Administrative Rules Review Committee
September 30, 2013

Administrative Rulemaking Amendments
Discussed revised draft legislation “Administrative Rulemaking Amendments,” which was previously discussed in the September 16 meeting. The draft bill:
- Clarifies the penalty for an agency’s failure to timely comply with the statutory requirement for a five-year administrative rules review;
- Modifies the five-year review filing requirements; and
- Provides that the Division of Administrative Rules’ failure to give an agency notice of a five-year review deadline does not exempt an agency from complying with the provisions of the bill.

Action: Approved as a committee bill, draft legislation “Administrative Rulemaking Amendments.”

Confidentiality Agreement for Parent Review Committee
Discussed the confidentiality agreement that members of the new 15-member parent review committee, created in 2012 General Session H.B. 15, “Statewide Adaptive Testing,” to review the computer adaptive test questions for common core, must sign and how it can be written to allow parents to discuss any concerns regarding the test questions while preserving the integrity of the test.

Educator Evaluation Data
Discussed whether recent amendments to a State Board of Education administrative rule R277-487, “Public School Data Confidentiality and Disclosure,” narrow the intent of Utah Code Subsection 53A-3-602.5(1) that provides that the written school performance report, developed by the State Board of Education, “inform the state’s residents of the quality of schools and the educational achievement of students in the state’s public education system.”

Business and Labor

Alcoholic Beverage Control
Received a presentation from the Pacific Institute for Research and Evaluation at the Alcohol, Policy, and Safety Research Center, which recommends that the legal blood alcohol level for operating a motor vehicle be reduced from .08 to .05. Also received public comment regarding alcohol consumption and the taxation of alcoholic products.

Disclosure of Consumer Credit Scores
Received information from a legislator on the disclosure of consumer credit scores by various organizations, including national credit reporting agencies. Also received comments from the public.

Insurance Code Changes
Received a presentation from the Insurance Department on proposed changes to the Insurance Code.

Staff: Bryant R. Howe (Assistant Director) / Christine R. Gilbert (Attorney) / Patricia Owen (Attorney) / Kristen C. Ricks (Secretary)

Economic Development and Workforce Services

Child Care Subsidy Program
Received a follow-up report from the Department of Workforce Services on the Child Care Assistance Program. The program provides child care assistance to low-income families to enable parents to work outside the home. The current child care assistance subsidy rate for Utah is 43 percent of the cost of care assistance, but the desired rate is 75 percent of the cost. The department requested an appropriation from the General Fund to reach the desired rate. The department has not received money from the General Fund since 2009.

Economic Mobility for Utah Residents
Received a report from the Utah Foundation, “Climbing Toward the American Dream, a Second Analysis of Economic Mobility for Utah Residents”.

Staff: Art L. Hunsaker (Policy Analyst) / Christine R. Gilbert (Attorney) / Tracey Fredman (Secretary)

IN THIS ISSUE:
Pages 1-9 Summaries of Legislative Meetings
Mobility in Utah,” which was released in August 2013. The report provides an analysis of the ability of Utah residents to move on the economic ladder and includes details on mobility across generations, income, wealth, and housing.

Free Market Protection and Privatization Board Report

Received a statutorily required annual report from the Governor’s Office of Management and Budget on the Free Market Protection and Privatization Board regarding the board’s activities, the board’s recommendations on privatizing an activity provided by an agency, and the status of the Commercial Activities Inventory and Review.

Refugee Program

Received a report from the Department of Workforce Services on the refugee services program, which provides cash and medical assistance to newly arriving refugees, new asylees, and victims of human trafficking. Assistance is based on need and may only be provided during the first eight months after arrival. In FY 2012, the department provided assistance to 394 individuals.

Management of Agency Reports and Information

Received a report from committee staff and the Department of Workforce Services, the Department of Heritage and Arts, and the Governor’s Office of Economic Development on improving the process of providing needed reports and other information on an annual basis to the committee and to the public.

Action: Directed committee staff to prepare legislation to provide for consolidation of annual agency reports into a comprehensive annual report from the Department of Workforce Services, the Department of Heritage and Arts, and the Governor’s Office of Economic Development.

