Business and Labor

**STUDY:** Discussed draft legislation, “Electronic Filing of Lien Documents” and “Mortgage Act Amendments.” The committee did not vote on these bills.

**REPORT:** Received a statutorily required report from the Financial Institutions Task Force.

**ACTIONS:** See recommended legislation on page 3.

Staff: Mary Catherine Perry (analyst)/Patricia Owen (attorney)/Tracey Fredman (secretary)

Education

**REPORTS:**
- Received a report from the Public Education Legislative Task Force.
- Received a report from the State Board of Education regarding mandated studies in S.B. 154, “Public Education Amendments.”

**ACTIONS:** See recommended legislation on page 3.

Staff: Constance Steffen (analyst)/Dee Larsen (attorney)/Glenda Whitney (secretary)

Government Operations

**REPORT:** Received a report from a task force examining the issue of governmental immunity.

**STUDY:** Received a report regarding policy boards in the state and directed staff to send a letter to certain policy boards asking for additional information.

**ACTIONS:** See recommended legislation on page 3.

Staff: John Cannon (analyst)/John Fellows (attorney)/Cassandra Bauman (secretary)

Health and Human Services

**STUDY:** Reviewed the legislative performance audit of the Public Employees Health Program and Children’s Health Insurance Program.

**REPORT:** Received a report from the Child Welfare Legislative Oversight Panel.

**ACTIONS:**
- Recommended that the provision requiring coverage of diabetes by health insurers be removed from the repealer statute.
- Recommended that the Medical Assistance Act, Veterinary Practice Act, and Massage Therapy Practice Act be reauthorized for 10 years.
- See recommended legislation on page 3.

Staff: Mark Andrews (analyst)/Catherine Dupont, Stacey Snyder (attorneys)/Joy Miller (secretary)

Judiciary

**ACTIONS:**
- Recommended reauthorization of Commission on Criminal and Juvenile Justice, the Appellate Court Nominating Commission, the Trial Court Nominating Commission, the Board of Pardons and Parole, and the Children’s Justice Center for 10 years.
- Recommended reauthorization of the Alternative Dispute Resolution Act for two years.
- Considered draft legislation, “Commission on Criminal and Juvenile Justice.” A motion to recommend the bill failed.
- Considered draft legislation, “Commission on Criminal and Juvenile Justice Membership.” A motion to recommend the bill failed.
- See recommended legislation on page 3.

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

Law Enforcement and Criminal Justice

**REPORT:** Received a report from a private consultant regarding the Department of Corrections administration of clinical services to inmates.

**ACTIONS:** See recommended legislation on page 3.

Staff: Jami Mombarger (analyst)/Susan Creager Allred (attorney)/Tracey Fredman (secretary)

IN THIS ISSUE:
- Pages 1-3: Interim Committee Actions
- Page 3: Recommended Legislation
- Page 4: Legislative Management Committee 2003 Second Special Session
Natural Resources, Agriculture, and Environment

STUDIES:
• Discussed draft legislation establishing state land use policy and how counties can use local land use management plans to influence federal resource management decisions. The Committee did not vote on this issue.
• Discussed draft legislation, “Instream Flow Amendments.” The Committee did not vote on this bill.

REPORTS:
• Received final reports from the Impacts of Gravel Pits Task Force and the Gubernatorial and Legislative Task Force on Alternative Revenue Sources for Water Funding.
• Received a preliminary report of the Hazardous Waste Regulation and Tax Policy Task Force and reviewed draft legislation “Hazardous Waste and Nonhazardous Solid Waste Fee and Tax Amendments.”

ACTION: Endorsed regulatory changes to dam safety regulations proposed by the State Engineer.

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

Political Subdivisions

REPORTS:
• Received a report from an ad hoc workgroup discussing conflicts between governmental entities when siting facilities with regional impact.
• Received a report from the Utah Quality Growth Commission regarding quality growth in Utah.

ACTION: See recommended legislation on page 3.

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

Public Utilities and Technology

REPORT: Received the Public Service Commission’s annual statutorily required report, “The State of the Telecommunications Industry in Utah.”

STUDIES:
• Discussed the multi-state process for cost allocation of power generating resources, including the fairness of future allocations.
• Discussed the impact on Utah of the wireless and wire-line telephone number portability implementation scheduled for November 24, 2003.
• Discussed utility line safety including the need for wider participation by political subdivisions and excavators.
• Considered draft legislation, “Internet Privacy Act.” The committee did not vote on the bill.
• Considered draft legislation, “Reauthorization of Energy Policy Task Force.” The committee did not vote on the bill.
• Considered draft legislation, “Sales and Use Taxes - Exemption For Energy Related Equipment and Machinery.” The committee did not vote on the bill.

ACTION: See recommended legislation on page 3.

