



INTERIM HIGHLIGHTS

Office of Legislative Research and General Counsel
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LEGISLATIVE INTERIM MEETINGS

Meetings were held June 15, 2016, or as noted.

IN THIS ISSUE:

(Click on the committee you would like to view)

Administrative Rules Review

Business and Labor

***Economic Development and
Workforce Services***

Education

Government Operations

Health and Human Services

Judiciary

Law Enforcement and Criminal Justice

Legislative Management Committee

Legislative Subcommittee on Oversight

***Natural Resources, Agriculture, and
Environment***

***Point of the Mountain Development
Commission***

Political Subdivisions

***Public Utilities, Energy, and
Technology***

Retirement and Independent Entities

Revenue and Taxation

Senate Judicial Confirmation

State Water Development Commission

Transportation

Utah Tax Review Commission

Administrative Rules Review Committee

June 08, 2016

Solid Waste Amendments

Discussed:

- The governor's veto of 2016 General Session [H.B. 258](#), "Solid Waste Amendments";
- The Environmental Protection Agency's (EPA) concern that [H.B. 258](#) was less stringent than federal standards; and
- Ways the state and the EPA may reach consensus on new legislation.

[H.B. 258](#) clarified the definitions of the terms "solid waste" and "solid waste management facility." The bill addressed these terms after discussion of the terms in the committee's November 20, 2015, meeting, including considering related administrative rules.

Chairs: Rep. Curtis Oda / Sen. Howard A. Stephenson

*Staff: Art L. Hunsaker (Policy Analyst) / Christine R. Gilbert (Attorney) /
Lori Rammell (Legislative Assistant)*

Business and Labor

Grand Boulevards Corridor Plan

Received presentations from Salt Lake City, the Salt Lake Chamber of Commerce, and the University of Utah regarding the Grand Boulevards Corridor Plan, which is a master planning effort to create an attractive and welcoming entrance and exit to Salt Lake City. The discussion focused on the economic development aspects of the plan.

Long-Term Planning by Agencies

Received presentations from the [Department of Commerce](#), [Department of Financial Institutions](#), Insurance Department, Labor Commission, and [Department of Alcoholic Beverage Control](#) regarding the significant issues facing each agency in the future.

Motor Vehicle Insurance Minimum Coverage

Received comments from a health care provider organization, a physician, an attorney, and others regarding the appropriate minimum levels of insurance coverage required by statute to operate a motor vehicle.

Chairs: Rep. Val L. Peterson / Sen. Curtis S. Bramble

Staff: Joseph T. Wade (Policy Analyst) / Patricia Owen (Attorney) / Samuel C. Johnston (Attorney) / Lucy W. Daynes (Legislative Assistant)

Economic Development and Workforce Services

Economic Development Incentives—Best Practices

Received a [briefing](#) from committee staff on research regarding the effectiveness of economic development incentives. The briefing also detailed [recent work](#) by the Pew Center on the States on effective economic development incentive evaluation methodologies.

Economic Development Tax Increment Financing Program

Received a [presentation](#) from the Governor's Office of Economic Development regarding the goals, funding sources, financial outlays, award process, and assessment metrics of the Economic Development Tax Increment Financing Program. The presentation highlighted the program's 2016 awards to date, which involve 13 companies and are projected to help attract up to 9,636 new jobs.

Industrial Assistance Fund

Received a [presentation](#) from the Governor's Office of Economic Development regarding the goals, funding sources, financial outlays, award process, and assessment metrics of the Industrial Assistance Fund. The presentation highlighted the various programs financially supported by the fund, including:

- Corporate recruitment and economic development grants;
- Rural Fast Track grants;
- The Business Expansion and Retention Program;
- The Smart Schools Program; and
- Air quality incentives.

Permanent Community Impact Fund Board

Received a presentation from the Department of Workforce Services regarding the goals, funding sources, financial outlays, award process, and assessment metrics of the [Permanent Community Impact Fund](#) and the [Throughput Infrastructure Fund](#). The presentation described the future funding process for projects that involve one of the following:

- A bulk commodities ocean terminal;
- A pipeline for the transportation of liquid or gaseous hydrocarbons;
- Electric transmission lines and ancillary facilities; or
- A [short-line freight railroad](#).

