



INTERIM HIGHLIGHTS

Office of Legislative Research and General Counsel
House Building, Suite W210 • Salt Lake City, Utah 84114 • (801) 538-1032

LEGISLATIVE MEETING SUMMARIES

Meetings held October 15, 2008, or as noted.

Business and Labor

STUDY:

- Received a briefing from the Division of Homeland Security on the “Be Ready Utah/Ready Your Business” program and other initiatives to encourage disaster preparedness for individuals as well as businesses.

REPORTS:

- Received reports required by statute from:
 - ▶ the Department of Insurance on the number and type of complaints received by the department related to title insurance and title licensees, including any action taken in regard to those complaints;
 - ▶ the Department of Insurance on workers’ compensation insurance in the state, including its cost and availability, the residual market, and the market share of the largest workers’ compensation insurance carriers;
 - ▶ the Governor’s Office of Economic Development on the creation of Business Resource Centers at three institutions of higher education;
 - ▶ the Department of Health on the development and implementation of an education and research program related to the use of prescription opiates and the Utah Controlled Substances Database; and
 - ▶ the Department of Insurance, Public Employees Health Plan, and the Utah Health Insurance Association on their efforts to inform an enrollee of any limitation or exclusion of coverage for a secondary medical condition when an enrollee inquires about a procedure or drug for which coverage is limited or excluded.

*Chairs: Sen. Kevin T. Van Tassell / Rep. Stephen D. Clark
Staff: Allison M. Nicholson (analyst)/Patricia Owen (attorney)/Phalin L. Flowers (secretary)*

Child Welfare Legislative Oversight Panel

(October 6, 2008)

REPORTS:

- Received a report from the Department of Human Services (DHS) advising that the state is anticipating that the *David C.* lawsuit, which established federal oversight of Utah’s child welfare system, will be dismissed with prejudice December 30, 2008.
- Received reports from DHS on the impacts of recent budget cuts on the Division of Child and Family Services.
- Received follow-up reports from the Division of Child and Family Services and the Utah Foster Care Foundation on kin placements, racial and ethnic disparities in child welfare, and foster care payments and licensing.

*Chairs: Sen. Dan R. Eastman / Rep. Steven Mascaro
Staff: Mark D. Andrews (analyst)/Thomas R. Vaughn (attorney)/Wendy L. Bangertner (secretary)*

Education

STUDIES:

- Received presentations from committee staff and a committee member on proposed legislation, “Student-centric Learning Centers,” which allows public schools to establish learning centers to promote student engagement in learning by allowing the student to assemble customized courses tailored to the student’s learning style.
- Received a presentation from a committee member on proposed legislation, “Math Education Initiative,” which creates a program that awards grants to school districts or charter schools that offer Singapore math in grades kindergarten through eight and meet specified math curriculum requirements.

REPORTS:

- Received annual reports required by statute from:
 - ▶ the State Treasurer on the State School Fund;
 - ▶ the State Board of Regents on the Regents’ Scholarship Program; and
 - ▶ the State Office of Education on teacher quality and the extended day kindergarten program.

*Chairs: Sen. Howard A. Stephenson / Rep. Gregory H. Hughes
Staff: Constance C. Steffen & Phillip V. Dean (analysts)/Dee S Larsen (attorney)
Glenda S. Whitney (secretary)*

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Government Operations

STUDY:

- Discussed legislation to amend the Open and Public Meetings Act related to the timely release of minutes and recordings of open meetings and approved in concept draft legislation.

REPORT:

- Received a report from the Division of Finance on recommended adjustments to per diem rates for attendance at meetings by members of executive branch boards and commissions. The rates are established by rule.

ACTIONS:

- Approved as committee bills:
 - ▶ “Per Diem and Travel Expenses of State Boards and Commissions,” which amends provisions for establishing per diem and travel expense rates for meeting attendance by executive branch members of state boards and commissions; and
 - ▶ “Election Law Changes,” which amends Utah Code Title 20A, Election Code, as recommended by the Office of the Lieutenant Governor.

Chairs: Sen. Peter C. Knudson / Rep. Douglas C. Aagard

Staff: Benjamin N. Christensen (analyst)/Christopher R. Parker (attorney)/Chelsea Barrett (secretary)

Health and Human Services

STUDIES:

- Considered draft legislation, “Expedited Partner Therapy Treatment,” that would enable the use of expedited partner therapy as a means of treating certain sexually transmitted diseases.
- Received from the Department of Health information on its plan to repeal the existing fee structure for emergency medical services providers, which includes a “treat and release” fee, and replace it with three fees — a base fee, a fee for mileage, and a fee for supplies.

