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.

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.

Staff: Mark D. Andrews (analyst)/Thomas R. Vaughn (attorney)/Wendy Bangerter (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)
• “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.

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

**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.

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

**Ethics**

(October 20, 2009)

**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.

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• 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.

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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“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.

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.

Staff: John Q. Cannon (analyst)/Patricia Owen (attorney)/Wendy Bangerter (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.

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.

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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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.

Staff: Leif G. Elder (analyst)/Shannon C. Halverson (attorney)/Tracey Fredman (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.

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.

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.

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

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