



INTERIM HIGHLIGHTS

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

INTERIM LEGISLATIVE MEETINGS

Meetings were held May 19, 2010 or as noted.

Administrative Rules Review Committee

April 08, 2010

Department of Administrative Services Modifications

Discussed the impact of H.B. 402, "Department of Administrative Services Modifications" (2010 General Session), on the department, including the Division of Administrative Rules.

Tourism-oriented Directional Signs

Discussed, at the request of the Utah Department of Transportation (UDOT), whether UDOT should draft an administrative rule governing the placement of tourism-oriented directional signs.

Action: Recommended that UDOT postpone rulemaking for 36 months and work with affected industries to resolve concerns, and also send a letter to the Privatization Policy Board requesting that it review the issue.

May 13, 2010

Incorporation by Reference in Statutes and Rules

Received a committee staff report on the different ways in which state statutes and agency administrative rules incorporate other documents by reference.

Local Health Department Rulemaking

Discussed the relationship of local health department rules to state statutes and the administrative rules written by the Utah Department of Health.

Statutes and Rules Governing Lobbying

Discussed state statutes and administrative rules governing lobbying, including the definitions of "lobbying" and "lobbyist," and the relation of these terms to an individual defined as a "government officer."

Chairs: Rep. Curtis Oda / Sen. Howard A. Stephenson

Staff: Art L. Hunsaker (Policy Analyst) / Susan Creager Allred (Attorney) / Tracey Fredman (Secretary)

Business and Labor

Assessment on Title Insurance Agencies or Insurers

Received a presentation from the Insurance

Department, the Title and Escrow Commission, and the Utah Land Title Association regarding the assessment and the uses of the assessment revenue.

Action: Directed the Insurance Department to provide recommendations regarding the assessment structure and the cap on the amount of revenue from the assessment that may be collected.

Catastrophic Coverage for Mental Health

Action: Voted to remove Utah Code Section 31A-22-625, Catastrophic Coverage of Mental Health Conditions, from the Sunset Act and to make certain conforming amendments.

Revisions to the Alcoholic Beverage Control Act

Received a presentation from committee staff regarding possible changes to the Alcoholic Beverage Control Act. During the enrolling process for S.B. 167, "Alcoholic Beverage Control Act Recodification" (2010 General Session), certain technical issues were found that require correction by legislative action. Reviewed recommendations for legislative language.

Action: Voted to direct staff to draft legislation incorporating recommended changes to the Alcoholic Beverage Control Act.

Single Event Alcoholic Beverage Permits

Received a presentation from the Department of Alcoholic Beverage Control regarding a proposed change to an administrative rule governing single event permits and temporary beer permits.

Utah Common Interest Ownership Act

Received information from a legislator regarding the proposed "Common Interest Ownership Act." Received public comments regarding some of the significant issues, including judicial versus non-judicial liens, the rights of a homeowners' association to initiate modified non-judicial foreclosure processes, insurance provided by the homeowners' association, real party in interest

IN THIS ISSUE:

Pages 1-5 Summaries of Legislative Meetings

Page 5 Legislative Management Committee

Page 5 Interim Highlights Improvements

(Continued next column)

(Continued next page)

issues, registry of homeowners' associations, governance, and the need to treat uniformly all types of ownership in common.

Chairs: Rep. James A. Dunnigan / Sen. John L. Valentine

Staff: Bryant R. Howe (Assistant Director) / Patricia Owen (Attorney) / Amanda K. Majers (Secretary)

Education

Athletic Eligibility for Transfer Students

Received a briefing from committee staff on current and proposed policies affecting eligibility of high school athletes when they transfer schools, and examples of policies in other states. Also received information from the Utah High School Activities Association, which administers the policies, and discussed the proposed changes.

School Funding and Equalization

Received a briefing from committee staff on how, and to what extent, Utah's current school finance system equalizes funding for schools and how equalization could be modified. Reviewed options to further equalize funding across the state.

Chairs: Rep. Gregory H. Hughes / Sen. Howard A. Stephenson

Staff: Allison M. Nicholson (Policy Analyst) / Constance C. Steffen (Policy Analyst) / Angela Oakes Stallings (Attorney) / Glenda S. Whitney (Secretary)

Ethics

Code of Conduct

Received a presentation from Legislative General Counsel about the Legislature's "Code of Conduct" from the Rules of the 58th Legislature and possible amendment options.

