

**MINUTES OF THE  
WORKFORCE SERVICES AND COMMUNITY  
AND ECONOMIC DEVELOPMENT INTERIM COMMITTEE**  
Wednesday, November 19, 2003 – 10:30 a.m. – Room 131 State Capitol

**Members Present:**

Sen. Scott K. Jenkins, Senate Chair  
Rep. David N. Cox, House Chair  
Sen. Karen Hale  
Sen. David L. Thomas  
Sen. Carlene Walker  
Rep. Jeff Alexander  
Rep. Brent H. Goodfellow  
Rep. Gregory H. Hughes  
Rep. Dana C. Love  
Rep. Steven R. Mascaro  
Rep. Karen W. Morgan  
Rep. LaWanna "Lou" Shurtliff  
Rep. Peggy Wallace

**Members Absent:**

**Staff Present:**

Mr. Mark B. Steinagel, Policy Analyst  
Mr. James L. Wilson, Associate General Counsel  
Ms. Glenda S. Whitney, Legislative Secretary

**Note:** A list of others present and a copy of materials can be found at <http://le.utah.gov> or by contacting the committee secretary, Glenda Whitney, at 538-1032.

**1. Committee Business**

Chair Jenkins called the meeting to order at 10:42 a.m.

**MOTION:** Rep. Mascaro moved to approve the minutes of October 15, 2003. The motion passed unanimously, with Sen. Hale, Sen. Walker, Rep. Love, Rep. Morgan, and Rep. Shurtliff absent for the vote.

Chair Jenkins recommended that the Committee members review the 2003 Office of Child Care Annual Report that was distributed prior to the meeting.

**2. Utah Venture Capital Enhancement Act Amendments**

Chair Jenkins noted that the Committee will review suggested modifications to the Utah Venture Capital Enhancement Act that was passed in the 2003 General Session.

Rep. Peggy Wallace presented an overview of the draft legislation, "H.B. 2004, Utah Venture Capital Enhancement Act Amendments." She distributed an organizational chart that explained the Utah Capital Investment Board governmental entity.

**MOTION:** Rep. Alexander moved to adopt the proposed legislation, "Utah Venture Capital Enhancement Act Amendments" as a committee bill. The motion passed unanimously, with Sen. Walker, and Rep. Morgan absent for the vote.

### **3. Consider Proposed Legislation, "Employment Support Act Amendments"**

Ms. Sarah Brenna, Legislative Liaison, Department of Workforce Services, reviewed specific provisions of the draft legislation.

Mr. Wilson presented an overview on the proposed legislation, "Employment Support Act Amendments," that was distributed to the Committee in the mailing packet. He explained that the bill repeals outdated provisions in the Employment Support Act and makes certain technical changes.

**MOTION:** Sen. Hale moved to adopt the proposed legislation, "Employment Support Act Amendments," as a committee bill. The motion passed unanimously, with Sen. Walker absent for the vote.

### **4. Unemployment Insurance Policies**

Mr. Chris W. Love, Unemployment Insurance Director, Department of Workforce Services, presented an overview on a packet of unemployment compensation information, "SUTA Dumping," "Adequacy of the Trust Fund 2000-2004," "Benefit Ratio Experience-Rating System, Employer Tax Rates and Unemployment Compensation Fund Solvency," and "Work Search Deferrals for Furloughed IRS Workers." He addressed unemployment insurance policies including unemployment insurance tax avoidance, or "SUTA dumping;" unemployment insurance tax rate increases; and concerns raised by IRS employees regarding state unemployment insurance policy for seasonal employees.

Committee members expressed concern that the Department did not alert the Legislature earlier to a possible unemployment insurance tax rate increase.

Ms. Raylene Ireland, Executive Director, Department of Workforce Services, commented on why the unemployment insurance tax increase issue was placed on the agenda.

Ms. Robyn Halverson, Tax Examiner, IRS, expressed concern with the department's current unemployment insurance policy for IRS employees.

**MOTION:** Rep. Mascaro moved to send a recommendation to the Administrative Rules Committee that they investigate the rule that applies to unemployment insurance for IRS employees related to seasonal work and discuss if changes are necessary to make this work more useful for the business community as well as the employees.

**SUBSTITUTE MOTION:** Rep. Love moved to send the issue to the Administrative Rules Committee with the suggestion that they review the rule and with the recommendation that the Administrative Rules Committee request Workforce Services to modify the rule. The motion passed unanimously, with Sen. Hale, Rep. Alexander, Rep. Goodfellow, and Rep. Morgan absent for the vote.

## **5. Other Items**

Ms. Karen Silver, Advocate, Salt Lake Community Action Program, distributed a handout, "Legislative language - Section 35A-3-306, Limits on eligibility," for the committee to review. She expressed concern with the impact of welfare time limits on families with extraordinary barriers to self-sufficiency.

Mr. Tim Shultz, Utah Issues, distributed a handout "Utah Issues Fact/FAQ Sheet," and asked the Committee to consider the proposed legislative language.

**MOTION:** Rep. Love moved to move to the next agenda item. The motion passed unanimously, with Sen. Hale, Rep. Alexander, Rep. Goodfellow, Rep. Hughes, and Rep. Morgan absent for the vote.

## **6. Update on Tourism Advisory Council**

Mr. Randy Harmsen, Chairman, Utah Travel Council Advisory Board, briefed the Committee on tourism in Utah. He distributed a handout "108<sup>th</sup> Congress 1<sup>st</sup> Session, H.R. 3463" and gave a video presentation.

## **7. Adjourn**

**MOTION:** Rep. Love moved to adjourn the meeting. The motion passed unanimously. Chair Jenkins adjourned the meeting at 12:57 p.m. Sen. Hale, Sen. Walker, Rep. Alexander, Rep. Goodfellow, Rep. Hughes, and Rep. Morgan were absent for the vote.