

N. Dale Wright Distinguished Alumnus Award 2014

Address By Ruth Ann Jefferies

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I would like to thank Dr. Dale Wright and the Romney Institute of Public Management faculty and staff for this very special recognition and honor. Since I'm older than dirt, I've decided the reason I'm the fiftieth-anniversary recipient of this prestigious award is that you couldn't find anyone older than me. I was always taught to respect my elders, but it keeps getting harder to find one. I am honored to represent the 1971 MPA graduating class.

My public service career encompasses almost my entire life. You might call me "Miss Miscellaneous," as I have worked at every level of government and have had a few years of experience in the private sector as well as serving humanitarian missions to eastern Africa and Peru. Interestingly enough, my public service career began with property tax and will probably end with property tax.

When I was a young girl, my dad was the Cassia County assessor in Idaho, and I would go with him in the backcountry on the Utah-Idaho border valuing property. My job was to hop on a horse, round up the livestock, and drive them past him so he could count them. During the summer between my junior and senior year of college at BYU, I interned with the State Department in Washington, DC, in the Agency for International Development. After graduating with a BA in political science, business, and history in 1967, I worked at that "university to the north" with vice president Paul Hodson, establishing the University of Utah Research Park. Upon graduating from BYU with an MPA degree, I worked for ten years with Utah governor Calvin Rampton as the token Republican on the governor's staff. I stayed home for twelve years to raise a fabulous daughter and a fabulous son (who both embraced all the skills I learned here in the MPA program and then some). While at home I was involved in a couple of family businesses: a family airplane rental business and co-owner of Video Palace. For thirty years I have either been the chair or vice chair of my neighborhood voting district—I can't seem to wiggle out of that job! I was the Northern Utah District office manager for the 1990 Census. Since 1991 I have worked for the Utah State Tax Commission (USTC), and I have worked with every tax administered by USTC. About seventeen years ago, I discovered that I liked property tax the very best because it is a complex and complicated tax to administer, and it provides me the opportunity and privilege of working with local and special district officials.

Just to provide some balance to my life, I volunteer a few hours each week as a docent at the Church History Museum.

Today, I will talk about what I call the three T's in today's public administration arena in the Utah state government: teamwork, technology, and transparency. In addition, I have a few words about fear and passion.

1. Teamwork

The public's business is becoming more complex and interconnected. Part of my job is to work with the legislature on property tax issues. For example, when a legislator wants to amend a property tax statute, we often reach across disciplines and invite a CPA, an economist, at least one attorney, and others to sit down at the discussion table. In addition, we usually invite someone from the Utah Association of Counties, the Utah League of Cities and Towns, and the Utah Taxpayers Association. It is important that people know how to work with each other because in today's world we get things done *among* others because there are obstacles that are outside our control or that we don't have the necessary expertise or resources to overcome. Collaboration skills have become critical.

Over the years, I have learned a couple of very important lessons. The first one I learned from my dad, which is that it is more important to focus on how you make people feel than it is on what you say to them. Second, one needs to develop the talent or ability to explain complex things in a simple way because people yearn for simplicity.

2. Technology

It is the responsibility of public administrators and elected officials to keep confidential data secure. As you know State Tax Commission employees work daily with confidential data. In fact, we have millions of cyber attacks every day attempting to hack into our computer tax systems. What do we do to secure data? Although we have firewalls and other very sophisticated data security systems, the Internal Revenue Service and the Social Security Administration require that we also have two-factor authentication. Two-factor authentication means that you have a "know" factor, a complex password which changes frequently, and a "have" factor, an RSA token which is physically in hand. An RSA token contains six numbers, and all six numbers change every minute. So we use both a complex password and the six-digit number on the RSA token to access our computer network.