Chairs: Rep. John Dougall / Sen. Stephen H. Urquhart

Vice Chairs: Rep. Rebecca Chavez-Houck / Sen. Patricia W. Jones

Staff: John Q. Cannon (Managing Policy Analyst) / Michael E. Christensen (Director) / John L. Fellows (General Counsel) / Eric N. Weeks (Deputy General Counsel) / Phalin L. Flowers (Administrative Assistant)

Government Operations and Political Subdivisions

Agriculture Sustainability Fund

Received a request from a legislator to study whether counties should create an Agriculture Sustainability Fund to protect agricultural land. Under the proposal, a county would deposit rollback taxes into the fund and appoint committee members to administer the fund to purchase agricultural easements.

Election Code Changes and Federal Law

Action: Directed staff to open a bill file and begin working with the Office of the Lieutenant Governor

to amend Utah's Election Code to conform with the federal Military and Overseas Voter Empowerment Act, which is intended to ensure that absent voters who are in the military service and overseas are aware of their voting rights and to ensure their votes are counted.

Municipal Elections With Unopposed Candidates

Action: Directed staff to open a bill file and begin working with the Office of the Lieutenant Governor on the issue of whether an election should be required for a municipal candidate who is unopposed.

Utah Procurement Code Revisions

Received briefings from the Office of the Attorney General and the Division of Purchasing and General Services explaining the need to update the Utah Procurement Code, which was enacted in 1980. The Office of the Attorney General and the Division of Purchasing have established a working group to update Utah's Procurement Code, using as a starting point the Model Procurement Code for State and Local Governments developed by the American Bar Association.

Water Banking

Received a request from a legislator to study whether local districts should employ water banking strategies within their respective jurisdictions.

Chairs: Rep. Craig A. Frank / Rep. Fred R. Hunsaker / Sen. Peter C. Knudson

Staff: Benjamin N. Christensen (Policy Analyst) / Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Emily R. Brown (Attorney) / Wendy Bangerter (Secretary)

Health and Human Services

H1N1 Update

Received a written evaluation and oral presentation from the Department of Health on the Utah's response to the H1N1 flu pandemic.

Healthcare Reform

Received a demonstration by the Utah Health Information Network on how hospitals and medical clinicians are able to access patient information using Utah's standardized electronic exchange of clinical health information. Received a report from the Department of Health on how the federal Patient Protection and Affordable Care Act (PPACA) will affect state funding of Medicaid. Received a recommendation from the Utah Health Policy Project that the state work with the federal government to implement PPACA.

Chairs: Rep. Paul Ray / Sen. D. Chris Butters

Staff: Mark D. Andrews (Policy Analyst) / Thomas R. Vaughn (Attorney) / Cathy J. Dupont (Attorney) / Joy L. Miller (Administrative Assistant)

(Continued next column)

(Continued next page)

Health System Reform Task Force

April 23, 2010

Health Care Reform and Disruptive Innovation

Received a report from Dr. Clayton M. Christensen, Harvard Business School professor, summarizing many of his ideas on disruptive innovation and their application to health care. He referred to a book he coauthored, "The Innovator's Prescription: A Disruptive Solution for Health Care." Following his comments, task force members assembled in groups to develop suggestions for applying disruptive innovation theories to health care in Utah. Several groups then presented their ideas and Dr. Christensen commented on and facilitated group discussion about the ideas.

May 19, 2010

Electronic Clinical Health Information Exchange

Received a report from the Utah Health Information Network (UHIN) that eight hospitals representing each of the major hospital systems have connected with one another or are working to connect with one another using new standards developed by Utah for the electronic exchange of clinical health information. UHIN highlighted two policy issues related to Electronic Clinical Health Information Exchange (cHIE) data and reported that Utah entities have been awarded \$7.2 million in federal funding for cHIE-related activities.

Electronic Personal Health Records

Received a report from MediConnect Global, a medical record retrieval and delivery company that has gathered, digitized, and extracted millions of medical records, stating that it would like to integrate data from the Utah's new all payer database with the existing medical records database as part of an attempt to help people take greater interest in their health before they become ill and to also help them when they are sick.

Payment and Delivery Reform Projects

Received a report from HealthInsight stating that by August it should have data from the obstetrics demonstration project it is helping to develop. It also reported that it has been awarded a \$15.8 million federal Beacon Community Grant. The grant will be used in part for the state's diabetes demonstration project.

Uniform Insurance Application Form

Received a report from America's Health Insurance Plans (AHIP) indicating that it would not oppose the Utah Insurance Department's removing from a proposed uniform insurance application form a

question that could require applicants to disclose the use of over-the-counter medications.

