

Interim Highlights

August 28 Vol. 17, No. 3



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Legislative Interim Meetings

Meetings were held August 22, 2017, or as noted

Administrative Rules Review Committee

July 17, 2017

Administrative Rules and Agency Actions Governing Complaint Investigations

Discussed with the Division of Occupational and Professional Licensing the process it uses to investigate complaints against occupational and professional license holders.

Charter School Board Requests for Additional Campuses

Discussed with the State Board of Education the board's [implementation](#) of statutory and administrative [rule criteria](#) to determine whether a charter school will be allowed to open an additional campus, what factors guide the determination, and whether statutes and administrative rules are sufficiently clear to assure consistency in making determinations. The board agreed to review its rules governing these determinations and provide the committee with a written report.

July 31, 2017

Driver License Division and DUI Drug Hearing Process

Discussed the hearing [process](#) and timeline for individuals arrested for driving under the influence who request a hearing. Examined why these individuals may not receive notice of a final decision from the hearing until after their provisional license has expired. Explored potential solutions.

July 31, 2017

Higher Education: Policies and Procedures Development

Received a [presentation](#) from Weber State University

regarding its process for developing and approving campus policies and procedures.

August 24, 2017

Fees Required to Obtain a Concealed Firearm Permit

Discussed an additional \$20 fee, which became effective August 1, 2017, assessed to new applicants for a concealed firearm permit and whether there is adequate authority in [statute](#) to assess the fee. The Bureau of Criminal Identification agreed to provide the committee with a written timeline of the \$20 fee that will include what groups were assessed the fee and when the bureau began collecting the fee on each group.

Higher Education: Policies and Procedures Development

Received a [presentation](#) from Dixie State University regarding its process for developing and approving campus policies and procedures and requested that staff research the effects of college enrollment on a student's constitutional rights.

Chairs: Rep. Brian M. Greene / Sen. Howard A. Stephenson
Staff: Art L. Hunsaker (Policy Analyst) / Amy L. West (Attorney) / Tracey Fredman (Legislative Assistant)

Business and Labor

Extending Benefit Corporations to LLCs

Discussed creating a benefit limited liability corporation (LLC), which were authorized by the Legislature and would function similarly to a benefit corporation. Benefit corporation, specify a percentage of their profit to donate to charity.

Fireworks

Action: *A committee bill file was opened to address issues related to fireworks.*

Mold Abatement and Remediation for Rentals

Discussed the sufficiency of the statutory remedies available to a tenant who discovers mold in the tenant's rental unit. Also discussed nonlegislative solutions, including encouraging the landlord and tenant to negotiate a due diligence period during which the tenant could test for mold and radon.

Chairs: Rep. James A. Dunnigan / Sen. Curtis S. Bramble
Staff: Christine R. Gilbert (Attorney) / Amy L. West (Attorney) / Andrea Crabb (Legislative Assistant)

Commission for the Stewardship of Public Lands

July 27, 2017

Law Enforcement Jurisdiction

Discussed issues related to jurisdiction over federal land in Utah. The legal authority of the federal government verses the state was described based on whether the federal government has exclusive jurisdiction, concurrent jurisdiction, or a proprietary interest.

Action: *Directed staff to conduct research and prepare a report that describes the state's jurisdiction, from where that jurisdiction is derived, and how jurisdiction is ceded to the federal government.*

Report from the Division of Oil, Gas and Mining

Received a [report](#) from the Division of Oil, Gas and Mining (DOGM) regarding the division's recommendations on dealing with oil, gas, and mining issues for lands subject to the Utah Public Land Management Act, including:

- allowing a transition period for retooling DOGM databases to accommodate information from the Bureau of Land Management;
- identifying and clarifying the application of other federal land management laws and requirements on any documents, orders, or directives regarding land transfer;
- allowing for funding of new responsibilities on land that is transferred; and
- considering a pilot project of land transfer to "debug" the transfer process on a smaller scale.

Action: *Voted to have the chairs send a letter to the Division of Oil, Gas and Mining requesting the division research and report how the state can assume federal duties related to the administration of mineral programs.*

Wildfire Update from the Division of Forestry, Fire, and State Lands

Received a [report](#) from the Division of Forestry, Fire, and State Lands regarding wildfire statistics in Utah as of July 26, 2017. To date, 211,120 acres have burned in Utah, 57% of which were burnt as a result of fires started by humans.

