax on Veterinary Supplies

Based on the results of a self audit, a Spanish Fork veterinarian was informed by the Utah State Tax Commission that he owed taxes on "consumables," which is anything that is consumed in the process of treating large animals. However, the veterinarian stated he had not been charged sales tax for these items in the past.

The committee met with the veterinarian and a representative of the Utah State Tax Commission. Committee members determined that the Tax Commission was interpreting R865-19S-49 to mean that if a farmer were to purchase those same supplies and either use them to treat the livestock himself or supply them to a veterinarian to use during treatment, he could claim a sales tax exemption. However, a veterinarian purchasing the same supplies must pay the tax.

The committee concluded that the application of the tax should not depend on who is buying the material, and that the Tax Commission's interpretation of its own rule violated the intent of the law. The committee directed staff to draft a letter informing the Utah State Tax Commission of its conclusions, requesting that the Commission change its interpretation of the rule, and informing them that if they did not change their interpretation, the committee would support legislation in the 2000 General Session to clarify the issue. The committee considered the issue at its November 2, 1999 meeting.

BUSINESS, LABOR, AND ECONOMIC DEVELOPMENT INTERIM COMMITTEE

Membership

Sen. Parley Hellewell, Senate Chair
Rep. John William "Bill" Hickman, House Chair

Sen. Gene Davis	Rep. Patrice M. Arent	Rep. Ben C. Ferry
Sen. Eddie "Ed" P. Mayne	Rep. Afton B. Bradshaw	Rep. Wayne A. Harper
Sen. Robert M. Muhlestein	Rep. Katherine M. Bryson	Rep. Brad King
Sen. John L. Valentine	Rep. Don E. Bush	Rep. Lowell A. Nelson
Rep. Gerry A. Adair	Rep. Carl W. Duckworth	Rep. David L. Zolman, Sr.

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Committee Overview

The Business, Labor, and Economic Development Interim Committee considers issues relating to the interests of business owners, employees, and consumers. Safeguarding these interests involves balancing the need for appropriate regulation with the need to foster a healthy economy by avoiding unnecessary governmental interference in free enterprise.

The committee has legislative responsibility for seven departments and commissions: the Department of Alcoholic Beverage Control, the Alcoholic Beverage Control Commission, the Department of Commerce, the Department of Community and Economic Development, the Department of Financial Institutions, the Department of Insurance, and the Labor Commission. Issues addressed by the committee in recent years include regulation of alcoholic beverages, motor fuel marketing, business assistance and recruitment programs, consumer access to financial services, economic and fiscal impacts of the 2002 Olympic Winter Games, workers' compensation, affordable housing, anti-discrimination, consumer protection, professional licensing, real estate, and travel and tourism.

Alcoholic Beverages

Background

Utah is one of 18 "control states" that regulate the retail or wholesale distribution of alcoholic beverages within the state. In a control state, regulators of alcoholic beverages generally believe that moderation is best achieved by neither promoting nor encouraging the consumption of alcohol, but rather by controlling it.

Committee Action

The committee examined multiple issues related to alcoholic beverages including: the need, if any, for licensing on-premise service of alcoholic beverages at banquets and catered events; a statutorily required report on the retail licensee wine tasting pilot program which is scheduled to sunset on June 30, 2000; and compensation for package agencies which are retail liquor outlets (other than state liquor stores) operated by private persons under contract with the Department of Alcoholic Beverage Control to sell packaged liquor for off-premise consumption.

The committee studied issues related to regulation of alcoholic beverages at its October and November 1999 meetings and recommended legislation titled "Liquor Package Agency Contracts." The proposed legislation appropriates \$129,200 as a one-time compensation adjustment and provides ongoing annual compensation adjustments for Type 3 liquor package agencies as appropriated by the legislature.

Motor Fuel Marketing

Background

The Motor Fuel Marketing Act (Act) regulates the sale of motor fuel in Utah by prohibiting some forms of below cost sales and discriminatory pricing. Examples of other provisions of the Act include record keeping requirements, disclosure requirements, and enforcement. However, in recent years, the Attorney General's Office and Division of Consumer Protection (within the Department of Commerce) have expressed difficulty in enforcing the Act under the current statutory language.

Committee Action

The committee considered issues of regulation and enforcement raised by the Attorney General's Office and the Division of Consumer Protection as well as concerns raised by representatives of the motor fuel industry. This study has resulted in two pieces of potential legislation: one to repeal the Act and the other to amend laws to address regulation and enforcement issues raised by the Division and Attorney General's Office. The committee considered issues related to the Act at its May, August, and November 1999 meetings but did not recommend legislation.

Regulation of Mortgage Lenders

Background

Utah's primary regulation of residential first mortgage activities is found in Title 70D, "Mortgage Lending and Servicing Act." This Act requires mortgage lenders, brokers, and services to file a notice with the Department of Financial Institutions and regulates conduct primarily related to servicing loans. Over the past year, legislators have examined whether or not Title 70D, in addition to federal regulation, provides adequate regulation of mortgage activities in Utah.

Committee Action

The committee studied the regulation of residential mortgages, concerns raised by representatives of the mortgage industry, and the need, if any, for increasing regulation of mortgage lenders. Potential legislation may address regulating mortgage lenders through a licensing system. The licensing system could include certain requirements, exemptions, operational restrictions, and provide for enforcement. The committee considered this issue at its August and November 1999 meetings but did not recommend legislation.

Other Studies

Economic Development

The committee studied a number of issues relating to Utah's economy and economic development including public and private programs that facilitate business assistance, retention, and recruitment. The committee studied state and federal programs that offer financial and technical assistance to businesses as well as ways to support communities' product development and redevelopment programs. The committee studied these issues at its April, May, and November 1999

meetings but did not recommend legislation.

Olympic Winter Games of 2002

The committee reviewed and discussed economic and fiscal impacts of the 2002 Olympic Winter Games. The committee specifically studied: application of various state laws during the Olympics and the need, if any, for modifications to state law to accommodate athletes and visitors; economic impacts of the Olympics and ways to appropriately maximize positive economic impacts; and the appropriate role of the state, if any, in funding, promoting, supporting, or attracting athletic events or facilities after 2002. The committee considered these issues at its June 1999 meeting but did not recommend legislation. *(For additional information, see "Olympic Winter Games of 2002: State Issues," available in the Office of Legislative Research and General Counsel.)*

Recycling Market Development Zone Act

The Recycling Market Development Zone Act (Act) provides individual and corporate tax credits for machinery, equipment and other specific expenditures related to recycling and composting activities. In anticipation of the Act's July 2000 sunset date, the committee conducted a sunset review of the Act at its August meeting. At its November 1999 meeting, the committee recommended legislation titled "Reauthorization of the Recycling Market Development Zone Act," which extends the sunset date of the Act to 2004 and clarifies administration of tax credits in the event of repeal.

EDUCATION INTERIM COMMITTEE

Membership

Sen. David H. Steele, Senate Chair
Rep. Lloyd Frandsen, House Chair

Sen. Ron Allen	Rep. Duane Bourdeaux	Rep. Evan L. Olsen
Sen. Karen Hale	Rep. Judy Ann Buffmire	Rep. Tammy J. Rowan
Sen. Lyle W. Hillyard	Rep. Fred Fife III	Rep. LaWanna Shurtliff
Sen. Howard A. Stephenson	Rep. James R. Gowans	Rep. Nora B. Stephens
Rep. Jeff Alexander	Rep. David L. Hogue	Rep. Matt Throckmorton
Rep. Ron Bigelow	Rep. Bradley T. Johnson	Rep. Bill Wright
	Rep. Keele Johnson	

Staff

J. Wayne Lewis, Research Analyst
James L. Wilson, Associate General Counsel
Wendy Bangerter, Legislative Secretary

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Committee Overview

The Education Interim Committee is responsible for reviewing statewide education issues and proposing adequate policy solutions which meet the educational needs of all Utah citizens. Since the purpose for education directly or indirectly will affect every person in the state, the committee strives to understand the problems facing the entire Utah education community. As policy makers, committee members monitor public and higher education issues and participate in resolving problems by proposing policy solutions. The committee is always concerned that the objectives of public and higher education are structured to meet the current and future needs of an increasingly diverse Utah society as it moves into the 21st Century.

Nearly all enacted education bills direct an agency to report how well the requirements of the legislation were implemented. Consequently, in addition to a general overview responsibility it has for public and higher education, the committee is given specific oversight over the outcome of many new educational programs. During the past interim, the committee received reports on 15 different programs, many which were initiated during the 1999 General Session.

Nearly 476,000 youth attend kindergarten through grade 12 and approximately 123,000 young and middle-aged adults are enrolled in state supported postsecondary institutions. In order to provide educational services to all Utah citizens, public and higher education receives almost one half of the annual state budget revenue. The committee is cognizant of this large funding requirement, but it is also aware of the strong connection between education attainment and lifetime earning potential and is committed to promoting and supporting the best educational system Utah can afford to provide.

Dixie College Status

Background

Dixie College has grown substantially during the past decade and has been experiencing community pressure to broaden its academic program offerings. The State Board of Regents, as part of its master planning responsibilities and as required by H.B.32 from the 1999 General Session, reviewed the role and mission of Dixie College and approved two complete baccalaureate programs that will be offered at the school. The board also recommended that the university center concept be continued as a means of supplying additional 4-year programs which can accommodate the educational demands of students living in southwestern Utah.

Upon the condition that the Board of Regents approve an expansion of the college's curriculum, H.B. 32 provided that the name of Dixie College will be changed to reflect its new status. A bill has been prepared to accommodate that change.

Committee Action

To be consistent with the college's expanded program offering, a bill recommended by the Board of Regents will change its institutional name to Dixie State College of Utah. The Education Interim Committee reviewed the bill, concurred with the proposed change and endorsed the legislation as a committee bill. This issue was discussed at the committee's November 1999 meeting.

Necessarily Existent Small Schools

Background

The State Board of Education is required periodically to review the status and condition of small, rural schools in Utah. During the review, if a specific school fits the qualifying criteria established by the board, the school is classified as a necessarily existent small school. A regression formula designed to provide greater fiscal equity is used to determine its funding level as a necessarily existent small school.

Recently, several of the state's rural school districts commissioned the WIRE research group to study the critical needs of necessarily existent small secondary schools. Through the study, it was determined that rural districts are subsidizing higher costs in smaller secondary schools well beyond the amounts that could be received through the current small school formula.

Committee Action

As a result of the study, the committee recommended the formula be changed to help pay necessarily existent small schools costs and reduce per student costs for small schools subsidized through other district programs.

Proposed legislation to amend the secondary school funding formula for necessarily existent small schools was presented to the Education Interim Committee at its October and November 1999 meeting. The committee endorsed the proposed legislation as a committee bill.

Post Secondary Proprietary Schools

Background

Proprietary schools are postsecondary institutions established for profit. They are required by law to file a statement with the State Board of Regents declaring their mission, teaching capability, and fiscal solvency.

Current proprietary school law offers some protection to consumers, but in recent months it has proven to be inadequate. Earlier this year, students enrolled in a Salt Lake valley computer software training school lost their prepaid tuition and fees when the school suddenly closed its doors. Registration costs for most programs at the school were substantial, and thousands of dollars were lost by nearly every student. They had no recourse against the provider since existing statutes authorized only minimal supervision and control over unaccredited private schools.

Committee Action

The committee agreed that current post secondary proprietary school law needs to be revised and the oversight role of the State Board of Regents should be strengthened to provide greater protection to proprietary program consumers. A proposed bill allows the board to refuse a proprietary school registration statement if the school, or owner and staff have violated federal or state law which is relevant to the appropriate operation of the school. The bill will require a proprietary school to provide a surety bond as protection against possible loss of tuition and fees. This issue was considered at the committee's November 1999 meeting.

School Safety

Background

The Education Interim Committee spent over one-third of the 1999 interim period reviewing school safety programs. Responding to a legislative leadership request, prompted by the shooting tragedy at the Columbine High School in Colorado, the committee accepted an assignment to study school safety and directed its attention to keeping weapons out of public schools. Current federal and state laws require that schools be weapons free. Although banning weapons in public schools was discussed, the committee was unable to reach a consensus on any proposal which would prohibit concealed weapon permit holders from bringing weapons into public schools.

The committee reviewed several prevention and intervention programs calling for greater collaboration among agencies dealing with youth or requiring students to participate in workshops or classes that build self-control skills through anger management and nonviolent dispute resolution. The committee discussed numerous safe school programs, including: a statewide reporting system to share information about unsafe incidents at schools; the creation of a statewide clearing house for distributing effective safety practices information among schools; and identifying warning signs that lead to violent student behavior.

Committee Action

The committee felt most of the prevention programs it reviewed had merit, but declined to adopt a specific program. Instead, the committee endorsed legislation requiring the State Board of Education to work with the Utah Substance Abuse and Anti-Violence Coordinating Council on drug and anti-violence programs and the Center for the School of the Future which will identify best practices in school safety programs. This issue was considered in its May, June, July, October and November 1999 meetings.

Uniform Data Collection in Public Education

Background

Comprehensive educational data often are not useful when collected in a variety of configurations. The information becomes much more valuable when it is assembled in a format organized for multiple use and has analytic and graphic presentation capabilities. The ability to analyze standardized data has become essential to the development of an accurate education accountability system.

The State Office of Education needs to be able to collect and organize all its educational data as well as information from national databases. This information should be available through a common statewide education database that facilitates performance and accountability reporting and school improvement planning.

Committee Action

A bill was approved by the Education Interim Committee requiring the State Superintendent of Public Instruction to collect and organize educational data into an automated decision support system and to develop a common statewide educational database that could be electronically manipulated. This legislation was endorsed by the committee and approved for introduction in the 2000 General Session. This issue was discussed in the committee's August, October, and November 1999 meetings.

Strategic Planning for Public and Higher Education Committee

Membership

Sen. David H. Steele, Senate Chair
Rep. Lloyd Frandsen, House Chair

Sen. Joseph L. Hull	Ms. Jill Kennedy	Ms. Mary Kay Kirkland
Sen. Howard A. Stephenson	Ms. Aileen Clyde	Dr. David Green
Rep. Patrice M. Arent	President George Emert	Mr. Sal Jansson
Rep. Keele Johnson	Ms. Pat Eyre	Ms. Delores Riley
Mr. Con Rowley	Ms. Maria Farrington	Mr. Stephen Ronnenkamp
Mr. Steve Laing	Ms. Jan Ferre'	Ms. Phyllis Sorensen
Ms. Cecelia Foxley	Mr. Val Finlayson	Mr. Paul Sybrowsky
Mr. Anthony Morgan	Ms. Joyce Gray	

Staff

J. Wayne Lewis, Research Analyst
James L. Wilson, Associate General Counsel
Wendy L. Bangerter, Legislative Secretary

Background

The duties and powers of the Strategic Planning Committee were modified in the 1999 General Session. The committee, previously referred to as a task force, is required to conduct an in-depth analysis of those strategic plans to be prepared every three years by the State Board of Education and the State Board of Regents. The committee has reviewed the strategic plans, then evaluated and monitored action plans used to implement them.