Unemployment Insurance Program

Received information from the Department of Workforce Services on draft legislation that the committee had directed staff to prepare to address issues raised by the Department of Workforce Services.

Action: Approved as a committee bill, draft legislation “Workforce Services Amendments,” which removes a provision regarding the overlapping of base periods when determining when certain benefits costs will not be charged to an employer for unemployment insurance claims.

Staff: Constance C. Steffen (Policy Analyst) / Tiffany A. Stanley (Policy Analyst) / Angela Oakes Stallings (Attorney) / Debra Hale (Secretary)

Education

Funding for Public Schools

Reviewed draft legislation, “School Funding Through Income Tax Revisions,” which eliminates the personal exemption from state personal income taxes and directs the new revenue generated to public schools. Ten percent of the new revenue would be allocated in an equal amount to each public school and the remainder would be allocated to public schools on a per student basis.

Investment of State School Fund

Received a report of the School Trust Investment Task Force, which was created by the State Board of Education to study the governance and management of the permanent State School Fund. The School Trust Investment Task Force recommended that:

• An independent board be created with responsibility to manage the State School Fund; and
• Policy on the distribution of State School Fund money be studied.

The Utah state treasurer identified legal issues relating to the recommendations of the School Trust Investment Task Force.

Utah Schools for the Deaf and the Blind

Received the annual report of the Utah Schools for the Deaf and the Blind. The superintendent of the Utah Schools for the Deaf and the Blind requested that a new facility be built in Salt Lake County to replace buildings in need of significant repair and leased space currently in use.

Staff: Benjamin N. Christensen (Policy Analyst) / Peter Asplund (Attorney)

Education Task Force

September 26, 2013

Best Practices of High Achieving At-risk Schools

Received comments from 10 principals regarding implemented strategies that result in high student achievement. The principals represented schools that have a high proportion of at-risk students and received an A or B grade on the 2012-13 school year school grading report.

College and Career Advisement and Counseling

Reviewed a proposal to establish a pilot program in high schools to hire college and career coaches who would provide information to students on how to prepare, apply, and pay for

Economic Development Task Force

October 17, 2013

Potential Task Force Recommendations

Discussed potential task force recommendations for continued economic development success in Utah.

(Continued next column)
postsecondary education as well as information on careers, career pathways, and educational requirements. Unlike a school counselor, a college and career coach would not be required to have a graduate degree.

**Perspectives on Student Achievement**

Received a report on from education stakeholders regarding strategies to improve student learning.

The task force chair highlighted the following points discussed by the group:

- Focusing on student learning or outputs rather than inputs;
- The importance of soft skills and character education;
- Strategies to improve teacher quality, including year-long internships and professional development, targeted to improve instruction;
- Technology as a tool for learning and the need for educators to learn how to use technology; and
- The need to help students make the connection between school and careers.

**Government Communications Task Force**

**October 10, 2013**

**DTS and UCAN Merger**

Received an update on the merger of the radio communications part of the Department of Technology Services and the Utah Communications Agency Network.

**Radio Communications — Use of 800 MHz and 150 MHz**

Discussed the plan for the future use of 800 MHz and 150 MHz radio communication systems in Utah.

**Technical Working Group**

Received recommendations from a working group that discussed options on how best to proceed in solving technical and budgetary problems relating to radio communications.

**Governmental Purchases from the Division of Correctional Industries**

Discussed draft legislation “Governmental Purchases from the Division of Correctional Industries,” which:

- Requires the executive branch to purchase from the Division of Correctional Industries items that the division produces;
- Establishes rulemaking authority to provide for exemptions; and
- Establishes an appeal process for procurement decisions.

**Procurement Code Revisions**

Received a presentation from the Division of Purchasing and General Services on recommendations for revisions to the Utah Procurement Code. Potential revisions include changes to the handling of gratuities and kickbacks, clarification on the definition of a request for statement of qualifications, changes to state contracting processes, and other technical corrections.