Action: *Voted to direct certain commission members to discuss with the Division of Forestry, Fire, and State Lands ways in which the Legislature can be more involved with the wildfire settlement negotiations between the state and federal government.*

Chairs: Sen. David P. Hinkins / Rep. Keven J. Stratton
Staff: Megan L. Bolin (Policy Analyst) / RuthAnne Frost (Attorney) / Joshua M. Weber (Legislative Assistant)

August 2017



Commission on Federalism

July 26, 2017

Federalism Outreach Report

Received a report from a legislator regarding:

- efforts to work with other states;
- discussions at a recent meeting of state representatives in Denver; and
- the creation of a federalism brochure to inform interested parties of a future federalism conference.

Article V Update

Received a report from a legislator regarding cooperation with other state representatives to develop the process and procedures for a potential convention of the states, with the purpose of proposing a balanced federal budget.

Action: *Voted to prepare a Utah plan regarding the substance and procedure for an Article V convention.*

Continuing Legal Education on Federalism

Discussed working with the Utah State Bar to authorize the federalism videos and curriculum prepared by the Utah Valley University as continuing legal education credit.

Fire Suppression on Federal Lands

Discussed the recent Brian Head fire and its impact on the health, safety, and general welfare of the communities in southern Utah.

Received a report from the Utah Division of Forestry, Fire, and State Lands regarding the management of public lands and wildfire management efforts.

Heard testimony from a legislator, county commissioners, and other parties about the environmental and fiscal impact of the Brian Head fire on Garfield, Kane, and Iron counties.

Action: *Voted to create and send:*

- letters regarding jurisdiction on public lands from the commission to Utah's federal delegations and federal agencies,
- a letter inviting representatives from all fifty states to join us in petitioning their federal delegations regarding jurisdictional issues over public lands; and
- a letter to the attorney general's office asking them to analyze this issue and recommend whether to pursue legal action.



August 2017

August 23, 2017

Article V Rulemaking Report

Received a report from a legislator regarding ongoing efforts to develop the rules and procedures for a possible Article V convention of the states.

Report on Commission Letters

Received a report from commission staff regarding [letters](#) sent to federal agencies, state representatives, and the Utah congressional delegation. The letters notified each recipient of the findings made by the Commission on Federalism regarding mismanagement of federal lands that results in a threat to the health, safety, and general welfare of the residents of Utah.

Report on National Conference of State Legislatures

Received a report from a legislator regarding efforts to engage with representatives of other states on issues of federalism while attending the Legislative Summit of the National Conference of State Legislatures.

Utah Water Policy

Received a [presentation](#) from the Utah Farm Bureau and a legislator regarding the current laws and historical development of water rights. In Utah, 75% of the usable water originates on federal lands.

Received testimony from members of the public regarding current water laws and problems that federal government agencies have caused for ranchers and farmers in rural Utah.

***Action:** Voted to initiate the jurisdiction dispute resolution process with the federal government on the issue of water rights in Utah.*

Chairs: Rep. Ken Ivory / Sen. Allen M. Christensen
Staff: Jerry D. Howe (Managing Policy Analyst) / Nathan W. Brady (Policy Analyst) / Robert H. Rees (Attorney) / Cassidy Hansen (Legislative Assistant)

Economic Development and Workforce Services

Economic Development Incentives

Received a [presentation](#) from committee staff on best practices in evaluating incentives. The presentation described the findings of a Pew Center on the States [study](#) that places Utah in the middle tier of states in terms of their incentive evaluation processes. The presentation also highlighted past work that the [Office of the Legislative Fiscal Analyst](#) and the [Revenue and Taxation Interim](#)

[Committee](#) have done on this topic.

Governor's Office of Economic Development

Received a [presentation](#) from the Governor's Office of Economic Development regarding proposed changes to the office that would allow the office to focus on fulfilling its core mission and vision. The proposed changes include:

- allowing the Utah Broadband Outreach Center to sunset;
- moving the administration of Private Activity Bonds to the Department of Workforce Services; and
- eliminating the role of State Science Advisor and allowing those duties to be fulfilled by the Utah Science, Technology, and Research Initiative.

***Action:** Opened a committee bill file regarding the proposed changes to the Governor's Office of Economic Development.*

Minimum Wage

Received a [presentation](#) from committee staff on recent research regarding the minimum wage.

Received a presentation from a legislator and heard public comment regarding raising the minimum wage in Utah. The presentation highlighted the inability of those earning the federal minimum wage to provide for basic needs. The presentation also identified possible policy options including:

- raising the state minimum wage to a level commiserate with the most recent increase in the minimum wage adjusted for inflation;
- creating a process to adjust the minimum wage for inflation every two years; and
- raising the state minimum wage for tipped employees.

