Legislative Wrap-Up
by Kara Glaubitz, CPPA graduate assistant

This year’s legislative wrap-up luncheon, hosted by the American Society for Public Administration, was a stimulating review of some of the most important issues tackled in the 2010 session. The panelists were Representative Jim Gowans (D), Representative Rebecca Lockhart (R), Senator Wayne Niederhauser (R), and Senator Luz Robles (D). The following three questions were posed to the participating legislators:

- What significant policies were accomplished?
- What business was left unfinished to be addressed in interim committee meetings?
- What issues and interests won and lost?

Representative Jim Gowans described ethics reform as the most significant issue tackled in the recent legislative session. He believes the reforms will bring positive and meaningful change to the state. The ethics reform bills that passed altered the state constitution so as to make ethics legislation more binding, increasing the accountability of legislators in the future.

Rep. Gowans mentioned the significant changes made in state retirement this year, and acknowledged the impact this will have on many people’s lives. He also briefly described the time spent on the cigarette tax this session, as legislators tried to determine whether it would pass despite of Governor Herbert’s previously stated commitment to avoid all tax increases.

Rep. Gowans’ primary emphasis was on changes made to water policy in Utah this year, as this is an issue that hits close to home for him. He serves on the Natural Resources Committee and spent many years as a rancher, giving him a special interest in water rights. Striking a balance on water policy is essential, he said, respecting ranchers’ water rights and private property, while also allowing other Utahns to recreate on the state’s streams and rivers. He appreciated the work that was done this year, but believes there is further work to do in the coming year in order to create a comprehensive approach to this policy issue.

Representative Rebecca Lockhart discussed a number of issues, including several of those touched on by Representative Gowans. Rep. Lockhart mentioned retirement as one area in which considerable changes were made, and described the necessity of addressing the liabilities in our state retirement fund. In order to keep previously made commitments to current state employees, we have to make a different promise to new state employees, as outlined in this year’s retirement legislation.

Health care is the issue Rep. Lockhart is anticipating will be of central importance during this interim and in the 2011 session, as we begin to understand how federal legislation will affect health care reform in the state. She also briefly mentioned several bills and resolutions that were introduced stressing state sovereignty in response to federal legislation affecting all states.

In regards to who “won” this session, Rep. Lockhart described the Utah taxpayers as the winners, as the legislature managed to balance the budget and maintain important functions of government, both while avoiding tax increases. The budget overrode everything this year, she explained, with reductions made in all areas, save for public education. Rep. Lockhart was pleased with the way the budget was addressed and proud of the legislature’s fulfilled promise to hold public education unharmed. She stated plainly that smokers “lost” this session.
Retirement and health care were the two principal issues discussed by Senator Niederhauser. He is hopeful that the changes in retirement passed this year will solve the problems of the state retirement system, but expressed some concern that the actuarial projections of 7.75% returns may be overly optimistic. He described the current pressure on the retirement system as resultant from an investment loss when positive growth was expected. If future returns are again lower than projected, Sen. Niederhauser expects there will be further problems with state retirement.

Sen. Niederhauser described health care as a big issue right now due to the recently passed federal legislation. Currently, work is being done to refine the Utah Health Exchange, addressing problems of unequal policy pricing in the exchange that causes participants to pay more for plans inside the exchange than those outside of the exchange. Sen. Niederhauser acknowledged that the Utah Health Exchange probably will not affect the cost of health care, but said its purpose is to increase consumer choice. He said the fundamental problem with health care is that the patient is not "in the driver’s seat." Consumers have gotten lax, as government and health insurance companies direct patients where to go for health care and what services to receive. Sen. Niederhauser believes the Utah Health Exchange is a first step in getting the consumer more involved, which will eventually lead to better consumer decisions based on cost and outcomes. His primary concern with the federal legislation is that the economics of increasing access to health care have not been considered. He believes that addressing demand for health care by increasing access for the uninsured without simultaneously addressing supply will result in increased health care costs. Sen. Niederhauser said the state can do great things in health care reform, but is troubled by a federal one-size-fits-all approach.

In the interim and 2011 session, Sen. Niederhauser expects the budget to continue to be a significant issue. He decried the new tobacco tax as poor revenue policy, pointing out that the budget was balanced by taxing an activity that legislators hope to discourage. In the upcoming years we must be realistic about how we fund and what we fund, but he expects revenues to slowly increase, at least enough for the state to absorb the costs of future growth.

Senator Luz Robles praised the state’s efforts on health care reform, which she has seen up close as a member of the Health and Human Services Committee. She expects the federal government to be in a similar position in a year as Utah currently is, that is, refining health care efforts after further examination.

On the other hand, Sen. Robles expressed concern about the retirement legislation passed this session. She said that although reform was needed, it went too fast this session, without adequate consideration. The lack of conversation about the meaning of public service was troubling, and she is concerned that the state may face a shortage of quality public servants in the future due to these changes. Although attempts have been made to hold public education harmless in the budgeting process, Sen. Robles pointed out the lack of increases in funding to account for growth in schools. In the past two years, she said, 22,000 more students have entered the public education system without a corresponding increase in education funds.

In addition to education and retirement, Sen. Robles discussed the state’s rights bills, all of which she voted against. She explained her decision to oppose those bills as one of fiscal responsibility, noting that passage of the bills could potentially lead to expensive legal battles at a time when the budget is already stretched thin.

Sen. Robles expressed concern over new immigration legislation in the state, imposing employment verification on all businesses with more than 15 employees. She believes this may have a negative impact on economic growth as it adds an additional burden to human resource management in Utah.
Like Rep. Lockhart, Sen. Robles felt that the winning issue this session was the successfully balanced budget, which brought both parties together. She described the balanced budget as a “team effort,” and felt that the budget cuts were not as harmful as many had feared they would be. On the other hand, Sen. Robles expressed concern over the future of the budget and emphasized the need for discussing revenue enhancement. When pushed by an audience member, Sen. Robles agreed that revenue enhancement means possible tax increases in an election year.

The 2010 legislative session brought about a number of noteworthy changes to policy in Utah, and we appreciate these legislators giving their time to review and appraise the results.