

INTERIM HIGHLIGHTS

OCTOBER 16, 2019 VOL. 19, NO. 5



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Legislative Interim Meetings

Meetings were held October, 16, 2019, or as noted

[Administrative Rules Review Committee](#)

September 25, 2019

Agency Response to Legislation Requiring Administrative Rulemaking

Received an [update](#) from committee staff regarding state agency compliance with administrative rulemaking requirements contained in 2017 and 2018 General Session legislation.

R414-22-3: Grounds for Excluding Providers

Received a presentation from the Division of Medicaid and Health Financing regarding the division's [proposed changes](#) to administrative rule R414-22, Administrative Sanction Procedures and Regulations, which were prepared to address concerns expressed by the committee in its May 23, 2019, meeting.

R592-6-5: Permitted Advertising, Business Entertainment, and Methods of Competition

Discussed a [letter](#) from the Title and Escrow Commission sent to the committee explaining that, after reviewing administrative rule R592-6-5, Permitted Advertising, Business Entertainment, and Methods of Competition, at the committee's request, the commission decided to not make changes to the rule.

Chairs: Rep. Marc K. Roberts / Sen. Jacob L. Anderegg

Staff: Art L. Hunsaker (Policy Analyst) / Ericka A. Evans (Attorney) / Tracey Fredman (Administrative Assistant)

Business and Labor

Audit Follow-up: Regulation of the Payday Loan Industry

Reviewed "[A Limited Follow Up of A Performance Audit of the Department of Financial Institution's Regulation of the Payday Loan Industry](#)" at the request of the [Legislative Audit Subcommittee](#). The original [audit](#) was released in August 2016 and follow up work was subsequently conducted by the Office of the Legislative Auditor General.

Received aggregate [information](#) of deferred deposit lenders and a [summary](#) of all deferred deposit lenders in the state from the Department of Financial Institutions.

Audit Review: Counties' Use of Tourism

Promotion Funding

Reviewed "[A Performance Audit of Counties' Use of Tourism Promotion Funding](#)," at the request of the [Legislative Audit Subcommittee](#). Discussed the audit's seven recommendations, which included to consider:

- whether to give the Office of Tourism oversight over county tourism revenue usage reports;
- whether to add spending requirements for in-state versus out-of-state promotion; and
- whether to increase county use of Transient Room Tax flexibility by adjusting requirements related to promotional versus project spending.

Received a [presentation](#) from the Office of the Legislative Auditor General.

Labor Commission Amendments

Discussed changing the law related to the Labor Commission to permit the governor to appoint alternate members to the Labor Commission's Appeals Board under certain circumstances and establishing term limits and compensation for alternate members.

Action: *Approved as a committee bill draft legislation, "[Labor Commission Amendments](#)."*

Mass Timber

Discussed adopting building standards for the use of mass timber products for residential and commercial building construction. Heard remarks from the State Fire Marshal Division and representatives from the concrete industry.

Required Reports

Discussed the following written reports that have been received by the committee:

- [2019 Regulatory Sandbox Annual Report:](#)
- [2019 Report of the Occupational and Professional Licensure Review Committee:](#)
- [Beer Availability Work Group:](#)
- [Annual Report of the Worker Classification Coordinated Enforcement Council:](#)
- [Annual Report of the Worker's Compensation Advisory Council:](#)
- [Preliminary Report of Education and Training Standards for State Plumbing Apprenticeship Programs:](#)
- [Preliminary Report of Education and Training Standards for State Electrical Apprenticeship Programs:](#)
- [Annual Report of the Utah Residence Lien Recovery Fund:](#) and
- [Annual Report of the Rocky Mountain Center for Occupational and Environmental Health.](#)

Swimming Pools and Aviation

Action: *Voted to open a committee bill file in anticipation of receiving two Uniform Building Code Commission reports that recommend building standards for swimming pool construction and aviation-related building regulations.*

Chairs: Rep. James A. Dunnigan / Sen. Curtis S. Bramble

Staff: Adam J. Sweet (Policy Analyst) / Amy L. West (Attorney) / Gus Harb (Attorney) / Leila Reynolds (Administrative Assistant)

Criminal Code Evaluation Task Force

October 4, 2019

Addiction Recovery Resources

Received a presentation from Odyssey House of Utah on access to addiction recovery services for individuals who have insufficient insurance benefits to cover costs.

