



# INTERIM HIGHLIGHTS

Office of Legislative Research and General Counsel  
House Building, Suite 210 • Salt Lake City, Utah 84114 • (801) 538-1032

## INTERIM LEGISLATIVE MEETINGS

*Meetings were held October 21, 2009, or as noted.*

### Business and Labor

#### STUDIES:

- Reviewed draft legislation:
  - “Construction and Fire Code Related Amendments,” that governs the process to adopt a state construction code and state fire code;
  - “State Fire Code Adoption”; and
  - “Insurance Related Amendments.” This legislation modifies the Insurance Code and related provisions.

#### REPORTS:

- Received reports from the Department of Alcoholic Beverage Control regarding dramshop liability coverage requirements for clubs and the number of sublicenses under a resort license.
- Received a presentation and public comment on the proposed licensing of anesthesiologist assistants.

#### ACTIONS:

- Approved as committee bills:
  - “State Construction Code Adoption,” which approves the State Construction Code in accordance with the Utah Uniform Building Standards Act.
  - “Utah Life and Health Insurance Guaranty Association Amendments,” which includes reporting requirements of the Insurance Commissioner and authorizes the commissioner to appoint public members to the Board of Directors; and
  - “Workplace Drug and Alcohol Testing.”
- Voted that the committee send a letter to the President of Senate and Speaker of the House encouraging them to appoint as soon as possible all members of the Occupational and Professional Licensure Review Committee so that the committee may meet and comply with its statutorily required duties.
- Voted to extend the sunset date for provisions regarding the offset for occupational health and safety related donations for ten years.

*Chairs: Sen. John L. Valentine / Rep. James A. Dunnigan  
Staff: Bryant R. Howe (analyst)/Patricia Owen & Robert H. Rees (attorneys)  
Phalin L. Flowers (secretary)*

### Child Welfare Legislative Oversight Panel

*(September 30, 2009)*

#### REPORTS:

- Received a report from the Department of Human Services’ Office of Services Review on the outcomes of the FY 2009 qualitative case review and the FY 2009 case process review.
- Received a report from the Division of Child and Family Services (DCFS) on issues identified in last year’s sustainability report issued by the Child Welfare Policy and Practice Group just before federal court oversight ended in January, including: ensuring consistent, high quality feedback from quality improvement committees; ensuring that DCFS practice, including caseworker training, remains consistent with the practice model; and ensuring that the fiscal effort required to preserve and enhance improvements made since 1994 is maintained.

DCFS has 10 committees working on how to implement projected FY11 budget cuts and is working with the Department of Health on how to address a projected shortfall of \$13 million to \$15 million in Medicaid funding resulting from changes in federal reimbursement policy.

*Chairs: Sen. Allen M. Christensen / Rep. Trisha S. Beck  
Staff: Mark D. Andrews (analyst)/Thomas R. Vaughn (attorney)/Wendy Bangertner (secretary)*

### Education

#### STUDIES:

- Considered draft legislation:
  - “Amendments to Education Financing,” which would have the effect of equalizing the tax effort statewide by relying more on the uniform basic levy to fund public schools and less on discretionary levies imposed by school districts; and

*(Continued next page)*

#### IN THIS ISSUE:

**Pages 1-6 Summaries of Legislative Meetings**  
**Page 7 Legislative Management Committee**

- “Modifications to Higher Education Scholarships,” which makes changes to the New Century Scholarship and Regents’ Scholarship programs, including authorizing the State Board of Regents to impose application deadlines.

**ACTIONS:**

- Approved as committee bills:
  - “Utah Performance Assessment System for Students (U-PASS) Amendments.” The bill: 1) extends a pilot program in which schools administer online computer adaptive tests; 2) authorizes the State Board of Education to require statewide assessment of basic skills either through criterion-referenced tests or online computer adaptive tests; and 3) eliminates norm-referenced tests in grades 3, 5, and 8; and
  - “School District Division Amendment,” which modifies the date of school board elections following voter approval of a proposal to create a new school district.

