

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

Wednesday, November 14, 2007 – 8:30 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. Wayne L. Niederhauser
Rep. Jackie Biskupski
Rep. David Clark
Rep. James A. Dunnigan
Rep. Ben C. Ferry
Rep. Kevin S. Garn
Rep. Todd E. Kiser
Rep. Michael T. Morley
Rep. Paul A. Neuenschwander
Rep. Gordon E. Snow
Rep. Mark W. Walker

Members Absent:

Sen. John W. Hickman
Sen. Ed Mayne
Rep. Carl W. Duckworth
Rep. Karen W. Morgan

Staff Present:

Mr. Stewart E. Smith, 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 8:42 a.m. He excused Sen. Mayne, Rep. Duckworth, and Rep. Morgan from the meeting.

MOTION: Rep. Clark moved to approve the minutes of the October 17, 2007 meeting. The motion passed unanimously with Sen. Davis, Sen. Eastman, Rep. Biskupski, Rep. D. Clark, Rep. Dunnigan, Rep. Garn, Rep. Morley, and Rep. Snow absent for the vote.

Staff distributed "Utah Sports Authority: Pete Suazo Utah Athletic Commission" and "Interim Report on the Implementation of House Bill 137."

2. Report: Government Competition and Privatization Subcommittee

Rep. Craig A. Frank, Co-chair, Subcommittee (Government Competition and Privatization Subcommittee), gave a report on the findings of the Subcommittee. He distributed and discussed 2008 General Session draft legislation, "Accounting for Competitive Activities of Local Entities," "Inventory and Review of Commercial Activities," "Government Competition and Privatization Act," "Anti-flow Control Amendments," and "Local Government Bonding Act - Public Hearings." Rep. Frank explained that each bill was adopted by the Subcommittee.

3. Draft Legislation: Disclosure of Information by the Department of Workforce Services

Ms. Owen discussed 2008 General Session draft legislation, "Disclosure of Information by the Department of Workforce Services," which was included in the mailing packet. She also discussed possible legislative proposals: "Title XX, Chapter X, Independent Contractor Database Act," "Workers' Compensation

Coverage Waiver," and "Workers' Compensation Insurance Fraud," which were distributed to the Committee at the beginning of the meeting.

Rep. Neuenschwander said he would sponsor the draft legislation.

Mr. Dennis Lloyd, General Counsel, Workers' Compensation Fund, spoke in support of the possible legislative proposals.

MOTION: Sen. Niederhauser moved to adopt 2008 General Session draft legislation, "Disclosure of Information by the Department of Workforce Services," as a committee bill. The motion passed unanimously with Sen. Davis, Sen. Eastman, Rep. Biskupski, and Rep. Morley absent for the vote.

MOTION: Rep. Ferry moved to have 2008 General Session draft legislation, "Disclosure of Information by the Department of Workforce Services," heard in standing committee. The motion passed with Rep. Kiser voting in opposition and Sen. Davis, Sen. Eastman, Rep. Biskupski, and Rep. Morley absent for the vote.

4. Draft Legislation: Health Insurance Mandates

Ms. Owen discussed the 2008 General Session draft legislation, "Legislative Review of Health Insurance Mandates," which was included in the mailing packet. She also distributed an amendment to the bill.

MOTION: Rep. Dunnigan moved to adopt the amendment to 2008 General Session draft legislation, "Legislative Review of Health Insurance Mandates." The motion passed unanimously with Sen. Davis, Rep. Biskupski, and Rep. Morley absent for the vote.

MOTION: Rep. D. Clark moved to adopt 2008 General Session draft legislation, "Legislative Review of Health Insurance Mandates," as amended, as a committee bill. The motion passed unanimously with Sen. Davis, Rep. Biskupski, and Rep. Morley absent for the vote.

5. Draft Legislation: Utah Business Resource Centers Act

Rep. D. Clark discussed 2008 General Session draft legislation, "Utah Business Resource Centers Act," which was included in the mailing packet.

Mr. Gary Harter, Managing Director for Business Creation, Governor's Office of Economic Development, and Ms. Cece Mitchell, Chair, Business Resource Centers Organizational Board, and Zions Bank, spoke in support of the legislation.

MOTION: Rep. S. Clark moved to adopt 2008 General Session draft legislation, "Utah Business Resource Centers Act," as a committee bill. The motion passed with Sen. Eastman and Rep. Garn voting in opposition.

6. Draft Legislation: Consumer Sales Practice Act Amendments

Sen. Patricia W. Jones discussed 2008 General Session draft legislation, "Consumer Sales Practice Act Amendments," which was included in the mailing packet.

Ms. Francine Giani, Executive Director, Utah Department of Commerce, spoke in support of the legislation.

MOTION: Sen. Eastman moved to adopt 2008 General Session draft legislation, "Consumer Sales Practice Act Amendments," as a committee bill. The motion passed unanimously with Rep. Biskupski absent for the vote.

7. Draft Legislation: Captive Insurance Company Amendments

Rep. Dunnigan discussed 2008 General Session draft legislation, "Captive Insurance Company Amendments," which was included in the mailing packet.