Community-based Resources for Juveniles

Heard from the Odyssey House of Utah and [Four Corners Behavioral Health](#) on community-based resources for juveniles who struggle with substance abuse.



Post-drug Court Accountability

Received a [presentation](#) from the Utah Support Advocates for Recovery Awareness on peer recovery support services for those who graduate from drug court.

Chairs: Rep. Paul Ray / Sen. Karen Mayne

Staff: John Feinauer (Policy Analyst) / Chelsea Grant (Attorney) / Esther D. Chelsea-McCarty (Attorney) / Tracey Fredman (Administrative Assistant)

Economic Development and Workforce Services

Economic Development Strategic Plan Report

Received a [presentation](#) from the Governor's Office of Economic Development regarding the recommendations made in a written [strategic plan](#) for coordinated, statewide economic development, prepared by the Governor's Office of Economic Development as required by 2019 General Session S.B. 172, "[Economic Development Amendments](#)."

IGP Plan Implementation Program Extension

Action: Approved as a committee bill draft legislation, "[Intergenerational Poverty Plan Implementation Program Extension](#)," which extends the sunset date of the Intergenerational Poverty Plan Implementation Pilot Program to January 1, 2023.

Intergenerational Poverty Solution

Action: Approved as a committee bill draft legislation, "[Intergenerational Poverty Solution](#)," which creates the Earned Income and Education Savings Incentive Program.

Occupational Licensing

Received a [presentation](#) from committee staff regarding recent [legislation](#) and [action](#) related to occupational licensing.

Received [presentations](#) from Senator Jacob L. Anderegg and the Institute of Justice regarding negative consequences of occupational licensing. The Institute of Justice provided three examples of model legislation, dated [January 31, 2019](#), [August 22, 2019](#), and [October 8, 2019](#).

Chairs: Rep. Mike Winder / Sen. Daniel McCay

Staff: Julie Humberstone (Policy Analyst) / Peter Asplund (Attorney) / Leila Reynolds (Administrative Assistant)

Education

E-cigarettes Workgroup

Discussed draft legislation, "[Electronic Cigarettes in Schools Amendments](#)," which addresses student use of alcohol, tobacco, electronic cigarettes products, and other substances through education and prevention programs and discipline policies.

Early Childhood Learning

Heard a [presentation](#) from the State Board of Education regarding improving the quality of literacy and mathematics instruction in preschool through grade 3 through job-embedded coaching and enhanced support for early mathematics.

State Board Legislation Requests

Action: Approved as a committee bill draft legislation, "[Education Amendments](#)," which amends provisions related to the Teacher Salary Supplement Program, the Educational Improvement Opportunities Outside of the Regular School Day Grant Program, and waivers of immunity, as [requested](#) by the State Board of Education.

Action: Approved as a committee bill draft legislation, "[School Meals Program Amendments](#)," which replaces statutory references to the school lunch program with references to school meals and changes reporting requirements, as [requested](#) by the State Board of Education.

Chairs: Rep. V. Lowry Snow / Sen. Deidre M. Henderson

Staff: Allyson R. Hicks (Policy Analyst) / Nathan W. Brady (Policy Analyst) / Michael E. Curtis (Attorney) / Amy Shewan (Attorney) / Jesse Dowdle (Administrative Assistant)

Federalism Commission

October 17, 2019

Federalism Focus Issues

Viewed a video describing current issues related to federalism and discussed commission areas of focus related to federalism.

Action: Voted to direct staff to prepare a letter to be signed by all commission members and sent to NCSL and CSG West requesting those entities include a federalism focus as part of upcoming events.



Federal Funds Issues

Received presentations from staff providing overviews of the [Federal Funds Procedure Act](#) and the [Federal Funds Risk Model](#).

Also received two reports related to assessing and responding to a reduction in federal funds coming to the state, including a [report](#) on government shutdowns and a [report](#) on economic risk.

Follow-up on Requests Made to Legislative Management Committee

Discussed the process for issuing two Requests for Proposals (RFPs). At the June 6, 2019, meeting the commission adopted two letters to the Legislative Management Committee requesting approval to issue an RFP for the development of land management plans and an RFP for lobbying efforts in Washington D.C. The Legislative Management Committee approved the requests in its October 16, 2019, meeting.

Action: Voted to authorize chairs to work with staff to develop the two RFPs, which will then be brought back to the full commission for review before being issued.