Economic Development Programs

Received a [briefing](#) from committee staff on the size and scope of the various economic development programs offered in the state. The briefing noted that sales tax exemptions constitute the largest economic development program in the state in terms of dollars spent or revenue foregone.

*Chairs: Rep. Rebecca P. Edwards / Sen. Brian E. Shiozawa
Staff: Ryan M. Hunter (Policy Analyst) / Peter Asplund (Attorney) /
Debra Hale (Legislative Assistant)*

Education

June 14, 2016

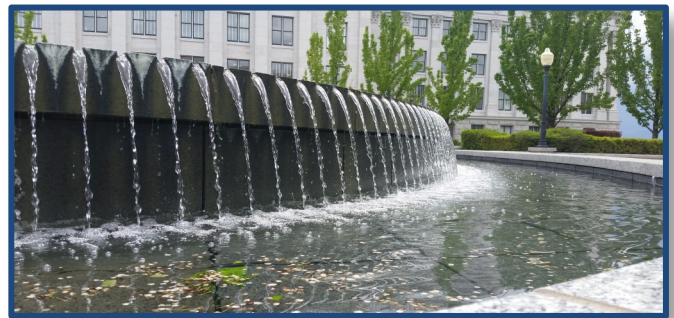
Assessment and Accountability

Discussed assessment and accountability in a joint meeting with the State Board of Education. Received briefings from [committee staff](#) and State Board of Education staff on the past and present assessment and accountability policies in Utah.

Also received a briefing from State Board of Education staff and local assessment directors on the purpose of assessment and accountability. Committee members and State Board of Education members discussed various policy [options](#) and received an update on the activities of the State Board of Education Accountability Task Force, including a timeline for receiving recommendations from the task force.

Teacher Shortage

Received a briefing from the State Board of Education and the Utah Education Policy Center about the teacher shortage in Utah and discussed what additional data may be needed as policymakers consider ways to address the issue.



June 15, 2016

Competency-Based Education

Continued the discussion initiated at the May interim meeting regarding competency-based education.

Action: *Approved the creation of a working group made up of a variety of stakeholders to study personalized mastery-based education, including identifying barriers to expanding mastery-based education and possible solutions.*

Equalization

Received a [presentation](#) from committee staff concerning:

- The reasons the Legislature has chosen to equalize public education funding;
- The extent to which public education funding is equalized in Utah; and
- The statutory programs in place to mitigate differences in per student property tax revenue across districts.

Received information from the State Board of Education and six school districts about their perspectives on the current equalization programs and suggestions for equalization policy moving forward.

*Chairs: Rep. Bradley G. Last / Sen. Ann Millner
Staff: Allyson R. Goldstein (Policy Analyst) / Tiffany A. Stanley (Policy Analyst) / Victoria Ashby (Attorney) / Rebekah M. Bradway (Attorney) / Michael E. Curtis (Attorney) /
Debra Hale (Legislative Assistant)*

Government Operations

Election Law

Considered draft legislation "[Amendments to Election Law](#)," which would make changes to the Election Code as suggested by the committee and the Office of the Lieutenant Governor. The committee considered modifications to the draft legislation that were discussed at the committee's May interim meeting.

Government Records

Received a [statutorily](#) required [report](#) from the government records ombudsman, including observations of the issues on record classification, access, and sharing, which may be appropriate for legislative consideration.

Nomination Petitions

Considered draft legislation "[Nomination Petition Amendments](#)," which would amend Election Code provisions relating to a petition to nominate a candidate for office, and the signature-gathering process.

Public-Private Partnerships

Discussed how to proceed with the committee's study of public-private partnerships.

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Redistricting Standards

Considered draft legislation "[Joint Rules Resolution on Redistricting Standards](#)," which would enact principles and procedures to guide the Legislature during the redistricting process.

