Business and Labor

Executive Branch Report

**Action:** Adopted a motion to open and prioritize a bill file under committee sponsorship to reduce the number of executive branch agency studies that are submitted to the committee.

S.B. 40, "Cosmetic Medical Procedures"

Received information regarding implementation of S.B. 40, "Cosmetic Medical Procedures" (2012 General Session). This bill prohibits a facility that performs a cosmetic medical procedure from advertising or presenting itself as a "medical spa" or using a similar term unless the facility has one or more specified licensed health care professionals on premise.

**Action:** Adopted a motion to open and prioritize a bill file under committee sponsorship to make certain modifications to S.B. 40.

Transfer of Alcoholic Beverage Retail License

Received a committee staff presentation reviewing Utah Code Title 32B, Chapter 8a, Transfer of Retail License Act. This act takes effect on July 1, 2012 and governs certain retail licenses issued by the Department of Alcoholic Beverage Control.

Quotas on Restaurant Licenses

Received a committee staff presentation and public comment regarding retail liquor licenses for restaurants and other establishments and also the quota systems in other western states.

Sunset Review: Industrial Accident Restricted Account

Received background information regarding the Industrial Accident Restricted Account, its sources of revenue, and the purposes for which the account is used.

Sunset Review: Worker Classification Coordinated Enforcement Council

Received an overview of the membership, duties, and activities of the Worker Classification Coordinated Enforcement Council.

**Action:** Adopted a motion to open and prioritize a bill file under committee sponsorship to reauthorize the Worker Classification Coordinated Enforcement Council for three years.

Economic Development and Workforce Services

Capitol Facilities Grants Process for Community and Culture Projects

Received a presentation from the Department of Community and Culture on H.B. 236, "Department of Community and Culture Grants" (2009 General Session). This bill provides a process for the governor and Legislature to receive prioritized requests for appropriations from local entities involved in the arts, history, museums, and libraries. After three years of experience with the new process, the department suggested a review of policy options because entities that follow the prioritization process rarely received funding.

Economic Development Task Force -- Update

Received an update from the task force co-chair on the progress of the Economic Development Task Force created by H.B. 28, "Economic Development Task Force" (2012 General Session). Most of the task force members have been appointed. The two-year task force will report regularly to the committee.

General Assistance Program

Received a presentation from a Representative on the state-funded General Assistance Program that provides cash assistance to an adult who, because of physical or mental impairment, is unable to work at any occupation and is not eligible for other cash assistance. Beginning May 1, 2012, the maximum amount of the cash assistance increased from $261 to $287 per month for an individual and from $362 to $398 for a household of two. The last increase was in 1998.

The cash assistance is limited to 12 months of benefits in any 60-month period.

Housing Authority Waiting Lists

Received an update from a Representative on H.B. 489 "Housing Authority Application Process" (2011 General Session), which requires that when two or more housing...
Impact of Workforce Services' Modernization

Received a presentation from a Senator on the recent Department of Workforce Services modernization efforts. Concerns have been expressed regarding the impact of these changes on job seekers, employers, department employees, and other participants in department programs.

Staff: Benjamin N. Christensen (Policy Analyst) / Peter Asplund (Attorney) / Robert H. Rees (Attorney) / Debra Hale (Secretary)

Government Operations

Annual Elections Law Recommendations

Discussed proposed substantive and technical changes to state elections law recommended by the Lieutenant Governor's Office and additional technical changes recommended by committee staff.

Staff: Art L. Hunsaker (Policy Analyst) / Emily R. Brown (Attorney) / Thomas R. Vaughn (Attorney) / Kimberly A. Heiner (Secretary)

Changing Political Party Affiliation

Discussed deadlines for changing or designating a political party affiliation and the July 1, 2013 sunset date of Utah Code Section 20A-2-107.5 regarding party affiliation.

Staff: Mark D. Andrews (Policy Analyst) / RuthAnne Frost (Attorney) / Cathy J. Dupont (Attorney) / Lori R. Rammell (Secretary)

Potential 2012 Study Items

Received recommendations from committee members and from the Department of Administrative Services, the Department of Human Resource Management, and the Lieutenant Governor’s Office regarding potential committee study items for the interim.

