Administrative Rules Review Committee
October 22, 2014

Department of Alcoholic Beverage Control — Permit Review Practices
In the June 16 meeting, the committee expressed concern that the Department of Alcoholic Beverage Control made changes to the alcoholic beverage event permitting process without providing notice to the public through the administrative rule change process. The committee discussed addressing these concerns through potential legislation.

Action: Approved as a committee bill, draft legislation "Alcoholic Beverage Event Permit Amendments," which clarifies the authority of the Alcoholic Beverage Control Commission to issue or deny an event permit.

Legislative Oversight of Local Governments’ Compliance with Statutory Directives
Discussed draft legislation "Administrative Rules Review Committee Authority," which establishes a procedure by which a person may submit a complaint to the Administrative Rules Review Committee if:

1. the person believes that a political subdivision’s ordinance violates state law; or
2. an ordinance was enacted in response to a state statute, and does not comply with the statute’s legislative intent.

Rules to Implement 2014 General Session H.B. 105, "Plant Extract Amendments"
Discussed concerns regarding the Department of Agriculture and Food’s implementation of 2014 General Session H.B. 105, "Plant Extract Amendments," by administrative rule.

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

Business and Labor

Bail Bond Agents
Received an overview from a legislator on licensing requirements for bail bond agents and possible legislation that would place licensing processes within one state agency.

Businesses’ Personal Property Tax Assessment
Received a presentation that provided background information on Utah property tax and exemptions provided by the Legislature. The committee discussed options related to the assessment of low value personal property that would reduce the burden of complying for businesses.
Charitable Solicitation Act Amendments
Received information from the Utah Division of Consumer Protection about a potential amendment to the Charitable Solicitation Act. The amendment would change reporting requirements for registered charities in order to reduce the regulatory burden while maintaining oversight by the division.

Construction and Fire Codes
Received an overview from a legislator on how the State Fire Code and the State Construction Code are applied to rural areas in Utah. The committee also discussed possible legislation that would allow fourth, fifth, and sixth class counties to modify those codes within unincorporated areas to address specific conditions.

Financial Institution Amendments
Action: Approved as a committee bill, draft legislation “Department of Financial Institutions Amendments,” which modifies provisions related to persons subject to the jurisdiction of the Department of Financial Institutions, including:
- defining "nationwide database" and requiring certain persons to register;
- providing that fees may be paid to the commissioner by money transmitters; and
- enacting the Money Transmitter Act.

Required Reports
Received the following statutorily required reports:
- Worker Classification Enforcement Council Report;
- Labor Commission Annual Report; and
- Resource Stewardship Coordination Report.

State Construction Code Amendments
Discussed draft legislation "State Construction Code Amendments," which adopts the 2014 National Electrical Code and updates references.

Child Welfare Legislative Oversight Panel
October 23, 2014
Disclosure to Parents Regarding an Investigation at a Child Care Facility
Received reports from the Division of Child and Family Services and the Office of the Attorney General on the information a child care provider may disclose to the parents of a child when the division or a law enforcement officer has conducted an interview at the provider’s facility to investigate an allegation of abuse or neglect caused by someone other than the provider.

Expedited Placements with Relatives and Others
Received information from the Division of Child and Family Services on its efforts to expedite the placement of children with relatives or friends after the children are removed from their homes.

HomeWorks Update
Received a report from the Division of Child and Family Services on the implementation of HomeWorks, a structured decision-making program designed to strengthen parents’ ability to care for their children and reduce the need for foster care. The division has implemented the program in one region and expects to complete implementation in the other four regions by the end of 2015. The University of Utah is evaluating the effectiveness of the program.

Youth in Foster Care
Received a report from the Division of Child and Family Services on options for:
- making it easier for youth in foster care to obtain a driver license; and
- improving communications between siblings in foster care.

The division also reported that new housing units that could be used by youth exiting foster care are now under construction.

(Continued next column)
Commission for the Stewardship of Public Lands  
October 29, 2014

Stakeholder Reports and Updates
Received a presentation from a University of Utah professor on the balance between the necessity of economic uses of public lands and the necessity of wild places. The professor indicated that Utah’s public lands can accommodate some development, but decisions about development should be shaped by local communities and balanced with maintaining the land in its natural state.

Work Plan
Received a presentation on a draft work plan for the commission that identifies study items and potential presenters who could inform commission members on each study item.

Staff: Leif G. Elder (Policy Analyst) / Tiffany A. Stanley (Policy Analyst) / RuthAnne Frost (Attorney) / Cathy J. Dupont (Attorney) / Timothy J. Barber (Secretary)

Commission on Federalism  
November 6, 2014

Continuing Education on Federalism
Action: Voted to:
- extend by 45 days the current timeline for the continuing education on federalism request for proposals process;
- instruct staff to advertise the request for proposals to state legislative organizations; and
- request that the chairs send personal invitations to potential responders as submitted by members of the commission.

