

1 **ENERGY POLICY AMENDMENTS**

2 2006 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Roger E. Barrus**

5 Senate Sponsor: _____

6 Cosponsors: Ralph Becker David Ure

7
8 **LONG TITLE**

9 **General Description:**

10 This bill establishes the position of state energy officer and an energy policy.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms;
- 14 ▶ creates the position of state energy officer;
- 15 ▶ outlines the state energy officer's powers and duties;
- 16 ▶ requires coordination between the state energy officer and state agencies;
- 17 ▶ requires the state energy officer to submit certain reports; and
- 18 ▶ declares the state's energy policy.

19 **Monies Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 This bill provides an effective date.

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **67-22-2 (Superseded 07/01/06)**, as last amended by Chapter 8, Laws of Utah 2005,

26 First Special Session

27 **67-22-2 (Effective 07/01/06)**, as last amended by Chapter 8, Laws of Utah 2005, First



28 Special Session

29 ENACTS:

30 **63-53b-101**, Utah Code Annotated 1953

31 **63-53b-102**, Utah Code Annotated 1953

32 **63-53b-201**, Utah Code Annotated 1953

33 **63-53b-202**, Utah Code Annotated 1953

34 **63-53b-203**, Utah Code Annotated 1953

35 **63-53b-301**, Utah Code Annotated 1953



37 *Be it enacted by the Legislature of the state of Utah:*

38 Section 1. Section **63-53b-101** is enacted to read:

39 **CHAPTER 53b. UTAH ENERGY ACT**

40 **Part 1. General Provisions**

41 **63-53b-101. Title.**

42 This chapter is known as the "Utah Energy Act."

43 Section 2. Section **63-53b-102** is enacted to read:

44 **63-53b-102. Definitions.**

45 As used in this chapter:

46 (1) "Advanced vehicle fuels and technology" includes:

47 (a) alternative fuels such as:

48 (i) natural gas;

49 (ii) propane;

50 (iii) ethanol; and

51 (iv) electricity; and

52 (b) technology such as:

53 (i) hybrid gasoline and electrical motors; and

54 (ii) fuel cells.

55 (2) "State agency" means an executive branch:

56 (a) department;

57 (b) agency;

58 (c) board;

59 (d) commission;

60 (e) division; or

61 (f) state educational institution.

62 Section 3. Section **63-53b-201** is enacted to read:

63 **Part 2. State Energy Officer**

64 **63-53b-201. State energy officer -- Duties.**

65 (1) (a) The governor shall appoint a state energy officer with the consent of the Senate.

66 (b) The state energy officer serves at the pleasure of the governor.

67 (c) The governor shall establish the state energy officer's salary within the range fixed
68 by the Legislature in Section 67-22-2.

69 (d) The state energy officer is a member of the governor's cabinet.

70 (2) The state energy officer shall:

71 (a) advise the governor on energy-related matters;

72 (b) annually review and propose updates to the state's energy policy, as contained in
73 Section 63-53b-301;

74 (c) promote as prudent:

75 (i) the development of cost-effective energy resources both renewable and
76 nonrenewable;

77 (ii) advanced vehicle fuels and technology;

78 (iii) automobile trip-reduction initiatives, including public transportation and ride
79 sharing programs; and

80 (iv) educational programs, including programs supporting energy efficiency measures;

81 (d) propose quantitative goals for state and local government energy efficiency
82 programs;

83 (e) assist:

84 (i) the Division of Facilities Construction and Management in improving energy
85 efficiency in state buildings;

86 (ii) state agencies and members of the public in obtaining federal assistance for
87 energy-related projects;

88 (iii) the governor in carrying out the governor's energy emergency powers under Title
89 63, Chapter 53a, Energy Emergency Powers of Governor; and

90 (iv) the Division of Emergency Services and Homeland Security in the maintenance of
91 a current list of contact persons required by an energy emergency plan developed under Section
92 53-2-110;

93 (f) participate in the annual review of the energy emergency plan required by Section
94 53-2-110;

95 (g) identify and propose measures necessary to facilitate low-income consumers' access
96 to energy services;

97 (h) coordinate regulatory processes within the state;

98 (i) compile, and make available to the public, information about federal, state, and
99 local approval requirements for energy-related projects; and

100 (j) study:

101 (i) the creation of a centralized state repository for energy-related information;

102 (ii) the elimination of any existing barriers to cogeneration projects, including pricing
103 discrepancies;

104 (iii) the creation of an energy efficiency committee within state government to develop
105 specific energy efficiency recommendations;

106 (iv) expanding the state's role as an advocate before federal and local authorities for
107 energy-related infrastructure projects;

108 (v) funding options for local governments' provision of transportation infrastructure for
109 energy-related projects;

110 (vi) methods for eliminating barriers to rail transportation for energy products;

111 (vii) methods for streamlining state review and approval processes for energy-related
112 projects; and

113 (viii) the development of multistate energy transmission infrastructure.