Mr. Kent Michie, Commissioner, Department of Insurance, distributed and discussed "H.B. XXX, Captive Insurance Company Amendments" and "Utah Captive Insurance Market Data." He explained that the Department of Insurance endorses the legislation.

Rep. Dunnigan distributed and discussed an amendment to the draft legislation.

MOTION: Rep. Dunnigan moved to adopt the amendment to 2008 General Session draft legislation, "Captive Insurance Company Amendments." The motion passed unanimously with Rep. Snow absent for the vote.

Mr. Don Spann, Director, Captive Insurance Division, Utah Department of Insurance, answered committee questions.

MOTION: Sen. Davis moved to adopt 2008 General Session draft legislation, "Captive Insurance Company Amendments," as amended, as a committee bill. The motion passed unanimously with Rep. Snow absent for the vote.

8. Draft Legislation: Impact of Administrative Rules on Small Businesses

Rep. S. Clark discussed 2008 General Session draft legislation, "Impact of Administrative Rules on Small Businesses," which was included in the mailing packet.

MOTION: Rep. Morley moved to adopt 2008 General Session draft legislation, "Impact of Administrative Rules on Small Businesses," as a committee bill. The motion passed unanimously with Rep. Snow absent for the vote.

9. Draft Legislation: Trustee Sale - Process for Excess Proceeds

Sen. Davis distributed and discussed 2008 General Session draft legislation, "Trustees Sale - Process for Excess Proceeds."

Mr. Paul Halladay, Jr., private attorney, spoke in support of the draft legislation.

MOTION: Rep. Dunnigan moved to adopt 2008 General Session draft legislation, "Trustees Sale - Process for Excess Proceeds," as a committee bill. The motion passed unanimously with Rep. Snow absent for the vote.

10. Data Related to Deferred Deposit Loans

Sen. Niederhauser gave the Committee an update on the findings of the working group studying data related to deferred deposit loans and said the working group does not have any recommended legislation for the Committee at this time.

11. Draft Legislation: Medical Malpractice Arbitration

Rep. Stephen H. Urquhart discussed with the Committee ideas he had for legislative action related to medical malpractice suits, but said he has not yet approved draft legislation reflecting his positions for discussion.

12. Draft Legislation: Garnishment Amendments

Rep. Jack R. Draxler discussed 2008 General Session draft legislation, "Garnishment Amendments," which was included in the mailing packet.

Ms. Candace Daly, representing the Utah Association of Collectors, spoke in support of the legislation. She suggested including a provision that an employer must verify employment with proper documentation.

13. Draft Legislation: Damage to Underground Utilities Act Amendments

Rep. D. Clark distributed and discussed 2008 General Session draft legislation, "Damage to Underground Utility Facilities Amendments."

Mr. Rey Butcher, Director, Government Affairs, Questar Corporation, spoke in support of the legislation.

Mr. Vaughn Shosted, Regional Manager, Questar Gas, answered committee questions.

Mr. Ken Shulsen, President, Associated Builders and Contractors of Utah, distributed and discussed "Damage to Underground Facilities Act Amendment: Draft Legislation."

Mr. Chad Sorensen, President, Sorensen Construction, discussed the draft legislation and issues related to sewer laterals.

Mr. Leland Myers, District Manager, Central Davis Sewer District, explained that he participated on the coalition that helped develop the draft legislation. He voiced concerns over sewer lateral issues.

MOTION: Rep. Snow moved to go to the next agenda item. The motion passed unanimously.

14. Professional Employer Organization Licensing Act

Ms. Owen and Rep. Dunnigan distributed and discussed 2008 General Session draft legislation, "Professional Employer Organization Licensing Act."

Mr. Adam Peer, Government Affairs, National Association of Professional Employer Organizations, spoke in support for the legislation and urged the Committee to adopt the bill.

Mr. Dennis Lloyd, General Counsel, Workers' Compensation Fund, spoke in support of the legislation.

MOTION: Rep. Ferry moved to adopt 2008 General Session draft legislation, "Professional Employer Organization Licensing Act," as a committee bill and refer the legislation to a standing committee.

SUBSTITUTE MOTION: Rep. Dunnigan moved to amend 2008 General Session draft legislation, "Professional Employer Organization Licensing Act," as follows: delete lines 186 and 187; on line 185, add a period after the word "chapter"; on line 801, change "nine" to "ten". The motion passed with Sen. Davis, Sen. Eastman, Rep. D. Clark, and Rep. Morley absent for the vote.

Mr. Peer noted that the last ten pages of the draft legislation updates language in the current statute.

Mr. Bill Starks, Director, Unemployment Insurance, Department of Workforce Services, spoke to the bill.

15. Managed Care and Insurance Mandates

Rep. Dunnigan distributed and discussed "Costs of Mandates."

16. Other Item / Adjourn

MOTION: Rep. Kiser moved to adjourn the meeting. The motion passed unanimously with Sen. Davis, Sen. Eastman, Rep. D. Clark, and Rep. Morley absent for the vote.

Chair VanTassell adjourned the meeting at 12:03 p.m.