Federal Law Enforcement Jurisdiction in Utah
Received a report from commission staff regarding federal laws and regulations that address ownership and control of public lands in Utah. The commission also discussed principles of proprietary, enclave, and concurrent jurisdiction and requested that staff research if a state may pass legislation that designates whether federal lands in the state are held as proprietary or enclave lands.

Federal Register
Received a report from the Office of Legislative Research and General Counsel regarding the federal administrative rulemaking process. The commission reviewed the federal register website and discussed the notices, proposed rules, final rules, and presidential documents that are contained in the Federal Register, which is updated daily.

Federal Spending in Utah
Received a report from the Office of the Legislative Fiscal Analyst regarding federal spending and its historical impact on Utah. According to the United States Census Bureau, in fiscal year 2010, federal expenditures in Utah accounted for less than 1% of the federal budget and federal expenditures appropriated by the state in 2014 represented $3.6 billion, or 27% of the state budget.

Review of Statutory Duties and Responsibilities
Received a presentation from commission staff regarding the statutory duties and responsibilities of the commission. The commission was established to evaluate federal actions and make findings if it determines that any federal actions violate the principles of federalism.

Action: Voted to form a workgroup to develop a work plan for the commission.

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

Economic Development Incentives
Received presentations from the Office of the Utah State Auditor and the Governor’s Office of Economic Development (GOED) on economic development incentives. GOED administers incentives to businesses for expanding or locating in the state. The Utah State Auditor gave a presentation on the audit "A Performance Audit of GOED's Corporate Incentives Program." The audit outlines concerns of:
- insufficient program guidance and oversight;
- inadequate controls to prevent preferred treatment;
- improper applicant approval; and
- questionable payments.

GOED responded to the audit and outlined how it is working to address issues raised by the audit and otherwise make improvements to the way incentives are administered.

Employment Support Act Revisions
Action: Approved as a committee bill, draft legislation "Employment Support Act Revisions," which revises Title 35A, Chapter 3, Employment Support Act, by updating language, restructuring sections and parts, amending definitions, and adding cross-references.

Governor’s Office of Economic Development Revisions
Action: Approved as a committee bill, draft legislation "Governor's Office of Economic Development Revisions," which restructures Title 63M, Chapter 1, Governor's Office of Economic Development, into its own Title 63N, Governor’s Office of Economic Development.

Motion Picture Incentive Program
Received presentations from the Utah State Film Commission on the Motion Picture Incentive Program, which is administered by the Office of Tourism, Film, and Global Branding within GOED. The program provides a refundable tax credit and cash rebates for approved productions in order to

(Continued next column)
encourage the use of Utah as a site for the production of motion pictures and television series.

**Sunset Review — Utah Workforce Services Code**

*Action:* Approved as a committee bill, *draft legislation “Department of Workforce Services Sunset Reauthorization,”* which modifies the Legislative Oversight and Sunset Act by removing the repeal date of Title 35A, Utah Workforce Services Code.

**Utah Capital Investment Corporation Audit**

Received a presentation from the Office of the Legislative Auditor General and the Utah Capital Investment Corporation on *"A Follow-up of the Performance Audit of the Utah Fund of Funds."* The auditor general reported that 13 of the 18 audit recommendations have been fully implemented by the Utah Fund of Funds. The remaining five recommendations are in the process of being implemented. The recommendations called for improved:

- economic development reporting;
- economic development impact and planning;
- investment performance reporting; and
- oversight and operations of the Utah Fund of Funds.

**Education**

**Math Teacher Training Program Amendments**

*Action:* Approved as a committee bill, *draft legislation “Math Teacher Training Program Amendments,”* which expands a grant program for teacher training in math by allowing a grant to be used to provide a stipend, professional development, and leadership opportunities to an experienced math teacher.

**School Grading**

Received an update from the Utah State Office of Education on school grading, including the methodology for calculating the grades for the 2013-2014 school year and the need for legislation to address the methodology for calculating school grades for future years.

**Utah Schools for the Deaf and the Blind**

Received a statutorily required report from the Utah Schools for the Deaf and the Blind, including information on student enrollment, participation in assessments, and achievement.

**Utah State Board of Education Membership and Elections**

Received a legal briefing from committee staff on a recent federal court decision related to the constitutionality of Utah’s method of electing State Board of Education members. The committee also received a staff briefing on a state-by-state comparison of methods for selecting board of education members.

**Federal Funds Commission**

*November 12, 2014*

**Federal Funds and Revenue Risk**

Received a report on federal funding and a presentation on revenue risk from the Office of the Legislative Fiscal Analyst.
Request for Proposals

**Action:** Approved, with changes, a request for proposals regarding a federal funds risk model, which would be available for policymakers as they work to avoid and minimize the risk and the effects of possible reductions in federal funds.

