Legislative Interim Meetings
Meetings were held June 18, 2014, or as noted.

Business and Labor
Regulation of Title and Escrow Industry
Received information regarding various aspects of the escrow services and title insurance industry. The committee discussed the duties and powers of the Title and Escrow Commission.

Action: Directed committee staff to open a committee bill file to address regulation of the title and escrow industry.

Sunset Review — Auto and Homeowners
Insurance Rates Comparison Tables
Received information from the Department of Insurance regarding the insurance rate comparison tables for homeowners and automobile insurance published by the department as required by Utah Code Section 31A-2-208.5. The tables compare rates, number of complaints filed regarding an insurance company, and national combined loss and expense ratios for the top twenty insurance companies for both types of insurance. The department recommended removing this code section from the Sunset Act.

Action: Directed staff to open a committee bill file to repeal Utah Code Section 31A-2-208.5 from the Sunset Act.

Sunset Review — Comprehensive Health Insurance Pool
Received information regarding the phase out and eventual closure of enrollment, membership, and administrative functions associated with the Comprehensive Health Insurance Pool. The committee took no action regarding the sunset date of June 30, 2015.

Staff: Bryant R. Howe (Assistant Director) / Christine R. Gilbert (Attorney) / Patricia Owen (Attorney) / Kristen C. Ricks (Secretary)
Commission on Federalism
June 3, 2014

Article V Convention
Received a report from a commission member regarding a meeting of the Mount Vernon Assembly that was held in December 2013. The objective of the meeting was to establish a bipartisan procedure for calling a convention of the states to consider proposing amendments to the Constitution of the United States.

Case Law Review
Received a report from the Office of the Attorney General regarding recent US Supreme Court cases that potentially impact federalism. The commission discussed current cases regarding public lands issues and marriage.

Continuing Education on Federalism
Discussed the provisions of 2014 General Session H.B. 120, “Continuing Education on Federalism,” which requires the Commission on Federalism to develop a curriculum for continuing education on federalism. The commission discussed organizing a work group to develop a request for proposals that would seek outside help to develop the curriculum.

Chairs: Speaker Rebecca D. Lockhart / President Wayne L. Niederhauser
Staff: Jerry D. Howe (Managing Policy Analyst) / Nathan W. Brady (Policy Analyst) / Robert H. Rees (Attorney) / Cathy J. Dupont (Attorney) / Sara J. Thomas (Secretary)

Economic Development and Workforce Services

Abusive Workplace Conduct
Received presentations from a legislator, a university professor, and victims regarding abusive workplace conduct. Abusive workplace conduct is malicious, repeated, health-harming mistreatment that can include verbal abuse, threats, humiliation, intimidation, work sabotage, exploitation of a known vulnerability, or retaliation for ethical conduct. The committee also received information from the presenters about the prevalence and effect of abusive work environments.

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

Affordable Housing
Received presentations from committee staff, the Housing and Community Development Division of the Utah Housing Corporation, and Envision Utah on current programs that address affordable housing issues and future needs. Current projections indicate that the Wasatch Front population will increase by nearly one million people in the next 15 to 20 years. New housing will be needed for the working middle class, as well as the working poor.

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

Department of Workforce Services Assistance Program
Received a report from committee staff on assistance programs administered by the Department of Workforce Services. The department administers or determines eligibility for 24 public assistance programs, including Unemployment Insurance, Temporary Assistance for Needy Families, and Medicaid Eligibility.

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

Education

Impact of Corrections Education on Recidivism
Received a report from the Utah Department of Corrections on the impact of education programs for inmates on recidivism. The department reported that 162 offenders were paroled and also received a certification from an applied technology college between January 1, 2010, and June 30, 2013. The department’s initial findings indicate lower recidivism for those who received an applied technology certificate.

Educators’ Perspectives on Student Achievement
Convened a panel of teachers to describe their challenges, the elements that contribute to high student achievement, and what the Legislature can do to promote student learning.

