Administrative Rules Review Committee  
November 15, 2010

Fees for Ambulance Services
Discussed an amended version of the Department of Health's proposed "Emergency Medical Services Ambulance Rates and Charges" administrative rule. The current rule states that rates and charges are set annually by order. To comply with the Administrative Rulemaking Act, the amended version clarifies that the rates and charges are set annually by administrative rule.

Carbon Capture and Geological Sequestration
Received a report from the Division of Water Quality and the Division of Air Quality regarding the need for administrative rules governing carbon capture and geological sequestration. The report also included suggestions regarding statutory changes needed to implement the administrative rules.

Business and Labor

Insurance Amendments
Received information from the Insurance Department regarding the need to modify certain provisions of the state insurance code.

Action: Adopted as a committee bill, "Insurance Law Related Amendments," which modifies the Insurance Code and other provisions related to the regulation of insurance and insurance products. Among other things, the bill addresses producer lines of authority, provides for training related to long-term care insurance, and modifies title insurance agency and producer licensing requirements.

Sunset Review - Assessment on Title Insurance Agencies or Insurers
Received information from the Insurance Department on the assessment on title insurers and title insurance agencies and the use of revenue from the assessment.

Action: Voted to recommend removal of Section 31A-23a-415 of the Sunset Act. This section refers to assessment on title insurance agencies or title insurers.

Workers' Compensation Rate Filings
Received information regarding the filing by a workers' compensation insurer with the insurance commissioner of a rate filing that provides for a plan with more than one tier for a single insurer.

Action: Approved as a committee bill, "Workers' Compensation Rate Filings," which modifies the Insurance Code regarding workers' compensation rate filings, including establishing tiered rate filings.

Government Operations and Political Subdivisions

Government Officers and Employees—Bonding
Action: Approved as a committee bill, "Bonding Requirements for Government Officers and Employees," which removes surety bond requirements for certain government officers and employees to allow the officer or employee to be covered under the state's risk management fund. The bill amends provisions for giving a bond if required for a state officer or an official of a state institution.

Election Officers
Action: Approved as a committee bill, "Election Administration by Election Officers," which allows political subdivisions to conduct elections for each other under a contract or inter-local agreement.

Election Law
Action: Approved as committee bills:
- "Election Law Revisions," which amends provisions of the Election Code related to definitions, local voter information pamphlets, quantity of voter registration forms, deadline for county clerks to change precincts following redistricting, and

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provisions for the lieutenant governor to certify candidates.
- "The Restoration of the Right to Vote or Hold Elective Office," which provides a process by which a person convicted of a misdemeanor for violating the Election Code may have the right to vote or to hold office restored.
- "Election Officials' Fund," which repeals provisions for reporting of money set aside for the use of an election official.
- "Campaign and Financial Reporting Amendments," which requires a county political party to file financial statements, requires a political party to file a statement of dissolution, amends a provision related to legal costs as a campaign expenditure, amends provisions regarding candidate disqualification for failure to file an interim report, and requires a political issues committee to file a financial disclosure report for the period that ends five days before the report is due.

Local Elections With Unopposed Candidates
Received a presentation from committee staff on whether the draft legislation "Local Election Amendments," that was approved as a committee bill during the October meeting, raises any voter rights issues.

Sale of State Property Approval Process
**Action:** Approved as a committee bill, "Sale of State Property," which provides a review process for the sale of state property similar to the process in the State Settlement Agreement Act.

State Capitol Preservation Board Fees
Received a presentation from a member of the House of Representatives on draft legislation to adopt a fee schedule for the rental of State Capitol Complex rooms during the 2011 General Session. Similar legislation was passed last year for the 2010 General Session.

**Action:** Approved as a committee bill, "State Capitol Preservation Board Fee Revisions," which adopts a fee schedule for the rental of State Capitol Complex rooms during the 2011 General Session.

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**Health and Human Services**

**Controlled Substances Advisory Committee**
Received a recommendation from the Controlled Substances Advisory Committee that the state regulate as a controlled substance, but not schedule, the substance often referred to as "spice," and that the possession, sale, and use of spice be made illegal. The advisory committee reported that it is not recommending regulation of salvia divinorum, and that it will consider in the future whether tramadol should be added to the state's list of controlled substances.