Action: Moved to open a bill file to make technical corrections to the Elections Code and requested that staff prepare a report and recommendations for the June committee meeting regarding the legislative changes proposed by the Office of the Lieutenant Governor.

Health System Reform Task Force

May 17, 2012

Responding to the Affordable Care Act

Received reports from committee staff and executive branch representatives on state options for responding to the federal Patient Protection and Affordable Care Act requirements, including whether to create health insurance exchanges and whether to select an essential health benefits benchmark plan. Received a report from the Public Employees Health Program on its three state employee insurance plans, any of which could be designated as a benchmark plan, and organized workgroups for studying implementation issues.

Staff: Allison M. Nicholson (Policy Analyst) / Constance C. Steffen (Policy Analyst) / Angela Oakes Stallings (Attorney) / Debra Hale (Secretary)
Judiciary

Asset Protection Trust
Discussed different state statutory provisions that provide asset protection trusts, and considered changing Utah’s statute to exclude some creditors from having access to certain trusts, and to remove the requirement that a Utah trustee be a trust company.

Master Study Resolution
Considered the items on the Master Study Resolution and received committee members’ input regarding the items to study during the 2012 Interim.

Product Liability
Discussed whether liability for a product should be limited to the manufacturer of the product.

Law Enforcement and Criminal Justice

Department of Public Safety Overview
Received a report from the Department of Public Safety regarding the recent earthquake drill, which enabled state and local entities to practice emergency response coordination and identify areas for improvement. The committee also received an update on agency staffing increases that were approved by the Legislature last year.

Received information on the operations and programs at the State Crime Lab, including work on analogs of the drug “spice” and the growing need to quickly add new analogs to the list of controlled substances.

Inmate Recidivism
Received a report from committee staff on inmate recidivism in Utah, including programs the state is currently using to reduce the rate at which offenders return to prison.

License Plate Readers
Received a presentation on license plate readers from the sheriffs of Beaver and Washington Counties, as well as the federal Drug Enforcement Administration (DEA). The sheriff of Beaver County was approached by the DEA to install two license plate readers on Interstate-15 in Beaver and Washington Counties. The federal government would provide the equipment and allow the sheriffs access to the information collected. This information would be collected by the DEA and stored at its facility in Virginia for approximately two years. The license plate readers are intended to be used to track criminal activities, including drug traffickers, Amber Alerts, and stolen vehicles.

Utah Department of Corrections Overview
Received an update from the Utah Department of Corrections regarding budget changes, inmate population growth, and rehabilitative programs. The director of the department noted that the prison population of offenders convicted of violent crimes has grown to approximately 60 percent of the total current inmate population.

As the prison population continues to increase, the need for maximum security units to house these violent offenders will also increase. The director noted that current population projections indicate that the state may need to construct a new housing unit in 2015 because these additional violent offenders cannot be housed in local jail facilities.

Legislative Information Technology Steering Committee

Desk Phone Contract
Received information from committee staff on the company that maintains the desk phone system for the Legislature. The company will no longer be able to maintain the system at the same price, since parts are no longer being manufactured. The committee discussed the advisability of buying a new system versus issuing a Request For Proposals (RFP) for maintaining the existing system.

Action: The committee recommended the Legislature issue two RFP’s:
- One for a new desk phone system; and
- Another for maintenance of the existing phone system.

Mobile Phone Contract
The committee discussed options for mobile phones, including buying off existing contracts.

Action: The committee recommended the Legislature issue an RFP for mobile phone services and include pad devices.

Legislative Management Committee

March 29, 2012

Actions: Approved the following:
- Utah Legislature’s 2012 Interim Committee Schedule;
- Authorized Legislative Meetings for 2012;
- Assignment of 2012 Master Study Resolution items as suggested by staff;
- Two interim meetings for all appropriation subcommittees;
- Sunset Act and Repealers assignments as recommended by staff; and
- Ethics training deadline for each year to be January 5 of the following year.