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

*Staff: Constance C. Steffen & Allison M. Nicholson (analysts)/Angela Oakes Stallings (attorney)  
Glenda S. Whitney (secretary)*

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## Ethics

*(October 20, 2009)*

**REPORTS:**

- Received a proposed resolution that would change the membership of the House Ethics Committee.
- Received a presentation and outline from committee staff of draft legislation that the committee requested which creates an independent ethics commission to review ethical complaints against legislators. The commission would be comprised of three retired judges and two former legislators (one from each party). In addition the outline addressed other issues such as: who can file a complaint, when can it be filed; the time line for the review process; and the standard of evidence required.

**ACTION:**

- Directed staff to prepare for the November meeting an ethics reform bill based on the outline presented by staff, and with the changes made by the committee.

*Chairs: Sen. Sheldon L. Killpack & Rep. John Dougall*

*Co-chairs: Sen. Patricia W. Jones & Rep. Rebecca Chavez-Houck*

*Staff: Michael Christensen (Director)/John L. Fellows (General Counsel)/Eric N. Weeks (Deputy General Counsel)/John Q. Cannon (Managing Policy Analyst)/Chelsea Barrett (secretary)*

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## Government Operations and Political Subdivisions

**STUDIES:**

- Received a briefing from the Utah Department of Transportation and the Office of the Property Rights Ombudsman on the eminent domain appraisal process, including how a fair market price is determined and recourse for the property owners. Received comments from property owners regarding their experiences with public property acquisitions. *(Continued next column)*

- Received a presentation from committee staff on local development impact fees. Also received comments from a legislator involved in the issue, the Utah League of Cities and Towns, and the Property Rights Ombudsman. The committee requested additional information on alleged impact fee abuses.
- Discussed what level of detail and explanation should be provided for amended campaign finance reports.

**REPORTS:**

- Received a briefing from the Governor’s Office of Planning and Budget on the state’s preparations for the 2010 Federal Census, including the definition of the “usual residence rule.” Census data is used to determine congressional representation and a variety of state and local funding formulas.
- Received a report from the Utah Department of Transportation on a statutory exception for using a single bid for design/build contracts that have an estimated cost of \$5 million or less.
- Received a report from the Department of Human Resource Management and the Governor’s Office of Planning and Budget on the four-day work week program for executive branch employees. An estimated 10% reduction in energy, for a savings of about \$500,000 has been identified, and also a savings of \$200,000 in janitorial services. The committee asked to receive the final program report that will be provided to the governor.

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

*Staff: Benjamin N. Christensen & Joseph T. Wade (analysts)/Emily Brown & Victoria Stirling (attorneys)/Wendy L. Bangertter (secretary)*

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## Health and Human Services

**STUDIES:**

- Considered comments from a citizen, an expert on workplace bullying, and a former health care employee on abusive employee relationships within health care settings.
- Considered comments by the Utah Ambulatory Surgery Center Association, the Utah Hospital and Health Systems Association, and the director of Utah’s Medicaid program on the participation of ambulatory surgery centers in Medicaid. The association testified that greater use of ambulatory surgery centers could reduce Medicaid spending.
- Considered comments by a state senator and a national advocate for the donation of kidneys. Federal law currently prohibits compensating organ donors. The advocate outlined several non-cash rewards that might be incentives to donate an organ.
- Considered human sexuality instruction in Utah public schools. Received comments from:
  - a state senator regarding legislation he may propose;
  - the State Office of Education regarding policies and practices related to human sexuality instruction;

*(Continued next page)*

- a psychiatrist, regarding what information students may be exposed to by various sources that discuss sexual behavior;
- the Utah P.T.A., on its policy and suggestions regarding human sexuality instruction; and
- a teacher and a high school graduate on their observations about human sexuality instruction in public schools.

**ACTION:**

- The committee voted to approve a motion urging the Legislature to not consider employing in public schools any person or organization that promotes, recommends, or teaches high-risk sexual behavior.

