# INTERIM HIGHLIGHTS

August 2020 Vol. 20, No. 2



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Legislation Passed in the Sixth Special Session

# **Legislative Interim Meetings**

# **Business and Labor**

August 18, 2020

### **Accessory Dwelling Units**

Discussed policies related to accessory dwelling units and how laws, including construction requirements, compare for accessory dwelling units, single-family dwelling units, and duplex units.

Discussed making accessory dwelling units affordable while maintaining safety.

Heard remarks from the <u>Utah League of Cities and Towns</u>, State Fire Marshal Division, Division of Facilities Construction and Management, and Housing and Community Development Division.

# **Alcohol License and Permit Amendments**

Discussed legislation prepared for the 2020 Sixth Special Session that would change alcohol-related licenses and permits. The bill would:

- delay the expiration date for several different retail licenses until December 22, 2020;
- adjust the percentage of annual gross receipts from the sale of alcoholic products that must be maintained by a reception center licensee and determine what is included in that percentage;
- define hospitality room for a public service permittee;
- allow a public service permittee operating at an international airport to change its location; and
- establish the approval function for a public service permittee's change in location request.

**Action:** Voted to recommend legislation H.B. 6006, "Alcohol License and Permit Amendments," for consideration during the 2020 Sixth Special Session.

# Cosmetology and Associated Professions Amendments

Discussed legislation prepared for the 2020 Sixth Special Session that addresses online instruction as part of the qualifications for licenses in cosmetology and associated professions. The bill would allow a barber school, cosmetology/barber school, electrologist school, esthetics school, hair design school, or nail technology school to offer up to 50% of the school's total per program curriculum online, in accordance with standards adopted by an applicable nationally recognized accrediting organization. The bill would also provide a sunset date of July 1, 2022. Received a handout from the Utah Beauty School Association.

Action: Voted to recommend legislation, H.B. 6005, "Cosmetology and Associated Professions
Amendments," for consideration during the 2020 Sixth Special Session.

# Pharmaceutical Industry and COVID-19

Heard presentations from the <u>Pharmaceutical Research</u> and <u>Manufacturers of America</u> and <u>BioUtah</u> and received a <u>handout</u> regarding the biopharmaceutical industry's progress and potential next steps for states to consider in developing new treatments and vaccines to combat COVID-19.

#### State Fire Code

Discussed the administration of the state fire code, how municipalities adopt appendices to the International Fire Code, and municipalities' reporting process after they adopt an appendix.

Heard remarks from an architect, the State Fire Marshal Division, the Salt Lake City Deputy Fire Marshal, and the Unified Fire Authority Fire Marshal.

#### **Tobacco Retailer Amendments**

Discussed legislation prepared for the 2020 Sixth Special Session that clarifies the conditions that a retail tobacco specialty business must meet to be exempt from a requirement that the retail tobacco specialty business be located a certain distance from a community location.

**Action:** Voted to recommend legislation, S.B. 6008, "Tobacco Retailer Amendments," for consideration during the 2020 Sixth Special Session.

## **Utah Motor Vehicle Franchise Advisory Board**

Discussed the Utah Motor Vehicle Franchise Advisory Board's recent report, indicating no new applications for a proposed new or relocated motor vehicle dealership.

Chairs: Rep. James A. Dunnigan / Sen. Curtis S. Bramble Staff: Adam J. Sweet (Policy Analyst) / Amy L. West (Attorney) / Patrick Grecu (Attorney) / Leila Reynolds (Administrative Assistant)

# **Criminal Code Evaluation Task Force**

June 30, 2020

### **Fraud**

Received presentations from the <u>State Bureau of Investigation</u>, the Department of Commerce, and <u>eBay</u> about anti-fraud measures and effective ways to target scammers leveraging pandemic fears.

### **Sexual Exploitation of a Minor**

Received presentations from the <u>Administrative Office of the Courts</u> and the Internet Crimes Against Children Task Force about issues related to sentencing for child pornography violations.

August 06, 2020

# **Operation Rio Grande**

Received comments from the Department of Public Safety, the Salt Lake City Mayor's Office, and the Salt Lake County Sheriff's Office on the handling of Operation Rio Grande and how each entity plans to move forward with the program.

# Policy Ideas for Law Enforcement Use of Deadly Force

Received a <u>presentation</u> from the Salt Lake County District Attorney's Office detailing 22 suggestions for reforming Utah's use of deadly force statute.

# **Sexual Exploitation of a Minor**

Received a <u>presentation</u> from the Internet Crimes Against Children Task Force updating the task force on cases of sexual exploitation of minor that are transferred to federal jurisdiction for investigation.

Chairs: Rep. Paul Ray / Sen. Karen Mayne Staff: John Feinauer (Policy Analyst) / Esther D. Chelsea-McCarty (Attorney) / Tracey Fredman (Administrative Assistant)

# **Economic Development and Workforce Services**

August 18, 2020

#### **Audit Report**

Received a <u>presentation</u> from the Office of the Legislative Auditor General regarding its <u>performance audit</u> of the Permanent Community Impact Fund. The performance audit evaluated whether funds are used effectively and in accordance with the fund's intended purpose and the project prioritization process.

Action: Voted to bring the Permanent Community Impact Fund Board back before the committee at a future meeting to report on implementation of the audit's findings and to open a committee bill file to make any statutory changes necessary to implement the audit's findings.



### **Economic Recovery Programs**

Discussed draft legislation, "CARES Act and COVID-19 Assistance and Recovery Amendments," prepared for the 2020 Sixth Special Session. The draft legislation would modify provisions related to economic recovery programs created by the state in response to the COVID-19 emergency, including:

- the COVID-19 Cultural Assistance Grant Program;
- the COVID-19 residential housing assistance program;
- the COVID-19 Commercial Rental Assistance Program;
- the COVID-19 Impacted Business Grant Program; and
- the COVID-19 PPE Support Grant Program.

The bill also would create the Oil, Gas, and Mining Grant Program within the Governor's Office of Economic Development and describe how a provision of the CARES Act applies to tenants under state law.

Action: Voted to recommend draft legislation, "CARES Act and COVID-19 Assistance and Recovery Amendments," for consideration during the 2020 Sixth Special Session.

### **Redevelopment Agencies**

Discussed the needs of redevelopment agencies related to the effects of the COVID-19 emergency.