Within the current strategic planning statute, specific public education issues were identified by the State Board of Education as superfluous or outdated. The state board addressed this problem and proposed legislation to correct these concerns in the 2000 General Session. The State Board of Regent's strategic plan however is not found in statute, but stands as a commitment to the citizens of the state that the board will provide for a full spectrum of high quality post secondary educational opportunities. The board pledges to refine the roles of Utah state colleges and universities so they will significantly contribute to effective instruction, student learning, economic development, and a good quality of life.

Committee Action

The committee heard strategic planning reports prepared by both systems of education and responded favorably. The committee endorsed the bill to amend the strategic planning law for public education and encouraged higher education to complete and implement its new master plan in a timely manner. This issue was heard at the committee's November 1999 committee meeting.

Task Force on Learning Standards and Accountability in Public Education

Membership

Sen. Howard A. Stephenson, Senate Chair
Rep. Tammy J. Rowan, House Chair

Sen. Karen Hale
Sen. L. Steven Poulton
Rep. Jeff Alexander
Rep. Kevin S. Garn

Rep. Karen W. Morgan
Rep. LaWanna “Lou” Shurtliff
Lt. Gov. Olene S. Walker
Ms. Jill Kennedy

Mr. Kim Burningham
Ms. Ila Rose Fife
Ms. Linda B. Ogden

Staff

Bryant R. Howe, Research Analyst
James L. Wilson, Associate General Counsel
Wendy L. Bangerter, Legislative Secretary

Background

A Task Force on Learning Standards and Accountability in Public Education was statutorily created for a two-year period by H.B. 144 in the 1999 General Session. The task force was directed by the bill to study student performance standards and assessments and review existing public education accountability programs. The task force recommended actions the Legislature and the State Board of Education should take in order to establish effective statewide standards and accountability programs in public education.

The task force will be required to issue its final report to the Education Interim Committee no later than November 30, 2000 and inform the committee of the extent to which a statewide standards and accountability program has been implemented at the district, school, and classroom level.

Committee Action

The Education Interim Committee heard recommendations for enhancing learning standards and improving accountability in Utah public education in its November 1999 meeting. Legislation was proposed by the task force to establish a Utah Performance Assessment System for Students and was endorsed by the committee for introduction into the 2000 General Session.

Other Studies

Center for the School of the Future

The Center for the School of the Future was established to promote best practices in the state's public education system and to encourage cooperative research development relationships between public and higher education.

Within the last year, the center established the Utah School Improvement Partnership to support demonstrations of best practices within member organizations. It established best-practices partnerships to support twelve school improvement projects with schools, districts and multi districts. The center provided for professional development projects and sessions in literacy and basic-skills improvement; school safety, research, and evaluations. The center has also participated in the development of public policy and provided training in classroom applications of emerging technologies. This issue was discussed at the committee's April and November 1999 meetings.

Elementary Guidance Programs

Elementary students require assistance in developing attitudes and skills necessary to become good workers and productive family members. Trained guidance specialists can identify developmental problems at an early age when intervention is most effective. Elementary school counselors are trained to function as guidance specialists to teach coping skills, goal setting, and problem solving, and, if necessary, to connect students and their parents with appropriate agencies that can deal with specific needs. The role of the elementary guidance counselor is to assist students with educational success, not personal therapy.

The Education Interim Committee learned how an expanded elementary guidance program could provide for individual student planning services and assistance in academic goal setting, learning and problem solving skills, conflict resolution, and communication skills. This issue was heard at the committee's April 1999 meeting.

External Evaluation of Public Education Core Curriculum

An external evaluation of the Utah State Core Curriculum and State Core Assessments in reading, language arts, and mathematics was mandated in H.B. 33 passed in the 1999 general session. WestEd was awarded the contract to prepare a third party evaluation of the core and core assessments. A report was prepared comparing core curriculum content to characteristics of an effective curriculum that represents an acceptable level of quality. An evaluation of the adequacy of criterion-referenced tests was prepared and a report was submitted of student behaviors typically expected of students in grades 3,5,7, and 10 in reading, language arts, and mathematics. This issue was heard at the committee's November 1999 meeting.

GOVERNMENT OPERATIONS INTERIM COMMITTEE

Membership

Sen. Beverly A. Evans, Senate Chair
Rep. Jordan Tanner, House Chair

Sen. Millie M. Peterson
Sen. Terry Spencer
Rep. Perry L. Buckner
Rep. Neil A. Hansen

Rep. Neal B. Hendrickson
Rep. Dennis H. Iverson
Rep. Susan J. Koehn
Rep. Loraine T. Pace

Rep. Marlon O. Snow
Rep. Martin R. Stephens
Rep. Michael R. Styler

Staff

John Q. Cannon, Research Analyst
John L. Fellows, Associate General Counsel
Vanessa F. Thompson, Legislative Secretary

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Committee Overview

The Government Operations Interim Committee considers a broad range of issues, including elections, campaign finance, ethics, personnel, boards and commissions, and administrative services. The committee considers policy questions with statewide implications, receives testimony from concerned groups and state agencies, and makes recommendations to the legislature. The committee primarily addresses the state portion of issues that in past years were considered by the State and Local Affairs Interim Committee before it was divided into two new committees: Political Subdivisions and Government Operations. While not all of the issues mentioned above were directly studied during the 1999 interim, many of these issues are still expected to be debated, and legislation impacting these areas will probably be introduced during the 2000 General Session.

The committee has legislative responsibility for several departments and agencies of state government, including: Governor, Lieutenant Governor, Attorney General, Utah State Auditor, Utah State Treasurer, Governor's Office of Planning and Budget, Department of Administrative Services, and the Department of Human Resource Management. The committee also has primary responsibility over the following titles of the Utah Code: Title 20A, Election Code; Title 36, Legislature; Title 63, State Affairs in General; Title 63A, Administrative Services; and Title 67, State Officers and Employees.

Election Law Issues

Background

The committee heard testimony from the Elections Office concerning possible changes to the election code. The recommendations included: initiative and referenda petition circulation; requirements for appointment to fill a vacancy in a municipal office; and signature requirements for unaffiliated candidates.

Committee Action

The committee considered this issue at its October 1999 meeting and recommended legislation titled "Election Law Changes." The legislation revises requirements for petition circulators including adding an age requirement for circulators of initiative and referenda petitions. The bill also requires that persons appointed to fill a vacancy in a municipal office meet the legal qualifications for the office.

Other Studies

Closed Primary Elections

Because of United States Supreme Court decisions, states are limited in their regulation of political parties. Political parties could choose to hold closed primary elections (i.e. only registered members of the party or those the parties designate are eligible to vote) but current Utah law does not provide a mechanism to administer these elections. The committee discussed this issue and the possibility of preparing legislation to provide a statutory process for administering closed primary elections. The committee considered this issue at its May and June 1999 meetings but did not recommend legislation.

Deferred Maintenance of State Facilities

The committee received reports from the Office of the Legislative Fiscal Analyst and the Division of Facilities and Construction Management concerning deferred maintenance of state-owned buildings. Conservative estimates place the current backlog of deferred maintenance, capital renewal needs, and obsolescence at \$400 million. The committee discussed and reviewed possible recommendations and legislative solutions. The committee considered this issue at its August 1999 meeting but did not recommend legislation.

Personnel Management Act Modifications

The committee prioritized the study of recodifying the Personnel Management Act. After an initial discussion of this issue with the committee, the Department of Human Resource Management (DHRM) formed a working group to study this issue and make recommendations to the committee. The committee received regular progress reports from the working group on various issues, including compensation, classification, recruitment and selection, and other personnel issues. At the end of the 1999 interim, DHRM made recommendations to the committee, but was not prepared to recommend legislation. The committee considered this issue at its April, June, August, and October 1999 meetings but did not recommend legislation.

Statewide Initiatives

The committee discussed how the legislature should address statewide initiatives submitted to the legislature for its consideration. Issues included the disposition of initiative petitions, who sponsors legislation certified to the legislature, substantive and technical drafting issues of the initiative, and procedural issues for the legislature to follow in considering an initiative petition. The committee considered this issue at its May and June 1999 meetings but did not recommend legislation.

Voting Rights of Convicted Felons

In the 1998 General Session, the legislature passed a proposed constitutional amendment and accompanying statutory changes to prohibit convicted felons from voting. During the 1999 interim, the committee received reports concerning the administration and implementation of this law from the Department of Corrections and the Lieutenant Governor's Office. The committee considered this issue at its May 1999 meeting but did not recommend legislation.

HEALTH AND HUMAN SERVICES INTERIM COMMITTEE

Membership

Sen. Robert F. Montgomery, Senate Chair
Rep. Carl R. Saunders, House Chair

Sen. D. Edgar Allen	Rep. Jackie Biskupski	Rep. Rebecca D. Lockhart
Sen. Paula F. Julander	Rep. Mary Carlson	Rep. Karen W. Morgan
Sen. Peter C. Knudson	Rep. Margaret Dayton	Rep. Jack A. Seitz
Sen. Steven L. Poulton	Rep. Kory M. Holdaway	Rep. A. Lamont Tyler
Rep. Trisha S. Beck	Rep. Bryan D. Holladay	Rep. Richard L. Walsh

Staff

Mr. Mark D. Andrews, Research Analyst
Ms. Janetha W. Hancock, Associate General Counsel
Mr. R. Chet Loftis, Associate General Counsel
Ms. L. Kaye Clark, Legislative Secretary

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Committee Overview

The Health and Human Services Interim Committee studies issues that impact many of the services provided by state and local government. The policies it considers are administered by a variety of state and local agencies.

Public health services are delivered through the Utah Department of Health and local health departments. The department oversees local efforts. It relies heavily on numerous policymaking and advisory committees to carry out its duties. The department also administers the Medicaid program.

Human services in three areas – aging and adult services, mental health, and substance abuse – are delivered through a system of county-controlled entities that have the option to provide the services themselves or contract with private providers. These local delivery systems in turn are monitored by divisions within the Department of Human Services. Services in three other areas – child and family services, services for people with disabilities, and youth corrections – are under the direct control of the department. Policies for each division within the department are set by independent boards within the statutory framework established by the legislature.

Other policy areas within the purview of the committee, including health insurance, occupational licensing, adoption, abortion, criminal sexual offenses, and family law, are administered by a variety of state agencies.

Child Welfare Legislative Oversight Panel Report

Background

The legislature created the Child Welfare Legislative Oversight Panel to monitor and recommend improvements to the child welfare system.

Committee Action

The panel recommended creating a pilot program to allow the Division of Child and Family Services greater flexibility in responding to reports of child abuse and neglect. The program would be similar to efforts in other states and would allow the division to use a "family assessment" approach rather than an investigation approach in less serious cases.

The panel also recommended modifying: (1) the provisions governing the annual legislative and executive branch audits of the child welfare system; and (2) the role of private adoption agencies in promoting adoption of children in state custody.

The committee considered this issue at its November 1999 meeting and recommended legislation titled "Legislative Audits of Child Welfare System."

Clean-up of Methamphetamine Labs

Background

At the request of the legislature, a group was created to study and make recommendations to improve the clean-up of methamphetamine labs.

Committee Action

The committee considered the recommendations of the work group at its October 1999 meeting and recommended legislation titled "Standards for Illegal Drug Lab Decontamination."

Immunity for Donation of Prescription Drugs

Background

During the 1999 General Session the legislature considered a bill that would extend immunity from liability to pharmaceutical companies and health care providers that donate prescription drugs for charitable purposes.

Committee Action

The committee considered revised versions of the 1999 bill at its July and November 1999 meetings and recommended legislation titled "Donation of Prescription Drugs or Devices - Liability Protection."

Insurance Coverage of Mental Health Services

Background

During each of the past four general sessions, the legislature has considered the extent to which health insurers should be required to cover mental health services. At this point, no legislation has been adopted.

Committee Action

The committee received extensive testimony about the need for mental health coverage and the extent to which private insurers and the public mental health system already pay for services. The committee reviewed three approaches to covering mental health: (1) full parity; (2) coverage of only serious mental illnesses; and (3) catastrophic coverage for expenses above a certain amount.

The committee considered this issue at its May, October, and November 1999 meetings but did not recommend legislation.

Mandatory Reports

Background

Statutes required 24 reports to be made to the committee this year by executive and legislative branch entities. Four other reports to the legislature and one to legislative leadership also fell within the purview of the committee.

Committee Action

The committee considered whether to continue, modify, or repeal the requirements of the 29 reports it considered this year and the four other reports for which it is responsible.

The committee considered this issue at its April, May, June, July, August, October, and November 1999 meetings and recommended legislation titled "Health and Human Services Interim Committee Reporting Amendments," which reduces the number of reports.

Tobacco Settlement

Background

Utah has already received the first payment from the tobacco settlement agreement between 46 states and five leading tobacco manufacturers. Additional annual payments, subject to adjustments and possibly litigation, are to be made in perpetuity.

Committee Action

As directed by the legislature, the committee considered the recommendations of the Coalition for Tobacco Free Utah and the Utah Substance Abuse and Anti-Violence Coordinating Committee. The committee also considered the efforts of other states to control tobacco use and reviewed the requests for use of Utah's settlement monies by over 70 programs.

Four pieces of legislation were developed and presented by individual members of the committee.

The committee considered this issue at its June, July, October, and November 1999 meetings but did not recommend legislation.

Other Studies

Obesity

The committee asked the state's Medicaid administrators to: (1) determine whether extending Medicaid coverage to obesity drugs would improve the health of beneficiaries and justify any increase in state expenditures; and (2) make a report to the committee next year.

INFORMATION TECHNOLOGY COMMISSION

Membership

Sen. David H. Steele, Senate Chair
Rep. Blake D. Chard, House Chair

Sen. Scott N. Howell
Sen. Robert F. Montgomery
Rep. Brent Goodfellow
Rep. David L. Zolman
Mr. Clifford L. Ames
Mr. Gerald R. Capps

Mr. Ronald L. Fox
Mr. Peter R. Genereaux
Ms. Nancy CW Gibbs
Mr. Robert W. Hood
Mr. Garth Howard
Ms. Eileen B. Longworth
Mr. Stephen F. Mecham

Mr. O. Leon Miller
Mr. David C. Moon
Mr. David A. Packer
Dr. Mike Petersen
Mr. Jerry P. Peterson
Judge Michael Wilkins

Staff

Richard C. North, Research Analyst
Tani Pack Downing, Associate General Counsel
Junie G. Anderson, Legislative Secretary

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Committee Overview

The Information Technology Commission was established in 1994 by the Utah Legislature to develop and coordinate information technology public policy and budgets. The commission has authority to study information technology issues and practices in all areas of state government including the legislative, executive, and judicial branches, and the education community.

