

**MINUTES OF THE HOUSE
BUSINESS AND LABOR
STANDING COMMITTEE**

Room 405 State Capitol

February 4, 2004

Members Present: Rep. Katherine M. Bryson, Chair
Rep. Michael Morley, Vice Chair
Rep. J. Stuart Adams
Rep. David Clark
Rep. Stephen D. Clark
Rep. Carl W. Duckworth
Rep. Jim Dunnigan
Rep. Ben C. Ferry
Rep. Neil A Hansen
Rep. Todd E. Kiser
Rep. R. Curt Webb

Members Absent: Rep. Jackie Biskupski
Rep. Craig W. Buttars

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. Bryson called the meeting to order at 7:40 a.m.

MOTION: Rep. Hansen moved to approve the minutes of the February 2, 2004 meeting. The motion passed unanimously, with Rep. D. Clark, Rep. S. Clark, Rep. Duckworth, and Rep. Ferry absent for the vote.

H.B. 171 Insurance Fraud Amendments (Rep. J. Ferrin)

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

1. Page 8, Lines 233 through 243:

233 **31A-31-110. Mandatory reporting of fraudulent title insurance acts --**
 Failure to
234 **report -- Criminal penalties.**
235 (1) A ~~[[person-]]~~ **title insurer** having knowledge ~~[[or a reasonable~~
 belief]] that a fraudulent insurance act is
236 being, will be, or has been committed related to title insurance shall report the
 fraudulent act to
237 the commissioner in a writing that provides information in detail relating to:

- 238 (a) the fraudulent insurance act; and
239 (b) the perpetrator of the fraudulent insurance act.
240 (2) (a) Any ~~[[person]]~~ title insurer required to report a fraudulent
 insurance act under Subsection (1)
241 who willfully fails to comply with Subsection (1) is guilty of a class B
 misdemeanor.
242 (b) An action for failure to comply with Subsection (1) shall be commenced
 within
243 four years from the date on which the ~~[[person]]~~ title insurer :

Rep. Ferrin explained the bill, assisted by Joe Christensen, Director, Insurance Fraud Division.

Rep. Bryson relinquished the chair to Rep. Morley.

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

H.B. 172 Insurance Liquidation Law Amendments (Rep. J. Ferrin)

Rep. Ferrin explained the bill.

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

1. *Page 3, Lines 77 through 80:*

- 77 (ii) ~~[[for any bad or doubtful debts,]]~~ perform any other acts necessary or
 expedient to
78 collect, conserve, or protect its assets or property, including selling, compounding,
79 compromising, or assigning any bad or doubtful debts for collection, upon the terms
 and conditions as ~~he~~ the liquidator
80 considers best~~[, any bad or doubtful debts]~~; and

2. *Page 6, Lines 177 through 179:*

- 177 (c) If a reinsurer does not pay the amount billed under Subsection (2)(b) within ~~[[~~
 ~~60]]~~ 180 days
178 after ~~[[receipt of]]~~ the reinsurer has received the billing, interest on the unpaid
 billed amount will begin to accrue at the statutory legal
179 rate provided in Subsection 15-1-1(2) , except that all or a portion of the interest may
 be waived as part of an arbitration proceeding .

Spoke for the bill : Gary Thorpe, Reinsurance Association of America

MOTION: Rep. Hansen moved to pass the bill out favorably. The motion passed unanimously, with Rep. Duckworth, and Rep. Ferry absent for the vote.

H.B. 245 Insurance Law Revisions (Rep. J. Ferrin)

Rep. Ferrin explained the bill, assisted by Mickey Braun, Assistant Commissioner, Utah State Insurance Department, and Tomi Ossana, Executive Director, HIP Utah.

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

1. Page 62, Lines 1902 through 1907:

- 1902 (vii) ~~[[+]]~~ the individual is ~~[[+]]~~ ~~[an eligible employee, a dependent of~~
an eligible employee, or a
1903 member of] ~~[[as for an employer group that offers health insurance or a~~
~~self-insurance~~
1904 ~~arrangement to [all] its eligible employees, dependents, or members[;], the~~
~~individual is]]~~ ;
1905 (A) an eligible employee;
1906 (B) a dependent of an eligible employee; or
1907 (C) a member of an employer group that offers health insurance or a
self-insurance arrangement to its eligible employees, dependents, or
members ;

The motion to amend passed unanimously.

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

1. Page 63, Lines 1926 through 1930:

- 1926 (iv) ~~[[as for an]]~~ is . ~~[[employer group that offers health insurance~~
~~or a self-insurance~~
1927 ~~arrangement to its eligible employees, dependents, or members, the individual~~
~~is]]~~ ;
1928 (A) an eligible employee;
1929 (B) a dependent of an eligible employee; or
1930 (C) a member of an employer group that offers health insurance or a
self-insurance arrangement to its eligible employees, dependents, or

members :

The motion to amend passed unanimously.

Spoke for the bill: Kelly Atkinson, Executive Director, Utah Health Insurance Association

MOTION: Rep. Bryson moved that the HIP Utah board report to interim committee after Aug 1, 2004 and before Nov 1, 2004. The motion passed unanimously.

MOTION: Rep. Dunnigan moved to pass the bill out favorably as amended. The motion passed unanimously.

S.B. 83 Uninsured Employers' Fund Amendments (*Sen. E. Mayne*)

Sen. Mayne explained the bill, assisted by Joyce Sewell, Director, Industrial Accidents, Labor Commission.

MOTION: Rep. Hansen moved to pass the bill out favorably. The motion passed unanimously.

S.B. 96 Utah Occupational Safety and Health Act Amendments (*Sen. E. Mayne*)

Sen. Mayne explained the bill, assisted by Lee Ellertson, Labor Commission, and Bill Adams, technical advisor, Utah Occupational Safety and Health Program.

MOTION: Rep. Dunnigan moved to pass the bill out favorably. The motion passed unanimously.

MOTION: Rep. D. Clark moved to adjourn the meeting. The motion passed unanimously.

Rep. Morley adjourned the meeting at 9:12 a.m.