Utah Broadband Outreach Center

Conducted a sunset review of the Utah Broadband Outreach Center, which is scheduled to sunset in July 2018. As part of this review, the Governor's Office of Economic Development provided a [presentation](#) describing the mission and background of the center, its accomplishments over the past six years, and its future projects. The office recommended that the statute creating the center be allowed to sunset, but that its staff and some of its functions be absorbed by the office.

Utah's Entrepreneurship Environment

Received a presentation from Church & State, a nonprofit

organization focused on entrepreneurship in the state, regarding Utah's entrepreneurship environment. The presentation highlighted the vibrant entrepreneurial community in the state and the importance of collaboration in maintaining a thriving entrepreneurial ecosystem. The presentation also identified potential policies that could improve the entrepreneurial environment in the state, including:

- creating partnerships between state grant programs and private investment enterprises;
- attracting foreign direct investment through comanaged funds with public involvement;
- better coordinating resources available to entrepreneurs; and
- implementing policies that incentivize collaboration.

Chairs: Rep. Rebecca P. Edwards / Sen. Jacob L. Anderegg
Staff: Ryan M. Hunter (Policy Analyst) / Peter Asplund (Attorney) / Debra Hale (Legislative Assistant)

Education

Educator Salaries and Retention

Received presentations related to educator salaries and retention, including:

- a [presentation](#) from State Board of Education staff describing the results of an analysis of educator retention data;
- presentations from school districts about exit surveys and the reasons educators leave the districts;
- a [presentation](#) from researchers about a planned survey of current and former educators; and
- a [presentation](#) from the Department of Workforce Services comparing educator salaries to salaries in other fields and the competitiveness of Utah educator salaries in Utah compared to other states.

Every Student Succeeds Act State Plan

Received a [presentation](#) from State Board of Education staff about Utah's Every Student Succeeds Act state [plan](#), which is required to be approved by the Department of Education in order for the state to receive certain federal funds.

Chairs: Rep. Val L. Peterson / Sen. Ann Millner
Staff: Allyson R. Goldstein (Policy Analyst) / Nathan W. Brady (Policy Analyst) / Rebekah M. Bradway (Attorney) / Victoria Ashby (Attorney) / Debra Hale (Legislative Assistant)

Federal Funds Commission

August 16, 2017

Administrative Burden of Federal Grants for Public Education

Discussed the level of administrative burden placed on school districts that receive federal funds. Received input from the State Board of Education. Discussed an [audit](#) by the Legislative Auditor General's Office on federal grants for public education.

Medicaid Waiver

Received a report from the Department of Health about a Medicaid federal block grant program and a submission of a [state waiver](#) from Medicaid requirements, including information potential state savings.

Risk of Federal Government Shutdown

Examined the talking points and presentations made at the recent National Conference of State Legislators Legislative Summit in Boston that pertained to the risk and impact of a federal government shutdown.

***Action:** Requested legislative staff and the governor's office to provide the commission with the necessary tools to address the risk of a government shutdown.*

Chairs: Rep. Justin L. Fawson / Sen. Lincoln Fillmore
Staff: Adam J. Sweet (Policy Analyst) / Shannon C. Halverson (Attorney) / Joshua M. Weber (Legislative Assistant)

Government Operations

Boards and Commissions Review

Received a [presentation](#) from committee staff regarding the progress of the committee's study of legislative boards and commissions and received reports from eight boards and commissions.

***Action:** Directed staff to open a committee bill file to:*

- *repeal the Government Procurement Private Proposal Program Committee;*
- *repeal the Legislative Committee on Landfill Siting Disputes;*
- *repeal the Constitutional Revision Commission; and*
- *require the Data Security Management Council to meet at least quarterly rather than monthly.*

August 2017

Governmental Immunity

Received a [presentation](#) from the Division of Risk Management regarding:

- how limitations on judgements under the Governmental Immunity Act affect the state risk fund;
- the state's excess liability insurance;
- state insurance premiums; and
- other state interests.

Unclaimed Property

Reviewed the [Uniform Unclaimed Property Act](#) and discussed the potential expansion of the types of property that are required to be remitted to the state as unclaimed property.

Veterans' and Military Affairs

Received a [statutorily required report](#) from the Department of Veterans' and Military Affairs regarding the work of the department in the previous year.

Chairs: Rep. Jeremy A. Peterson / Sen. Wayne A. Harper
Staff: Brian J. Bean (Policy Analyst) / Thomas R. Vaughn (Attorney) / Brent M. Gage (Legislative Assistant)

Health and Human Services

Long-Term Planning for Health Care Reform

[Examined](#) the structure and performance of the United States and Utah healthcare systems.

Received reports from [The Commonwealth Fund](#), [Intermountain Healthcare](#), and [University of Utah Health](#). The reports highlighted lessons to be learned and recommendations for reform.