Proposed Federal Designation Legislation

Discussed next steps for communicating [concerns and recommendations](#) from the Legislature related to the latest [draft](#) of federal designation legislation creating a National Conservation and Recreation Area in the Central Wasatch Mountains. At the September 19, 2019, meeting the commission [discussed](#) and heard public comment related to the draft legislation.

Action: Voted to direct staff to prepare and send a letter to Utah's federal delegation, the Central Wasatch Commission, and stakeholders who spoke in the commission's September 19, 2019, meeting, conveying the commission's concerns with the draft legislation.

Chairs: Rep. Keven J. Stratton / Sen. Lincoln Fillmore

Staff: Julie Humberstone (Policy Analyst) / Karin M. Rueff (Policy Analyst) / Robert H. Rees (Attorney) / Shannon C. Halverson (Attorney) / Sidnee Bailey (Administrative Assistant)

Government Operations

Congressional Vacancies

Action: Approved as a committee bill draft legislation, "[Congressional Vacancies Amendments](#)," which modifies the process to fill a vacancy in the office of United States senator and creates a process to fill a vacancy in the office of United States representative.

Action: Approved as a committee bill draft legislation, "[Joint Rules Resolution – United States Senate Vacancy](#)," which establishes a process for the Legislature to nominate individuals to temporarily fill a vacancy in the office of United States Senator.

Executive Boards and Commissions

Received statutorily required reports from the [Governor's Office](#) and the [Office of Legislative Research and General Counsel](#) regarding each board and commission in the state, including statutory changes recommended by the boards and commissions.

Discussed progress on the committee's draft legislation, "Executive Boards and Commissions Amendments," and reviewed a [document](#) from committee staff regarding policies for the committee's consideration.

Action: Amended and approved an [outline](#) for the committee's draft legislation, "Executive Boards and Commissions Amendments."

Government Use of Facial Recognition Technology

Action: Opened a committee bill file to address government use of facial recognition technology.

Petition Administration

Action: Opened a committee bill file to create a state-administered process for receiving and processing petition signatures electronically.

Prescription Drug Disposal

Action: Opened a committee bill file to create a statewide prescription drug disposal program modeled after programs implemented by local governments.

Action: Opened a committee bill file to address water quality issues associated with the improper disposal of prescription drugs.



Technical Corrections

Action: Approved as a committee bill draft legislation, "[Election and Campaign Amendments](#)," which addresses corrections to the Utah Code identified by the Office of the Lieutenant Governor and committee staff.

Chairs: Rep. Marc K. Roberts / Sen. Daniel W. Thatcher

Staff: Brian J. Bean (Policy Analyst) / Thomas R. Vaughn (Attorney) / Tracey Fredman (Administrative Assistant)

Health and Human Services

Family Planning Services: Administration of Title X Funding

Considered whether the committee should request the drafting of legislation that would waive parental consent requirements for state and local health departments to qualify for federal funding of family planning services provided to minors.

Healthcare Spending: Price Transparency Tool for Consumers

Received a [report](#) from the state auditor on the development of an Internet tool that will allow consumers to compare the cost of specific medical procedures across healthcare providers throughout the state. The auditor expects the tool to be available to the public at the beginning of 2020.

Medical Cannabis: Contraindicated Uses

Discussed whether the Utah Code should be amended to clarify that the age-based prohibition on the use of electronic cigarettes includes electronic cigarettes used to administer medical cannabis.

Action: Agreed to request that the sponsor of a 2020 medical cannabis clean-up bill include the clarification in the bill.

Substance Misuse: Controlled Substances Advisory Committee Recommendations

Considered draft legislation that implements the [2019 recommendations of the Controlled Substances Advisory Committee](#).

Action: Adopted as a committee bill draft legislation, "[Controlled Substances Revisions](#)," which adds a "spice" compound to the Utah Controlled Substances Act and adds two individuals to the Division of Occupational and Professional Licensing's [Controlled Substances Advisory Committee](#).

Substance Misuse: Medical Record Falsification

Considered draft legislation that would apply a definition of unprofessional conduct, which currently only applies to nurses, to physicians, physician assistants, nurse midwives, podiatrists, dentists, dental hygienists, optometrists, and pharmacists. The definition includes knowingly entering false or misleading information on a medical record or knowingly altering a medical record for the purpose of concealing any circumstance related to the health care provided to a patient.