Unmanned Aircraft

Received a [statutorily](#) required [report](#) from the Department of Public Safety regarding government use of unmanned aircraft in the state. Law enforcement agencies in the state reported four uses by government agencies of unmanned aircraft in the last year.

Veterans' and Military Affairs

Received a [statutorily](#) required [report](#) from the Department of Veterans' and Military Affairs concerning:

- Services the department provides to veterans; and
- Coordination of veterans' services with other government entities.

*Chairs: Rep. Jack R. Draxler / Sen. Margaret Dayton
Staff: Brian J. Bean (Policy Analyst) / Thomas R. Vaughn (Attorney) /
Katie LeFevre (Legislative Assistant)*

Health and Human Services

Access to Health Care

Received a [report](#) from the [Utah Medical Education Council](#) concerning:

- The supply, distribution, and compensation of Utah's primary care providers; and
- The influence that the location of a medical residency has on a physician's decision about where to practice.

Received a [report](#) from the Department of Health on three loan repayment programs used to encourage physicians to practice in underserved areas of the state, including [primary](#), [dental](#), and [mental](#) health care.

Reviewed the potential impact of the recently approved [Medicaid eligibility expansion](#) on rates of health insurance coverage. Also reviewed the Affordable Care Act's impact on [coverage rates](#).

End of Life Options

Received comments, including a personal experience, from an advocate for [legislation](#) that would enable terminally ill individuals to end their lives with the indirect involvement of medical professionals prescribing and dispensing life-ending pharmaceuticals under specified conditions. Similar legislation was considered during the [2015](#) and [2016](#) general sessions of the Legislature.

Funding Family Practice Residencies

Considered a [proposal](#) presented by the [Utah Academy of Family Physicians](#) for the state to fund five additional family practice residencies in Utah.

Action: Voted to open a committee bill file to fund additional family practice residencies in Utah.

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Sunset Review—E-Cigarette Exemption

Conducted a sunset review of [Utah Code Section 26-38-2.6](#), which provides for an exemption from the Indoor Clean Air Act that authorizes an e-cigarette retailer to demonstrate the use of an e-cigarette and allows a customer to sample liquids used in e-cigarettes. Received information from the Department of Health, local health departments, and the [Utah Smoke Free Association](#) concerning this exemption.

Sunset Review—Hookah Exemption

Conducted a sunset review of [Utah Code Section 26-38-2.5](#), which provides for an exemption from the Indoor Clean Air Act that authorizes the use of hookahs in public places through June 30, 2017. Received information from the Department of Health, local health departments, and [businesses](#) covered by the exemption.

Sunset Review—Utah Commission on Aging

Conducted a sunset review of [Title 63M, Chapter 11, Utah Commission on Aging](#), which is scheduled for repeal July 1, 2017. Received a [report](#) from the commission on its [accomplishments](#) and letters from [HealthInsight](#) and [other interested parties](#) supporting its reauthorization. Considered draft legislation "[Utah Commission on Aging Sunset Amendments](#)," which would remove the commission from the Legislative Oversight and Sunset Act.

Action: Voted to recommend reauthorization of the Utah Commission on Aging until July 1, 2027.

Utah Health Care Workforce Financial Assistance Program

Action: Voted to open a committee bill file to reauthorize [Title 26, Chapter 46, Utah Health Care Workforce Financial Assistance Program](#), which is scheduled for repeal July 1, 2017.

Chairs: Rep. Kay L. McCliff / Sen. Evan J. Vickers

Staff: Mark D. Andrews (Policy Analyst) / Michael E. Curtis (Attorney) / Cathy J. Dupont (Attorney) / Lee A. Killian (Attorney) / Lori Rammell (Legislative Assistant)

Judiciary

Justice Courts

Received [court statistics](#) from the Commission on Criminal and Juvenile Justice regarding justice court case loads for fiscal years 2014, 2015, and 2016. The committee discussed how recent criminal justice reform initiatives have affected the courts' case loads.