Chairs: Rep. Brad M. Daw / Sen. Lincoln Fillmore
Staff: Mark D. Andrews (Policy Analyst) / Tara Harrison (Attorney) / Eric N. Weeks (Deputy General Counsel) / Joshua M. Weber (Legislative Assistant)

Health Reform Task Force

August 23, 2017

Medicaid Waiver

Received a [presentation](#) by the Utah Department of Health on the state's [recent request](#) for amendments to its 1115 waiver approved by the Legislature last year and amendments to the state's Primary Care Network program. The federal government has not approved the waiver or the

requested amendments. However, the department has not been told to stop planning for implementation of the waiver beginning November 1, 2017. A children's advocacy organization recommended that the state not implement the waiver until the state has obtained additional information on the waiver's impact on individuals.

Healthcare Reform

Received a report from a task force chair that the governor recently met with the chair and others in preparation for the governor's upcoming appearance before the United States Senate's Committee on Health, Education, Labor and Pensions, where the governor will share Utah's perspective on healthcare reform.

Guaranty Associations

Received a report from the Utah Insurance Department that the National Association of Insurance Commissioners is hoping to finalize model guaranty association legislation by the end of 2017. The American Council of Life Insurers recommended that the task force continue its study of guaranty associations, but that the Legislature not amend the state's guaranty association statute until the model legislation is available. Also received an update from the Utah Insurance Department on the liquidation of Arches Health Plan. The Arches receiver has joined a class action law suit to obtain \$57 million in unpaid risk corridor payments from the federal government.

Behavioral Healthcare Coverage

Considered whether state funds used to draw down federal funds for Medicaid behavioral healthcare services should be increased annually, as other similar funding sources are for certain other Medicaid services.

Considered whether certain long-acting injectable drugs used in behavioral healthcare treatment should be classified as a pharmacy benefit rather than a medical benefit.

Considered behavioral healthcare treatment provider concerns about post-payment adjustments to health insurance claims. Received reports from the [Utah Association of Counties](#), addiction treatment providers, and the [Office of the Legislative Fiscal Analyst](#).

Action: *Voted to open a bill file addressing state funding of Medicaid behavioral healthcare services.*

Chairs: Rep. James A. Dunnigan / Sen. Allen M. Christensen
Staff: Mark D. Andrews (Policy Analyst) / Eric N. Weeks (Deputy General Counsel) / Joshua M. Weber (Legislative Assistant)

Judiciary

Administrative Office of the Courts - Sunset Review

Action: *Opened a committee bill file to remove the Office of the Court Administrator from the Sunset Act and to make technical changes.*

Indigent Defense

Heard a [presentation](#) from the Utah Indigent Defense Commission updating the committee on the activities of the commission.

Jury Nullification and Jury Instructions

Discussed the role of a jury in a criminal trial.

Mandatory Courses for Divorcing Parties

Received a [report](#) from the Administrative Office of the Courts regarding the effectiveness of divorce education programs created by statute.

Chairs: Rep. Mike K. McKell / Sen. Todd Weiler
Staff: Joseph T. Wade (Policy Analyst) / Patricia Owen (Attorney) / Andrea Crabb (Legislative Assistant)

Law Enforcement and Criminal Justice

Crisis Intervention Teams

Received a presentation from the Salt Lake City Police Department on employing crisis intervention training to help officers with post-traumatic stress disorder and prepare law enforcement to recognize mental health needs in their communities. Received a [presentation](#) from Crisis Intervention Team Utah concerning the history of the organization and best practices for crisis intervention teams.

Off-Duty Law Enforcement Work

Discussed [draft legislation](#) "Office Duty Employment of Law Enforcement Officer," which would address requirements for a law enforcement officer to engage in off-duty employment. Received presentations from the Salt Lake Police Department Secondary Employment Office and the Unified Police Department concerning requirements for officers to engage in secondary employment.

Report on the Operations of the Indigent Defense Commission

Received a [presentation](#) by the Indigent Defense Commission regarding its creation and purpose. The

commission also provided an overview and analysis of preliminary data collected about indigent defense in the state.

