

**MINUTES OF THE
WORKFORCE SERVICES & COMMUNITY
& ECONOMIC DEVELOPMENT INTERIM COMMITTEE**

Wednesday, November 20, 2002 – 9:00 a.m. – Room 223 State Capitol

Members Present:

Sen. Beverly A. Evans, Senate Chair
Rep. Richard M. Siddoway, House Chair
Sen. Scott Jenkins
Sen. Paula Julander
Rep. Jeff Alexander
Rep. Sheryl L. Allen
Rep. Cindy Beshear
Rep. Afton Bradshaw
Rep. Carl Duckworth
Rep. Brent Goodfellow
Rep. David Litvack
Rep. Merlynn T. Newbold
Rep. J. Morgan Philpot
Rep. Carl R. Saunders
Rep. Peggy Wallace
Rep. Bradley A. Winn

Members Absent:

President Al Mansell
Sen. Steve Poulton
Speaker Martin R. Stephens

Staff Present:

Ms. Jami Momberger, Research Analyst
Mr. James L. Wilson, 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 by contacting the committee secretary, Jennifer Markham, at 538-1032.

1. Committee Business

Chair Siddoway called the meeting to order at 9:12 a.m.

MOTION: Rep. Saunders moved to approve the minutes of October 23, 2002. The motion passed unanimously, with Sen. Evans, Rep. Bradshaw, and Rep. Winn absent for the vote.

2. Department of Workforce Services

Ms. Raylene Ireland, Executive Director, DWS (Department of Workforce Services), distributed draft legislation "Workforce Services Overpayment Amendments" and explained that it would transfer the collection of public assistance overpayments from the Office of Recovery Services to the Department of Workforce Services.

Ms. Robin Arnold Williams, Executive Director, DHS (Department of Human Services), indicated that the transfer of the collection of overpayments had been planned when the Department of Workforce Services was created; and this would align responsibility and accountability.

Committee discussion followed.

Mr. Mike Richardson, Workforce Services, detailed the actions available to DWS when someone is suspected of committing fraud. He explained the adjudicatory process available to individuals.

Ms. Tani Downing, Director, Adjudication, DWS, stated the goal of this legislation was to align the processes for collection of overpayments with collection for unemployment insurance.

Mr. Wilson recommended amending line 11 to insert "The act provides an effective date" and amend line 432 to insert "Section 19. Effective Date. This act takes effect July 1, 2003."

MOTION: Rep. Saunders moved to amend line 11 to insert the words "The act provides an effective date" and to amend line 432 to insert to words "Section 19. Effective Date. This act takes effect July 1, 2003." The motion passed unanimously, with Sen. Evans, Rep. Bradshaw, and Rep. Winn absent for the vote.

MOTION: Rep. Saunders moved to recommend the draft legislation "Workforce Services Overpayment Amendments" as amended as a committee bill. The motion passed unanimously, with Sen. Evans, Rep. Bradshaw, and Rep. Winn absent for the vote

3. Social Research Institute: Welfare Report

Dr. Amanda Smith Barusch, Principal Investigator, highlighted the executive summary and key findings in "The Dynamics of Leaving Welfare: A Study of Long-Term Welfare Recipients in Utah" that was included in the mailing packet.

Ms. Mary Beth Vogel-Ferguson, M.S.W., Project Coordinator, summarized the barriers listed in "Table 1.21 Cluster Barriers: Comparative Data" that was distributed in the meeting and recommendations listed in "The Dynamics of Leaving Welfare: A Study of Long-Term Welfare Recipients in Utah" that was included in the mailing packet.

Ms. Diane Cunningham, Intervention Specialist, described her experience working with long-term welfare families to obtain alternative community resources after leaving welfare.

Mr. Barusch described the success rates listed on "Table 3.2 Demographics - 12 month data,," Table 3.5 Mental Health," and "Table 3.8 Self-Esteem and Self-Efficacy." She explained the results of the longitudinal study on "Table 2.4: Poverty Threshold Over Time," "Table 2.6: Poverty Threshold Over Time - Always Employed," and Table 2.18 Child Well-being Over Time."