Discussed legislation prepared for the 2020 Sixth Special Session, S.B. 6001, "Community Reinvestment Agency Modifications," to address those needs. The bill would allow a community reinvestment agency (CRA) to:

- extend the tax increment collection period for certain project areas impacted by the COVID-19 emergency for up to one year; and
- use CRA funds, on or before December 31, 2021, to provide grants, loans, or other assistance to certain small businesses located within the CRA's boundaries and negatively impacted by the COVID-19 emergency.

Action: Voted to recommend S.B. 6001, "Community Reinvestment Agency Modifications," for consideration during the 2020 Sixth Special Session.

Chairs: Rep. Mike Winder / Sen. Daniel McCay Staff: Julie Humberstone (Policy Analyst) / Peter Asplund (Attorney) / Leila Reynolds (Administrative Assistant)

# **Education**

August 19, 2020

# **Emergency Drills**

Action: Voted to recommend proposed legislation, H.B. 6004, "School Emergency Drills Amendments," for consideration during the 2020 Sixth Special Session. The bill would exempt Group E occupancies, including schools, from statutory requirements to conduct emergency evacuation drills through February 28, 2021. Schools would instead be required to provide monthly, in-class instruction on emergency evacuation procedures.

# Public Education COVID-19 Response and Recovery - School Openings

The committee received presentations on reopening schools in the 2020-2021 school year from:

- the State Board of Education;
- the Department of Health;
- the Utah Education Association;
- the School Superintendents Association and School Boards Association; and
- the State Charter School Board.

Presenters discussed the health and safety measures school and school district leaders are implementing prior to and during the process of reopening schools for the 2020-2021 school year due to concerns about the spread of the coronavirus disease (COVID-19).

#### **Public Education Funding**

Action: Voted to recommend proposed legislation, H.B. 6012, "Public Education Funding and Enrollment Amendments," for consideration during the 2020 Sixth Special Session. The bill addresses public school funding and enrollment issues. The bill would:

- allow the State Board of Education to use any day(s) in 2020 when counting average daily membership for the 2020-2021 growth factor;
- reinstate a salary supplement for National Boardcertified teachers and appropriate funding;
- allow charter schools to give enrollment preference in the 2021-2022 school year to students who withdraw from the school to attend an online or home school in the 2020-2021 school year because of the COVID-19 emergency; and
- allow the state board to use certain federal funds and nonlapsing Minimum School Program funds for charter school local replacement funding in the 2020-2021 school year in anticipation of potential increases in charter school enrollment.

Chairs: Rep. V. Lowry Snow / Sen. Deidre M. Henderson Staff: Allyson R. Hicks (Policy Analyst) / Micah Ann Wixom (Policy Analyst) / Michael E. Curtis (Attorney) / Amy Shewan (Attorney) / Diana Rodriguez (Administrative Assistant)



# **Federalism Commission**

June 22, 2020

# Payment In Lieu of Taxes (PILT) Payments as Federal Stimulus

Discussed seeking full PILT payments from the federal government as economic stimulus for the state.

Discussed draft legislation, "Concurrent Resolution Calling Upon the National Government to Fund the Payments in Lieu of Taxes (PILT) on a Tax Equivalency Basis as Emergency and Long-term Stimulus for Utah Citizens, Schools, Counties, and the State."

# Requests for Proposals - Chair's Update

Received an update from the commission chairs on two Requests for Proposals: "Consulting Services for the Development of Land Management Plans" and "Policy Advocacy Consulting Services."

Chairs: Rep. Keven J. Stratton / Sen. Lincoln Fillmore Staff: Samantha D. Brucker (Policy Analyst) / Kurt P. Gasser (Attorney) / Robert H. Rees (Attorney) / Cherish Cosman (Administrative Assistant) / Finn Andrew Rose (Administrative Assistant)

# **Government Operations**

August 18, 2020

### **Elections**

Discussed draft legislation, "Election Amendments," which would make changes to the Election Code and related provisions, as they relate to the 2020 regular general election, to ensure the election is conducted in a manner that protects the public's health and safety given the COVID-19 pandemic and would modify ballot harvesting provisions in relation to all elections.

Action: Voted to recommend draft legislation, "Election Amendments" for consideration during the 2020 Sixth Special Session.

#### **Local Referenda Laws**

Discussed draft legislation, "Local Referendum Amendments," which would modify the elections at which a referendum relating to legislative action taken after April 15 may appear on the ballot.

The bill would also enable an election officer to place a referendum on the ballot for the next general election if the election officer determines that the requirements to be completed before placing the referendum on the ballot will be completed in a timely manner.

**Action:** Voted to recommend draft legislation, "Local Referendum Amendments," for consideration during the 2020 Sixth Special Session.

### **Plurality**

Received a <u>presentation</u> from committee staff regarding plurality in Utah, how plurality is addressed by the 50 states, and information gathered from the Municipal Alternate Voting Methods Pilot Project.

The committee also received comments from the Lieutenant Governor's Office, Utah County Clerk/Auditor's Office, and Weber County Clerk/Auditor's Office.

**Action:** Voted to open a committee bill file regarding ranked choice voting.

#### **Public Information Website Revisions**

Studied revisions addressed in 2020 General Session H.B. 286, "Public Information Website Revisions," which would have:

- required the Division of Archives and Records Service to create and maintain the Utah Open Records Portal Website to serve as a point of access for Government Records Access and Management Act requests;
- clarified provisions relating to the membership and duties of the Utah Transparency Advisory Board; and
- required the Department of Technology Services to create and maintain the Utah Open Data Portal Website to serve as a point of access for public information.

**Action:** Voted to open a committee bill file to address the public information website revisions.

#### **State Disaster Task Force**

Studied local governments' ability to request support from a state disaster task force.

Received an overview from Utah Task Force 1 (UT-TF1) regarding <u>background</u> and <u>proposed legislation</u> that would allow an <u>interlocal agreement</u> between the state of Utah and the Unified Fire Authority as the sponsoring agency of UT-TF1.

**Action:** Voted to open a committee bill file to address local governments' ability to request support from a state disaster task force.

