



INTERIM HIGHLIGHTS

Office of Legislative Research
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INTERIM COMMITTEE ACTIONS

Business and Labor

STUDIES:

- Discussed the statutory recognition of a type of deed called a special warranty deed and the statutory treatment of after-acquired title principles.
- Discussed whether Utah needs further statutory language governing common interest ownership communities. For example, current statutory language under the Condominium Ownership Act is unclear regarding the act's applicability to all types of common interest ownership.

*Chairs: Sen. Parley Hellewell/Rep. Katherine M. Bryson
Staff: Mark Steinagel (analyst)/Patricia Owen (attorney)/Tracey Fredman (secretary)*

Education

REPORTS:

- Received a report from the Commissioner of Higher Education that identified options for funding remedial education programs in the Utah System of Higher Education. The committee discussed whether students in remedial education courses should be excluded from enrollment counts used for state funding purposes.
- Received the annual Teacher Quality Report from the State Board of Education and State Board of Regents. The report projects a significant shortage of teachers due to a rapidly growing student population and an increasing teacher retirement rate.

STUDY: Discussed how Adequate Yearly Progress (AYP) of schools is measured under the federal No Child Left Behind law and reviewed AYP results for Utah schools.

ACTION: Approved a motion to request the State Board of Education to report on schools not meeting state-established acceptable levels of performance by February 15, 2005.

*Chairs: Sen. Howard A. Stephenson/Rep. Margaret Dayton
Staff: Constance Steffen (analyst)/Dee Larsen (attorney)/Glenda Whitney (secretary)*

Government Operations

REPORTS:

- Received a report from the Division of Facilities Construction and Management concerning draft rules establishing a process for resolving contract disputes.
- Received a report regarding election issues, including: a Utah Supreme Court opinion regarding verification of signatures for initiative petitions; inconsistencies between processes for bond elections and other elections; the state's efforts to implement the Help America Vote Act; and the state's request for proposal for a statewide voting solution.

STUDY: Discussed a survey of state advisory boards and criteria for evaluating advisory boards for possible repeal or consolidation.

*Chairs: Sen. John W. Hickman/Rep. James A. Ferrin
Staff: John Cannon (analyst)/Eric Weeks (attorney)/Cassandra Bauman (secretary)*

Health and Human Services

REPORT: Considered the Division of Occupational and Professional Licensing's (DOPL) report on registered health care assistants required by HB 70, Geriatric Care Managers, 2004 General Session.

ACTION:

- Conducted a sunset review of the Utah Digital Health Service Commission and recommended the Legislature: 1) reauthorize and fund the Commission for ten years; and 2) request the Department of Health consider appointing a DOPL representative to serve on the Commission.
- Directed that legislation be drafted to remove 16 occupations and professions from the Legislative Oversight and Sunset Act.
- Recommended that the Legislative Management Committee (LMC) direct the Occupational and Professional Licensure Review Committee to develop criteria for determining whether an occupation or profession should be included in the Legislative Oversight and Sunset Act.
- Recommended the LMC review the overall sunset process and develop criteria for determining whether agencies, statutes, occupations, and professions should be included in the Legislative Oversight and Sunset Act.
- Recommended that the Legislature repeal the health care assistant registry from the Nurse Practice Act.

*Chairs: Sen. Sheldon Killpack/Rep. Mike Thompson
Staff: Mark Andrews (analyst)/Catherine Dupont, Thomas Vaughn (attorneys)/Joy Miller (secretary)*

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Judiciary

REPORT: Received a report regarding proposed changes to a defendant's right to add names to a verdict form, including: adding a 90-day time limit; establishing a "good faith" basis; and requiring that the verdict list include identifying information such as the name, location, and factual basis for each person listed.

Chairs: Sen. David L. Gladwell/Rep. Ben C. Ferry

Staff: Jerry Howe (analyst)/Esther Chelsea-McCarty (attorney)/Cassandra Bauman (secretary)

Law Enforcement and Criminal Justice

STUDIES:

- Discussed an update on the Division of Juvenile Justice recodification.
- Discussed changes to the proposed Utah Parentage Act.

REPORT: Received a report from prosecutors on Utah's forfeiture protocol and practices regarding drug offenses under SB 175, Protection of Private Lawfully Obtained Property, 2004 General Session.