Chairs: Rep. Lee B. Perry / Sen. Don L. Ipson
Staff: Esther Chelsea-McCarthy (Attorney) / Joshua M. Weber (Legislative Assistant)

Legislative Management Committee

August 02, 2017

Office of Legislative Research and General Counsel

Action: *Approved motions to:*

- *accept the recommendation of the Office of Legislative Research and General Counsel Subcommittee recommendation to appoint John Q. Cannon as Director of the Office of Legislative Research and General Counsel; and*
- *appoint Bryant R. Howe as the Acting Director of the Office of Legislative Research and General Counsel from August 12, 2017 to September 5, 2017.*

Chairs: President Wayne L. Niederhauser / Speaker Gregory H. Hughes
Staff: John L. Fellows (General Counsel) / Denise Johnson (Administrative Assistant)

Legislative Water Development Commission

August 22, 2017

Lake Powell Pipeline

Received a report from the Division of Water Resources, Washington County Water Conservancy District, and Kane County Water Conservancy District on the proposed Lake Powell Pipeline project.

State Water Strategy Advisory Team Report

Received a [report](#) from the State Water Strategy Advisory Team on [recommendations regarding water issues](#), including conservation, demand, development, quality, natural system preservation, climate change impact, economic impact, policy formulation, and innovation.

Utah Lake Restoration

Received a report on Utah Lake Restoration from the [Department of Natural Resources](#), Division of Wildlife Resources, [Division of Water Quality](#), and the Utah Lake Commission. The commission reviewed 2017 General Session H.C.R. 26 "[Concurrent Resolution Urging Restoration of Utah Lake](#)."

August 2017

Chairs: Rep. Keith Grover / Sen. Margaret Dayton
Staff: J Brian Allred (Policy Analyst) / RuthAnne Frost (Attorney) / Cassidy Hansen (Legislative Assistant)

Native American Legislative Liaison Committee

August 13, 2017

Economic Enterprise Development

Received a report on the Shoshone Tribe's economic development efforts, including efforts to compete for federal government contracts. Tribal representatives reported increasing difficulty in competing for federal contracts due to changes in the federal government's contract awarding process that negatively impact small businesses.

Land Purchases at Bear River Massacre Site

Received a report on the Shoshone Tribe's agreement with a private landowner to purchase 650 acres of land located on the site of the Bear River Massacre of 1863. The purchase is to be made with proceeds from tribal-owned businesses and is scheduled to be concluded by the end of 2017.

Tribal EPA Program

Discussed the Shoshone Tribe's efforts to promote air

quality, including its air management program.

Tribal Hunting and Fishing Ordinance

Received a report on Shoshone tribal hunting and fishing rights and related activities of tribal members.

Tribal Overview

Received an overview of the history and cultural and educational programs of the Northwestern Band of Shoshone Nation.

Chairs: Rep. John R. Westwood / Sen. Kevin Van Tassell
Staff: Art L. Hunsaker (Policy Analyst) / Patricia Owen (Attorney) / Joshua M. Weber (Legislative Assistant)

Natural Resources, Agriculture, and Environment Committee

Environmental Health Scientist Act

Action: Adopted as a committee bill draft legislation "[*Environmental Health Scientist Act Amendments*](#)" which modifies qualifications for licensure of environmental health scientists and extends the sunset date of the licensing act for a period of 10 years.



Regulation of Above-Ground Storage Tanks

Received a [report](#) from the Division of Environmental Response and Remediation on possible regulation of above-ground storage tanks. The division reported on selected above-ground tank leaks, reviewed regulation options, and discussed regulation in other western states.

State Agency Best Practices and Stewardship Efforts to Improve Air Quality

Received a [report](#) from the State Coordinator of Resource Stewardship on the efforts of state agencies to promote improved air quality. The coordinator also reviewed the resource stewardship annual [report](#).



State Water Strategy Advisory Team

Received a [report](#) from the State Water Strategy Advisory Team outlining recommendations on water issues, including conservation, demand, development, quality, natural system preservation, climate change impact, economic impact, policy formulation, and innovation.

Utah Agricultural Code Recodification

Received a report from the Department of Agriculture and Food on possible changes to the agriculture code as a follow up to the [recodification](#) done in the 2017 General Session.

Water Development Commission

***Action:** Adopted as a committee bill "[Legislative Water Development Commission Amendments](#)," which repeals the sunset date for the commission and authorizes the commission to meet up to six times per calendar year if approved by the Legislative Management Committee.*

Chairs: Rep. Keven J. Stratton / Sen. Margaret Dayton
Staff: J Brian Allred (Policy Analyst) / RuthAnne Frost (Attorney) / Cassidy Hansen (Legislative Assistant)

Point of the Mountain Development Commission

July 20, 2017

Point of the Mountain Baseline Scenario

Received a [presentation](#) from members of the commission on the work of advisory groups that have studied potential future scenarios for the Point of the Mountain area, and from Envision Utah on a baseline scenario for the same area. The baseline scenario identified one possibility for the future of the Point of the Mountain, describing how the Point of the Mountain area will look in 2050 without the strategic planning of the commission.

