

**MINUTES OF THE
ECONOMIC DEVELOPMENT AND WORKFORCE SERVICES INTERIM COMMITTEE**
Wednesday, November 18, 2015 – 1:15 p.m. – Room 20 House Building

Members Present:

Sen. Aaron Osmond, Senate Chair
Rep. Rebecca P. Edwards, House Chair
Sen. Jani Iwamoto
Sen. Ann Millner
Sen. Brian E. Shiozawa
Sen. Jerry W. Stevenson
Rep. Patrice M. Arent
Rep. Rebecca Chavez-Houck
Rep. Sophia M. DiCaro
Rep. Keith Grover
Rep. Timothy D. Hawkes
Rep. Bradley G. Last
Rep. Val L. Peterson

Rep. Scott D. Sandall
Rep. Robert M. Spendlove
Rep. John R. Westwood
Rep. Brad R. Wilson

Members Absent:

Sen. Karen Mayne

Staff Present:

Mr. Benjamin N. Christensen, Policy Analyst
Mr. Ryan M. Hunter, Policy Analyst
Mr. Peter Asplund, Associate General
Counsel
Ms. Debra Hale, 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.leg.utah.gov.

1. Committee Business

Chair Osmond called the meeting to order at 1:33 p.m. Sen. Mayne was excused from the meeting.

MOTION: Sen. Iwamoto moved to approve the minutes of the October 21, 2015, meeting. The motion passed unanimously. Sen. Millner, Sen. Stevenson, Rep. Hawkes, Rep. Last, and Rep. Wilson were absent for the vote.

2. Volunteer Registry

Sen. Margaret Dayton and Mr. James Brown, resident of the state, discussed 2015 General Session S.B. 209, "Volunteer Registry," which was introduced but did not pass. They addressed the burden for individuals to undergo multiple background checks in order to volunteer with some organizations in the state. Mr. Brown addressed his personal concerns as a volunteer in many venues and his having to undergo a background check with each venue. He expressed his support for the bill's motive of creating a central point or registry an organization can use to determine whether an individual who wants to volunteer has already undergone a background check.

Mr. Brian Somers, Deputy Director, Utah Department of Heritage and Arts, stated that, if created, the department would be the one to manage such a volunteer registry. He recommended further study of this idea by the committee and the Legislature and further outreach to the not-for-profit community to ensure this registry would be useful.

Ms. LaDawn Stoddard, Director, Utah Commission on Service and Volunteerism, expressed issues and concerns brought up by not-for-profit organizations regarding this type of registry system. She said that much more research and evaluation is needed.

3. Intergenerational Poverty Report

Mr. Jon Pierpont, Executive Director, Department of Workforce Services, and Chair, Utah Intergenerational Welfare Reform Commission, shared his experience of having been invited by U.S. Sen. Orrin Hatch to testify before the U.S. Senate Committee on Finance about the commission's work on intergenerational poverty. He distributed "Welfare and Poverty in America," which recorded his testimony to the finance committee about the department's efforts and recommendations to help at-risk children in Utah escape the cycle of poverty and public assistance or dependency.

Mr. Pierpont addressed the "Fact Sheet for Intergenerational Poverty 2015," which was included in the meeting packet, and the key findings, focus areas, new indicators, and recommendations of the Utah Intergenerational Welfare Reform Commission. He then reviewed the commission's report on intergenerational poverty with selected pages of "Utah's Fourth Annual Report on Intergenerational Poverty, Welfare Dependency, and the Use of Public Assistance – 2015," which was included in the meeting packet, and a visual presentation, "Department of Workforce Services Annual Report 2015." He recited the mission and cornerstones of the department and the highlights of its various divisions and programs.

Mr. Pierpont gave a visual presentation, "Intergenerational Poverty," which described the issue of intergenerational poverty and how it is different from situational poverty.

