



# INTERIM HIGHLIGHTS

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

Meetings were held June 15, 2011 or as noted.

### Administrative Rules Review Committee

May 24, 2011

#### High School Graduation Requirements -- Eligibility

Discussed the concerns of a citizen whose 8th grade child was denied high school graduation credit for taking a class while 9th grade class participants received graduation credit. Received comments from the associate superintendent of public instruction.

June 7, 2011

#### Wording of Charter School Agreements

Received a report from representatives of the Utah State Charter School Board regarding its ongoing review of the Charter School Agreement language.

#### Need for Rules Governing Veterans' Affairs

Discussed the need for the Utah Department of Veterans' Affairs to submit administrative rules governing its programs as required by state law. Department representatives agreed to draft the rules and notify the Committee when the rules are submitted for publication.

#### Online Tax Filing Requirements

Discussed the wording of two Utah State Tax Commission letters, one from 2009 and a modification written in May 2011, requiring that fuel permit requests and fuel reports from owners or operators of semi-trucks be submitted online. The commission agreed to prepare a new draft of the letter to clarify that paper tax filings would also be accepted.

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

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

### Business and Labor

#### Alcoholic Beverage Control Act Fees

Received a report from the Department of Alcoholic Beverage Control (DABC) regarding the sliding fee structure for a full-service restaurant license. This is the only retail license with a sliding scale. The DABC proposed eliminating this sliding scale fee and adopting a single fee of \$1,430 for a full-service restaurant license.

#### Audit of the Department of Alcoholic Beverage Control

Received an audit report from the Office of the Legislative Auditor General titled "A Review of DABC Actions Regarding a \$300,000 Loss From a Package Agency."

### Sunset Review - Posting Notice of a Trustee Sale of Residential Property

Reviewed amendments to Utah Code Section 57-1-25 made by H.B. 243, "Foreclosure Processes on Residential Rental Properties" (2010 General Session). These amendments provided for notice of a trustee sale for certain residential rental property.

**Action:** Voted to reauthorize Subsections 57-1-25(1)(c), (3)(b), and (4) through December 31, 2014.

### Technical Amendments to Alcoholic Beverage Control Act

**Action:** Adopted 2012 General Session draft legislation, "Alcoholic Beverage Control Act Amendments," which, among other provisions, modifies definitions, removes references to certificates related to prohibited interests, addresses the transfer of certain grandfathered licensed facilities, and modifies the dates related to grandfathering and beer-only restaurants.

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

Staff: Bryant R. Howe (Assistant Director) / Patricia Owen (Attorney) / Robert H. Rees (Attorney) / Joy L. Miller (Secretary)

### Education

#### College and Career Readiness Assessments

Discussed draft legislation that appropriates \$2.2 million to replace the required tenth grade basic skills competency test (UBSCT) with college and career readiness assessments to be adopted by the State Board of Education, to be given to all high school students beginning with the 2012-13 school year.

**Action:** Voted to approve the concepts in the proposed legislation, "College and Career Readiness Assessment" and encouraged the sponsor to bring the legislation back at a future meeting for possible Committee recommendation.

(Continued next page)

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Page 3 Legislative Management Committee Actions

## Recidivism Reduction Plan

Received a recommendation from the agencies involved in providing and coordinating inmate education and training to reauthorize the authorizing statutory language with minor changes, as reflected in draft legislation, "Corrections Education Amendments."

**Action:** Directed staff to work with committee members and agencies to make additional changes to draft committee bill "Corrections Education Amendments."

## Statewide Computer Adaptive Testing

Considered draft legislation that requires school districts and charter schools, beginning with the 2014-15 school year, to test students in English language arts and mathematics using a computer adaptive testing system, which would be adopted by the State Board of Education. The draft legislation would phase out the current Criterion Referenced Tests (CRTs) and appropriate \$5.3 million for computer adaptive tests, which allow the computer to select test items to individually match the ability level of each student.

## Statewide Online Education Program

Discussed implementation issues of the newly created Statewide Online Education Program, including how and where schools will provide for students during the school day if they are taking an online course from a provider other than the home school district or charter school, liability issues, and cost reimbursement to providers based on the statutory funding formula.