*Chairs: Sen. D. Chris Butters / Rep. Paul Ray*  
*Staff: Mark D. Andrews (analyst)/Catherine J. Dupont & Thomas R. Vaughn (attorneys)*  
*Joy L. Miller (secretary)*

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## Health System Reform Task Force

**STUDIES:**

- Considered draft legislation:
  - “Amendments to Health Insurance Coverage in State Contracts,” that amends provisions adopted during the 2009 General Session requiring certain government contractors to provide health insurance to their employees.
  - “Health Reform - Uniform Electronic Standards - Insurance Information,” that amends provisions related to the use of uniform electronic standards for health insurance claims processing, insurance eligibility, and coordination of benefits, and establishes a voluntary registry of software vendors who comply with electronic standards.
- Received a briefing on Midvale’s community wellness demonstration project by the project’s primary organizer and the state chair of the Healthy Communities Wellness Self Management Network.
- Considered how to ensure that recipients of prosthetic devices are treated consistently by insurance plans. Currently, plan benefits often differ based on whether a device is an internal prosthetic or an external prosthetic.

**REPORTS:**

- Received a report from HealthInsight on the status of its payment and delivery reform demonstration projects.
- Received a briefing from MediConnect Global, a medical record retrieval and delivery company on the company’s operations and how it relates to the reform of health care.
- Received updates from the Utah Health Exchange and the Utah Defined Contribution Risk Adjuster Board on the implementation of the exchange.

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- Received a report from the Transparency, Quality and Infrastructure Workgroup, a subcommittee of the task force, on tort reform, implementation of the all-payer database, and implementation of innovative health reform concepts within the Public Employees Health Program.

**ACTION:**

- Approved as a committee bill, “Health Reform - Administrative Simplification,” which amends health insurance coordination of benefits provisions.

*Chairs: Sen. Sheldon L. Killpack / Rep. David Clark*  
*Staff: Mark D. Andrews (analyst)/Catherine J. Dupont (attorney)*  
*Chelsea Barrett (secretary)*

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## Judiciary, Law Enforcement, and Criminal Justice

**STUDY:**

- Reviewed proposed legislation, “Restrictions on Use of Wireless Telephones in Vehicles,” which prohibits the use of a wireless telephone while operating a moving motor vehicle.

**REPORTS:**

- Received statutorily required reports regarding:
  - DUI data collected by the courts and compiled by the Commission on Criminal and Juvenile Justice relating to sentencing enhancement decisions and dispositions, including measures to evaluate the profile and impacts of DUI recidivism;
  - the maximum dollar amount for small claims actions as was recommended by the Administrative Office of the Courts;
  - dispute resolution program operations, from the Administrative Office of the Courts; and
  - status of housing inmates in county jails, and a demonstration of an Internet tool to view the daily prison population, showing demographics and gender, presented by the Utah Department of Corrections (UDC).

**ACTIONS:**

- Approved as committee bills:
  - “Board of Pardons and Parole Technical Amendments,” which allows an appearance before the Board of Pardons and Parole to be by video teleconferencing or other electronic means;
  - “Court Fees for Inmates,” which establishes procedures to determine if court fees and costs should be paid in full or waived in whole or in part for a prisoner who files an initial divorce action or an action to obtain custody of the prisoner’s children; and

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- “Inmate Health Insurance Amendments,” which requires an insurance company providing health or dental policies to coordinate benefits for an insured individual housed in a correctional facility or who is in the custody of the UDC.

*Chairs: Sen. Jon J. Greiner / Rep. Douglas C. Aagard / Rep. Lorie D. Fowlke  
Staff: Stewart E. Smith & Jerry D. Howe (analysts)/Susan Creager Allred & Esther Chelsea-McCarty(attorneys)/Amanda K. Majers (secretary)*

## Native American Legislative Liaison Committee

*(September 3, 2009)*

### REPORT:

- Met with leaders of tribes, received comments, and discussed issues of importance to tribes, tribal members, and the committee.

