## MINUTES OF THE SENATE BUSINESS AND LABOR STANDING COMMITTEE

Wednesday, February 22, 2017 • 4:00 p.m. • 215 Senate Building

**Staff Present:** 

Aha.

<b>Members Present:</b>	<b>Members Absent:</b>
Sen. Curtis S. Bramble, Chair	Sen. Ralph Okerlund
Sen. Gene Davis	Sen. Jerry W. Stevenson

Sen. Daniel Hemmert Sen. Don L. Ipson

Vana

Sen. Karen Mayne

Mr. Adam Sweet, Policy Analyst

Sen. Todd Weiler Ms. Karen Allred, Committee Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at le.utah.gov.

Chair Bramble called the meeting to order at 4:09 p.m.

Sen. Mayne moved to approve the minutes of February 21, 2017. The motion **MOTION:** 

passed with a vote of 4-0-4.

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Sen. C. Bramble		Sen. G. Davis
Sen. D. Hemmert		Sen. R. Okerlund
Sen. D. Ipson		Sen. J. Stevenson
Sen. K. Mayne		Sen. T. Weiler

### 1. S.B. 250 Food Truck Licensing and Regulation (Henderson, D.)

Nave.

Sen. Henderson presented the bill with the assistance of Taylor Harris, Owner/General Manager, Food Truck League. A handout, Food Truck Fees was distributed.

Lincoln Shurtz, Utah League of Counties spoke in favor of the bill.

Cameron Diehl, Director of Government Affairs, Utah League of Cities and Towns spoke in favor of the bill.

Troy Wardle, Utah Restaurant Association expressed concerns with the bill.

Adam Terry, owner, Waffle Love spoke in favor of the bill.

Coy Porter, State Fire Marshall spoke in favor of the bill.

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Nicholas Watts, owner, Chedda Burger spoke in favor of the bill.

Tim Stay, CEO, The Other Side Academy spoke in favor of the bill.

Kit, Krajeski, Taco Cartel, LLC spoke in favor of the bill.

Clayton Greyhill, Taqueria spoke in favor of the bill.

**MOTION:** Sen. Hemmert moved to pass S.B. 250 out favorably. The motion passed with a

vote of 6-0-2.

Yeas: Nays: Abs:

Sen. C. Bramble Sen. R. Okerlund Sen. G. Davis Sen. J. Stevenson

Sen. D. Hemmert

Sen. D. Ipson

Sen. K. Mayne

Sen. T. Weiler

## 2. S.B. 248 Physical Therapy Licensure Compact (Vickers, E.)

Sen. Vickers presented the bill with the assistance of Linda Scholl, Physical Therapist, Utah Physical Therapy Association.

**MOTION:** Sen. Ipson moved to pass S.B. 248 out favorably. The motion passed with a vote of 6-0-2.

Yeas: Nays: Abs:

Sen. C. Bramble Sen. R. Okerlund Sen. G. Davis Sen. J. Stevenson

Sen. D. Hemmert

Sen. D. Ipson

Sen. K. Mayne

Sen. T. Weiler

### 3. S.B. 222 Equitable Allocation of Public Transit District Funding (Mayne, K.)

Sen. Mayne explained the bill.

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Robert Jolley, West Valley City spoke in favor of the bill.

**MOTION:** Sen. Davis moved to pass S.B. 222 out favorably. The motion passed with a vote

of 6-0-2.

Yeas: Nays: Abs:

Sen. C. Bramble Sen. R. Okerlund Sen. G. Davis Sen. J. Stevenson

Sen. D. Hemmert

Sen. D. Ipson

Sen. K. Mayne

Sen. T. Weiler

## 4. 1st Sub. H.B. 238 Payment of Wages Act Amendments (Hawkes, T.)

Rep. Hawkes explained the bill.

Sen. Davis assumed the chair.

Jaceson Maughan, Labor Commission spoke in favor of the bill.

**MOTION:** Sen. Bramble moved to pass 1st Substitute H.B. 238 out favorably. The motion

passed with a vote of 6-0-2.