Action: Adopted as a committee bill draft legislation, "[Health Care Professional Licensing Amendments](#)," which amends the definition of unprofessional conduct for certain healthcare professionals.

Substance Misuse: Youth Prevention

Considered a proposal by a committee member to create a youth substance abuse prevention workgroup within the Department of Health.

Utah's Mental Health System

Received a [presentation](#) from the Kem C. Gardner Institute, the Utah Hospital Association, and Representative Steve Eliason on "[Tier I Recommendations for Improving Utah's Mental Health System](#)."

Chairs: Rep. Brad M. Daw / Sen. Allen M. Christensen

Staff: Karin M. Rueff (Policy Analyst) / Mark D. Andrews (Policy Analyst) / Daniel M. Cheung (Attorney) / Ericka A. Evans (Attorney) / Rikka Strong (Attorney) / Nathan Erickson (Administrative Assistant)



Health Reform Task Force

October 3, 2019

Federal Health Insurance Marketplace: Projected Carrier Participation in 2020

[Briefed](#) by the Insurance Department on projected 2020 health insurer participation in Utah's individual and small group markets, including the individual health insurance exchange created by the federal Affordable Care Act.

Generic Drugs: Update on Price-fixing Lawsuits

Briefed by the Office of the Attorney General on two lawsuits dated [May 2019](#) and [June 2019](#) to which the state of Utah is a party, both alleging price-fixing by generic drug manufacturers. The office indicated that a lack of transparency in drug pricing and purchasing contributed to the alleged behavior and resolution of the lawsuits could take years.

Prescription Drugs Prices: Transparency and Other Requirements

Considered [recommendations](#) by America's Health Insurance Plans, an organization representing health insurers, for addressing the escalating cost of prescription drugs, and received a [report](#) from a national researcher on model legislation addressing price transparency for prescription drugs.

Chairs: Rep. James A. Dunnigan / Sen. Allen M. Christensen

Staff: Karin M. Rueff (Policy Analyst) / Mark D. Andrews (Policy Analyst) / Daniel M. Cheung (Attorney) / Rikka Strong (Attorney) / Nathan Erickson (Administrative Assistant)

Higher Education Strategic Planning Commission

September 24, 2019

Report from the National Center for Higher Education Management Systems

Heard and discussed draft [findings and recommendations](#) regarding Utah's postsecondary education systems from the consultant selected by the commission.

Chairs: Speaker Brad R. Wilson / Sen. Ann Millner

Staff: Allyson R. Hicks (Policy Analyst) / Nathan W. Brady (Policy Analyst) / Sean C. Faherty (Financial Analyst) / Amy Shewan (Attorney) / Michael E. Curtis (Attorney) / Jesse Dowdle (Administrative Assistant)

Judiciary

Alimony and Retirement

Action: Adopted as a committee bill draft legislation, "[Divorce Amendments](#)," which amends the circumstances under which a district court may modify an alimony order.

Assessment and Treatment of a Substance Use Disorder

Action: Adopted as a committee bill draft legislation, "[Substance Use Treatment and Assessment Decisions Amendments](#)," which provides that in a justice court a private entity that conducts a court-ordered assessment of an individual to determine if the individual needs substance use disorder treatment may not also provide court-ordered substance use disorder treatment to the individual.

Asset Forfeiture

Heard an update on the status of draft legislation related to asset forfeiture.

Vaping and E-cigarettes

Action: Adopted as a committee bill draft legislation, "[Tobacco Retailer Amendments](#)," which modifies the definition of a retail tobacco specialty business, amends the number of times that a peace officer may conduct an investigation of a retail shop for underage tobacco sales, and amends permit violations for tobacco retailers.

Chairs: Rep. Karianne Lisonbee / Sen. Todd Weiler

Staff: Joseph T. Wade (Policy Analyst) / Jacqueline Carlton (Attorney) / Nathan Erickson (Administrative Assistant)

Law Enforcement and Criminal Justice

Dangerous Weapons at School

Received a [presentation](#) from the Salt Lake County District Attorney's Office about the statutory responses to threats and dangerous weapons in schools.

Action: Voted to open a committee bill file to address civil commitment firearm restrictions.

Firearm Safety Program

Received a [presentation](#) from the Division of Substance Abuse and Mental Health on the firearm safety program created in 2019.



Firearm Violence and Data

Received a [presentation](#) from the Crime Prevention Research Center on the efficacy of universal background checks and red flag laws.

