

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

Wednesday, October 24 , 2001 – 9:00 a.m. – Room 403 State Capitol

Members Present:

Sen. Dan R. Eastman, Senate Chair
Rep. Katherine M. Bryson, House Chair
Sen. Curtis S. Bramble
Sen. Gene Davis
Sen. Parley G. Hellewell
Sen. Ed P. Mayne
Rep. Gerry A. Adair
Rep. Roger E. Barrus
Rep. Cindy Beshear
Rep. Jackie Biskupski
Rep. David Clark
Rep. Greg J. Curtis

Rep. Carl W. Duckworth
Rep. Ben C. Ferry
Rep. Thomas Hatch
Rep. Karen W. Morgan
Rep. Brent D. Parker

Members Absent:

Sen. L. Steven Poulton
Rep. Brad King

Staff Present:

Ms. Mary Catherine Perry, Research Analyst
Ms. Patricia Owen, Associate General Counsel
Ms. Jennifer Markham, Legislative Secretary

Note: A list of others present and a copy of materials can be found at <http://www.image.le.state.ut.us/imaging/history.asp> or contact the Office of Legislative Research and General Counsel.

1. Call to Order

Chair Bryson called the meeting to order at 9:08 a.m.

Chair Bryson announced that Mr. Darrell Larson, Owner, Larson Insurance Services, distributed to committee members "Notes on the Use of Credit Reports for Insurance Underwriting."

MOTION: Rep. Adair moved to approve the minutes of the September 12, 2001 meeting. The motion passed unanimously. Sen. Bramble, Sen. Davis, and Rep. Hatch were absent for the vote.

2. Regulation of Termite Inspectors

Sen. Carlene Walker presented draft legislation "Regulation of Termite Inspectors." A copy of the draft legislation was distributed prior to the meeting.

Mr. Dick Wilson, Director, Division of Plant Industry, described the role of the Department of Agriculture in the regulation of termite inspectors and pesticide applications. He emphasized that this legislation is not intended to change the current procedures.

Mr. Curt Soloman, Association of Home Inspectors and the National Board of Directors of American Society of Home Inspectors, discussed the possible increases in premiums for the termite and radon riders for errors and omissions insurance.

Committee discussion followed.

3. Sunset Reviews

Ms. Mary Catherine Perry, Research Analyst, Office of Legislative Research and General Counsel, gave an overview of the Acts under the oversight of the Business and Labor Committee that are scheduled for sunset.

Mr. Lee Ellertson, Commissioner, Labor Commission, indicated that the Commission has no concerns with allowing the Olympic Volunteer Workers' Compensation Act and Olympic Law Enforcement and Public Safety Workers' Compensation Act to sunset.

Mr. Lane Beattie, State Olympic Coordinator, stated that he did not have a concern with the sunset of the Olympic Volunteer Workers' Compensation Act and Olympic Law Enforcement and Public Safety Workers' Compensation Act. He emphasized that a workers compensation claim for an accident that occurred during the Olympics, but not filed until after the sunset date, would be covered.

Mr. Neil Zabriskie, Certified Public Account, urged the committee to reauthorize the Certified Public Accounting Licensing Act.

Mr. Craig Jackson, Director, Department of Professional Licensing, expressed support for reauthorization of Utah Podiatric Physicians Licensing Act, Certified Public Accounting Licensing Act, Professional Employer Organization Licensing Act, and Acupuncture Licensure Act.

MOTION: Rep. Adair recommended reauthorizing Utah Podiatric Physicians Licensing Act, Certified Public Accounting Licensing Act, Professional Employer Organization of Licensing Act, Acupuncture Licensure Act for a five-year period and permitting the Olympic Volunteer Workers' Compensation Act and Olympic Law Enforcement and Public Safety Workers' Compensation Act sunset. The motion passed unanimously. Sen. Bramble, Sen. Davis, Rep. Barrus, Rep. Curtis, and Rep. Morgan were absent for the vote.

4. Penalties for Misuse of Securities

Mr. Tony Taggart, Director, Division of Securities, provided a history of the securities laws in Utah. He described examples of securities fraud and discussed the current and proposed sentencing.

Mr. Edward McConkie, Director, Sentencing Commission, described the process of creating sentencing recommendations. He indicated the guidelines would be a good tool to change the system. He informed the committee that the Commission has formed a small group to study this issue.

Committee discussion followed.

5. Utah Consumer Credit Reporting Act

Sen. Gene Davis described the changes that have been made to the proposed legislation since the last presentation. A copy of the new draft was distributed to the committee prior to the meeting. He distributed "Utah Consumer Credit Reporting Act Comparison of 10/5/01 and 5/30/01 Draft."

Committee discussion followed.

MOTION: Rep. Ferry moved to amend line 230 to delete the word "person" and insert the words "consumer reporting agency or user". The motion passed unanimously. Rep. Curtis, Rep. Hatch, and Rep. Morgan were absent for the vote.

Ms. LaRee Miller, Executive Director, Utah Citizens Alliance, requested amendments that address credit scoring be removed from this legislation.

Mr. Scott Peterson, owner of a credit counseling company, indicated that although the legislation may be good in many respects, he felt that credit scoring should not be used in determining insurance premiums and that any legislation addressing credit reports should be consistent with that principle.

Mr. Curtis Breitweiser, Utah Association of Independent Agents, expressed opposition to this legislation as it relates to insurance.

Mr. Bill Welsh, President and Owner, Credit Bureau of Provo, expressed opposition to this legislation and raised concerns about its potential impact on local credit bureaus.

Mr. Gary Thorup recommended technical changes to the bill.

Committee discussion followed.

6. Adjourn

MOTION: Rep. Ferry moved to adjourn the meeting. The motion passed unanimously. Sen. Mayne, Rep. Biskupski, Rep. Hatch, and Rep. Morgan were absent for the vote.

Chair Bryson adjourned the meeting at 12:00 p.m.