Appointed five commission members to evaluate submitted proposals and negotiate a best and final offer in response to the proposals.

Government Communications Task Force

**November 10, 2014**

**Public Safety Communications — Funding Sources**

Discussed potential funding sources for an updated public radio communications system.

**Action:** Voted to recommend to the Legislature that the 911 telephone surcharge be increased in an amount necessary to generate $29 million per year, and that those funds be allocated to updating the public radio communications system.

**Public Safety Radio Demonstration**

Observed a demonstration by the Utah Communications Authority on the capability of the public safety radio system. The demonstration included using a handheld radio to talk with public safety officials located in many parts of the state, including St. George and the Utah-Idaho border.

**Status of Consultant Report**

Received a report from a consultant for the Utah Communications Agency Network regarding costs and time lines for an updated public radio communications system.

Government Operations

**Campaign Contribution Amendments**

Considered draft legislation "Campaign Contribution Amendments," which:
- prohibits an anonymous campaign contribution that is greater than $50; and
- requires a candidate who receives an anonymous contribution that is greater than $50 to donate the contribution to a charitable organization, the state, or a political subdivision of the state.

**Campaign Finance Amendments**

Considered draft legislation "Campaign Finance Amendments," which amends Title 20A, Chapter 11, Campaign and Financial Reporting Requirements, by establishing and enforcing contribution limits.

(Continued next column)
Joint Rules Resolution on Performance Notes  
**Action:** Approved as a committee bill, *draft legislation “Joint Rules Resolution on Performance Notes,“* which modifies provisions related to the prioritization of performance review notes provided by the Office of the Legislative Fiscal Analyst.

Local Government Disclosure and Campaign Finance Amendments  
**Action:** Amended and approved as a committee bill, *draft legislation “Local Government Disclosure and Campaign Finance Amendments,”* which amends local campaign finance requirements to be more consistent with state campaign finance requirements.

Federal Funds Commission Report  
Received a statutorily required report from the Federal Funds Commission on the commission’s findings and recommendations.

Free Market Protection and Privatization Board Report  
Received a statutorily required report from the Free Market Protection and Privatization Board about the board’s activities, including recommendations on privatizing activities currently provided by state agencies.

Resource Development Coordinating Committee  
**Action:** Approved as a committee bill, *draft legislation “Resource Development Coordinating Committee Reauthorization,”* which reauthorizes the Resource Development Coordinating Committee for ten years.

**Health and Human Services**

Controlled Substances Advisory Committee Report  
Received from the Controlled Substances Advisory Committee its *annual report,* which includes a recommendation that *Title 58, Chapter 37, Utah Controlled Substances Act,* be amended to include certain "spice" and "bath salts" analogs as listed controlled substances.

Ebola  
Received information from the Utah Department of Health on actions taken by the department, the US Centers for Disease Control and Prevention, hospitals, and other health care providers to identify and isolate potential Ebola cases. The department is currently monitoring three individuals in Utah with travel histories that include certain African countries.

Health Care Facility and Practitioner Comparisons  
Received an *update* from the Utah Department of Health’s Office of Health Care Statistics on reports it is developing that will allow consumers and health care providers to identify differences in health care costs and *practice patterns* across geographic areas. The office highlighted recently completed reports on the *costs of the delivery of a baby* and the use of magnetic resonance imaging for the treatment of back pain.

**Medicaid Payments for Emergency Room Use**

**Action:** Approved as a committee bill, *draft legislation “Medicaid Management of Emergency Department Utilization,”* which:

- prohibits a Medicaid accountable health care organization from imposing differential payments for professional services rendered in an emergency department; and
- requires the Department of Health to convene a group of stakeholders to discuss ways to create and support increased access to primary and urgent care services for Medicaid recipients.

**Physician Dispensing of Certain Drugs**

Received a recommendation from a local physician that physicians be given authority to dispense certain noncontrolled substances that the physicians prescribe to the patient.

**Exposure to Radon**

Received information from a physician and members of the public on the dangers, prevalence, and consequences of radon in Utah homes. The physician reported that one in three homes has unacceptable radon levels.

**Sunset Review — Children’s Hearing Aid Pilot Program**

**Action:** Approved as a committee bill, *draft legislation “Children’s Hearing Aid Program Amendments,”* which converts the Children’s Hearing Aid Pilot Program to a permanent program and modifies eligibility for the program.

**Sunset Review — Rural Residency Training Program**

Conducted a sunset review of the *Rural Residency Training Program,* which included a *report* from the Utah Medical Education Council.

