

1 **COMMISSION RELATING TO FEDERAL ISSUES**

2 2013 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Deidre M. Henderson**

5 House Sponsor: Ken Ivory

7 **LONG TITLE**

8 **General Description:**

9 This bill creates a commission to address certain federal issues.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ creates the Federal Funds Commission to study and make recommendations on
- 13 federal funding and other issues relating to the federal government's dealings with
- 14 the state;
- 15 ▶ establishes commission membership, powers, and duties;
- 16 ▶ provides for terms of commission members and for procedures for filling a vacancy;
- 17 ▶ provides for salaries and expenses of legislative members of the commission and for
- 18 per diem and expense reimbursement for other members; and
- 19 ▶ provides a repeal date for the commission.

20 **Money Appropriated in this Bill:**

21 None

22 **Other Special Clauses:**

23 This bill provides an immediate effective date.

24 **Utah Code Sections Affected:**

25 AMENDS:

26 **63I-1-263 (Effective 05/01/13)**, as last amended by Laws of Utah 2012, Chapters 126,
27 206, 347, 369, and 395

28 ENACTS:

29 **63C-14-101**, Utah Code Annotated 1953

- 30 **63C-14-102**, Utah Code Annotated 1953
- 31 **63C-14-201**, Utah Code Annotated 1953
- 32 **63C-14-202**, Utah Code Annotated 1953
- 33 **63C-14-301**, Utah Code Annotated 1953
- 34 **63C-14-302**, Utah Code Annotated 1953



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

37 Section 1. Section **63C-14-101** is enacted to read:

38 **CHAPTER 14. FEDERAL FUNDS COMMISSION**

39 **Part 1. General Provisions**

40 **63C-14-101. Title.**

41 This chapter is known as "Federal Funds Commission."

42 Section 2. Section **63C-14-102** is enacted to read:

43 **63C-14-102. Definitions.**

44 As used in this chapter:

45 (1) "Commission" means the Federal Funds Commission created in Section

46 63C-14-201.

47 (2) "Federal issue" means a matter relating to the federal government's dealings with
48 the state, including a matter described in Subsection 63C-14-301(1).

49 Section 3. Section **63C-14-201** is enacted to read:

50 **Part 2. Commission Creation and Membership**

51 **63C-14-201. Creation of Federal Funds Commission -- Membership -- Chairs.**

52 (1) There is created an advisory commission known as the Federal Funds Commission.

53 (2) The commission consists of 13 members as follows:

54 (a) three members of the Senate, appointed by the president of the Senate, no more
55 than two of whom may be from the same political party;

56 (b) three members of the House of Representatives, appointed by the speaker of the
57 House of Representatives, no more than two of whom may be from the same political party;

58 (c) three individuals appointed by the governor, no more than two of whom may be
59 from the same political party; and

60 (d) four individuals appointed by commission members appointed under Subsections
61 (2)(a), (b), and (c).

62 (3) The commission shall select a chair and a vice chair from among its members.

63 Section 4. Section **63C-14-202** is enacted to read:

64 **63C-14-202. Terms of commission members -- Removal -- Vacancies -- Salaries**
65 **and expenses.**

66 (1) Subject to Subsections (3), (4), and (5), the term of commission members is two
67 years.

68 (2) A commission member may be reappointed to a successive term.

69 (3) Beginning March 2015, the term of commission members shall be staggered so that
70 the term of approximately half of the members expires every year.

71 (4) A commission member may be removed from the commission by the person or
72 persons who appointed the member.

73 (5) Subject to Subsection (7), a commission member appointed under Subsection
74 63C-14-201(2)(a) or (b) who leaves office as a legislator may not continue to serve as a
75 commission member.

76 (6) A vacancy in the commission shall be filled in the same manner as the appointment
77 of the member whose departure from the commission creates the vacancy.

78 (7) A commission member shall serve until a successor is duly appointed and qualified.