**School Construction Amendments**

Discussed draft legislation “School Construction Amendments,” which requires local education agencies to follow the Utah Procurement Code when constructing a public facility and follow certain retention requirements in the contracting process.

**Seasonal Crop Sales — Construction Code Exemptions**

Action: Approved as a committee bill, draft legislation “State Construction Code Amendments,” which exempts from the state construction code a structure that is solely used by a producer to sell certain seasonal crops.

**Health and Human Services**

**Controlled Substance Database Access by Medicaid Accountable Care Organizations**

Considered whether the state should grant Medicaid Accountable Care Organizations limited access to the state’s controlled substance database in order to support Medicaid’s
Underage and Binge Drinking

Also received a report from the department on the recommendations of five workgroups created by the governor to develop a health innovation plan for the state. The recommendations address health information technology, the health care workforce, prevention and wellness, payment reform, and quality and safety.

**Action:** Voted to support and encourage the Insurance Department to continue working on a state-run risk adjustment program and to continue pursuing an exchange establishment grant to upgrade the state’s All-payers Claims Database.

**Action:** Voted to support use of the exchange grant for enhancement of the All-payers Claims Database when it is reviewed by the Executive Appropriations Committee.

Federal Government Shutdown

Discussed impacts of the partial federal government shutdown on Utahns and Utah businesses. Recognized the attendance of staff representing three members of Utah’s congressional delegation.

Following the discussion, those representatives answered questions about the shutdown. Received letters regarding the shutdown from two other members of the congressional delegation.

Sunset Review — Utah Health Data Authority Act

**Action:** Approved as a committee bill, draft legislation “Reauthorization of Utah Health Data Authority Act,” which changes the sunset date for the Utah Health Data Authority Act to 2024 and amends the data-sharing authority of the Utah Health Department’s Health Data Committee.

Underage and Binge Drinking

Considered draft legislation “Beer Excise Tax Amendments,” which funds programs to prevent underage and binge drinking of alcohol by increasing the beer tax. Received presentations from researchers on programs designed to reduce alcohol misuse and on the gap between the costs of alcohol misuse and the revenue generated by alcohol consumption. Considered concerns about the bill raised by the Utah Beer Wholesalers Association, the Utah Food Industry Association, the Utah Retail Merchants Association, and the Utah Taxpayers Association.

Health Reform Task Force

**October 17, 2013**

Received reports from the three Utah organizations that have received federal funding to educate people about the federal government’s health insurance exchange for individuals and families, which opened October 1.

Received a report from the task force’s Insurance Market Team on a study to determine what would be required for the state to run its own risk adjustment program under the federal Patient Protection and Affordable Care Act.

Received a report from the Health Department on Medicaid eligibility expansion options studied by the Governor’s Medicaid Expansion Options Community Workgroup. Many of the options would require a federal waiver of certain Medicaid requirements.
Law Enforcement and Criminal Justice

Concealed Weapon Permit Fees
The committee received a statutorily required report from the Bureau of Criminal Identification on the amount and use of fees collected for concealed firearms permit applications. The bureau projects 138,720 application requests for 2013. This number is an increase over the 81,122 requests in 2012 and 76,943 requests in 2011.

Drug Offender Reform Act
Received a status update from the Utah Substance Abuse Advisory Council regarding the report on the Drug Offender Reform Act that is to be provided to the committee on November 1, 2013. The report will include information and analysis that has not previously been available regarding participants in the Drug Offender Reform program versus offenders who have not participated.

Housing State Inmates in County Jails
Received a report from the Utah Department of Corrections regarding the state’s use of county jail facilities to house state inmates and the contracted rates at which the state reimburses the jails. The Department of Corrections uses this practice to manage its inmate population when the number of state inmates exceeds the number of available prison beds.

Prison Facilities in Other States
Received a presentation from a legislator regarding a tour of prison facilities in other states, including privately operated prison facilities.

Legislative Management Committee
October 14, 2013
Received a presentation from the Division of Risk Management concerning two settlement agreements the division has entered into recently, which need the committee’s approval in order to be finalized.