Ms. Tracy Gruber, Senior Advisor, Intergenerational Poverty Initiative, Department of Workforce Services, also addressed the visual presentation by reviewing the counties of the state that have the highest rates of at-risk children; existing community resources; and new indicators, key data findings, and commission recommendations from the report.

Mr. Pierpont concluded by addressing the report's recommendations to identify gaps and needs in intergenerational poverty and to strengthen community involvement.

4. Opportunities for Working Families

Rep. Edwards stated that Family Success Centers would provide grants to communities that would tailor services for local critical needs. She said that Family Success Centers are designed to help families obtain critical economic security, job skills training, education, and secure safe housing. She indicated that, when successful, such efforts focus on education and workforce training, a two-generation model, unique community needs, and synergy with local employers.

Rep. Angela Romero reported on related information obtained at a recent National Conference of State Legislators. She concluded that through comprehensive and coordinated services with community partners, families can receive consistent support to enable them to achieve economic success and make self-sustaining life choices.

5. Women in the Economy Commission Amendments, Report, and Sunset Review (draft legislation)

Rep. Edwards and Rep. Chavez-Houck, as co-chairs of the Utah Women in the Economy Commission, distributed and addressed:

- 1) a letter to members of the Executive Appropriations Committee, which reported on the activities and efforts of the commission during the past year;

- 2) an article from *The Salt Lake Tribune*, "Why is Utah's gender wage gap so big? Discrimination, study says," which highlighted the need for Utah leaders to discourage discrimination, boost low-income tax credits, urge more women to graduate from college and enter high-paying jobs, and better accommodate working women with families;
- 3) a list of the membership of the Women in the Economy Commission; and
- 4) draft legislation "Women in the Economy Commission Amendments" (2016FL-0682/002), which modifies the reporting requirements of the commission and repeals the sunset date of the act of the commission.

MOTION: Rep. Arent moved that the committee adopt draft legislation "Women in the Economy Commission Amendments" as a committee-recommended bill. The motion passed unanimously. Sen. Iwamoto, Rep. Grover, and Rep. Wilson were absent for the vote.

6. Utah Science, Technology, and Research (USTAR) Amendments (draft legislation)

Mr. Greg Bell, Board Chair, Utah Science, Technology, and Research Agency, and Dr. Ivy V. Estabrooke, Executive Director, Utah Science, Technology, and Research Agency, addressed a visual presentation, "USTAR Statutory Changes Request," which reviewed USTAR's previous 18-month history, its current structure, Utah's innovation system gap analysis, where to target USTAR efforts, SRI International's assessment, program recommendations and metrics, statutory changes, and measuring returns.

Dr. Estabrooke stated that in the 18 months she had been with USTAR, statutory requirements of the governing authority were identified, and USTAR made sure policies and procedures were in place to meet those requirements. She stated that SRI International recommended:

- 1) a large portion of the USTAR investment be moved into the area where there is a market gap in the ecosystem;
- 2) a new ventures program be expanded;
- 3) the needs of industry partnerships be addressed;
- 4) the commitments for ongoing salaries be maintained; and
- 5) the additional competitive funding be open to all research entities across the state.

Mr. Bell stated that SRI International indicated the state had done a good job with its university connections, but its technology outreach program was undersized. He also said that what was driving the economy in successful states was the linkage between university research teams and businesses. The final takeaway, he concluded, is that there are two models for technology initiatives in states:

- 1) stay in state government or become a profit center; and
- 2) see that the state's role is to be the broker to push out opportunities and connect people to partner with regional, tier-one universities and other colleges.

Speaking in Sen. Millner's absence, Mr. Asplund reviewed her intent for potential legislation regarding USTAR to be approved by all stakeholders and to fulfill requirements identified in 2014 General Session S.B. 62, "Utah Science, Technology, and Research Authority Amendments."

7. Workforce Development Board Amendments (draft legislation)

At the request of the Department of Workforce Services, this agenda item was not addressed.