**Utah Commission on Aging**

Received an *annual report* from the Utah Commission on Aging. The commission recommended increased financial support for the Meals on Wheels program and services provided under the state’s aging waiver, including respite care, education, and support activities for those providing care for the elderly.

(Continued next column)
Health Reform Task Force  
*October 23, 2014*

**Update on Healthy Utah Plan**
Received an update from the Utah Department of Health on the governor’s negotiation of his Healthy Utah proposal with the US Department of Health and Human Services. The department reported that the governor has prepared a memorandum of understanding memorializing those negotiations.

The task force also discussed the definition of "medically frail" and how that definition might affect the governor’s proposal or other proposals to expand Medicaid eligibility.

**Payment and Delivery Reform**
Received information from a local health insurer and a health care facility on how implementation of a patient-centered, coordinated care model has improved the quality of health care delivered by the facility, while reducing overall spending for that care.

**Commission on Criminal and Juvenile Justice**
Received a final report from the Utah Commission on Criminal and Juvenile Justice on its reinvestment initiative. The report noted the state’s prison population growth challenges and strategies to mitigate the growth and reduce recidivism. Recommendations included:

- revising penalties for nonviolent offenders;
- establishing a standard system of earned time credits for inmates who participate in certain programs; and
- expanding services for substance abuse treatment.

**Child Welfare Legislative Oversight Panel Report**
Received a statutorily required report from the Child Welfare Legislative Oversight Panel. Some of the findings of the panel during the 2014 interim included:

- as a result of legislation passed during the 2014 General Session, foster parents are able to make more decisions on behalf of youth in their care without the approval of Division of Child and Welfare Services (DCFS);
- DCFS is looking at options to facilitate obtaining driver licenses for youth in foster care, including the possibility of enrolling the youth in a specialized private liability policy;
- DCFS reports that it has reduced the time it takes to place foster children with a relative from 90 days to one day;
- DCFS continues to implement a new in-home services model, HomeWorks, which strengthens parents’ ability to care for children and reduces the need for foster care; and
- DCFS is improving coordination with the Department of Workforce Services to implement a pilot program that streamlines service planning for families receiving services from both agencies.

**Domestic Asset Protection Trusts**
Received a presentation from a legislator on possible legislation to amend Utah’s domestic asset protection trust law. The proposed amendments included:

- requiring that the trust be registered with the state;
- making domestic asset protection trusts subject to Utah Code Title 25, Chapter 6, Uniform Fraudulent Transfer Act; and
- limiting the amount transferred to the trust.

**Electronic Warrants**
Received a presentation from the Salt Lake County district attorney's office regarding the process and use of electronic warrants in Utah. The committee discussed how often these warrants are used and the responsibilities among law enforcement, prosecutors, and judges in issuing these warrants.

**Parent-Time Schedule Amendments**
**Action:** Approved as a committee bill, draft legislation “Parent-Time Schedule Amendments,” which creates an optional parent-time schedule that may result in joint physical custody. In addition, the bill:

- provides a schedule of 145 nights;
- sets holiday schedules; and
- provides for specific elections by the noncustodial parent.

**Personal Injury Damages Amendments**
**Action:** Approved as a committee bill, draft legislation “Personal Injury Damages Amendments,” which limits the amount of damages recoverable in personal injury actions when the injured person dies before judgment or settlement, due to causes unrelated to the action.

**Expungement Amendments**
**Action:** Approved as a committee bill, draft legislation “Expungement Amendments,” which:

- requires state agencies to remove information regarding expunged convictions from public records;
- creates a statement of legislative intent for expungement; and
- provides a stated purpose for expungement.

**Concealed Weapon Permit Fees Report**
Received a statutorily required report from the Bureau of Criminal Identification on the amount and use of fees collected for concealed firearm permit applications. The bureau projects 101,640 application requests for 2014, which...
is a decrease of 32,126 requests from the 133,766 requests that were received in 2013. The projected requests for 2014 are still higher than the average for 2009 through 2012, which was approximately 70,900 requests.

Death Penalty Procedure Amendments
Action: Approved as a committee bill, draft legislation “Death Penalty Procedure Amendments,” which authorizes the use of a firing squad to carry out a death penalty execution if substances required for lethal injection are not available.

Inmate Identification Report
Received a status update from the Department of Corrections and the Division of Motor Vehicles regarding their work to improve the number of inmates who, when they leave custody, have secured permanent or temporary identification that facilitates finding jobs and locating housing.

Justice Reinvestment Initiative
Received a presentation from the Commission on Criminal and Juvenile Justice and the Pew Charitable Trusts regarding the Justice Reinvestment Initiative findings and recommendations. The findings include:

- a prison population growth of 18 percent since 2004, with the majority of this growth attributed to inmate recidivism and increasing length of stay for inmates;
- a projected prison population growth of 34 percent by 2034, resulting in a need for an additional 2,700 prison beds; and
- Utah spends approximately $270 million annually on corrections.