Firearms and Domestic Violence

Received a [presentation](#) from the Utah Domestic Violence Coalition on the use of firearms in instances of domestic violence.

Chairs: Rep. Lee B. Perry / Sen. Keith Grover

Staff: John Feinauer (Policy Analyst) / Chelsea Grant (Attorney) / Esther D. Chelsea-McCarty (Attorney) / Tracey Fredman (Administrative Assistant)

Legislative Management Committee

October 16, 2019

Letters from Committees

Action: Voted to approve two requests from the Federalism Commission: the first to hire a consultant to represent the Legislature regarding public lands; and, second, a request to hire a consultant to develop land use plans for federally controlled public lands in the state.

Appointments to Legislative Water Development Commission

Action: Voted to approve the appointment of a non-voting member to the Legislative Water Development Commission at the request of the chairs of the commission.

Appointments to the Children and Family Law Committee

Action: Voted to approve Senator Todd Weiler's service on the Children and Family Law Committee, as required by [Utah Code Subsection 36-12-21\(2\)\(b\)](#).

Risk Management Settlement Approval

Heard a request from the Division of Risk Management for approval by the Legislative Management Committee to settle a claim regarding a collision involving a Salt Lake Community College employee and a pedestrian in a crosswalk.

Action: Voted to recommend that the Division of Risk Management execute the financial settlement agreement in the case.

Settlement Approval

Heard a request from the Attorney General's Office for approval by the Legislative Management Committee to settle a claim regarding the Shurtleff vs. State of Utah litigation.

Action: Voted to recommend that the Attorney General's Office execute the financial settlement agreement in the case.

Chairs: Sen. J. Stuart Adams / Rep. Brad R. Wilson

Staff: John Q. Cannon (Director) / John L. Fellows (General Counsel) / Newlyn Kiem (Executive Assistant)

Legislative Water Development Commission

October 15, 2019

Aging Infrastructure: Capital Asset Plans by Large Water Districts

Received a [report](#) from the Washington County Water Conservancy District and the Central Utah Water Conservancy District on the efforts of the large water conservancy districts to plan and pay for the replacement of aging water infrastructure.

Bear River Project

Received a [report](#) from the Division of Water Resources on the status of the proposed Bear River Project.

Lake Powell Pipeline

Received a [report](#) from the Division of Water Resources on status of the proposed Lake Powell pipeline project.

Southern Nevada Water Authority

Received a report from the Great Basin Water Network on the recent activities of the Southern Nevada Water Authority related to groundwater in the Snake Valley.

State Water Policy

Discussed a [document](#) that outlines a potential state water policy.

Water Banking

Received a [presentation](#) from Senator Jani Iwamoto on water markets and water banking in Utah.

Chairs: Rep. Keven J. Stratton / Sen. David P. Hinkins

Staff: J Brian Allred (Policy Analyst) / Patricia Owen (Attorney) / Rikka Strong (Attorney) / Sidnee Bailey (Administrative Assistant)



Natural Resources, Agriculture, and Environment

Jordan River Recreation Area Funding Management

Action: Adopted as committee bill draft legislation, "[Jordan River Recreation Area Funding Management](#)," which clarifies that the Division of Forestry, Fire, and State Lands manages the money appropriated to programs related to the Jordan River Recreation Area and provides that the money appropriated to programs related to the Jordan River Recreation Area are non-lapsing.

Energy Advisor Report / Review of Energy Policy

Received a [report](#) from the Governor's Office of Energy Development on the status and development of the state's energy resources and activities. Reviewed state energy [policy](#) and discussed the importance of energy development and its impact on Utah's economy.

Performance Audit of the Repayment Feasibility of the Lake Powell Pipeline

Received a [report](#) from the Office of the Legislative Auditor on its audit of the repayment feasibility of the Lake Powell Pipeline.

Action: Passed motions to recommend that legislation be drafted clarifying in statute:

- the terms for repayment, including state bond interest costs for the Lake Powell Pipeline;
- how repayment costs can be divided among and within repayment contracts;
- final repayment time frames for outstanding pipeline reimbursable costs; and
- whether multiple sources of funding for the Lake Powell Pipeline would be in the best interests of the state.

Public Lands Policy Coordinating Office

Received a report from the Public Lands Policy Coordinating Office on the statutorily defined duties of the office related to the transfer of public lands to the state.