Chairs: V. Lowry Snow / Mr. Christopher Conabee
Staff: Ryan M. Hunter (Policy Analyst) / Peter Asplund (Attorney) / Robert H. Rees (Attorney) / Andrea Crabb (Legislative Assistant)

Political Subdivisions

Audit Review: "A Review of Best Practices for Internal Control of Limited Purpose Entities"

Received a [presentation](#) from the Office of the Legislative Auditor General regarding an audit, "[A Review of Best Practices for Internal Control of Limited Purpose Entities](#)," and discussed the audit's recommendations.

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Action: Directed staff to coordinate a meeting with stakeholders, under direction of a committee member, to discuss the audit's findings and recommendations.

Action: Directed staff to open bill files, as necessary, to address legislative changes recommended by the stakeholder group.

Draft Legislation: "Community Reinvestment Agency Amendments"

Action: Approved as a committee bill draft legislation "[Community Reinvestment Agency Amendments](#)," which amends Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act.

Local Government Enforcement Mechanisms

Received an update from a legislator on a review of the default penalties that are established in statute for certain violations.

Utah's Associations of Governments

Received a [presentation](#) from representatives of Utah's Associations of Governments (AOGs) that described the history of AOGs, how they are governed and work in relation to Utah's counties and cities, and the various services provided by each, including aging services, community development and planning, economic development, housing, human services, and transportation planning.

Chairs: Rep. Dixon M. Pitcher / Sen. Daniel W. Thatcher
Staff: Megan L. Bolin (Policy Analyst) / Michael E. Curtis (Attorney) / Lori Rammell (Legislative Assistant)

Property Tax Working Group of the Utah Tax Review Commission

August 22, 2017

Review of Utah's Property Tax System

Reviewed a list of possible issues that the working group could review as part of its deliberations including the "truth in taxation" process, personal property tax system, the residential exemption, exemptions in general, land assessed under the Farmland Assessment Act, and centrally assessed property.

Action: Prioritized the following issues to review:

- truth in taxation;
- the exemption for primary residential property; and

- business activities operated by government entities.

Chairs: Mr. Lawrence C. Walters
Staff: Bryant R. Howe (Deputy Director) / Leif G. Elder (Policy Analyst) / Patricia Owen (Attorney) / Shannon C. Halverson (Attorney) / Andrea Valenti Arthur (Attorney) / Brent M. Gage (Legislative Assistant)

Public Utilities, Energy and Technology

Audit Report

Reviewed the Legislative Auditor General's [audit](#) recommendations regarding the distribution and use of local 911 surcharge funds.

Microgrids

Received a [presentation](#) from HEAL Utah about the types and benefits of microgrids in use at campuses, in municipalities, and for critical infrastructure.

Status and Future of Renewable Energy

Discussed the cost and feasibility of wind and solar power infrastructure in Utah.

Received a [presentation](#) from sPower and remarks from MIC Renewable Energy Holdings and Rocky Mountain Power.

Sunset Review

Discussed sunset review of [Utah Code Subsection 54-4-13.4 \(1\)\(a\)\(ii\)](#), Natural gas fueling stations and facilities -- Recovery of Expenditures for stations and facilities. Received a [report](#) with recommendations from the Public Service Commission and Dominion Energy.

Telecommunication Network Review

Reviewed the Telecommunication Network Review reporting requirements and its legislative history. Received a [letter](#) from the Public Service Commission and discussed the application of the reporting requirements.

Action: Opened a committee bill file to address concerns with the Telecommunications Network Review, Utah Code Section 69-4-1.

Chairs: Rep. Stephen G. Handy / Sen. Daniel Hemmert
Staff: Adam J. Sweet (Policy Analyst) / Robert H. Rees (Attorney) / Tracey Fredman (Legislative Assistant)

Retirement and Independent Entities Interim Committee

July 27, 2017

Independent Entity Overview

Received presentations from several of the state's independent entities, including the: [School & Institutional Trust Funds Office](#); Utah Energy Infrastructure Authority; [Utah State Fair Corporation](#); [School & Institutional Trust Lands Administration](#); [Utah Communications Authority](#); [Utah Capital Investment Corporation](#); [Heber Valley Historic Railroad Authority](#); [Utah Housing Corporation](#).