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

Education Task Force
May 27, 2014

Governing Structure of Education
*A legislator discussed education governance, including a proposal to amend the Utah Constitution to give the governor the authority to approve the State Board of Education’s appointment of a state superintendent of public instruction and additional power to remove or “fire” the superintendent. The legislator discussed the benefits and challenges related to the proposal.

*This text was revised on 6/24/14 to more accurately characterize the proposal presented at the meeting.
Higher Education and the Utah College of Applied Technology

Discussed various issues and proposals related to higher education and the Utah College of Applied Technology (UCAT), including:

- Performance-based funding for higher education;
- How to ensure students have adequate information when making decisions regarding higher education;
- The governance structure of UCAT; and
- Inequities in the funding of UCAT.

Elements of Student Achievement

Reviewed "Key Elements Contributing to Student Achievement," which was included in the Education Task Force's 2013 Final Report.

One-to-One Mobile Devices in Schools

Received a presentation from task force members on the implementation of a statewide one-to-one mobile device initiative for public schools. The task force discussed the opportunities and challenges related to implementing the initiative.

Review of 2014 General Session Education Bills

Received a presentation from task force staff on the bills that passed in the 2014 General Session, which addressed recommendations found in the task force's 2013 Final Report.

Task Force Overview and Duties

Received a presentation from task force staff on the goals and strategies adopted by the task force in its 2013 Final Report and the duties of the task force as outlined in 2014 General Session S.B. 150, "Education Task Force Reauthorization."

(Continued next column)
Regulation of Electronic Cigarettes and Other Tobacco Products

Discussed recently proposed federal regulations that would “deem” certain products, including electronic cigarettes and related “components,” to be within the scope of the US Food and Drug Administration’s regulatory authority under the Family Smoking Prevention and Tobacco Control Act (2009). Received input from e-cigarette retailers.

**Action:** Directed committee staff to draft a comment letter to the US Food and Drug Administration, which will be reviewed by the committee members and then signed by the chairs.

Staff: Mark D. Andrews (Policy Analyst) / Samuel C. Johnston (Attorney) / Cathy J. Dupont (Attorney) / Lee A. Killian (Attorney) / Lori Rammell (Secretarial Supervisor)

### Health Reform Task Force

**June 12, 2014**

**All-Payers Claims Database**

Received a report from the Department of Health on the development of the state’s All-Payers Claims Database (APCD). The department reported that:

- For the past nine months it has been concentrating on improving APCD data quality;
- It will release APCD data in Fall 2014, and the data will not include individuals’ identifiers; and
- By next summer it will be able to assess whether the APCD can be used to create a state risk-adjustment program for health insurers under the federal Affordable Care Act.

The department also reported that it is considering whether to collect data directly from providers, in contrast to its past practice of collecting data only from insurers.

**Avenue H**

Received a report from Avenue H, the state’s small-employer health insurance exchange. At this time, 478 employer groups are participating in Avenue H and 10,899 individuals are covered by medical plans offered on the exchange. Avenue H contrasted its performance with the absence or failure of small-employer exchanges in other states. Avenue H plans to be able to aggregate premium contributions from multiple employers by Fall 2014. It also reports that it could expand exchange participation to employers with 51 to 100 employees and would welcome that change.

**Action:** Voted to consider at the next meeting whether Avenue H participation should be expanded to include employers with 51 to 100 employees.

**Enrollment Window Exceptions Under the Affordable Care Act**

Received reports from task force staff and the Utah Health Policy Project on the availability and use of qualifying events and special enrollment circumstances for enrollment in the federal Health Insurance Marketplace between March 31, 2014, and November 15, 2014, when open enrollment is not available. Utah Health Policy Project reported that loss of employment and loss of insurance coverage are the two most commonly used qualifying events.

**Fair Share Penalty**

Briefed by task force staff on the delayed enforcement of the federal Affordable Care Act’s fair share penalty for employers, which is also referred to as the employer mandate, and which applies to the State of Utah as an employer. Briefed by the Department of Human Resource Management on the state’s compliance with related requirements.