Offenses Against the Person Amendments

Discussed 2016 General Session [H.B. 317 2nd Substitute](#), "Offenses Against the Person Amendments," which did not pass. The bill would have classified the offense of criminal obstruction of breathing or blood circulation, also referred to as strangulation, as a class A misdemeanor. The sponsor updated the committee on progress toward introducing a bill similar to [H.B. 317](#) for the upcoming 2017 General Session.

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Sunset Review—Crime Victim Reparations and Assistance Board

Received a [presentation](#) from the Crime Victim Reparations and Assistance Board regarding the purpose and current activities of the Office for Victims of Crime. The committee discussed the use of the court surcharge and how it funds compensation for crime victims, as authorized by the Office for Victims of Crime. The committee requested that committee staff research sources of funding and the expenditures of the Crime Victim Reparations Fund.

Uniform Law Review

Reviewed draft legislation "[Uniform Real Property Transfer on Death Act](#)," which would create a revocable instrument allowing a grantor to transfer property to another upon the grantor's death, and draft legislation "[Uniform Fiduciary Access to Digital Assets Act](#)," which would address access to an individual's digital assets when the individual is incapacitated or dies.

Chairs: Rep. LaVar Christensen / Sen. Mark B. Madsen

Staff: Gregg A. Girvan (Policy Analyst) / Esther Chelsea-McCarty (Attorney) / Lucy W. Daynes (Legislative Assistant)

Law Enforcement and Criminal Justice

Death Benefits for Volunteer Emergency Responders

Received a presentation from a legislator regarding possible draft legislation that would provide death benefits for volunteer emergency responders.

Action: Voted to open a committee bill file that would provide line-of-duty death benefits to specified volunteer emergency responders.

Death Penalty Process and Costs

Received presentations from committee staff, the Utah Office of the Attorney General, and a criminal defense attorney regarding the trial and appeal process of capital punishment and the cost of implementing a death penalty sentence as compared to a sentence of life without parole.

The committee discussed:

- Inmates' length of stay on death row in Utah;
- The current statutes regarding the death penalty in Utah, Virginia, and the federal courts;
- Recent changes to state law regarding the death penalty in Utah;
- The appeals process for capital offenses in the Utah courts and in the federal court of appeals; and
- The cost of imposing capital punishment compared to life without parole.

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Department of Public Safety Overview

Received a presentation from the Department of Public Safety regarding issues that the department considers important for the coming year. The department discussed:

- Compensation for Utah Highway Patrol officers;
- Funding for the Peace Officer Standards and Training Division;
- The impact of increased speed limits on driver safety; and
- The need for additional investigator positions to assist with the state refugee program.

Felony Assault Amendments

Received a presentation from a legislator on the need to draft legislation that would add strangulation as a felony offense.

*Chairs: Rep. Don L. Ipson / Sen. Todd Weiler
Staff: Nathan W. Brady (Policy Analyst) / Susan Creager Allred (Attorney) /
Lori Rammell (Legislative Assistant)*

Legislative Management Committee

June 14, 2016

Intern Program

Action: Approved starting [legislative internships](#) one week earlier and increasing the intern stipend accordingly.

Meeting Requests

Action: Approved the following requests from appropriations subcommittees:

- [Public Education](#)—to cancel a June 16 meeting because of scheduling conflicts, and hold a new meeting on August 4.
- [Higher Education](#)—to cancel a July 14 meeting due to scheduling conflicts, and hold a new meeting on August 2.
- *Natural Resources, Agriculture, and Environmental Quality*—to hold one additional meeting, to be held on September 22.

State Homeless Coordinating Committee

Received a [report](#) from the State Homeless Coordinating Committee regarding grants the committee approved for the following entities, in the indicated amounts:

- Salt Lake County—\$1,200,000 for year-round operation of the Midvale Family Center;
- Salt Lake County—\$100,000 for conceptual design for two new shelters;
- Salt Lake City—\$100,000 for costs related to two new shelters;
- Midvale City—\$500,000 for improvements to the Midvale Family Center; and
- Midvale City—\$52,000 for a peace officer to provide greater safety to homeless people.

