

**MINUTES OF THE
BUSINESS AND LABOR INTERIM COMMITTEE**

Wednesday, November 9, 2005 – 8:30 a.m. – Room W125 House Building

Members Present:

Sen. Scott K. Jenkins, Senate Chair
Rep. Stephen D. Clark, House Chair
Sen. Thomas V. Hatch
Sen. John W. Hickman
Sen. Ed Mayne
Sen. Michael G. Waddoups
Rep. J. Stuart Adams
Rep. Jackie Biskupski
Rep. David Clark
Rep. Carl W. Duckworth
Rep. James A. Dunnigan
Rep. Craig A. Frank
Rep. Neil A. Hansen

Rep. Todd E. Kiser
Rep. Michael T. Morley
Rep. Curtis Oda
Rep. Gordon E. Snow
Rep. Scott L. Wyatt

Members Absent:

Sen. Gene Davis

Staff Present:

Ms. Allison Morgan, Policy Analyst
Ms. Patricia Owen, Associate General Counsel
Ms. Tracey Fredman, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Jenkins called the meeting to order at 9:08 a.m.

MOTION: Rep. Hansen moved to approve the minutes of the October 19, 2005 meeting. The motion passed unanimously. Sen. Mayne, Sen. Waddoups, Rep. Adams, Rep. David Clark, Rep. Stephen Clark, and Rep. Dunnigan were absent for the vote.

2. Standardized Lien Waivers

Ms. Owen distributed and reviewed draft legislation "Mechanics' Lien and Payment Amendments."

Mr. Darrel Bostwick, Attorney, Bostwick & Price, P.C., expressed concerns with the current draft and asked to be involved in a working group to address the issue.

Mr. Joey Gilbert, Associated General Contractors, responded to questions from the Committee.

Mr. Ross Ford, Government Affairs Chair, Utah Home Builders Association, indicated that the Utah Home Builders Association would like to participate in a working group on the draft.

Chair Jenkins moved to the next item on the agenda.

3. POHCO (Privately Owned Health Care Organization) Task Force Report

A written report from the POHCO Task Force chairs was distributed to the Committee.

4. OPLRC (Occupational and Professional Licensure Review Committee) Report: Regulation of General Building Contractors

Rep. Hughes, house chair of OPLRC, reported that the recommendation of OPLRC regarding the regulation of general building contractors was that it continue studying the issue for another year and report back to the Committee.

5. Insurance Related Investment Amendments

Rep. Dunnigan introduced draft legislation "Insurance Related Investment Amendments," contained in the mailing packet. An amendment to the draft was distributed and discussed.

Mr. Steven Fry, Chief Financial Examiner, Utah Insurance Department, spoke in favor of both the draft and the amendment and responded to questions from the Committee.

MOTION: Sen. Waddoups moved to adopt the interim committee amendment to draft legislation "Insurance Related Investment Amendments," dated November 7, 2005. The motion passed unanimously. Rep. Adams, Rep. Stephen Clark, and Rep. Frank were absent for the vote.

MOTION: Sen. Waddoups moved to recommend draft legislation "Insurance Related Investment Amendments" with legislative staff to make technical changes. The motion passed unanimously. Rep. Adams, Rep. Stephen Clark, Rep. Frank, Rep. Morley, and Rep. Wyatt were absent for the vote.

6. Life Insurance and Annuity Law Amendments

Rep. Dunnigan introduced and discussed draft legislation "Life Insurance and Annuity Law Amendments," contained in the mailing packet.

Mr. John Coomans, Life Insurance Division Director, Utah Insurance Department, spoke in favor of the draft legislation.

MOTION: Rep. Kiser moved to recommend draft legislation "Life Insurance and Annuity Law Amendments." The motion passed unanimously. Rep. Adams, Rep. Stephen Clark, Rep. Frank, Rep. Morley, and Rep. Wyatt were absent for the vote.

7. Insurance Reports, Tables, and Examination Amendments

Rep. Dunnigan introduced draft legislation "Insurance Reports, Tables, and Examination Amendments," contained in the mailing packet.

Mr. Mark Kleinfeld, Administrative Law Judge, Utah Insurance Department, discussed the provisions of the draft.

MOTION: Rep. Kiser moved to recommend draft legislation "Insurance Reports, Tables, and Examination Amendments." The motion passed with Sen. Hickman voting in opposition. Rep. Adams, Rep. Frank,

Rep. Morley, and Rep. Wyatt were absent for the vote.