Chairs: Rep. Marc K. Roberts / Sen. Daniel W. Thatcher Staff: Lisa Sorensen (Policy Analyst) / Alan Houston (Attorney) / Thomas R. Vaughn (Attorney) / Tracey Fredman (Administrative Assistant)





# **Health and Human Services**

August 19, 2020

### 2020 6th Special Session Legislation

Reviewed S.B. 6006, "<u>Department of Health</u>
<u>Modifications</u>," which amends the qualifications for appointment as the executive director of the Department of Health

Reviewed H.B. 6011, "Pharmaceutical Reporting Amendments," which amends Prescription Drug Price Transparency Act reporting requirements for drug manufacturers, health insurers, and the Insurance Department.

Reviewed H.B. 6003, "Premium Subsidy Amendments," which amends the maximum premium subsidy the Department of Health may request for Medicaid's Utah Premium Partnership for Health Insurance program.

Action: Voted to recommend H.B. 6003, "Premium Subsidy Amendments," for consideration during the 2020 Sixth Special Session

#### COVID-19

Briefed by the Department of Health on the state's <u>Unified</u> <u>Response Plan</u> for addressing COVID-19, including the plan's two primary goals and six secondary goals.

Also discussed the <u>state's response to COVID-19</u>, including testing, since the department's last report to the committee in June.

#### **Ethical Drug Framework**

Considered a proposal to create a framework for determining which prescription drugs should be available to consumers without a specific prescription from a healthcare practitioner. Also, received a report from the regional Consulate General's Office of Canada on the criteria used by Canada to determine which prescription drugs do not require a specific prescription.

### **Medical Cannabis**

Received updates on Utah's medical cannabis program, and recommendations for legislative action, from the <a href="Department of Agriculture and Food">Department of Agriculture and Food</a> and the <a href="Department of Health">Department of Health</a>.

#### **Post-Surgery Opioids**

Reviewed 2021 General Session draft legislation, "Controlled Substance Amendments," which would apply the seven-day supply limit for opiate prescriptions to opiates prescribed in conjunction with a surgery.

**Action:** Voted to recommend 2021 General Session draft legislation, "Controlled Substance Amendments," as a committee bill.

Chairs: Rep. Brad M. Daw / Sen. Allen M. Christensen Staff: Karin M. Rueff (Policy Analyst) / Mark D. Andrews (Policy Analyst) / Christopher Williams (Attorney) / Daniel M. Cheung (Attorney) / Ericka A. Evans (Attorney) / Amy Hawkes (Administrative Assistant)

# <u>Higher Education Strategic Planning</u> **Commission**

June 24, 2020

### **Affordability**

Received an <u>update</u> from a commission and Board of Higher Education working group that is studying affordability for postsecondary education.

#### Statewide Attainment Goal

Received a <u>report</u> on a commission working group's progress toward developing a statewide postsecondary attainment goal.

### Transition to a Single Higher Education System

Received an <u>update</u> from a working group regarding the transition from separate higher education systems for degree-granting institutions and technical colleges to a single state system of higher education, which was enacted by 2020 General Session S.B. 111, "Higher Education Amendments."

Chairs: Speaker Brad R. Wilson / Sen. Ann Millner Staff: Allyson R. Hicks (Policy Analyst) / Amy Shewan (Attorney) / Michael E. Curtis (Attorney) / Sean C. Faherty (Finance Officer) / Diana Rodriguez (Administrative Assistant)

# **Judiciary**

August 19, 2020

#### **Criminal Restitution Recodification**

Received a <u>presentation</u> from the Attorney General's Office and the Commission on Criminal and Juvenile Justice's working group regarding potential changes to Utah's criminal restitution process.

**Action:** Voted to request periodic reports from the Attorney General's Office regarding the working group's progress on criminal restitution.

#### **Justice Court Reform**

Received a <u>presentation</u> from the Administrative Office of the Courts and the Task Force on Justice Court Reform regarding potential reform to Utah's justice courts.

#### **Juvenile Court Recodification**

Received a <u>presentation</u> from committee staff regarding possible changes to <u>Title 78A</u>, <u>Chapter 6</u>, <u>Juvenile Court Act</u>.

**Action:** Voted to open a committee bill file to address the recodification of the Juvenile Court Act.

## Review of Appellate Decisions (Follow Up)

Received an <u>overview</u> from committee staff of the 2019-2020 appellate decisions that call for legislative action.



#### **Uniform Electronic Wills Act**

Action: Voted to recommend H.B. 6001, "<u>Uniform</u>
<u>Electronic Wills Act</u>," which permits testators to execute an electronic will and gives the will the same legal effect as a paper will, for consideration during the 2020 Sixth Special Session.

Chairs: Rep. Karianne Lisonbee / Sen. Todd Weiler Staff: Kristina King (Policy Analyst) / Christopher Williams (Attorney) / Jacqueline Carlton (Attorney) / Amy Hawkes (Administrative Assistant)

# **Law Enforcement and Criminal Justice**

August 18, 2020

### 24/7 Sobriety Program

Received a <u>presentation</u> from the Department of Public Safety about the pilot 24/7 sobriety program implemented in Weber County.

**Action:** Voted to open a committee bill file to expand the 24/7 sobriety program statewide.

# **Clarify Disaster Response Statutes**

Received a <u>presentation</u> from committee staff clarifying disaster response authority as outlined in Title 53-2a.

### Law Enforcement Scholarships

Studied the possibility of reopening the Public Safety Officer Career Advancement Reimbursement Program for new applicants.

Action: Approved S.B. 6003, "Law Enforcement Tuition Reimbursement," for consideration during the 2020 Sixth Special Session.

#### **Master Offense List**

Received a <u>report</u> from the Utah Sentencing Commission on the updated Master Offense List.

#### **Peer Support Programs**

Received comments from the Utah Highway Patrol, the Utah Association of Counties, the Unified Fire Authority, the Salt Lake City Police Department, the Utah Police Chiefs Association, and the Professional Fire Fighters of Utah about peer support programs and mental health services for first responders.

**Action:** Voted to open a committee bill file to extend the sunset date for the Mental Health Protections for First Responders Workgroup by five years.

Chairs: Rep. Lee B. Perry / Sen. Keith Grover Staff: John Feinauer (Policy Analyst) / Esther D. Chelsea-McCarty (Attorney) / Tracey Fredman (Administrative Assistant)

# <u>Legislative Water Development</u> Commission

June 22, 2020

# 2020 Interim Study Items

**Action:** Voted to amend and adopt the commission's list of 2020 Interim study items.

# **Aquatic Invasive Species Program**

Received a <u>presentation</u> from the Department of Natural Resources regarding the Aquatic Invasive Species program, including efforts to contain the quagga mussels to known infestations.