*Chairs: Speaker Gregory H. Hughes / President Wayne L. Niederhauser
Staff: Michael E. Christensen (Director) / John L. Fellows (General Counsel) /
Denise L. Udy (Administrative Assistant)*

Legislative Subcommittee on Oversight

June 14, 2016

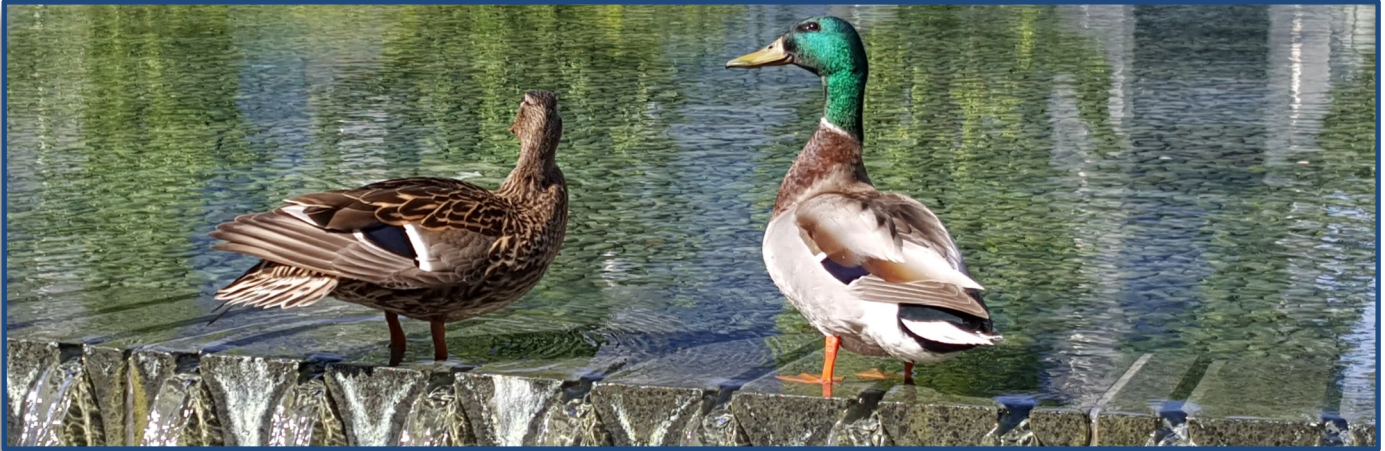
Reports

Received reports from the offices of the [Legislative Auditor General](#), [Legislative Fiscal Analyst](#), and [Legislative Research and General Counsel](#) regarding the work these offices performed in 2015.

Action: Approved a 2% cost of living increase for the directors of the offices of the Legislative Auditor General, Legislative Fiscal Analyst, and Legislative Research and General Counsel.

*Chair: Speaker Gregory H. Hughes
Staff: Bryant R. Howe (Deputy Director) / Eric N. Weeks (Deputy General Counsel) /
Denise L. Udy (Administrative Assistant)*





Natural Resources, Agriculture, and Environment

Audit—Division of Drinking Water's Minimum Source Sizing Requirements

Received an [audit report](#) from the Office of the Legislative Auditor on the Division of Drinking Water's minimum source sizing requirements. The division presented its response to the recommendations made in the audit report.

Water Use Data from Public Water Systems

Received a report from the Divisions of Water Resources, Water Rights, Water Quality, and Drinking Water on efforts to develop an efficient and effective system of collecting accurate water use data from public water systems that would better enable the agencies to forecast future needs, regulate water use, and monitor conservation goals.

R.S. 2477 Rights of Way

Received a [report](#) from the Public Lands Policy Coordinating Office on the status of state efforts to identify and designate R.S. 2477 rights-of-way in the state. The R.S. 2477 plan, adopted by the Constitutional Defense Council, is established for the purpose of asserting, defending, and litigating state and local government rights and claims regarding federal R.S. 2477 roads.