114 Section 4. Section **63-53b-202** is enacted to read:

115 **63-53b-202. Coordination with state agencies.**

116 (1) The state energy officer shall coordinate the state energy officer's actions with
117 related actions by state agencies.

118 (2) The state energy officer shall monitor, and assist with, state agencies' compliance
119 with the state energy policy described in Section 63-53b-301.

120 (3) A state agency shall provide the state energy officer with any energy-related

121 information requested by the state energy officer if the state energy officer's request is
122 consistent with other law.

123 Section 5. Section **63-53b-203** is enacted to read:

124 **63-53b-203. Reports.**

125 (1) The state energy officer shall report annually to:

126 (a) the governor;

127 (b) the Natural Resources, Agriculture, and Environment Interim Committee; and

128 (c) the Public Utilities and Technology Interim Committee.

129 (2) The report required in Subsection (1) shall:

130 (a) summarize the status of the state's energy resources;

131 (b) address the state energy officer's activities under this part; and

132 (c) recommend any energy-related executive or legislative action the state energy
133 officer considers beneficial to the state, including updates to the state energy policy under
134 Section 63-53b-301.

135 Section 6. Section **63-53b-301** is enacted to read:

136 **Part 3. State Energy Policy**

137 **63-53b-301. State energy policy.**

138 (1) It is the policy of the state that:

139 (a) Utah have adequate, reliable, affordable, sustainable, and clean energy resources;

140 (b) Utah will promote the prudent development and use of energy resources and
141 infrastructure sufficient to meet the state's growing demand, while contributing to the regional
142 and national energy supply, thus reducing dependence on international energy sources;

143 (c) Utah will allow market forces to drive prudent use of energy resources, although
144 incentives and other methods may be used to ensure the state's optimal development and use of
145 energy resources in the short- and long-term;

146 (d) Utah will pursue energy conservation, energy efficiency, and environmental quality;

147 (e) (i) state regulatory processes should be streamlined to balance economic costs with
148 the level of review necessary to ensure protection of the state's various interests; and

149 (ii) where federal action is required, Utah will encourage expedited federal action and
150 will collaborate with federal agencies to expedite review; and

151 (f) Utah will maintain an environment that provides for stable consumer prices that are

152 as low as possible while providing producers and suppliers a fair return on investment,
 153 recognizing that:

154 (i) economic prosperity is linked to the availability, reliability, and affordability of
 155 consumer energy supplies; and

156 (ii) investment will occur only when adequate financial returns can be realized.

157 (2) A state agency shall, to the extent permitted by other law, conduct its activities
 158 consistent with Subsection (1).

159 Section 7. Section **67-22-2 (Superseded 07/01/06)** is amended to read:

160 **67-22-2 (Superseded 07/01/06). Compensation -- Other state officers.**

161 (1) The governor shall establish salaries for the following state officers within the
 162 following salary ranges fixed by the Legislature:

163 State Officer	Salary Range
164 Commissioner of Agriculture and Food	\$66,800 - \$90,600
165 Commissioner of Insurance	\$66,800 - \$90,600
166 Commissioner of the Labor Commission	\$66,800 - \$90,600
167 Director, Alcoholic Beverage Control	
168 Commission	\$66,800 - \$90,600
169 Commissioner, Department of	
170 Financial Institutions	\$66,800 - \$90,600
171 Members, Board of Pardons and Parole	\$66,800 - \$90,600
172 Executive Director, Department	
173 of Commerce	\$66,800 - \$90,600
174 Executive Director, Commission on	
175 Criminal and Juvenile Justice	\$66,800 - \$90,600
176 Adjutant General	\$66,800 - \$90,600
177 Chair, Tax Commission	\$72,400 - \$97,600
178 Commissioners, Tax Commission	\$72,400 - \$97,600
179 Executive Director, Department of	
180 Community and Culture	\$72,400 - \$97,600
181 Executive Director, Tax Commission	\$72,400 - \$97,600
182 Chair, Public Service Commission	\$72,400 - \$97,600

183	Commissioners, Public Service	
184	Commission	\$72,400 - \$97,600
185	Executive Director, Department	
186	of Corrections	\$78,700 - \$106,200
187	Commissioner, Department of Public Safety	\$78,700 - \$106,200
188	Executive Director, Department of	
189	Natural Resources	\$78,700 - \$106,200
190	Director, Governor's Office of Planning	
191	and Budget	\$78,700 - \$106,200
192	Executive Director, Department of	
193	Administrative Services	\$78,700 - \$106,200
194	Executive Director, Department of	
195	Human Resource Management	\$78,700 - \$106,200
196	Executive Director, Department of	
197	Environmental Quality	\$78,700 - \$106,200
198	Director, Governor's Office	
199	of Economic Development	\$78,700 - \$106,200
200	Executive Director, Department of	
201	Workforce Services	\$85,700 - \$115,700
202	Executive Director, Department of	
203	Health	\$85,700 - \$115,700
204	Executive Director, Department	
205	of Human Services	\$85,700 - \$115,700
206	Executive Director, Department	
207	of Transportation	\$85,700 - \$115,700
208	Executive Director, Department	
209	of Information Technology	
210	Services	\$85,700 - \$115,700
211	<u>State Energy Officer</u>	<u>\$85,700 - \$115,700</u>

