

**MINUTES OF THE
WORKFORCE SERVICES AND COMMUNITY
AND ECONOMIC DEVELOPMENT INTERIM COMMITTEE**
Wednesday, August 18, 2004 – 9:00 a.m. – Room W025 House Building

Members Present:

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

Members Absent:

Rep. David N. Cox, House Chair
Rep. Jeff Alexander
Rep. Peggy Wallace

Staff Present:

Mr. Arthur L. Hunsaker, 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 9:12 a.m. Rep. Cox and Rep. Wallace were excused from attending the meeting.

MOTION: Rep. Shurtliff moved to approve the minutes of June 16, 2004. The motion passed unanimously, with Sen. Hale and Rep. Love absent for the vote.

2. Aerospace and Aviation Development Zone

Sen. Mike Dmitrich, Sponsor, S.B. 74, reviewed the legislation, "Aerospace and Aviation Development Zone Amendments," 2004 General Session, that was distributed in the mailing packet. He expressed concern with restrictions in the current law that limit economic development on lands adjacent to rural airports and requested that the Committee draft legislation to meet the needs of rural economic development.

Mr. David Harmer, Executive Director, DCED (Department of Community and Economic Development), discussed the implementation of H.B. 316, "Aerospace and Aviation Development Zone," 2003 General Session. He noted that S.B. 74 has two restrictions in it that would sunset in January 2006. He recommended accelerating the sunset date. By accelerating the sunset date, the development zone program would be available to airports in rural areas in the state prior to January 1, 2006. He also recommended that development zones be established for other industries.

Chair Jenkins asked staff to draft two pieces of legislation from the proposed recommendations and present them to the Committee at a future meeting.

Mr. Delynn Fielding, Carbon Economic Development, and Mr. David Spatafore, Logan City and Cache

Chamber of Commerce, spoke in support of the proposed recommendations.

Rep. Morley spoke in support of the recommendations and the drafting of new legislation.

3. Tourism Funding - Proposal for Legislation

Ms. Nan Anderson and Mr. Kip Pitou, Chair and Cochair, Utah Tourism Industry Coalition, briefed the Committee on a proposal for funding of tourism and indicated that the tourism industry is in support of the proposal and performance-based funding to promote tourism in Utah.

Mr. Wilson distributed and reviewed draft legislation on the tourism funding proposal, "Funding for Tourism" and explained that the bill modifies provisions relating to tourism advertising, marketing, and branding.

4. Industrial Assistance Funding

Mr. Wilson updated the Committee on the implementation of H.B. 75, "Industrial Assistance Fund Amendments," that passed in the 2004 General Session.

Mr. Mark Renda, Director, Strategic Business Analysis, DCED, distributed a handout, "Summary of Industrial Assistance Fund Economic Opportunities (H.B. 75)" and reported on the projects that have transpired since the bill passed.

Mr. Harmer explained the industrial assistance funds that are available for projects.

5. Committee Business

Sen. Walker reported on the July 13, 2004 Workforce Services/Education Working Group meeting. The next meeting of the working group is scheduled for August 23, 2004.

6. Other Items / Adjourn

Ms. Karen Silver, Salt Lake Community Action Program, urged the Committee to recommend changes to current law regarding welfare benefits that could help more people to more effectively compete for jobs coming into the state.

Mr. Mike Sullivan, Department of Workforce Services, requested that a bill file be opened on SUTA (State Unemployment Tax Act) Dumping. He noted that proposed legislation will be drafted for the September Workforce Services and Community and Economic Development Interim Committee meeting. Chair Jenkins directed staff to open a bill on SUTA Dumping.

MOTION: Rep. Goodfellow moved to adjourn the meeting. The motion passed unanimously. Chair Jenkins adjourned the meeting at 11:02 a.m.

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