Staff: Richard North (analyst)/Thad LeVar (attorney)/Clay Hatch (secretary)

Revenue and Taxation

STUDY: Considered draft legislation, “Amendments to Sales and Use Tax and Certain Taxes or Charges Imposed by a County or Municipality.” The committee did not vote on the bill.

REPORTS:
• Received the progress report of the Hazardous Waste Regulation and Tax Policy Task Force.
• Received the annual report of the Utah Tax Review Commission.
• Received a report from the Utah Tax Commission (Commission) on the amount of individual income tax voluntary contributions (checkoffs) made during the 2002 tax year.
• Received a report from the Commission indicating that less than $85,000 in sales and use tax exemptions was claimed for sales of certain semiconductor manufacturing and fabrication equipment.

ACTION:

Staff: Bryant Howe (analyst)/Rebecca Rockwell (attorney)/Sandra Wissa (secretary)

Transportation


REPORT: Received the final report from the Transportation Planning Task Force.

ACTION: See recommended legislation on page 3.

Staff: Benjamin Christensen (analyst)/Shannon Halverson (attorney)/Wendy Bangerter (secretary)

Workforce Services & Community and Economic Development

STUDY: Discussed a statutory unemployment insurance tax rate increase.

REPORT: Received a statutorily required report from the Office of Child Care regarding the status of child care in Utah.

ACTION:

Staff: Mark Steinagel (analyst)/Jim Wilson (attorney)/Glenda Whitney (secretary)
# RECOMMENDED LEGISLATION

Bills recommended during the 2003 interim for the 2004 General Session

## Business and Labor Committee
- Captive Insurance Companies Act Amendments*
- Construction Bonding Statutes*
- Licensing - Insurance Law Amendments*
- Lien Amendments*
- Life Insurance Law Amendments*
- Requirement of Trustees of Trust Deeds*
- Requirements for Recording Certain Real Estate Documents*

## Natural Resources, Agriculture, and Environment Committee
- Concurrent Resolution Approving Solid Waste Permit

## Political Subdivisions Committee
- Amendments to County Service Area for Extended Fire Protection*
- Municipal Annexation Petition, Notice, and Signature Provisions
- Property Rights Amendments*
- Rail Corridor Provisions*

## Education Committee
- Civic and Character Education in Schools*
- Refurbished Computers in Schools Program*
- Repeal of Education Mandates*

## Government Operations Committee
- Absentee Ballot Amendments
- Amendments to Local Referendum Process*
- Local Referendum Amendments*
- Publication of Resolution or Notice
- Repeal of Utah Interstate Commission for Cooperation in Higher Education
- Repeal of Cost Savings Suggestions Pilot Program
- Technical Amendment - Polling Place Supplies

## Health and Human Services Committee
- Insurance Code Exemption*

## Judiciary Committee
- Marriage Preparation Education
- Parent-Time Schedule Amendments*
- Transportation of Children for Parent-Time*

## Legislative Process Committee
- Resolution Amending Dates of Annual Legislative Session

## Law Enforcement and Criminal Justice Committee
- Drug Abuse Reform Act*
- Management, Enhancement, and Funding of 911 System*
- Unlawful Controlled Substances in Correctional Facilities*

## Transportation Committee
- Driving Under the Influence Amendments*
- Motor Vehicle Code Revisions*
- Motor Vehicle Title and Registration Amendments*
- State Highway System Changes
- Utah Scenic Byway Committee*

## Workforce Services and Community and Economic Development Committee
- Employment Security Modifications
- Employment Support Act Amendments*
- Unemployment Insurance Benefits - Social Security Benefits Offset

*Bills recommended at the November meeting
REPORTS:

- Received a report from the Legislative Process Committee (LPC) recommending: a two-day interim committee schedule, consideration of a set of concepts known as “Legislating for Results,” and additional training to standing committee chairs on committee procedures relating to public testimony.
- Received a report regarding the Southwest Salt Lake Valley Groundwater Cleanup Project.
- Received a report regarding the Judicial Conduct Commission litigation concerning the Honorable Judge Joseph Anderson.

ACTIONS:

- Adopted the LPC recommendation to switch the times of Thursday and Friday standing and appropriation subcommittee meetings so that Friday afternoon would be open for some legislators.
- Recommended that the Attorney General execute the Miners Hospital settlement agreement.
- Approved the recommended changes to the Utah Legislature’s Policies and Procedures for Handling Records Requests.
- Approved the sunset reviews as conducted by the interim committees and assigned Representative Greg Curtis to be the sponsor of the bill.
- Approved the resolution reappointing John Massey for a six-year term as the Legislative Fiscal Analyst.
- Approved a meeting of the Public Education Appropriations Subcommittee.
- Denied the request to pay legislative members of the Minority Affairs Subcommittee for attendance to two meetings because the subcommittee had not been approved by the Legislative Management Committee (LMC) prior to the subcommittee meeting. Approved sending a letter to all interim committee chairs reminding them that subcommittees need to be approved by LMC and that no pay will be approved for such subcommittee meetings without prior authorization.