*Chairs: Sen. Kevin T. Van Tassell / Rep. Jack R. Draxler  
Staff: John Q. Cannon (analyst)/Patricia Owen (attorney)/Wendy Bangertner (secretary)*

## Natural Resources, Agriculture, and Environment

### REPORTS:

- Received a report from the Executive Director of the Department of Natural Resources on the department’s water rights study.
- Received a report from the Salt Lake Chamber of Commerce on its energy resource policy.
- Received a report from the Governor’s Energy Policy Advisor on the development of the state’s energy resources and state energy policy.
- Received a report from representatives of the petroleum industry on oil and gas leasing in the state and the industries’ impact on air quality in the Uintah Basin.

### ACTIONS:

- Received a report from the State Planning Coordinator on proposed federal legislation H.R. 1925, “America’s Red Rock Wilderness Act of 2009,” and voted to oppose the proposed legislation.
- Approved as committee bills:
  - “Groundwater Recharge and Recovery Act Amendments,” which allows certification of recharge and recovery permits; and
  - “Water Storage Projects,” which allows for limited proof requirements for certain water storage projects.

*Chairs: Sen. Dennis E. Stowell / Rep. Roger E. Barrus  
Staff: J Brian Allred (analyst)/Christopher Parker (attorney)/Joy L. Miller (secretary)*

## Public Utilities and Technology

### REPORTS:

- Received a report from First Wind about the construction of the Milford Wind Corridor project. The wind farm will produce 200 megawatts of electricity starting in November 2009 and will ultimately have 81 wind turbines that will produce 450 megawatts.
- Received a report from the Healthy Environment Alliance of Utah about compressed air technology and how it is used to provide power for nuclear power plant cold starts and for storing energy from wind farms for later use.
- Received a report from Nucor Steel regarding the effect of cap and trade programs on the domestic production of steel and other manufactured products. The report also included information about how artificially low foreign currency rates can encourage the movement of manufacturing facilities and jobs overseas.
- Received a report from Viresco about the construction of a pilot hydro-gasification plant in Southern Utah for the conversion of organic matter into electricity, including coal, farm waste, and tree byproducts.
- Received reports from the University of Utah’s Department of Meteorology and the University of Alabama about climate science modeling and different interpretations of the modeling data.
- Received a report from the Department of Technology Services regarding the emergency communications challenges of moving to narrow-band radio VHF and 800 MHz communication services as mandated by the Federal Communications Commission.
- Received an audit report from the Office of the Legislative Auditor General on the Department of Technology Services and the consolidation of statewide technology services. The report identified needed improvements in a number of areas, including customer services and oversight.

*Chairs: Sen. Stephen H. Urquhart / Rep. Michael E. Noel  
Staff: Richard C. North (analyst)/Christopher Parker (attorney)/Tracey Fredman (secretary)*

## Revenue and Taxation

### REPORTS:

- Received statutorily required reports on low income housing tax credits, enterprise zone tax credits, and property tax roll information maintained by county assessors.
- Received a report from the Utah Tax Review Commission covering the sales tax base, cigarette and tobacco taxes, apportionment of business income, and a corporate income tax deduction for foreign operating companies.
- Received a report on state revenue collections.
- Received a report from the committee working groups addressing property tax, local option transportation sales and use tax, and tax penalty issues.

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**ACTIONS:**

- Approved as committee bills:
  - “Corporate Franchise and Income Tax Amendments,” which addresses a corporate franchise and income tax deduction for foreign operating companies;
  - “Sales and Use Tax Definition of Tangible Personal Property,” which addresses the sales and use taxation of carpeting;
  - “Individual Income Tax Contribution for Methamphetamine Housing Reconstruction and Rehabilitation Fund,” which creates an income tax return voluntary “checkoff” contribution;
  - “Brine Shrimp Royalty Act Amendments,” which makes clarifying and technical changes related to brine shrimp royalties;
  - “Amendments to Individual Income Tax Return Filing Requirements,” which addresses electronic filing of returns by tax preparers; and
  - “Sales and Use Tax Modifications,” which addresses sales and use taxation of prepaid calling services.