The commission reviews and studies information technology issues which affect the public and private sectors in Utah. Because information technology is an area of dynamic change without precedence or existing practices to follow, the commission has often been a pioneer in exploring the issues and, in the case of digital signatures, creating model legislation for other states and countries to follow.

Commission membership provides representation from state and local governments, the private sector, and the business community. The public, private sector, and local government members may serve two four-year terms. The members represent the interests of information technology providers, suppliers, and users.

Access to High Resolution Satellite Data

Background

The information technology revolution has provided both the public and private sectors with computer tools necessary to efficiently use satellite mapping images. However, access to United States government agency's high resolution, less than 30 meter, satellite data is limited. That barrier has forced state and local governments, academic institutions, and the private sector to purchase high resolution satellite data from France, India, and Russia.

All three foreign entities are selling the satellite data down to the five meter resolution but at a high cost. The United States government also collects the same type of data, developed and paid for by the citizens of this country, and that information could be sold in the United States at a lower cost without affecting national security.

Committee Action

The Information Technology Commission heard testimony regarding the value of this type of data for purposes of planning and commerce. Following discussions of the issue, the commission concluded the data would serve a useful purpose. The commission considered this issue at its July, August, September, October, and November 1999 meetings and recommended legislation titled "Resolution Petitioning United States Government To Release Certain Satellite Data."

Digital State Issues: Barriers, Certificates, Signatures

Background

In 1999, the legislature adopted language directing the state to migrate from a paper-based provision of governmental goods and services to a digital state where those same items are provided electronically.

The digital barriers issue focuses on identifying and amending those sections of the Utah Code that require certain governmental transactions be on paper, require hand written signatures, first-class mail, or specify meetings in person. "Digital Certificates" are a means of verifying a person's identity electronically and are designed to be used for any type of secure electronic transaction. A digital signature is an electronic encryption process for signing documents that require identity verification.

Committee Action

The Information Technology Commission studied all of these issues, heard testimony from industry and governmental sources, and concluded that legislative action at this time is appropriate regarding lowering digital barriers and enhancing the state's digital signature program. The commission considered these issues at its May, June, July, August, September, and October 1999 meetings and recommended legislation titled "Removal of Barriers to Electronic Government Services Delivery," "Chief Information Officer Amendments," and "Amendments to Digital Signature Act."

Information Technology Infrastructure Innovation Fund

Background

In order to stimulate information technology infrastructure innovation, Utah's chief information officer proposed the creation of a limited, self-sustaining grant fund. The fund would be for the purpose of providing additional information technology infrastructure funds to those state agencies tendering a successful grant proposal. Any efficiencies (cost savings) gained from the transition to providing services digitally would be transferred back to the fund for future use. This fund would also be part of the Information Technology Commission's digital state initiatives.

Committee Action

The Information Technology Commission heard testimony from the chief information officer regarding this program's value in achieving a digital state and concluded that the fund needed to be created. The commission considered this issue at its June, August, and November 1999 meetings and recommended legislation titled "Information Technology Infrastructure Innovation Fund."

Year 2000

Background

The Year 2000 (Y2K) problem concerns the inability of certain computer hardware and software to correctly read the date change from 1999 to 2000. Most computers were programmed or wired to read only two time digits rather than the four necessary to correctly interpret a millennium year change.

The Information Technology Commission began its study of the Y2K issue in October 1996 with the question: how is the state preparing for the Year 2000 issue? The State Information Technology Coordinator's Office presented data concerning the extent of the problem and efforts to solve its effects. In 1997, the commission again asked for and received a report regarding the state's Year 2000 remediation efforts, that included a proposed Year 2000 Governmental Immunity Act, which did not pass during the 1998 General Session.

In 1998, the Information Technology Commission began monthly reviews of major Y2K issues involving all three branches of government and the education community. The commission continued its review during the 1999 interim.

Committee Action

The Information Technology Commission heard testimony from state officials regarding the ongoing Y2K remediation efforts. According to the Chief Information Officer reports, the state is 97% remediated and the remaining systems are being corrected at this time. The commission considered this issue at its July and November 1999 meetings but did not recommend legislation.

JUDICIAL RULES REVIEW COMMITTEE

Membership

Sen. Robert F. Montgomery, Senate Chair
Rep. Greg J. Curtis, House Chair

Sen. Scott N. Howell

Sen. L. Steven Poulton
Rep. Perry L. Buckner

Rep. David L. Gladwell

Staff

Jerry D. Howe, Research Analyst
Susan Creager Allred, Associate General Counsel
Glenda S. Whitney, Legislative Secretary

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Committee Overview

Article VIII, Section 4 of the Utah Constitution provides rulemaking authority to the Utah Supreme Court to adopt rules and manage the appellate process and rules of procedure and evidence. Article VIII, Section 12 of the Utah Constitution provides rulemaking authority to the Judicial Council for the administration of the courts. By a two-thirds vote, the legislature may amend the rules of procedure and evidence promulgated by the Supreme Court. However, the legislature has no constitutional authority to amend Judicial Council rules in the Code of Judicial Administration.

In the 1993 General Session, the legislature enacted S.B. 11, "Judicial Rules Review Committee," which created a legislative forum to resolve conflicts between statutes developed by the legislature and rules developed by the courts. Because it is often difficult to clearly distinguish between substantive and procedural aspects of the law, this legislative committee fulfills an important duty by fostering better communication and preventing infringement on the respective powers of the judiciary and the legislature.

The Supreme Court has created six advisory committees representing civil procedure, criminal procedure, evidence, juvenile procedure, appellate procedure, and professional conduct. These advisory committees formulate proposed rules or amendments to rules in their respective areas. The Judicial Rules Review Committee reviews and comments on the proposed rules or amendments to rules in these six areas as well as the Rules of Judicial Administration, which are promulgated by the Judicial Council. The committee's primary focus is to identify whether these rules are substantive or procedural in nature and whether they conflict with statute.

1999 Activities

Background

The committee focused on the ongoing work of the Supreme Court's advisory committees of civil, criminal, appellate, and juvenile procedure, as well as professional and judicial conduct. Draft rules served as the source for committee discussion and action. The committee monitored all potential changes and offered recommendations to the courts on these rules.

Committee Action

The committee considered this issue at its October 1999 meeting but did not recommend legislation.

JUDICIARY INTERIM COMMITTEE

Membership

Sen. Terry Spencer, Senate Chair
Rep. A. Lamont Tyler, House Chair

Sen. Lyle W. Hillyard
Sen. David H. Steele
Sen. Pete Suazo
Rep. Patrice M. Arent
Rep. Chad E. Bennion

Rep. Afton B. Bradshaw
Rep. Katherine M. Bryson
Rep. Gary F. Cox
Rep. Greg J. Curtis
Rep. David L. Gladwell
Rep. Neal B. Hendrickson

Rep. J. W. Hickman
Rep. LaWanna "Lou" Shurtliff
Rep. Martin R. Stephens
Rep. John E. Swallow
Rep. Glenn L. Way

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Jerry D. Howe, Research Analyst
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Glenda S. Whitney, Legislative Secretary

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Committee Overview

The Judiciary Interim Committee serves an important link for the three branches of government in considering issues pertaining to the substantive rights of litigants and the administration of justice. The committee oversees policy aspects of Utah's justice system, including the structure and administration of the courts.

The committee's scope of policy oversight includes the jurisdictional powers associated with Utah's Justice Court, Juvenile Court, District Court, Court of Appeals, and Supreme Court. The committee also has statutory oversight of certain programs delegated by the legislature to the Judicial Council, including the Mandatory Education Course for Divorcing Parents, Alternative Dispute Resolution, and the Judicial Nominating Commissions.

Gun Violence

Background

In response to the recent acts of violence that had been committed in Salt Lake City at the Triad Center and the LDS Family History Center, and at the public high school in Littleton, Colorado, the President of the Senate and Speaker of the House of Representatives requested that the Judiciary Interim Committee, Law Enforcement and Criminal Justice Interim Committee, and the Education Interim Committee review current gun laws and law enforcement practices with the intent to make recommendations to deter these kinds of violent acts.

Consequently, a joint meeting of the Judiciary Interim Committee and the Law Enforcement and Criminal Justice Interim Committee was held on May 19, where the two committees discussed current state and federal laws, including relevant constitutional provisions governing the right to bear arms. The committees also listened to testimony from state government officials and other interested parties concerning possible strategies to reduce gun violence.

Committee Action

The committee considered this issue at its May 19, June 16, July 13, July 21, August 18, and November 17, 1999 meetings and recommended the following legislation:

- Weapons Restrictions for Mentally Ill Persons;
 - Weapons Restrictions Amendments; and
 - Background Checks for Weapons Purchases.
-

Identification Number Fraud

Background

Social security numbers have become widely used by governments and businesses to identify individuals for a variety of purposes. Because the social security number has become so popular as an identifier, it is now easier than ever for it to be used to obtain credit and private information in the name of the person to whom the number has been issued. To complicate the issue, businesses, including large insurance companies and financial institutions, have become so dependent on the use of social security numbers as a means to identify individuals that when people refuse to provide a social security number, some companies have refused services, placing the customer in a difficult position: either provide the number and increase one's risk for identity theft, or refuse the number and risk being denied services.

Committee Action

Although the committee recommended legislation during the 1998 interim, it did not pass in the 1999 General Session. Having previously studied the issue, and still believing the bill should be enacted into law, the committee recommended legislation titled, "Identification Number Fraud" at its November 1999 meeting.

LAW ENFORCEMENT AND CRIMINAL JUSTICE INTERIM COMMITTEE

Membership

Sen. Michael G. Waddoups, Senate Chair
Rep. Blake D. Chard, House Chair

Sen. Paula F. Julander	Rep. DeMar "Bud" Bowman	Rep. Carl R. Saunders
Sen. L. Alma "Al" Mansell	Rep. Perry L. Buckner	Rep. Marlon O. Snow
Rep. Trisha Beck	Rep. David L. Hogue	Rep. Nora B. Stephens
Rep. Duane Bourdeaux	Rep. Susan J. Koehn	

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Chyleen A. Arbon, Research Analyst
Susan Creager Allred, Associate General Counsel
Vanessa Thompson, Legislative Secretary

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Committee Overview

The Law Enforcement and Criminal Justice Interim Committee was established in 1997 to study issues related to law enforcement, criminal law, illegal drug activity, weapons, corrections, public safety, and the criminal justice system. In studying these issues, the committee attempts to maintain a balance between public safety, victim rights, and offender accountability and rehabilitation.

The committee's statutory oversight in this area includes law enforcement agencies, the courts, the Department of Public Safety, the Department of Corrections, the Division of Youth Corrections, the Utah Board of Pardons and Parole, the Youth Parole Authority, the Commission on Criminal and Juvenile Justice, the Utah Sentencing Commission, the Utah Substance Abuse and Anti-Violence Coordinating Council, and Crime Victim Reparations.

With the public's recent attention on crime in Utah, the committee's focus has been on increasing the efficiency and effectiveness of law enforcement agencies, the use of correctional and judicial resources, crime prevention, and reducing drug-related crime and gun-related violence.

Forfeitures Related to Sexual Offenses Against Children

Background

In the 1999 General Session, H.B. 267, "Forfeiture Regarding Sexual Offenses Against Children," was introduced but did not pass. This issue was then sent to the Law Enforcement and Criminal Justice Interim Committee as a potential study item, and was selected as one of the five issues to be studied during the interim. Legislation was drafted that would allow the forfeiture of the computer equipment of a convicted offender who has used the computer to commit a sexual crime involving a child.

Committee Action

The committee considered this issue at its October and November 1999 meetings and recommended legislation titled "Forfeiture Relating to Sexual Offenses Against Children."

Guns and Violence

Background

In response to the recent acts of violence that had been committed in Salt Lake City at the Triad Center and the LDS Family History Center, and at the public high school in Littleton, Colorado, the President of the Senate and Speaker of the House requested that the committee initiate a comprehensive review of these acts of violence and look at Utah's current laws and law enforcement practices, including the various gun-control laws. Committee recommendations were to be submitted within 90 days.

The committee initially met jointly with the Judiciary Interim Committee, which had also received this study directive, to receive information on current state and federal laws and procedures regarding: purchasing and carrying a weapon; federal, state, and local strategies for reducing gun violence; and recommendations from various entities. The two committees then divided up the relevant issues to be studied, and the Law Enforcement and Criminal Justice Interim Committee focused on issues surrounding background checks, gun shows, youth weapons violations at school, and research related to the effects of gun control on crime.

Committee Action

The committee considered this issue at its May, June, and July 1999 meetings and recommended that the legislature hold regional public hearings on the issue of guns and violence as directed by both majority and minority leadership.

Public Safety Fees

Background

In the 1999 General Session, H.B. 237, "Department of Public Safety Fee Consolidation," changed several fees in the Bureau of Criminal Identification within the Department of Public Safety. The cumbersome process of changing the fees through drafting bills raised the question of the most efficient legislative procedure to handle changing or establishing fees: through individual bills, or through the legislative appropriations process. After studying the costs and benefits of the two procedures, legislation was drafted to facilitate the process of annually reviewing all fees collected by the Department of Public Safety through the appropriations process, which will require less staff time and fewer legislative resources, and allow for more consistent public and legislative oversight.

Committee Action

The committee considered this issue at its August and November 1999 meetings and unanimously recommended legislation titled "Public Safety Fee Process Revision."

Crime Reduction Task Force

Membership

Sen. Robert F. Montgomery, Senate Chair
Rep. John E. Swallow, House Chair

Sen. Paula F. Julander	Rep. Duane Bourdeaux	Rep. Gary F. Cox
Sen. Robert M. Muhlestein	Rep. Perry L. Buckner	Rep. Greg J. Curtis
Rep. Ron Bigelow	Rep. Blake D. Chard	Rep. Matt Throckmorton

Staff

Chyleen A. Arbon, Research Analyst
Keith M. Woodwell, Associate General Counsel
Vanessa Thompson, Legislative Secretary

Background

In the 1999 General Session, H.B. 257, "Crime Reduction Task Force," created a one-year task force to review and make recommendations regarding ways to reduce crime victimization in Utah. The task force was to focus on: 1) the organizational structure of crime fighting and responsibility in the state, 2) ways to develop and implement a statewide plan for fighting crime, 3) how to prevent and reduce drug-related crime in the state, and 4) the implementation of the recommendations of the recently completed crime audit by the Legislative Auditor General.

The task force spent much of its time focusing on the problems and possible solutions regarding the issue of drugs, because the task force found that the use, sale, and manufacturing of drugs are related to the overwhelming majority of crime. Also, both state and local criminal justice agencies have identified drugs as their number one concern. The issue of drug-related crime was approached by a comprehensive review of strategies related to prevention, intervention, enforcement and interdiction, incarceration, and treatment. The task force also received information on the current funding and unmet needs of state criminal justice agencies in each of the above categories.