BILLS PASSED:

This bill increases the number of active voters authorized to vote at a common polling place. This bill allows fourth, fifth, and sixth class counties to combine voting precincts at all elections.

This bill corrects a cross-reference that was inadvertently omitted from this section during the 2003 General Session. This bill redirects the five dollar increase in the filing fee for a complaint into the Court Security Account.

This bill makes changes in legislation passed during the 2003 General Session that allowed for the administration of trusts created outside Utah by trustees within Utah, and provided favorable tax provisions.

This bill modifies: the definition of the Utah fund of funds; the Utah Capital Investment Board and the Utah Capital Investment Corporation. This bill provides for restrictions for issuing contingent tax credits and states that public money may not be invested in the Utah fund of funds. The bill also provides that any amount in the redemption reserve in excess of $100,000,000 shall be reinvested in the Utah fund of funds and directs where assets of the corporation shall be distributed upon dissolution.

S.B. 2001, “Alcoholic Beverage Amendments”
This bill modifies provisions related to the Alcoholic Beverage Enforcement and Treatment Restricted Account and appropriates monies. This bill appropriates $2,712,500 from the Alcoholic Beverage Enforcement and Treatment Restricted Account to the State Tax Commission for fiscal year 2003-04 only.

S.B. 2003, “Amendments to County Service Area for Extended Fire Protection”
This bill eliminates a requirement that a proposed county service area for fire protection, paramedic, and emergency services include one or more municipalities in order to avoid an election requirement.

S.B. 2004, “Property Tax - Confidentiality of Certain Information”
This bill provides for the confidentiality of commercial information obtained from a property, taxpayer, or information derived from that commercial information; provides exceptions to the confidentiality provisions; and provides penalties for disclosing commercial information.
Report: Executive and Judicial Compensation Commission (EJCC)

Summary: The Commission is charged with recommending compensation adjustments for the five elected officials and the judiciary, as well as ranges for the appointed state officers. The EJCC recommends that the Governor's salary be increased by 4% to $104,600, and then the other four elected officials' salaries be set at a fixed percentage of the Governor's. The recommendation includes the Lieutenant Governor's salary at 77% of the Governor's, the Attorney General's salary at 90% of the Governor's, and the State Auditor's and Treasurer's salaries at 80 percent. The actual recommended levels are: Lieutenant Governor - $80,500, Attorney General - $94,100, State Auditor and State Treasurer - $83,700.

The EJCC recommends that the salary of the District Court Judges be increased by 4% to $107,850. The salaries of all the other judges would be adjusted according to the percentage relationship established in Code (67-8-2).

The EJCC also recommends that the salary ranges for the Executive Compensation Plan (E-3 through E-6) be increased by the same percentage recommended by the Department of Human Resource Management. Any actual salary adjustments would be at the discretion of the Governor, within each of the E levels.

Committee Action: The Executive Appropriations Committee received the report and thanked the Commission for its work.

Staff Contact: Spencer Pratt

Presentation: Department of Workforce Services

Summary: Mr. Mark Knold, Economist for the Department of Workforce Services, presented "Economic Recovery for the Two Tiers of Utah's Workforce." He emphasized that while the dollar economic recovery has begun, jobs are still down and for the clients Workforce Services usually helps, higher unemployment rates are likely to continue for some time. Mr. Knold indicated that this is a result of the excess production capacity built up during the technology boom of the late 1990's. The presenter estimated that job growth may remain below potential for several more years.

Staff Contact: Stan Eckersley

(Continued on page 2)
and protocols in completing their study. Beyond monitoring progress and facilitating publication of the final report, the Office of the Legislative Fiscal Analyst did not participate in the study to ensure complete independence of the final product.

In answering the primary question of the study – if privatizing the BCS provides the state with additional savings and/or better services, Dr. Moore finds that the staff within the BCS is already providing services at an appropriate level for a cost similar to that offered by private providers. While privatization is a viable alternative for other states – and may be for Utah in the future – it is not likely that any significant savings can be found at this time through outsourcing medical care for inmates.

Staff Contact: Kevin Walthers


Summary: With the passage of HB 1, Annual Appropriations Act, during the 2003 General Session of the Legislature, the following intent language was approved:

*It is the intent of the Legislature that all state departments and institutions prepare a one page summary of the significant factors that are driving their various budget requests for FY 2004 and FY 2005. This summary should be given to the Office of the Legislative Fiscal Analyst by November 1, 2003. The departments and institutions should present their summaries to the Executive Appropriations Committee in the November 2003 meeting.*