

**MINUTES OF THE
BUSINESS AND LABOR INTERIM COMMITTEE**
Wednesday, April 18, 2007 – 9:00 a.m. – Room W125 House Building

Members Present:

Sen. Kevin T. VanTassell, Senate Chair
Rep. Stephen D. Clark, House Chair
Sen. Gene Davis
Sen. Dan R. Eastman
Sen. John W. Hickman
Sen. Ed Mayne
Sen. Wayne L. Niederhauser
Rep. Jackie Biskupski
Rep. David Clark
Rep. Carl W. Duckworth
Rep. James A. Dunnigan
Rep. Ben C. Ferry
Rep. Todd E. Kiser

Rep. Karen W. Morgan
Rep. Michael T. Morley
Rep. Paul A. Neuenschwander
Rep. Gordon E. Snow
Rep. Mark W. Walker

Members Absent:

Rep. Kevin S. Garn

Staff Present:

Ms. Allison M. Nicholson, Policy Analyst
Ms. Patricia Owen, Associate General Counsel
Ms. Phalin L. Flowers, 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 VanTassell called the meeting to order at 9:08 a.m.

MOTION: Rep. Snow moved to approve the minutes of the November 15, 2006 meeting. The motion passed unanimously with Sen. Davis, Sen. Eastman, Sen. Hickman, Sen. Mayne, Rep. D. Clark, Rep. Morley, and Rep. Walker absent for the vote.

2. Priorities for 2007 Interim and 2008 General Session

A. Department of Insurance

Mr. Kent Michie, Commissioner, Utah Insurance Department (Department), introduced himself and discussed the role and purpose of the Department. He distributed and discussed "Utah Insurance Department (UID) Recommendations for Study Items and Priorities for 2007 Interim." He explained that the Department feels that it is important to study health insurance, health plans for small businesses, health insurance mandates, and disaster insurance.

Mr. Neal Gooch, Deputy Commissioner, Utah Insurance Department, added to Mr. Michie's comments about possible study items for the 2007 interim.

B. Department of Commerce

Ms. Francine Giani, Executive Director, Department of Commerce (Department), introduced the division directors of the Department and explained the role and purpose of the Department. She distributed "Utah Department of Commerce Annual Report." Ms. Giani discussed which items on the Master Study Resolution would involve the Department and expressed that the Department would be willing to help with any of the items.

C. Labor Commission

Ms. Sherrie Hayashi, Commissioner, Labor Commission (Commission), introduced the division directors of the Commission and discussed the role and purpose of the Commission. She also discussed which items from the Master Study Resolution would involve the Commission, and the Commission's willingness to participate.

D. Department of Alcoholic Beverage Control

Mr. Kenneth Wynn, Director, Department of Alcoholic Beverage Control (Department), explained the role and purpose of the Department and distributed and discussed a pamphlet on underage drinking and the "71st Annual Report Summary of Operations." He spoke to the Committee about the Department's efforts to reduce underage drinking throughout the state.

E. Department of Financial Institutions

Mr. Paul Allred, Deputy Commissioner, Department of Financial Institutions (Department), explained the role and purpose of the Department. He said that the Department is willing to help the Committee with any study items from the Master Study Resolution that the Committee chooses to study. Mr. Allred also updated the Committee on the status of a federal moratorium on industrial banks and federal efforts regarding the military and consumer lending.

3. Study Items and Priorities for 2007 Interim

Ms. Owen explained that the committee chairs sent a letter to the Legislative Management Committee concerning study items for the Committee during the 2007 interim. She also explained "Business and Labor Potential Study Items from 2007 H.J.R. 14, Master Study Resolution," which was mailed to members prior to the meeting.

Chair VanTassell asked members of the Committee to submit additional study items to staff to assist the chairs in making agendas.

Sen. Lyle Hillyard introduced Mr. John Calderwood, owner, The White Owl, Logan, Utah.

Mr. Calderwood distributed and discussed "Beer Pricing by Retailers." He explained that underage drinking causes many problems for his business and that he offers \$500 to any employee or patron who reports fake driver licenses or state identifications. He also stated that convenience stores and grocery stores are allowed to sell beer below the price he is allowed to sell at his establishment. Mr. Calderwood also spoke about the convenience that legal smoking rooms would create for businesses in the state. He explained that many businesses already have rooms set aside for smoking, even though smoking rooms are currently only allowed at the Salt Lake International Airport. He asked the Committee to consider making smoking rooms legal.

Rep. Steven Mascaro expressed support for the Committee deciding to study health insurance for small businesses.

Rep. Jack Draxler asked the Committee to study item #32 from the Master Study Resolution, "Service of Garnishments," which would study whether recourse should be available against an entity that disregards obvious information and serves a garnishment to the wrong person. He gave an example of a garnishment being served to the wrong person and the embarrassment it caused the individual.

Rep. Phil Riesen asked the Committee to consider studying item #8 from the Master Study Resolution, "Displaced Mobile Home Owners," which would study assistance for mobile home owners displaced from a mobile home park because of a change in land use. He felt that the rights of the land owners must be kept intact, but that there should be some way of assisting displaced mobile home owners, many of whom are low income, on fixed incomes, or elderly.

MOTION: Rep. Morgan moved to add item #8 from the Master Study Resolution, "Displaced Mobile Home Owners" to the list of study items for the 2007 interim.

Chair VanTassell explained that the chairs would prefer that a committee member express to staff any items the committee member wishes to have the Committee study during the 2007 interim, rather than have a formal motion for each item.

Rep. Morgan withdrew her motion.

Rep. Fred Hunsaker asked the Committee to consider adding item #12 from the Master Study Resolution, "Garnishment Fees," to the 2007 interim study list.

Rep. Biskupski asked if item #18 from the Master Study Resolution, "Motor Vehicle Coverage," could be broadened to include additional study topics. She felt that there are some motor vehicle insurance coverage issues that need to be discussed and studied beyond just the Motor Vehicles Warranties Act.

Rep. Dunnigan asked the Committee to consider adding item #13 from the Master Study Resolution, "Health Insurance and Worker's Compensation," and consolidating the regulation of certain health insurance products to the 2007 interim study list.

Mr. Maxwell Miller, Parsons Behle & Latimer, representing the American Council of Life Insurers and Utah Life and Health Insurance Guarantee Association, spoke to the Committee about amending several provisions in 2007 General Session H.B. 340, "Insurer Receivership Act." Rep. Dunnigan said that he would be happy to speak with Mr. Miller about making possible changes to the Act, but explained that the bill took many hours of compromise and discussion between various stakeholders around the nation.

Mr. Lincoln Nehring, Civic Engagement Director, Utah Health Policy Project, spoke in support for the study of health insurance for small businesses.

4. Other Items / Adjourn

MOTION: Sen. Eastman moved to adjourn the meeting. The motion passed unanimously with Rep. Morley absent for the vote.

Chair VanTassell adjourned the meeting at 11:45 a.m.