Chairs: Rep. LaVar Christensen / Sen. Daniel Hemmert / Rep. Timothy D. Hawkes
Staff: Alex R. Janak (Policy Analyst) / Peter Asplund (Attorney) / Shannon C. Halverson (Attorney) / Cassidy Hansen (Legislative Assistant)

Revenue and Taxation

Apportionment of Business Income

Considered draft legislation "[Income Tax Reform](#)," which would, beginning in tax year 2019, phase in a single sales factor method of apportionment over three years. The bill would make the single sales factor mandatory for some taxpayers and optional for others. The committee also received a presentation from the Office of the Legislative Fiscal Analyst regarding the [overall](#) and [industry specific](#) fiscal impacts of the bill and Utah businesses that would be impacted by the bill.

Distribution of Local Option Sales Tax Revenue

Discussed the possibility of distributing local sales and use tax revenue that is generated by sales sourced to destination by population only, instead of 50% based on population and 50% based on point of sale. The committee received a [presentation](#) from the State Tax Commission on how sales are sourced and the commission's ability to differentiate between origin and destination sourced sales.

Income Taxation and Build America Bonds

Action: *Approved as a committee bill, draft legislation "[Individual Income Tax Deduction Amendments](#)," which would codify and clarify [existing deduction](#) from adjusted gross income for individual income tax purposes for certain bonds and bond interest in the Revenue and Tax Code.*

Military Spouse Income Tax Amendments

Action: *Approved as a committee bill, draft legislation*

"[Military Spouse Income Tax Amendments](#)," which would authorize an individual income tax deduction from adjusted gross income for the amount of all income, including income apportioned to another state, of a nonmilitary spouse of an active duty military member in certain circumstances.

Sales Tax Exemption for Products Purchased for Resale

Action: *Approved as a committee bill, draft legislation "[Sales and Use Tax Exemption Amendments](#)," which would remove the requirement that a product purchased for resale be resold within the state to qualify for a sales and use tax exemption.*

Chairs: Rep. Steve Eliason / Sen. Howard A. Stephenson
Staff: Leif G. Elder (Policy Analyst) / Andrea Valenti Arthur (Attorney) / Shannon C. Halverson (Attorney) / Bryant T. Howe (Deputy Director) / Brent M. Gage (Legislative Assistant)

Senate Judicial Confirmation Committee

July 25, 2017

Confirmation of Ms. Diana Hagen

Recommended to the Senate the confirmation of Ms. Diana Hagen as a judge to the Utah Court of Appeals.

The Senate met in extraordinary session on July 26, 2017, and confirmed the appointment of Ms. Hagen.

Confirmation of Mr. Ryan Harris

Recommended to the Senate the confirmation of Ms. Ryan Harris as a judge to the Utah Court of Appeals.

The Senate met in extraordinary session on July 26, 2017, and confirmed the appointment of Mr. Harris.

Chair: Sen. Todd Weiler
Staff: Jerry D. Howe (Managing Policy Analyst) / Eric N. Weeks (Deputy General Counsel) / Andrea Crabb (Legislative Assistant)

Subcommittee on Oversight

July 26, 2017

Approved a 2% increase in salary for the Director of the Office of Legislative Research and General Counsel, the Legislative General Counsel, the Legislative Fiscal Analyst, and the Legislative Auditor General effective for the pay period beginning on July 1, 2017.

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

August 2017

Transportation Governance and Funding Task Force

July 13, 2017

Presentations from Outside Transportation Experts

Received presentations from transportation experts outside of Utah, representing a [metropolitan planning organization](#), transit authority, [engineering design firm](#), [think tank](#), and [transportation policy consortium](#).

August 16, 2017

Restrictions on Transportation Funding

Received a [presentation](#) from the Utah Department of Transportation (UDOT) on the current structure of transportation funding and the process that would be required to make any changes to the current structure.

Prioritization Process for State Transportation Projects in Utah

Received a [presentation](#) from UDOT on the current process used by the Transportation Commission to prioritize UDOT projects for programming.

Point of the Mountain Development Commission Update

Received a [presentation](#) from members of the Point of the Mountain Development Commission regarding that commission's current work and how the task force could coordinate with the commission.

Future of Transportation Funding

Received a [presentation](#) from a transportation policy expert regarding the future of transportation funding and financing.

Value Capture

Received a [presentation](#) from a Texas state legislator and a representative of the Texas Department of Transportation on the process of drafting enabling legislation and implementing value capture policies for transportation projects in Texas.

Chairs: Rep. Mike Schultz / Sen. Wayne A. Harper
Staff: Alex R. Janak (Policy Analyst) / Kurt P. Gasser (Attorney) / Lori Rammell (Legislative Assistant)

Transportation

Autonomous, Connected, and Electrified Vehicles

Discussed the July site visit to Utah State University at

which the committee received information on autonomous and electrified vehicle technology. Received a [presentation](#) from a representative of the Utah Department of Transportation regarding efforts to implement technologies on Utah's roads that will lead to greater and safer use of connected and autonomous vehicles.