The Commission on Criminal and Juvenile Justice recommended:

- focusing the use of prison incarceration on serious and violent offenders;
- strengthening probation and parole supervision by implementing graduated sanctions that are promptly applied;
- improving and expanding reentry and treatment services;
- supporting local correctional systems through reclassifying lower-level motor vehicle offenses, establishing evidence-based jail treatment standards, increasing services for victims of crime, and providing grant funding to local programs that are focused on reducing recidivism; and
- ensuring oversight and accountability through training criminal justice decision makers on evidence-based practices and requiring data collection and reporting of key performance measures.

Inmate Payment for Incarceration Costs
Received a presentation from a legislator regarding payment by inmates for incarceration costs in a county jail. Discussed draft legislation "Restitution for Incarceration Costs," which addresses the ability of sheriffs to charge inmates for part of the incarceration costs. The legislator indicated that there are policy issues and questions that need to be addressed before the draft legislation will be finalized.

Legislative Process Committee
November 17, 2014

General Session Procedures
Discussed procedures designed to increase the quality and reduce the quantity of bills passed during annual general sessions, including:

- limiting the number of protected bills;
- preventing legislators from presenting bills in the opposite house standing committee; and
- extending the annual general session to 45 legislative days, to be completed within either 60 or 90 calendar days.
Native American Legislative Liaison Committee
November 20, 2014

American Indian Education Amendments
Action: Approved as a committee bill, draft legislation “American Indian-Alaskan Native Education Amendments,” which modifies provisions related to American Indian education.

Approved sending a letter to the Navajo Nation requesting that matching funds be made available for Utah projects on the Utah portion of the Navajo Nation in San Juan County, Utah. The requested money would be combined with money from funds administered by the State of Utah.

Utah Navajos Royalties
Received a presentation from committee staff on 2014 General Session S.B. 247, “Utah Navajo Royalties Amendments,” which did not pass.

Utah Wilderness Act
Received a report from the Public Lands Policy Coordinating Office on implementation of the Utah Wilderness Act. Recommendations were not provided regarding future action related to Utah wilderness preservation.

Clean Fuel Amendments and Rebates
Action: Approved as a committee bill, draft legislation “Clean Fuel Amendments and Rebates,” which authorizes the Department of Environmental Quality to make grants from the Clean Fuels and Vehicle Technology Fund to a person who installs conversion equipment on a motor vehicle.

Commission for the Stewardship of Public Lands
Received a report from the Commission for the Stewardship of Public Lands regarding its activities. The commission was created to make recommendations on the transfer of federally controlled public lands to the state.

Water Law - Application Revisions
Action: Approved as a committee bill, draft legislation “Water Law - Application Revisions,” which:
- authorizes the state engineer, upon receiving a change application, to determine whether a proposed change would result in quantity impairment of another water right;
- describes the burden of proof on a person who applies for a change application; and
- authorizes a person who is proposing a change application to request a meeting with the state engineer to discuss potential issues with the change.

Natural Resources, Agriculture, and Environment
Air Quality
The state coordinator of resource stewardship reported on best practices and stewardship efforts by state agencies to improve air quality.

Air Quality Revisions
Considered draft legislation “Air Quality Revisions,” which authorizes the Division of Air Quality to create rules that are more stringent than corresponding federal regulations if additional rules will provide added protections to public health and the environment.

Clean Fuel Amendments and Rebates
Action: Approved as a committee bill, draft legislation “Clean Fuel Amendments and Rebates,” which authorizes the Department of Environmental Quality to make grants from the Clean Fuels and Vehicle Technology Fund to a person who installs conversion equipment on a motor vehicle.

Commission for the Stewardship of Public Lands
Received a report from the Commission for the Stewardship of Public Lands regarding its activities. The commission was created to make recommendations on the transfer of federally controlled public lands to the state.

Public Lands Transfer Study and Economic Analysis
Received a report from the Public Lands Policy Coordinating Office and the Office of the Attorney General on a study and economic analysis evaluating the ramifications of the transfer of public lands from federal ownership to state ownership.

Occupational and Professional Licensure Review Committee
October 21, 2014
Request for Licensure of Interior Designers
Received statements from organizations representing interior designers, architects, retail merchants, and other design professionals. The committee considered the option of allowing a person who is certified as an interior designer by a national organization to submit certain plans to building officials without the approval of an architect.

Sunset Review — Health Facility Administrator Act
Received a presentation from the Occupational Therapy Licensing Board and the Utah State Occupational Therapy Association recommending that this license be extended. The presenters stated that this profession provides important health care and habilitative services to persons who have physical, cognitive, or developmental impairments.