Chairs: Sen. D. Chris Buttars/Rep. DeMar "Bud" Bowman

Staff: Jami Momberger (analyst)/Susan Creager Allred (attorney)/Wendy Bangerter (secretary)

Natural Resources, Agriculture, and Environment

STUDIES:

- The Division of Environmental Response and Remediation reviewed the Petroleum Storage Tank Trust Fund and discussed options to maintain fund solvency.
- Utah State University and the Department of Agriculture and Food discussed the advantages of obtaining accreditation for the Utah Veterinary Diagnostic Laboratory and necessary funding.

Chairs: Sen. Beverly Evans/Rep. Craig W. Buttars

Staff: Brian Allred (analyst)/Jeanenne Larson (attorney)/Joy Miller (secretary)

Political Subdivisions

STUDIES:

- Discussed issues relating to fees charged by county recorders and the Government Records Access and Management Act (GRAMA).
- Reviewed statutory provisions for redevelopment agencies.

REPORTS:

- Received an update on an ad hoc GIS Workgroup.
- Received an update on an ad hoc Land Use Workgroup.

Chairs: Sen. Carlene M. Walker/Rep. Kory M. Holdaway

Staff: Joseph Wade (analyst)/Robert Rees (attorney)/Wendy Bangerter (secretary)

Public Utilities and Technology

REPORTS:

- Received an update report on the General Agreement on Trade In Services (GATS) regarding states' negotiations with the U.S. Trade Representative and the World Trade Organization regarding the regulation of state electric power utilities.
The committee will continue to review this issue, including the development of a resolution and the formation of an entity to study and highlight state legislative concerns.
- Received a status report on the Energy Policy Task Force's interim study issues including:
 - ▶ energy security;
 - ▶ federal trade agreements;
 - ▶ new electric generation resources;
 - ▶ a state energy policy;
 - ▶ and the impact of electric power rates on Utah industries.

Chairs: Sen. Leonard M. Blackham/Rep. Stephen H. Urquhart

Staff: Richard North (analyst)/Christopher Parker (attorney)/Phalin Flowers (secretary)

Revenue and Taxation

ACTIONS:

- Directed staff to draft legislation to provide an exemption from the sales and use tax on labor to repair, renovate, or install tangible personal property associated with the oil and gas industry;
- Recommended that the Utah State Tax Commission should:
 - ▶ (1) maintain historical consistency and issue uniform interpretations of the law when deciding what is and is not tangible personal property;
 - ▶ (2) ensure that all taxpayers are treated equally and fairly; and
 - ▶ (3) when crafting solutions to problems caused by changes in commission interpretation of law that the commission consider the level of taxpayer knowledge of the law and extent of compliance.
- Directed staff to draft legislation to clarify that the sales and use tax is not imposed when an item of tangible personal property that has been pledged as collateral for certain types of loans is redeemed by a customer.

STUDY: Reviewed draft legislation that imposes an age based uniform fee on certain classes of tangible personal property, including boats, trailers, and certain recreational vehicles.

Chairs: Sen. Curtis S. Bramble/Rep. Wayne A. Harper

Staff: Bryant Howe (analyst)/Rebecca Rockwell (attorney)/Phalin Flowers (secretary)

Transportation

REPORTS:

- Received an update from the Utah Transit Authority on commuter rail and light rail.
- Received a report on transit services, funding, the long range transportation plan, and the shared transportation solution of highways and public transportation.

STUDIES:

- Committee members rode on the light rail to the Primary Children's Medical Center.
- Participated in an open house forum including topics on: long range plans; transportation improvement plans; population and employment projections; UTA ridership history; proposed or planned transit projects including commuter rail; Provo/Orem bus rapid transit; and light rail extensions to West Valley, South Jordan, Draper, and the Salt Lake International Airport.

Chairs: Sen. Dan R. Eastman/Rep. Joseph G. Murray

Staff: Benjamin Christensen (analyst)/Shannon Halverson (attorney)/Tracey Fredman (secretary)

Workforce Services & Community and Economic Development

STUDIES:

- Discussed draft legislation "Funding For Tourism."
- Discussed potential changes to aerospace and aviation development zone laws.

REPORT: Received a report from the Department of Community and Economic Development on the implementation of HB 75, Industrial Assistance Funding, 2004 General Session.

*Chairs: Sen. Scott K. Jenkins/Rep. David N. Cox
Staff: Art Hunsaker (analyst)/Jim Wilson (attorney)/Glenda Whitney (secretary)*

Upcoming Interim Committee Days:

Wednesday, September 15, 2004

Wednesday, October 20, 2004

Wednesday, November 10, 2004
(Second Wednesday of month)

LEGISLATORS GET READY TO TEACH AND LEARN

Legislators Back to School Week September 20-24, 2004



When legislators venture into classrooms, government is brought to life! This annual event teaches future voters and leaders about the pressures, negotiations, and compromises that are basic components of forming public policy within our representative democracy. Legislators and students interact in informal discussions, mock sessions or simulated public hearings, and drafting legislation to demonstrate how everyone is responsible for maintaining and strengthening our democratic form of government.