Received notification from committee staff that the Prison Relocation and Development Authority, to which four legislators are appointed, was not placed on the list of authorized committee meetings at the beginning of the interim.

Received a presentation from committee staff regarding the legislative intern program, including the cost of the current program and the increased cost of the program if it were expanded by 15 more interns.

Action: Approved a motion recommending that the executive branch enter into the two settlement agreements presented by the Division of Risk Management.

Natural Resources, Agriculture, and Environment

Executive Water Task Force Report
Received a report from the Department of Natural Resources on requests for legislation recommended by the Executive Water Task Force.

Action: Passed a motion to, under committee sponsorship, open and prioritize bill files that incorporate the changes recommended by the Executive Water Task Force by amending Utah Code Sections 17-21-6, 73-3-26, 73-3-18, 73-5-3, and 73-3-29.

Management Plans for Water Conveyance Facilities
Received a report from the Board of Water Resources on water conveyance facilities reporting requirements that are intended to improve canal safety in those areas where potential risk to human life or extensive economic loss exist.

Utah Outdoor Recreation Report
Received a report from the Utah Office of Outdoor Recreation on the organization and objectives of the newly created office.

Reduction of Nutrient Pollution in Utah Waters
Received a report from the Division of Water Quality, Division of Wildlife Resources, Utah Waterfowl Association, and the Utah Office of Outdoor Recreation on the need to reduce nutrient pollution in Utah waters. The committee discussed the elements of potential legislation proposed by the Department of Agriculture and Food.

Wolf Management in Utah
Received a review of the audit conducted by the Office of the Legislative Auditor General on appropriated funds for wolf management.

The Division of Wildlife Resources responded to the review and gave an update on the status of delisting of wolves under the Endangered Species Act.

(Continued next column)
Occupational and Professional Licensure Review Committee

October 15, 2013

Alternatives to Licensing

Received information regarding less restrictive alternatives to licensure, including registration, certification, bonding, title licensing, and promoting the use of private markets and the judicial system.

Sunset Review — Massage Therapy Practice Act

Action: Approved as a committee bill, draft legislation “Reauthorization of the Massage Therapy Licensing Act,” which changes the sunset date of the act to July 1, 2024.

Staff: Bryant R. Howe (Assistant Director) / Peter Asplund (Attorney) / Tracey Fredman (Secretary)

Political Subdivisions

Associations of Governments

Received a presentation explaining the purpose and the activities of Utah’s seven associations of governments.

Eminent Domain

Received a report from a legislator and the state property ombudsman, who have been working with a group of parties interested in eminent domain issues.

This month’s report included recommendations regarding two issues:

• Physical occupation of property without negotiation or court order; and
• Definition of condemning entity.

Government Records Ombudsman

Received a report from the Utah State Archives on the work performed by the government records ombudsman.

Interlocal Cooperation Act

Discussed draft legislation, “Interlocal Act Amendments,” which:

• Requires parties entering into an interlocal agreement to identify with specificity the rules, policies, and procedures that will govern the interlocal entity;
• Amends provisions governing an interlocal entity’s compliance with public meeting requirements; and
• Requires an interlocal entity to adopt certain budget and fiscal procedures.

Quality Growth Commission

Received a report from the Utah Quality Growth Commission on the state of quality growth in Utah, including the LeRay McAllister Conservation Program.

Staff: Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Sara J. Thomas (Secretary)

Public Utilities and Technology

Report — S.B. 275, Energy Amendments

Received statutory reports regarding enacted 2013 General Session S.B. 275, “Energy Amendments,” from the Utah Public Service Commission and the Alternative Energy Interlocal Entity regarding policy and regulatory measures that would advance cleaner air through the enhanced use of alternative fuel vehicles. Primary concerns for this study issue include air pollution, financing, distribution, and balancing of interests.

The Future of Energy Development

Received presentations from PacifiCorp, the Governor’s Office of Energy Development, the Utah Public Service Commission, and the Division of Public Utilities about the future of energy development, including environmental concerns, distributed energy generation, financing, and net metering. In addition, the presenters provided information on how the regulatory process balances the needs of all classes of electric power users and the utility providers of the electric power.