Chairs: Speaker David Clark / Sen. Wayne L. Niederhauser

Staff: Mark D. Andrews (Policy Analyst) / Cathy J. Dupont (Attorney) / Wendy Bangerter (Secretary)

Judiciary, Law Enforcement, and Criminal Justice

Budget Cuts in the Department of Public Safety

Received a report from the Department of Public Safety on the effects of budget cuts in the department. The cuts in general funds available to the department averaged 12 percent overall for fiscal years 2009, 2010, and 2011.

Inmate Population Growth

Received a report from the Utah Department of Corrections, stating that the state prison system is approaching maximum capacity and that this may occur as early as July 2010. When maximum inmate capacity is met, the Board of Pardons and Parole will be required to release one inmate for each person who enters the state prison system. Thirty percent of the current inmates are sex offenders.

Renewing Judgments by Motion

Considered issues and potential amendments to draft legislation, "Renewal of Judgment Act," which establishes a \$35 fee for renewal of a judgment in a court of record when the motion is filed before the eight-year statute of limitations on the original judgment expires.

Utah Sentencing Commission

Received a presentation from the Sentencing Commission and a request that its sunset reviews be discontinued.

Action: Recommended extending the current sunset date and also removing the Sentencing Commission from the sunset process.

Chairs: Sen. Jon J. Greiner / Rep. Douglas C. Aagard / Rep. Lorie D. Fowlke

Staff: Jerry D. Howe (Policy Analyst) / Stewart E. Smith (Policy Analyst/Spe Proj Mgr) / Susan Creager Allred (Attorney) / Esther Chelsea-McCarty (Attorney) / Amanda K. Majers (Secretary)

Natural Resources, Agriculture, and Environment

Endangered Species Act

Received a report from the Department of Natural Resources and the Division of Wildlife Resources on state efforts to manage those plants and animals that are currently listed, or have the potential to be listed, as endangered or threatened in Utah under the federal Endangered Species Act.

(Continued next column)

(Continued next page)

Federal Land Use Policies

Received a report from the Governor's Balanced Resource Council on recent meetings with the U.S. Department of Interior Secretary on federal land use policies affecting Utah.

Utah Water Resources Update

Received a report from the Division of Water Resources on the current snow pack and water reservoir levels in Utah.

Chairs: Rep. Roger E. Barrus / Sen. Dennis E. Stowell

Staff: J Brian Allred (Policy Analyst) / Christopher R. Parker (Attorney) / Joy L. Miller (Administrative Assistant)

Public Utilities and Technology

Department of Technology Services

Discussed the services provided by the Department of Technology Services, the related 2009 report by the legislative auditor, and the possibility of a pilot request for proposal program to allow state agencies such as the Department of Public Safety to purchase private sector technology services.

Action: Directed staff to identify and analyze business plan approvals by the Department of Technology Services, which authorizes the private sector purchase of technology services.

Net Metering

Discussed the implications of the rapid growth of self-generation or net metering upon the publicly regulated carriers and ratepayers. Rocky Mountain Power presented information indicating that over the last two years the number of self-generators doubled to over 600 and that related subsidized costs have also increased.

Chairs: Rep. Michael E. Noel / Sen. Stephen H. Urquhart

Staff: Richard C. North (Policy Analyst) / Christopher R. Parker (Attorney) / Tracey Fredman (Secretary)

Revenue and Taxation

Petroleum Industry

Received information from committee staff on the petroleum industry and related taxes, including a comparison of Utah gas prices with the U.S. average and those of surrounding states.

School Funding and Property Taxes

Received a report from committee staff on property taxes and school funding in Utah, including a review of school property tax bases, rates, revenues, and current funding equalization programs.

UTOPIA Update

Received information on the Utah Telecommunications Open Infrastructure Agency

(UTOPIA), including the agency's history and current financial status. Information was provided by committee staff and UTOPIA.

Chairs: Rep. Todd E. Kiser / Sen. J. Stuart Adams

Staff: Bryant R. Howe (Assistant Director) / Phillip V. Dean (Policy Analyst) / Robert H. Rees (Attorney) / Rebecca L. Rockwell (Attorney) / Chelsea Barrett (Secretary)

Senate Judicial Confirmation Committee

May 11, 2010

Judicial Confirmation

Action: Recommended that the Senate confirm the appointment of Michelle M. Christiansen to the Utah Court of Appeals.

(The Senate confirmed the appointment of Michelle M. Christiansen on May 19, 2010 in an extraordinary session held for that purpose.)