After hearing a wide variety of testimony on the current problems and most promising solutions to the drug problem in Utah, the task force focused its attention on the possible costs and benefits of statewide drug courts and a pilot project for a Drug Board Hearing Program for parolees, which would be similar to the structure of a drug court program. The task force also focused on the development of the Utah Crime Reduction Plan, required by H.B. 154, "State and Local Agencies' Crime Reduction Plans," which passed in the 1999 General Session.

The task force received a report on the Performance Audit on Criminal Justice Planning in Utah

conducted by the Office of the Legislative Auditor General during the 1999 interim, which identified improvements to be made in criminal justice data, program evaluation, strategic planning, and policy formation.

Committee Action

The task force requested the chairs to write a letter to the Executive Appropriations Committee recommending that funding be allocated for statewide drug courts and a pilot project in Davis and Weber counties for a Drug Board Hearing Program, which is similar in concept to drug courts, but serves parolees. The task force also recommended the concept of draft legislation titled "Standards for Illegal Drug Lab Decontamination," which was a product of the workgroup created in the 1999 General Session by H.J.R. 11, "Resolution Regarding Methamphetamine Lab Cleanup and Public Safety Standards and Programs."

The co-chairs of the task force presented the recommendations of the Crime Reduction Task Force to the Law Enforcement and Criminal Justice Interim Committee at the November interim meeting. The task force considered these issues at its June 2, June 30, July, August, October, and November 1999 meetings.

Other Studies

Olympics and Public Safety

In the 1998 General Session the legislature passed S.B. 159, "Government Relationship to Olympics," which created the State Olympic Public Safety Command to plan and coordinate law enforcement and public safety services related to the Olympics. Full-time planners have been hired to consider all resources and create a public safety plan; a final draft will be completed by December 31, 1999. The command will then turn its attention to the transition phase, which is designed to train participating agencies and individuals to carry out the plan, to conduct exercises based on the plan, and to refine the plan as necessary. The transition phase will also be used to obtain the resources required to implement the plan. The Public Safety Command will continue to consider legislative issues, including: using out-of-state officers if local resources are not adequate, court procedures for foreign visitors, telephone taps and traces, and the criminal code provisions regarding explosives. The committee considered this issue at its April 1999 meeting. *(For additional information, see "Olympic Winter Games of 2002: State Issues," available in the Office of Legislative Research and General Counsel.)*

Prison Privatization

In the 1998 General Session, the Executive Appropriations Committee recommended that the Department of Corrections begin the process of contracting with a private company to establish a private 500-bed facility for male inmates. In response to this recommendation, the legislature appropriated just under \$2 million to begin this project. The Department of Corrections sent out a Request for Proposals and subsequently awarded the contract to Cornell Corporation, which plans to build the facility in Grantsville in Tooele County. Due to the recent and unexpected reduction in the demand for prison beds in Utah, the department is proposing that the operation of the 500-bed prison be postponed until April 2002. The cost impact of delaying the operation of the private facility has not yet been negotiated with Cornell Corporation, and there is a possibility that the private prison could open earlier depending on the changes in demand for prison beds. The committee considered this issue at its November 1999 meeting.

NATIVE AMERICAN LEGISLATIVE LIAISON COMMITTEE

Membership

Sen. Beverly A. Evans, Senate Chair
Rep. M. Keele Johnson, House Chair

Sen. R. Mont Evans
Sen. Millie M. Peterson
Sen. Pete Suazo

Rep. Eli H. Anderson
Rep. Judy Ann Buffmire
Rep. James R. Gowans

Rep. Susan J. Koehn
Rep. Jack A. Seitz
Rep. Jordan Tanner

Staff

John Q. Cannon, Research Analyst
Patricia Owen, Associate General Counsel
Vanessa Thompson, Legislative Secretary

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Committee Overview

The Native American Legislative Liaison Committee is an 11-member committee that addresses Native American issues in Utah. The committee serves as a liaison for the legislature with Indian tribes in Utah, reviews the operations of the Division of Indian Affairs, sponsors meetings and other opportunities for discussion with and between Native Americans, and recommends legislation when changes are in the best interest of the state and tribes.

During the 1999 interim, the committee met in Salt Lake City and participated in meetings in Fort Duchesne with the Northern Ute Indian Tribe. Discussions in these meetings focused on several key issues, including: taxation; Temporary Assistance to Needy Families; conflict resolution through cultural understanding; the Utah Division of Indian Affairs; the State Native American Coordinating Board; the Utah Navajo Trust Fund; and the Uintah Basin and Navajo Revitalization Funds.

Taxation and Indian Tribes

Background

Both the state and an Indian tribe may have the power to tax a transaction that occurs within a reservation located in the state. When both entities tax the same transaction, it creates a dual taxation situation. The Navajo Nation has implemented a hotel occupancy tax and a motor fuel tax. The state also taxes these transactions, thus a business on the Utah portion of the Navajo reservation in San Juan County pays these taxes to both the state and the Navajo Nation. The committee discussed the specific situation on the Navajo reservation and general issues of dual taxation that may arise with other tribes.

The issue of taxation and tribal relations may also be complicated by the nature of the reservation. In the Uintah Basin, the Northern Ute Tribe's reservation is a checkerboard, with tribal lands, state lands, and private lands interspersed. This complicates the administration of taxation and issues of jurisdiction, i.e., what people or what transactions are subject to what taxes. The committee discussed the situation in the Uintah Basin, including the court ordered injunction and the impact of taxation when the injunction is lifted.

Committee Action

The committee, in its October and November 1999 meetings, considered dual taxation, income tax, sales tax, and motor fuels tax, but did not recommend legislation.

Temporary Assistance to Needy Families and the Navajo Nation

Background

Federal law permits a federally-recognized tribe to operate a Temporary Assistance to Needy Families (TANF) block grant program for its tribal members. Currently, members of the Navajo Nation living on the Utah portion of the Navajo Reservation are served by the state. The Navajo Nation is proposing to assume the responsibility of administering TANF benefits on the reservation beginning January 1, 2000, with initial sharing of responsibilities leading to full tribal administration beginning July 1, 2000.

Committee Action

The committee heard testimony and discussed the transition to Navajo tribal administration of the TANF program. The committee discussed shared responsibilities, service area, facility development, and possible state appropriations including matching funds and capital outlay funds. The committee considered this issue at its October and November 1999 meetings but did not recommend legislation.

Other Studies

Conflict Resolution Through Cultural Understanding

The committee heard testimony concerning cultural sensitivity and understanding. The committee discussed hate crimes, racial and ethnic fairness in the legal system, recruitment of minority police officers, outreach programs, and gang prevention and intervention programs. The committee considered this issue at its June 1999 meeting but did not recommend legislation.

Utah Navajo Trust Fund

Federal law requires the state of Utah to administer certain gas and oil royalties for the health, education, and general welfare of Navajos residing in San Juan County. This requirement is met through the administration of the Utah Navajo Trust Fund. The current statutory administration of the Trust Fund is set to sunset in the year 2000. The committee heard the annual report of the Trust Fund and also considered draft legislation that would extend the sunset date to 2005 and make other amendments to the statutes governing the fund. The committee discussed this issue and reviewed draft legislation at its November 1999 meeting, but did not recommend legislation.

NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT INTERIM COMMITTEE

Membership

Sen. Howard C. Nielson, Senate Chair
Rep. Bradley T. Johnson, House Chair

Sen. Leonard M. Blackham	Rep. Craig W. Buttars	Rep. Keele Johnson
Sen. Beverly A. Evans	Rep. Mary Carlson	Rep. Evan L. Olsen
Sen. Joseph L. Hull	Rep. David M. Cox	Rep. Jordan Tanner
Sen. Millie M. Peterson	Rep. Fred J. Fife, III	Rep. Matt Throckmorton
Rep. Eli H. Anderson	Rep. James R. Gowans	Rep. Bill Wright
Rep. Melvin R. Brown	Rep. Tom Hatch	

Staff

Ms. Constance C. Steffen, Research Analyst
Ms. Jeanenne B. Larson, Associate General Counsel
Ms. Joy L. Miller, Legislative Secretary

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Committee Overview

The work of the committee extends over a wide variety of topics. Under the broad subject of natural resources, the committee deals with water rights, water development, wildlife, mining, forestry, parks, and recreation. Within the field of agriculture, the committee is concerned with promoting agricultural production, preventing disease among domesticated animals, and insuring a wholesome food supply. Environmental issues under the purview of the committee include air quality, water quality, solid and hazardous waste disposal, and radioactive waste.

Much of the committee's efforts involve coping with rapid growth and urbanization of the state's population. A top priority has been to assure that the state has ample water supplies. Maintaining and improving the quality of the state's water is as critical as developing adequate water supplies.

Wildlife is another natural resource affected by growth. Land development has diminished wildlife habitat and increased competition for the use of the remaining habitat. Wildlife interests and agricultural interests are frequently in the position of vying for use of the same land. Accommodating these competing interests as well as addressing the increased demand for recreational opportunities created by the state's growing population present significant challenges to the committee.

The committee oversees three state departments: 1) the Department of Natural Resources; 2) the Department of Agriculture and Food; and 3) the Department of Environmental Quality.

Great Salt Lake Management Plan

Background

Numerous state agencies are involved in activities that affect the Great Salt Lake. The Department of Natural Resources determined there is a need for an overall management plan for the lake so that actions of different agencies are coordinated, and demands for the lake's resources are balanced. After several years of work, the department released a draft management plan for the lake in November 1999.

A critical management issue is what to do about the low salinity level of the south arm of the lake. The diminishing salinity has resulted in reduced brine shrimp populations, which has negatively impacted commercial brine shrimp harvesting operations. There is also concern that the diminishing salinity may alter the ecology of the lake in a way that is detrimental to the millions of migratory birds that feed on the lake.

Committee Action

The Department of Natural Resources briefed the committee on an action plan to address the changing salinity of the lake:

- Culverts in the railroad causeway will be cleared and kept open by the railroad.
- The breach in the railroad causeway will be deepened to its original design depth. It will be the state's responsibility to accomplish this.
- The department will assess the effect these actions have on restoring south arm salinity to levels within its historical range.

The committee considered this issue at its November 1999 meeting but did not propose legislation.

Oil and Gas Program Funding

Background

The oil and gas regulatory program of the Division of Oil, Gas, and Mining is funded by a fee assessed on the value of oil and gas. When the price of oil dropped below \$15 per barrel in 1998, the fee revenues were insufficient to cover the cost of the oil and gas regulatory program. When the fee

revenues exceed the amount of money needed for the oil and gas program, the excess revenues are deposited into the General Fund. The Division of Oil, Gas, and Mining asked the legislature to modify the way the fee revenues are used to prevent a funding shortage for the oil and gas program in the future.

Committee Action

The Division of Oil, Gas, and Mining proposed to organize a task force consisting of representatives of the Department of Natural Resources, oil and gas industry, and the interim committee to explore funding alternatives. The task force was formed and recommended that revenues from the fee on oil and gas should be dedicated to the oil and gas program.

The committee considered this issue at its April, May, and November 1999 meetings and recommended legislation titled "Oil and Gas Conservation Account."

Soldier Hollow Venue

Background

The cross-country skiing and biathlon competitions of the 2002 Winter Olympics will be held at Soldier Hollow in Wasatch Mountain State Park. Soldier Hollow is unique, because it is the only Olympic competition venue on state-owned land. The Winter Sports Park, which will be the site of the ski jumping, bobsled, and luge events, was built by the state and then sold to the Salt Lake Olympic Organizing Committee. Part of the sales proceeds will be used to create the Legacy Fund, which will be transferred to the Utah Athletic Foundation to maintain and operate the Winter Sports Park and the speed skating oval after the Olympics. The agreement to create the Legacy Fund and designate its purposes was made before the Soldier Hollow venue was selected, so the Legacy funds are not available for post-Olympic operation and maintenance of the Soldier Hollow site.

Committee Action

The Division of Parks and Recreation has formed a team to plan for the post-Olympic use of the Soldier Hollow site. Members of that team expressed their vision for Soldier Hollow to the interim committee. Addressing the committee were former Olympic athletes, Wasatch County residents and business owners, and division employees. It is their goal to provide recreational opportunities to local enthusiasts on a four-season basis and to make the site a national training center for aspiring U.S. Olympians. Possible post-Olympic sources of revenue at the site would include biathlon and cross-country skiing events and off-season activities such as mountain biking, rollerblading, and camping. The Division of Parks and Recreation stated that it does not know what it will cost to operate and

maintain the Soldier Hollow site. The division needs a full year of operations after the site is fully developed to reliably determine those costs.

The committee considered this issue at its April and July 1999 meetings but did not recommend legislation.

State Water Development Commission

Membership

Sen. Leonard M. Blackham, Senate Chair

Rep. Evan L. Olsen, House Chair

Sen. Mike Dmitrich

Sen. Joseph L. Hull

Sen. Peter C. Knudson

Rep. James R. Gowans

Rep. Wayne A. Harper

Rep. Bradley T. Johnson

Rep. Brad King

Mr. Larry Andher

Mr. Tom Christensen

Mr. Don Christiansen

Ms. Kathleen Clarke

Mr. Ivan Flint

Ms. Natalie Gochnour

Mr. Irvin Haws

Mr. Dallin Jensen

Mr. Darrell H. Mensel

Ms. Dianne Nielson

Mr. Cary Peterson

Mr. Dale Pierson

Mr. Paul Riley

Mr. Ron Thompson

Mr. Thorpe Waddingham

Staff

Constance C. Steffen, Research Analyst

Jeanenne B. Larson, Associate General Counsel

Joy L. Miller, Legislative Secretary

Background

The Office of the Legislative Auditor General reported to the Natural Resources, Agriculture, and Environment Interim Committee on a performance audit of the Central Utah Water Conservancy District. The auditors recommended that the legislature form a task force to study and consider taking a position on the allocation of the last remaining block of Central Utah Project (CUP) water. District leadership has historically supported a plan to supply water to Juab County and southern Utah County for irrigation purposes. The auditors noted, however, that Salt Lake County and northern Utah County will soon need culinary water to meet the demand of their growing populations. The interim committee requested that the State Water Development Commission study the issue and report back to it.

Committee Action

The director of the Division of Water Resources discussed the preliminary findings of an executive branch task force formed to study the allocation of CUP water. The discussion included: 1) the scope and history of the Central Utah Project; 2) agricultural water requirements of Juab County

and southern Utah County; 3) the municipal and industrial water demand of Salt Lake, Utah, and Juab Counties; 4) a legal analysis of the Central Utah Project Completion Act by the Utah Attorney General; and 5) potential uses of the remaining block of CUP water. The commission also received public testimony on how the water should be used.

The commission considered this issue at its October and November 1999 meetings and recommended that the water be used to irrigate lands in the Utah Lake drainage basin.

