

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

Wednesday, October 21, 2015 – 8:30 a.m. – Room 210 Senate Building

Members Present:

Rep. Val L. Peterson, House Chair
Sen. J. Stuart Adams
Sen. Gene Davis
Sen. Deidre M. Henderson
Sen. Karen Mayne
Sen. Ralph Okerlund
Sen. Todd Weiler
Rep. Jacob L. Anderegg
Rep. Susan Duckworth
Rep. James A. Dunnigan
Rep. Gage Froerer
Rep. Brad King
Rep. John Knotwell

Rep. Derrin Owens
Rep. Dixon M. Pitcher
Rep. Marc K. Roberts
Rep. Mike Schultz
Rep. Jon E. Stanard
Rep. Brad R. Wilson

Members Absent:

Sen. Curtis S. Bramble, Senate Chair

Staff Present:

Mr. Joseph T. Wade, Policy Analyst
Ms. Patricia Owen, Associate General Counsel
Ms. Lucy W. Daynes, Legislative Assistant

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 Peterson called the meeting to order at 8:32 a.m.

MOTION: Sen. Davis moved to approve the minutes of the August 19, 2015, meeting. The motion passed unanimously with Sen. Mayne, Rep. Duckworth, Rep. Froerer, Rep. Pitcher, and Rep. Wilson absent for the vote.

2. Best Practices and Stewardship Efforts to Improve Air Quality

Ms. Chamonix Larsen, Resource Stewardship Coordinator, State of Utah, described the purpose and scope of her position in helping state entities to share and implement best practices and stewardship measures to improve air quality. She presented "Resource Stewardship Coordination Annual Report 2015" and "Resource Stewardship Coordination for Clean Air," highlighting specific programs and efforts, including changes in the state fleet, the Eco Pass program, efficiency revolving loan projects, and education. In addition, she outlined the avoided costs resulting from resource stewardship programs. She answered questions from the committee regarding fleet changes.

MOTION: Rep. Dunnigan moved to consider the Resource Stewardship Coordination Annual Report under agenda item #12, Business and Labor Interim Committee Report Amendments. The motion passed unanimously with Sen. Mayne, Rep. Duckworth, Rep. Froerer, Rep. Pitcher, and Rep. Wilson absent for the vote.

3. Applications for a New or Relocated Automobile Dealership

Ms. Francine Giani, Executive Director, and Ms. Masuda Metcalf, administrative law judge, both of the Department of Commerce, referenced "Annual Report of the Utah Motor Vehicle Franchise Advisory Board" and stated that in the past year the board has not received any notices from franchisors indicating intent to create a new dealership or move an existing dealership.

Ms. Giani and Ms. Metcalf answered questions from the committee concerning the Utah Motor Vehicle Franchise Advisory Board.

4. Fire Prevention Board Membership

Mr. Coy Porter, State Fire Marshall, and Rep. Dunnigan outlined draft legislation "Fire Prevention Board Membership Amendments" (2016FL-0345/004), explaining that it eliminates two positions on the Fire Prevention Board.

MOTION: Rep. Dunnigan moved that the committee recommend draft legislation "Fire Prevention Board Membership Amendments" as a committee bill. The motion passed unanimously with Sen. Mayne, Rep. Duckworth, Rep. Froerer, and Rep. Pitcher absent for the vote.

5. State Fire Code

Mr. Vincent A. Newburg, Chairman, Fire Prevention Board, reported recommended changes to the State Fire Code. He said that the Fire Prevention Board developed these changes in consideration of impacts on fire safety and department operations. He detailed the individual changes to the code, referencing "Fire Prevention Board recommended changes to State Fire Code" Parts 1 and 2.

Mr. Newburg and Mr. Ted Black, Chief Deputy, State Fire Marshall's Office, answered questions from the committee regarding changes to the State Fire Code.

MOTION: Sen. Weiler moved to open a committee bill file for the proposed changes to the State Fire Code. The motion passed unanimously with Sen. Davis, Rep. Froerer, and Rep. Knotwell absent for the vote.

6. State Construction Code

Mr. Justin Naser, Chair, Uniform Building Code Commission, discussed the purpose of the building code and the process of reviewing and making recommendations to the Uniform Building Code. He summarized the recommended changes as outlined in "Uniform Building Code Commission Recommendations to the Business and Labor Interim Committee."

The committee discussed the cycle of reviewing construction codes and the recommended changes and their potential effects on construction costs.

7. Alcoholic Beverage Event Permit

Rep. Curtis Oda presented draft legislation, "Alcoholic Beverage Event Permit Amendments" (2016FL-0059/007) and stated that the purpose of the legislation is to clarify the procedures for issuing alcoholic beverage event permits.

