

**MINUTES OF THE
WORKFORCE SERVICES AND COMMUNITY
AND ECONOMIC DEVELOPMENT INTERIM COMMITTEE**
Wednesday, May 17, 2006 – 9:00 a.m. – Room W025 House Building

Members Present:

Sen. John W. "Bill" Hickman, Senate Chair
Sen. Dan R. Eastman
Sen. Karen Hale
Sen. Peter C. Knudson
Rep. Janice M. Fisher
Rep. Steven R. Mascaró
Rep. Karen W. Morgan
Rep. Mark W. Walker
Rep. Peggy Wallace

Members Absent:

Rep. David N. Cox, House Chair

Staff Present:

Mr. Arthur L. Hunsaker, Policy Analyst
Mr. James L. Wilson, Associate General Counsel
Ms. Glenda S. Whitney, 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 Hickman called the meeting to order at 9:15 a.m. Rep. Cox was excused from attending the meeting.

MOTION: Sen. Hale moved to approve the minutes of the April 19, 2006 meeting. The motion passed unanimously with Sen. Eastman and Rep. Mascaró absent for the vote.

2. Industrial Assistance Fund and Economic Development Tax Incentive Fund

Mr. Jason Perry, Executive Director, and Mr. Michael Nelson, Managing Director, Incentives, Governor's Office of Economic Development, distributed a copy of "Incentive for In-State Companies" and gave a slide presentation on using the Industrial Assistance Fund and the Economic Development Tax Incentive to provide economic development incentives for in-state companies. Mr. Nelson presented an overview on the reasons for in-state incentives, the current incentive criteria, and incentive plan options.

Chair Hickman asked that the Governor's Office of Economic Development bring back specific recommendations on incentives for in-state companies for the Committee to review.

MOTION: Rep. Morgan moved that staff work with the Governor's Office of Economic Development to prepare language clarifying current statutes regarding economic development incentives for existing and new in-state companies for consideration at a future meeting. The motion passed unanimously with Sen. Eastman and Rep. Mascaró absent for the vote.

3. Increasing Opportunities for Utah Companies to Competitively Bid and Receive Government Contracts

Mr. Perry and Mr. Fred G. Lange, Director, PTAC (Procurement Technical Assistance Center), Governor's Office of Economic Development, distributed a handout "PTAC" and gave a slide presentation

on the activities of the center. Mr. Lange presented an overview on how PTAC targets clients, reviewed its strategies, and explained the services it provides to small businesses.

4. Rural Economic Development

Mr. Wilson distributed a handout "Current Utah Laws - Economic Development in Rural Areas" and presented an overview on the state's rural economic development statutes.

Mr. Gayle McKeachnie, Office of Rural Affairs, Governor's Office of Economic Development, distributed a handout "Rural Program FY06" and presented an update on the Governor's Office of Economic Development's rural economic development efforts.

Mr. Mike McCandless, Emery County Economic Development, discussed the process of working with providers of power, gas, and telecommunication in rural areas. He noted that when these resources are not available in rural areas, it discourages companies from locating in rural communities.

Committee discussion followed.

5. Other Items / Adjourn

Mr. Mike Richardson distributed a news release from the Department of Workforce Services, dated May 16, 2006, "Utah's Employment Situation: April 2006" for the Committee to review.

MOTION: Sen. Knudson moved to adjourn the meeting. The motion passed unanimously.

Chair Hickman adjourned the meeting at 11:19 a.m.