REPORT:

- Received a report from the chairs of the Legislature’s Health System Reform Task Force on the work of the task force this interim. The chairs reported that during the 2009 General Session eight to ten legislative bills may be introduced to implement market-based reforms considered by the task force.

ACTIONS:

- Adopted as a committee bill, “Refund of Unearned Health Insurance Premiums and Medicare Supplement Insurance Premiums,” that would require health insurers to refund unearned premiums to persons who have canceled an insurance policy.

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- Conducted a sunset review of the Detection of Public Health Emergencies Act and recommended that it be removed from the Legislative Oversight and Sunset Act.
- Conducted a sunset review of the Pilot Program for Family Preservation Services and recommended that it be reauthorized for five years.
- Conducted a sunset review of the Utah Commission on Aging and recommended that it be reauthorized for three years.

Chairs: Sen. D. Chris Butters / Rep. Paul Ray

*Staff: Mark D. Andrews (analyst)/Catherine J. Dupont & Thomas R. Vaughn (attorneys)
Joy L. Miller (secretary)*

Health System Reform Task Force

(October 13, 2008)

STUDIES:

- Received recommendations from groups representing health care providers and the hospital industry, and from community members.
- Received a briefing from a representative of Consumers for Health Care Choices regarding the Federal Employees Health Benefit Plan as a model for health care reform.
- The task force also met jointly with the Sutherland Institute’s Utah Health Care Forum to hear recommendations about reform from the Heritage Foundation, the Show-Me Institute, and the Pacific Research Institute.

Chairs: Sen. Sheldon L. Killpack / Rep. David Clark

*Staff: Mark D. Andrews (analyst)/Catherine J. Dupont (attorney)
Phalin L. Flowers (secretary)*

Immigration

(October 8, 2008, in Richfield, Utah)

REPORTS:

- Received a report from the Washington County Commission on immigration issues affecting Washington County residents.
- Received a report from the Washington County Sheriff’s Office regarding the efforts of law enforcement to address illegal immigration in Washington County.
- Received a report from the Richfield Area Chamber of Commerce on immigration issues affecting the Richfield business community.
- Received a report from the Sevier County Commission on immigration issues affecting Sevier County residents.

Chair: Sen. Scott K. Jenkins / Rep. Brad L. Dee

Staff: Art L. Hunsaker (analyst)/Christopher R. Parker & Thomas R. Vaughn & James L. Wilson (attorneys)/Chelsea Barrett (secretary)

Judiciary

STUDY:

- Considered draft legislation, "Wrongful Death Amendments" and "Violation of Protective Order."

REPORT:

- Received a report from the Office of Recovery Services recommending that Utah Code Subsections 78B-12-301(1) and 78B-12-302(1), which include base child support obligation tables, be allowed to sunset on January 1, 2010, so that the new child support tables may be fully implemented.

Chairs: Sen. Gregory S. Bell / Rep. Eric K. Hutchings

Staff: Jerry D. Howe (analyst)/Esther Chelsea-McCarty (attorney)/Amanda K. Majers (secretary)

Law Enforcement and Criminal Justice

STUDIES:

- Discussed draft legislation in process, "Prohibited Gang Activity," which creates an offense of failure by groups that include gang members to disperse from loitering in a public place.
- Discussed draft legislation in process, "Prohibited Activities after Conviction for a Gang Related Offense," which provides that after a conviction of a gang-related offense a person will be prohibited from engaging in certain activities.

REPORTS:

- Received a statutory annual report from the Utah Department of Corrections on the status of housing prison inmates in county jails.
- Received a statutory annual report from the Bureau of Criminal Identification in the Department of Public Safety on the amount and use of concealed weapon permit fees. The projected number of permits to be issued in calendar year 2008 is expected to total 41,448. The fees are expected to cover the necessary administrative expenses.

ACTIONS:

- Adopted as committee bills:
 - ▶ "Criminal Offense Penalties Amendment," which provides an increased penalty for crimes committed in relation to a criminal street gang;
 - ▶ "Violent Offense Amendments," which modifies specified provisions and penalties in the Criminal Code relating to criminal gang activity; and
 - ▶ "Criminal Offense Elements and Penalties," which modifies certain elements of the offenses of aggravated assault, failure to stop at the command of a peace officer, and felony discharge of a firearm.