*Chairs: Rep. Bill Wright / Sen. Howard A. Stephenson  
Staff: Allison M. Nicholson (Policy Analyst) / Constance C. Steffen (Policy Analyst) / Angela Oakes Stallings (Attorney) / Debra Hale (Secretary)*

## Government Operations and Political Subdivisions

### Application of Federal Receipts Reporting Requirements to Certain Entities

Discussed whether to have legislation drafted to require a political subdivision to account for federal receipts and whether a political subdivision, a state institution of higher education, or a school should be required to make a plan to address the possibility of a reduction in federal funds.

### Boards and Commissions

Received a staff overview regarding ways to assess whether the state's current boards and commissions continue to provide their original public purpose and whether they should be continued or repealed.

### Procurement Code Revisions

Received a report on the need to update the state's Procurement Code and the efforts by the Office of the Utah Attorney General, the Division of Purchasing and General Services, and members of the Legislature currently underway to accomplish this goal.

(Continued next column)

## State and Local Election Law Recommendations

Received recommendations from the Lieutenant Governor's Office, and the County Clerks Legislative Policy Committee, and information from committee staff regarding potential changes to state and local elections statutes.

*Chairs: Rep. Kraig Powell / Sen. Peter C. Knudson / Rep. R. Curt Webb  
Staff: Art L. Hunsaker (Policy Analyst) / Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Emily R. Brown (Attorney) / Wendy Bangerter (Secretary)*

## Health and Human Services

### Sunset Review - Expedited Background Checks

Received a report from the Office of Licensing within the Department of Human Services on the statute authorizing a pilot program for expedited background checks for persons applying for work with disabled or vulnerable individuals.

**Action:** Voted to extend the sunset on Utah Code Section 62A-2-120.5 for five years.

### Medicaid Reform Waiver

Received a final report from the Department of Health on a request for a federal Medicaid waiver in response to S.B. 180, "Medicaid Reform" (2011 General Session). The waiver relates to the payment and service delivery process and replaces the fee for service model with risk based delivery models and provides incentives and rewards for recipients to improve their health and use providers who deliver appropriate services at the lowest cost. Providers would be given rewards for delivering the most appropriate services at the lowest cost in ways that maintain or improve the recipient's health. This waiver will be submitted to the U.S. Department of Health and Human Services on July 1, 2011.

### Physician Licensing

Received a report from the Division of Occupational and Professional Licensing and considered whether certain physician licensing information known to the division should be made available to the public. Legislation will be prepared for further committee discussion later this year.

*Chairs: Rep. Paul Ray / Sen. Allen M. Christensen  
Staff: Mark D. Andrews (Policy Analyst) / RuthAnne Frost (Attorney) / Cathy J. Dupont (Attorney) / Kimberly A. Heiner (Secretary)*

## Health System Reform Task Force

### All Payer Claims Database

Received a report from the Utah Department of Health on how information from the All Payer Claims Database may become available through the Utah Health Exchange.

### Cost Containment

Received a presentation from the National Conference of State Legislatures staff on 15 potential strategies for limiting growth in health care spending.

*Chairs: Rep. James A. Dunnigan / Sen. Wayne L. Niederhauser  
Staff: Mark D. Andrews (Policy Analyst) / Cathy J. Dupont (Attorney) / Wendy Bangerter (Secretary)*

## Judiciary, Law Enforcement, and Criminal Justice

### Department of Corrections — Issues

Received an update from the Department of Corrections regarding budget changes, inmate population growth, and rehabilitative programs. The director of the department reported that the inmate population growth averages 140 additional inmates per year. To meet future needs, the department would need to begin construction of additional prison beds by 2013. The director also reported on the new 300-bed Parole Violator Center, which is scheduled to open in April 2012.

### Prison Release Policy

Reviewed proposed legislation that would amend existing law to allow for the release of inmates if the prison population exceeds a defined level for 45 consecutive days and upon notification as specified.

**Action:** *Approved as a committee bill, "Department of Correction Amendments."*

### Reducing Recidivism in Utah Prisons

Received a report from the Department of Corrections regarding various rehabilitative programs and their impact on reducing inmate recidivism. The director of the department noted several studies that highlight the effectiveness of rehabilitative programs for sexual offenders and substance abusers.