Action: Directed committee staff to open a committee bill file to extend the Health Facility Administrator Act for an additional ten years.

Sunset Review — Licensing of Dentist Educators
Received a presentation from committee staff and comments from interest groups regarding the licensing of dentist educators. The presenters said that this license is necessary to allow certain persons who are not otherwise licensed as dentists to practice dentistry as part of being an educator at a dental school.

Sunset Review — Occupational Therapy Practice Act
Received a presentation from the Occupational Therapy Licensing Board and the Utah State Occupational Therapy...
Association. The presenters stated that a person licensed as an occupational therapist works with individuals who have cognitive, physical, psychological, or developmental impairments.

**Action:** Direct committee staff to open a committee bill file to reauthorize the Occupational Therapy Practice Act for an additional ten years.

**Chairs:** Rep. Brian M. Greene / Sen. Todd Weiler
**Staff:** Bryant R. Howe (Assistant Director) / Peter Asplund (Attorney) / Tracey Fredman (Secretary)

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**Political Subdivisions**

**Local Government General Fund Carryover Limitation**

Discussed the public policy of Utah Code Sections 10-5-113, 10-6-116, 17-36-16, and 17B-1-612, which limit the amount of money that a local government may carry over from its general fund from one fiscal year to the next fiscal year.

**Chairs:** Rep. R. Curt Webb / Sen. Daniel W. Thatcher
**Staff:** Joseph T. Wade (Policy Analyst) / Victoria Ashby (Attorney) / Sara J. Thomas (Secretary)

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**Prison Relocation Commission**

**October 22, 2014**

**Justice Reinvestment Project**

Received a report from the Commission on Criminal and Juvenile Justice regarding the Utah Justice Reinvestment Initiative. The purpose of this initiative is to identify policy trends, including sentencing guidelines and legislative changes to the state’s criminal laws and penalties and the effects of the policy trends over the past decade to determine whether any of those policies should be changed.

**Progress Report on Site Screening**

Received a progress report from a team of consultants regarding the work being done by the team to identify a proposed site for a new correctional facility. The goal of this process is to reduce the current site inventory to a smaller number of sites that will undergo a more detailed and rigorous analysis.

**Workgroup Updates**

Received a report from the Criminal Justice System Reform and Programming Workgroup that the relocation of the prison affords a great opportunity to implement systemic changes. The workgroup is focusing on alternatives to incarceration, including substance abuse facilities and mental health treatment.

Received a report from the Plan of Financing Workgroup regarding funding and financing the prison relocation. The workgroup reported that while some of the expense of vacating the Draper site and constructing a new facility will be recouped by the state over the next decade, an initial appropriation by the Legislature will be required.

The Plan of Financing Workgroup reported that the best option is to replace the Draper prison in a shorter time frame in order to minimize the costs of concurrently running two facilities.

**Chairs:** Rep. Brad R. Wilson / Sen. Jerry W. Stevenson
**Staff:** Brian J. Bean (Policy Analyst) / Bryant R. Howe (Assistant Director) / Robert H. Rees (Attorney) / Sara J. Thomas (Secretary)

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**Public Utilities and Technology**

**Environmental Protection Agency Proposed Rule**

Received a follow-up presentation by PacifiCorp about the Environmental Protection Agency’s proposed Rule 111 (d) and a utility’s ability to access a least cost renewable energy portfolio for its customers in Utah and the five other states it serves. The primary issue is how states define the use of renewable energy attributes or credits across state lines.

**Interstate Transmission Line Planning**

Received presentations from Zephyr Transmission Project, Pathfinder Wind, and Magnum Energy about constructing an interstate transmission line that would start in Wyoming, run across Utah, and terminate in California. The project would transmit wind-generated electricity to compressed air energy storage facility near the Intermountain Power Project at Delta, Utah. The compressed air storage facility could then release the air at night or at other times to produce electricity.

**Natural Gas Amendments**

**Action:** Approved as a committee bill, draft legislation “Natural Gas Amendments,” which provides for an increased fine from $10,000 to $100,000 for a violation of safety rules governing interstate transmission pipelines.

**Prohibition of Electronic Data Collection Assistance**

Received a presentation from a legislator about utility assistance for the state, its political subdivisions, and federal entities that collect personal information. The discussion focused on power and water utilities and whether there is any utility subsidy to the National Security Administration’s data center.

**Utah Broadband Deployment Project**

Received presentations from the Governor’s Office of Economic Development and the Utah Broadband Deployment Project about broadband access for businesses and residents across the state. The project is developing two statewide interactive maps that allow any business or resident to identify broadband providers by geographic area. Federal funding for this project ends December 31, 2014. The project is seeking legislative funding to continue...
its work. The program began in 2009 with a five-year federal grant of $5 million.