May 15, 2012

Actions: Directed the Office of Legislative Research and General Counsel to issue three RFPs for:
- Cell phones, tablets, and related services;
- Phone system or other communications system, service, and hardware; and
- Service, maintenance, and repair of the Legislature’s existing phone system.
Actions: Approved the requests of the following committees:
- Natural Resources, Agriculture, Environmental Quality Appropriations Subcommittee for a site visit on September 11-12, 2012;
- Social Services Appropriations Subcommittee for an all-day committee meeting June 13, 2012 at the Department of Workforce Services;
- Executive Appropriations Committee to have the Legislative Management Committee send a letter requesting that the Governor’s Office of Planning and Budget request an in-depth budget review of the Department of Agriculture and Food during the 2012 Interim and submit that report to the Executive Appropriations Committee before the 2013 General Session; and
- Native American Legislative Liaison Committee to hold a one-day meeting during the 2012 Interim with the Confederated Tribes of the Goshute Reservation in Ibapah, Utah.

Political Subdivisions

Constable Amendments
Received a presentation from the sponsor of Study Item #88 on the Master Study Resolution, "To study jurisdictional issues related to constables."

Definition of Rural
Received a presentation from the sponsor of Study Item #50 on the Master Study Resolution, "To study the definition of 'rural' as it pertains to the classification of counties (H.B. 220)."

Sovereign Citizen Liens
Received a presentations from the sponsor of Study Item #167 on the Master Study Resolution, "To study sovereign citizen liens."

Staff: Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Chelsea B. Lloyd (Secretary)

Public Utilities and Technology

Federal Universal Service Fund Allocation
Discussed how the Federal Communication Commission will reallocate up to $8.5 million of the federal Universal Service Fund in Utah from rural to urban areas. Also discussed Utah’s Universal Service Fund, which may be required to cover that shortfall.

Network & Data Security
Reviewed a recent security breach of a Utah Department of Technology Services network that resulted in unauthorized individuals gaining access to Utah Department of Health data. The data includes personal information of approximately 780,000 people. The review also covered actions being taken to remediate the data breach and to prevent future events.

Staff: Richard C. North (Policy Analyst) / Robert H. Rees (Attorney) / Tracey Fredman (Secretary)

Revenue and Taxation

Interim Study Topics
Discussed and prioritized items to study during the 2012 Interim, including:
- Tax credits and exemptions;
- Telecommunication taxes and fees;
- Taxation of hotel intermediaries;
- Dynamic and static fiscal notes;
- Study items assigned by statute; and
- Master Study Resolution items.

Revenue Collections
Received a report on state revenue collections, which are coming in above projections, including sales and use taxes and individual and corporate income taxes.

Staff: Bryant R. Howe (Assistant Director) / Phillip V. Dean (Policy Analyst) / Rebecca L. Rockwell (Attorney) / Chelsea B. Lloyd (Secretary)
Transportation

2012 Road Construction Projects
Received a presentation from the Utah Department of Transportation (UDOT) regarding 2012 road construction projects. Presently, 169 state road projects are under construction and more than 100 are scheduled to begin before the end of the year. Contractors and subcontractors are employing over 14,500 people on current projects.

Disposal of Surplus Property
Received a presentation from UDOT regarding the disposal of real and personal property previously purchased with funds appropriated to UDOT for transportation purposes.

Action: Directed staff to open a committee bill file and start drafting language that would allow UDOT, under certain circumstances, to dispose of personal property and deposit the proceeds into the Transportation Fund rather than the General Fund.

Received a presentation from UDOT regarding the impact of certain federal Buy America provisions that prohibit federal transportation funds from being used for a project unless one hundred percent of the iron and steel used in the project is produced and manufactured in the United States. These provisions apply to both state and local governments and are difficult and sometimes impossible to comply with, especially if a project involves utilities.

2012 Interim Committee Meeting Schedule

Wednesday, May 16
Wednesday, June 20
Wednesday, August 15
Wednesday, September 19
Wednesday, October 17
Wednesday, November 14
Next Interim Day—June 20, 2012