

# KEY ISSUES - 2008 GENERAL SESSION

*The Office of Legislative Research and General Counsel is pleased to provide this compilation of some of the key issues that the Utah State Legislature may address during the upcoming session. This document is also online at <http://le.utah.gov>.  
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## ADMINISTRATIVE RULES

**Administrative Rules.** Members of the Administrative Rules Review Committee have stated that it should be the exclusive responsibility of the Legislature to specifically determine, by statute, what conduct constitutes a criminal penalty that may lead to jail time. However, some statutes delegate authority to state agencies to determine these penalties by administrative rule. Some of these statutory grants were eliminated in legislation passed in the 2007 General Session, and additional grants will likely be proposed for repeal in the 2008 General Session.

## BUSINESS AND LABOR

**Business Resource Centers.** Businesses today face many complex issues and government regulations from many different agencies which are obstacles to their growth and success. The Business and Labor Committee is considering legislation which provides for the establishment of business resource centers as a one-stop location providing support, assistance, education, sources of funding, mentoring, and networking for Utah businesses.

**Employer Pay Practices.** Certain inappropriate pay practices, such as the mis-classification of employees as independent contractors, arguably have a detrimental effect on tax revenue, competition, government services, and employee benefits. Mis-classification may be most common in the construction trades. The Business and Labor Interim Committee and others are considering ways to address this problem and to find ways to better enforce existing laws.

**Health Care Insurance for Businesses.** Providing affordable health care insurance to small business employees is a significant issue that affects the ability of small business to hire and keep quality workers. The Legislature appropriated \$350,000 during the 2007 General Session to the GOED (Governor's Office of Economic Development) to develop a plan to increase the availability of health insurance to small business employees. Monitoring the efforts of GOED and other

private organizations examining possible solutions was a focus of the Business and Labor Interim Committee in anticipation of legislative action.

## EDUCATION

**Mathematics Education.** The State Superintendent of Public Instruction acknowledges that average test scores in mathematics are not adequate and higher education officials assert many high school students are not ready for college level math. The Legislature may consider proposed legislation to: 1) establish a task force with state and local public education and higher education representatives to examine mathematics education; and 2) create year-round math and science education centers.

**School Building Equalization.** The costs of building and renovating school buildings are primarily paid with revenue generated by property taxes imposed by a school district. Since property tax wealth and population growth vary considerably across Utah's school districts, the property tax burden attributed to school buildings varies considerably also. The Legislature is expected to consider proposals to pay for school buildings.

**Teacher Shortages.** To address current teacher shortages in math, science, and special education and anticipated shortages in other areas as Utah's school age population swells in the next decade, the Legislature may consider initiatives to increase teacher compensation and expand scholarship and loan programs for prospective teachers.

## ENERGY

**Electric Energy Fuel Sources.** Development of new fuel sources such as wind, solar, and nuclear for the generation of electrical energy is necessary to meet Utah's future growth. The Legislature may consider a number of policy tools, including tax credits, to streamline the permit process and provide transportation and utility infrastructure access.

## GOVERNMENT OPERATIONS

**Election Law Changes.** The Lieutenant Governor's Office and the county clerks have made several recommendations to make changes in the Election Code ranging from technical amendments to changing campaign disclosure deadlines. Based on these recommendations, the Government Operations Committee has studied and recommended several bills for consideration during the 2008 General Session.

**Re-codification of Title 63 State Affairs in General.** Utah Code, Title 63 has been a catch-all title for many years and is now full. A re-codification was authorized by the Legislative Management Committee, and the project was completed by the Government Operations Committee. The bill primarily moves and renumbers the chapters of Title 63 in the Utah Code, adjusts cross-references, and includes technical changes.

## HEALTH AND HUMAN SERVICES

**Health Insurance Reform.** The Legislature will consider several proposals to expand access to health insurance and other coverage for health care costs. These proposals may include efforts to make certain types of coverage portable and more affordable.

## INTERNATIONAL TRADE

**Geographic Information System (GIS) Database.** Businesses in Utah involved in international trade and their locations have not been identified. The Legislature may consider legislation and appropriations to create a GIS database of businesses involved in international trade for economic development purposes.

**State Sovereignty.** The federal government is negotiating treaties that infringe upon state's constitutional rights to set domestic policies. The Legislature may consider a joint international trade resolution supporting state sovereignty issues when the United State's government is negotiating international trade agreements.

## JUDICIARY

**Re-codification and Revision of Title 78, Judicial Code.** Utah Code, Title 78 is being reorganized in the re-codification process.

## LAW ENFORCEMENT AND CRIMINAL JUSTICE

**Animal Cruelty.** During the August special session the Legislature considered, but did not pass, two bills

addressing animal torture. Several bills will be introduced in January dealing with this topic.

**Drug Offender Treatment.** New drug offender commitments to Utah's prisons have increased by 803 percent since 1988. The 831 new drug commitments to prison this year comprise 39 percent of all new commitments. The use of methamphetamine and other drugs in Utah is increasing criminal behavior and other problems caused by their use. The Legislature may consider expanding education and treatment as tools in limiting the negative effects of this trend.