# Water Resources, Runoff, Snowpack, and Reservoir Levels

Received presentations on Utah's <u>snowpack</u>, <u>reservoir levels</u>, and the impact of precipitation and climate on the state's <u>water supply</u>.

August 19, 2020

# **Commission Bill Files**

Action: Voted to open commission bill files addressing:

- a statewide aquatic invasive species plan;
- public water entity users;
- extraterritorial jurisdiction of municipalities in watersheds;
- the Lake Powell Pipeline project; and
- Colorado River Basin water needs, supply, and development options.

## **Release of Water from Flaming Gorge**

Received a presentation from a legislator regarding the release of water from Flaming Gorge Reservoir.

**Action:** Voted to open a committee resolution file to encourage the balanced release of water from Flaming Gorge.

# **Water Quality and Algal Blooms**

Received a presentation from the Department of Environmental Quality regarding algal blooms in Utah's rivers and lakes and the status of testing and mitigation to protect the water supply.





# Water Quality Testing in Streams, Rivers, and Lakes

Received a presentation from the Department of Environmental Quality regarding the testing of water quality in the streams, rivers, and lakes within the state.

Chairs: Rep. Keven J. Stratton / Sen. David P. Hinkins Staff: Nathan W. Brady (Policy Analyst) / Patricia Owen (Attorney) / Alan Houston (Attorney) / Cherish Cosman (Administrative Assistant) / Lorna Wells (Committee Secretary)

# Natural Resources, Agriculture, and Environment

August 18, 2020

# **Access to Agriculture Grants and Loans**

Received a summary from the Department of Agriculture and Food regarding the impact of COVID-19 on access to agriculture grants and loans. The department reported that it has approved 500 grants totaling approximately \$12 million and has 700 grant requests outstanding.

# **Automatic Repeal - Compliance Advisory Panel**

Discussed continuing the Compliance Advisory Panel.

### **Electric Vehicle Charging Stations**

Received a report from <u>Rocky Mountain Power</u> and the <u>Department of Transportation</u> regarding programs to expand electric vehicle charging stations in the state.

# Impact of COVID-19 on Agriculture and the Food Supply Chain

Received a summary from the Department of Agriculture and Food regarding the impact of the COVID-19 pandemic on the food supply chain and how the pandemic has impacted the beef industry, pork industry, poultry industry, sheep farmers, and slaughter-house facilities. The department reports that it may request legislative action to increase the number of inspectors as meat production returns to normal levels.

# Impact of COVID-19 on Oil, Gas, and Mining

Received a summary from the Department of Natural Resources and the Division of Oil, Gas, and Mining regarding recommendations for legislative action to help the industry through the fiscal impact of the COVID-19 pandemic. The division expressed support for legislation prepared for the Sixth Special Session that would prohibit the making, amending, or repealing of any regulations and fees until June 30, 2021. The committee heard from the Division of Air Quality.

Action: Voted to recommend S.B. 6004, "Regulatory Certainty Amendments," for consideration during the 2020 Sixth Special Session.

### **Payments in Lieu of Taxes**

Discussed a resolution prepared for the 2020 Sixth Special Session that would request that the federal government increase Utah's federal Payment in Lieu of Taxes (PILT) payments, take action to ensure that future PILT payments be made based on a full property tax equivalency basis, and allow greater state management and local control over federal lands within municipal limits.

Action: Voted to recommend that, H.C.R. 601, "Concurrent Resolution on Federal Government Payments in Lieu of Taxes," be amended during the 2020 Sixth Special Session.

#### Status on the Conversion to Tier III Fuels

Received a report from the <u>Division of Air Quality</u>, <u>HollyFrontier Refinery</u>, and Big West Refinery regarding the status of converting facilities to produce Tier III fuels for consumption in Utah.

Heard from a <u>legislator</u> regarding a website that citizens of the state can use to find out where they can purchase Tier III fuels.

### Sunset Review - Air Quality Advisory Board

Received a recommendation to continue the Air Quality Policy Advisory Board.

# Sunset Review - Federal Lands Application Advisory Committee

Received a recommendation to extend the Federal Lands Application Advisory Committee.

### **Sunset Review - State Weed Committee**

Received a recommendation to continue the State Weed Committee.

#### **Utah Clean Air Caucus**

Received a <u>presentation</u> from members of the Clean Air Caucus regarding issues that the caucus is studying and for which the caucus may come back to the committee with recommendations.

#### **Utah Roadmap**

Received a presentation from the Kem C. Gardner Policy Institute regarding the <u>Utah Roadmap</u>.

Chairs: Rep. Keven J. Stratton / Sen. Ralph Okerlund Staff: Nathan W. Brady (Policy Analyst) / Patricia Owen (Attorney) / Alan Houston (Attorney) / Cherish Cosman (Administrative Assistant) / Lorna Wells (Committee Secretary)



# **Political Subdivisions**

August 19, 2020

# Emergency Powers and the State of Emergency in Response to the COVID-19 Pandemic

Received an update from a legislator regarding the state of emergency declared by the governor in response to the COVID-19 pandemic.

Discussed the emergency powers of the governor and political subdivisions.

#### **Eminent Domain Overview**

Received a <u>presentation</u> from the Property Rights Ombudsman that provided a broad overview of eminent domain.

Received a <u>presentation</u> from the former Property Rights Ombudsman regarding major legislative reforms that occurred in Utah over the past two decades.

Received a <u>presentation</u> from committee staff providing a recap of eminent domain legislation that the Legislature considered during the 2020 General Session.

Received a <u>presentation</u> from the Department of Transportation on how eminent domain is used and the Department of Transportation's process related to eminent domain.

Received a presentation regarding issues cities and towns are facing related to eminent domain.

#### **Municipal Annexation Considerations**

Received a presentation from a legislator regarding H.B. 6007, "Municipal Annexation Revisions," prepared for the 2020 Sixth Special Session, which would modify provisions related to municipal annexation.

**Action:** Voted to support H.B. 6007, "Municipal Annexation Revisions," for consideration during the 2020 Sixth Special Session.

