

**MINUTES OF THE SENATE BUSINESS & LABOR STANDING COMMITTEE
WEDNESDAY, FEBRUARY 23, 2011
ROOM 215, SENATE BUILDING**

Members Present: Sen. John Valentine, Chair
Sen. Curt Bramble
Sen. David Hinkins
Sen. Dan Liljenquist
Sen. Steve Urquhart
Sen. Kevin VanTassell
Sen. Gene Davis
Sen. Karen Mayne

Staff Present: Bryant R. Howe, Assistant Director
Karen Allred, Committee Secretary

Public Speakers Present: Art Brown, MADD, Mothers Against Drunk Driving
Earl Dorius, Utah Department of Alcoholic Beverage Control
Melba Sine, President, Utah Restaurant Association
Trent Fargher, President, Shades of Pale Brewing Company
Kenneth Bullock, Executive Director, Utah League of Cities and
Towns
Jeff Polychronis, Founding Partner, Squatters Pubs
Steve Barth, Lobbyist, Allied Waste
Jeremy Roberts, Citizen
Daniel Morse, Attorney
Sean Hollinger, Attorney
John Bagley, Attorney
Doug Short, Attorney
Deanna Sabey, Director, Utah Division of Real Estate
Kenny Parcell, President, Utah Association of Realtors

A list of visitors and a copy of handouts are filed with the committee minutes.

Chair Valentine called the meeting to order at 7:42 a.m.

Approval of Minutes

MOTION: Sen. Liljenquist moved to approve minutes of the February 18, 2011, meeting.

The motion passed unanimously with Sens. Hinkins and Urquhart absent for the vote.

Sen. Bramble assumed the Committee Chair.

1. **S.B. 314 Alcoholic Beverage Licensing** (*J. Valentine*)

Sen. Valentine presented the bill and proposed the following amendments:

1. *Page 1, Line 1:*

1 ALCOHOLIC BEVERAGE {~~LICENSING~~} AMENDMENTS

2. *Page 6, Lines 153 through 154:*

153 {~~63J-1-602.2, as enacted by Laws of Utah 2010, Chapter 265 and last amended by~~
154 ~~154 Coordination Clause, Laws of Utah 2010, Chapter 265~~}

3. *Page 28, Lines 836 through 842:*

836 (b) If the enforcement ratio is greater than ~~{56}~~ 52, the commission may not
 issue a quota

837 retail license for the 12-month period beginning on the July 1 for which the enforcement
 ratio

838 is greater than 52.

839 (c) Notwithstanding Subsection (2)(b), the commission may issue a quota retail
 license

840 during the 12-month period described in Subsection (2)(b) beginning on the day on which
 a

841 sufficient number of alcohol-related law enforcement officers are employed so that if the

842 enforcement ratio is calculated, the enforcement ratio would be equal to or less than
 ~~{56}~~ 52 .

4. *Page 98, Lines 3006 through 3012:*

3006 (1) a billiard parlor;

3007 (2) a pool parlor;

3008 (3) a bowling facility;

3009 (4) a golf course;

3010 (5) miniature golf;

3011 (6) a golf driving range; {or}

3012 (7) a tennis club {or} ; or

(8) ski resort.

5. *Page 173, Line 5344 through Page 174, Line 5364:*

5344 { ~~Section 106. Section 63J-1-602.2 is amended to read:~~
5345 ~~—63J-1-602.2. List of nonlapsing funds and accounts -- Title 31 through Title 45.~~
5346 ~~—(1) Appropriations from the Technology Development Restricted Account~~
 ~~created in~~
5347 ~~Section 31A-3-104.~~
5348 ~~—(2) Appropriations from the Criminal Background Check Restricted Account~~
 ~~created in~~
5349 ~~Section 31A-3-105.~~
5350 ~~—(3) Appropriations from the Captive Insurance Restricted Account created in~~
 ~~Section~~
5351 ~~31A-3-304, except to the extent that Section 31A-3-304 makes the money received~~
 ~~under that~~
5352 ~~section free revenue.~~
5353 ~~—(4) Appropriations from the Title Licensee Enforcement Restricted Account~~
 ~~created in~~
5354 ~~Section 31A-23a-415.~~
5355 ~~—(5) The fund for operating the state's Federal Health Care Tax Credit Program;~~
 ~~as~~
5356 ~~provided in Section 31A-38-104.~~
5357 ~~—(6) The Alcoholic Beverage Control Act Enforcement Fund created in Section~~
5358 ~~32B-2-305.~~
5359 ~~—[(6)] (7) The Special Administrative Expense Account created in Section~~
 ~~35A-4-506.~~
5360 ~~—[(7)] (8) Funding for a new program or agency that is designated as nonlapsing~~
 ~~under~~
5361 ~~Section 36-24-101.~~
5362 ~~—[(8)] (9) The Oil and Gas Conservation Account created in Section 40-6-14.5.~~
5363 ~~—[(9)] (10) The Off-Highway Access and Education Restricted Account created in~~
5364 ~~Section 41-22-19.5. }~~

