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# Utah Legislative Update: April 2017

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#### **Governor's Action on Bills**

After the Legislature adjourned for the year on March 9th, Governor Herbert had just 20 days (March 10-March 29) to review all of the passed legislation and decide if he wanted to sign, veto, or let go into law without his signature, over 511 bills. This 20-day period is a fairly busy time for the Governor and his staff as they review and assess the arguments for and against different bills. This is also another opportunity for various parties to engage in the political process and petition for a signature or veto. A grand total of 535 bills were passed this session, but 24 were joint resolutions that don't require the Governor's signature. The Governor only reserved his veto for one bill this year, and used line item vetoes in an appropriations bill with some funding mistakes. Examining the bills the Governor didn't sign, but allowed to go into law without his signature, provides interesting insight into his political views and priorities. This year there are six bills that fall into that category. Below are brief descriptions of the eight bills that fell into this unique gubernatorial category of action.

#### **Vetoed Bill by Governor Herbert:**

#### **HB11 State Boards and Commissions Amendments, Rep. Thurston.**

The story of this vetoed bill is particularly interesting because the bill originated from a request from the Governor's Office. The Governor's Office is responsible for appointments to a number of board and commissions across the State (for example: the Livestock Market Committee, Water Quality Board, and Utah State Scenic Byway Committee, just to name a few). Last November, the Governor's Office presented to the Government Operations Interim Committee that many organizations to which the Governor is required to appoint people contain a requirement for a partisan balance. This sometimes proved a challenge for the Governor's Office when seeking someone with the proper credentials and experience. For example, identifying an ideal candidate for the State Money Management Council only to discover that a truly qualified candidate would upset the partisan makeup of the council and therefore had to be rejected and the search renewed. The Governor's Office proposed to eliminate the partisan requirement for 29 organizations. The Government Operations Committee accepted the request and opened a committee bill file (this is an expedited type of bill in Utah that goes to the front of the line for consideration once the annual session begins) and assigned it to Rep. Thurston.

However, between the time the bill file was opened and the start of the legislative session, the minority party (Democrats) and others started to complain that there were organizations on the list where they believed

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partisan balance was critical (the Alcoholic Beverage Control Commission) and several boards related to air, water, and environmental quality impacts were frequently mentioned as examples). Bowing to the pressure to keep partisan balance on some of the original list of 29 organizations, the bill was amended on the floor of the House with agreement from the Governor's Office. It was then further amended on the floor of the Senate, which reinstituted some of the original list of 29 organizations. Since the House and Senate had passed different versions of the bill, another vote in the House was required, which passed, in agreement with the Senate's changes. The Governor stated in his veto letter that he felt his office had negotiated in good faith on the amendments that were adopted on the floor of the House with the concerned parties (known as 3rd Sub. HB11), and that he couldn't in good conscience, sign the Senate version (known as 2nd Sub. HB11) because it wasn't the negotiated version. It is a strange ending for a bill that originally started with a request from the Governor's own staff!

## Line Item Vetoes by Governor Herbert: SB3 Appropriations Adjustments, Sen. Stevenson.

At the end of every session, the so-called "Bill of Bills" is introduced and passed with the final directives outlining how the Legislature intends to spend the last bit of money remaining in the budget. This year, that bill was SB3. It is often a hodge-podge bill because other appropriations bills passed earlier in the session are dedicated to particular areas of the budget like public education or infrastructure. This bill is truly the last of the money the Legislature has scraped together to fund a variety of bills and pet projects. It is introduced and passed on the final marathon day of the session. The bill contains a number of "line items" that direct funding to other bills. In Utah, we have a legislative rule that requires that all bills with a fiscal note greater than \$10,000 be held in the opposite chamber's Rules Committee until the fiscal note is funded, usually in the "Bill of Bills". This means once the Legislature has introduced the Bill of Bills, these fiscal note bills finally have a green light to advance out of the Rules Committee for final passage. However, they are in a race against the clock for final passage on the last day and the ability to receive their funding. Every year, a few don't make it by the deadline which means the "Bill of Bills" contains directives to fund bills that didn't pass, requiring the Governor to issue line item vetoes. This year, line items tied to bills 73, 90, 95 and 149 did not pass and were subject to line items vetoes.

## Bills Governor Herbert Allowed to Become Law Without His Signature:

HB136 Board of Education Revisions, Rep. Kennedy.
 This bill deals with federal educational programs and requires the State Board of Education to take certain actions before implementing a federal program that doesn't directly and simultaneously advance state educational goals, objectives, programs, or accountability systems. The Governor noted in his letter explaining his actions that he felt the legislation was unnecessary and the evaluation was already something the State Board of Education could undertake.



- HB446 Sentencing Guideline Amendments, Rep. Ivory.
   This bill directs the Board of Pardons and Parole to develop and use a list of criteria for making determinations. The Governor noted in his explanatory letter that the Board of Pardons and Parole was already undertaking this type of review and the legislation was superfluous.
- SB11 Water Development commission Amendments, Sen. Dayton.

This bill removes some of the members of the Legislative Water Development Commission. The Governor noted that many of the removed members were subject matter experts appointed by the Governor. However, because the Commission is a legislative commission, the Governor decided to allow the bill to become law without his signature.

- SB32 Child Welfare Auditing Amendments, Sen. Davis.
   The bill instructs the Legislative Auditor General to audit a sample of child welfare referrals and cases. The Governor noted in his letter explaining his actions that such an audit was already standard practice and the legislation was unnecessary.
- SB109 Small Employer Retirement Program, Sen. Weiler.
   This bill created an income tax credit for small employers and employees to encourage saving for retirement. The Governor noted that while he encourages saving for retirement, he was opposed to the idea of narrowing the tax base that feeds the Public Education system (funded by income tax). However, given the overall goal of the legislation is positive, he decided to allow the bill to become law without his signature.
- SB214 Public Water Supplier Amendments, Sen. Iwamoto.
   This bill encourages the Water Development Commission and Executive Water Task Force to study the application process for instream flow. The Governor noted in his explanation letter that while he supported the study of this issue, both organizations were already planning to study it and the legislation was not needed.

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