

**MINUTES OF THE
GOVERNMENT COMPETITION AND PRIVATIZATION SUBCOMMITTEE**

Wednesday, November 7, 2007 – 9:00 a.m. – Room W125 House Building

Members Present:

Sen. Howard A. Stephenson, Senate Chair
Rep. Craig A. Frank, House Chair
Sen. Brent H. Goodfellow
Sen. Wayne L. Niederhauser
Rep. Tim M. Cosgrove
Rep. Kevin S. Garn
Rep. Michael T. Morley
Rep. Mark W. Walker

Members Absent:

Rep. Carl W. Duckworth

Staff Present:

Mr. Leif G. Elder, Research 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. Subcommittee Business

Chair Frank called the meeting to order at 9:28 a.m. He excused Rep. Duckworth from the meeting.

Staff distributed the minutes of the October 25, 2007 meeting.

MOTION: Rep. Cosgrove moved to approve the minutes of the October 25, 2007 meeting. The motion passed unanimously with Rep. Morley and Rep. Walker absent for the vote.

2. Local Government Feasibility and Economic Impact Studies

Sen. Scott K. Jenkins distributed and discussed 2008 General Session draft legislation, "Local Government Bonding Act - Public Hearings." He explained that this bill would require public hearings to be held, which would include discussions on potential economic impacts, before issuing a bond.

Mr. Lincoln Shurtz, Director of Legislative Affairs, ULCT (Utah League of Cities and Towns), spoke in support of the draft legislation.

MOTION: Sen. Goodfellow moved to pass out 2008 General Session draft legislation, "Local Government Bonding Act - Public Hearings," as a subcommittee bill. The motion passed unanimously with Rep. Morley and Rep. Walker absent for the vote.

3. Waste Disposal by a Private Company

Sen. Dan R. Eastman distributed and discussed 2008 General Session draft legislation, "Anti-flow Control Amendments."

Sen. Goodfellow noted that on line 15, an "l" should be added to "heath."

Mr. Shurtz said that ULCT could not endorse the bill at that time and asked that the Subcommittee not pass the legislation out with a favorable recommendation.

Mr. Steve White, Utah County Commission Chair, representing himself, spoke in favor of the concept of the legislation, but encouraged the Subcommittee to study this issue in more detail.

Mr. Philip Bernal, Associate Director, Public Works, Salt Lake County, asked why on line 113 the word "facilities" was changed to "facility."

Ms. Emily Brown, Associate General Counsel, Legislative Research and General Counsel, discussed the practice of drafting in the singular.

Mr. Nathan Rich, Executive Director, Wasatch Integrated Waste Management District, distributed and discussed "Anti Flow Control Draft Legislation."

MOTION: Sen. Goodfellow moved to pass out 2008 General Session draft legislation, "Anti-flow Control Amendments" as a subcommittee bill.

Rep. Garn spoke in favor of the bill and declared a conflict of interest.

The motion passed with Rep. Cosgrove voting in opposition and Rep. Walker absent for the vote.

4. Consider Draft Legislation Requested by Subcommittee Chairs

A. Proposal to Create a Government Competition and Privatization Act

Ms. Owen discussed 2008 General Session draft legislation, "Government Competition and Privatization Act," which was included in the mailing packet.

Mr. Roger Tew, ULCT, spoke in opposition to the bill.

MOTION: Sen. Stephenson moved to pass out 2008 General Session draft legislation, "Government Competition and Privatization Act" as a subcommittee bill.

SUBSTITUTE MOTION: Sen. Niederhauser moved to pass out 2008 General Session draft legislation, "Government Competition and Privatization Act" as a subcommittee bill and to inform the rules committees of the intention to add the provision that elected city officials continue to make final decisions. The substitute motion passed with Sen. Goodfellow and Rep. Cosgrove voting in opposition and Rep. Walker absent for the vote.

B. Inventory and Review of Commercial Activities

Ms. Owen discussed 2008 General Session draft legislation, "Inventory and Review of Commercial Activities," which was included in the mailing packet, and an amendment to the draft legislation.

MOTION: Rep. Morley moved to have staff draft a coordination clause for 2008 General Session draft legislation, "Inventory and Review of Commercial Activities," during the lunch break. The motion passed with Rep. Cosgrove voting in opposition.

C. Charges for Private Use of Public Facility

Ms. Owen discussed 2008 General Session draft legislation, "Charges for Private Use of Public Facilities," which was included in the mailing packet, and two amendments to the bill.

Mr. Elder explained how some local and state governments determine the value of a government building for property insurance purposes.

Mr. Shurtz spoke against the bill.

Mr. Mont Evans, representing the Utah Restaurant Association, spoke against government competing with the private sector.

Mr. Chip Dawson, representing South Jordan City, spoke against the bill.

Mr. Ron Mortensen, representing citizensfortaxfairness.org, spoke in favor of limiting government competition with the private sector.

Ms. Tanya Henrie, representing herself and private business, spoke in favor of limiting government competition with private business.

MOTION: Sen. Stephenson moved to recess for lunch. The motion passed unanimously.

Chair Frank recessed the meeting at 11:46 a.m.

Chair Frank reconvened the meeting at 12:52 p.m.

D. Municipal Entities and Cable or Telecommunication Services

This item was not discussed.

The Subcommittee returned to discussions of Agenda Item #4-B: Inventory and Review of Commercial Activities.

Ms. Owen distributed and discussed an amendment to 2008 General Session draft legislation, "Inventory and Review of Commercial Activities."

MOTION: Sen. Niederhauser moved to adopt the amendments to 2008 General Session draft legislation, "Inventory and Review of Commercial Activities," and to pass out the draft legislation as a subcommittee bill.

The motion passed with Sen. Goodfellow and Rep. Cosgrove voting in opposition and Rep. Garn and Rep. Walker absent for the vote.

E. Accounting for Competitive Activities of Local Entities

Ms. Owen discussed 2008 General Session draft legislation, "Accounting for Competitive Activities of Local Entities," which was included in the mailing packet.

Mr. Shurtz said that ULCT is not against transparency in government, but voiced concerns that the draft legislation is not clear on how to follow the proposed law.

Mr. Arie Van De Graaff, Utah Association of Counties, agreed with Mr. Shurtz's comments that the draft legislation is not clear on the definition of "core governmental activity."

MOTION: Sen. Stephenson moved to pass out 2008 General Session draft legislation, "Accounting for Competitive Activities of Local Entities," as a subcommittee bill. The motion passed with Sen. Goodfellow and Rep. Cosgrove voting in opposition and Rep. Garn and Rep. Walker absent for the vote.

5. Other Items / Adjourn

A letter from Mr. Frank Carreiro was submitted to the Subcommittee.

MOTION: Sen. Niederhauser moved to adjourn the meeting. The motion passed unanimously with Rep. Garn and Rep. Walker absent for the vote.

Chair Frank adjourned the meeting at 1:50 p.m.