The director noted that funding for sexual offender therapy and rehabilitation has not increased since 1996, while the number of inmates incarcerated for sexual offenses has doubled and is now approximately 30% of the prison population. Regarding substance abuse, the director noted that department estimates indicate that approximately 80% of Utah inmates have some form of drug addiction.

### Released Prisoner Identification

Received information regarding recently released inmates who have no basic identification. This impacts the ability of these individuals to obtain employment, secure housing, or acquire temporary state assistance. The Committee held this item open with the direction that the various concerned parties work together to study this issue and report back to the Committee.

### Sex Offender Registry Amendments

Discussed proposed legislation that would amend the Sex Offender and Kidnap Offender Registry requirements to allow a person who is required to register as a sex offender to petition the court for removal from the registry after five years if the person was convicted of unlawful sexual conduct with a 16 or 17 year old, unlawful sexual activity with a minor, or voyeurism.

Discussed proposed legislation to amend existing statutes to allow someone on the Sex Offender and Kidnap Offender Registry to petition the court for removal from the registry if the person was convicted of kidnapping as defined in Utah Code Section 76-5-301, has successfully completed all court-ordered treatment, and meets other specified requirements.

*Chairs: Rep. Kay L. McIff / Sen. Mark B. Madsen / Rep. Curtis Oda  
Staff: Jerry D. Howe (Policy Analyst) / Nathan W. Brady (Policy Analyst) / Stewart E. Smith (Policy Analyst/Spe Proj Mgr) / Susan Creager Allred (Attorney) / Esther Chelsea-McCarty (Attorney) / Joy L. Miller (Secretary)*

## Legislative Information Technology Steering Committee

May 31, 2011

### Desk Phones

Discussed the contract for desk phone maintenance, which expired on May 31, 2011. The Department of Technology Services is currently in the Request for Proposal process for unified communications. The Committee determined it would be unlikely to be able to change desk phone systems until next interim.

**Action:** *Recommended that the maintenance contract for Pro-Tel be extended for one year.*

### Mobile Devices

Discussed a six-month and one-year extension to the T-Mobile contract. This would allow time to monitor the T-Mobile merger with ATT and to assess the satisfaction with the current service.

**Action:** *Recommended extending the T-Mobile contract to December 31, 2011. Also asked committee staff to survey legislators and legislative staff regarding mobile phone users' experience.*

### Streaming of Legislative Meetings

Discussed expanding the options for viewing and listening to legislative meetings beyond the current RealMedia offering since real streams are accessible on many devices.

**Action:** *Asked the staff to issue a Request for Information to determine what options are available.*

*Chairs: Rep. John Dougall / Sen. Curtis S. Bramble  
Staff: Thomas R. Vaughn (Attorney) / Mark J Allred (IT Manager) / Chelsea B. Lloyd (Secretary)*

## Legislative Management Committee

June 14, 2011

**Actions:** *Set the deadline of December 31, 2011 for all legislators and lobbyists to complete ethics training exercises required by legislative rule.*

*Approved, without change, the following requests from interim committee chairs:*

- *Health and Human Services*
- *Judiciary, Law Enforcement, and Criminal Justice*
- *Natural Resources, Agriculture, and Environment*
- *Workforce Services, Community and Economic Development*
- *Public Utilities and Technology*

Approved, but with the listed changes, the following requests from interim committee chairs:

- *Business and Labor* - added that the Committee also study H.B. 260;
- *Education* - added studying funding for Title 1 schools; approved the request to reassign certain study items as requested with one exception: the Division 1 Basketball study item will be reassigned to Workforce Services and Community and Economic Development;
- *Government Operations and Political Subdivisions* - amended the Electronic Signatures study item to read "to study the advisability and feasibility of electronic signatures in candidate petitions, initiative/referendum petitions, and political petitions, and the potential questions regarding validity of those signatures";
- *Revenue and Taxation* - approved the agenda for June 15th, but asked the committee to come back with a letter detailing what it wants to study for the rest of the interim;
- *Transportation* - approved the requests, but did not approve the sentence stating "as time permits and the need arises additional items may be studied".

Approved the following Appropriation Subcommittee requests to hold interim meetings:

*Social Services  
Executive Offices and Criminal Justice  
Higher Education*

Approved the request from Executive Appropriations Committee that the Legislative Management Committee request the Governor's Office of Planning and Budget to "study ways to display full programmatic information, including bond proceeds, in capital budget areas."

