

**MINUTES OF THE
BUSINESS AND LABOR INTERIM COMMITTEE**
Wednesday, August 15, 2012 – 2:00 p.m. – Room 210 Senate Building

Members Present:

Rep. James A. Dunnigan, House Chair
Sen. Curtis S. Bramble
Sen. Gene Davis
Sen. Kevin T. Van Tassell
Sen. Todd Weiler
Rep. Jim Bird
Rep. Derek E. Brown
Rep. Brian Doughty
Rep. Susan Duckworth
Rep. Gage Froerer
Rep. Eric K. Hutchings
Rep. Don L. Ipson
Rep. Todd E. Kiser
Rep. Bradley G. Last
Rep. Michael T. Morley

Rep. Dixon M. Pitcher
Rep. Jennifer M. Seelig
Rep. Larry B. Wiley
Rep. Brad R. Wilson

Members Absent:

Sen. John L. Valentine, Senate Chair
Sen. David P. Hinkins
Rep. Melvin R. Brown

Staff Present:

Mr. Bryant R. Howe, Assistant Director
Ms. Patricia Owen, Associate General Counsel
Mr. Robert H. Rees, Associate General Counsel
Ms. Jennifer Christopherson, 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 Dunnigan called the meeting to order at 2:40 p.m.

Chair Dunnigan relinquished the chair to Rep. Morley.

MOTION: Sen. Kiser moved to approve the minutes of the June 20, 2012 meeting. The motion passed with Sen. Bramble, Rep. Duckworth, Rep. Froerer, Rep. Ipson, Rep. Last, and Rep. Pitcher absent for the vote.

2. Alarm System Security Licensing

Chair Dunnigan introduced 2013 General Session draft legislation "Alarm Company Employee Licensing" (2013FL-0198/002), which was included in the mailing packet. He turned the time over to Mr. Mark Steinegel, Director, Division of Occupational and Professional Licensing (DOPL), Department of Commerce.

Mr. Steinegel said that the Alarm System Security Licensing Board and DOPL discovered that the current language that the Legislature has chosen is broader than what the Alarm System Security Licensing Board and DOPL have been doing. He explained that the statute says that anyone working for an alarm company has to hold an agent license.

Chair Dunnigan explained that they are looking to the committee for suggestions and to clarify the legislation.

Mr. Nathan Wilcox, President, Utah Alarm Association, stated that alarm company employees who do not have access to the confidential system information, such as janitors and human resource agents, should not be required to be licensed.

Acting Chair, Rep. Morley, relinquished the chair to Chair Dunnigan.

3. Implementation of 2011 General Session H.B. 260, "Mechanics' Liens Revisions"

Rep. Morley discussed 2011 General Session H.B. 260, "Mechanics' Liens Revisions," which was distributed in the mailing packet. He stated that anyone preserving a lien right on a property must file preliminary notice and that the parcel number must be included in the filing.

Mr. Michael Rice, Product Manager, Utah Interactive, gave the slide presentation, "HB 260, 'Mechanics Liens Revisions' August 2011-July 2012 State Construction Registry." He discussed preliminary notices and said that 60 percent of construction loans have preliminary notices linked to them. He responded to questions from the committee and stated that multiple permits are filed for any one job; therefore, they do not have a good way of determining how many jobs there are that should have been closed.

Mr. Dwayne Phillips, President, Utah Land Title Association, stated that 2011 General Session H.B. 260, "Mechanics' Liens Revisions," has given him a tool where they can go to one repository to find the information and define lien priorities.

Mr. Glen Roberts, underwriting counsel, Stewart Title Guaranty, spoke in favor of the legislation and said that it has streamlined the title business.

Mr. Darrel Bostwick, attorney, Bostwick and Price, stated that the general consensus is that subcontractors and suppliers are very pleased that the notices of commencement on private construction projects are no longer needed. He explained concern with identifying the parcel numbers when working in remote locations. Mr. Bostwick responded to questions from the committee by stating that it is not primarily a commercial problem because the same problem arises with condominiums.

Rep. Morley gave closing remarks and said that while there are some concerns about using the parcel number as the primary identifying tool, it does enhance the ability of contractors to file early in the construction process.

Chair Dunnigan relinquished the chair to Rep. Kiser.