State Fair Park

Received a [report](#) from the State Fair Park Board and legislators on a proposal to construct a multi-use stadium at the State Fair Park, funded primarily by the state, Salt Lake City, Salt Lake County, and the [Church of Jesus Christ of Latter-day Saints](#). The stadium would be owned by the state and managed by the State Fair Park Board.

Action: *Adopted a motion to support the proposal to construct a multi-use stadium at the State Fair Park.*

Utah Public Lands Initiative

Received a report from the office of Congressman Rob Bishop on the status of the Utah Public Lands Initiative, and a proposal to resolve land disputes in Utah.

*Chairs: Rep. Lee B. Perry / Sen. Scott K. Jenkins
Staff: J Brian Allred (Policy Analyst) / RuthAnne Frost (Attorney) / Katie LeFevre (Legislative Assistant)*

Point of the Mountain Development Commission

June 13, 2016

Point of the Mountain Area Overview

Received an overview of the area from three experts in different fields:

- The associate dean of the University of Utah's David Eccles School of Business and chief economist for the Salt Lake Chamber provided economic insight;
- The senior managing director at CBRE provided real estate expertise; and
- The executive director of Wasatch Front Regional Council advised the commission about transportation issues.

Point of the Mountain Development Commission Overview

Received an overview from the commission chairs on the process and timeline for the commission's work, which will include contracting with a national or local organization to help manage the project.

Action: *Created a subcommittee to draft a request for proposals to assist the commission in carrying out its work.*

*Chairs: Mr. Christopher Conabee / Rep. Brad R. Wilson
Staff: Ryan M. Hunter (Policy Analyst) / Peter Asplund (Attorney) / Robert H. Rees (Attorney) / Lucy W. Daynes (Legislative Assistant)*

Political Subdivisions

Limited Purpose Local Government Entities

Received a [presentation](#) from committee staff on limited purpose local government entities. The presentation compared entities according to their:

- Purpose;
- Creation process;
- Governance;
- Revenue source;
- Fiscal procedures; and
- Dissolution process.

*Chairs: Rep. R. Curt Webb / Sen. Daniel W. Thatcher
Staff: Megan L. Bolin (Policy Analyst) / Christine R. Gilbert (Attorney) / Joshua M. Weber (Legislative Assistant)*

Public Utilities, Energy, and Technology

Broadband Incentives

Received a presentation from the Utah Broadband Outreach Center about the 2007-2008 broadband incentive and potential funding mechanism options.

Received a [presentation](#) from CenturyLink on expanding high speed internet throughout Utah.

Long-Term Planning

Received presentations from the Division of Public Utilities, the [Public Service Commission](#), the [Department of Technology Services](#), the [Utah Broadband Outreach Center](#), and the Division of Air Quality regarding long-term planning, annual goals, and requests for legislation.

Utah Universal Service Fund

Received a [presentation](#) from the Public Service Commission regarding funding issues for the Utah Universal Service Fund.

Received a [presentation](#) from the Utah Rural Telecom Association regarding the importance of keeping the fund and expanding networks it supports.

Received a [presentation](#) from CenturyLink that addressed the fund's financing gap and the option of VoIP service providers paying into the fund.

Action: Formed a working group to study how to address the Utah Universal Service Fund financing issues.

Action: Voted to open a committee bill file to address issues related to the Utah Universal Service Fund.

*Chairs: Rep. Ken Ivory / Sen. David P. Hinkins
Staff: Adam J. Sweet (Policy Analyst) / Samuel C. Johnston (Attorney) / Tracey Fredman (Legislative Assistant)*

Retirement and Independent Entities

June 02, 2016

Utah Retirement Systems Financial Report

Received an overview of Utah Retirement Systems' (URS) "[2015 Comprehensive Annual Financial Report](#)" and a brief statement from URS's independent auditors, including information about URS's latest Service Organization Controls report.

