

**MINUTES OF THE
ECONOMIC DEVELOPMENT AND WORKFORCE SERVICES INTERIM COMMITTEE**

Wednesday, September 21, 2016 – 8:30 a.m. – Room 20 House Building

Members Present:

Sen. Brian E. Shiozawa, Senate Chair
Rep. Rebecca P. Edwards, House Chair
Sen. Lincoln Fillmore
Sen. Jani Iwamoto
Sen. Karen Mayne
Sen. Ann Millner
Sen. Jerry W. Stevenson
Rep. Patrice M. Arent
Rep. Rich Cunningham
Rep. Bradley G. Last
Rep. Val L. Peterson
Rep. Kraig Powell

Rep. John R. Westwood
Rep. Brad R. Wilson

Members Absent:

Rep. Rebecca Chavez-Houck
Rep. Keith Grover

Staff Present:

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.le.utah.gov.

1. Committee Business

Chair Edwards called the meeting to order at 8:40 a.m. Rep. Chavez-Houck was excused from the meeting, as she was being honored with an alumni lifetime achievement award from Bingham High School.

MOTION: Rep. DiCaro moved to approve the minutes of the July 13, 2016, meeting. The motion passed unanimously. Sen. Iwamoto, Sen. Mayne, Rep. Arent, Rep. Last, Rep. Peterson, and Rep. Wilson were absent for the vote.

2. Earned Income Tax Credit

Mr. Matthew Weinstein, Director, State Priorities Partnership, Voices for Utah Children, introduced the agenda item. He and Dr. Michael R. Strain, Director, Economic Policy Studies and Resident Scholar, American Enterprise Institute, presented "The Earned Income Tax Credit." They explained how the earned income tax credit works and described some of the tax credit's features and its role in reducing poverty.

The following documents were distributed:

- 1) "Why a Utah Earned Income Tax Credit (EITC) Should be Considered as our Next Major Step to Address Intergenerational Poverty," by Voices for Utah Children;
- 2) "In our opinion: Earned Income Tax Credit provides better poverty relief than raising the minimum wage," from the Deseret News;
- 3) "Minimum Wage Debate: Utahns should consider alternative ways to lift families out of poverty," by Natalie Gochnour, Chief Economist, Salt Lake Chamber, May 24, 2016;
- 4) "National Review – More than the Minimum Wage," by Dr. Strain;
- 5) "Sharing Their Stories – How the EITC is Helping Families Succeed," by Community Action Partnership of Utah and Voices for Utah Children;
- 6) "The Earned Income Tax Credit: A Time-Tested Two-Generation Strategy for Poverty," by Voices for Utah Children; and

- 7) "Utah EITC Data for Tax Year 2013," by Voices for Utah Children.

Mr. Weinstein and Dr. Strain responded to questions from the committee.

3. STEM Action Center

Ms. Sue Redington, Program Director, STEM Action Center, Governor's Office of Economic Development, presented "STEM Action Center Utah," which outlined ways the STEM Action Center plans to address inefficiencies in the center's grant process.

Ms. Redington and Ms. Aimee Edwards, Communications Director, Governor's Office of Economic Development, addressed questions from the committee.

4. Community Services Block Grant

Mr. Jonathan Hardy, Director, Housing and Community Development Division, Department of Workforce Services, gave a presentation regarding the Community Services Block Grant plan. He distributed the following:

- 1) "Community Services Block Grant – Legislative Hearing";
- 2) "2015 State CSBG Factsheets," by the National Association for State Community Services Programs"; and
- 3) a chart illustrating 2015 poverty and homelessness numbers in Utah counties.

5. Paid Family Leave

Mr. Hunter described the three available paid leave options for state employees on family leave.

Rep. Angela Romero distributed "The Case for Paid Parental Leave" from the Utah's Women's Coalition and reviewed the benefits of paid parental leave for state employees.

Ms. Stephanie Pitcher, Utah Women's Coalition, also spoke in favor of a paid parental leave program.

Ms. Debbie Cragun, Executive Director, Department of Human Resource Management, said that the department will review with Rep. Romero the specifics of Rep. Romero's proposed paid parental leave program to ensure it can be implemented.

The presenters addressed questions from the committee.

6. Targeted Business Tax Credit

Ms. Jill Flygare, Managing Director, Governor's Office of Economic Development, presented "Targeted Business Tax Credit." She requested a bill file proposing changes to the targeted business tax credit and addressed questions from the committee.

Ms. Linda Gillmor, Director, Rural Office, Governor's Office of Economic Development, defined her understanding of the targeted business tax credit as a companion to the enterprise zone and the proper use of each.

Ms. Flygare answered questions from the committee.

MOTION: Sen. Mayne moved to open a committee bill file to make legislative changes to the targeted business tax credit. The motion passed unanimously. Sen. Fillmore, Sen. Millner, Sen. Shiozawa, and Rep. Peterson were absent for the vote.

7. Other Items/Adjourn

MOTION: Rep. Wilson moved to adjourn the meeting. The motion passed unanimously. Sen. Fillmore, Sen. Millner, Sen. Shiozawa, and Rep. Peterson were absent for the vote.

Chair Edwards adjourned the meeting at 10:24 a.m.