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

Retirement and Independent Entities
November 12, 2014

Defined Contribution Investment Options
Received a presentation from the Utah Retirement Systems (URS) on Defined Contribution Investment Options. Beginning January 1, 2015, URS will discontinue the three Horizon Fund investment options and replace them with 12 new “target date funds” for URS members’ 401(k), 457, and other investment accounts. These funds provide automatic rebalancing based on the member’s age. As a member becomes older, the asset allocation becomes more conservative.

Department of Corrections Retirement Amendments
Action: Approved as a committee bill, draft legislation, “Department of Corrections Retirement Amendments,” which provides that an employee of the Department of Corrections shall continue to earn public safety service credit in the Public Safety Retirement System if the employee’s position is no longer covered for new employees and the employee:
• remains employed by the Department of Corrections;
• meets the eligibility requirements of the system;
• was hired into a covered position prior to July 1, 2015; and
• does not have a break in service on or after July 1, 2015.

Implementation of New Government Accounting Standards Board Standards
Received a presentation from URS and the Division of Finance, within the Department of Administrative Services, on Implementation of New Government Accounting Standards Board (GASB) Standards. In June 2012, the GASB approved new standards (GASB 67 and 68) that change how governments calculate and report the costs and obligations associated with pensions. State and local government employers must now report their proportionate share of URS Net Pension Liability on their balance sheets and significantly expand footnote disclosures. This means that employers who have never had a pension liability on their books will have to report one.

Performance Audit of the Utah Fund of Funds
Received a presentation from the Office of the Legislative Auditor General and the Utah Capital Investment Corporation on “A Follow-up of the Performance Audit of the Utah Fund of Funds.” The auditor reported that 13 of the 18 audit recommendations have been fully implemented by the Utah Fund of Funds. These remaining five recommendations are in the process of being implemented. These five recommendations call for improved:
• economic development reporting;
• economic development impact and planning;
• investment performance reporting; and
• oversight and operations of the Utah Fund of Funds.

Private Retirement Security
Received a presentation from the AARP and the American Council of Life Insurers on private retirement security issues. While most public employees are covered by retirement plans, many private sector workers do not have access to an employment-based retirement plan. Workers who are unable to build up pensions and savings risk living on low incomes in their old age and are more likely to become dependent on state services.

Retirement Contribution Rates
Received a presentation from URS on the proposed retirement contribution rates for FY 2016. Contribution rates are set based on actuarial projections and must be approved annually by the URS Board. The proposed rates for FY 2016 are the same as the FY 2015 rates, with the exception of a slight increase in firefighters’ and judges’ rates due to reductions in revenue anticipated in the insurance premiums and court fees offsets.

Retirement Contribution Rates Materials:
• “Preliminary Condensed Retirement Contribution Rate Guide”
• “Preliminary Tier 2 Retirement Contribution Rates as a Percentage of Salary and Wages”
• “Preliminary Tier 1 Retirement Contribution Rates as a Percentage of Salary and Wages”

(Continued next column)
State Employee Benefit Implications from US Supreme Court Rulings Legalizing Same-Sex Marriage

Received a presentation from URS on state employee benefit implications from US Supreme Court rulings legalizing same-sex marriage. URS reported that both URS and PEHP will provide benefits to a legal spouse regardless of gender. Current statutes refer to legal spouse, not husband or wife, so no change in the code is needed.

Supplemental Savings Plan Amendments

Action: Approved as a committee bill, draft legislation, "Supplemental Savings Plan Amendments," which allows a state employee to make the matching deposit into an IRA, 401(k) plan, or other similar savings plan in order to qualify for the employee matching deposit under the state employee matching supplemental benefit.

Utah Retirement System Amendments

Received a presentation from URS on draft legislation, "Utah Retirement System Amendments." URS annually recommends changes in statute to keep the Utah State Retirement and Insurance Benefit Act updated by addressing issues identified in the previous year and by making technical changes.

Action: Approved as a committee bill, draft legislation "Utah Retirement System Amendments," which:
- clarifies that a member may receive service credit for military service covered under the provisions of the federal Uniformed Services Employment and Reemployment Rights Act of 1994 instead of only member or participating employer purchases of service credit;
- allows a purchase of public service credit for employment with a participating employer in a qualifying position for which the individual filed a written request for exclusion from membership in a system;
- allows the Retirement Office to recover any overpayment to a retiree who receives a retirement allowance in violation of postretirement employment restrictions;
- amends the deadline from 60 days to 30 days for a participating employer to submit to the office the required contributions and to submit service credit reports for employees after the end of each pay period; and
- amends penalty provisions for delinquent contributions from 12% per annum to equal to the greater of $250 or 50% of the total contributions for the employee for the period of the reporting error.