**Action:** Approved as a committee bill, "Controlled Substance Modifications," which creates a controlled class of listed synthetic cannabinoid substances found in certain products sold to the public.

**Medical Consent by Certain Minors**

**Action:** Approved as a committee bill, "Immunization for Teen Mothers," which allows a minor who is the parent of a child, or who is pregnant, to consent to limited health examinations and immunizations.

**Pharmacy Benefits Manager Act**

**Action:** Approved as a committee bill, "Pharmacy Benefits Manager Act," which requires a pharmacy benefits manager who provides a service to a health benefit plan to provide an itemized statement when requesting or accepting payment or reimbursement for a pharmacy service from a health benefit plan, or when disclosing an expenditure for a pharmacy service to a health benefit plan.

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**Health System Reform Task Force**

**Task Force Workgroups**

**Health System Reform Task Force Workgroups**

**Action:** Approved as a committee bill, "Health Reform - Cost Containment," which requires a consumer-directed health plan offered to state employees by the Public Employees Health Program to promote appropriate utilization of health care, and provides flexibility for the state to determine the appropriate actuarial value of consumer-directed health plans. The legislation addresses issues considered by the task force's Cost Containment Workgroup.

**Action:** Approved, in concept, draft legislation "Health Reform Amendments," which makes various amendments to statutory provisions enacted by recent health reform legislation, and addresses issues considered by the task force's Implementation Oversight Workgroup.

**Utah Health Insurance Exchange**

Received a report from the Office of Consumer Health Services on the Utah Health Exchange. Eighty small employer groups seeking health insurance coverage beginning January 1 are either in the underwriting phase of enrollment or have completed underwriting and are at the point of reviewing plan rates and choosing a default plan.

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**Judiciary, Law Enforcement, and Criminal Justice**

**Death Penalty Amendments**

Discussed draft legislation, "Death Penalty Amendments," which clarifies when a petitioner in a postconviction death penalty case has a right to state-funded counsel for successive petitions and also addresses issues that can cause unwarranted delay in an execution. This bill also makes the wording of the capital sentencing statute consistent with federal constitutional requirements.
Drug Offender Reform Act
Received a statutorily required report from the Commission on Criminal and Juvenile Justice on the impact and results of the Drug Offender Reform Act.

Defendants' Appellate Representation
Received a report from the Judicial Council's Defendants' Appellate Representation Task Force.

Personal Injury Claims by Personal Representative
Action: Approved as a committee bill, "Personal Injury Claims by Personal Representative," which clarifies that the presumptive personal representative is still required to submit an affidavit in personal injury claims.

Renewal of Judgment Act
Action: Approved as a committee bill, "Renewal of Judgment Act," which provides that a court of record may renew a judgment for the same amount of time as the original judgment if:
- a motion is filed with the court regarding the original action;
- the time for responding to the motion has expired;
- the statute of limitations on the original judgment has not expired; and
- the motion includes an affidavit with uncontested facts, including an accounting of the original judgment and all postjudgment payments, credits, and other adjustments which are provided for by law or are contained in the original judgment.

The renewal fee is 50% of the fee for filing an original action seeking the same relief.

Sex Offender Treatment
Received a statutorily required report from the Commission on Criminal and Juvenile Justice on the effectiveness of sex offender treatment. Sex offenders make up 30.2% of the total inmate population. There are currently 2,052 sex offenders in the custody of the Department of Corrections.

Sexual Exploitation of a Vulnerable Adult
Discussed draft legislation, "Sexual Exploitation of a Vulnerable Adult," which modifies and describes the elements of the crime of sexual exploitation of a vulnerable adult and makes the crime a third degree felony.

Shared Parent-time
Discussed draft legislation, "Shared Parent-time," which requires a court to order joint legal and physical custody during the pendency of a separation or divorce. The court is also required to appoint an intermediary if one spouse has a protective order against the other. The court is to provide written findings if it determines that joint custody is not in the best interest of the children.