The department identified important questions about compliance that remain unanswered by federal regulations. The department is consulting with the governor to determine whether the state can comply with specified requirements by offering certain individuals a health insurance plan that is less expensive than those generally offered to full-time employees.

### Judiciary

**Expungement of Administrative Records**

Discussed the expungement of administrative records, including concerns related to agency access, the sharing of public and private records, and agency interpretations of existing statutory language. Received information on expungement from the Utah Insurance Department, the Driver License Division, Peace Officer Standards and Training, the Department of Commerce, the Department of Human Services, and the Utah State Office of Education.

**Action:** Directed committee staff to open a committee bill file to address conflicts in Utah Code Title 77, Chapter 40, Utah Expungement Act.

Staff: Melinda Boulter (Policy Analyst) / Esther Chelsea-McCarthy (Attorney) / Kristen C. Ricks (Secretary)

**Law Enforcement and Criminal Justice**

**Department of Public Safety Overview**

Received a report from the Department of Public Safety regarding activities and accomplishments of the cyber crimes task force, the status of recently authorized increases in personnel, salary comparisons, and an overview of the statewide warrants system.

**General Policies for Serving Search Warrants**

Received a report from the Department of Public Safety regarding the policies and procedures used when serving a search warrant. The department explained the difference between “knock and announce” and “no-knock” warrants and why each would be used. The department responded to questions from committee members and explained its partnership with the FBI in the investigation of two recent Utah attorneys general.

(Continued next column)
Inmate Education Programs
Received a [statutorily required report](#) from the Department of Corrections regarding the impact of inmate education programs on recidivism rates. The department reported that it contracts with Davis Applied Technology College, Snow College, and Uintah Basin Applied Technology College to provide postsecondary education to eligible inmates. The department reported that 162 inmates graduated from these programs and earned certificates in their respective fields of study since January 2010. Inmates who participated in these programs were 8% less likely to be returned to custody after 12 months of postincarceration supervision.

New Felonies and Enhancements on Existing Punishments
The committee received a [report](#) from the Sentencing Commission regarding felonies and enhancements on existing punishments that have been enacted over the past five years. According to Sentencing Commission staff, the Legislature enacted four new felonies or enhancements to existing felonies and repealed three felonies as part of the 2014 General Session.

Rape Kit Processing
Received [presentations](#) from the Utah Sexual Violence Council, law enforcement, victims’ advocates, and the state crime lab regarding ongoing efforts to review the processing of rape kits and identify causes of backlogs of rape kits that have not been analyzed.

Restoration of Civil Rights to Certain Nonviolent Felons
Received a [presentation](#) from Sentencing Commission staff regarding efforts to study and identify the collateral consequences of Utah sentencing practices as they affect the civil rights of defendants and whether the Legislature should consider revising existing law to allow the restoration of certain civil rights to persons convicted of certain nonviolent felonies.

Legislative Management Committee
Received a report from the Office of the Legislative Fiscal Analyst on the costs associated with legislative site visits, which have been approved by the committee to begin next year and occur every other year depending on availability of funds.

**Action:** Approved as a committee bill, a resolution reappointing John Fellows as legislative General Counsel for a term of six years.

**Action:** Approved the recommendation of the legislative fiscal analyst to purchase the REMI-Taxpi software that will be used for revenue forecasting.

**Action:** Approved a change in the interim committee schedule for afternoon committee meetings.

INTERIM HIGHLIGHTS • June 2014

Beginning in July 2014, these meetings will begin at 2:30 p.m. rather than at 2:00 p.m.

**Action:** Approved the requests of the following appropriations subcommittees:
- Executive Offices and Criminal Justice for a meeting on July 17, 2014;
- Natural Resources, Agriculture, and Environmental Quality for meetings on July 30 and September 18, 2014;
- Public Education for two meetings and one joint meeting with all legislative education committees, the State Board of Education, and the State Board of Regents; and
- Retirement and Independent Entities for meetings with the Retirement and Independent Entities Interim Committee on July 9 and September 10, 2014.

