

**MINUTES OF THE
WORKFORCE SERVICES AND COMMUNITY
AND ECONOMIC DEVELOPMENT INTERIM COMMITTEE**
Wednesday, September 20, 2006 – 9:00 a.m. – Room W025 House Building

Members Present:

Sen. John W. "Bill" Hickman, Senate Chair
Rep. David N. Cox, House Chair
Sen. Dan R. Eastman
Sen. Karen Hale
Sen. Peter C. Knudson
Rep. Janice M. Fisher
Rep. Steven R. Mascaro
Rep. Karen W. Morgan
Rep. Peggy Wallace

Members Absent:

Rep. Mark W. Walker

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 Cox called the meeting to order at 9:15 a.m.

MOTION: Sen. Hale moved to approve the minutes of the July 19, 2006 meeting. The motion passed unanimously. Sen. Eastman, Rep. Fisher, and Rep. Morgan were absent for the vote.

2. Draft Bill, "Industrial Assistance Fund Amendments"

Chair Cox referred to draft legislation, "Industrial Assistance Fund Amendments" that was distributed in the mailing packet. He noted that the bill modifies definition and general statutory provisions of the Industrial Assistance Fund created within the Governor's Office of Economic Development.

Mr. Jason Perry, Executive Director, Governor's Office of Economic Development, and Mr. Michael Nelson, Director of Corporate Recruitment and State Incentives, Governor's Office of Economic Development, spoke in support of the draft legislation and explained there were some issues in the draft that needed to be revised. Mr. Perry indicated that the Governor's Office of Economic Development is working on language and will submit a proposal for the next meeting.

Mr. Nelson responded to Committee questions.

Mr. Jeff Packer, Chair, Governor's Rural Partnership Board, expressed appreciation to the Committee and to the Governor's Office of Economic Development for supporting modifications to Industrial Assistance Funding. He made recommendations to the bill and said he would help refine the bill prior to the next meeting.

3. Draft Legislation, DWS (Department of Workforce Services)

Chair Cox referred to draft legislation, "Employment Security Act Amendments" that was distributed in the mailing packet.

Ms. Tani Downing, Executive Director, DWS, and Mr. Bill Starks, Director, Unemployment Insurance Division, DWS, distributed a handout "Summary: Section 35A-4-305" that was included in the mailing packet. Ms. Downing and Mr. Starks presented an overview of the bill. The bill modifies provisions of the Employment Security Act related to the collection of unemployment tax contributions by employers.

MOTION: Sen. Knudson moved to continue the discussion of draft legislation, "Employment Security Act Amendments" in the October committee meeting and to receive input from the business community. The motion passed unanimously.

Ms. Downing distributed and reviewed the handout "Summary: Section 35A-4-401" and draft legislation, "Unemployment Compensation - Social Security Offset" that was included in the mailing packet. The bill modifies employment security provisions of the Utah Workforce Services Code related to unemployment benefits and eligibility.

Mr. Jim Olsen, Utah Food Industry Association, expressed concern with the sunset date on the bill and the fact that premiums will go up, which will impact some employers in the future.

MOTION: Sen. Hale moved to adopt draft legislation, "Unemployment Compensation - Social Security Offset" as a committee bill. The motion passed unanimously.

4. TANF (Temporary Assistance for Needy Families) Reauthorization

Mr. Wilson distributed draft legislation, "Family Employment Program Amendments." The bill modifies eligibility requirements for receiving cash assistance benefits under the Family Employment Program administered by the Employment Development Division of DWS.

Ms. Downing distributed and reviewed the handouts, "Summary - Family Employment Program Amendments" and "2007 General Session Proposed Legislation Changes" that were included in the mailing packet. She reviewed the proposed changes and explained the need for legislation on limits of eligibility for the TANF program.

Ms. Helen Thatcher, Assistant Director, Operations Support Division, DWS, discussed and reviewed the provisions of the bill. The bill modifies the employment requirement for a parent client to receive additional cash assistance beyond the 36-month time limit set for families in the Family Employment Program.

MOTION: Rep. Mascaro moved to adopt draft legislation, "Family Employment Program Amendments" as a committee bill. The motion passed unanimously.

5. Wage Reporting: Verification of Social Security Numbers

Ms. Downing distributed copies of state statutes, "Section 35A-4-312 and Section 76-8-1301" and discussed the problems DWS encounters in complying with privacy laws when confronting social security identity theft issues. Efforts to inform parents that their children's numbers are being misused or to alert law enforcement have been stymied, in part, by state and federal privacy laws crafted to protect personal information. Ms. Downing gave an in depth overview of the problem and suggested possible solutions.

Mr. Mark Shurtleff, Utah Attorney General, Utah Attorney General's Office, explained the current efforts being made by his office to deal with the reporting and prosecution of identity theft. He said his office has partnered with DWS in attempting to address this issue and has created an Identity Theft Reporting Information Website to assist individuals in reporting identity theft and see that they are routed to the appropriate law enforcement agency. He encouraged the Committee to work with his office and DWS in solving this problem.

Mr. Starks responded to committee questions regarding DWS's procedures used in identifying and verifying the purposeful or mistaken misuse of social security numbers that run through the Department's data base.

Sen. Carlene Walker explained that she has been working with the Attorney General's Office on a number of issues related to the misuse of social security information. She said she will be introducing legislation related to these issues in the 2007 General Session. She indicated that she could present those proposals to the Committee at a future meeting.

Mr. Richard Hamp, Assistant Attorney General, Utah Attorney General's Office, reviewed a number of cases he has prosecuted in the Attorney General's Office dealing with identity theft.

The chairs asked Sen. Walker to work with Ms. Downing and the Attorney General's Office to bring draft legislation back to the Committee for further discussion. It was noted that the draft should probably focus, at least in part, on employee privacy concerns, sanctions or penalties on employers who fail to comply with requests for assistance in identifying those who misuse social security numbers, and a resolution to Congress related to solving federal privacy issues.

6. Other Items / Adjourn

MOTION: Sen. Hickman moved to adjourn the meeting. The motion passed unanimously. Rep. Mascaro was absent for the vote.

Chair Cox adjourned the meeting at 11:08 a.m.