Chairs: Sen. Jon J. Greiner / Rep. DeMar "Bud" Bowman

Staff: Stewart E. Smith (analyst)/Susan Creager Allred (attorney)

Wendy L. Bangerter (secretary)

Native American Legislative Liaison Committee

(September 24, 2008, in Vernal, Utah)

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. DeMar "Bud" Bowman

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

Wendy L. Bangerter (secretary)

Natural Resources, Agriculture, and Environment

STUDY:

- Reviewed the State Energy Policy as addressed in Utah Code Section 63M-4-301.

REPORTS:

- Received a report from the Independent Petroleum Association of Mountain States on oil and gas development.
- Received a report from the Oil Shale/Tar Sands Committee of the Utah Mining Association on the development of Utah oil shale and tar sands resources.
- Received a report from the State Energy Advisor on the status and development of the state's energy resources.

ACTIONS:

- Approved as a committee bill, "Surface Coal Mining Amendments."
- Approved changes to the Utah Geological Survey portion of the committee's recodification of the Natural Resources provisions of the Utah Code.

Chairs: Sen. Darin G. Peterson / Rep. Roger E. Barrus

Staff: J Brian Allred (analyst)/Emily R. Brown (attorney)/Joy L. Miller (secretary)

Political Subdivisions

STUDIES:

- Discussed issues relating to the statutory process for reporting of local government boundary creations, changes, and dissolutions.
- Discussed draft legislation regarding local health department funding.
- Received comments from a legislator and members of the public expressing concern regarding the current statutory process for designating an assessment area by a local entity.

The designation allows the local entity to assess the property within that area for the purpose of financing the costs of improvements, operation and maintenance, or economic promotion activities that benefit property with the assessment area.

REPORT:

- Received a report from the Quality Growth Commission on growth in Utah, including local government planning issues and needs.

*Chairs: Sen. Dennis E. Stowell / Rep. Fred R Hunsaker
Staff: Joseph T. Wade (analyst)/Robert H. Rees (attorney)/Wendy L. Bangerter (secretary)*

Public Utilities and Technology

REPORTS:

- Received reports from Red Leaf, Oil Shale Exploration Company, Utah Division of Oil, Gas, and Mining, and the Utah School and Institutional Trust Lands about the need for oil resources, oil shale development internationally and nationally, permitting, and the location and amount of Utah oil shale deposits projected by the barrel. Maps of the state oil shale deposits were also provided.
- Received reports from the Governor's Energy Advisor and from the Department of Environmental Quality about the proposed cap and trade program for greenhouse gases, the joint legislative and executive branch task force to develop implementation legislation, and a timeline.
- Received comments from the Utah Farm Bureau regarding the governor's Blue Ribbon Advisory Committee, climate change, the Western Climate Initiative process, and the need for caution in limiting the use of Utah's coal resources.

*Chairs: Sen. Scott K. Jenkins / Rep. Michael E. Noel
Staff: Richard C. North (analyst)/Victoria Stirling (attorney)/Tracey Fredman (secretary)*

Revenue and Taxation

STUDIES:

- Reviewed options to reform the state's property tax system, including options to improve predictability and transparency for taxpayers.
- Reviewed funding of property tax administration by counties. Received comments from county officials on the use of revenues from the assessing and collecting property tax levy.
- Received a committee staff report on changes to assessed valuation and property taxes charged. The report compared 2006 and 2007 tax years both statewide and for selected counties.

REPORT:

- Received a report on a proposal to provide payments in lieu of property taxes to certain municipalities that are disproportionately affected by regional facilities located within their boundaries but owned by other local government entities.

ACTION:

- Approved a motion to continue studying ways to pay for providing municipal services to property tax exempt regional facilities.

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(September 24, 2008)

STUDIES:

- Reviewed the assessing and collecting property tax levy. Reviewed property tax rates, uses of revenue, and administration of the Property Tax Valuation Agency Fund.
- Reviewed the duties and functions of community development and renewal agencies.

REPORTS:

- Received a proposal from a citizen's organization on how to improve the state's property tax system by adopting a modified acquisition-based value approach.
- Received a proposal to limit the effects of large increases of assessed value on an individual property.