Number of Fax Machines
Discussed options for eliminating duplication of fax machines in the Legislative environment.
Action: Recommended no change until the Legislature changes to a Voice Over IP (VOIP) system.

Email Options for the Legislature
Reviewed options for email available to the Legislature.

Legislative Technology Sinking Fund
Discussed possible services that could be shared among the offices including funding for land-line phones, BlackBerries, networking infrastructure, servers, web services, voting systems, and database services.

Legislative Telephone System
Reviewed future phone options for the Legislature ranging from repairing the current system to obtaining a VOIP system.
Action: Recommended replacing the existing voicemail and programming equipment at a cost of approximately $32,000.

Support for Mobile Devices
Discussed the possibility of supporting additional mobile devices beyond the currently provided BlackBerry phones.

Native American Legislative Liaison Committee
November 16, 2010
Native American Summit Follow-up
Received reports from committee staff about issues raised in the September committee meeting held at the Native American Summit, including transportation and health issues.

Statutory Reports
Received statutorily required reports from the:
- Uintah Basin Revitalization Fund;
- Navajo Revitalization Fund;
- Utah Division of Indian Affairs; and
- Native American Remains Review Committee.

Staff: John Q. Cannon (Managing Policy Analyst) / Patricia Owen (Attorney) / Wendy Bangerter (Secretary)

Natural Resources, Agriculture, and Environment
Energy Education Funding
Action: Approved as a committee bill, "Mineral and Petroleum Literacy," which allows the use of funds from the Oil and Gas Conservation Account to be used for educational programs concerning mineral and petroleum resources and industries.

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Local District Amendments
Action: Approved as a committee bill, "Local District Amendments," which amends provisions relating to a local district created to acquire or assess groundwater rights.

Groundwater Management
Action: Approved as a committee bill, "Management of Water Rights Amendments," which allows a local district to hold certain water rights for recharge, addresses the requirements of a groundwater management plan, and provides that artificially recharging a groundwater basin is a beneficial use of water in a critical management area.

Water Company Share Certificates
Action: Approved as a committee bill, "Share Certificates in Water Companies," which modifies the Uniform Commercial Code and the Utah Revised Nonprofit Corporation Act to address issues related to water company share certificates that are lost, destroyed, or wrongfully taken.

Mining Reclamation
Action: Approved as a committee bill, "Surety Requirements for Mining," which requires the Board of Oil, Gas, and Mining to annually adopt a figure representing the average cost of reclamation per acre.

Water Law
Action: Approved as a committee bill, "Water Law Modification," which makes the filing of a certificate of appropriation of water with the county recorder permissive, rather than mandatory.

Water Rights Forfeiture and Priority Dates
Action: Approved as a committee bill, "Water Rights Amendments," which eliminates a provision referring to forfeiture of a water right application and changes a reference concerning exceptions to application-based priority dates for water rights.

Revenue and Taxation
Legislation Requested by the Utah State Tax Commission
Action: Approved as committee bills:
• "State Tax Commission Levy Process Using Depository Institution Data Match System," which enacts a data match system with depository institutions and a tax commission levy process to collect certain amounts owed by delinquent taxpayers; and
• "Sales and Use Tax Act Revisions," which addresses certain sales and use tax issues related to the Streamlined Sales Tax project.

Petroleum Industry Taxes
Discussed a proposal to provide a sales and use tax exemption for refineries.

Property Value for Eminent Domain
Discussed draft legislation, "Eminent Domain Amendments," which makes a property's assessed value for property tax purposes the minimum value for compensation when property is taken through eminent domain.

Report on Tax Check-offs
Received a report from the Tax Commission indicating that no tax credits or "check-off" contributions are scheduled for removal from tax returns this year due to failure to meet statutory thresholds.

School Funding and Property Taxes
Discussed draft legislation, "Tax and Related School Funding Amendments," which partially equalizes school revenues by replacing some local school property tax revenues with state sales and use tax revenues generated through reinstatement of the state sales and use tax on food and food ingredients.

