

**MINUTES OF THE HOUSE  
BUSINESS AND LABOR  
STANDING COMMITTEE**

Room 405 State Capitol

February 13, 2004

**Members Present:** Rep. Katherine M. Bryson, Chair  
Rep. Michael Morley, Vice Chair  
Rep. J. Stuart Adams  
Rep. Craig W. Buttars  
Rep. David Clark  
Rep. Stephen D. Clark  
Rep. Carl W. Duckworth  
Rep. Jim Dunnigan  
Rep. Ben C. Ferry  
Rep. Neil A Hansen  
Rep. Todd E. Kiser  
Rep. R. Curt Webb

**Members Excused:** Rep. Jackie Biskupski

**Staff Present:** Mark Steinagel, Policy Analyst  
Linda Error, Committee Secretary

**Note:** List of visitors and a copy of handouts are filed with committee minutes.

Rep. Bryson called the meeting to order at 7:38 a.m.

**MOTION:** Rep. Adams moved to approve the minutes of the February 10, 2004 meeting. The motion passed unanimously, with Rep. Buttars, Rep. S. Clark, Rep. Duckworth, Rep. Hansen, and Rep. Morley absent for the vote.

**H.B. 251 Radio Frequency Identification - Right to Know Act (Rep. D. Hogue)**

**MOTION:** Rep. Dunnigan moved to amend the bill as follows:

1. *Page 3, Lines 63 through 64:*

- 63       (6) "Radio frequency identification tag" means a device that is able to  
transmit **and collect**  
64   information **on a microchip** through radio waves.

The motion to amend passed unanimously, with Rep. Buttars, Rep. S. Clark, and Rep. Hansen absent for the vote.

Rep. Hogue explained the bill.

Spoke to the bill: Jim Olson, Utah Retail Merchants Association

Spoke against the bill: Tom Bingham, President, Utah Manufactures Association  
Russell Sias, citizen  
Nicole Toomey Davis, President, Enclavix (Handout)

MOTION: Rep. Hansen moved to pass the bill out favorably as amended.

SUBSTITUTE

MOTION: Rep. Ferry moved to amend the bill as follows:

1. Page 1, Line 19:

19            ~~[[None]]~~    **This bill takes effect on May 5, 2005.**

2. Page 6, Line 156:

156            (C) that is in print that contrasts with the background against which it appears.

Section 3. Effective date

**This bill takes effect on May 5, 2005.**

The motion to amend passed, with Rep. Adams, Rep. D. Clark, Rep. Dunnigan, and Rep. Kiser voting in opposition and Rep. Morley absent for the vote.

MOTION: Rep. Hansen moved to pass the bill out favorably. The motion passed, with Rep. Adams, Rep. Buttars, Rep. D. Clark, Rep. Dunnigan, and Rep Kiser voting in opposition and Rep. Morley absent for the vote.

**S.B. 132        Utah Construction Trades Licensing Act - Electrical Licensing Amendments**  
*(Sen. S. Jenkins)*

Rep. Jenkins explained the bill, assisted by Brad Stevens, Utah Electrical Coalition.

Spoke for the bill: Ross Ford, Home Builders Association

MOTION: Rep. D. Clark moved to pass the bill out favorably. The motion passed unanimously, with Rep. Morley absent for the vote.

**H.B. 136        Electronic Filing of Preliminary Lien Documents** *(Rep. M. Morley)*

MOTION: Rep. Morley moved to delete in title and body **H.B. 136** and replace it with **1st Substitute H.B. 136**. The motion passed unanimously.

Rep. Morley explained the bill.

Spoke for the bill: Darrell Bostwick, attorney  
John Young, Utah Subcontractors Council  
Taz Biesinger, Utah Home Builders Association

Spoke against the bill: Jason VonWeller, Utah League of Cities and Towns  
Shane Inglesby, Geneva Rock Products  
Claire Jaussi, attorney

Spoke to the bill: Klare Bachman, Utah Department of Commerce

MOTION: Rep. D. Clark moved to pass the bill out favorably. The motion passed, with Rep. Duckworth, Rep. Dunnigan, and Rep. Webb voting in opposition.

**H.B. 160 Mortgage Act Amendments (Rep. W. Harper)**

Rep. Hansen moved to amend the bill as follows:

1. Page 2, Line 32:

32 ~~[[**61-2d-108, Utah Code Annotated 1953-**]]~~ .

2. Page 5, Lines 120 through 122:

120 ~~[[**A high-cost mortgage may not include terms under which the outstanding**~~  
~~**principal**~~

121 ~~**balance will increase at any time over the course of the loan because the regular**~~  
~~**periodic**~~

122 ~~**payments do not cover the full amount of the interest due.-]]**~~ **A high cost**  
**mortgage shall provide for regular, periodic payments sufficient to pay:**

**(a) all accrued interest and a portion of principal on the scheduled due date for**  
**each payment; and**

**(b) the full amount owed during the term of the loan, if no late fees or other**  
**contingent charges are incurred.** .

3. Page 6, Line 159:

159 (1) the offer or sale of any insurance policy, on a single premium **or single fee**

basis, that insures,

4. *Page 6, Lines 167 through 179:*

[[~~167~~ Section 8. Section 61-2d-108 is enacted to read:

~~168~~ 61-2d-108. Limitations on refinancing:

~~169~~ (1) A lender may not refinance a high-cost mortgage made by that lender or an affiliate

~~170~~ of that lender with another high-cost mortgage during the one-year period beginning on the

~~171~~ date of the consummation of the prior high-cost mortgage:

~~172~~ (2) A mortgage broker may not arrange for the refinancing of a high-cost mortgage

~~173~~ made through the same broker or an affiliate of that broker with another high-cost mortgage

~~174~~ during the one-year period beginning on the date of consummation of the prior high-cost

~~175~~ mortgage:

~~176~~ (3) This section does not apply if the scheduled finance charge for the balance of the

~~177~~ prior existing high-cost mortgage exceeds the scheduled finance charge for the subsequent

~~178~~ high-cost mortgage by an amount greater than the amount of the fees and charges imposed by

~~179~~ the lender for the subsequent mortgage.]] .

5. *Page 7, Lines 190 through 192:*

190 (1) A lender may not recommend or encourage default or nonpayment leading to  
foreclosure on an existing

191 loan or other debt prior to and in connection with the closing or planned closing of a  
high-cost

192 mortgage that refinances all or any portion of such existing loan or debt.

The motion to amend passed unanimously.

MOTION: Rep. Hansen moved to pass the bill out favorably as amended.

SUBSTITUTE

MOTION: Rep. D. Clark moved to amend the bill as follows:

1. Page 8, Lines 216 through 217:

216 Failure to ~~[[provide the notices or information described in Subsection~~  
~~61-2d-105(1) and~~  
217 ~~Sections 61-2d-111 and 61-2d-112-]]~~ comply with any provision under this  
chapter does not affect the enforceability of the loan or any of its

The substitute motion to amend passed unanimously.

MOTION: Rep. Adams moved to pass the bill out favorably as amended. The motion passed unanimously.

**H.B. 221 Use of Credit Information for Insurance (Rep. P. Wallace)**

Rep. Wallace explained the bill.

Spoke against the bill: Chris Purcell, State Farm Insurance  
Brian Braddock, Farmers Insurance  
Brian Tibbitts, Utah Insurance Department

MOTION: Rep. Buttars moved to adjourn the meeting. The motion passed unanimously.

Rep. Bryson adjourned the meeting at 10:00 a.m.

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Rep. Katherine Bryson, Chair