In 2003, 16,500 students in 165 schools interacted with legislators, placing Utah in the nation's top three states for legislator participation. Utah legislators look forward to being welcomed into classrooms again this year and participating with students in this vital civic education program.

Additional information is available at <http://le.utah.gov/lrgc/backtoschool.htm>. Please direct questions to Utah's state coordinator of Legislators Back to School Week:

Shelley Day
Legislative Information Liaison
Office of Legislative Research and General Counsel
(801)538-1032
shelleyday@utah.gov

LEGISLATIVE MANAGEMENT COMMITTEE

REPORTS:

- Received a report from Dianne Nielson, Director, Department of Environmental Quality, regarding the Southwest Jordan Valley Groundwater Cleanup.
- Received a report from Mr. Clark Snelson, Assistant Attorney General, regarding *Monson v. State Tax Commission*.
- Received reports from Mr. Robert Rees, Associate General Counsel, regarding *Ivie v. State of Utah, et al.* and *Poll v. Office of the Legislative Auditor General Counsel*.

ACTIONS:

- Approved a request from the Natural Resources Appropriation Subcommittee to hold a committee meeting August 17.
- Approved a request from the Administrative Rules Review Committee to be on the next Legislative Management Committee (LMC) agenda along with the Division of Emergency Services and Homeland Security to discuss whether legislative involvement in the largely federally-driven homeland security effort should be modified.
- Approved a request from the Economic Development and Human Resources Appropriation Subcommittee to hold a September committee meeting to conduct an in depth review of the budget of the Division of Business Development.
- Approved a request from the Capital Facilities and Administrative Services Appropriation Subcommittee to hold committee meetings on September 9th and 10th in conjunction with Building Board meetings.
- Approved a request from the Executive Offices and Criminal Justice Appropriations Subcommittee to hold two meetings, September 14th and November 9th. The agenda for the first meeting is: Inmate Housing Options; DORA, regarding drug offender treatment; Adult and Juvenile Corrections Transition/Reentry Programs; Courts Intent Language from the 2004 General Session; and AG salaries.
- Approved a request from the Public Education Appropriation Subcommittee to hold a committee meeting on October 5th.
- Approved a request from the Transportation, Environmental Quality and National Guard Appropriations Subcommittee for a site visit to transportation projects being constructed and designed in the Salt Lake and Northern Utah valleys.
- Moved to clarify previous action by LMC for the Occupational and Professional Licensure Review Committee (OPLRC) by stating that it was not LMC's intent to have crane operators bypass any of the normal processes for being considered by OPLRC for licensure or for sunset review.



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Editors: Jami Momberger & Susan Creager Allred



FISCAL HIGHLIGHTS

JOHN E. MASSEY
LEGISLATIVE FISCAL ANALYST

EXECUTIVE APPROPRIATIONS COMMITTEE

CO-CHAIRS:
SENATOR LEONARD BLACKHAM - REPRESENTATIVE RON BIGELOW

Report: Federal Funds

Summary: An updated report on federal funds was presented to the committee. The list contained 28 federal grant applications that require legislative action, 23 federal grant applications that the Governor has approved, and a complete listing of all federal grants currently being utilized by various state agencies.

Committee Action: The committee approved the 28 grant applications that were in the report.

Staff Contact: Spencer Pratt

Report: Utah State Tax Commission - TC 23 Revenue Report

Summary: Doug Macdonald, Chief Economist for the Utah State Tax Commission explained the TC-23, the Tax Commission's monthly revenue report. Revenues are generally reported on a cumulative, year to date method. The TC-23 reports revenue collections for all major tax sources that comprise the General Fund, Uniform School Fund and Transportation Funds, and uses exponential smoothing - time series models to calculate the monthly estimate that corresponds to the Legislative adopted revenue estimates.

Staff Contact: Andrea Wilko

Report: Inmate Housing Proposal from the Department of Corrections

Summary: The Department of Corrections estimates that the state's inmate population will increase at approximately 250 persons per year, requiring additional housing and treatment facilities. The Department gave their monthly report on the inmate housing situation and presented a proposal to address the overcrowding situation through FY 2007. The proposal uses a combination of new jail beds, new prison construction, shifting of female and male inmates between current facilities, reopening closed facilities and increasing jail contracting. The department

estimates costs at \$3.8 million for FY 2005 and \$26.5 million for FY 2006. The department has also published a "Request for Information" and submissions to this point indicate that even greater expenditures may be required for additional beds for both the near and long term. Legislative action during a Special Session or the next General Session is required to fully implement the proposal. Implementation has been initiated by the department at this time.

