

**MINUTES OF THE
HOUSE JUDICIARY STANDING COMMITTEE MEETING
Room 223 - State Capitol Building
February 3, 2004**

MEMBERS PRESENT: Rep. Ben C. Ferry, Chair
Rep. J. Stuart Adams, Vice Chair
Rep. Chad E. Bennion
Rep. Katherine M. Bryson
Rep. Scott Daniels
Rep. Neal B. Hendrickson
Rep. Eric K. Hutchings
Rep. M. Susan Lawrence
Rep. Dana C. Love
Rep. Rosalind J. McGee
Rep. J. Morgan Philpot
Rep. Mike Thompson

MEMBERS ABSENT: Rep. Greg J. Curtis

STAFF: Jerry D. Howe, Policy Analyst
Cherri White, Committee Secretary

NOTE: A list of visitors and handouts are filed with the committee minutes.

Representative Love called the meeting to order at 8:17 a.m.

S.B. 84 Party to Felony Offense Enhancement (*Sen. M. Waddoups*)

The sponsor introduced the bill and explained its intent. (See handouts on file)

Patrick Nolan, Utah Attorney General's Office assisted in the presentation.

MOTION: Representative Hutchings moved to pass the bill out favorably. The motion passed unanimously with Representatives Bennion, Bryson, Curtis, Hendrickson, Thompson, and Adams absent for the vote.

H.B. 234 Sunset Extension on Unauthorized Practice of Law (*Rep. S. Urquhart*)

The sponsor introduced the bill and explained its intent.

Speaking in favor of the bill:

John T. Nielsen, Utah State Bar Association
Rick Schwermer, Administrative Office of the Courts

MOTION: Representative Bryson moved to pass the bill out favorably. The motion passed

unanimously with Representatives Curtis and Thompson absent for the vote.

Representative Love turned the chair back to Chairman Ferry at 8:45 a.m.

H.B. 42 Interest Rates on Judgments (*Rep. J. Dunnigan*)

The sponsor indicated that a substitute H.B. 42 had been prepared and he wished the committee's consideration and adoption. (See handouts on file)

MOTION: Representative Bennion moved to delete H.B. 42 and replace it with 1st Substitute H.B. 42. The motion passed unanimously with Representatives Curtis and Thompson absent for the vote.

The following members of the public spoke to 1st Substitute H.B. 42:

Rick Schwermer, Administrative Office of the Courts

Jody Hoffman, Utah League of Cities and Towns

Gary Thorup, National Association of Independent Insurers

Speaking in favor of 1st Substitute H.B. 42:

Jim Olsen, Utah Retail Merchants Association

Robin Riggs, Utah Chamber of Commerce

Roger Hoole, Private Attorney

Harold Peterson, Farmers Insurance

Speaking in favor of amending 1st Substitute H.B. 42:

Doug Mortensen, Utah Trial Lawyers Association

Representative Daniels declared a conflict of interest.

MOTION: Representative Daniels moved to amend:

1. Page 1, Line 20: After line 20, insert "**15-1-1**, as last amended by Chapter 79, Laws of Utah 1989"
2. Page 1, Line 22: After line 22, insert:
"Section 1. Section **15-1-1** is amended to read:
15-1-1. Interest rates -- Contracted rate -- Legal rate.
(1) The parties to a lawful contract may agree upon any rate of interest for the loan or forbearance of any money, goods, or chose in action that is the subject of their contract.
(2) Unless parties to a lawful contract specify a different rate of interest, the legal rate of interest for the loan or forbearance of any money, goods, or chose in action shall be [~~10% per annum~~] at the interest rate established for the federal court system under 28 U.S.C. Sec. 1961, as of January 1 of each year, plus 4%.

(3) Nothing in this section may be construed in any way to affect any penalty or interest charge that by law applies to delinquent or other taxes or to any contract or obligations made before May [~~14, 1981~~] 3, 2004."

3. Page 1, Line 23: After "Section" delete "1" and insert "2"

SUBSTITUTE

MOTION: Representative Love moved to pass 1st Substitute H.B. 42 out favorably. The substitute motion passed 9-2-2, with Representatives Bennion and Daniels voting against the motion, and Representatives Curtis and Thompson absent for the vote.

H.B. 96 Statute of Repose (*Rep. J. S. Adams*)

MOTION: Representative Adams moved to amend:

1. Page 1, line 8: After "twelve to" delete "six" and insert "eight"
2. Page 1, line 12: After "property to" delete "six" and insert "eight"
3. Page 3, line 68: After [~~12~~] delete "six" and insert "eight"
4. Page 3, line 70: After [~~12~~] delete "six" and insert "eight"

The motion passed unanimously with Representatives Bryson, Curtis, Lawrence and Thompson absent for the vote.

Brian King, Utah Trial Lawyers Association, spoke to the bill.

Terry Buckner, Construction Liability Insurance Providers, spoke in favor of the bill.

MOTION: Representative Bennion moved to pass the bill out favorably as amended. The motion passed unanimously with Representatives Bryson, Curtis, and Thompson absent for the vote.

MOTION: Representative Love moved to adjourn. The motion passed unanimously with Representatives Bryson, Curtis, and Thompson absent for the vote. The meeting adjourned at 10:03 a.m.