# Sunset Review: Land Use and Eminent Domain Advisory Board

Conducted a sunset review of the Land Use and Eminent Domain Advisory Board.

**Action:** Voted to open a committee bill file to make the Land use and Eminent Domain Advisory Board permanent.

Chairs: Rep. Stephen G. Handy / Sen. Jacob L. Anderegg Staff: Samantha D. Brucker (Policy Analyst) / Gus Harb (Attorney) / Finn Andrew Rose (Administrative Assistant)

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

August 18, 2020

# Berkshire Hathaway Acquisition of Dominion Energy Transmission and Storage Business

Heard from Berkshire Hathaway Energy's subsidiary company, Rocky Mountain Power-PacifiCorp, and Dominion Energy Utah on Berkshire Hathaway's recently announced acquisition of Dominion's natural gas transmission and storage business, as well as Dominion's plans to retain its distribution business, which services Utah customers.

### **Earthquake Preparation for Critical Infrastructure**

The committee heard from Rocky Mountain Power and Utah Education Network on earthquake preparation best practices for Utah's utilities and virtual network infrastructures.

#### **Public Service Commissioner Ron Allen**

The committee heard from recently appointed Commissioner Ron Allen, who previously served on the Public Service Commission as a commissioner and commission chair. Commissioner Allen and current Commission Chair Thad LeVar answered committee questions related to Rocky Mountain Power's Request for Proposal process and the Utah Supreme Court Case Office of Consumer Services v. Utah Public Service Commission, No. 20170364.

#### Public Utilities Consumers and COVID-19

The committee received a status update from the Office of Consumer Services and the Utah Association of Energy Users regarding the impact of COVID-19 on Utah's small commercial and residential public utilities customers.

Chairs: Rep. Carl R. Albrecht / Sen. Ronald Winterton Staff: Sarah J. Balland (Policy Analyst) / Rikka Strong (Attorney) / Cherish Cosman (Administrative Assistant) / Lorna Wells (Committee Secretary)

# **Retirement and Independent Entities**

June 22, 2020

## 2020 H.B. 173, Firefighter Retirement Amendments

Received a <u>presentation</u> from committee staff on 2020 General Session H.B. 173, "<u>Firefighter Retirement</u> <u>Amendments</u>," and the bill's requirement that the committee study the retirement system for current firefighters.

# Impact of COVID-19 on State Health Insurance Risk Pool

Received a <u>presentation</u> from PEHP on how the COVID-19 pandemic has impacted the state health insurance risk pool.

# Federal and State Executive Action Pertaining to COVID-19 and Retirement Law

Received a <u>presentation</u> from Utah Retirement Systems on the temporary suspension of certain post-retirement restrictions and changes to defined contribution savings plans based on federal legislation.



### Study items, Committee Bills

Action: Voted to add one item to the committee's <u>study</u> <u>item list</u>: the Judiciary Interim Committee's referral of the Utah Court of Appeals call upon the Legislature to clarify statute in its decision, Waterfall v. Retirement Board.

**Action:** Voted to authorize the committee chairs to independently open bill files on behalf of the committee.

#### **Utah Beef Council and COVID-19**

Received a presentation from the Utah Beef Council on how the COVID-19 pandemic has impacted the beef industry in Utah.

### **Utah Dairy Commission and COVID-19**

Received a presentation from Dairy West on how the COVID-19 pandemic has impacted the dairy industry in Utah.

### **Utah Education and Telehealth Network**

Received a <u>presentation</u> from the Utah Education and Telehealth Network on how the organization is handling increased demand for network bandwidth during the COVID-19 pandemic.

### **Utah Retirement Systems Funding Updates**

Received a <u>presentation</u> from Utah Retirement Systems on fund performance, the funded ratio, contribution rates, and expectations for 2020 and beyond.

August 14, 2020

#### **Utah State Fair Corporation**

Received a <u>presentation</u> from the Utah State Fair Corporation on how the COVID-19 pandemic is impacting the organization and the organization's options for holding the state fair in 2020.

### **Heber Valley Historic Railroad Authority**

Received a <u>presentation</u> from committee staff on the history of the Heber Valley Historic Railroad and the process for transitioning an independent entity to a private company.

Received a <u>presentation</u> from the Heber Valley Historic Railroad Authority on the reasons that it should remain an independent entity.

# LAG Audit Report #2019-13, A Performance Audit of PEHP's Pharmacy Benefit Manager

Received presentations from the <u>Office of the Legislative</u> <u>Auditor General</u> on the main findings from its audit of PEHP's Pharmacy Benefit Manager and from <u>PEHP</u> on its response to the audit.

# PEHP Update on 2020 H.B. 272, Pharmacy Benefit Amendments, and Other Legislative Changes

Received a <u>presentation</u> from PEHP on 2020 General Session H.B. 272, "<u>Pharmacy Benefit Amendments</u>," and other recent legislation impacting PEHP, including:

- 2020 General Session S.B. 138, "Pharmacy Benefit Manager Revisions";
- 2020 General Session H.B. 207, "Insulin Access Amendments":
- 2019 General Session S.C.R. 3, "Concurrent Resolution Regarding the Public Employees' Health Plans"; and
- 2020 S.C.R. 10, "Concurrent Resolution on State Employee Benefits and Providing a Refund From the State Health Insurance Pool."

### PEHP's Migration to New Core IT System

Received a <u>presentation</u> on PEHP's efforts to enhance operational integrity and efficiency with the adoption of a new core IT system.

### **Public Safety and Firefighter Retirement Systems**

Received a <u>presentation</u> from Utah Retirement Systems on the estimated increase in costs from moving all Public Safety and Firefighter Retirement Systems participants to the Tier 1 system.

# **Recent Budget Changes**

Received presentations from the Career Service Review Office, <u>Department of Human Resource Management</u>, <u>PEHP</u>, and <u>Utah Education and Telehealth Network</u> on changes to their organizations' budgets during the 2020 interim.

# Sunset Review: Expanded Infertility Treatment Coverage Pilot

Received presentations from committee staff on the <u>sunset review process</u>, from <u>PEHP</u> on how the Expanded Infertility Treatment Coverage Pilot program has worked, and from a legislator on the reasons for extending the pilot program.