Sunset Review
Action: Approved as a committee bill, "Extension of Recycling Market Development Zone Act and Related Tax Credits," which extends the repeal date for the Recycling Market Development Zone Act and related tax credits.

Tax Review Commission
Action: Approved as a committee bill, "Tax Revisions," which was recommended by the Tax Review Commission and makes changes to the determination of residency for individual income tax purposes, taxation of a pass-through entity, and procedures related to the property tax residential exemption.

Senate Judicial Confirmation Committee
November 10, 2010

Judicial Confirmations
Action: Recommended that the Senate confirm the appointment of Andrew H. Stone to the Third District Court.

Action: Recommended that the Senate confirm the appointment of Charlene Barlow to the Third District Court.

(The Senate confirmed the appointments of Mr. Stone and Ms. Barlow on November 17, 2010 in an extraordinary session held for that purpose.)

Transportation
Alcohol or Drug Related Offense Amendments
Action: Approved as a committee bill, "Alcohol or Drug Related Offense Amendments," which modifies provisions relating to the driver license suspension period and other sentencing requirements for certain alcohol or drug related offenses.
Clean Fuel Vehicles and HOV Lanes

**Action:** Approved as a committee bill, "Clean Fuel Vehicle Decal," which requires the Motor Vehicle Division to issue a clean fuel vehicle decal to a person that has been issued an honor special group license plate or a veteran special group license plate for a vehicle that qualifies as a clean fuel vehicle. A vehicle with a clean fuel vehicle decal would be authorized to travel in an HOV lane regardless of the number of occupants in the vehicle.

Motor Vehicle Fees

**Action:** Approved as a committee bill, "Motor Vehicle Division Fee Amendments," which amends provisions relating to revenue collected from certain Motor Vehicle Division fees, including making some funds non-lapsing.

Unauthorized Use of Records

**Action:** Approved as a committee bill, "Penalties for Unauthorized Use of Records," which establishes a penalty for the unauthorized use of records created or maintained by the Motor Vehicle Division, Driver License Division, or Criminal Investigations and Technical Services Division.

Regional Transportation Plans

Received a presentation from Wasatch Front Regional Council and Mountainland Association of Governments detailing draft regional transportation plans which will be finalized in June 2011. These plans specify where future highways, freeways, arterial streets, transit facilities, transit hubs, intermodal centers, park-and-ride lots, airport facility improvements, freight movement corridors, pedestrian paths, and bicycle routes will be constructed in Davis, Salt Lake, Utah, and Weber counties.

Settlement Agreements

**Action:** Approved as a committee bill, "Department of Transportation Settlement Agreement Amendments," which amends provisions relating to certain Department of Transportation construction contract claim settlement agreements and settlement agreements that resolve bid or request for proposal protests.

Driver License Amendments

**Action:** Approved as a committee bill, "Uniform Driver License Act Amendments," which implements changes required by a federal audit and brings state law into compliance with the federal Motor Carrier Safety Improvement Act.

International Relations - Pakistan

Received an update by a legislator who hosted the recent Pakistani trade delegation visit to Utah. Discussion focused on trade issues with Utah exporters and how trade could be enhanced. Tractors, bio-diesel fuel, and dry-farming technology are three subjects of potential Utah-Pakistan agreements.

Utah International Relations and Trade

Discussed with the legislative sponsor the intent of 2010 legislation that changed the commission’s name and broadened its statutory duties. The discussion focused on how the Legislature could be more actively involved in promoting Utah’s international exports. Forums such as the new legislator orientation, the Office of Legislative Research and General Counsel’s Bagels ‘n Briefings presentations, and the monthly Governor’s Office of International Trade and Diplomacy meeting were discussed as ways to develop and enhance legislators’ awareness of Utah’s international trade.

**Action:** Voted to support new ways to develop legislator awareness of Utah’s international trade involvement.

Utah Tax Review Commission

November 09, 2010

Income Tax

**Action:** Approved as a committee bill, “Tax Revisions,” which modifies the Property Tax Act, Individual Income Tax Act, and related provisions to address procedures related to the property tax residential exemption, the determination of domicile for individual income tax purposes, and the taxation of a pass-through entity.

