

**MINUTES OF THE
WORKFORCE SERVICES AND COMMUNITY
AND ECONOMIC DEVELOPMENT INTERIM COMMITTEE**
Wednesday, October 21, 2009 – 2:00 p.m. – Room 450 State Capitol

Members Present:

Sen. Mark B. Madsen, Senate Chair
Rep. Steven R. Mascaró, House Chair
Sen. Patricia W. Jones
Sen. Daniel R. Liljenquist
Sen. Ralph Okerlund
Sen. Luz Robles
Rep. Laura Black
Rep. James A. Dunnigan
Rep. Neil A. Hansen

Rep. Christopher N. Herrod
Rep. Paul Ray
Rep. Kenneth W. Sumsion
Rep. Christine F. Watkins

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 Mascaró called the meeting to order at 2:25 p.m. He turned the chair over to Sen. Madsen when he arrived at the meeting.

MOTION: Rep. Mascaró moved to approve the minutes of the September 16, 2009 meeting. The motion passed unanimously with Sen. Jones, Sen. Robles, Rep. Black, Rep. Herrod, and Rep. Ray absent for the vote.

2. Social Security Offset

A. Draft Legislation, "Unemployment Compensation Amendments" (Mascaró)

Rep. Mascaró noted that the Social Security Offset was discussed in the September committee meeting where a motion was taken and approved on this issue. He stated since that meeting, the Department of Workforce Services' Employment Advisory Council met on October 15, 2009, and unanimously endorsed an alternative proposal. He distributed and reviewed the new proposal, "Unemployment Compensation Amendments." He noted the proposed legislation modifies provisions in the Employment Security Act regarding the computation of individual weekly benefits for those whose benefit year begins after July 3, 2010, and removes the offset of Social Security benefits against the weekly benefit amount of unemployment compensation an individual is eligible to receive under the Act.

Mr. Bill Starks, Director, Division of Unemployment Insurance, distributed a handout "Department of Workforce Services - Unemployment Compensation Social Security Offset." The handout reviewed Utah's history regarding the Social Security Offset, presented facts regarding Social Security Offset on the national level, and included recommendations from the Employment Advisory Council that endorsed the proposal.

Ms. Karen Silver, Salt Lake Community Action Program, said she appreciated the compromise to resolve this issue.

MOTION: Sen. Okerlund moved to approve 2010 General Session draft legislation, "Unemployment Compensation Amendments" with a favorable recommendation. The motion passed unanimously with Rep. Black and Rep. Ray absent for the vote.

B. Draft Legislation, "Unemployment Insurance - Social Security Offset Modifications"

This item was not discussed since Agenda Item 2A draft legislation was voted on and approved, making a discussion on Agenda Item 2B unnecessary.

3. Remarks from New GOED Director

Mr. Spencer P. Eccles, Executive Director, Governor's Office of Economic Development (GOED), and Mr. Derek Miller, Managing Director, GOED, distributed a report, "Governor's Office of Economic Development Annual Report 2009." Mr. Eccles reviewed GOED's areas of focus in an effort to help create a positive business climate for innovation and entrepreneurship in Utah.

Chair Madsen and committee members congratulated Mr. Eccles on his new position. The Committee suggested items for GOED to address when reviewing the annual report at a future committee meeting.

Mr. Miller commented on the Tax Credit Incentives for the film industry that the Committee and the Legislature passed in the 2009 General Session. He noted that the two films coming to the State will generate 33 million dollars of revenues because of the tax credit incentive.

Chair Madsen turned the chair over to Rep. Mascaro.

4. Department of Workforce Services

A. Department Restructuring

Ms. Kristen Cox, Executive Director, Department of Workforce Services (DWS), commented on department restructuring, key efficiency initiatives, and the demand driven initiative. She gave a slide presentation on, "A Demand Driven Approach to Workforce Development" that included an overview on DWS's mission, its programs, and its responsibilities. She discussed its role in unemployment insurance claimants' benefits and how DWS trains job seekers and helps them get into the workforce.

Mr. Starks responded to committee members' questions regarding unemployment in Utah.

B. Draft Legislation, "Family Employment Program - Cash Assistance to Single Minor Parent"

Ms. Helen Thatcher, Assistant Director, Employment Services Division, reviewed the 2010 General Session draft legislation, "Family Employment Program - Cash Assistance to Single Minor Parent." She noted that the bill modifies provisions of the Family Employment Program regarding the requirements for a single minor parent to receive cash assistance under the program.

MOTION: Rep. Watkins moved to approve 2010 General Session draft legislation, "Family Employment Program - Cash Assistance to Single Minor Parent" with a favorable recommendation. The motion passed unanimously with Sen. Madsen, Sen. Liljenquist, Rep. Black, Rep. Dunnigan, and Rep. Ray absent for the vote.

C. Key Efficiency Initiatives

Ms. Cox discussed this issue under Agenda Item 4A.

D. Demand Driven Initiative

Ms. Cox discussed this issue under Agenda Item 4A.

5. Other Items / Adjourn

Mr. Hunsaker referred the Committee to the 2009 annual reports that are statutorily required for the Committee to receive.

The reports that were distributed included:

- (1) "Governor's Office of Economic Development Annual Report 2009" - Governor's Office of Economic Development
- (2) "Olene Walker Housing Loan Fund Annual Report to the Utah State Legislature" and "Low-Moderate Income Housing Planning Report FY09" - Utah Department of Community and Culture
- (3) "Annual Report 2009" - Utah Department of Workforce Services

MOTION: Rep. Herrod moved to adjourn the meeting. The motion passed unanimously. Sen. Madsen, Sen. Liljenquist, Rep. Black, Rep. Dunnigan and Rep. Ray were absent for the vote.

Chair Mascaro adjourned the meeting at 3:46 p.m.