Staff: Richard C. North (Policy Analyst) / Rebecca L. Rockwell (Attorney) / Tracey Fredman (Secretary)

Retirement and Independent Entities

Annual Utah Retirement System Modifications

Received an explanation from the Utah Retirement Systems on its recommended changes in statute to keep the Utah State Retirement and Insurance Benefit Act updated. Each year a bill is introduced to address issues identified in the previous year by the Utah Retirement Systems and to make technical changes.

Heber Valley Historic Railroad Authority

Received a request from the Heber Valley Historic Railroad Authority for a $250,000 appropriation to restore two steam locomotives for operation. The authority is an independent state agency responsible for the railroad.

Judges’ Retirement Systems

Received a presentation from committee staff and received comments from the judicial branch on the current judges’ retirement system.

New State Employee Matching 401(k) Contribution

Received an update from the Office of the Legislative Fiscal Analyst and the Department of Human Resource Management on the new state employee matching 401(k) contribution that begins on January 3, 2014. H.B. 194, “State Employee Benefits Amendments,” which passed during the 2013 General Session, eliminates future accumulation of unused sick leave for the postretirement benefit known as the Unused Sick Leave Retirement Program II for state employees and established the new benefit for state employees.

Staff: Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Sara J. Thomas (Secretary)
The amount of the matching contribution is determined annually by the Legislature, but may not exceed $26 biweekly ($676 per year) for each employee. The matching amount from the state has not yet been finalized.

Postretirement Employment Restrictions
Received a presentation from committee staff and Utah Retirement Systems on postretirement employment restrictions. The 2010 retirement reforms implemented stricter postretirement reemployment restrictions, including a one-year employment separation requirement after retirement and a prohibition on collecting a retirement allowance while receiving any employer retirement contribution or while earning additional service credit. The restrictions are to discourage or eliminate incentives for early retirement. The committee heard additional policy options for postretirement employment restrictions from committee staff.

Action: Approved as a committee bill, draft legislation “Reemployment Restrictions Amendments,” which exempts an active senior justice court judge appointed to hear cases from postretirement employment restrictions and exempts a reemployed retiree who serves as a judge from reemployment earnings limitations.

Public Access to URS Records and Meetings
Received a report from Utah Retirement Systems on providing increased public access to URS records and meetings in response to a February 2013 state audit recommendation. URS described a new public website, www.retirement.utah.gov, which provides access to URS reports, audits, board resolutions, and other information. URS also announced that it will open URS board administrative meetings to the public.

Total Compensation Analysis for State Employees
Received a report from the Hay Group, an independent consulting firm contracted by the Department of Human Resource Management to study total compensation for state employees compared to the market and to make compensation recommendations. In "State of Utah: Total Compensation Market Survey and Analysis Study," Hay Group reported that the state’s market position for cash compared to overall market is at approximately the same level as in 2011.

Excluding private sector pay in annual incentives, base salary for state workers is 11.2% below market, while benefits are 27.6% above market.

Senate Judicial Confirmation Committee

October 8, 2013
The committee recommended to the Senate the confirmation of Brian G. Cannell as a judge for the First District Court.

October 9, 2013
The committee recommended to the Senate the confirmation of Samuel P. Chiara as a judge for the Eighth District Court, Ryan B. Evershed as a judge for the Eighth District Juvenile Court, and Keith E. Eddington as a judge for the Eighth District Juvenile Court.

October 14, 2013
The committee recommended to the Senate the confirmation...
of Catherine S. Conklin as a judge for the Second District Court.

The Senate met on October 16, 2013, and confirmed Mr. Cannell, Mr. Chiara, Mr. Evershed, and Mr. Eddington.

Chair: Sen. Scott K. Jenkins
Staff: Michael E. Christensen (Director) / Susan Creager Allred (Associate General Counsel) / Jennifer Christopherson (Legislative Secretary)

State Water Development Commission
October 15, 2013

Canal Safety
Discussed the need for reliable data concerning the safety of water conveyance facilities in the state and current canal safety management plan requirements. The Utah Association of Conservation Districts reported on its efforts to acquire canal safety data in certain Utah counties.