Sales Tax Treatment of Carpet and Flooring

Received testimony from taxpayers and the Utah State Tax Commission regarding the sales tax treatment of sales of carpeting and flooring material.

State and Local Sales and Use Tax

**Action:** Adopted a letter to the chair of the House Revenue and Taxation Standing Committee responding to certain questions regarding the feasibility and desirability of a uniform statewide sales and use tax rate including the advantages and disadvantages of a uniform rate.

Utah Waterways Task Force

November 18, 2010

Funding Walk-in Access

Received an update from the Division of Wildlife Resources on potential walk-in access funding options, including federal grants.
Actions:
- Voted to endorse the Utah Division of Wildlife Resources’ plan to expand the Walk-in Access Program because of the benefits to both anglers and private land owners;
- Endorsed the Executive Appropriations Committee’s approval of $1,000,000 from the federal farm bill for the Walk-in Access Program for the current year and encourage approval of the same amount for next year; and
- Supported an ongoing $300,000 appropriation of restricted funds for the Walk-in Access Program.

Walk-in Access and Stream Access Development
Discussed the potential designation of certain private areas accessing rivers and streams as areas that would be open to the public.

Workforce Services and Community and Economic Development

Business Expansion and Retention Initiative
Discussed whether Rural Fast Track Program funds should be used as part of an initiative to promote business and economic development in rural Utah.

Action: Approved as a committee bill, "Rural Fast Track Program Amendments," which authorizes the Office of Rural Development within the Governor's Office of Economic Development to administer the Business Expansion and Retention Initiative to further promote business and economic development in rural Utah.

General Assistance Program Benefits
Received a report from the Department of Workforce Services regarding the budget history, demographics, and caseloads of the department’s general assistance program.

Motion Picture Incentives
Continued discussion from the October meeting regarding whether to make the funding of incentives for motion picture productions in the form of tax credits ongoing and whether to increase the ceiling on incentives granted to motion picture companies filming in the state.

Enterprise Zones Tax Credits
Discussed whether to make changes to enterprise zone law to clarify in what circumstances tax credits may be claimed by businesses in enterprise zones located in the rural areas of the state.

Action: Approved as a committee bill, "Enterprise Zone Amendments," which clarifies that sole proprietorships and individuals may claim an enterprise zone tax credit and that a business still qualifies for a tax credit if one or more of its employees live in an enterprise zone within the state other than the one in which the business is located. The bill also defines "establishment engaged in retail trade" and "new full-time employee position" to address whether a business qualifies to receive a tax credit.

Replacing Regional Workforce Services Model
Discussed whether to amend the definition of "special needs population" in draft legislation "Department of Workforce Services' Regional Workforce Service Areas Amendments," which was previously approved by the committee, to include "disability" as one of the factors in determining individuals who have special needs.

Action: Approved as a committee bill, "Department of Workforce Services' Regional Workforce Service Areas Amendments," which would replace regional workforce service areas and councils with economic service areas, grant jurisdiction to the department’s executive director over each economic service area, and require the economic service area directors to develop economic service area plans.

Rural Economic Development Report
Received a report from the Governor’s Rural Partnership Board regarding its activities and accomplishments in 2010.

(Continued next column)
Legislation Recommended by Legislative Committees for the 2011 General Session

Business and Labor
Alcoholic Beverage Control Act – Modifications (9/15/10)
Business Entity Mergers (10/20/10)
Catastrophic Mental Health Coverage - Sunset Act (06/23/10)
Fire Prevention and Fireworks Act Amendments (10/20/10)
Insurance Law Related Amendments (11/17/10)
Worker Classification Coordinated Enforcement (10/20/10)
Workers' Compensation Rate Filings (11/17/10)

Government Operations and Political Subdivisions
Bonding Requirements for Government Officers and Employees (11/17/10)
Campaign and Financial Reporting Amendments (11/17/10)
Election Administration by Election Officers (11/17/10)
Election Law Revisions (11/17/10)
Election Officials' Fund (11/17/10)
Local Election Amendments (10/20/10)
Per Diem and Travel Modifications (10/20/10)
Restoration of the Right to Vote and Hold Elective Office (11/17/10)
Sale of State Property (11/17/10)
State Capitol Preservation Board Fee Revisions (11/17/10)