*Chairs: Sen. Stuart Adams / Rep. Todd E. Kiser  
Staff: Phillip V. Dean & Bryant R. Howe (analysts)/Rebecca L. Rockwell & Robert H. Rees (attorneys)/Phalin L. Flowers (secretary)*

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## State Water Development Commission

*(September 24, 2009)*

**STUDIES:**

- Discussed legislation, “Collection and Use of Precipitation” and “Rainwater Harvesting” proposed in the 2009 General Session on the capture and use of rainwater.
- Discussed potential legislation addressing canal safety.

**REPORTS:**

- Received a report from the Paiute Indian Tribe of Utah and the State Engineer on the status of Paiute tribe water rights negotiations.
- Received a report from the Director of the Department of Natural Resources on a proposed division of groundwater resources in the Snake Valley, which is located in Utah and Nevada

**ACTIONS:**

- Approved as committee bills:
  - “Water Storage Projects,” which allows certification of recharge and recovery permits; and
  - “Groundwater Recharge and Recovery Act Amendments,” which allows for limited proof requirements for certain water storage projects.

*Chairs: Sen. Dennis E. Stowell / Rep. Patrick Painter  
Staff: J Brian Allred (analyst)/Christopher R. Parker (attorney)/Joy L. Miller (secretary)*

## Transportation

**REPORTS:**

- Received a report from the Commission on Criminal and Juvenile Justice on DUI related data used to evaluate the impacts of DUI recidivism and processes related to DUI law enforcement.
- Received reports from the Department of Transportation on:
  - the impacts and results of having established a speed limit greater than 75 miles per hour on certain sections of I-15; and
  - state highway system changes.

**ACTIONS:**

- Approved as committee bills:
  - “State Highway System Modification,” which creates the Southern Parkway and modifies the description of existing state routes;
  - “Uniform Commercial Driver License Act Amendments,” which brings Utah into compliance with the federal Motor Carrier Safety Improvement Act; and
  - “Utah Scenic Byway Amendments,” which requires the Legislature to approve the corridor management plan that will be submitted with the application for a highway to be nominated for designation as a National Scenic Byway or All-American Road.
- Conducted a sunset review of transportation contracting provisions in Subsection 63G-6-502(5)(b)(ii), and recommended extending the provisions for five years.

*Chairs: Sen. Kevin T. Van Tassell / Rep. Julie Fisher  
Staff: Leif G. Elder (analyst)/Shannon C. Halverson (attorney)/Tracey Fredman (secretary)*

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## Utah Constitutional Revision Commission

*(October 8, 2009)*

**REPORT:**

- Received a report from a legislator regarding post-conviction appeals. He explained that in lieu of amending the state constitution, the same result can be accomplished with an amendment to Court Rule 65C, Post Conviction Relief, and an amendment to Title 78B, Chapter 9, Post-Conviction Remedies Act.

*Judge Jon Memmott, Chair / Mr. Roger Tew, Vice Chair  
Staff: Jerry D. Howe (analyst)/Robert H. Rees (attorney)/Amanda K. Majers (secretary)*

## Utah International Trade Commission

(September 24, 2009)

### REPORTS:

- Received a report from the Office of Legislative Research and General Counsel about the history of visits by Utah delegations to China and Chinese delegations to Utah. The report also included information about the effects of the governance structure in both countries on their decision making.
- Received a report from the Governor's Office of Economic Development on international trade which indicated that Utah's largest growth in trade from 2005-2008 was with Asia, especially in services rather than goods. Examples of these services include licensing, and soil and water cleaning treatments.
- Received a report from the Utah State Office of Education on the Governor's "Utah Language Roadmap to Excellence." The report reviewed six foreign languages currently being taught in Utah schools, including Chinese, and a dual language immersion program where students learn two languages simultaneously.
- Received a report from Nucor Steel on international trade and how currency exchange rates affect businesses in the United States. The report stated that countries with artificially low currency exchange rates shift the trade advantage to the exporter as their products are less expensive on world markets.