Other Studies

Allocation of Unused Central Utah Project Water

After hearing the legislative auditors' report on the performance audit of the Central Utah Water Conservancy District, the committee requested the State Water Development Commission to study how the last remaining block of unused Central Utah Project water should be allocated and report back to the interim committee. The commission recommended that the water be used to irrigate lands in the Utah Lake drainage basin. The committee considered this issue at its August and November 1999 meetings and concurred with the recommendation of the State Water Development Commission.

Noxious Weeds

Under Utah law, each county is responsible for the implementation of a county-wide noxious weed control program designed to prevent and control noxious weeds within the county. It is the duty of the commissioner of agriculture and food to assist a county that fails to implement a weed control program as required by statute. The Department of Agriculture and Food, however, is severely limited in the assistance it can provide counties and has no funds or supplies to distribute help to them to eradicate noxious weeds. The committee considered this issue at its May 1999 meeting and recommended that the Natural Resources and Agriculture Appropriations Subcommittee allocate \$150,000 to the Department of Agriculture and Food to implement an integrated pest management program in which biological and chemical means would be used to control noxious weeds.

Pheasant Predation

Pheasant populations have been decreasing due to reductions in habitat and the proliferation of predators such as raccoons, red fox, striped skunk, and coyotes. The effect of controlling predators on pheasant populations was examined in a study conducted by the Jack H. Berryman Institute for Wildlife Damage Management at Utah State University. Predators were trapped on small and large parcels of land, and the changes in pheasant populations were measured and compared with pheasant

populations on parcels of land where there was no trapping. Pheasant populations on the large parcels of land where there was trapping increased dramatically.

The Division of Wildlife Resources will be evaluating these findings to determine whether a continuing predator management program is a cost-effective method of improving pheasant hunter success. The committee considered this issue at the October and November 1999 meetings.

Septic Tank Wastewater Disposal Systems

Representatives of the Division of Water Quality, local health departments, and the Utah Water Research Laboratory explained to the committee the importance of providing training on the siting, design, and installation of septic systems. There are approximately 400,000 septic systems in the state. Proper septic tank management is important to protect ground water. The Utah Water Research Laboratory, in partnership with the Department of Environmental Quality and local health departments, has created the Utah On-site Wastewater Treatment Training Center. They have obtained funding from the federal government and private sources to initiate the training program, but additional funds are necessary to build a physical demonstration facility and for ongoing classroom and field training. The committee considered this issue at its June 1999 meeting.

Wilderness

In January 1999, the Bureau of Land Management (BLM) released a report in which an additional 2.6 million acres of BLM lands in Utah were identified as having wilderness characteristics. The BLM told the committee that the agency's next step is to determine which of the lands should be designated as wilderness study areas. The purpose of establishing wilderness study areas is to preserve Congress's option to permanently designate an area as wilderness. Members of the committee expressed concern that the process of establishing wilderness study areas was moving too quickly, not allowing the state sufficient time to evaluate the impacts of wilderness.

In the 1999 General Session, the legislature approved a resolution that advocates a regional approach to wilderness designation. It was thought that negotiating a series of wilderness bills for different regions of the state may be more feasible than finding agreement on a statewide wilderness bill. The first regional wilderness proposal negotiated by the governor and the secretary of the interior included lands in the West Desert and Washington County. The governor's staff reviewed the proposal with the committee and explained that details remain to be worked out concerning boundaries and issues such as grazing, water rights, and military activities. The committee considered this issue at its May and June 1999 meetings.

POLITICAL SUBDIVISIONS INTERIM COMMITTEE

Membership

Sen. R. Mont Evans, Senate Chair
Rep. Joseph G. Murray, House Chair

Sen. Scott N. Howell	Rep. Loretta Baca	Rep. David L. Gladwell
Sen. L. Alma "Al" Mansell	Rep. DeMar "Bud" Bowman	Rep. Raymond W. Short
Sen. Pete Suazo	Rep. Craig W. Buttars	Rep. Richard M. Siddoway
Sen. Michael G. Waddoups	Rep. Greg J. Curtis	Rep. Glenn L. Way
Rep. Eli H. Anderson	Rep. Marda Dillree	

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Committee Overview

Prior to 1997, the State and Local Affairs Interim Committee considered issues relating to both state and local government affairs. In 1997, the legislature split the committee into two committees: the Government Operations Interim Committee and the Political Subdivisions Interim Committee. The Government Operations Interim Committee deals with state-related issues while the Political Subdivisions Interim Committee deals with local government-related issues.

The Political Subdivisions Interim Committee has primary jurisdiction over political subdivisions of the state which include: cities, counties, dependent and independent special districts, and entities created by interlocal agreements. Although school districts are technically political subdivisions of the state, the Education Interim Committee has primary jurisdiction over school districts. The committee has Utah Code responsibility for: Title 10, Cities and Towns; Title 11, Cities, Counties, and Local Taxing Units; Title 17, Counties; Title 17A, Special Districts; and Title 17B, Limited Purpose Local Government Entities.

Municipal Incorporation Process

Background

Current statutes outlining the municipal incorporation process prohibit the boundaries of a proposed incorporation from being modified part way through the process. If the proposed boundaries are changed then the process must start all over again. If part of an area proposed for incorporation is annexed into another municipality after an incorporation process has started but before its completion, the incorporation process must start all over again.

Committee Action

The committee reviewed draft legislation titled "Municipal Incorporation - Limitation on Annexation." The legislation would modify the municipal incorporation process by allowing incorporation proponents to file a notice of intent to request a feasibility study thus giving the incorporation proponents 90 days to gather the required number of property owner signatures. An annexation petition covering the same area would be prohibited until after the 90 days. The committee considered this issue at its October and November 1999 committee meetings but did not recommend legislation.

Optional Forms of County Government

Background

Of the 29 counties in Utah four counties have opted for an optional form of county government rather than the default form of three-member county commission which has both legislative and executive powers. In 1986, Cache County's 7-member council with an elected executive went into effect. In 1993, Grand County's 7-member council with an appointed administrator went into effect. In 1998, Salt Lake County and Morgan County citizens voted for an optional form. Salt Lake County chose a nine member council with an elected executive. Morgan County chose a 7-member council with an appointed administrator. Concerns have been raised about Grand County's and Morgan County's plans not following state statute provisions.

Committee Action

The committee reviewed two versions of draft legislation titled "Optional Forms of County Government." Proposed legislation would clarify plan requirements and provide additional policy on what should and what should not be in a plan. The committee considered this issue at its May, July, October, and November 1999 committee meetings but did not recommend legislation.

Special District Recodification

Background

In 1990, at the recommendation of a two-year legislative study committee on special districts, relevant statutory provisions which were scattered throughout the code were moved into a new Title 17A, Special Districts; however, the provisions were not recodified. In 1997, a Special Districts Subcommittee of the Political Subdivisions Interim Committee developed uniform special district creation procedures as the first step in recodifying the code. The legislature passed this uniform creation process and other recommended legislation. There are 26 different types (15 independent and 11 dependent) of special districts contained in about 809 sections of the code. Special districts receive about 10.6% of property tax revenues while cities receive about 13%.

Committee Action

The committee created the Special Districts Recodification Subcommittee which focused on recodifying provisions relating to the governing bodies of special districts. The committee reviewed draft legislation titled "Special District and Local District Governing Body Issues." The subcommittee considered this issue in its August and October 1999 meetings. The Political Subdivisions Interim Committee considered special district issues in its May, June, October, and November 1999 meetings but did not recommend legislation.

Subdivision of Land

Background

Title 10, Chapter 9, Municipal Land Use Development and Management, and Title 17, Chapter 27, County Land Use Development and Management Act, give local governments the responsibility and powers to regulate land use and development within their jurisdictions. Before land may be subdivided and sold, a property owner is required to obtain local government review and approval in order to ensure the proposed subdivision meets minimum lot size, infrastructure, and other local government requirements.

Committee Action

The committee created the Subdivision of Land Subcommittee. The subcommittee heard testimony from affected parties. Concerns primarily centered around two issues: agricultural exemptions and the recording of conveyances that divide real property by metes and bounds without local government approval. The subcommittee considered these issues in its August and November 1999 meetings. The Political Subdivisions Interim committee reviewed draft legislation titled "Subdivision of Land Amendments." The interim committee considered subdivision of land issues in its April, October, and November 1999 meetings but did not recommend legislation.

Title 17 (Counties) Recodification

Background

Title 17 contains the statutes relating to county government. In 1998, Salt Lake County citizens voted to change the form of county government from the three-member county commission to a 9-member council with an elected executive. Legislative and executive powers will be divided.

Committee Action

The committee heard testimony that, as Salt Lake County went through the process of changing its form of government, county staff discovered that there were some significant problems with Title 17 dealing with the separation of powers once a county changes its form of government with separated legislative and executive powers. The Utah Association of Counties (UAC) suggested a major recodification of Title 17. The UAC formed a workgroup which presented suggested amendments to the statute. The committee considered this issue at its May, July, August, October, and November 1999 meetings but did not recommend legislation.

Other Studies

Burial of Transmission Lines

In the June meeting, the committee considered but took no action on a study relating to the burial of electric transmission lines in urban communities.

Citizen Participation in Government

S.B. 27, "Citizen Participation in Government," 1999 General Session, did not pass but was referred to interim study. The committee considered this issue at its July and November 1999 meetings but did not recommend legislation.

Coordinated Management Plans for Public Lands along the Jordan River

The committee heard testimony on a proposal to study and determine mechanisms that would provide coordinated and unified management of all publicly-owned lands along the Jordan River in Salt Lake and Utah Counties. The committee requested the Department of Natural Resources to form an ad hoc workgroup to make recommendations on what actions the state should take. The workgroup reported its recommendations. The committee considered this issue at its June and August 1999 meetings.

Legislative Audit on Central Utah Water Conservancy District

In its July 1999 meeting, the committee considered but took no action on a legislative audit of the Central Utah Water Conservancy District.

Municipal Annexation and Incorporation in First Class Counties

S.B. 52, "Municipal Annexation in Counties of the First Class," 1999 General Session, did not pass, but would have provided that if the local municipality and the county agreed on an annexation, the annexation could proceed without going through the boundary commission. However, the proposed annexation would have to be voted on by the people in the area proposed for annexation.

A legislator formed an ad hoc workgroup to study whether to allow an unincorporated area to annex to a city without the possibility of protest or rejection by the city if the city's tax rate is lower than the unincorporated area.

The Salt Lake County Council of Governments commissioned a feasibility study to help determine the financial feasibility of incorporating or annexing the remaining portions of unincorporated Salt Lake County.

In its May, October, and November 1999 meetings, the committee considered but took no action on these municipal annexation and incorporation issues.

Open Space Near State Prison

The Division of Facilities Construction and Management, with the cooperation and assistance of the Governor's Office of Planning and Budget, was required to report to the Political Subdivisions Interim Committee, concerning the efforts and actions of the division and other state agencies to carry out the intent of S.B. 43, "Open Space Near State Prison." In its November 1999 meeting, the

committee heard the required report.

Private Property Ombudsman

In 1997, the legislature created a private property ombudsman to provide information and mediate disputes regarding constitutional takings. A constitutional taking is a governmental action that results in a taking of private property so that compensation to the owner of the property is required by the United States Constitution or the Utah Constitution. Statutes relating to the ombudsman were amended in the 1998 and 1999 General Sessions. In its April 1999 meeting, the committee considered but took no action on a proposal to form an ad hoc committee to study the roles and powers of the Private Property Ombudsman.

Quality Growth Commission

H.B. 119, "Quality Growth Act of 1999," created the Quality Growth Commission. The commission was required to report to the Political Subdivisions Interim Committee, on the commission's proposals and recommendations. In its November 1999 meeting, the committee heard the required report.

Water Delivery Systems

In its April 1999 meeting, the committee considered but took no action on two studies:

Water Delivery Systems - to study whether developers and municipalities should be required to handle their own tail water or get approval from private ditch or canal owners or irrigation companies before using their delivery systems.

Irrigation System Immunity - to study whether private ditch and canal owner's and irrigation companies should be held harmless when others use their irrigation delivery systems to dispose of storm drainage or for any other use for which the systems were not intended.

PUBLIC UTILITIES AND TECHNOLOGY INTERIM COMMITTEE

Membership

Sen. Lorin V. Jones, Senate Chair
Rep. Sheryl L. Allen, House Chair

Sen. Leonard M. Blackham	Rep. Melvin R. Brown	Rep. Tom Hatch
Sen. Mike Dmitrich	Rep. Blake D. Chard	Rep. David M. Jones
Sen. Joseph L. Hull	Rep. David N. Cox	Rep. Gordon E. Snow
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Committee Overview

Since the early 1990s, deregulation of certain public utilities has been studied across the United States to determine whether the results would be lower costs, more choices, and greater efficiencies. As a result of extensive reviews of the regulatory environment, policymakers have established permanent committees at the federal and state levels to provide ongoing monitoring.

In January 1997, the Utah House of Representatives created the Public Utilities and Technology Standing Committee to review legislation on regulated public utilities such as telecommunications and energy. During the following legislative interim study period, the legislature created the Public Utilities and Technology Interim Committee to review issues related to utility deregulation and make recommendations.

Blue Stakes

Background

Prior to 1993, there was no central coordination for excavators accessing utility rights-of-way which resulted in considerable accidental damage to underground utility facilities. Those utility interruptions caused serious problem for residents, businesses, and governmental entities dependent upon the delivery of water, electricity, gas, or telecommunications.

As a result, the legislature adopted the Blue Stakes law in 1993 for the purpose of preventing accidental damage to underground utility facilities. The program requires excavators to notify all operators of underground utility facilities prior to any excavation.

Committee Action

The Public Utilities and Technology Interim Committee heard testimony from affected entities and other interested parties. After multiple discussions, the committee, in conjunction with the operators of the Blue Stakes program, concluded that additional monitoring and study was necessary before any statutory changes could be adopted. The committee considered this issue at its May, June, and July 1999 meetings but did not recommend legislation.

Cramming

Background

Cramming refers to unexplained charges on a utility bill for goods or services that were never ordered, authorized, received, or used. These type of charges first began appearing on monthly telephone bills but have spread to other utility type bills such as power. Additional confusion has also resulted because some of the unauthorized charges are related to telecommunications such as Internet services, pagers, or wireless telephones.

With the advent of nationwide utility deregulation, a number of unethical and, in some cases, fraudulent, criminal activities have developed. Because of a changing marketplace with national and international mergers, new business models focusing on the Internet, convergence, and resulting efficiencies, these issues require consideration by policy makers at all levels of government.

Committee Action

The Public Utilities and Technology Interim Committee heard testimony from the telecommunications industry, state consumer affairs offices, and citizen groups. The committee discussed draft legislation but was unable to finalize the proposed language in time to be considered as a committee bill. The committee considered this issue at its August and October 1999 meetings but did not recommend legislation.