Health and Human Services
Controlled Substance Database - Licensing Amendments (9/15/10)
Controlled Substance Modifications (11/17/10)
Immunization for Teen Mothers (11/17/10)
Pharmacy Benefits Manager Act (11/17/10)

Health System Reform Task Force
Health Reform - Cost Containment (11/17/10)

Judiciary, Law Enforcement, and Criminal Justice
Inmate Health Insurance Amendments (8/18/10)
Personal Injury Claims by Personal Representative (11/17/10)
Renewal of Judgment Act (11/17/10)
Statutorily Required Reports Amendments (10/20/10)

Natural Resources, Agriculture, and Environment
Local District Amendments (11/17/10)
Management of Water Rights Amendments (11/17/10)
Mineral and Petroleum Literacy (11/17/10)
Share Certificates in Water Companies (11/17/10)
Surety Requirements for Mining (11/17/10)
Water Law Modifications (11/17/10)
Water Rights Amendments (11/17/10)

Revenue and Taxation
Assessment, Collections, and Refunds Act Amendments (10/20/10)
Corporate Franchise and Income Tax Amendments (10/20/10)
Determination of State Taxable Income (10/20/10)
Extension of Recycling Market Development Zone Act and Related Tax Credits (11/17/10)
Sales and Use Tax Act Revisions (11/17/10)
Severance Tax Amendments (10/20/10)
State Tax Commission Levy Process Using Depository Institution Data Match System (11/17/10)
State Tax Commission Tax, Fee, or Charge Administration and Collection Amendments (8/18/10)
Tax Revisions (11/17/10)

Transportation
Accident Responsibility Amendments (9/15/10)
Alcohol or Drug Related Offense Amendments (11/17/10)
Clean Fuel Vehicle Decal (11/17/10)
Department of Transportation Settlement Agreement Amendments (11/17/10)
High Occupancy Toll Lane Customer Information (10/20/10)
Motor Vehicle Division Fee Amendments (11/17/10)
Penalties for Unauthorized Use of Records (11/17/10)
State Highway System Modifications (10/20/10)
Uniform Driver License Act Amendments (11/17/10)

Utah Tax Review Commission
Tax Revisions (11/9/10)

Workforce Services and Economic Development
Department of Workforce Services’ Regional Workforce Service Areas Amendments (11/17/10)
Enterprise Zone Amendments (11/17/10)
Rural Fast Track Program Amendments (11/17/10)
The Second Special Session enacted two resolutions:

**H.J.R. 201 "Joint Resolution Approving Acceptance of Federal Education Funds"** by Representative Rebecca D. Lockhart, which approves acceptance by the state of Utah of $101,303,951 in federal funds from Public Law 111-226, Sec. 101, Education Jobs Fund.

**S.J.R. 201 "Joint Rules Resolution - Appropriations Subcommittee Amendments"** by Senator Margaret Dayton, which modifies Legislative Rules to change the number of the Legislature’s appropriations subcommittees from 10 to 8 and adjusts the names and jurisdictions of the appropriations subcommittees.

### Appropriation Subcommittee Amendments

When the Legislature met in Special Session on November 17th, it acted to reduce the number of appropriations subcommittees from 10 to 8 and modified the subject areas and titles of some of the subcommittees.

The Commerce and Workforce Services and the Transportation, Environmental Quality, National Guard, and Veterans’ Affairs subcommittees were merged into the following eight subcommittees:

- Business, Economic Development, and Labor;
- Executive Offices and Criminal Justice;
- Social Services;
- Higher Education;
- Natural Resources, Agriculture, and Environmental Quality;
- Public Education;
- Retirement and Independent Entities; and
- Infrastructure and General Government.

The President of the Senate will designate one senator in each subcommittee as the senate chair. The Speaker of the House will designate one representative in each subcommittee as the house chair and one representative in each subcommittee as the house vice chair.