212 (2) (a) The Legislature fixes benefits for the state offices outlined in Subsection (1) as
213 follows:

214 (i) the option of participating in a state retirement system established by Title 49, Utah
215 State Retirement and Insurance Benefit Act, or in a deferred compensation plan administered
216 by the State Retirement Office in accordance with the Internal Revenue Code and its
217 accompanying rules and regulations;

218 (ii) health insurance;

219 (iii) dental insurance;

220 (iv) basic life insurance;

221 (v) unemployment compensation;

222 (vi) workers' compensation;

223 (vii) required employer contribution to Social Security;

224 (viii) long-term disability income insurance;

225 (ix) the same additional state-paid life insurance available to other noncareer service
226 employees;

227 (x) the same severance pay available to other noncareer service employees;

228 (xi) the same sick leave, converted sick leave, educational allowances, and holidays
229 granted to Schedule B state employees, and the same annual leave granted to Schedule B state
230 employees with more than ten years of state service;

231 (xii) the option to convert accumulated sick leave to cash or insurance benefits as
232 provided by law or rule upon resignation or retirement according to the same criteria and
233 procedures applied to Schedule B state employees;

234 (xiii) the option to purchase additional life insurance at group insurance rates according
235 to the same criteria and procedures applied to Schedule B state employees; and

236 (xiv) professional memberships if being a member of the professional organization is a
237 requirement of the position.

238 (b) Each department shall pay the cost of additional state-paid life insurance for its
239 executive director from its existing budget.

240 (3) The Legislature fixes the following additional benefits:

241 (a) for the executive director of the State Tax Commission a vehicle for official and
242 personal use;

243 (b) for the executive director of the Department of Transportation a vehicle for official
244 and personal use;

245 (c) for the executive director of the Department of Natural Resources a vehicle for
246 commute and official use;

247 (d) for the Commissioner of Public Safety:

248 (i) an accidental death insurance policy if POST certified; and

249 (ii) a public safety vehicle for official and personal use;

250 (e) for the executive director of the Department of Corrections:

251 (i) an accidental death insurance policy if POST certified; and

252 (ii) a public safety vehicle for official and personal use;

253 (f) for the Adjutant General a vehicle for official and personal use; and

254 (g) for each member of the Board of Pardons and Parole a vehicle for commute and
255 official use.

256 (4) (a) The governor has the discretion to establish a specific salary for each office
257 listed in Subsection (1), and, within that discretion, may provide salary increases within the
258 range fixed by the Legislature.

259 (b) The governor shall apply the same overtime regulations applicable to other FLSA
260 exempt positions.

261 (c) The governor may develop standards and criteria for reviewing the performance of
262 the state officers listed in Subsection (1).

263 (5) Salaries for other Schedule A employees, as defined in Section 67-19-15, which are
264 not provided for in this chapter, or in Title 67, Chapter 8, Utah Executive and Judicial Salary
265 Act, shall be established as provided in Section 67-19-15.

266 Section 8. Section **67-22-2 (Effective 07/01/06)** is amended to read:

267 **67-22-2 (Effective 07/01/06). Compensation -- Other state officers.**

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 321 by the State Retirement Office in accordance with the Internal Revenue Code and its
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 337 provided by law or rule upon resignation or retirement according to the same criteria and

338 procedures applied to Schedule B state employees;

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340 to the same criteria and procedures applied to Schedule B state employees; and

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342 requirement of the position.

343 (b) Each department shall pay the cost of additional state-paid life insurance for its
344 executive director from its existing budget.

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347 personal use;

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351 commute and official use;

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365 exempt positions.

366 (c) The governor may develop standards and criteria for reviewing the performance of
367 the state officers listed in Subsection (1).

368 (5) Salaries for other Schedule A employees, as defined in Section 67-19-15, which are

369 not provided for in this chapter, or in Title 67, Chapter 8, Utah Executive and Judicial Salary
370 Act, shall be established as provided in Section 67-19-15.

371 Section 9. **Effective date.**

372 This bill takes effect on May 1, 2006, except that the amendments to Section 67-22-2

373 (Effective 07/01/06) take effect on July 1, 2006.

Legislative Review Note

as of 11-29-05 2:02 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Interim Committee Note

as of 12-20-05 9:39 AM

The Natural Resources, Agriculture, and Environment Interim Committee recommended this bill.

Interim Committee Note

as of 12-20-05 9:39 AM

The Public Utilities and Technology Interim Committee recommended this bill.

State Impact

It is estimated that the Governor will require an ongoing General Fund appropriation of \$26,800 beginning FY 2007 to implement provisions of this bill.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>
General Fund	\$26,800	\$26,800	\$0	\$0
TOTAL	\$26,800	\$26,800	\$0	\$0

Individual and Business Impact

No fiscal impact.