Chairs: Sen. Scott K. Jenkins

Staff: Jerry D. Howe (Policy Analyst) / Esther Chelsea-McCarty (Attorney) / John L. Fellows (General Counsel) / Amanda K. Majors (Secretary)

Transportation

Class B and Class C Road Funding

Received a staff presentation on Class B and Class C road funding. Received comments stating that funds are insufficient to maintain and build county and city roads. Discussed provisions that require a city or county to put certain local road projects out for bid, and modifications to these provisions that would allow a private contractor to be more competitive in the bidding process.

Impoundment of Motor Vehicles

Studied the effects of H.B. 151, "Motor Vehicle Revisions" (2008 General Session), and found that 1,298 vehicles were impounded in 2009 because the operator did not have proof of motor vehicle insurance. The Utah Highway Patrol commented that it makes great effort to determine that the operator does not have insurance before the vehicle is impounded.

Special Group License Plates

Received a committee staff presentation on special group license plates (SGLP) and found that Utah has over 50 SGLPs, 30 of which are issued for fewer than 500 vehicles.

Chairs: Rep. Julie Fisher / Sen. Kevin T. Van Tassell

Staff: Leif G. Elder (Policy Analyst) / Shannon C. Halverson (Attorney) / Tracey Fredman (Secretary)

Utah Tax Review Commission

May 13, 2010

(Continued next column)

(Continued next page)

2010 Legislation

Received a committee staff report regarding tax-related legislation enacted during the 2010 General Session.

State and Local Sales and Use Tax

Discussed the state and local sales and use tax system, including receiving a staff briefing on revenue trends, changes to the tax base, and changes to state and local tax rates. Also reviewed a request from the House Revenue and Taxation Standing Committee to study various issues regarding a single state-wide sales and use tax rate.

Study Plans for 2010 Interim

Reviewed study issues and related topics for the 2010 Interim.

Chairs: Mr. M. Keith Prescott / Mr. David J. Crapo

Staff: Leif G. Elder (Policy Analyst) / Phillip V. Dean (Policy Analyst) / Bryant R. Howe (Assistant Director) / Robert H. Rees (Attorney) / Rebecca L. Rockwell (Attorney) / Chelsea Barrett (Secretary)

Workforce Services and Community and Economic Development

Input from State Agencies

Received updates from the Department of Community and Culture, the Department of Workforce Services, and the Governor's Office of Economic Development on issues facing the agencies. Also received each agency's study recommendations for the Committee's 2010 Interim.

Utah Commission for Women and Families

Received a recommendation from the commission that it be allowed to sunset.

Action: Recommended that the Utah Commission for Women and Families Act be allowed to sunset.

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

Staff: Art L. Hunsaker (Policy Analyst) / James L. Wilson (Attorney) / Glenda S. Whitney (Secretary)

Legislative Management Committee

April 06, 2010

Committee Actions

- Reauthorized the IT Steering Committee for the 2010 Interim.
- Set the new ethics training deadline for December 31, 2010.
- Authorized the Ethics Committee to meet in May, June, and November.
- Referred studies from the Master Study Resolutions to the interim committees.
- Assigned sunset reviews to interim committees.
- Considered the request from the Native American Legislative Liaison Committee to hold a meeting in

San Juan County, and requested additional information from the committee.

- Approved the Executive Appropriations Committee request that the Legislative Management Committee ask the Governor's Office to conduct the study of Medicaid program coordination described under Master Study Resolution Item 127.

Chairs: Speaker David Clark / President Michael G. Waddoups

Staff: Michael E. Christensen (Director) / John L. Fellows (General Counsel) / Phalin L. Flowers (Administrative Assistant)

Interim Highlights - Changes

Beginning this month you may notice some modifications to the Interim Highlights Newsletter. We hope these improvements will enhance the accessibility and usefulness of this resource.

- In each committee's report, the subject headings describe topics that were considered. These headings:
 - allow a user to quickly scan the document for topics of interest; and
 - allow electronic searches, by topic, using the Legislative Interim Report, which is available on the legislative web page (le.utah.gov).
- Legislators will receive an electronic copy of the Interim Highlights Newsletter by email, in addition to receiving a mailed copy of the Interim Highlights Newsletter.

We welcome your input.

(Continued next column)

Next Interim Day - June 23



Office of Legislative Research and General Counsel
House Building, Suite 210
Salt Lake City, UT 84114

RETURN SERVICE REQUESTED

For more information about legislative activities, visit the Utah
State Legislature's website at: www.le.utah.gov

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