Change Application Procedures
Received a report from the Utah Irrigators Alliance on proposed modifications to water right change application procedures. The commission also considered draft legislation “Water Rights—Change Application Amendments,” which amends change application procedure requirements under Utah Code Title 73, Water and Irrigation.

State and Federal Water Rights
Received a report from the Utah Farm Bureau Federation on its efforts to protect water rights holders from federal government impairment of water rights.

Staff: J Brian Allred (Policy Analyst) / RuthAnne Frost (Attorney) / Anna M. Allen (Secretary)

Subcommittee on Oversight
October 15, 2013

Received a presentation from the Office of the Legislative Fiscal Analyst reviewing the FY 2014-15 base budgets of the Senate and House of Representatives.

Received from the Office of the Legislative Fiscal Analyst reviews of the proposed budgets of the following offices:
- Office of Legislative Research and General Counsel;
- Office of the Legislative Fiscal Analyst; and
- Office of the Legislative Auditor General.

Action: The subcommittee approved the proposed base budgets for the three staff offices.

Chair: President Wayne L. Niederhauser / Speaker Rebecca D. Lockhart
Staff: Bryant R. Howe (Assistant Director) / Eric N. Weeks (Deputy General Counsel) / Phalin L. Flowers (Administrative Assistant)

Transportation

Bonding for Transportation
Received a presentation from the Office of the Legislative Fiscal Analyst regarding the state bonding process, current transportation bonding levels, and future transportation bonding options.

Condition of Utah’s Roads
Continued a discussion from the June meeting with representatives of cities and counties regarding the current condition of roads in their jurisdictions and heard their recommendations for how to generate additional funding to improve road conditions.

Driver License Amendments
Action: Approved as a committee bill, draft legislation “Driver License Amendments,” which makes a person who is less than 18 years of age eligible for a driver license certificate if, for six months, the person has held for six months an equivalent learner permit issued by another state or a branch of the United States Armed Forces.

DUI Annual Report
Received an annual, statutorily required report on DUI-related data from the Commission on Criminal and Juvenile Justice, including:
- Data necessary to allow DUI sentencing and enhancement decisions to be made;
- DUI-related data elements collected and maintained by the state courts; and
- Any measures for which data are available to evaluate the profile and impacts of DUI recidivism and to evaluate the DUI-related processes of law enforcement, adjudication, sanctions, driver license control, and alcohol education, assessment, and treatment.

Reducing the Legal Blood Alcohol Level
Received a presentation from the Pacific Institute for Research and Evaluation at the Alcohol, Policy, and Safety Research Center, which recommends that the legal blood alcohol level for operating a motor vehicle be reduced from .08 to .05.

State Highway System Report
Received an annual, statutorily required report from the Utah Department of Transportation regarding changes to the state highway system.

Transit Funding
Discussed a committee study item regarding the funding of public mass transit.

Staff: Art L. Hunsaker (Policy Analyst) / Shannon C. Halverson (Attorney) / Tracey Fredman (Secretary)
Veterans Reintegration Task Force
October 18, 2013

College Credit for Military Service & Training
Received a report from the Utah Board of Regents about the implementation of H.B. 254, “College Credit for Veterans,” which passed during the 2013 General Session and requires Utah institutions of higher education to participate in a nationwide program for granting uniform credit for military training and experience. The board formally adopted the American Council on Education’s program and military guide.

Veterans’ Courts
Received a presentation from the Utah Office of the Court Administrator about the creation of a pilot Veterans’ Court program. The office indicated that it will be creating a pilot Veterans’ Calendar for addressing veterans in the judicial process. Additional information about federal government and other states’ veterans’ court programs was provided by the task force staff.

Veterans’ Employment Opportunities
Received a presentation from the Utah Department of Workforce Services about the reporting of employment opportunities to the department by governmental entities and private contractors who receive a governmental entity contract. The task force discussed draft legislation that requires governmental entities to report employment opportunities to the department.

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Office of Legislative Research and General Counsel

Next Interim Day — November 20, 2013