Identification Fraud

Background

Since the advent of the Internet in the early 1990's, and the resulting interconnection of databases containing personal information, the possibility of fraudulent use of another person's identity has risen dramatically. Nationwide, crimes have increased where the perpetrator has assumed the identity of another person for the purpose of gaining access to their financial or medical resources or for the purpose of gaining access to another person's resources.

Typically, the crime has focused on the fraudulent use of certain personal identifiers such as social security number, birthday, mother's maiden name, and other data unique to an individual. Once that information has been obtained, the perpetrator can then use the person's data to withdraw money, open new charge accounts, purchase goods fictitiously, or access medical information. The real owner then finds out when contacted by a collection agency, the fraudulent use shows up on a credit report, or he is informed that someone has accessed his medical information.

The person who has had their identity stolen must then prove they did not purchase the goods or services billed for and must clear their financial credit records. Additionally, the victim may need to go to court to prove he is not the person who used his identity fraudulently.

Committee Action

The Public Utilities and Technology Interim Committee heard testimony from concerned parties and concluded there was reason for legislation criminalizing the act. The committee considered this issue at its October and November 1999 meetings and recommended legislation titled "Identification Number Fraud" and "Identity Fraud."

Telecommunication Provider Definition

Background

Prior to the development of telecommunication corporations, the Utah Code statutorily defined the term, telephone corporation, to be inclusive for any provider of telephone service. With the information technology revolution of the 1990's and the merger of existing telephone service providers and new telecommunication corporations, the need to provide a uniform definition of a telecommunication provider became necessary in order to prevent future conflicts.

Committee Action

The Public Utilities and Technology Interim Committee heard testimony from affected telecommunication entities and other interested parties regarding whether the varied terminology could reflect the current language defining a “telecommunications corporation.” Following lengthy discussions, the committee, in conjunction with the affected entities, concluded a uniform definition was necessary. The committee considered this issue at its June and October 1999 meetings and recommended legislation titled “Telecommunication Definition Technical Amendments.”

Year 2000 Issue (Y2K)

Background

The Year 2000 issue is based on the programming convention which only allows two digits for designating a year and results in software programs calculating two digits such as 59 for the year 1959. While this type of date programming was necessary given limited computer memory devices, it does not allow for a date rollover from 99 to 00. In this circumstance, the computer is unable to determine whether the correct date is 1900 or 2000.

Because nearly all computers use the two digit date convention and there is an upcoming date rollover from 1999 to 2000, it has become necessary for a worldwide computer date convention remediation effort.

Committee Action

The Public Utilities and Technology Interim Committee heard testimony and received reports from public and private entities involved in the Y2K remediation efforts. After multiple discussions, the committee concluded that additional monitoring of the issue was the most appropriate course of action. The committee considered this issue at its April and November 1999 meetings but did not

recommend legislation.

Electrical Deregulation and Customer Choice Task Force

Membership

Sen. Leonard M. Blackham, Senate Chair
Rep. Blake D. Chard, House Chair

Sen. Lorin V. Jones	Sen. Michael G. Waddoups	Rep. Kevin S. Garn
Sen. Eddie "Ed" P. Mayne	Rep. Sheryl L. Allen	Rep. Jack A. Seitz
Sen. Millie M. Peterson	Rep. Ralph Becker	Rep. David Ure
	Rep. Judy Ann Buffmire	

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Background

The Electrical Deregulation and Customer Choice Task Force was originally created by H.B. 313 in the 1997 General Session. The bill directed the task force to study and make recommendations on issues relating to the replacement of comprehensive regulation of monopoly electric suppliers with retail competition. In addition to creating and directing the task force, H.B. 313 froze PacifiCorp's rates at January 31, 1997 levels until May 4, 1998, and prohibited the Public Service Commission from issuing an order or holding any hearings during the rate freeze period regarding an increase or decrease in PacifiCorp's January 31, 1997 rate levels.

The original task force presented its final report to the legislature in November of 1998. The task force concluded that consideration of a comprehensive electrical restructuring plan during the 1999 General Session was premature and that a restructuring plan should be deferred until conditions were appropriate. The task force recommended that legislation be enacted in the 1999 General Session reauthorizing the task force for an additional two years. In the 1999 General Session, the legislature passed S.B. 15, "Electrical Restructuring Study," which reauthorized the task force until November of 2001.

The electric power system is generally divided into three main parts: generation, transmission, and distribution. Proposals to deregulate are limited primarily to the generation system. Transmission and distribution of electricity continue to be regulated by state and federal governments.

Most residents of the state are served by one of three main types of electric utilities: investor-

owned utilities, municipal utilities, and rural electric cooperatives. Customers of electric service can generally be divided into three groups: residential, commercial, and industrial.

Twenty-one states have passed detailed electric restructuring legislation. In three states, the utility commission has issued regulatory orders that restructure their electric industries. The restructuring plans enacted by these states vary greatly. Some states allow competition to begin at a certain date, while others phase-in competition over a number of years. Some states explicitly direct how deregulation will occur, while others grant broad authority to state utility commissions to determine how deregulation will occur.

In states that have restructured, litigation has often followed. Suits have been brought by consumer groups, investor-owned utilities, state attorneys general, and others opposing various aspects of restructuring plans. The suits involve multiple issues, the most common being the appropriate method and amount of recovery of stranded costs. Restructuring through federal legislation has been discussed. Several bills have been introduced in Congress that would restructure the electrical industry. In addition, the President has developed a restructuring plan. The congressional and presidential efforts have generally included a grandfathering or opt-out provision for states.

Committee Action

The task force study focused primarily on studying and monitoring restructuring proposals at the federal level and in other states. The task force's intent is to maintain legislative expertise of relevant issues and events so that Utah could be positioned to implement restructuring when it is in the best interest of the state. The task force reported to the Public Utilities and Technology Interim Committee that it would not recommend or sponsor restructuring legislation in the 2000 General Session. The task force intends to continue its study in the 2000 interim.

Other Studies

Allocation of Utility Refunds

The Public Service Commission (PSC), by statute, has the authority to order utility refunds when it has found a utility has over-earned. Existing law also provides that those refunds be returned to the ratepayers. This issue arose because of a large, PSC ordered, utility refund and whether the PSC could allocate that the refund be used by utilities for upgrading infrastructure. The committee reviewed this issue during its June meeting and concluded that no changes were necessary to the existing statutory allocation at this time.

Gas Service Extension

In the 1998 General Session, legislation was adopted that allowed for the extension of gas service to certain rural communities and set up a limited funding mechanism. The issue was considered this year to determine if the program would be of benefit to other communities in Utah. The committee reviewed this issue at its May meeting and concluded that no additional changes were necessary at this time.

Pricing New Telecommunication Services

Under the pricing flexibility section of the Utah Telecommunications Reform Act of 1995, an incumbent telephone company may price list or competitively contract the provision of any new services. This issue involves equal competitor access to a new service in order to compete fairly with an incumbent telephone company. After discussing the issue, the committee determined additional review is warranted next year. The committee addressed this issue at its June 1999 meeting.

Rural Telecommunications

The Public Utilities and Technology Interim Committee heard the task force report per statutory requirement and noted there were two major conclusions with multiple recommendations. Those conclusions are that "penetration of Internet access and use in rural areas may be lower than in urban areas of the state" and there are many areas in Utah today, both urban and rural, where customers do not have affordable choice for broadband services and high-speed Internet access." The task force also concluded it did not need to be reauthorized. *(For additional information, see "Report to Utah State Legislature - Rural Telecommunications Task Force," available in the Office of Legislative Research and General Counsel.)*

Utilities in Highway Rights-of-Way

The Public Utilities and Technology Interim Committee heard the task force report per statutory requirement and approved the recommended legislation titled, "Utilities in Highway Rights-of-Way." See the Transportation Interim Committee report for more information regarding the task force.

Utility Mergers

The committee heard reports from the Public Service Commission, consumer groups, and the affected utilities regarding the proposed merger of QWest and US West, and Scottish Power and PacifiCorp. Additional meetings will likely be held next year to review the proposed mergers as they approach completion. The committee reviewed this issue at its August meeting.

REVENUE AND TAXATION INTERIM COMMITTEE

Membership

Sen. Howard A. Stephenson, Senate Chair
Rep. Raymond W. Short, House Chair

Sen. Ron Allen	Rep. Loretta Baca	Rep. David M. Jones
Sen. Mike Dmitrich	Rep. Ralph Becker	Rep. Loraine Pace
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Committee Overview

The Revenue and Taxation Interim Committee studies a wide range of policy questions and potential legislation affecting the structure and administration of Utah's state and local tax systems. These studies range from establishing new policy to implementing existing policy.

In addition to its regular policymaking emphasis, the committee makes a special effort to focus on its *revenue* responsibility. The committee regularly receives detailed updates from the State Tax Commission on the collection of taxes and other revenues.

Since 1984, the committee has received significant input from the Tax Review Commission which is an independent study group. This body consists of legislators, tax practitioners, academics, and citizen representatives and has made periodic reports to the committee, usually at the direction of the legislature.

Apportionment of Taxable Value of Commercial Airlines

Background

Under the Utah Constitution, the establishment of fair market value of commercial airlines for property tax purposes is determined by the Utah State Tax Commission. Once a commercial airline's taxable value has been determined, that value is apportioned across taxing districts using a variety of methods. Taxing entities then levy a property tax on that apportioned value. Based on a tax commission administrative rule, the taxable value of commercial airlines has traditionally been apportioned based on the route miles flown by a commercial airline over a taxing entity.

In the spring of 1999, the Utah Supreme Court ruled that the tax commission's rule for apportioning airline value using route miles violated the Utah Constitution. This ruling was the result of an action filed by Salt Lake City and the Salt Lake City School District challenging the tax commission's apportionment method. In response to this ruling, the tax commission changed its method of apportioning value to one based on an airline's time on the ground. This new method dramatically increased the taxable value for a few taxing entities and reduced the taxable value for the other taxing entities.

Committee Action

The committee reviewed the court's findings and the possible property tax shifts that could occur as a result of the ruling. The major effect of the ruling was a shift in taxable value to Salt Lake City, Salt Lake County, and the Salt Lake City School District from other taxing entities in the state that were, prior to the court's ruling, included in the route mile apportionment method. The committee found that under the current "Truth in Taxation Law" that a taxing entity that loses taxable value, if it wished to maintain the same level of property tax revenue, could increase the property tax rate on all other property to recoup lost revenue. This could be done without publishing a notice or holding a public hearing as is otherwise required by law. Conversely, a taxing entity that gains taxable value due to the court's ruling could realize an increase of property tax revenue without publishing a notice or holding a public hearing.

The committee also reviewed a proposal from West Valley City to apportion commercial airline value based on ground time plus take off and landing patterns. West Valley City argued that a method based on these factors would comply with the court's ruling. However, the committee took no action on this proposal.

The committee considered this issue at its May, June, and August 1999 meetings and recommended legislation titled "Property Tax – Calculation of New Growth."

Property Tax – Age Based Fee on Motor Vehicles

Background

Certain personal property in Utah is subject to property tax. While property is generally taxed at the rate imposed by the various taxing entities where the property is located, the constitution provides that the legislature may impose a statewide uniform "fee in lieu" of the property tax on "tangible personal property that is required by law to be registered with the state before it is used on a public highway, on a public waterway, on public land, or in the air." For several years, Utah has collected "fees in lieu" of property taxes on motor vehicles, boats, snowmobiles, and off-highway vehicles. The fee has been set by the legislature as a percent of the vehicle's value. Revenue from this fee is distributed to taxing entities.

During the 1998 General Session, the legislature enacted S.B. 50, "Uniform Fee on Motor Vehicles." This legislation changed the base on which the fee is levied from the vehicle's fair market value to the vehicle's age. This "age based" fee was intended by the legislature to raise statewide the same amount of revenue as the prior "value based" fee. S.B. 50 provided that a taxing entity could raise its certified property tax rate on real property if the revenues from the age based fee were less than the revenues that the taxing entity would have otherwise received under the value based system.

Committee Action

The committee received reports on estimated collections from the age based fee on motor vehicles. The Utah State Tax Commission estimated that statewide revenues from the age based fee would be less than anticipated when S.B. 50 was enacted. Based on this finding, the commission allowed taxing entities to increase their certified property tax rate to ensure that property tax revenues were held harmless.

The committee considered this issue at its July, August, October, and November 1999 meetings and recommended legislation titled "Property Tax Certified Tax Rate Adjustments – Uniform Fees."

Property Tax – Judgment Levy

Background

Under Utah's property tax system, a property's fair market value is determined by either a county assessor, the Utah State Tax Commission, or the court. A taxpayer may appeal the assessor or commission's determination of fair market value. In these cases, state law provides a process for the

taxpayer's appeal to be reviewed and considered. Because this process is not completed before the property tax is owed, a taxpayer who challenges a determination of fair market value is required to pay his or her property tax liability "under protest." These revenues are then disbursed to, and often expended by, various taxing entities. If a court, Board of Equalization, or Utah State Tax Commission finds that the property tax was in fact unlawfully collected, a judgment is entered in favor of the taxpayer. A refund of the tax paid under protest, plus interest, is then due the taxpayer. A taxing entity may then levy a specific tax rate, called a "judgment levy" to raise the revenues necessary to satisfy this judgment.

Committee Action

The committee considered the issue of the imposition of judgment levies by some taxing entities. Some taxing entities may impose a judgment levy to raise revenues to replace a judgment that was paid in a prior tax year. The policy decision considered by the committee was whether taxing entities should have a limited or unlimited window within which the judgment levy may be imposed. The committee considered this issue at its November 1999 committee meeting and recommended legislation titled "Truth in Taxation – Judgment Levy."

Property Tax – Valuation after Action by Boards of Equalization

Background

Under Utah's property tax system, the fair market value of residences and most businesses is determined by county assessors. A taxpayer may dispute the assessed value by filing an appeal, first with the County Board of Equalization, then, if desired, with the Utah State Tax Commission and the courts. County governing bodies serve as a board of equalization to consider taxpayer appeals of fair market value. In large counties, many of these appeals are first reviewed by hearing officers whose decisions are later ratified by a Board of Equalization.

Committee Action

This issue was brought to the committee's attention by taxpayers who have had the fair market value of their residence or business increased the year following a reduction of that value by a Board of Equalization. These taxpayers question why a county assessor would determine a higher value one year following a successful appeal and reduction. The committee considered this issue at its October 1999 meeting and recommended legislation titled "Property Tax – Valuations Appeals."

Simplifying the Administration of the Sales Tax

Background

The State of Utah and many of its political subdivisions impose a tax on the sale or use of certain tangible personal property. In most cases, the tax is paid by the consumer and collected by the vendor when the sale is made. Vendors who sell tangible personal property are required to be licensed by the Utah State Tax Commission, file sales tax returns, and remit sales taxes collected from customers. Certain large vendors who remit sales taxes on a monthly basis retain a portion of the collections to offset their administrative expenses.