Renumber the remaining sections accordingly.

6. *Page 174, Lines 5373 through 5382:*

5373 (1) Except as provided in Subsection (2), this bill takes effect on July 1, 2011.
5374 (2) (a) The repeal of Subsection 32B-6-603(4) **(Effective 07/01/11)** in this bill
 takes effect on November 1,

- 5375 2011.
- 5376 (b) Title 32B, Chapter 6, Part 8, Reception Center License, enacted by this bill takes
- 5377 effect on November 1, 2011.
- 5378 (c) Title 32B, Chapter 6, Part 9, Beer-only Restaurant License, enacted by this bill
- 5379 takes effect on March 1, 2012.
- 5380 (d) **The following take effect on July 1, 2012:**
- (iii) the repeal in this bill of Section 32B-4-507(Effective 07/01/11);**
- (iv) Section 32B-5-309 (Effective 07/01/11) as amended by this bill; and**
- (v) Title 32B, Chapter 8a, Transfer of Retail License Act, enacted by this bill** { ~~takes~~
- 5381 **effect on July 1, 2012.**
- 5382 ~~—(e) Section 32B-5-309 as amended by this bill takes effect on July 1, 2012.~~ }

MOTION: Sen. Valentine moved to adopt the amendments.

The motion passed unanimously.

Sen. Valentine proposed the following amendments:

1. *Page 73, Lines 2251 through 2256:*

- 2251 (6) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish liquor
- at
- 2252 the licensed premises on any day during the period that:
- 2253 (i) begins at midnight; and
- 2254 (ii) ends at [~~11:59~~] 11:29 a.m.
- 2255 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer during
- the
- 2256 hours specified in Part 7, On-premise Beer Retailer License, for an on-premise beer
- retailer **, except that a full-service restaurant licensee may not sell, offer for sale, or**
- furnish beer before 11:30 a.m. on any day** .

2. *Page 81, Lines 2478 through 2483:*

- 2478 (6) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish
- wine
- 2479 or heavy beer at the licensed premises on any day during the period that:
- 2480 (i) begins at midnight; and
- 2481 (ii) ends at [~~11:59~~] 11:29 a.m.
- 2482 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer

during
2483 the hours specified in Part 7, On-premise Beer Retailer License, for an on-premise beer
retailer , except that a limited-service restaurant licensee may not sell, offer for sale,
or furnish beer before 11:30 a.m. on any day .

3. Page 102, Lines 3142 through 3145:

3142 (6) (a) An on-premise beer retailer may not sell, offer for sale, or furnish beer at its
3143 licensed premises during a period that:
3144 (i) begins at 1 a.m.; and
3145 (ii) ends at {+} 9:59 {+} ~~{11:29}~~ a.m.

4. Page 111, Lines 3411 through 3412:

3411 (6) A beer-only restaurant licensee may sell, offer for sale, or furnish beer during the
3412 hours specified in Part 7, On-premise Beer Retailer License, for an on-premise beer retailer
, except that a beer-only restaurant licensee may not sell, offer for sale, or furnish
beer before 11:30 a.m. on any day .

MOTION: Sen. Valentine moved to adopt the amendments.

The motion passed unanimously.

Sen. Valentine further explained the bill and a handout was distributed.