Tier II Retirement Systems—Update and Analysis

Received a [presentation](#) from URS regarding the Tier II systems and plans, including:

- A description of Tier II benefits;
- An overview and status report;
- Realized and expected savings; and
- Analysis of specific elements of these systems and plans.

The Tier II systems and plans have now been in operation for almost five years.

*Chairs: Rep. Kraig Powell / Sen. Todd Weiler
Staff: Alex R. Janak (Policy Analyst) / Peter Asplund (Attorney) / Shannon C. Halverson (Attorney) / Katie LeFevre (Legislative Assistant)*

Revenue and Taxation

Imposition of Local Option Sales and Use Taxes for Transportation

Received a presentation from committee staff on issues that arise when both a county and a city within the county would like to impose the same local option sales and use tax to raise revenue for transportation projects. Committee staff and the State Tax Commission provided [policy options](#) to address this issue.

Income Tax Filing Dates

Received comments from the Utah Association of Certified Public Accountants regarding income tax filing date changes enacted by 2016 General Session [H.B. 39](#), "Pass-Through Entity Return Filing Date." The association does not suggest further changes to [income tax filing dates](#) at this time.

Pass-Through Entity Tax Amendments

Action: Approved as a committee bill, draft legislation "[Pass-Through Entity Tax Amendments](#)," which makes technical changes to provisions related to state taxable income for pass-through entities.

Property Tax Assessment Appeal Amendments

Action: Approved as a committee bill, draft legislation "[Property Tax Assessment Appeal Amendments](#)," which establishes a 45-day period for filing an appeal under the [Farmland Assessment Act](#) and the [Urban Farming Assessment Act](#).

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Review of Tax Credits

Received a [presentation](#) from the Department of Environmental Quality on corporate and individual income tax credits related to energy efficient vehicles and heavy duty vehicles that run on natural gas.

Sales Tax Exemption for State Construction Materials

Received a presentation from a legislator on 2016 General Session [H.B. 122](#), "Sales Tax Exemption for Public Buildings Contractors," which did not pass. The bill would have expanded the sales tax exemption for certain sales to the state, its institutions, and its political subdivisions, by including construction materials that are clearly identified and segregated and installed or converted to real property owned by the state, its institutions, or its political subdivisions.

The Department of Transportation and the Division of Facilities Construction and Management discussed issues related to the current sales tax exemption and the impacts of the amendments proposed in [H.B. 122](#).

Taxation of Foreign Income

Received a presentation from committee staff on 2016 General Session [H.B. 190](#), "Taxation of Foreign Income Amendments," which addresses adjustments to adjusted gross income for certain manufacturing entities that pay an income tax to a foreign country.

Committee staff also provided an overview of how other states treat foreign-sourced income and estimates of the revenue impact of expanding [H.B. 190](#) to include all individual income tax payers.

Received comments from tax experts advising that absent an adjustment to adjusted gross income or a tax credit for taxes paid to a foreign government, individual income tax payers who have foreign-sourced income face double taxation.

Chairs: Rep. Daniel McCoy / Sen. Deidre M. Henderson

Staff: Bryant R. Howe (Deputy Director) / Leif G. Elder (Policy Analyst) / Andrea Valenti Arthur (Attorney) / Bree A. Frehner (Legislative Assistant)

Senate Judicial Confirmation Committee

June 03, 2016

Confirmation of Judge David Mortensen

Recommended to the Senate the confirmation of Judge David Mortensen of the Fourth District Court as a judge to the Utah Court of Appeals.

The Senate met in extraordinary session on June 15, 2016, and confirmed the appointment of Judge Mortensen.

Confirmation of Ms. Jill Pohlman

Recommended to the Senate the confirmation of Ms. Jill Pohlman as a judge to the Utah Court of Appeals.

The Senate met in extraordinary session on June 15, 2016, and confirmed the appointment of Ms. Pohlman.

(Continued next column)

June 10, 2016

Confirmation of Mr. Matthew Bates

Recommended to the Senate the confirmation of Mr. Matthew Bates as a judge to the Third District Court.