ACTION:

- Adopted as a committee bill, "Sales and Use Tax Exemption for Aircraft Parts and Equipment."

*Chairs: Sen. Wayne L. Niederhauser / Rep. John Dougall
Staff: Bryant R. Howe & Phillip V. Dean (analysts)/Rebecca L. Rockwell & Angela D. Oakes (attorneys)/Phalin L. Flowers (secretary)*

Tax Review Commission

(October 9, 2008)

STUDIES:

- Received a report on the state's oil and gas severance taxes, including the effects on exploration and production of various exemptions, credits, exclusions, and other forms of preferential tax treatment.
- Reviewed the definition of business income as used in state individual and corporate income taxes.
- Reviewed the 50 percent deduction of the adjusted income of a foreign operating company under the state's corporate income tax.
- Received a progress report on the activities of the Tax Issues Working Group.

*Chairs: Mr. M. Keith Prescott / Mr. David J. Crapo
Staff: Bryant R. Howe, Phillip V. Dean & Leif G. Elder (analysts)/Rebecca L. Rockwell & Angela D. Oakes (attorneys)/Phalin L. Flowers (secretary)*

Transportation

STUDY:

- Received a presentation from the Utah Transit Authority on transportation strategies that reduce air pollution.

REPORT:

- Received a report from the Department of Transportation on state highway system changes.

ACTIONS:

- Approved as committee bills:
 - ▶ "Amendments to Driver License Sanction Requirements"; and
 - ▶ "Commercial Motor Vehicle Amendments."

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- Voted to recommend to the Administrative Rules Review Committee that certain motorcycle licensing restrictions based on engine size remain in agency rule for at least another year, rather than establishing the restrictions in statute.
- Directed committee staff to draft legislation that reflects recommended changes to the state highway system.

*Chairs: Sen. Carlene M. Walker / Rep. Todd E. Kiser
Staff: Leif G. Elder (analyst)/Shannon C. Halverson (attorney)
Tracey Fredman (secretary)*

Utah International Trade Commission

REPORTS:

- Received reports from the Utah World Trade Center and the Governor's Office of Economic Development about Utah World Trade Center activities, recent trade missions, and trade statistics. Utah's export trade has grown 244% from 2004 and is projected to be \$9 billion dollars at the end of 2008.
- Received a report from a Utah legislative member of the U.S. Intergovernmental Policy Advisory Committee (IGPAC) about the committee's role in providing the U.S. Trade Representative's (USTR) Office with input from states about international trade treaties and their impact on the states. One of IGPAC's primary initiatives is to encourage the USTR to work with states prior to the adoption of any trade treaty, rather than create opt-outs in treaties for provisions that may conflict with state regulatory mechanisms.
- Received a report from commission staff regarding the recent U.S. government appeal of the World Trade Organization (WTO) ruling on gambling. The WTO ruled against the U.S. and authorized Antigua and Barbados to collect \$21 million dollars in monetary damages via trade mechanisms such as reduced or waived tariffs on a variety of U.S. products. The U.S. has developed a compensatory process and is negotiating acceptance of the terms.
- Received a report from commission staff on the status of the Doha Rounds of trade talks, including agricultural and non-agricultural market access. The Doha trade talks collapsed in July 2008 after seven years of negotiations. The primary cause of that failure was disagreements over agricultural tariffs, agricultural and non-agricultural market access, and subsidies between developed countries and developing countries. Other issues under discussion included intellectual property rights.

*Chairs: Rep. Sheryl L. Allen / Sen. Mark B. Madsen
Staff: Richard C. North (analyst)/Victoria Stirling (attorney)
Tracey Fredman (secretary)*

Workforce Services & Community and Economic Development

REPORTS:

- Received a written report from the Governor's Office of Economic Development, which included eight separate reports the office is required by statute to annually submit to the committee.
- Received an annual report from the Department of Workforce Services on its statutory responsibilities, including a report on the status of child care in Utah.
- Received a report from the Department of Workforce Services on the Unemployment Trust Fund and preliminary 2009 employer tax rates.

ACTION:

- Approved as a committee bill, "Financial Incentives for Motion Picture Productions."

*Chairs: Sen. Mark B. Madsen / Rep. Steven R. Mascaro
Staff: Arthur L. Hunsaker (analyst)/James L. Wilson (attorney)/Glenda S. Whitney (secretary)*

Next Interim Day – November 19

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