Transportation Governance and Funding Task Force

Received an update from the cochairs of the Transportation Governance and Funding Task Force on the progress of the task force and some of the issues that are being considered for legislative action.

***Action:** The committee voted to open two committee bill files to address any recommendations made by the Transportation Governance and Funding Task Force.*

Chairs: Rep. Mike Schultz / Sen. David G. Buxton
Staff: Alex R. Janak (Policy Analyst) / Kurt P. Gasser (Attorney) / Lori Rammell (Legislative Assistant)

Utah International Relations and Trade Commission

July 28, 2017

Impact of Globalization on Utah

Received a [report](#) from the Kem C. Gardner Policy Institute regarding the impact of globalization on Utah. The report found that the state economy has benefited from international trade and immigration through exports, low-priced imports for local consumers, an increased workforce for local employers, and a strong international tourism sector. Meanwhile, the state has been insulated from the economic shocks of free trade because Utah has a low concentration of import-vulnerable manufacturing jobs.

International Relations Services Contract

Received an update from World Trade Center Utah on their role in providing international relations services to the Legislature. Commission members reiterated their expectations of an improved process for legislative engagement in hosting foreign delegations and other international relations and trade activities.

International Students in Utah

Received a [presentation](#) from the University of Utah regarding international students at the university. The

presentation highlighted efforts to recruit and support international students and the impact these students have on the local economy following graduation.

Utah Export Acceleration Grant

Received a presentation and a [handout](#) from World Trade Center Utah on the Utah Export Acceleration Grant and its impact on local companies. The grant program has awarded over \$170,000 to 13 Utah companies that are expected to create over 100 new jobs in the next two years.

Chairs: Rep. Eric K. Hutchings / Sen. Curtis S. Bramble
Staff: Ryan M. Hunter (Policy Analyst) / Robert H. Rees (Attorney) / Thomas E. Young (Senior Economist/Forecaster) / Andrea Wilko (Chief Economist) / Debra Hale (Legislative Assistant)

Utah Tax Review Commission

June 27, 2017

Reviewed a [letter](#) from Governor Gary R. Herbert directing the commission to study and recommend ways to modernize the state's state and local tax structure to ensure that it remains viable in the long term and fair to taxpayers. The letter included suggested principles for good tax policy that the commission should apply in its study. The

commission also received a staff [presentation](#) on Utah's state and local tax system.

Chair: Mr. Curtis Trader

Staff: Leif G. Elder (Policy Analyst) / Andrea Valenti Arthur (Attorney) / Shannon C. Halverson (Attorney) / Patricia Owen (Attorney) / Bryant R. Howe (Deputy Director) / Brent M. Gage (Legislative Assistant)

Veterans' and Military Affairs Commission

June 27, 2017

Licensure and Certification Issues Related to Military Service

Received presentations from the Division of Occupational and Professional Licensing, the Department of Health, and the Peace Officer Standards and Training regarding these agencies' efforts to help veterans seeking employment to obtain recognition for certifications earned during military service.

Action: Agreed to study further licensure and certification issues related to military service that would assist veterans with military police experience in preparing to serve as peace officers.

Moving Air National Guard to Hill Air Force Base



Received an [update](#) from the Utah National Guard regarding potentially moving the Utah Air National Guard to Hill Air Force Base.

Registration Requirements for Charities

Received a presentation from the Division of Consumer Protection regarding current law governing the registration of charities and discussed resources to avoid charity scams.

Veterans Court

Received an update on the Veterans Court, which was established in Utah's Third District Court in 2015. The court provides an alternative to incarceration but requires defendants to keep court-monitored commitments, to report regularly to the court, be free of alcohol and drug use, and to meet other requirements.

***Action:** Agreed to study ways to provide reserve component members access to veterans court services and mental health community services.*

August 22, 2017

Enhanced Use Lease at Hill Air Force Base

Received a [presentation](#) from the director of the Enhanced Use Lease Program at Hill Air Force Base regarding the operation of the Falcon Hill Development in partnership with Hill Air Force Base.

Hill Air Force Base Overview

Received a [presentation](#) from Hill Air Force Base that included an overview of Hill Air Force Base's mission and its impact on Utah's economy.

Veterans Issues in Congress

Received an update from a member of United States Senator Mike Lee's staff regarding current veterans-related issues and legislation in the United States Congress.

Chairs: Rep. Paul Ray / Sen. Peter C. Knudson

Staff: Art L. Hunsaker (Policy Analyst) / Esther Chelsea-McCarty (Attorney) / Tracey Fredman (Legislative Assistant)