Yeas: Nays: Abs:

Sen. C. Bramble Sen. R. Okerlund Sen. G. Davis Sen. J. Stevenson

Sen. D. Hemmert

Sen. D. Ipson

Sen. K. Mayne

Sen. T. Weiler

### 5. 1st Sub. H.B. 42 Insurance Related Modifications (Dunnigan, J.)

Rep. Dunnigan explained the bill.

**MOTION:** Sen. Bramble moved to amend 1st Substitute H.B. 42 with Amendment #3.

2355

title

1. Page 2, Line 45: 45 addresses when an insurer { -contractshas a contract with a licensee; 2. Page 22, Lines 657 through 659: 657 (3) "ORSA guidance manual" means the current version of the Own Risk and Solvency 658 Assessment Guidance Manual developed and adopted by the National Association of Insurance 659 Commissioners and as amended from time to time. 3. Page 73, Lines 2249 through 2252: 2249 [(4)] (5) If an insurer  $\{$  -contracts with or lists a licensee has a contract in a report submitted under 2250 Subsection [(2)] (3), there is a rebuttable presumption that in placing a risk with the insurer the 2251 contracted or appointed licensee or any of the licensee's licensed employees act on behalf of the 2252 insurer. 4. Page 76, Lines 2333 through 2335: 2333 [(6)] (7) If an agency  $\{$  -contracts has a contract with or designates a licensee in reports submitted under 2334 Subsection (2) or  $[\frac{5}{2}]$  (6), there is a rebuttable presumption that the contracted or designated 2335 licensee acts on behalf of the agency. 5. Page 77, Lines 2353 through 2361: 2353 (1) Subject to the other provisions in this section, a title insurer that { -contracts has a contract with or 2354 appoints an individual title insurance producer or an agency title insurance producer is

a buyer, seller, borrower, lender, or third party that deposits money with the individual

compensation

2356 insurance producer or agency title insurance producer for the receipt and disbursement of 2357 money deposited with the individual title insurance producer or agency title insurance producer 2358 for a transaction when a commitment for a policy of title insurance of that title insurer is 2359 ordered, issued, or distributed or a title insurance policy of that title insurer is issued, 2360 that once a title insurer is named in an issued commitment only that title insurer is liable 2361 title insurer under this section. Page 87, Lines 2682 through 2684: 2682  $\left[\frac{7}{1}\right]$  (8) If a navigator agency { -contracts has a contract with or designates a licensee in reports 2683 submitted under Subsection (3) or [<del>(6)</del>] (7), there is a rebuttable presumption that the 2684 contracted or designated licensee acts on behalf of the navigator agency. 7. Page 95, Lines 2921 through 2923: [(6)] (7) If an agency  $\{$  <u>-contracts</u> 2921 with or designates a has a contract licensee in a report submitted under 2922 Subsection (2) or [(5)] (6), there is a rebuttable presumption that the contracted or designated 2923 licensee acts on behalf of the agency. Page 102, Lines 3133 through 3136: 3133 (4) A public adjuster shall keep at the public adjuster's principal place of business this state } a copy of each contract entered into in this state for 3134 } this the current year plus three years, 3135 and each contract shall be available at all times for inspection, without notice, by the 3136 commissioner or the commissioner's authorized representative. 9. Page 102, Lines 3142 through 3146: 3142 (1) Except as provided by Subsection (2), a public adjuster may receive

3143	for service provided under this chapter consisting of an hourly fee, a flat rate, a			
	percentage of			
3144	the total amount paid by an insurer to resolve a claim, or another method of			
	compensation. {The			
3145	total compensation received may not exceed 10% of the	ne amount of the insurance		
	settlement on			
3146	the claim.			
	,			
10. Pag	e 154, Lines 4745 through 4748:			
4745	(1) The amendments in this bill to Section 31A-3-10	2 and Section 59-7-102 have		
4746	retrospective operation for a taxable year beginning on or after January 1, 2017 {			
	except that the			
4747	amendments to Subsections 31A-3-102(2)(b) and 59-7-	-102(1)(g) have retrospective		
	<u>operation</u>			
4748	for a taxable year beginning on or after January 1, 2011—}			
The motion passed with a vote of 6-0-2.				
Yeas:	Nays:	Abs:		
Sen C	Bramble	Sen. R. Okerlund		
Sen. G.		Sen. J. Stevenson		
Sen. D.	Hemmert			
Sen. D.	Ipson			
Sen. K.	Mayne			
Sen. T.	Weiler			

Brett Barratt, Insurance Commissioner further explained the bill.