79 (8) (a) Salaries and expenses of commission members who are legislators shall be paid
80 in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Expense and
81 Mileage Reimbursement for Authorized Legislative Meetings, Special Sessions, and Veto
82 Override Sessions.

83 (b) A commission member who is not a legislator may not receive compensation or
84 benefits for the member's service on the commission, but may receive per diem and
85 reimbursement for travel expenses incurred as a commission member at the rates established by

86 the Division of Finance under Sections 63A-3-106 and 63A-3-107 and rules made by the
87 Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.

88 Section 5. Section **63C-14-301** is enacted to read:

89 **Part 3. Commission Powers and Duties**

90 **63C-14-301. Commission duties.**

91 (1) Until November 30, 2014, the commission shall:

92 (a) study and assess:

93 (i) the financial stability of the federal government;

94 (ii) the level of dependency that the state and local governments have on the receipt of
95 federal funds;

96 (iii) the risk that the state and local governments in the state will experience a reduction
97 in the amount or value of federal funds they receive, in both the near and distant future;

98 (iv) the likely and potential impact on the state and its citizens from a reduction in the
99 amount or value of federal funds received by the state and by local governments in the state, in
100 both the near and distant future; and

101 (v) the likely and potential national impact from a reduction in the amount or value of
102 federal funds paid to the states, in both the near and distant future; and

103 (b) make recommendations to the governor and Legislature on methods to:

104 (i) avoid or minimize the risk of a reduction in the amount or value of federal funds by
105 the state and by local governments in the state;

106 (ii) reduce the dependency of the state and of local governments in the state on federal
107 funds; and

108 (iii) prepare for and respond to a reduction in the amount or value of federal funds by
109 the state and by local governments in the state.

110 (2) After November 30, 2014, the commission shall study, assess, and provide
111 recommendations on any federal issue that the governor, the Legislature through a joint
112 resolution of the Legislature, or the Legislative Management Committee directs the
113 commission to study, assess, and make recommendations on.

114 (3) On or before November 30 of each year, the commission shall report to the
115 Government Operations Interim Committee of the Legislature on the commission's findings
116 and recommendations.

117 Section 6. Section **63C-14-302** is enacted to read:

118 **63C-14-302. Commission meetings -- Quorum -- Bylaws -- Staff support.**

119 (1) (a) Until November 30, 2014, the commission shall meet at least quarterly but no
120 more frequently than once a month.

121 (b) After November 30, 2014, the commission shall meet as directed by the governor,
122 the Legislature, or the Legislative Management Committee in conjunction with direction given
123 under Subsection 63C-14-301(2).

124 (2) A majority of the commission members constitutes a quorum, and the action of a
125 majority of a quorum constitutes action of the commission.

126 (3) The commission may adopt bylaws to govern its operations and proceedings.

127 (4) The Office of Legislative Research and General Counsel shall provide staff support
128 to the commission.

129 Section 7. Section **63I-1-263 (Effective 05/01/13)** is amended to read:

130 **63I-1-263 (Effective 05/01/13). Repeal dates, Titles 63A to 63M.**

131 (1) Section 63A-4-204, authorizing the Risk Management Fund to provide coverage to
132 any public school district which chooses to participate, is repealed July 1, 2016.

133 (2) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2016.

134 (3) Section 63C-8-106, rural residency training program, is repealed July 1, 2015.

135 (4) Title 63C, Chapter 13, Prison Relocation and Development Authority Act, is
136 repealed July 1, 2014.

137 (5) Title 63C, Chapter 14, Federal Funds Commission, is repealed July 1, 2018.

138 [~~5~~] (6) Subsection 63G-6a-1402(7) authorizing certain transportation agencies to
139 award a contract for a design-build transportation project in certain circumstances, is repealed
140 July 1, 2015.

141 [~~6~~] (7) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed

142 July 1, 2020.

143 ~~[(7)]~~ (8) The Resource Development Coordinating Committee, created in Section
144 63J-4-501, is repealed July 1, 2015.