The Senate met in extraordinary session on June 15, 2016, and confirmed the appointment of Mr. Bates.

Chairs: Sen. Scott K. Jenkins

Staff: Jerry D. Howe (Managing Policy Analyst) / Susan Creager Allred (Attorney) / Lucy W. Daynes (Legislative Assistant)

State Water Development Commission

June 14, 2016

Gold King Mine Spill

Received a [report](#) from the Division of Water Quality on the environmental impacts of the Gold King Mine toxic spill into the Animas River in Colorado. The division discussed monitoring and mitigation efforts.

Utah Snowpack Report

Received a [report](#) from the Natural Resources Conservation Service on current snowpack and reservoir conditions in Utah. Overall, 2016 was a good water year, especially compared to the last four years.

Water Quality

Received a [report](#) from the Division of Water Quality on water quality issues related to:

- Pollutant spill response;
- The Great Salt Lake; and
- Nutrient pollution.

Chairs: Rep. Keith Grover / Sen. Margaret Dayton

Staff: J Brian Allred (Policy Analyst) / RuthAnne Frost (Attorney) / Katie LeFevre (Legislative Assistant)

Transportation

Clean Fuel Vehicle Decal and Permit Prioritization

Received a [presentation](#) from Department of Transportation (UDOT) staff regarding the Clean Fuel Vehicle Decal and Permit program, referred to as the C Decal program. UDOT issues decals to owners of high-efficiency vehicles, allowing them to drive in the HOV, or "carpool," lane on the interstate without having more than one person in the vehicle. The committee was briefed on the history of the program and asked to consider making changes to the program's allocation of C Decals on a first-come, first-served basis.

Long-Term Planning Updates

Received presentations from the [Driver License Division](#) and [UDOT](#) regarding current and emerging challenges and issues.

Transportation Commission Report

Received a [report](#) from the Transportation Commission, which noted that the impacts of 2016 General Session legislation to current prioritized transportation projects was not significant.

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Motor Carrier Size and Weight Restrictions

Received a request from UDOT to establish a working group to review the Utah Code with the department to identify provisions related to restrictions of motor vehicle size and weight that are out of date or inconsistent with federal code.

Action: Formed a working group to work with UDOT to identify these issues and bring recommendations back to the full committee.

Descriptions of Department of Transportation's Divisions and Structure

Received a [presentation](#) from UDOT regarding outdated sections of the Utah Code pertaining to UDOT's organizational divisions and structure.

Action: Approved a motion to open a committee bill file to amend the Utah Code to better reflect UDOT's organizational structure.

Chairs: Rep. Johnny Anderson / Sen. Alvin B. Jackson

Staff: Alex R. Janak (Policy Analyst) / Kurt P. Gasser (Attorney) / Shannon C. Halverson (Attorney) / Joshua M. Weber (Legislative Assistant)

Utah Tax Review Commission

May 26, 2016

Utah Corporate Income Tax—Apportionment of Business Income

Received [public comment](#) regarding:

- Utah's economic growth compared with other states;
- The economic incidence of the state corporate income tax; and
- The role that taxes play in economic location decisions.

Received a staff presentation reviewing the fiscal notes for 2016 General Session [H.B. 61](#) and [H.B. 61 1st Substitute](#), which provide a dynamic fiscal analysis of the effect of changing the apportionment formula under the state corporate income tax.

Received a staff presentation regarding:

- How a Utah corporation [elects](#) which apportionment formula to use;
- Which [western states](#) allow a corporate taxpayer to elect which apportionment formula to use; and
- Examples of [recent bills](#) that allow corporations to use a more heavily weighted sales factor.

Chair: Mr. Curtis Trader

Staff: Bryant R. Howe (Deputy Director) / Leif G. Elder (Policy Analyst) / Andrea Valenti Arthur (Attorney) / Bree A. Frehner (Legislative Assistant)

Next Interim Day — July 13, 2016



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

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Leif G. Elder, Bree A. Frehner, and Tracey Fredman*

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