**Action:** Voted to open a committee bill file to extend the pilot program's expiration date by five years.

# **Utah Retirement Systems Updates**

Received a <u>presentation</u> from Utah Retirement Systems on funding and preliminary contribution rates for fiscal year 2021.

Chairs: Rep. Craig Hall / Sen. Wayne A. Harper Staff: Andy Yewdell (Policy Analyst) / Andrea Valenti Arthur (Attorney) / Peter Asplund (Attorney) / Leila Reynolds (Administrative Assistant)



# **Revenue and Taxation**

August 19, 2020

# **Financial Report Date**

Discussed 2020 Sixth Special Session S.B. 6002, "Financial Report Date Amendment." The bill would change the date by which the governor has to submit an audited financial statement.

Action: Voted to recommend S.B. 6002, "Financial Report Date Amendment" for consideration during the 2020 Sixth Special Session.

# Harmonizing Deadlines for Appeals Relating to Part-Year Residential Property

Heard from the State Tax Commission regarding the misalignment between the date for part-year residents to file for the primary residential exemption for their property and the date for them to file an appeal of valuation for their property.

**Action:** Voted to open a committee bill file to address this topic.

# **Net Operating Loss**

Heard from the State Tax Commission regarding the current treatment of net operating losses in Utah and differences between this treatment and recently changed federal tax policy.

# **Property Tax Relief**

Heard from a legislator and the State Tax Commission on action the committee took last interim to recommend modifications to the tax relief provisions known as "circuit breaker" and a proposal to expand the circuit breaker relief by increasing the income threshold and limiting the types of income that count toward that threshold.

Also heard from the State Tax Commission regarding uncertainty about whether individuals qualify for property tax relief if they do not own the property for the entire calendar year.

**Action:** Voted to open a committee bill file to address this topic.

# Rooftop Solar Panel Impact on Property Tax Valuation

Discussed rooftop solar systems and the property tax treatment and implications of such systems for residential and commercial properties. The State Tax Commission, Weber County, and the rooftop solar industry provided information and answered committee questions.

**Action:** Voted to open a committee bill file to address this topic.

# Social Security and Military Retirement Tax Exemption

Heard from a legislator regarding potential tax exemptions for social security and military retirement income. The proposal would exempt 100% of social security income for filers below a certain income threshold, phasing out as income rises above the threshold. The proposal would also exempt all military retirement income.

**Action:** Voted to open a committee bill file to address this topic.

# **Technical Tax Code Changes**

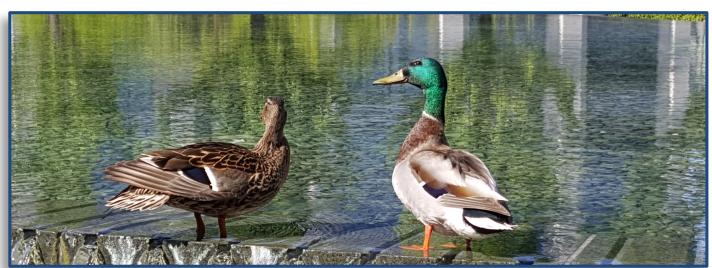
Heard from committee staff regarding minor corrections needed in the Utah Tax Code.

**Action:** Voted to open a committee bill file to address this topic.

# Utah State Income Tax Treatment of Individual CARES Act Stimulus Payments and Proceeds from Paycheck Protection Program Loans

Considered 2020 Sixth Special Session S.B. 6005, "Income Tax Amendments," regarding Utah state income tax treatment of federal individual stimulus payments, proceeds from forgiven Paycheck Protection Program loans, and grants or loans given by the state or a local government using federal COVID-19 related funds.

**Action:** Voted to recommend S.B. 6005, "Income Tax Amendments," for consideration during the 2020 Sixth Special Session.



# Waiver/Reduction of Penalty Imposed under Section 59-2-307

Heard from the State Tax Commission regarding the penalty for failure to file a required signed statement of a person's real and personal property assessable by an assessor.

**Action:** Voted to open a committee bill file to address this topic.

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) / Diana Rodriguez (Administrative Assistant)

# **Senate Judicial Confirmation**

August 13, 2020

#### Confirmation of Anne Marie McIff Allen

Recommended to the Senate the confirmation of Ann Marie McIff Allen as a judge of the Fifth District Court.

# **Confirmation of Tasha Marie Williams**

Recommended to the Senate the confirmation of Tasha Marie Williams as a judge of the Second District Juvenile Court.

The Senate met in Extraordinary Session on August 20, 2020, and confirmed the appointments of Ms. Ann Marie McIff Allen and Ms. Tasha Marie Williams.

Chair: Sen. Todd Weiler Staff: Jerry D. Howe (Strategic Initiatives Manager) / Eric N. Weeks (Deputy General Counsel) / Amy Hawkes (Administrative Assistant)

# State Fair Park Committee

August 14, 2020

## Fair Park Corporation 2020 Business Review

Received a <u>2020 financial business review</u> of the Utah State Fair Corporation from the executive director.

#### Review of Guest and Employee Event Safety Plan

Received a presentation from the executive director of the Utah State Fair Corporation regarding the safety plan for guests and employees attending Utah State Fair events.

## **Review of Other Options**

Received a presentation from the executive director of the Utah State Fair Corporation, regarding options other than the modified plan that was presented to the committee.

**Action:** Voted to support the recommendation of the fair board to move forward with a modified State Fair and to allow the board flexibility to determine which contingency would be best.

# Review of the Request Presented by the Utah State Fair Board of Directors to Host a Modified Version of the Utah State Fair

Received a presentation from the executive director of the Utah State Fair Corporation of a modified plan to host the Utah State Fair with COVID-19 pandemic precautions.

Chairs: Rep. Calvin R. Musselman / Sen. Ralph Okerlund Staff: Samantha D. Brucker (Policy Analyst) / Gus Harb (Attorney) / Cherish Cosman (Administrative Assistant)

# **Transportation**

August 19, 2020

#### 2020 H.B. 414, Autonomous Vehicle Amendments

Received a presentation from a legislator on 2020 General Session H.B. 414 Second Substitute, "<u>Autonomous Vehicle Amendments</u>," and legislation to protect unaccompanied minors riding in autonomous vehicles.

Received a <u>presentation</u> from the Department of Transportation on the use and future of autonomous vehicles in Utah.

Heard from the Utah Transit Authority on its use of autonomous vehicles.