Some argue that administration of the sales tax, particularly for companies that do business in more than one state, is too complex. States and local jurisdictions have varying tax rates, forms, filing requirements, and definitions of what is and is not subject to the sales and use tax. For some vendors, filing and remitting sales taxes is a complex task.

During the 1999 General Session, the legislature enacted S.B. 178, "Study on Sales and Use Tax Compact and Agreement." In passing this bill, the legislature recognized that both private vendors and the state would benefit from a simplified and, where possible, uniform sales tax administration system. This legislation gave permission to the Utah State Tax Commission to enter into preliminary negotiations with other states to develop uniformity between sales tax systems.

Committee Action

The committee received several reports from the Utah State Tax Commission on the Northwest Regional Sales Tax Pilot Project. This project is a joint effort of the revenue departments of Washington, Idaho, and Utah and several private companies to develop a sales tax system that effectively harmonizes and simplifies sales taxes within the three states. The committee discussed issues surrounding uniform definitions, single sales tax rates per state, and simplified collection procedures at its April, May, June, July, and August 1999 meetings.

Other Studies

Income Tax Credit for Restoring Historically Significant Commercial Buildings

Utah currently provides a credit against the individual income tax and the corporate income tax for a taxpayer's qualified rehabilitation expenses that are incurred in connection with a certified historic residential building. During the 1999 General Session, the legislature considered, but did not pass, legislation that would have expanded the availability of this credit to commercial buildings. The

committee reviewed the proposed bill from the 1999 General Session at its June 1999 meeting.

Interstate Retail Sales, Including Electronic Sales

Sales of tangible personal property made through catalogs, over the telephone, and over the Internet to out of state companies pose unique collection difficulties for tax administrators. While the use tax is technically owed by the purchaser, states cannot generally require an out of state vendor to collect the tax. Utah provides for claiming use taxes owed on its individual income tax form, but few taxpayers pay a use tax liability in this way.

While the problem of collecting use taxes on interstate sales has faced states for many years, it has taken on a new urgency with the growth of sales over the Internet, sometimes called "Electronic Commerce." States could potentially lose significant amounts of sales tax revenue if sizeable portions of retail sales are made over the Internet. The committee reviewed the overall issues of electronic commerce, recently enacted federal law, how electronic commerce sales might affect future sales and use tax collections, and the work of the federal Advisory Commission on Electronic Commerce, at its April meeting.

Property Tax – Rate and Levy Changes Proposed by Taxing Entities

The committee reviewed information presented by the Property Tax Division of the Utah State Tax Commission on the number of taxing entities proposing increases in their certified property tax rate, property tax shifts due to changes in commercial airline taxable value, declining oil and gas property revenue, and the switch to age based uniform fees on motor vehicles. The committee considered this issue at its August and September 1999 meetings.

Requiring Voter Approval to Raise the Certified Property Tax Rate

An important part of Utah's property tax system is the "Truth in Taxation" process. Taxing entities must generally follow this process if they wish to budget more property tax revenue in an upcoming budget year than they did in the current budget year. (A taxing entity includes the state, municipalities, counties, school districts, and special service districts.) While taxing entities are generally subject to caps on property tax rates, truth in taxation does not, by itself, limit a taxing entity's property tax revenues. Two requirements for taxing entities are: (1) publish a notice in a newspaper of its intent to increase property tax revenues; and (2) hold a public hearing to receive public comment on the proposed revenue increase. The committee considered at its November 1999 meeting a policy change in the truth in taxation process to require voter approval in order for a taxing entity to impose a tax rate that exceeds the certified tax rate, but did not recommend legislation.

Simplified Tax and Wage Reporting System (STAWRS)

The Simplified Tax and Wage Reporting System (STAWRS) is a project that joins several federal agencies, various states, and certain private organizations in an effort to simplify employment tax and wage reporting requirements. One part of the STAWRS project is to assess the feasibility of developing uniform definitions of wages for purposes of federal and state income tax withholding, FICA, unemployment insurance, and worker's compensation insurance. Uniform definitions would aid employers when filing various tax and unemployment insurance returns. The committee voted at its April 1999 committee meeting to convey to the governor its support for Utah's participation in a study to determine the revenue effects of a uniform wage definition.

Tax Implications of the Olympic Winter Games of 2002

The Winter Olympic Games will be held in Utah in February 2002. It is estimated that Olympic Spending between 1996 and 2002 will be approximately \$1.84 billion. The state and its political subdivisions will receive tax revenue from some of this Olympic spending. The Governor's Office of Planning and Budget estimates that about 39 % of the state Olympic-related revenue will come from the sales and use tax, 33 % will come from the income tax, and 43 % will come from the property tax.

The committee reviewed state and local sales and use tax diversions to the Olympic Special Revenue Fund and disbursements to the Olympic Special Revenue Fund. It also studied potential sales and use tax, income tax, and property tax implications of the Olympic Winter Games of 2002. The committee considered this issue at its May 1999 meeting. *(For additional information, see "Olympic Winter Games of 2002: State Issues," available in the Office of Legislative Research and General Counsel.)*

TRANSPORTATION INTERIM COMMITTEE

Membership

Sen. Peter C. Knudson, Senate Chair
Rep. Marda Dillree, House Chair

Sen. R. Lane Beattie	Rep. Don E. Bush	Rep. Brad King
Sen. R. Mont Evans	Rep. Carl W. Duckworth	Rep. Karen W. Morgan
Sen. Karen Hale	Rep. Kory M. Holdaway	Rep. Joseph G. Murray
Sen. Eddie "Ed" P. Mayne	Rep. Bryan D. Holladay	Rep. Lowell A. Nelson
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Committee Overview

The Transportation Interim Committee has responsibility for issues relating to the safe and efficient movement of people and property within the state. The committee has oversight responsibility for the Utah Department of Transportation (UDOT), the Driver License Division of the Department of Public Safety, and the Motor Vehicle and Motor Vehicle Enforcement Divisions of the Tax Commission. In addition, the committee hears periodic reports by the Utah Transit Authority relating to mass transit issues.

UDOT provides transportation-related services in the form of construction and maintenance of state highways. The department also regulates motor carriers for safety, size, and weight compliance. The Utah Constitution requires that the proceeds of any tax or fee related to the operation of a motor vehicle on a highway, excluding collection costs, limited tourism expenses, and driver education administration, be used for highway purposes (see Article XIII, Section 13, Utah Constitution). Highway user-related taxes and fees are deposited in the Transportation Fund. Motor fuel and special fuel tax make up approximately 85% of the revenue of the Transportation Fund. A maximum of \$10.6 million may be appropriated from the fund to other agencies for tax collection costs and law enforcement (see Section 72-2-103, Utah Code Annotated 1953). Of the amount remaining, 25% is appropriated to counties and municipalities for their roads, using a formula based on weighted road mileage and population (see Sections 72-2-107 and 72-2-108, Utah Code Annotated 1953). The remaining 75% is appropriated to UDOT for state highway construction and maintenance.

The Centennial Highway Fund, created in 1996, consists of appropriations made by the legislature, a portion of the motor vehicle registration fees, voluntary contributions, and, beginning January 1, 2000, revenue generated by the 1/64% sales and use tax rate. This fund must be used for construction, major reconstruction, or major renovation to state and federal highways (see Section 72-2-118, Utah Code Annotated 1953). The fund is being used for the I-15 reconstruction in Salt Lake County and other previously unfunded state highway projects throughout the state.

Registration and licensing of motor vehicles are provided by the Motor Vehicle Division of the Tax Commission (see Title 41, Chapter 1a, Motor Vehicle Act, Utah Code Annotated 1953). The Motor Vehicle Enforcement Division of the Tax Commission regulates motor vehicle dealers and enforces vehicle theft statutes (see Title 41, Chapter 3, Motor Vehicle Business Regulation Act, Utah Code Annotated 1953).

The Utah Transit Authority (UTA) provides public mass transit services within local political subdivisions that include 70% to 80% of the state's population. The UTA is a special district formed by municipalities and counties by a vote of the people authorizing a 1/4 cent sales tax dedicated to the district (see Section 59-12-501, Utah Code Annotated 1953).

Highway Corridor Preservation

Background

Population growth increases the demand for an improved transportation infrastructure and it limits available undeveloped land for future transportation facility expansion and new alignments. The pressure to approve development that is incompatible with the protection of future transportation corridors is often overwhelming to local governments that rely on increased sales tax and property tax revenues from new development. Effective transportation corridor preservation can lead to long-term cost savings for state and local government. UDOT commissioned a study of ways the state and local governments can preserve future transportation corridors. The result of the study was a two-volume guide released in June 1999, titled "Methods and Techniques of Corridor Preservation" Volume I: "Training Manual" and Volume II: "Legal Issues Affecting Long-range Highway Corridor Preservation in Utah."

Committee Action

The committee heard a presentation on corridor preservation from the authors of the two guide books. The presentation included draft model legislation that the committee voted to have prepared into a bill for future consideration. This legislation was revised in another committee hearing and in a working group meeting. The committee considered this issue at its June, October, and November 1999 meetings and recommended legislation titled "Transportation Corridor Preservation Act."

I-15 Reconstruction and Highway Funding

Background

On March 26, 1997, Wasatch Constructors was awarded a bid for a project to demolish, design, and reconstruct I-15 in Salt Lake County from 600 North to 10800 South. UDOT issued the notice to proceed with the design/build project on April 15, 1997. The total project cost is \$1.59 billion. Wasatch Constructors' proposal calls for the project to be completed in July 2001, three months ahead of the deadline – with the mainline traffic and all interchanges open in May 2001, five months ahead of schedule. The freeway south of 5300 South is projected to be completed by October 1, 2000.

During the 1997 General Session, the legislature began a ten-year finance plan for the I-15 reconstruction project and for other Centennial Highway Fund projects. General Fund appropriations, bonding, and federal funding are three critical revenue sources for the Centennial Highway Fund as shown in the adjacent table. These amounts are on target to keep the ten-year finance plan viable.

However, new projects added to the centennial highway project list, greater than anticipated costs for projects, and less than expected revenues from the General Fund and from federal assistance could require adjustments to be made to the plan or its funding.

Centennial Highway Fund				
Key Sources				
	General Fund	Bonding	Debt Service	Federal Funds
FY 1997	\$110,000,000			
FY 1998	\$78,000,000	\$600,000,000	(\$23,924,000)	\$11,453,000
FY 1999	\$110,000,000	\$240,000,000	(\$39,986,000)	\$70,305,000
FY 2000	\$122,000,000	\$68,000,000	(\$40,630,000)	\$78,089,000
Total	\$420,000,000	\$908,000,000	(\$104,540,000)	\$159,847,000

Source: UDOT November 1999

As of December 1999, the 54-month I-15 reconstruction project has been underway for 32 months. Total payments to the contractor for the project are \$1,028,244,189 or 77% of the total contract project amount, as of the end of October 1999. The design phase of the project was completed in late 1998. Mainline traffic is on new pavement on one side of the freeway for the length of the project. Newly reconstructed ramps are open for north and southbound traffic at 600 North, 7200 South, and 10600 South and the northbound off-ramp at 600 South is open. The connection from eastbound I-80 to northbound I-15 and the 400 South viaduct were both opened in the fall of 1999.

Committee Action

The committee heard reports on the reconstruction of I-15 and highway funding, including Transportation Fund shortfalls; Centennial Highway Fund update; federal funding status; construction status; traffic detours and schedules; and the Statewide Transportation Improvement Program. The committee considered these issues at its April, May, June, August, and November 1999 meetings but did not recommend legislation.

Special Mobile Equipment - Vehicle Registration and Taxation

Background

Over the last several years, the numbers and types of vehicles granted special mobile equipment status by the Tax Commission has increased. Although many of these vehicles are found on the highway on a daily basis, they are not required to be registered and, thus, are exempt from several requirements that apply to all other commercial motor vehicles. These include payment of registration fees, driver education tax, uninsured motorist fee, and motor carrier fee; having or displaying license plates; having an annual safety inspection or emission test; and complying with vehicle titling and odometer requirements.

Committee Action

The committee heard testimony from representatives of the Tax Commission who indicated that the current definition of special mobile equipment is confusing to administer and that they may not be the best entity to determine what vehicles should be classified as special mobile equipment. Public safety officials also expressed concerns, including a request that all vehicles that are on the highway have license plates. Based on the input received from a working group, general agreement was expressed on the need for these vehicles that are on the highway to pay fuel taxes, have license plates, and undergo safety inspections. The main unresolved issue was the payment of registration fees.

The committee initially considered two alternative bills on the issue, voted to combine provisions of both bills into one bill, and recommended it as a committee bill. In a subsequent meeting, the committee considered a third bill that simplified registration procedures by giving a discount from registration fees for trucks used exclusively to pump cement, bore wells, or perform crane services. The committee voted to recommend legislation titled "Special Mobile Equipment Amendments," in lieu of its previous action. The committee considered this issue at its April, July, October, and November 1999 meetings.

Uninsured Motorist Identification Database Program

Background

The Uninsured Motorist Identification Database Program sunsets on July 1, 2000. The original 1994 bill included a two-year sunset. The program's sunset date was extended for two additional years in 1996 and in 1998.

The program is administered by the Department of Public Safety to reduce the number of uninsured motorists and increase compliance with vehicle registration and sales tax laws. The department is required to contract with a third-party agent to maintain a database to identify uninsured motor vehicles. Insurance companies are required to provide a monthly record of each current motor vehicle insurance policy. Costs are funded by a \$1 uninsured motorist identification fee imposed on each motor vehicle registered, except commercial fleet vehicles. Each insurance agent is required to provide notices requiring motor vehicle owners to provide proof of insurance if an owner's vehicle shows no insurance for three consecutive months. The agent is also required to flag, for law enforcement agencies, a vehicle owner's record if the owner fails to provide proof of insurance. The database may be used to issue citations related to insurance requirements.

Committee Action

The committee heard an audit report of the Tax Commission which found that the internal controls over fee payments to the third-party provider (Insure-Rite) are accurate and that Insure-Rite is performing an acceptable job of matching registrations with insurance company records. A representative of the Driver License Division reported on the history of the program, its operation, performance, and financial history. The current balance in the program as of July 1999 is approximately \$1,919,124. Potential ways to use the database to enhance enforcement and provide other services if directed by the legislature were also explained. The committee recommended legislation titled "Uninsured Motorist Database Reauthorization" which reauthorizes the program for ten years. The committee considered this issue at its July 1999 meeting.

Utilities in Highway Rights-of-Way Task Force

Membership

Sen. Leonard M. Blackham, Senate Chair

Rep. Thomas Hatch, House Chair

Sen. Ron Allen

Sen. Mike Dmitrich

Sen. Peter C. Knudson

Sen. Michael G. Waddoups

Rep. Craig W. Buttars

Rep. Marda Dillree

Rep. Fred J. Fife III

Rep. Neil A. Hansen

Rep. Brad King

Rep. Marlon O. Snow

Mr. Wesley R. Curtis

Mr. Jerry D. Fenn

Mr. Ivan W. Flint

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Background

In the Federal Telecommunications Act of 1996, Congress granted states the authority to allow telecommunications facilities to be placed in interstate rights-of-way and "to require fair and reasonable compensation from telecommunication providers, on a competitively neutral and nondiscriminatory basis." The amount of the compensation must be publicly disclosed.