Approved the following recommendations from the IT Steering Committee:

- *The extension of the T-Mobile cell phone contract for another six months while the IT Steering Committee continues to study cell phone options;*
- *The extension of the Pro-Tell service contract for one year for legislative office land line phones;*
- *The extension of the International Roll Call service contract for one year.*

*Chairs: President Michael G. Waddoups / Speaker Rebecca D. Lockhart  
Staff: Michael E. Christensen (Director) / John L. Fellows (General Counsel) / Phalin L. Flowers (Administrative Assistant)*

## Natural Resources, Agriculture, and Environment

### Air Quality

Received a report from the Division of Air Quality on Utah's efforts to comply with air quality standards through state implementation plans. The discussion focused on PM 2.5 and ozone standards and associated challenges on the Wasatch Front and in the Uintah Basin.

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## Proposed Federal Land Use Legislation

Received a report from representatives of Emery, Wayne, Piute, and San Juan counties on proposed federal legislation addressing ownership and use of certain public lands, including the designation of wilderness areas.

*Chairs: Rep. Roger E. Barrus / Sen. Ralph Okerlund  
Staff: J Brian Allred (Policy Analyst) / Tracy J. Nuttall (Attorney) / Kimberly A. Heiner (Secretary)*

## Public Utilities and Technology

### Electrical Transmission Line Infrastructure

Received a presentation from TransWest Express LLC about the 725 mile electrical transmission line from Wyoming that is currently in construction. The line is designed to transmit wind-generated electrical power from Wyoming across four states, including Utah, and terminate in California.

### Natural Gas Vehicle Infrastructure

Discussed building natural gas service stations across the state for the purpose of supporting the increased use of natural gas vehicles by residents, visitors, and business community fleets.

### Nuclear Power Facility Water Use

Discussed the use of water in the proposed Blue Castle Nuclear Generating Station in Green River, Utah. In a nuclear power generation facility, water is used to drive steam turbines and produce electricity. The Blue Castle facility will recycle its leased 50,000 acre/feet of water, as opposed to one-time use.

### Universal Service Fund

Discussed funds authorized by Congress to telecommunication companies for the purpose of developing rural communication infrastructure. The Federal Communications Commission is considering broadening the uses of the Universal Service Fund to include broadband and to allow carriers to shift funds from rural to urban infrastructure development.

### Utility Facility Siting Process

Received information from utility companies, state regulators, local government elected officials, and federal agencies regarding the development of utility infrastructure, including transmission lines. Issues of planning, regulation, and involvement of local government in the siting of transmission lines were discussed.

*Chairs: Rep. Michael E. Noel / Sen. J. Stuart Adams  
Staff: Richard C. North (Policy Analyst) / Robert H. Rees (Attorney) / Tracey Fredman (Secretary)*

## Redistricting Committee

May 20 (Lehi), June 2 (Layton), June 10 (Ephraim & Richfield),  
June 11 (Cedar City & St. George), June 15 (Salt Lake City)

### Public Participation in Redistricting

Held public meetings in the communities listed above to gather input on boundaries for congressional, legislative, and state school board districts to equalize the population in all districts and to ensure equal representation throughout the state.

The Committee also discussed the online website, RedistrictUtah.com, which is now available for the public to draw and submit redistricting plans.

*Chairs: Rep. Kenneth W. Sumsion / Sen. Ralph Okerlund*

*Staff: Art L. Hunsaker (Policy Analyst) / Allison M. Nicholson (Policy Analyst) / J Brian Allred (Policy Analyst) / Benjamin N. Christensen (Policy Analyst) / John Q. Cannon (Managing Policy Analyst) / Jerry D. Howe (Policy Analyst) / Joseph T. Wade (Policy Analyst) / Leif G. Elder (Policy Analyst) / Mark D. Andrews (Policy Analyst) / Phillip V. Dean (Policy Analyst) / Richard C. North (Policy Analyst) / Emily R. Brown (Attorney) / Eric N. Weeks (Deputy General Counsel) / John L. Fellows (General Counsel) / Kimberly A. Heiner (Secretary)*

## Revenue and Taxation

### Alternative Form of Currency

Reviewed H.B. 317 "Currency Amendments" (2011 General Session), including a sales and use tax exemption and individual income tax credit related to the sale of legal tender, and a committee study required by the bill concerning alternative forms of legal tender.