Art Brown, MADD, Mothers Against Drunk Driving; Ken Bullock, Executive Director, Utah League of Cities and Towns and Jeff Polychronis, Founding Partner, Squatters Pubs spoke in support of the bill.

Sen. Urquhart assumed the committee chair.

Earl Dorius, Utah Department of Alcoholic Beverage Control;
Melba Sine, President, Utah Restaurant Association and Trent Fargher, President, Shades of Pale Brewing Company spoke in support of the bill but expressed concerns.

MOTION: Sen. Van Tassell moved to transmit S.B. 314 with a favorable recommendation.

The motion passed unanimously with Sen. Bramble absent for the vote.

Sen. Valentine resumed the committee chair.

2. **H.B. 194 Service Contracts Act Amendments** (*J. Anderson*)

H.B. 194 was distributed.

MOTION: Sen. Mayne moved that H.B. 194 be deleted in title and body and replaced with 1st Sub. H.B. 194.

The motion passed unanimously with Sens. Bramble and Van Tassell absent for the vote.

The following amendment was proposed:

1. *Page 3, Lines 69 through 71:*

- 69 (2) (a) *For a service contract executed on or after July 1, 2011, that exceeds 12*
months for a renewal period, a seller shall provide
70 *written notice of an automatic renewal provision prominently displayed on the first page*
of the
71 *service contract.*

MOTION: Sen. Mayne moved to adopt the amendment.

The motion passed unanimously with Sens. Bramble and Van Tassell absent for the vote.

Steve Barth, Lobbyist, Allied Waste spoke in support of the bill.

MOTION: Sen. Mayne moved to transmit 1st Sub. H.B. 194 with a favorable recommendation.

The motion passed with Sens. Hinkins, Liljenquist, Urquhart, Van Tassell, Davis and Mayne voting in favor of the bill, Sen. Valentine voting in opposition and Sen. Bramble absent for the vote.

Sen. Liljenquist assumed the committee chair.

3. **H.B. 251 Alarm System Amendments** (*L. Hemingway*)

Rep. Hemingway explained the bill.

MOTION: Sen. Davis moved to transmit H.B. 251 with a favorable recommendation.

The motion passed unanimously with Sens. Bramble and Valentine absent for the vote.

MOTION: Sen. Davis moved that H.B. 251 be placed on the Consent Calendar.

The motion passed unanimously with Sens. Valentine and Bramble absent for the vote.

4. **H.B. 93 Mortgage and Real Estate Licensure Exemptions for Attorneys** (*L. Christensen*)

Rep. Christensen explained the bill and answered questions from the committee.

Chair Valentine resumed the committee chair.

Jeremy Roberts, Mortgage Broker; Dan Morrison, Attorney; John Bagley, Attorney and Doug Short, Attorney spoke in support of the bill.

Shawn Hollinger, Attorney spoke in support of the bill but had some concerns.

MOTION: Sen. Urquhart moved to proceed to the next item on the agenda.

The motion passed with Sens. Hinkins, Liljenquist, Urquhart, Van Tassell, Davis and Mayne voting in favor of the motion, Sen. Valentine voting in opposition and Sen. Bramble absent for the vote.

5. **1st Sub. H.B. 91 Real Estate Related Amendments** (*G. Froerer*)

Rep. Froerer explained the bill and a handout was distributed.

Deanna Sabey, Director, Utah Division of Real Estate and Kenny Parcell, President, Utah Association of Realtors spoke in support of the bill.

MOTION: Sen. Van Tassell moved to transmit 1st Sub. H.B. 91 with a favorable recommendation.

The motion passed unanimously with Sens. Bramble, Liljenquist and Davis absent for the vote.

6. **H.B. 175 Condominium Ownership Act Modifications** (*R. Wilcox*)

Rep. Wilcox explained the bill.

MOTION: Sen. Hinkins moved to transmit H.B. 175 with a favorable recommendation.

The motion passed unanimously with Sen. Bramble absent for the vote.

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MOTION: Sen. Van Tassell moved to adjourn.

The motion passed unanimously with Sen. Bramble absent for the vote.

Chair Valentine adjourned the meeting at 9:27 a.m.

Sen. John Valentine, Committee Chair