4. Health Insurance Mandate Review by the Business and Labor Interim Committee

Chair Dunnigan introduced and reviewed 2013 General Session draft legislation "Repeal of Health Insurance Mandate Review" (2013FL-0140/003), which was included in the mailing packet. He stated that once a health insurance mandate has been in effect for a certain length of time, it is subject to review by this committee and the Health and Human Services Interim Committee.

Mr. Neal Gooch, Commissioner, Insurance Department, said that reductions to his department's budget have made it difficult to conduct the studies and reviews requested by legislative committees.

Chair Dunnigan explained that 2013 General Session draft legislation "Repeal of Health Insurance Mandate Review" (2013FL-0140/003) is an effort to remove reports and review activities that are no longer needed.

MOTION: Chair Dunnigan moved to recommend 2013 General Session draft legislation "Repeal of Health Insurance Mandate Review" (2013FL-0140/003) as a committee bill. The motion passed unanimously with Sen. Bramble, Rep. D. Brown, Rep. Morley, Rep. Pitcher, and Rep. Wilson absent for the vote.

5. Reports to the Business and Labor Interim Committee

Chair Dunnigan introduced and reviewed 2013 General Session draft legislation "Repeal of Reporting Requirements" (2013FL-0066/002), that was included in the mailing packet, stating that it discontinues reports to the committee that are no longer useful and removes archaic references to outdated reporting requirements.

MOTION: Rep. Last moved to recommend 2013 General Session draft legislation "Repeal of Reporting Requirements" (2013FL-0066/002) as a committee bill. The motion passed unanimously with Sen. Bramble, Rep. D. Brown, Rep. Doughty, Rep. Hutchings, Rep. Ipson, Rep. Pitcher, and Rep. Wilson absent for the vote.

Acting Chair, Rep. Kiser, relinquished the chair to Chair Dunnigan.

6. Sunset Review: Insurance Department Coordination with Other States

Ms. Owen gave an overview of the statute for "Insurance Department Coordination with Other States."

Mr. Gooch spoke in favor of reauthorizing the statute and explained that state insurance regulation agencies cooperate on a routine basis to develop various uniform laws and agreements.

MOTION: Sen. Davis moved to reauthorize "Insurance Department Coordination with Other States" for an additional ten years. The motion passed unanimously with Sen. Bramble, Rep. D. Brown, Rep. Duckworth, Rep. Hutchings, Rep. Ipson, Rep. Pitcher, and Rep. Wilson absent for the vote.

MOTION: Sen. Davis moved to open a prioritized committee bill file for "Insurance Department Coordination with Other States." The motion passed unanimously with Sen. Bramble, Rep. Duckworth, Rep. Froerer, Rep. Ipson, Rep. Last, and Rep. Pitcher absent for the vote.

7. Sunset Review: Hearing Instrument Specialist Licensing Act

Mr. Howe gave an overview of the sunset process and statute.

Mr. Robert Heygster, Chairman, Hearing Instrument Specialist Licensing Board, spoke in favor of renewal of the "Hearing Instrument Specialist Licensing Act" and said that this board monitors advertising for ads that potentially mislead seniors and that the board would like to maintain the ability for corrective action when necessary. He responded to questions from the committee by stating that licensing is not an undue barrier to entry to this occupation.

Mr. Doug Dunker, President, Hearing Healthcare Providers of Utah, spoke in favor of renewal of the "Hearing Instrument Specialist Licensing Act" and said that each patient presents unique needs that require a high degree of skill and training to fit the patient with an appropriate hearing device. He responded to questions from the committee by stating that the average hearing aid device costs about \$2,000.

Mr. Steinegal responded to questions from the committee and discussed the requirements for appointment to the licensing board.

MOTION: Sen. Davis moved to reauthorize "Hearing Instrument Specialist Licensing Act" for an additional ten years and to open a priority committee bill file.

Committee discussion followed.

The motion passed with Rep. D. Brown and Rep. Morley voting in opposition. Sen. Bramble, Rep. Duckworth, Rep. Froerer, Rep. Ipson, Rep. Last, and Rep. Pitcher were absent for the vote.

8. Other Items / Adjourn

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MOTION: Sen. Van Tassell moved to adjourn the meeting. The motion passed unanimously with Sen. Bramble, Rep. Duckworth, Rep. Froerer, Rep. Ipson, Rep. Last, and Rep. Pitcher absent for the vote.

Chair Dunnigan adjourned the meeting at 4:22 p.m.