**Growing Inmate Populations.** Utah's inmate population is currently 6,498 and is well beyond the state's maximum capacity of 5,071 beds. The Utah Department of Corrections currently contracts for 1,510 beds and the inmate population continues to grow at a rate of about 228 per year. Nationally, a record 7 million people—one in every 32 U.S. adults—were behind bars, on probation, or on parole by the end of the year, according to a Justice Department report. Utah's incarceration rate is less than half of the national rate but is growing at a similar rate. The criminal penalties specified in Utah law have a direct effect on the need for additional prison beds and enhanced treatment programs.

**Registering, Rehabilitating, and Supervising Sex Offenders in the Community.** Of the 620,000 registered sex offenders in the United States, approximately 7,000 reside in Utah. In 2006, Congress passed the "Adam Walsh Child Protection Act" that increases registration requirements both in duration and frequency based on the type of offense committed. States are required to implement the Act by 2009 or stand to lose a portion of the federal funding that comes to the state. Preliminary cost assessments indicate that implementation may cost more than the potential loss of federal funding.

## NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT

**Water Right Forfeiture Protection.** Municipalities could lose certain water rights due to non-use. Legislation will be introduced to provide municipalities protection from water forfeiture under certain circumstances.

## POLITICAL SUBDIVISIONS

**Re-codification of Special District Statutes.** The multi-year re-codification of special district statutes is not yet completed. Legislation re-codifying special service districts in the Utah Code (Title 17A, Chapter 2, Part 13) and remaining dependent districts (Title 17A, Chapter 3)

will be introduced in the 2008 General Session.

## **RETIREMENT**

**Public Safety Retirement System COLA.** A COLA (cost-of-living adjustment) for retirement allowance purposes, provides an increase to a retirement allowance to reduce the negative impact of inflation on an otherwise fixed retirement allowance. Since 1994, when the Legislature passed up to a four percent annual COLA for firefighters, public safety members and retirees have advocated the same increase.

## **REVENUE AND TAXATION**

**Budget Reserve Accounts.** The Legislature will consider clarifications and amendments to state law governing the General Fund Budget Reserve Account, Education Fund Budget Reserve Account, and State Disaster Recovery Budget Restricted Account.

**Corporate Income Tax.** The Legislature will consider legislation relating to the apportionment of business income, the determination of when certain sales are considered to be made in this state, and the ability of a unitary group to deduct certain net losses.

**Income Tax.** The Legislature will consider legislation that amends the Individual Income Tax Act and related provisions to address the income taxation of individuals, estates, and trusts. This legislation would further harmonize and clarify state law to conform to the single rate individual income tax system adopted by the Legislature in the 2007 General Session.

**Property Tax Issues.** The Legislature will introduce legislation addressing various property tax issues such as property tax relief for the poor and elderly, limiting the property tax authority of certain local government entities, improving tax certainty for taxpayers, and assessment methods to stabilize the determination of fair market value.

**Uniform Statewide Sales and Use Tax Rate.** The Legislature will consider a proposal to establish a statewide uniform sales and use tax rate on non-food purchases. Under this proposal, local option sales and use taxes would be modified to allow for statewide uniformity.

## **TRANSPORTATION**

**Driving Under the Influence.** Despite vigilant efforts by the State and other levels of government, many

individuals choose to operate their motor vehicles while under the influence of alcohol and other substances. Legislation will be introduced that provides law enforcement additional tools to hold violators accountable and prevent them from repeating the offenses.

**REAL ID Act of 2005.** The REAL ID Act of 2005 was enacted by Congress to improve security of identification. Beginning in 2010, citizens may not use state-issued identification at federal facilities—including commercial airliners, Social Security offices, and other facilities frequented by Utahns—unless the identification is issued in accordance with the REAL ID Act of 2005 and Department of Homeland Security rules. Concerns with compliance include violations of privacy, costs for implementation, and federalism issues. States will have a better understanding of all of the impacts when the Department of Homeland Security releases the final rules later this year regarding the implementation of the Act. Legislation may be introduced that either assists the state in compliance or rejection of the Act.

**Transportation Corridor Preservation.** As Utah's population increases rapidly and property values skyrocket, the state is finding it more difficult to effectively plan and prepare for transportation projects by preserving transportation corridors. Transportation needs are increasing while available land is decreasing, making it nearly impossible to protect transportation corridors within available resources. Even with unlimited resources, policymakers' attempts to protect transportation corridors must be balanced against property owners' rights to use their land, protection of critical agricultural and other lands, and a myriad of other land use concerns. Legislation may be introduced to attempt to resolve some of these issues.

## **WORKFORCE SERVICES AND COMMUNITY AND ECONOMIC DEVELOPMENT**

**Affordable Housing.** The current housing market creates challenges for Utahns with limited financial means who are seeking affordable housing. Several proposals addressing this concern are currently under discussion.

**Child Care Background Checks.** The Department of Workforce Services has learned that some individuals who receive a subsidy for providing child care to families on public assistance have a criminal background which has not been disclosed. Currently, the department has no authority to conduct background checks on these individuals. Legislation is being considered that would provide for these background checks.