**Action:** Approved the request of the Government Communications Task Force to hold meetings in Richfield on June 23, 2014, and in Vernal on July 10, 2014.

**Action:** Approved the request of the Political Subdivisions Interim Committee to study the adequacy of current statutes regarding standards of unethical or criminal conduct of government officials and employees in hiring practices and in the use of public services for campaigns.

**Action:** Approved a motion asking the Education Interim Committee to study the Common Core curriculum and to report back to the committee at the end of the 2014 interim.

Chair & Vice Chair: Rep. Rebecca D. Lockhart / Sen. Wayne L. Niederhauser
Staff: Michael E. Christensen (Director) / John L. Fellows (General Counsel) / Phalin L. Flow-ers (Administrative Assistant)

Natural Resources, Agriculture, and Environment

Impact of Federal Land Ownership, Intervention, and Policies
The committee discussed ways that federal land ownership and federal agency actions affect the state and its citizens. The discussion focused on grazing permits on federal lands and on state, local, and federal law enforcement jurisdiction.

Public Lands Policy Coordination Office
The Public Lands Policy Coordination Office reported on the office’s activities and expenditures.

State Fairpark Master Plan
The Division of Facilities Construction and Management and the division’s consultant reported on the progress of a master plan for the state fairpark and the surrounding area.

Water Quality Board Total Maximum Daily Load Report
The Water Quality Board reported on a proposal that recommends a total maximum daily load end point and implementation strategy for Echo and Rockport Reservoirs.
The committee discussed the cost to implement this strategy, including costs to upgrade the Silver Creek Water Reclamation Facility, the lagoon in Kamas City, and on-site wastewater disposal systems, and to control agricultural run-off.

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

Political Subdivisions

Ethics Laws for Local Government Officials and Employees
Reviewed statutes regarding standards of unethical or criminal conduct by government officials and employees, including hiring practices and the use of public services for campaigns.

Good Landlord Program
Reviewed the state statute that authorizes, under specified conditions, a municipality to charge landlords a fee to recover the municipality’s disproportionate costs of providing municipal services to residential rental units compared to similarly situated owner-occupied housing.

School Planning and Zoning
Discussed municipal and county land use provisions in relation to schools.

UTOPIA Telecommunications Utility Fee
Received comments from the League of Cities and Towns, the Utah Taxpayer Association, and members of the public regarding a proposal the Utah Telecommunication Open Infrastructure Agency (UTOPIA) is considering regarding a public-private partnership to provide municipal broadband service.

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

Prison Relocation Commission
June 19, 2014

Communications Plan and Site Selection Criteria
Received a presentation from commission consultants that included:
• A prospective communication plan for the commission;
• Prospective criteria for evaluating land upon which to construct a prison;
• Processes that must be completed to select land; and
• A timeline for accomplishing those processes.

Received a presentation from the Department of Corrections on prospective criteria for evaluating land upon which to construct a prison.

Work Group Updates
Received progress reports from each of the commission’s three work groups:
• Site Selection;
• Plan of Financing; and
• Criminal Justice Reform and Programming.

Staff: Brian J. Bean (Policy Analyst) / Bryant R. Howe (Assistant Director) / Robert H. Rees (Associate General Counsel) / Sara J. Thomas (Legislative Secretary)

Public Utilities and Technology
Alternative Electric Energy Generation and Utility Network Impacts
Received a presentation from First Wind Energy about its existing solar electric power generation and its proposed Four Brothers large solar electric power facility. Electric power rates will be fixed for 20 years and the electric power will be available in the daytime during greatest consumer demands. First Wind also provides wind-generated electric power and transmission infrastructure throughout the southwestern United States.

Utility Franchise Tax Business Forecasting
Received presentations from the Utah Association of Energy Users and the Utah League of Cities and Towns about municipal energy sales and use taxes. They expressed concern about the range of volatility in taxes collected by municipalities when the taxes are calculated on a cost-basis and energy prices are significantly fluctuating.