Utah Retirement Systems Revisions — Tier II

Received a presentation from URS on draft legislation, "Utah Retirement Systems Revisions." The Legislature made

(Continued next column)
Senate Judicial Confirmation Committee

November 5, 2014

Confirmation of Angela F. Fonnesbeck
Recommended to the Senate the confirmation of Ms. Angela F. Fonnesbeck as a judge to the First District Juvenile Court.

The Senate met in extraordinary session on November 19, 2014, and confirmed the appointment of Ms. Fonnesbeck.

November 6, 2014

Confirmation of L. Douglas Hogan
Recommended to the Senate the confirmation of Mr. L. Douglas Hogan as a judge of the Third District Court.

The Senate met in extraordinary session on November 19, 2014, and confirmed the appointment of Mr. Hogan.

Confirmation of Laura S. Scott
Recommended to the Senate the confirmation of Ms. Laura S. Scott as a judge of the Third District Court.

The Senate met in extraordinary session on November 19, 2014, and confirmed the appointment of Ms. Scott.

State Water Development Commission

November 18, 2014

Public Welfare Criteria — Water Right Applications
Discussed preparing legislation defining the term "public welfare" as it relates to the criteria the state engineer considers when approving a water right application.

Utah Farm Bureau Federation
Received a report from the Utah Farm Bureau Federation on its activities relating to:
- the US Forest Service proposed groundwater management directive; and
- the Environmental Protection Agency proposed revisions to the definition of "Waters of the United States" under the Clean Water Act.

Water Law - Application Revisions
Considered draft legislation "Water Law - Application Revisions," which:
- authorizes the state engineer, upon receiving a change application, to determine whether a proposed change would result in quantity impairment of another water right;
- describes the burden of proof placed on a person who applies for a change application; and
- authorizes a person who is proposing a change application to request a meeting with the state engineer to discuss potential issues regarding the proposed change.

Water Resource Depletion and Return Flow
Received a report from a law firm on how water depletion, return flow, and the use of more efficient water techniques potentially affect the fulfillment of more senior water rights for downstream water users.

Transportation

Commercial Driver Licenses
Action: Approved as a committee bill, draft legislation "Uniform Driver License Act Amendments," which amends the current Utah commercial driver license application and learner permit requirements in order to comply with federal motor carrier safety regulations.

HOV Lanes Report
Received a statutorily required report from the Department of Transportation regarding its establishment of High Occupancy Vehicle lanes.

Local Government Transportation Funding
Received a presentation from the mayor of Ogden City and the mayor of Draper City regarding the transportation funding issues and challenges faced by their communities.

Operation and Maintenance of Highways Report
Received a statutorily required report from the Department of Transportation regarding the operation and maintenance needs for Utah's highways.

State Highway System
Action: Approved as a committee bill, draft legislation "State Highway System Amendments," which corrects the description of SR-193 in the Clearfield area.

Transportation Safety, Efficiency, and Investment
Received a presentation from the Salt Lake Chamber of Commerce's Transportation Coalition regarding public education efforts related to safe and efficient transportation systems and additional transportation investment.

Veterans' and Military Affairs Commission

October 23, 2014

College Veteran Centers
Received a presentation from the Board of Regents about the board's response to 2014 General Session S.B. 68, "Veterans Centers." The enacted legislation requires a feasibility study of the ability of Utah's eight colleges to provide veteran centers or counselors. The study identified, by college campus:
- services that could be provided;

(Continued next column)
• providers of those services; and
• costs for the provision of the services.

Protection of Veteran Benefit Claimants
Received presentations from commission members and staff about draft legislation “Veteran Benefit Assistance Disclosure Amendments,” which provides for the regulation of entities who assist veterans in applying for veteran benefits or appealing denied claims for veteran benefits.

Suicide and Prevention Programs — State and Federal Integration
Received presentations from suicide prevention and treatment specialists at the Utah Department of Health and the Utah Department of Human Services. The presentations included information about the psychological characteristics of persons who attempt suicide or commit suicide, and treatment programs that target suicide prevention. Utah has a high number of suicides and the rate of suicides is increasing, though not as fast in recent years. Three initiatives for addressing suicide are:
• providing education that a person should feel comfortable in self-identifying a need for behavioral health treatment;
• integrating behavioral and physical health care; and
• addressing the effects of the stigma of suicide or an attempted suicide on the person and the person’s family and friends.

The 2015 General Session begins on
Monday, January 26, 2015.

***The list of legislation recommended by legislative committees, task forces, and commissions for the 2015 General Session will be posted with Interim Highlights and sent to all legislators when the list is finalized.

For more information about legislative activities, visit the Utah State Legislature’s website at: le.utah.gov

Staff: Susan Creager Allred, Nathan W. Brady, Leif G. Elder, and Anna M. Allen

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Draft Legislation Recommended by Legislative Committees for the 2015 General Session

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