MOTION: Rep. Anderegg moved that the committee recommend draft legislation "Alcoholic Beverage Event Permit Amendments" as a committee bill. The motion passed unanimously with Sen. Adams,

Sen. Davis, Sen. Okerlund, Rep. Froerer, and Rep. Knotwell absent for the vote.

Agenda item #8, Parking Tickets and Rental Cars, was not considered by the committee.

8. Workers' Compensation Insurance Market Conditions

Mr. Todd Kiser, Insurance Commissioner, Utah Insurance Department, described the workers compensation insurance market in Utah and referenced "October 1, 2015, Report from Insurance Commissioner."

9. Insurance Revisions

Commissioner Kiser outlined the recommended changes to the insurance code in draft legislation "Insurance Revisions" (2016FL-0456/007). He stated that the bill was created through cooperation with industry representatives and includes both technical and policy changes.

Commissioner Kiser answered questions from the committee regarding risk retention groups. Commissioner Kiser and Ms. Tracy Klausmeier, Director, Property and Casualty Insurance Division, Utah Insurance Department, answered questions from the committee regarding auto insurance coverage and continuance.

Mr. Devin Card, resident, shared his experience with a situation involving continuance of auto insurance coverage. He said that he was able to easily prove coverage and have the penalty removed.

MOTION: Sen. Mayne moved that the committee recommend draft legislation "Insurance Revisions" as a committee bill. The motion passed unanimously with Sen. Davis, Sen. Henderson, and Sen. Okerlund absent for the vote.

10. Utah Fund of Funds

Mr. Bret Jepsen, Managing Director, Utah Capital Investment Corporation, presented "Utah Capital Investment Corporation October 2015 Updates" and reported on the mission and activities of the Utah Fund of Funds. He explained that the Utah Fund of Funds has two purposes, to create a profitable investment portfolio and to support effective economic development in Utah. He reported on the performance of the Utah Fund of Funds investment portfolio and outlined key initiatives for future success.

11. Utah Science Technology and Research (USTAR)

Dr. Ivy V. Estabrooke, Executive Director, USTAR, presented "USTAR Overview for Business and Labor Interim Committee – Oct 2015." She stated that, in response to audit recommendations, USTAR is refocusing its efforts to better support economic development through Utah's technology market. She discussed particular needs in Utah's technology industry, including increased funding for the proof of concept and early stage development phases of technology development.

Dr. Estabrooke answered questions regarding USTAR's relationship with universities and USTAR funding priorities.

12. Business and Labor Interim Committee Report Amendments

Chair Peterson outlined draft legislation "Business and Labor Interim Committee Report Amendments" (2016FL-0358/002) and explained that it would add a requirement for USTAR to report to the Business and Labor Interim Committee on an annual basis. He said that the draft legislation would be amended to also eliminate the requirement for the Resource Stewardship Coordination annual report. Rep. Dunnigan proposed eliminating the requirement for the Workers' Compensation Insurance Market Conditions annual report as well. Chair Peterson stated that these changes, and possibly some adjustment of report due dates, would be made to the draft legislation, which will be brought before the committee during its November meeting.

13. Occupational Safety and Health

Sen. Mayne described draft legislation "Occupational Safety and Health Amendments" (2016FL-0499/005) and said that it was brought to her by the Utah Occupational Safety and Health (UOSH) informal advisory council. She explained that the draft legislation includes protections for employers.

Mr. Jaceson Maughan, Deputy Commissioner, Utah Labor Commission, said that the draft legislation applies to Utah Code Section 34A-6-203, the "whistleblower statute," which provides protections for employees when they report safety violations or otherwise communicate with UOSH. He explained the process to be followed under the amended statute. He added that the UOSH advisory council, which is made up of industry representatives, approved of these changes. Mr. Maughan answered questions from the committee regarding the annual UOSH caseload.

MOTION: Sen. Mayne moved that the committee recommend draft legislation "Occupational Safety and Health Amendments" as a committee bill. The motion passed unanimously with Sen. Adams, Sen. Davis, Sen. Henderson, Sen. Okerlund, Rep. Froerer, Rep. Pitcher, and Rep. Wilson absent for the vote.

14. Other Items/Adjourn

MOTION: Rep King moved to adjourn the meeting. The motion passed unanimously with Sen. Adams, Sen. Davis, Sen. Henderson, Sen. Okerlund, Rep. Froerer, Rep. Pitcher, and Rep. Wilson absent for the vote.

Chair Peterson adjourned the meeting at 10:57 a.m.