One of my duties is to manage the staff who set the property tax rate. Property tax rate setting is a very complex and complicated process. It requires lots of data from taxing entities such as counties, municipalities, school districts, and local and special service districts. Once we receive all of the data, many calculations are performed to generate a property tax rate; in the past, we used Excel and Access. Until 2010 it was a process that was completely understood by only a handful of people at the State Tax Commission. What changed? Technology. It took about three years to build an automated web-based computer application we named the Utah Certified Tax Rate System. The system is unique because it is web-based. Because we use large grids to display various kinds of data, it is probably the first complicated, totally web-based computer application in the state and perhaps in the nation. Taxing entity officials with password access now sit at their computers and enter information into the application. Once they hit the approve tab, the system automatically performs the numerous calculations

involved and voilà—everything is transparent to the public! Because of the new system, several problems have emerged that we had not noticed before, and we are continuing to work on corrections and making the entire system better. However, there is a downside—it has opened the door for legislators and others to tinker with this complicated process.

3. Transparency

Government should work *for* people, and the public's business should be conducted in full daylight. Transparency is critical for wise stewardship of resources.

Back in 1985, Gary Cornia, former Romney Institute director and dean of the Marriott School, was serving as a commissioner on the Utah State Tax Commission. He was instrumental in establishing Truth in Taxation (TNT), a property tax transparency concept. The TNT law imposed specific public notice and public hearing or disclosure requirements that are triggered when a taxing entity proposes to increase its property tax revenues (not rates) above those collected in the previous year. The public hearings are designed to provide transparency and to allow elected officials to explain the reasons for a proposed tax increase and allow citizens to comment on the proposed increase. There have been numerous changes to the TNT process to refine it over the years, but Dr. Cornia's initial concept has remained sound and intact. Utah's TNT laws have proven to be an effective tool for promoting transparency and in limiting the rate of increase in property taxes. Since 1986 the annual rate of increase has averaged 3.6 percent. Of the more than 550 taxing entities in Utah, there is an average of only forty entities proposing tax increases each year.

As of the first of October 2014, there were 423 reported bill files opened in the Office of Legislative Research and General Counsel and only 160 were openly listed by title along with the name of the sponsor. What this means is 62 percent of these bills are protected, or a better word is "secret"—and some are tax-related bills. They are sometimes called "boxcar bills"—which simply means they are given a short title and a number but have no text. The titles can be vague like "government amendments" or "budgetary changes." Then late in the annual forty-five-day legislative session, the boxcar bill can be retitled and have text placed in it. The proposed new law is sprung upon the public, media, and other legislators. The primary reason for this practice is that the issues are controversial, and legislators don't want the hassle of dealing with the public, media, and special interest groups that could possibly raise issues and/or cause problems if they knew what the legislator was proposing. Something needs to be done to stem this flood of secret bills on Capitol Hill.

Current property tax issues that we will probably see in the legislature this year are how to define or redefine new growth for the certified property tax rate calculation; how to clarify or define redevelopment or community development project numbers used in the certified tax rate calculation; how to protect taxpayers from the ratcheting up effect or the automatic property tax increase when values decrease for centrally-assessed companies like oil, gas, or

mining companies; how to tax solar energy development projects; and the list goes on—plenty to keep me busy during the 2015 legislative session

Fear and Passion

During my career, I have noticed some public sector administrators who are fearful and choose not to get out of the boat or to take a risk. They seem to want to sail on smooth waters or maintain the status quo.

There is a book I know of called *Unfinished Business* by Lee Kravitz. After losing his job, Kravitz, a workaholic in his mid-fifties, took stock of his life and realized just how disconnected he had become from the people who mattered most to him. He decided to commit an entire year to reconnecting with people and making amends.

What was of particular interest about this situation was that Kravitz said he found that the things we work hardest and the longest to avoid doing—the things in life we are most afraid of—are exactly those things that have the most power to transform, enrich, enlarge, and even complete us.

It is fear that keeps us from living full lives and making great achievements. If we can nail down that fear, we can improve pretty much everything. The bottom line is to have faith in yourself and in God.

A mix of training (such as students receive at BYU), hard work, and talent can usually take a person a long way; but I believe passion is another very important element in the mix. Passion elevates abilities and lifts souls. If you look at the people above you, I think you'll see that the highest rungs on the ladder of success are occupied by those who are passionately driven. Passion empowers people to turn ordinary actions into extraordinary actions.

Take courage, have faith, give God what's right (not what's left), and "everything will be OK in the end; if it is not OK, then it is not the end."