Committee Action: No formal action taken by the Committee. The Executive Offices and Criminal Justice Appropriations Subcommittee will be reviewing this proposal in more depth at their Subcommittee meeting scheduled for September 14, 2004.

Staff Contact: Bill Greer

Report: State Fairpark Update

Summary: Rick Frenette, Fairpark Director, appeared before the committee to report on the use of General Fund appropriations, provide a summary of overall financial position, and report on plans for the upcoming Fair and future strategic plans. In the 2004 General Session the Legislature increased the General Fund appropriation to the Fairpark from \$443,300 to \$793,300. Fairpark staff has committed the increased appropriation in FY 2004 to contracts for next month's fair. Increased funds in FY 2005 will not be committed until after the fair. The General Fund appropriation represents approximately twenty three percent of the Fairpark's annual budget. Future growth opportunities may exist if the Legislature allows capital developments such as a new arena, and if the UTA constructs a new Trax line down west North Temple Street.

Staff Contact: Steven Allred

EXECUTIVE APPROPRIATIONS - CONTINUED

Report: Drug Offender Reform Act.

Summary: Ed McConkie of the Utah Commission on Criminal and Juvenile Justice (CCJJ) outlined the Drug Offender Reform Act. Their study indicates that other states have experienced significant cost avoidance through "Smarter Sentencing and smarter treatment." Estimates indicate that for every dollar invested in the program, approximately \$5.60 in increased costs could be avoided. These anticipated savings are spread between state and local government and society at large. The proposal recommends initial funding of \$16.6 million over three years, creating approximately 4,900 new treatment slots.

Though the program may not bring immediate savings, estimates indicate that the program could delay the expansion of prison facilities and reduce Corrections budget growth over the long term.

Committee Action: No formal action was taken. The Executive Offices and Criminal Justice Appropriations Subcommittee will review this proposal in more depth at their Subcommittee meeting scheduled for September 14, 2004.

Staff Contacts: Bill Greer, Gary Ricks

NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE

The Natural Resources Appropriations Subcommittee met on August 17, 2004 and discussed the following items:

- Confirmed losses to woolgrowers from cougar and bear exceed appropriations. The committee unanimously supported a motion to seek increased funding.
- Increasing public health risks and tightening export regulations make accreditation for the Utah Veterinary Diagnostic Laboratory important. Estimated costs for necessary equipment and staffing are \$237,000.
- The state is required by federal court to pay a "Special Master" who will resolve land-ownership disputes around the boundary of Utah Lake. A prior appropriation in FY04 lapsed because the Special Master was not ready to begin.
- A supplemental appropriation of \$1.5 million may be needed if average expenses for wildland fires over the past five years hold true this year.
- House Bill 283 imposed new regulations on food venues and outlets using weights and measures. The Department of Agriculture and Food reported on their implementation progress.
- The committee heard testimony regarding positions that are difficult to recruit and retain due to uncompetitive salaries.
- The Division of Parks and Recreation reported on revenues generated by the new Soldier Hollow golf course, and their short- and long-term capital plans.
- Fairpark staff reported on use of state fund appropriations, plans for the upcoming fair, and future plans.
- The committee received a list of performance measures for use in future budget analyses. More discussion will take place at the next meeting.

Staff Contact: Steven Allred

MARK YOUR CALENDAR!!

UPCOMING APPROPRIATIONS SUBCOMMITTEE MEETINGS

Capital Facilities & Administrative Services
September 9th & 10th, Weber State University
Contact: Kevin Walthers

Commerce & Revenue
August 24th - 9:00 a.m.
Room W020, House Building
Contact: Stan Eckersley

Economic Development & Human Resources
To Be Announced
Contact: Andrea Wilko

Executive Offices & Criminal Justice
September 14th - 9:00 a.m.
Room W125, House Building
Contacts: Bill Greer & Gary Ricks

Natural Resources
November 9th - 10:00 a.m.
Location To Be Announced
Contact: Steven Allred

Public Education
October 5th - 9:00 a.m.
Room W135, House Building
Contacts: Mike Kjar & Ben Leishman

Transportation
To Be Announced
Contact: Mark Bleazard