145 ~~[(8)]~~ (9) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

146 ~~[(9)]~~ (10) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone Act,
147 is repealed January 1, 2021.

148 (b) Subject to Subsection ~~[(9)]~~ (10)(c), Sections 59-7-610 and 59-10-1007 regarding
149 tax credits for certain persons in recycling market development zones, are repealed for taxable
150 years beginning on or after January 1, 2021.

151 (c) A person may not claim a tax credit under Section 59-7-610 or 59-10-1007:

152 (i) for the purchase price of machinery or equipment described in Section 59-7-610 or
153 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

154 (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if
155 the expenditure is made on or after January 1, 2021.

156 (d) Notwithstanding Subsections ~~[(9)]~~ (10)(b) and (c), a person may carry forward a tax
157 credit in accordance with Section 59-7-610 or 59-10-1007 if:

158 (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

159 (ii) (A) for the purchase price of machinery or equipment described in Section
160 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31,
161 2020; or

162 (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the
163 expenditure is made on or before December 31, 2020.

164 ~~[(10)]~~ (11) (a) Section 63M-1-2507, Health Care Compact is repealed on July 1, 2014.

165 (b) (i) The Legislature shall, before reauthorizing the Health Care Compact:

166 (A) direct the Health System Reform Task Force to evaluate the issues listed in
167 Subsection ~~[(10)]~~ (11)(b)(ii), and, by January 1, 2013, develop and recommend criteria for the
168 Legislature to use to negotiate the terms of the Health Care Compact; and

169 (B) prior to July 1, 2014, seek amendments to the Health Care Compact among the

170 member states that the Legislature determines are appropriate after considering the
171 recommendations of the Health System Reform Task Force.

172 (ii) The Health System Reform Task Force shall evaluate and develop criteria for the
173 Legislature regarding:

174 (A) the impact of the Supreme Court ruling on the Affordable Care Act;

175 (B) whether Utah is likely to be required to implement any part of the Affordable Care
176 Act prior to negotiating the compact with the federal government, such as Medicaid expansion
177 in 2014;

178 (C) whether the compact's current funding formula, based on adjusted 2010 state
179 expenditures, is the best formula for Utah and other state compact members to use for
180 establishing the block grants from the federal government;

181 (D) whether the compact's calculation of current year inflation adjustment factor,
182 without consideration of the regional medical inflation rate in the current year, is adequate to
183 protect the state from increased costs associated with administering a state based Medicaid and
184 a state based Medicare program;

185 (E) whether the state has the flexibility it needs under the compact to implement and
186 fund state based initiatives, or whether the compact requires uniformity across member states
187 that does not benefit Utah;

188 (F) whether the state has the option under the compact to refuse to take over the federal
189 Medicare program;

190 (G) whether a state based Medicare program would provide better benefits to the
191 elderly and disabled citizens of the state than a federally run Medicare program;

192 (H) whether the state has the infrastructure necessary to implement and administer a
193 better state based Medicare program;

194 (I) whether the compact appropriately delegates policy decisions between the
195 legislative and executive branches of government regarding the development and
196 implementation of the compact with other states and the federal government; and

197 (J) the impact on public health activities, including communicable disease surveillance

198 and epidemiology.

199 [~~(11)~~] (12) The Crime Victim Reparations and Assistance Board, created in Section
200 63M-7-504, is repealed July 1, 2017.

201 [~~(12)~~] (13) Title 63M, Chapter 9, Families, Agencies, and Communities Together for
202 Children and Youth At Risk Act, is repealed July 1, 2016.

203 [~~(13)~~] (14) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1,
204 2017.

205 Section 8. **Effective date.**

206 If approved by two-thirds of all the members elected to each house, this bill takes effect
207 upon approval by the governor, or the day following the constitutional time limit of Utah
208 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
209 the date of veto override.