The legislature responded by passing S.B. 150, "Utilities in Highway Rights-of-Way," during the 1999 General Session. The bill allows UDOT to enter into agreements for telecommunication providers to place facilities in interstate rights-of-way. UDOT is required to charge compensation for the longitudinal access in accordance with specified requirements. The bill delayed, until October 1, 1999, UDOT's authority to make rules setting rates of compensation.

S.B. 150 also addressed the issue of relocation of utilities by requiring UDOT and utility companies to coordinate utility relocation efforts in order to reduce costs. Utility companies are allowed to place their facilities in state highway rights-of-way for a small permit fee, but there has been sharp disagreement on the allocation of utility relocation costs between UDOT and utility companies. The state has paid relocation costs when federal money is used on the project but not when the project is state-funded. According to the Federal Highway Administration (FHWA), because of a recent Utah State District Court ruling, the FHWA cannot reimburse the state for additional relocation costs

without a change in state law. The case is under appeal.

S.B. 150, also created a 20-member task force to study and make recommendations on:

1. the rates to charge telecommunications providers for access to interstate rights-of-way; and
2. allocating the costs for relocating utilities in highway rights-of-way that result from a highway project.

The task force studied telecommunications access to interstate highways in other states; reviewed state telecommunications needs and goals; received perspectives from telecommunications facility providers, the Utah Education Network, the Division of Public Utilities, and UDOT; and considered compensation proposals from the telecommunications providers and UDOT. The task force asked a small group made up of representatives from UDOT, US West, Questar, and PacificCorp to develop ways to improve coordination on utility relocations between UDOT, utility companies, and their contractors. The goal was to minimize costs and delays to all parties when relocation of utilities is involved in a state highway project. This Technical Coordination Group presented a letter and written recommendations to the task force.

The task force made the following recommendations:

1. UDOT, utility companies, and their contractors should continue to develop ways to improve coordination to minimize costs and delays to all parties when relocation of utilities is involved in a state highway project. A letter and recommendations on this subject, as presented by the Technical Coordination Group dated October 5, 1999, should be implemented and the Transportation Interim Committee should hear the report and receive periodic reports on its implementation.
2. **"Utilities In Highway Rights-of-Way"** legislation was adopted that:
 - a. establishes that UDOT shall pay 50% of the cost for relocation of utilities on a state highway due to a state highway project;
 - b. requires compensation charged for telecommunications access to interstate rights-of-way to be set after a market analysis of the rights-of-way values, based on adjacent property values;
 - c. creates a six-member Telecommunications Advisory Council to advise and assist UDOT; and
 - d. requires any telecommunications capacity acquired to be used exclusively for statewide telecommunications purposes.
3. Review the duties of the Telecommunications Advisory Council created in the bill for possible revisions.

Committee Action

In November 1999, the task force presented its final report to the Legislative Management Committee, the Public Utilities and Technology Interim Committee, and the Transportation Interim Committee. The Public Utilities and Technology Interim Committee approved the task force's recommendations and recommended legislation titled "Utilities In Highway Rights-of-Way." The Transportation Interim committee also approved the final report of the task force but did not recommend legislation.

Other Studies

Annual State Highway System Changes

Under Section 72-4-102, Utah Code Annotated 1953, UDOT annually submits to the Transportation Interim Committee a list of highways that the Transportation Commission recommends be added to or deleted from the state highway system. All recommendations must be based on minimum qualifying standards established by the commission. This list, along with any fiscal recommendations, is reviewed by the committee before being submitted to the legislature. 1999's changes include deleting from the state highway system 3.74 miles of SR-8 through Snow Canyon State Park to SR-18 and deleting SR-297 which includes 1.25 miles of roads within the state fair park. The net decrease to the state highway system is 4.99 miles. The committee considered this issue at its October 1999 meeting and recommended legislation titled "Master Road Amendments."

Aggressive and Reckless Driving

Aggressive and reckless driving has been an issue of nationwide interest in recent years. In 1998, 26 bills on this issue were introduced in nine states. As of Spring 1999, only Arizona and Virginia had passed bills on the subject. The committee heard a presentation on nine different options to address this issue: 1) enforce the reckless driving offense; 2) create an aggressive driving offense; 3) require post-offense education; 4) provide driver training curriculum; 5) implement periodic "Smooth Operator" programs; 6) use marked and unmarked patrol vehicles in targeted enforcement efforts; 7) facilitate receipt of witness complaints; 8) allow traffic signal cameras for enforcement of red light provisions; or 9) expand allowable use of photo radar.

The committee also received informational handouts from a representative of the American Automobile Association and heard a report on the current efforts of the Utah Highway Patrol to curb aggressive and reckless driving. At a subsequent meeting, draft legislation was presented to amend reckless driving provisions and allow unmarked patrol vehicles to be used in targeted enforcement efforts. The committee considered this issue at its August and November 1999 meetings and heard a presentation on legislation titled "Aggressive Driving Amendments" but took no action on the

legislation.

Community Coordination of Highway Administration

Managing the state's highway system includes continuous involvement with local government officials and citizens. State highways, county roads, and municipal streets connect together in a highway network that provides mobility and access. What happens when differences occur between state and local interests? How should neighborhoods' desire for safe and quiet streets be balanced with the need to move traffic between traffic generators. UDOT must work with communities to develop and implement a 20-year transportation plan known as the Long-Range Plan, and a five-year transportation plan known as the Statewide Transportation Improvement Plan (STIP). Public input is encouraged at multiple steps during these planning and programming processes. The committee heard UDOT's explanation of these processes as well as an explanation of UDOT's customer service efforts. Draft legislation was presented to the committee that would require UDOT to cooperate with counties and municipalities on traffic and safety issues between state and local transportation systems. The committee considered this issue at its June 1999 meeting but took no action on the legislation.

Light-Rail Progress

On Monday, December 6, 1999, the Utah Transit Authority (UTA) began regular passenger service on its North/South light rail line from downtown Salt Lake City to 10000 South in Sandy. The cost to construct the line was \$292 million and was funded using 80% federal and 20% local money. The December opening is about five months ahead of schedule and \$10.5 million under budget. The Transit Express (TRAX) is a 15-mile North/South light rail line which includes 16 stations. TRAX trains will take approximately 40 minutes to travel from Sandy to downtown Salt Lake City including all stops. Twenty-eight UTA bus routes will be rerouted to serve the North/South TRAX line. Each TRAX train will start with two vehicles that can carry 150 passengers per vehicle. TRAX will operate from 5:30 a.m. to midnight Monday through Saturday and will stop at each station every 15 to 30 minutes during off-peak hours and stop every ten minutes during peak commuting times.

UTA hoped to obtain federal funding for the construction of the airport to University of Utah light rail line at a cost of \$480 million. A condition of any federal funding is that UTA demonstrate the ability to fund operating expenses. During the 1999 General Session, the legislature, in appropriations intent language, stated that if other funds are insufficient, additional operating funds would be provided, not to exceed \$5 million per year for a maximum of ten years. Due to resistance in Congress for the funding and time constraints associated with having the project completed in time for the 2002 Winter Olympics, UTA scaled back the project and pursued a "full-funding grant agreement" for 80% federal funding of the project by the Federal Transit Administration for a light rail extension from downtown Main Street to the University of Utah east of the Rice-Eccles football stadium. The cost of this project is \$105 million. If funding is approved, construction could begin in January 2000, and be completed in February 2002, in time for the Olympics. The committee heard an update at its May 1999 meeting but did not recommend legislation.

UTAH TOMORROW STRATEGIC PLANNING

COMMITTEE

Membership

Sen. Beverly A. Evans, Senate Chair
Rep. Afton B. Bradshaw, House Chair

Sen. Joseph L. Hull
Sen. Lorin V. Jones
Rep. Loretta Baca
Rep. A. Lamont Tyler

Mr. Brad Barber
Mr. Daniel Becker
Mr. Kenneth Bischoff
Mr. Kim Burningham*
Mr. Christopher Blake

Ms. Kathleen Clarke
Mr. Gene Moser*
Dr. Dianne Nielson
Mr. Con Rowley

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Keith M. Woodwell, Associate General Counsel
Vanessa F. Thompson, Legislative Secretary

Committee Overview

The Utah Tomorrow Strategic Planning Committee, established by the legislature in 1990, develops an ongoing and comprehensive strategic planning process to enable Utahns to focus on and achieve a single set of goals for the future. During the 1990 interim, the committee developed a vision statement describing where Utahns would like the state to be in 20 years and focused the broad goals of the vision statement into specific, measurable objectives. The first draft of these goals was created by ten task forces whose total participation included more than 350 citizens.

In subsequent years, the Utah Tomorrow Strategic Planning Committee continued to refine the vision statement, goals, and performance measures in a cooperative effort with state agencies and departments. The committee has also strengthened ties with different branches and levels of government in implementing the goals of Utah Tomorrow. The legislature, governor's office, executive branch agencies, judicial branch, and local governments combined their efforts to refine the goals and measures. Working together with the governor's Office of Planning and Budget, the committee emphasized coordination of the planning activities of the executive branch with the committee.

During the 1999 interim, the Utah Tomorrow Strategic Planning Committee focused on simplifying the Strategic Plan, considering different formats for the annual report, and ways to present the new simplified report to the legislature. The committee requested that state agencies reduce the number of performance measures, use performance measures that have targets for achieving goals, and identify the agency responsible for reporting data on each performance measure. The new format will include an executive summary of the most important goals and measures in the various subject areas.

The Utah Tomorrow Strategic Planning Committee continues to emphasize performance measurement and data collection in cooperation with the governor's Office of Planning and Budget. Executive departments and local governments play a key role in the implementation of statewide strategic goals -- their involvement is critical to its success. During the 2000 General Session, the committee plans to present various sections of the Utah Tomorrow report to the relevant legislative standing committees. After receiving feedback from the various standing committees, the Utah Tomorrow Strategic Planning Committee expects to publish its next annual report in the spring of 2000.

WORKFORCE SERVICES INTERIM COMMITTEE

Membership

Sen. Robert M. Muhlestein, Senate Chair
Rep. Michael R. Styler, House Chair

Sen. D. Edgar Allen	Rep. Sheryl L. Allen	Rep. Brent H. Goodfellow
Sen. Gene Davis	Rep. Ron Bigelow	Rep. Neil A. Hansen
Sen. Parley Hellewell	Rep. Jackie Biskupski	Rep. Rebecca Lockhart
Sen. Lorin V. Jones	Rep. Ben C. Ferry	Rep. Gordon E. Snow
Rep. Jeff Alexander	Rep. Lloyd Frandsen	Rep. David L. Zolman

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Committee Overview

To simplify and make the welfare and workforce-related programs of the state more efficient, the legislature created the Department of Workforce Services by passing H.B. 375, "Department of Workforce Services," in the 1996 General Session and S.B. 166, "Workforce Services and Labor Commission Implementation and Amendments," in the 1997 General Session.

The two bills consolidated the following into the new department: Quality Control and the Office of Family Support from the Department of Human Services; the Department of Employment Security; Job Training and the Office of Child Care from the Department of Community and Economic Development; and the Turning Point Program from the State Office of Education. The new department includes the following divisions: Labor, Safety, and Program Regulation; Adjudication; and Employment Development. The department also includes Regional Workforce Service Areas designed to provide services in geographic areas throughout the state.

Child Care Cash Out

Background

The Department of Workforce Services "Payment-to-Parent" program was designed to both encourage financial responsibility and enhance the range of child care choices available to public assistance recipients. Participating families are permitted to use program funds available through an Automatic Teller Machine to pay for the child care they determine will best meet their needs.

Early in 1999 several reports of recipient fraud surfaced. The Department of Workforce Services received complaints from several child care providers regarding incidents of fraud and other aspects of the program. The Department of Workforce Services conducted an internal audit, published September 15, 1999, in which they confirmed several instances of fraud.

The department has emphasized that the "Payment-to-Parent" program is a response to federal requirements to expand parental choice in selecting child care. At this time New York is the only other state to implement such a program. The department has indicated that corrections are being made to prevent future abuses.

Committee Action

The committee considered this issue at its May, October, and November 1999 meetings. In the November meeting the committee voted unanimously to direct the Department of Workforce Services to report in the April 2000 interim committee meeting whether the proposed program corrections have resolved the fraud problems.

Unemployment Insurance

Background

Representatives of the Division of Information and Payment Services in the Department of Workforce Services testified that current law, which requires that hearings to determine fraud must be recorded, leads to less efficiency in the use of time and staff. Current law also uses a definition of wages that differs from that used by the Internal Revenue Service definition, which has caused some confusion and inefficiency. Legislation was drafted to eliminate the requirement for a recorded hearing and to conform Utah's definition of wages to the Internal Revenue Service definition.

Committee Action

The committee considered this issue at its August, October, and November 1999 meetings and recommended legislation titled "Amendments to Unemployment Insurance."

Other Studies

Drug Rehabilitation for Public Assistance Recipients

The committee heard testimony from representatives of the Department of Workforce Services regarding the struggle some public assistance recipients have with drug addiction. Often the addiction surfaces after recipients are employed and struggling in the workplace, and employers have complained to the Department of Workforce Services.

Members of the committee suggested that perhaps public assistance recipients should be tested for drug use. The results would not be used to disqualify recipients from receiving assistance, but rather to identify the drug use early in order to get the individual into treatment and help them succeed in finding and keeping a job.

The committee also heard testimony from representatives of drug rehabilitation centers regarding drug addiction and treatment who, along with representatives of the Department of Workforce Services, expressed a preference for establishing trusting relationships between recipients and case workers and improving the screening process over drug testing. The committee considered this issue at its August and October 1999 meetings but did not recommend legislation.

Public Assistance Time Limit Extension

Federal welfare reform law requires that lifetime limits be applied to eligibility for cash assistance. Utah has a 36-month lifetime limit that will end benefits for some recipients receiving cash assistance beginning January 1, 2000. The Department of Workforce Services is authorized to extend cash assistance beyond the deadline to no more than 20% of its caseload.

The Workforce Services Interim Committee heard testimony on the results of studies highlighting the needs of recipients with multiple barriers to self-sufficiency, and debated the merits of modifying the law to extend the time limit for these individuals and families. Efforts to extend the deadline failed during the 1999 General Session.

The committee discussed "Amendments to the Public Assistance Time Limit Extension," which addresses how the department will account for recipients included within the 20% time limit extension. The proposed legislation permits the department to continue providing cash assistance to a family beyond the 36-month time limit without including them in the 20% extension if a member of the family has been battered or subjected to extreme cruelty. The committee considered this issue at its November 1999 meeting but did not recommend legislation.

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