Ms. Vogel-Ferguson discussed the findings in "Case Worker Relationship" that was distributed to the Committee.

Ms. Cunningham indicated that long-term welfare recipients receive the best assistance when multiple agencies work together.

4. Tourism Promotion Programs

Mr. Dean Reeder, Director, Division of Travel Development, expressed support for draft legislation "Tourism Promotion Program." He noted that the cities' definition of tourism may be different from the definition in the legislation. He indicated that this legislation would require the data to be collected more often than the current process in order to analyze the efficiency in attracting out-of-state tourists.

Ms. Karen Silver, Advocate, Salt Lake Community Action Program, suggested including child care as a provision in the legislation as an incentive to attract tourism and service workers.

Ms. Neka Roundy, Coordinator, Davis County Tourism, suggested including "persons, firms, associations, corporations, travel regions, counties, and governmental agencies" with the "cities and counties within the state" on line 34

MOTION: Rep. Bradshaw moved to recommend the draft legislation "Tourism Promotion Programs" as a committee bill.

SUBSTITUTE MOTION: Rep. Beshear moved to amend line 34 to insert "persons, firms, associations, corporations, travel regions, counties, and governmental agencies" before the word "cities."

Mr. John Kemp, Research Coordinator, Utah Division of Travel Development, emphasized that it would be overwhelming to collect data from every entity involved in promoting Utah tourism.

Mr. Reeder explained the differences between lines 25 and 26 and line 34 and emphasized the difficulties of obtaining information regarding promotional activities from private companies.

Rep. Beshear withdrew her substitute motion. The Committee returned to the original motion. Rep. Bradshaw's original motion passed unanimously, with Rep. Saunders and Rep. Goodfellow absent for the vote.

5. Industrial Assistance Fund

Mr. David Harmer, Executive Director, DCED (Department of Community & Economic Development), summarized draft legislation "Industrial Assistance Fund" and explained the need for the revision. He suggested inserting the word "policy" before the word "direction" on line 46 and delete "approved by the Board" on line 67.

MOTION: Sen. Evans moved to amend line 46 to insert the word "policy" before the word "direction" and amend line 67 to delete the words "approved by the Board." The motion passed unanimously, with Sen. Julander, Rep Alexander, and Rep. Goodfellow absent for the vote.

MOTION: Rep. Beshear moved to recommend the draft legislation "Industrial Assistance Fund" as amended as a committee bill. The motion passed unanimously, with Sen. Julander, Rep. Alexander, and Rep. Goodfellow absent for the vote.

6. Contingent Tax Credit for Venture Capital Funds

Chair Siddoway stated that there are a number of questions with the draft legislation.

Mr. Todd Stevens, Managing Director, Wasatch Venture Fund, Ms. Nicole Toomey-Davis, Co-founder and former Chief Executive Officer, DoBox, Inc., and Mr. Richard Nelson, CEO, UITA (Utah Information Technology Association), emphasized the need for this legislation and the urgency to establish a Fund of Funds to attract venture capital to Utah due to the decline in technology companies because of a lack of capital.

Mr. Robert Hood, Committee Member, Information Technology Commission, expressed support for the Contingent Tax Credit concept.

Mr. Wilson introduced draft legislation "Incentives to Invest in Venture Capital Funds." He discussed the changes in the draft from previous discussions. He recommended representatives from DCED and the State Tax Commission be included in working group discussions.

The next meeting of the work group will be Monday, December 2 at 1:00 p.m.

7. Adjourn

MOTION: Rep. Newbold moved to adjourn the meeting at 11:40 a.m. The motion passed unanimously, with Sen. Jenkins, Sen. Julander, Rep. Alexander, Rep. Allen, and Rep. Saunders absent for the vote.