

(Draft-waiting final approval)

**MINUTES OF THE  
BUSINESS, ECONOMIC DEVELOPMENT, AND LABOR APPROPRIATIONS SUB  
COMMITTEE**

Tuesday, January 24, 2017 • 8:00 am • 25 House Building

**Members Present:**

Sen. Brian E. Shiozawa, Senate Chair  
Rep. R. Curt Webb, Chair  
Rep. Scott D. Sandall, Vice Chair  
Sen. Jacob L. Anderegg  
Sen. Curtis S. Bramble  
Sen. D. Gregg Buxton  
Sen. Gene Davis  
Sen. Wayne A. Harper  
Sen. Deidre M. Henderson  
Rep. Stewart E. Barlow  
Rep. Adam Gardiner  
Rep. Carol Spackman Moss

Rep. Jeremy A. Peterson  
Rep. Val L. Peterson  
Rep. Elizabeth Weight  
Rep. John R. Westwood

**Members Absent:**

Rep. Brad R. Wilson

**Staff Present:**

Ms. Andrea Wilko, Chief Economist  
Mr. Sean C. Faherty, Fiscal Analyst  
Ms. Sally Thompson, Administrative  
Assistant

**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](http://le.utah.gov).

Chair Shiozawa called the meeting to order at 8:01 a.m. and extended a welcome to the committee and audience.

Dr. Andrea Wilko, Chief Economist, introduced the Legislative Fiscal Analyst staff.

**1. Budget and Appropriations Subcommittee Overview**

2a-BEDL Budget Tools - 2017 GS

Dr. Wilko gave a presentation on budget tools, processes and procedures.

Dr. Wilko also gave information on the links and resources that can be useful in finding information and she also explained how to find and read the Base Budget Bill (HB0004).

2b-Linked BEDL Base Budget Bill (HB0004)

Dr. Wilko explained the Compendium of Budget Information (COBI), and how to read it and use it.

Dr. Wilko explained the Appropriation Request process and requirements.

Sen. Brian E. Shiozawa responded to Dr. Wilko's presentation.

## **2. Commerce Analyst Presentation and Agency Response Base Budget**

### 2c-SB0008 - ISF Fee Bill

Dr. Wilko gave an overview of the Divisions, Functions, and Fees for the Department of Commerce. She also introduced the speakers.

Ms. Francine Giani, Director of the Department of Commerce and Peter Anjewierden, Budget Director gave an overview of the Dept. of Commerce, and detailed the agency budgets and a request to adjust real estate fees.

Sen. Shiozawa, Rep. Elizabeth Weight, Sen. Anderegg, Rep. Scott D. Sandall, asked questions about the proposed Real Estate Appraisal registration fees.

Ms. Francine Giani, Mr. Peter Anjewierden, and Mr. Chris Kyler, Utah Association of Realtors, responded to questions and described why the fees are being adjusted.

Ms. Giani continued with her presentation.

Sen. Shiozawa asked Ms. Giani to explain what is being done with the Volkswagen settlement money.

Ms. Giani, gave a detailed explanation of the potential purpose of the Volkswagen settlement money and where it is at this time.

Sen. Anderegg asked additional questions.

Sen. Shiozawa asked for the Business Economic Development, and Labor committee members to introduce themselves while waiting for the next speakers to prepare their presentation.

## **3. Alcoholic Beverage Control Analyst Presentation and Agency Response Base Budget**

Dr. Wilko introduced the Department of Alcoholic Beverage Control (DABC) and gave a brief overview of their budget. She also introduced the speakers.

Mr. Petilos, Director, Department of Alcoholic Beverage Control explained the responsibilities of the DABC, and the Parents Empowered Program; a program to get parents involved in preventing the use of alcohol by minors. He also defined the purpose of the Division of Licensure and Compliance.

Sen. Brian E. Shiozawa reminded the speakers to introduce themselves, and to provide performance measures in their presentations.

Mr. Petilos continued with his presentation giving an overview of three groups within their division, the retail purchasing group, the warehouse and the retail stores. He also explained the mission of the DABC and gave an overview of their 5 year budget and growth plan.

Rep. Carol Spackman Moss, Rep. Scott D. Sandall, Sen. Shiozawa, and Sen. Davis, asked questions or spoke to the issue.

Mr. Petilos and Mr. Cade Meier responded to questions.

Sen. Gene Davis asked how DABC plans to solve the issue of having empty shelves at the retail stores during the holidays and if the stores would be able to stock more product during busy times.

Mr. Meier responded and told him they would be making daily deliveries next year during those times to prevent this problem in the future.

Rep. Stewart Barlow asked questions concerning the evaluation of new products, and the criteria used to stock new products.

Mr. Petilos explained the Department process for evaluating new innovative products.

Sen. Anderegg and Sen. Davis commented on the issue of stepping into the private realm of distributing alcoholic beverages.

Sen. Gregg Buxton, Rep. Webb, Rep. Scott Sandall, and Sen. Davis spoke to the issue concerning the low salaries of the DABC employees.

Mr. Petilos responded to their comments.

Sen. Shiozawa responded to his comment and expressed the need for additional details for building blocks.

#### **4. Tax Commission Analyst Presentation and Agency Response Base Budget**

##### **2b-Linked BEDL Base Budget Bill (HB0004)**

Sean Faherty Legislative Fiscal Analyst gave an overview of the Utah State Tax Commission, it's

purpose, divisions, line items, programs and fees.

Mr. John Valentine, Chairman of the Tax Commission, spoke to the issue of the Utah State Tax Commission. He gave a short overview of their division.

Mr. Barry Conover, Executive Director, Tax Commission, explained the Department divisions services, functions, and goals. He also discussed security and fraud protection and efforts that are being made to prevent fraud. He explained S.B. 250 which requires businesses to electronically file taxes before Jan. 31. This process has contributed to taxpayer protection. He also mentioned the Appropriation Request that has been submitted by the Tax Commission for FY2018 in the amount of \$191,000 which is driven statutorily because of redistribution of the beer tax.

Mr. Valentine explained the Utah State Tax Commission organizational chart and functions of each staff member and divisions.

Sen. Barlow and Sen. Bramble made comments concerning S.B. 250.

Mr. Conover, responded with additional information on the effectiveness of SB 250.

Mr. Valentine summarized the needs of the Utah State Tax Commission.

Rep. Westwood asked how the delinquency of taxpayers affects the State of Utah.

Mr. Conover, responded to his question and also to a question from Rep. Webb concerning fraud.

Chair Shiozawa requested a motion to adjourn.

**MOTION:** Rep. John R. Westwood moved to adjourn. The motion passed unanimously with Rep. Brad R. Wilson absent for the vote.

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Sen. Brian E. Shiozawa, Senate Chair

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Rep. R Curt Webb, House Chair