State Monuments Report

Received a report from the Division of State Parks and Recreation on the proposed creation of state monuments at Danger Cave State Park Heritage Area and Old Iron Town State Park Heritage Area.

Action: Voted to open committee bill files to create the Danger Cave State Monument and Old Iron Town State Monument.

Trail Improvement Amendments

Considered draft legislation, "[Trail Improvement Amendments](#)," which allows for the exercise of eminent domain for trails meeting certain criteria.

Uintah Basin Air Quality Research Project

Received a [report](#) from the Bingham Entrepreneurship and Energy Research Center at Utah State University on the Uintah Basin wintertime ozone air quality research [project](#).

Chairs: Rep. Keven J. Stratton / Sen. Ralph Okerlund

Staff: J Brian Allred (Policy Analyst) / Patricia Owen (Attorney) / Rikka Strong (Attorney) / Sidnee Bailey (Administrative Assistant)

Political Subdivisions

Impact Fees

Received a [presentation](#) on impact fee analysis and consulting from Zions Public Finance. Discussed historical and regional trends related to impact fees and received a [presentation](#) from the Utah League of Cities and Towns and the Layton City attorney. Heard counterarguments from the Utah Home Builders Association.

Land Use Task Force

Received a brief update from the Land Use Task Force on what the task force is currently discussing for the upcoming general session.

Local Government and Limited Purpose Entity Registry Amendments

Discussed draft legislation, "[Local Government and Limited Purpose Entity Registry Amendments](#)," with suggestions for changes from committee members.

2019 General Session S.B. 34 Implementation

Received an [overview](#) of 2019 General Session S.B. 34, "[Affordable Housing Modifications](#)," from committee staff. Discussed how S.B. 34 is impacting the general and



moderate income housing plans and the use and transportation decisions of local governments.

Received presentations from the:

- [Utah League of Cities and Towns](#);
- [Wasatch Front Regional Council](#);
- [Utah Transit Authority](#);
- Department of Transportation; and
- City of Taylorsville senior planner and representative of the [American Planning Association Utah Chapter Legislative Committee](#).

Chairs: Rep. Stephen G. Handy / Sen. Jacob L. Anderegg

Staff: Samantha D. Brucker (Policy Analyst) / Victoria Ashby (Attorney) / Sidnee Bailey (Administrative Assistant)

Public Utilities, Energy, and Technology

5G Internet Technology

Studied the state's progress in upgrading to fifth-generation cellular wireless (5G) technology through a committee staff [brief](#) and a [presentation](#) from the Platform for Open Wireless Data-driven Experimental Research (POWDER) project administered by the University of Utah and other partners.

Received an [update](#) from the Department of Transportation on the status of small wireless facilities deployment within the department's right-of-way jurisdiction.

Energy Production Financing Amendments

Heard an overview of draft legislation, "[Energy Production Financing Amendments](#)," from the sponsor, which provides a mechanism for energy production facilities to have access to secure means of financing while transitioning from current sources of energy to future sources and ensuring that customers have continuous access to reliable electricity.

Sales and Use Tax Modifications

Considered draft legislation, "[Sales and Use Tax Modifications](#)," which:

- enacts a sales and use tax exemption for the purchase or lease of certain types of machinery, equipment, and materials by an oil and gas extraction establishment or a pipeline transportation establishment;
- expands the sales and use tax exemption to certain

purchases by an electric generation and transmission facility; and

- enacts a sales and use tax exemption for charges for certain activities pertaining to facilities owned by an electrical corporation.

***Action:** Amended draft committee legislation, "Sales and Use Tax Modifications," to include a three-year phase-in sales tax exemption and directed staff to create a dynamic fiscal note in preparation for the draft legislation's return to the November meeting agenda.*

Public Service Commission Hearing Amendments

Considered draft legislation, "[Public Service Commission Hearing Amendments](#)," which amends the 20-day rehearing process deadline to 30 days pursuant to [Utah Code Subsection 54-7-15\(2\)](#), allowing the Public Service Commission (PSC) and stakeholders more time to deliberate when there is an appeal to a PSC decision.

***Action:** Approved as a committee bill draft legislation, "Public Service Commission Hearing Amendments."*

Energy Producer States' Agreement Report

Heard a report, pursuant to [Utah Code Subsection 36-12-20 \(3\)](#), from the Energy Producer States' Coalition on the Energy Producer States' Agreement activities throughout the past year.