(October 22, 2009)

### REPORTS:

- Received reports from the Governor's Office of International Trade and Diplomacy, regarding:
  - the development of a state trade database including trade database figures in dollars for 2006-2008 which indicated solid export growth above \$1 billion dollars; and
  - trade with South and Latin American countries including an update on proposed Free Trade Agreements with Colombia and Panama. Mexico is the United States's largest trading partner in the Americas.
- Received a report from the Utah State Office of Education, about the Governor's "Utah Language Roadmap For the 21st Century." The report reviewed a number of foreign languages being taught in Utah schools including Chinese, and a Dual Immersion program where students learn two languages simultaneously.
- Received a report from the executive director - Governor's Office of Economic Development about international trade programs and new trade initiatives under Governor Herbert.

*Chairs: Sen. Mark B. Madsen / Rep. Sheryl L. Allen*

*Staff: Richard C. North (analyst)/James L. Wilson (attorney)/Wendy Bangerter (secretary)*

## Utah Tax Review Commission

(October 8, 2009)

### STUDY:

- Received commission staff reports and public comment regarding the effects of increasing the current state sales and use tax rate on sales of food.

### ACTIONS:

- Approved as a committee bill, "Corporate Franchise and Income Tax Amendments," which modifies the definition of "foreign operating company" to provide requirements relating to property and payroll located outside the United States, and addresses provisions relating to subtractions from unadjusted income.
- Approved a letter to the chairs of the Revenue and Taxation Interim Committee regarding the apportionment of business income under the state corporate income tax. The letter is in response to that committee's request to review certain issues regarding a single sales factor apportionment formula.
- Voted to reappoint Mr. Mark Buchi and Ms. Kathleen Howell as members of the Utah Tax Review Commission.

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

*Staff: Bryant R. Howe & Phillip V. Dean & Leif G. Elder (analysts)*

*Rebecca L. Rockwell & Robert H. Rees (attorneys)Phalin L. Flowers (secretary)*

## Workforce Services & Community and Economic Development

### REPORTS:

- Received a report from the newly appointed Executive Director of the Governor's Office of Economic Development regarding his vision and goals for the office.
- Received statutorily required annual reports in writing from the Department of Community and Culture, the Governor's Office of Economic Development, and the Department of Workforce Services.

### ACTIONS:

- Approved as committee bills:
  - "Unemployment Compensation Amendments," which removes the Social Security offset provision relating to unemployment compensation weekly benefits under the Employment Security Act for an individual whose benefit year begins July 3, 2010 and modifies the computation formula of an individual's weekly benefit amount; and
  - "Family Employment Program - Cash Assistance to Single Minor Parent," which brings a provision of the Family Employment Program relating to cash assistance to single minor parents into compliance with federal employment and education or training requirements.

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

*Staff: Arthur L. Hunsaker (analyst)/James L. Wilson (attorney)/Glenda S. Whitney (secretary)*

**LEGISLATIVE MANAGEMENT COMMITTEE**

*(October 20, 2009)*

**REPORTS:**

- Received a report from Dr. David Sundwall, Executive Director, Utah Department of Health, concerning the status of the H1N1 virus in Utah, what steps can be taken to minimize its spread, and how agencies can best manage if a serious outbreak occurs.
- Received a committee staff report covering:
  - 1) how the Legislature can best minimize the impact of a flu epidemic on its operations;
  - 2) existing state law that empowers the state to respond to various emergencies, including an epidemic; and
  - 3) various steps the Legislature could take if an epidemic hit just before or during a general session.

- Received a committee staff report discussing new guidelines for the use of legislative committee rooms at the capitol complex.

**ACTIONS:**

- Approved the request from the chairs of the Native American Legislative Liaison Committee to allow their members to receive per diem for attending the governor's annual Native American Summit, held September 2-3, 2009, at Thanksgiving Point.
- Approved new rules governing the use of legislative committee rooms at the capitol complex.

*Chairs: Sen. Michael G. Waddoups / Rep. David Clark  
Staff: Michael E. Christensen (Director)/John L. Fellows (General Counsel)  
Beverlee LeCheminant (Administrative Assistant)*

## Next Interim Day – November 18

For more information about legislative activities, visit the Utah State Legislature's website at [www.leg.utah.gov](http://www.leg.utah.gov).

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

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