### Oil Shale, Tar Sands, and Coal-to-Liquids Technology

Discussed an existing sales and use tax exemption and severance tax exemption related to oil shale, tar sands, and coal-to-liquids technology. The exemptions are currently scheduled to expire in 2016.

### Revenue Collections

Received a report from the Utah State Tax Commission on revenue collections through 11 months of FY 2011. Revenues are generally somewhat above projections.

### Sales & Use Tax - Streamlined Sales Tax

Received an update on streamlined sales tax. Legislation has been introduced in Congress to implement the Streamlined Sales and Use Tax Agreement, but it is unclear at this point what will happen to the bill in Congress.

*Chairs: Rep. Patrick Painter / Sen. Curtis S. Bramble*

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

## Transportation

### Annual Review of New Transportation Capacity Projects

Received a statutorily required report from the Utah Department of Transportation regarding the Southern Parkway (Washington County), Mountain View Corridor (Utah and Salt Lake County), the reconstruction of I-15 in Utah County, and other highway projects. The department also gave a demonstration of its new transparency website, which allows a person to view project expenditures and progress at near real-time speed.

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## Annual State Highway System Changes

Received a statutorily required report from the Utah Department of Transportation regarding proposed additions to or deletions from the state highway system regarding the following roads: State Routes 8, 73, 201, 197, 212, 224, and 228; and 400 South in Salt Lake City.

### Driver License Issues

Received presentations from the Utah Driver License Division regarding:

- implementation of the REAL ID Act of 2005;
- wait times at driver license offices;
- the use of laminated, miniature birth certificates issued by the Office of Vital Records and Statistics as a form of identification to obtain a driver license; and
- the use of temporary paper driver licenses as a form of identification in general.

### Utah Department of Transportation Audit

Discussed an audit of the Utah Department of Transportation (UDOT) that was performed by the Office of the Utah State Auditor. The audit is a review of UDOT's evaluation and selection process, technology usage, and human resource management related to the Utah County Corridor Expansion project. The audit was requested by Governor Herbert in September of 2010 and was reported in April of this year.

*Chairs: Rep. Bradley M. Daw / Sen. Kevin T. Van Tassel*

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

## Water Issues Task Force

June 14, 2011

### Future Water Needs

Received a report from the Lieutenant Governor on population growth in Utah and the associated need for water development.

### Nonprofit Mutual Benefit Corporations (Mutual Water Companies)

Discussed the plan of the task force to create a section in the Utah Code to address mutual water companies that is separate from the nonprofit mutual benefit corporations section of the code.

### Water Development Financing

Discussed the need for water development financing in the state and possible ways to provide state support for public and private entities interested in water development.

*Chairs: Rep. Patrick Painter / Sen. Peter C. Knudson*

*Staff: J Brian Allred (Policy Analyst) / Nathan W. Brady (Analyst) / Tracy J. Nuttall (Attorney) / Wendy Bangerter (Secretary)*

## Workforce Services and Community and Economic Development

### Child Care Competition - Public and Private Providers

Received a presentation from a legislator on the issue of child care competition between public and private providers. The Utah Child Care Licensing Act requires a child care provider of five or more children to be licensed by the Utah Department of Health. However, these licensing requirements do not apply to child care provided by certain educational institutions, public schools, and non-profit organizations.

### Sunset Review - Displaced Homemaker Program and Funding

Received information and a recommendation from a representative of the Workforce Development Division in the Department of Workforce Services, that the Displaced Homemaker Program should be reauthorized. The program provides education, training, and career counseling for homemakers who find it necessary to enter the job market. The program is funded by a \$20.00 marriage license surcharge. The program and its funding source will be repealed July 1, 2012, unless reauthorized by the Legislature.

### Unemployment Insurance Fund

Received a briefing on the Unemployment Insurance Fund from a representative of the Department of Workforce Services. Despite last year's projections from the department's actuary, the Unemployment Trust Fund remains solvent.

**Action:** Directed staff to open a bill file and work with the department to prepare legislation to lower the maximum unemployment insurance contribution rate.

*Chairs: Rep. Jim Bird / Sen. Stuart C. Reid*

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

Next Interim Day—July 20, 2011

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