Utah's Hydrogen Market

Heard an update on Utah's hydrogen energy market, including the potential for coal-fired power plants to engage in hydrogen production through coal gasification technology.

Chairs: Rep. Carl R. Albrecht / Sen. Ronald Winterton

Staff: Sarah J. Bolland (Policy Analyst) / Shannon C. Halverson (Attorney) / Cherish Cosman (Administrative Assistant)

Retirement and Independent Entities

October 17, 2019

Public Safety and Firefighter Tier II Retirement Enhancements

Discussed draft legislation, "[Public Safety and Firefighter Tier II Retirement Enhancements](#)," pertaining to the uncoded study enacted by 2019 General Session S.B. 129, "Public Safety and Firefighter Tier II Retirement Enhancements."



Utah Retirement Systems Amendments

Considered draft legislation, "[Utah Retirement Systems Amendments](#)," which is based upon annual recommendations from Utah Retirement Systems that make technical and administrative changes to statute in order to keep the Utah State Retirement and Insurance Benefit Act updated.

Action: Approved as a committee bill draft legislation, "Utah Retirement Systems Amendments."

Heber Valley Historic Railroad Authority Sunset Date Extension

Considered draft legislation, "[Heber Valley Historic Railroad Authority Sunset Date Extension](#)," which reauthorizes Utah Code Title 63H, Chapter 4, [Heber Valley Historic Railroad Authority](#), for a period of 10 years and establishes a new sunset date of July 1, 2030.

Action: Approved as a committee bill draft legislation, "Heber Valley Historic Railroad Authority Sunset Date Extension."

Utah Retirement Systems Update and Retirement Contribution Rates

Received [information](#) relating to funding and contribution rate matters, including the Utah State Retirement Board's recently adopted preliminary contribution rates for fiscal year 2021.

Utah Retirement Systems Actuary Update

Received a [presentation](#) from Gabriel Roeder Smith & Company, the Utah Retirement Systems (URS) contracted firm, reviewing the actuary's role with URS and actuarial methods, valuations, and assumptions.

Utah Retirement Systems Operating Budget

Received an [overview](#) of Utah Retirement Systems' operating budget pursuant to statute.

Chairs: Rep. Craig Hall / Sen. Wayne A. Harper

Staff: Sarah J. Bolland (Policy Analyst) / Shannon C. Halverson (Attorney) / Peter Asplund (Attorney) / Sidnee Bailey (Administrative Assistant)

Revenue and Taxation

Circuit Breaker Amendments

Discussed draft legislation, "[Circuit Breaker Amendments](#)," which modifies provisions related to the tax relief commonly known as "circuit breaker."

Action: Approved as a committee bill draft legislation, "Circuit Breaker Amendments."

Fuel Sales Tax Amendments

Discussed draft legislation, "[Fuel Sales Tax Amendments](#)," which modifies provisions related to the taxation of the sale of certain fuels furnished to a location through a single meter.

Action: Approved as a committee bill draft legislation, "Fuel Sales Tax Amendments."

Required Annual Review of Certain Income Tax Credits

Conducted a review of the [Recycling Market Zone tax credit](#) and discussed whether it should be continued, modified, or repealed.

Required Sunset Reviews

Conducted sunset reviews of the [tax credit for heavy duty natural gas vehicles](#) and a [provision](#) related to distribution of certain revenue generated from a certain local option sales tax for transportation to determine if they should be reauthorized or allowed to expire by their current sunset dates.

Action: Opened a committee bill file to extend the sunset date for the Heavy Duty Natural Gas Vehicles tax credit and extend the sunset date until 2030.

Sales Tax Trends

Received a [presentation](#) from Dr. William F. Fox, Director, Boyd Center for Business and Economic Research at the University of Tennessee, regarding trends in sales tax collections, narrowing of sales tax base, exemptions, and remote sales.

Tangible Personal Property Revisions

Discussed draft legislation, "[Tangible Personal Property Revisions](#)," which amends provisions related to tax exemptions for tangible personal property.

Action: Approved as a committee bill draft legislation, "Tangible Personal Property Revisions."



Tax Burden in Utah

Received a [presentation](#) from the Utah Foundation on the status of Utah's overall tax burden.

Tax Restructuring and Equalization Task Force Update

Received a status update on the progress of the Tax Restructuring and Equalization Task Force from Representative Robert M. Spendlove.

