

**MINUTES OF THE  
BUSINESS, ECONOMIC DEVELOPMENT, & LABOR  
APPROPRIATIONS SUBCOMMITTEE**

**Room 25, House Building**

February 3, 2016

**Members Present:** Sen. Brian E. Shiozawa, Senate Chairman  
Rep. Dixon M. Pitcher, House Chairman  
Rep. Stewart E. Barlow, House Vice Chair  
Sen. Wayne A. Harper  
Sen. Ann Millner  
Sen. Jerry W. Stevenson  
Sen. Evan Vickers  
Rep. Patrice M. Arent  
Rep. Jeremy A. Peterson  
Rep. Val L. Peterson  
Rep. John R. Westwood  
Rep. Mark Wheatley  
Rep. Brad R. Wilson

**Members Absent:** Sen. Curtis S. Bramble  
Sen. Gene Davis  
Rep. Johnny Anderson  
Rep. James A. Dunnigan

**Staff Present:** Dr. Andrea Wilko, Chief Economist  
Ms. Clare Tobin Lence, Fiscal Analyst  
Ms. Rosemary Young, Committee Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

Rep. Pitcher called the meeting to order at 8:01 a.m.

**Department of Alcoholic Beverage Control Building Blocks**

Sal Petilos, Director, DABC, put forward the following requests:

1. \$557,400 for staffing of the West Valley City store which is scheduled to open by January 2017.
2. \$40,000 for a forklift for the warehouse
3. \$500,000 for additional store FTE's
4. \$207,300 for encryption services concerning credit cards

Sen. Shiozawa assumed the chair.

### **Governor's Office of Economic Development Building Blocks**

Val Hale, Executive Director, accompanied by Dr. Kimberly Henrie, Deputy Director, presented the following building block requests:

1. \$3,255,000 one-time to pay existing contracts in the EDTIF program
2. \$18 Million ongoing for the Tourism Marketing Performance Fund
3. Reallocate \$400,000 from Avenue H to the St. George Welcome Center
4. \$125,000 one-time for Business Resource Centers
5. \$1 Million one-time is requested for Sundance Film Festival which had a \$83.4 Million economic impact in 2015 and \$66 Million in publicity value.

Tami Goetz of the STEM Action Center explained some of the licensing process, answered audit questions, and requested \$3 Million one-time for math tools for the STEM Action Center. There was discussion as to how well the products are being used in the schools.

**MOTION:** Rep. Barlow moved to approve the minutes of the January 26, 2016 meeting. The motion passed unanimously with Rep. Arent absent for the vote.

### **Vote on Base Budgets**

Dr. Wilko explained the voting process and motions for consideration.

**MOTION:** Sen. Harper moved to reduce to \$4 Million the offset of \$5 Million from the Tax Commission earmarking the extra \$1 Million for potential expert witness and litigation needs.

**SUBSTITUTE MOTION:** Rep. Barlow moved to change the reduction to \$500,000 for the previously stated purposes, leaving \$4.5 Million in the offset. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Sen. Vickers moved to reallocate \$400,000 from Avenue H to Tourism for the St. George Welcome Center. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved to reallocate the funds in the Risk Adjuster Program as found in the on-line "Budget Offset" list. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved to direct the Analyst to reflect the Labor Commission's Wage Claim Agency Fund in the Fiduciary Funds section of S.B. 4, rather than the Expendable Funds and Accounts Section. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved that the committee approve the funding shifts shown in the document titled Internal Reallocations. For the Heritage and Arts items, funding shifts are approved for both FY 2016 and FY 2017. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved that the committee include the \$783,000 for Credit Card Processing Fees and \$230,000 for Package Agency Compensation for the Department of Alcoholic Beverage Control in S.B. 4. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved that the committee authorize the Analyst to prepare a substitute bill for S.B. 4. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved that the committee approve the FY 2016 and FY 2017 non-General Fund requests and budget changes listed on the document titled Non-State Funding Requests. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved that the committee approve the intent language identified in the document titled Intent Language. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved that the committee approve the BEDL fees shown in H.B. 8, "State Agency Fees and Internal Service Fund Rate Authorization and Appropriations" starting on page 60 line 2261 through page 100 line 3762, with the following exception: on page 88 line 3326 change the amount to \$75. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved that the committee approve the BEDL federal funds shown in the issue brief titled Business, Economic Development and Labor: Federal Funds. The motion passed unanimously with Rep. Arent absent for the vote.

**MOTION:** Rep. Pitcher moved that the committee direct the \$306,000 that was provided to Dixie State University as a one-time grant be returned to USTAR for other Technology Outreach and Innovation Projects. The motion passed unanimously with Rep. Arent absent for the vote.

Rep. Pitcher assumed the chair.

Sen Shiozawa with a handout presented a request of \$1 Million one-time for the **Columbus Hub of Opportunity**. Kristy Chambers, Executive Director; Stephanie Mackay, Director of Development; Jon Owen, Utah Autism Coalition; and Bill McMahon, M.D., professor of psychiatry spoke in favor of the request.

Sen. Shiozawa resumed the chair.

Sen. Weiler and Rep. Powell, assisted by Dr. Dinesh Patel and Former U.S. Senator and astronaut Jake Garn, requested \$500,000 one time for **The Leonardo**. A handout was distributed.

Sen. Stevenson requested \$21 Million one time for **Falcon Hill** building at Hill Air Force Base. Paul Morris, Military Installation Development Authority, spoke in favor of the request.

Sen. Stevenson, assisted by Kelly Slone, BioUtah, requested \$2 Million ongoing for the **Technology Commercialization & Innovation Program**. Dave Robinson; Ben Hart, GOED; and Gary Sams, Progenitor Life Sciences, spoke in favor of the request.

Sen. Stevenson requested \$500,000 ongoing and \$500,000 one-time for **DABC Store Operations**.

Rep. Webb distributed a handout and requested \$50,000 one-time for the **American Festival Chorus**. Bryce Fifield, chair, and Paul Woodland, vice chair, assisted.

Sen. Okerlund, assisted by Piute County Commissioner Darin Bushman, requested \$137,000 one time for the **Butch Cassidy Historic Site**. Sen. Okerlund identified restricted revenue in the Parks Budget that could be used to fund the request.

Rep. Val Peterson explained H.B. 127 which aims to make "In God We Trust" one of 3 standard license plates available in the state. It carries a \$100,000 fiscal note. Barry Conover, Executive Director, Utah Tax Commission, explained the costs.

**MOTION:** Sen. Harper moved to adjourn. The motion passed unanimously with Sen. Millner, Rep. Wheatley, Rep. Wilson, and Rep. Pitcher absent for the vote.

Sen. Shiozawa adjourned the meeting at 10:42 a.m.