8. Enterprise Zone Amendments (draft legislation)

Rep. Sandall reviewed draft legislation "Enterprise Zone Amendments" (2016FL-0308/008), which is related to accountability and reporting for the enterprise zone program.

Ms. Linda Gilmore, Director, Rural Development, Governor's Office of Economic Development, said that the office has made good headway on alerting the public to the location of the enterprise zones via the web. She said that the office looks forward to its accomplishment of some of the front-end metrics gathering and is in full support of the recommended changes of the draft legislation.

MOTION: Rep. Westwood moved that the committee recommend draft legislation "Enterprise Zone Amendments" as a committee-recommended bill. The motion passed unanimously. Sen. Iwamoto, Sen. Millner, Rep. Grover, Rep. Last, and Rep. Wilson were absent for the vote.

9. Governor's Office of Economic Development (GOED) Proposed Legislation

Mr. Asplund introduced draft legislation for each of the applicable agencies, as noted.

Mr. Q. Val Hale, Executive Director, Governor's Office of Economic Development, and Dr. Kimberly Henrie, Deputy Director and Chief Operating Officer, Governor's Office of Economic Development, answered questions and gave a visual presentation on the following draft legislation:

1) Economic Development Tax Increment Financing Amendment

MOTION: Rep. Westwood moved that the committee recommend draft legislation "Economic Development Tax Increment Financing Amendments" (2016FL-0675/006) as a committee-recommended bill. The motion passed unanimously. Sen. Iwamoto, Sen. Millner, Rep. Grover, Rep. Last, and Rep. Wilson were absent for the vote.

2) Industrial Assistance Fund Amendments

Mr. Hale stated that GOED feels good about the work that has been done and sees the need for additional clarification before draft legislation "Industrial Assistance Fund Amendments" (2016FL-0673/005) is presented.

3) Film and Television Incentives Amendments

At the request of GOED, draft legislation "Film and Television Incentives Amendments" (2016FL-0672/004) was not addressed.

4) Business Resource Centers Amendments

MOTION: Rep. Westwood moved that the committee recommend draft legislation "Business Resource Centers Amendments" (2016FL-0671/005) as a committee-recommended bill. The motion passed unanimously. Sen. Iwamoto, Rep. Grover, Rep. Last, and Rep. Wilson were absent for the vote.

5) Office of Outdoor Recreation Amendments

Mr. Christensen explained the fiscal note process for draft legislation "Office of Outdoor Recreation Amendments" (2016FL-0670/007).

At the request of Rep. Arent, Mr. Brad Peterson, Director, Office of Outdoor Recreation, described the efforts to create the office and some of the work it has accomplished. Mr. Hale stated that the office, with virtually no budget, is the model office in the country.

MOTION: Rep. Arent moved that the committee recommend draft legislation "Office of Outdoor Recreation Amendments" (2016FL-0670/007) as a committee-recommended bill. The motion passed unanimously. Sen. Iwamoto, Rep. Grover, and Rep. Wilson were absent for the vote.

6) STEM Action Center Amendments:

Rep. Peterson described draft legislation "STEM Program Amendments" (2016FL-551/007), which modifies provisions related to the STEM Action Center.

Ms. Tami Goetz, Chair, STEM Action Center, described the bill from the center's perspective and responded to questions from the committee.

MOTION: Rep. Peterson moved that the committee recommend draft legislation "STEM Program Amendments" as a committee-recommended bill. The motion passed unanimously. Sen. Iwamoto, Rep. Edwards, Rep. Grover, and Rep. Wilson were absent for the vote.

10. Urban Housing Redevelopment Tax Credit (draft legislation)

At the request of the sponsor of the draft legislation, this agenda item was not addressed.

11. Other Items/Adjourn

MOTION: Rep. Peterson moved to adjourn the meeting. The motion passed unanimously. Sen. Iwamoto, Rep. Edwards, Rep. Grover, and Rep. Wilson were absent for the vote.

Chair Osmond adjourned the meeting at 3:55 p.m.