(Continued next column)
The Utah Association of Energy Users also provided draft legislation that proposes to change the process from collecting taxes based on the cost of energy to the amount of energy used. The Utah League of Cities and Towns indicated that it is a willing participant in this discussion; a key consideration for the league is equity in the payment of municipal energy taxes.

Staff: Richard C. North (Policy Analyst) / Samuel C. Johnston (Attorney) / Tracey Fredman (Secretary)

Revenue and Taxation

Appropriations Limit Formula Amendments

Action: Approved as a committee bill, draft legislation “Appropriations Limit Formula Amendments” which recodifies and clarifies the state appropriations limit formula by providing definitions and mathematical formulas.

Distribution of Local Sales and Use Tax

Received a presentation from a legislator on 2014 General Session H.B. 434, “Local Sales and Use Tax Amendments,” which would modify the distribution of the 1% local option sales and use tax by allowing a portion of revenues to be distributed as follows:

- 50% on the basis of the population;
- 25% on the basis of the location of the transaction; and
- 25% on the basis of the fair market value of taxable real and personal property.

Action: Directed committee staff to open and prioritize a committee bill file to draft a bill similar to H.B. 434, but that also addresses administrative issues raised by the Utah State Tax Commission and provides a process by which the local option sales and use tax distribution may be corrected in the case of a distribution error.

Sales and Use Tax on Vehicle Trade-Ins

Received a presentation from a legislator on a proposal regarding a sales and use tax exemption for vehicles. Currently, vehicle trade-ins are exempt if the trade-in and the purchase of a new vehicle occur as part of the same transaction and between two parties. The legislator proposed allowing for a sales and use tax exemption for the sale of a vehicle that occurs within a short time after the purchase of a new vehicle.

State and Local Sales and Use Tax System

Received a presentation from committee staff on Utah’s sales and use tax system, including:

- The base, state, and local rates;
- Revenues;
- Exemptions; and
- Exclusions.

Taxation of Social Security Benefits

Received a presentation from committee staff, a legislative fiscal analyst, and a legislator regarding the taxation of Social Security income in the 50 states and the fiscal impacts of not taxing this income.

(Continued next column)
The National Suicide Hotline for Utah reported 295 calls and 29 rescues since October 2013.

The Utah National Guard also presented information about its R3SP program - Resilience, Risk Reduction, & Suicide Prevention - for addressing suicides and prevention. The Utah Department of Human Services also presented information about state and local government programs regarding suicide prevention and coordination with federal programs.

US Department of Veterans Affairs

Received a presentation from a Utah senator about current issues and a congressional review regarding veterans' hospital services provided by the US Department of Veterans Affairs (VA). Discussion followed, including input about the effective services received from the VA Salt Lake City Health Care System in contrast to other states’ VA hospitals, reorganization of VA bureaucracy based on the upcoming inspector general’s report, and requests for additional VA funding to address the returning veterans from overseas deployments.

Utah Military Affairs

Received a presentation from the executive director of the Utah Department of Veterans and Military Affairs about its objectives for addressing veterans’ needs and military affairs. Those objectives include efficient, coordinated delivery of veterans’ services, and expanding the workload on Utah’s military installation.

The Utah Defense Alliance presented information about the approximately 30,000 Utah civilian jobs that support military installations in Utah. The alliance also conducts efficiency and feasibility studies that support Utah’s military installation during federal military base realignment commission hearings. The Military Installation Development Authority presented information about its role in supporting and managing economic development of state property for military installations.

Veterans' and Military Affairs Commission

Coordination of Veterans Services

Received a presentation from the Utah Department of Veterans and Military Affairs about the number of veterans in the state, the types of services the department requests and receives, and training for state agencies that provide veterans' services. The report included coordination information about education, employment, and homeless assistance for veterans.

Military Suicides and Prevention

Received a presentation from the US Department of Veterans Administration’s Utah Suicide Prevention Coordinator about the number of veteran suicides and attempted suicides. The report noted that Utah ranks seventh in the nation for suicides, with 545 deaths in 2012.

(Continued next column)