**Action:** Voted to open a committee bill file to address protecting unaccompanied minors in driverless vehicles.

# 2020 H.B. 463, Vehicle, Boat, and Trailer Registration Amendments

Received presentations from a legislator and the State Tax Commission on 2020 General Session First Substitute H.B. 463, "Vehicle, Boat, and Trailer Registration Amendments," and policies to facilitate vehicle, boat, and trailer registration.

**Action:** Voted to open a committee bill file to streamline processes for registering vehicles, boats, and trailers.

#### Benefits and Costs of Bond Issuance

Received presentations from the <u>State Treasurer</u>, the Office of the <u>Legislative Fiscal Analyst</u>, and the <u>Department of Transportation</u> on the costs and benefits of issuing bonds to fund transportation projects and the process for prioritizing transportation projects for construction.

# Draft Legislation, Driver License and State Identification Card Amendments

Received a presentation from a legislator on <u>draft legislation</u> that would streamline the transition from a driver license to a state identification card.

**Action:** Voted to amend the draft legislation and adopt the draft legislation as a committee bill.



# Public Private Partnerships for Public Transit Services

Received a <u>presentation</u> from the Utah Transit Authority on efforts to engage in public-private partnerships for public transit services and transit-oriented development.

# **Vehicle and Driver License Registration**

Received presentations from the Driver License Division and State Tax Commission on how vehicle and driver license registration processes have changed in response to the COVID-19 pandemic and how to enhance processes in the future.

Chairs: Rep. Kay J. Christofferson / Sen. Wayne A. Harper Staff: Andy Yewdell (Policy Analyst) / Kurt P. Gasser (Attorney) / Patrick Grecu (Attorney) / Finn Andrew Rose (Administrative Assistant)

# **Veterans and Military Affairs Commission**

June 30, 2020

## **COVID-19: Impacts on Military and Veteran Services**

Received reports on how the COVID-19 pandemic is impacting services for military service members related to healthcare, benefits and claims, mental wellness, education, employment, and military efforts.

### SafeUT App

Received presentations from the <u>University Neuropsychiatric Institute Community Crisis and Diversion Services</u>, Utah National Guard, and SafeUTNG about how the SafeUT App can be used to benefit veterans and current military service members who are struggling with PTSD and to provide suicide prevention aid.

Chairs: Rep. Paul Ray / Sen. Todd Weiler Staff: Samantha D. Brucker (Policy Analyst) / Esther D. Chelsea-McCarty (Attorney) / Tracey Fredman (Administrative Assistant)







# **Legislation Passed in the Sixth Special Session**

August 24, 2020

The Office of Legislative Research and General Counsel (OLRGC) has compiled summaries of legislation passed during the Sixth Special Session of the Sixty-Third Utah Legislature. These summaries are intended to be general in nature. To read the legislation in its entirety or review amendments, click on the link provided in this document or visit <a href="https://le.utah.gov">https://le.utah.gov</a>.

OLRGC is a nonpartisan staff office of the Legislature and the contents of this document should not be considered support for or opposition to the legislation.

# H.B. 6001, Uniform Electronic Wills Act

This bill permits testators to execute an electronic will and gives the will legal effect. It provides parameters for how the electronic wills can be executed and allows for electronic wills to revoke all or part of a previous will. The bill also details the process by which the electronic will shall be simultaneously executed, attested, and made self-proving at the time of execution. The bill provides a form for acknowledgement and affidavits.

# H.B. 6002, Supplemental Budget Balancing and Coronavirus Relief Appropriations

This bill makes appropriations adjustments and adds intent language for FY 2021. The adjustments address three budget issues:

- Federal funds
  - The bill appropriates \$122,846,800 from the federal Coronavirus Relief Fund, which is most of the balance of the money that came to Utah from the CARES Act.
  - The bill appropriates \$138,557,800 for Unemployment Insurance.
- Restorations and "hot spots" Increases and decreases for certain budget items
  - The bill funds the increases with the following savings:
  - (\$4.2 million) to correct double funding for emergency responder training at Utah Valley University and (\$300,000) reduced from fire and rescue training that was newly funded in the 2020 General Session;
  - (\$1.5 million) from salary increases for the Attorney General's Office to match all other state employees (not eliminated during the 5th Special Session because it is a complex transaction); and

- (\$11 million) one-time from a Public Employees Health Plan (PEHP) rebate that was authorized in the 5th Special Session -- the Executive Appropriations Committee adopted this revenue Tuesday morning.
- Technical corrections Reallocations among line items and other minor fixes that net to \$0 across the total budget
  - Most of the reallocations enact Higher Education's plan for implementing their 2.5% budget reduction.

On Tuesday morning, the Executive Appropriations Committee adopted three lists providing detailed adjustments for each issue. While some items may have been adjusted between Tuesday and the Special Session, the adopted lists are posted <a href="here">here</a>. The Office of the Legislative Fiscal Analyst will provide an index of where each adjustment is located in the bill.

# H.B. 6003, Premium Subsidy Amendments

This bill amends the maximum premium subsidy the Department of Health can request for the Utah Premium Partnership for Health Insurance program.

#### H.B. 6004, School Emergency Drills Amendments

This bill amends requirements related to emergency evacuation drills for Group E occupancies, which include schools, for the 2020-2021 school year. The bill provides that through February 28, 2021, Group E occupancies are exempt from statutory requirements to conduct emergency evacuation drills, but are required to provide in-class instruction on the procedure for emergency evacuation for fire at least once each calendar month beginning no later than 15 days after the first day of school.

# H.B. 6005, Cosmetology and Associated Professions Amendments

This bill allows a barber school, cosmetology/barber school, electrologist school, esthetics school, hair design school, or nail technology school to offer up to 50% of the school's total per program curriculum online, in accordance with standards adopted by an applicable national recognized accrediting organization. The bill provides a sunset date of July 1, 2022.



# H.B. 6006, Alcohol License and Permit Amendments

This bill makes changes to alcohol-related licenses and permits. It delays the expiration date for several different retail licenses until December 22, 2020. For a reception center licensee, it adjusts the percentage of annual gross receipts from the sale of alcoholic products that must be maintained and determines what is included in that percentage. For a public service permit, hospitality room is defined and a public service permittee operating at an international airport is allowed to change their location. The bill also sets the commission's power and duties to approve a public service permittee's change in location request.