8. Noncompetition Contract Provisions

Sen. Mayne distributed "Right to Work Law," and introduced draft legislation "Employee Noncompetition Contracts," contained in the mailing packet.

Ms. Lauren Scholnick, Attorney, Strindburg, Scholnick, and Chamness, commented on the need for the legislation and responded to questions from the Committee.

Ms. Carol Clawson, Attorney, Clawson and Falk, LLC, spoke in favor of the draft legislation.

Mr. Jonathan Johnson, Senior Vice President, Overstock.Com, expressed concerns with the draft legislation and responded to questions from the Committee.

Mr. Dewey Reagan, President, Reagan Outdoor Advertising, expressed concerns with the draft legislation's impact on small businesses.

Mr. Richard Nelson, President, Utah Information and Technology Association, expressed concern with the draft legislation and responded to questions from the Committee.

Mr. Robin Riggs, Vice President and General Counsel, Salt Lake Area Chamber of Commerce, commented on concerns with the draft legislation and responded to questions from the Committee.

Mr. Bostwick commented on concerns with the draft legislation and responded to questions from the Committee.

Chair Jenkins moved to the next item on the agenda.

9. Filing Liens

Rep. Stephen Clark introduced draft legislation "Filing Liens," contained in the mailing packet.

MOTION: Rep. Dunnigan moved to recommend draft legislation "Filing Liens." The motion passed unanimously. Sen. Hickman, Sen. Mayne, Rep. Adams, Rep. Hansen, Rep. Morley, and Rep. Wyatt were absent for the vote.

10. Consumer Credit Protection

Sen. Carlene Walker introduced draft legislation "Consumer Credit Protection," contained in the mailing packet.

Mr. Kirk Torgensen, Chief Deputy, Utah Attorney General's Office, discussed the provisions of the draft legislation.

Mr. Chris Kyler, Utah Association of Realtors, commented on the draft legislation and suggested that additional details should be considered before continuing with the draft legislation.

Ms. Candace Daly, CDIA (Consumer Data Industry Association), said that CDIA supported the efforts being made with the draft legislation, but would like to see changes made within the draft before it is approved.

Ms. Laura Polacheck, AARP Utah, spoke in favor of the draft legislation, and commented on ways individuals can take control of protecting their own credit.

Chair Jenkins moved to the next item on the agenda.

11. Motor Vehicle Repairs - Consumer Rights

Rep. Kiser introduced draft legislation "Rights for Motor Vehicle Repairs," contained in the mailing packet.

Mr. Wayne Jones spoke in favor of the draft legislation.

Mr. Gary Thorup, PCIAA (Property and Casualty Insurers Association of America), said that PCIAA did not perceive a problem to be solved with legislation.

Mr. Dan Jensen, Co-owner, Les Jensen Collision Repair, said that all the problems addressed in the legislation do exist in the industry.

Mr. Chris Purcell, State Farm Insurance Companies, commented that any problem that may exist could be resolved non legislatively by the rulemaking process or other means.

MOTION: Rep. Stephen Clark moved to recommend draft legislation "Rights for Motor Vehicle Repairs."

SUBSTITUTE MOTION: Rep. Biskupski moved to proceed to the next item on the agenda. The motion passed with Rep. Kiser voting in opposition. Sen. Mayne, Sen. Waddoups, and Rep. Adams were absent for the vote.

12. Resolution Supporting Congressional Action on the Deductibility of Medical Expenses

Rep. Eric Hutchings distributed and introduced draft legislation "Resolution Urging Congressional Action on the Tax Deductibility of Medical Expenses by Individuals."

MOTION: Sen. Hickman moved to recommend "Resolution Urging Congressional Action on the Tax Deductibility of Medical Expenses by Individuals." The motion passed with Rep. Biskupski, Rep. Dunningan, and Rep. Kiser voting in opposition. Sen. Mayne, Sen. Waddoups, and Rep. Adams were absent for the vote.

13. Other Items/Adjourn

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MOTION: Sen. Hatch moved to adjourn the meeting. The motion passed unanimously. Sen. Mayne, Sen. Waddoups, and Rep. Adams were absent for the vote.

Chair Jenkins adjourned the meeting at 12:05 p.m.