**MOTION:** Sen. Bramble moved to pass 1st Substitute H.B. 42 out favorably. The motion passed with a vote of 5-0-3.

Yeas:	Nays:	Abs:
Sen. C. Bramble		Sen. D. Ipson
Sen. G. Davis		Sen. R. Okerlund
Sen. D. Hemmert		Sen. J. Stevenson
Sen. K. Mayne		
Sen. T. Weiler		

# 6. H.C.R. 13 Concurrent Resolution for Public Employees' Benefit and Insurance Program (Dunnigan, J.)

Rep. Dunnigan explained the resolution with the assistance of Paul Anderton, Chief Actuary, Public Employees Health Plan.

**MOTION:** Sen. Bramble moved to pass H.C.R. 13 out favorably. The motion failed with a vote of 3-3-2.

<u>Nays:</u>	Abs:
Sen. D. Hemmert	Sen. R. Okerlund
Sen. D. Ipson	Sen. J. Stevenson
Sen. T. Weiler	
	Sen. D. Hemmert Sen. D. Ipson

### 7. S.B. 129 Salvage Vehicle Amendments (Bramble, C.)

Sen. Bramble presented the bill with the assistance of Robert Jolley, LKQ (online used auto parts)

Kevin Park, Insurance Auto Auctions Inc. expressed concerns with the bill.

Wayne Jones, Executive Director, Used Car Dealers Association spoke to the bill.

Gary Thorup attorney, Copart spoke to the bill.

**MOTION:** Sen. Bramble moved to replace S.B. 129 with 2nd Substitute S.B. 129. The motion passed with a vote of 6-0-2.

Yeas: Nays: Abs:

Sen. C. Bramble Sen. R. Okerlund Sen. G. Davis Sen. J. Stevenson

Sen. D. Hemmert Sen. D. Ipson Sen. K. Mayne Sen. T. Weiler

**MOTION:** Sen. Bramble moved to pass 2nd Substitute S.B. 129 out favorably. The motion passed with a vote of 6-0-2.

Yeas: Nays: Abs:

Sen. C. Bramble Sen. R. Okerlund Sen. G. Davis Sen. J. Stevenson

Sen. D. Hemmert Sen. D. Ipson Sen. K. Mayne Sen. T. Weiler

**MOTION:** Sen. Weiler moved to reconsider action on HCR 13. The motion passed with a vote of 6-0-2.

Yeas: Nays: Abs:

Sen. C. Bramble Sen. R. Okerlund Sen. G. Davis Sen. J. Stevenson

Sen. D. Hemmert Sen. D. Ipson Sen. K. Mayne

Sen. T. Weiler

# 8. H.C.R. 13 Concurrent Resolution for Public Employees' Benefit and Insurance Program (Dunnigan, J.)

**MOTION:** Sen. Weiler moved to pass H.C.R. 13 out favorably. The motion passed with a vote of 5-1-2.

Yeas: Nays: Abs:

Sen. C. Bramble Sen. D. Ipson Sen. R. Okerlund Sen. G. Davis Sen. J. Stevenson

Sen. D. Hemmert Sen. K. Mayne Sen. T. Weiler

**MOTION:** Sen. Bramble moved to adjourn. The motion passed with a vote of 6-0-2.

Yeas: Nays: Abs:

Sen. C. Bramble Sen. R. Okerlund Sen. G. Davis Sen. J. Stevenson

Sen. D. Hemmert

Sen. D. Ipson

Sen. K. Mayne

Sen. T. Weiler

Acting Chair Davis adjourned the meeting at 6:26 p.m.

Sen. Curtis S. Bramble, Chair