Transient Room Tax

Received a [presentation](#) from the State Tax Commission on tax compliance and enforcement, followed by a [presentation](#) from the Utah Tourism Industry Association, Garfield County Tourism, Garfield County Commission, and Uintah County Tourism regarding issues with transient room tax collection and remittance.

Use and Taxation of Water in Utah

Discussed water revenue breakdown [reports](#) as required under Title 17B, Chapter 2a, Part 6, [Metropolitan Water District Act](#), and Title 17B, Chapter 2a, Part 10, [Water Conservancy District Act](#).

Received presentations from Jordan Valley Water Conservancy District and Upper Sevier Water Conservancy District.

State Tax Commission Authority to Reallocate Income Between Two Related Companies

Action: Opened a committee bill file to address the issue stemming from "Utah State Tax Commission v. See's Candies, Inc."

Chairs: Rep. Robert M. Spendlove / Sen. Lincoln Fillmore
Staff: Alex R. Janak (Policy Analyst) / Ryan M. Hunter (Policy Analyst) / Andrea Valenti Arthur (Attorney) / Christine R. Gilbert (Attorney) / Jesse Dowdle (Administrative Assistant)

Tax Restructuring and Equalization Task Force

September 26, 2019

Explore and Consider Policy Options

Received a [presentation](#) from task force staff and the Office of the Legislative Fiscal Analyst regarding constitutional and statutory earmarks and sales tax dedications for transportation and water, and discussed related policy options and considerations.

Received a [presentation](#) from the Department of Transportation regarding transporting governance and funding.

Received a [presentation](#) from the Governor's Office of Management and Budget on water usage and fees, and introduced policy considerations to the task force.

Explore and Consider Policy Options

Received a joint [presentation](#) from task force staff and the Office of the Legislative Fiscal Analyst describing possible policy options regarding sales tax exemptions, inclusion of additional services in the sales tax base, and options for avoiding pyramiding.

Review of Policy Options Studied and Next Steps

Reviewed a collection of [policy options](#) studied during the "Study Phase" of the task force, and discussed plans moving forward regarding policy proposals.

Action: Opened a task force bill file.

Chairs: Rep. Francis D. Gibson / Sen. Lyle W. Hillyard
Staff: Alex R. Janak (Policy Analyst) / Ryan M. Hunter (Policy Analyst) / Andrea Valenti Arthur (Attorney) / Christine R. Gilbert (Attorney) / Jesse Dowdle (Administrative Assistant)

Transportation

Autonomous Vehicles

Received an [update](#) from the Department of Transportation on autonomous and connected vehicles. Committee members were then invited to take a demonstration ride in an autonomous shuttle.

C Decals for High Occupancy Vehicle Lane Use

Received an update on changes at the federal level impacting Utah's C Decals for High Occupancy Vehicle lane use, which resolve concerns discussed in the May 15 meeting that led the committee to open a bill file.

Draft Legislation: "Joint Resolution Recognizing School Bus Drivers"

Discussed a [draft resolution](#) recognizing the efforts of Utah's school bus drivers on behalf of students and parents.

Action: Approved as a committee bill draft legislation, "Joint Resolution Recognizing School Bus Driver," as amended, which recognizes school bus drivers for their skills, dedication, leadership, and efforts to foster student and parent relationships.



Report: Utah Transit Authority Retirement

Benefits

Received a statutorily required [report](#) and [presentation](#) regarding Utah Transit Authority retirement benefits, including the feasibility of the Utah Transit Authority becoming a participating employer and having retirement benefits of eligible employees and officials covered in applicable systems and plans administered under the Utah State Retirement and Insurance Benefit Act.

Urban Air Mobility

Received a Department of Transportation [report](#) and statutory and infrastructure proposals supporting urban air mobility in the state.

Utah Transit Authority Governance Status

Received a combined [presentation](#) from the Office of the State Auditor, the Division of Finance, and the Governor's General Counsel and an additional presentation from the Attorney General's Office regarding whether the Utah Transit Authority remains a local district as organized pursuant to statute or is now considered a state entity under the new governance structure established by 2018 General Session S.B. 136, "[Transportation Governance Amendments](#)."

Chairs: Rep. Kay J. Christofferson / Sen. Wayne A. Harper

Staff: Art L. Hunsaker (Policy Analyst) / Ryan M. Hunter (Policy Analyst) / Gus Harb (Attorney) / Kurt P. Gasser (Attorney) / Cherish Cosman (Administrative Assistant)