# H.B. 6007, Municipal Annexation Revisions

In the 2020 General Session, the Legislature passed H.B. 359, Municipal Annexation Revisions. One of the provisions of the bill allowed a municipality to annex an unincorporated area without an annexation petition or the consent of the county in which the area proposed for annexation is located, under certain conditions. This bill repeals that provision.

# H.B. 6011, Pharmaceutical Reporting Amendments

This bill delays certain reporting requirements under the Prescription Drug Price Transparency Act for health insurers, manufacturers of a prescription drug, and the Insurance Department.

# H.B. 6012, Public Education Funding and Enrollment Amendments

This bill addresses public school funding and enrollment issues, including:

- For the 2020-2021 school year, allows the State Board of Education (state board) to use any day or days in 2020 when counting average daily membership for the 2020-2021 growth factor. (Statute requires the count on October 1.)
- Amends funding distribution for Necessarily Existent Small Schools Program to provide 83 additional weighted units to local education agencies with 251 to 500 students (it is currently 56 additional weighted units).
- Reinstates a salary supplement for National Board-certified teachers and appropriates funding.
- Allows charter schools to give enrollment preference in the 2021-2022 school year to students who withdraw from the school to attend

- an online or home school in the 2020-2021 school year because of the COVID-19 emergency.
- Appropriates money for local education agencies to pay vendors for English learner instruction software licenses.
- Allows the state board to use certain federal funds and nonlapsing Minimum School Program funds for charter school local replacement funding in the 2020-2021 school year in anticipation of the potential for increased charter school enrollment.

# H.B. 6013, Corporate Income Net Loss Amendments

This bill, which has an immediate effective date, removes the 80% limitation on a Utah net loss carry forward for corporate income tax filers for the 2018 through 2020 income tax years. This modification makes state and federal tax treatment of net loss carry forwards consistent after changes were made as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

# 1st Substitute S.B. 6001, Community Reinvestment Modifications

This bill allows a community reinvestment agency to extend the tax increment collection period for certain project areas impacted by the COVID-19 emergency for up to two years.

# S.B. 6002, Financial Report Date Amendment

This bill changes the date on which the Governor is required to submit an audited financial statement from December 1 to December 31.

# S.B. 6003, Law Enforcement Tuition Reimbursement

This bill allows for new applicants for the Public Safety Officer Career Advancement Reimbursement Program, which reimburses peace officers seeking a postsecondary degree in criminal justice from a credit-granting higher education institution within the state system of higher education.

# <u>1st Substitute S.B. 6004, Regulatory Certainty</u> Amendments

This bill prohibits the Air Quality Board, the Water Quality Board, and related divisions from making, repealing, or amending any rules or from imposing or increasing any fee authorized under Title 19,



Environmental Quality Code, until June 30, 2021, except for specific exceptions such as an exception for activities in a county of the first or second class. The bill also prohibits the board and the Division of Oil, Gas, and Mining from making, amending, or repealing any rules or from imposing or increasing a fee that is authorized under Title 40, Mines and Mining, until June 30, 2021, except for specific exceptions such as an exception for activities in a county of the first or second class.

# <u>1st Substitute S.B. 6005, Income Tax</u> Amendments

This bill, which has an immediate effective date, provides that certain financial stimulus or relief amounts received by individuals and businesses in Utah in response to COVID-19 are not subject to Utah income tax.

Types of COVID-19 stimulus or relief that will not be subject to Utah income tax include:

- proceeds from a forgiven loan under the Paycheck Protection Program (PPP) and similar additional federal programs that may be enacted in 2020;
  - excludes proceeds used to pay tax deductible expenditures;
- grants or forgiven loans provided by the state, a county, or a municipality using federal funds;
- amounts received by individuals as part of an individual recovery rebate in 2020;
  - applies to both CARES act rebates and any future COVID-19-related rebate for the 2020 tax year.

# <u>1st Substitute S.B. 6006, Department of Health Modifications</u>

This bill amends the qualifications for an individual to serve as the executive director of the Department of Health and changes certain requirements if the executive director is not a licensed physician.

# <u>1st Substitute S.B. 6007, Amendments to</u> Elections

For the 2020 regular general election only:

Requires each county to provide in-person voting of some kind, but gives the county the option to decide whether that will be done in the traditional manner or by outdoor voting, including drive-up, walk-up, or drive-through.

- The county may choose any combination of these
- Requires early voting to occur as normal, except that it may also be done, at the option of the county, by outdoor voting or in the traditional manner.
- Relating to the deadline to mail ballots, changes the word "mail" to "send" (counties say they need this to give clerks who have to submit files to printers the same amount of time as clerks who print their own).
- For counties where there is a significant risk that timely-mailed ballots will be postmarked late, requires counties to:
  - work with local post offices to see if they can separate and date-stamp ballots that were timely mailed before sending them on for a postmark; or
  - place additional drop boxes in the county.
- Requires statewide messaging about the new election process.

For all elections, modifies existing provisions relating to ballot harvesting and provides exceptions for household members, people with a disability, etc.

# S.B. 6008, Tobacco Retailer Amendments

This bill clarifies the conditions that a retail tobacco specialty business must meet to be exempt from a requirement that the retail tobacco specialty business is located a certain distance from a community location.

# S.B. 6009, Cares Act and Covid-19 Assistance and Recovery Amendments

This bill modifies provisions related to economic recovery programs created by the state in response to the COVID-19 emergency, including the COVID-19 Agricultural Operations Grant Program, the COVID-19 Cultural Assistance Grant Program, COVID-19 residential housing assistance, the COVID-19 Commercial Rental Assistance Program, the COVID-19 Impacted Businesses Grant Program, and the COVID-19 PPE Support Grant Program. The bill also creates the Oil, Gas, and Mining Grant within GOED and describes how a provision of the CARES Act applies to tenants under state law.

<u>1st Substitute S.J.R. 601, Joint Resolution on</u>
Federal Government Payments in Lieu of Taxes



This resolution requests that the federal government increase Utah's federal Payment in Lieu of Taxes (PILT) payment to at least \$534 million from the \$41 million that the state received in 2019. The resolution further requests that the federal government take action to ensure that future PILT payments be made based on a full property tax equivalency basis and allow greater state management and local control over federal lands within municipal limits.