

**MINUTES OF THE HOUSE BUSINESS AND LABOR  
STANDING COMMITTEE**  
Room W010, West Office Building, State Capitol Complex  
February 3, 2005

**Members Present:** Rep. Stephen D. Clark, Chair  
Rep. Jim Dunnigan, Vice Chair  
Rep. J. Stuart Adams  
Rep. Jackie Biskupski  
Rep. David Clark  
Rep. Carl W. Duckworth  
Rep. Craig A. Frank  
Rep. Neil A Hansen  
Rep. Todd E. Kiser  
Rep. Michael T. Morley  
Rep. Curtis Oda  
Rep. Gordon E. Snow  
Rep. Scott L. Wyatt

**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. S. Clark called the meeting to order at 8:06 a.m.

**MOTION:** Rep. D. Clark moved to approve the minutes of the February 1, 2005 meeting. The motion passed unanimously, with Rep Adams, Rep. Biskupski, Rep. Kiser, and Rep. Morley absent for the vote.

**H.B. 97 1st Sub. State Budget Provisions (*Rep. G. Curtis*)**

Rep. Curtis explained the bill.

Spoke against the bill: Mike Mower, Legislative Liaison, Governor's Office

**MOTION:** Rep. Dunnigan moved previous question. The motion passed unanimously.

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

**S.B. 37            Motor Vehicle Business Regulation Act Amendments (Sen. D. Eastman)**

Sen. Eastman explained the bill with the assistance of Wayne Jones, Executive Director, Independent Auto Dealers Association.

Rep. Kiser moved to amend the bill as follows:

1. *Page 1, Lines 13 through 14*  
*Senate Committee Amendments*  
*1-20-2005:*

13            ▶    increases the bond amount for a motor vehicle dealer's license from \$50,000 to  
14    \$75,000    {~~until June 30, 2010~~}    beginning on July 1, 2006 ;

2. *Page 1, Lines 15 through 16*  
*a. Senate Committee Amendments*  
*b. 1-20-2005:*

15            ▶    increases the bond amount for a special equipment dealer's license from \$20,000  
                 to  
16    \$75,000    {~~until June 30, 2010~~}    beginning on July 1, 2006 ;

3. *Page 1, Lines 20 through 21*  
*a. Senate Committee Amendments*  
*b. 1-20-2005:*

20            {~~→ provides that beginning on July 1, 2010, the bond amount for a motor  
                 vehicle  
21    dealer's license or a special equipment dealer's license is \$100,000;-~~}

4. *Page 2, Line 31:*

31            {~~None~~}    This bill takes effect July 1, 2005.

5. *Page 2, Lines 40 through 45:*

40            (1) (a) Before a dealer's, special equipment dealer's, crusher's, or body shop's license  
                 is  
41    issued, the applicant shall file with the administrator a corporate surety bond in the  
                 amount of:  
42            (i)    {~~+~~} \$50,000 {~~+~~}    {~~\$75,000~~}    until June 30,    {~~2010~~}    2006 .  
                 and    {~~\$100,000~~}    \$75,000    on or after July 1,    {~~2010~~}    2006 .  
43    motor vehicle dealer's license;

44 (ii) ~~{+}~~ \$20,000 ~~{+}~~  ~~{\$75,000}~~ until June 30, ~~{2010}~~ 2006 .  
and  ~~{\$100,000}~~ \$75,000 on or after July 1, ~~{2010}~~ 2006 . for a  
45 special equipment dealer's license;

6. *Page 3, Line 80*  
*a. Senate Committee Amendments*  
*b. 1-20-2005:*  
80 chapter.

**Section 2. Effective date.**  
**This bill takes effect July 1, 2005.**

The motion to amend passed unanimously, with Rep. D. Clark absent for the vote.

Spoke against the bill: David Hale, owner, Real Value Insurance

MOTION: Rep. Snow moved to pass the bill out favorably as amended. The motion passed unanimously, with Rep. D. Clark and Rep. Oda absent for the vote.

**H.B. 236 Health Insurance Law Amendments (Rep. J. Dunnigan)**

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

1. *Page 52, Lines 1578 through 1581:*

1578 (a) has been continuously covered  ~~{under a group policy}~~  for a period of six  
months  by the group policy or the group's preceding policies   
1579 immediately prior to termination;  ~~[and]~~   
1580 (b) has exhausted either Utah mini-COBRA coverage as required in Section  
1581 31A-22-722 or federal COBRA coverage  ~~{, if offered}~~  ; and

2. *Page 52, Lines 1597 through 1599:*

1597  ~~{or}~~   
1598 (iii) made intentional misrepresentation of material fact under the terms of  
coverage[-];  
1599  or   (iv) individual no longer resides in the service area; or

The motion to amend passed unanimously, with Rep. D. Clark and Rep. Oda absent for the vote.

Rep. Dunnigan explained the bill with the assistance of Tanji Northrup, Utah Insurance Department.

Spoke for the bill: Jennifer Cannady, Regence Blue Cross Blue Shield of Utah

MOTION: Rep. Kiser moved to pass the bill out favorably as amended. The motion passed unanimously, with Rep. D. Clark and Rep. Oda absent for the vote.

**S.B. 40 Regulation of Title Insurance Industry (*Sen. T. Hatch*)**

Sen. Hatch explained the bill with the assistance of Curt Webb, Cache Valley Title.

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

**S.B. 87 Residence Lien Restriction and Lien Recovery Fund Amendments (*Sen. D. Thomas*)**

Sen. Thomas explained the bill.

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

*1. Page 3, Lines 68 through 69:*

- 68 (4) The division shall report the amount of any special assessment imposed under  
this  
69 section to the {~~governor and the Legislature as part of its budget~~  
request} **Revenue and Taxation Interim Committee within 30 calendar days of**  
**the date that the assessment is imposed** .

The motion to amend passed unanimously, with Rep. D. Clark and Rep. Oda absent for the vote.

Spoke to the bill: Ray Walker, Division of Occupational and Professional Licensing

Spoke against the bill: Rich Thorn, President, Associated General Contractors

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

**SUBSTITUTE**

MOTION: Rep. Snow moved to hold the bill. The motion passed unanimously, with Rep. Wyatt voting in opposition. Rep. D. Clark and Rep. Oda were absent for the vote.

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MOTION: Rep. Frank moved to adjourn the meeting. The motion passed unanimously, with Rep. D. Clark and Rep. Oda absent for the vote.

Rep. S. Clark adjourned the meeting at 9:59 a.m.

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Rep. Stephen D. Clark, Chair