MINUTES OF THE HOUSE BUSINESS AND LABOR
STANDING COMMITTEE
Room W010, West Office Building, State Capitol Complex
February 17, 2006

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

Members Absent: Rep. J. Stuart Adams
Rep. Gordon E. Snow

Staff Present: Allison Morgan, Policy Analyst
Linda Error, Committee Secretary

Note: List of visitors and a copy of handouts are filed with committee minutes.

Chair S. Clark called the meeting to order at 4:32 p.m.


S.B. 147 Division of Consumer Protection Amendments (Sen. D. Eastman)

Sen. Eastman introduced the bill to the committee, with the assistance of Thad LeVar, Director, Division of Consumer Protection.

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

1. Page 4, Lines 92 through 93:
   92 (B) that is regulated or supervised by the Federal Deposit Insurance Corporation
   {and} or
   93 the National Credit Union Association Administration ;

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

1. **Page 5, Lines 141 through 144:**
   
   141 (iii) fitness training; **or**
   { 142 (iv) yoga training;
   143 (v) pilates training; **or** }
   144 (vi) other exercise.

2. **Page 5, Line 151 through Page 6, Line 154:**
   
   151 (vi) as a "personal training facility"; **or**
   { 152 (vii) as a "yoga facility";
   153 (viii) as a "pilates facility"; **or** }
   154 (ix) with any other similar terms.


**H.B. 9 Worker's Compensation Coverage of Firefighters and Drug Task Force Officers (J. Murray)**

Rep. Murray introduced the bill and the substitute to the committee, with the assistance of Lee Ellertson, Commissioner, Utah Labor Commission and Jeff Rowley, Risk Manager, Salt Lake County.

2nd Sub. H.B. 9  
**Workers’ Compensation Studies Including Coverage of Firefighters and Drug Officers** *(Rep. J. Murray)*

Spoke for the bill:  
Jim Judd, President, Professional Firefighters of Utah  
Michael Jensen, Unified Fire Authority, Salt Lake County Council

Rep. D. Clark declared a conflict of interest.

**MOTION:** Rep. Kiser moved to pass the substitute bill out favorably. The motion passed unanimously, with Rep. Wyatt absent for the vote.

H.B. 430  
**Department of Financial Institutions Pay Plan** *(Rep. J. Alexander)*

Rep. Alexander introduced the bill to the committee, with the assistance of George Sutton, Utah Bankers’ Association, Utah Association of Financial Services.

Spoke to the bill:  
Michael Jones, Chief Examiner, Department of Financial Institutions


H.B. 381  
**Post-retirement Benefits Trust Fund** *(Rep. D. Clark)*

Rep. D. Clark introduced the bill to the committee.


H.B. 313  
**Minimum Wage Revisions** *(Rep. N. Hansen)*

Rep. Hansen introduced the bill to the committee, with the assistance of Robyn Lipkowitz, Utah Issues. *(handout)*

Rep. Hansen declared a conflict of interest.

Spoke for the bill:  
Bill Tibbitts, Crossroads Urban Center *(handout)*  
George Neckel, Utah Jobs for Justice *(handout)*  
Bill Crim, United Way of Salt Lake *(handout)*

Spoke against the bill:  
Candace Daly, National Federation of Independent Business

2nd Sub. S.B. 71 Consumer Credit Protection (Sen. C. Walker)

Sen. Walker introduced the bill and the substitute to the committee, with the assistance of Mark Shurtleff, Attorney General, State of Utah.


Spoke for the bill: Chris Kyler, Utah Association of Realtors
Craig Bickmore, Utah Automobile Retailers Association

Spoke against the bill: Dean Wangsgarn, President, National Association of Credit Management
Candace Daly, Consumer Data Industry

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

1. Page 4, Line 112 through Page 5, Line 119:

   (a) A consumer reporting agency shall develop a contact method to receive and process a consumer's request to place, remove, or temporarily remove a security freeze.

   (b) A contact method under Subsection (6)(a) shall include:

   (i) a postal address; and

   (ii) an electronic contact method chosen by the consumer reporting agency, which may include the use of telephone, fax, Internet, or other electronic means.

   (iii) the use of telephone in a manner that is consistent with any federal requirements placed on the consumer reporting agency.

2. Page 5, Line 130:

   (B) the consumer provides the consumer's personal information.
identification number or password;

3. Page 5, Lines 135 through 138:

135 (2) Within ten business days after the day on which a consumer reporting 
agency 
permanently removes a security freeze from a consumer’s credit report, the 
consumer reporting 
agency shall send a written confirmation of the removal of the security freeze to the 
consumer. 

138 (3) (2) (a) A consumer reporting agency shall temporarily remove a
security freeze upon

4. Page 6, Line 160:

160 provided in Subsection

5. Page 8, Line 240 through Page 9, Line 245:

240 (1) (a) Except as provided in Subsection (2), a consumer reporting agency 
may charge 
a reasonable fee to a consumer for placing and temporarily removing a security 
freeze. 

242 (b) The fee paid under Subsection (1)(a) allows the consumer to place the 
security 
freeze and to either permanently or temporarily remove the security freeze one 
time. 

244 (c) Except as provided in Subsections (1)(b) and (2), a consumer reporting 
agency may 
charge a fee for removal or temporary removal of a security freeze.

Rep. Frank requested a division on the motion to divide the amendment in three separate 
motions: the first to include lines 112 through 119, the second to include line 130, and the third 
to include lines 135 through 138, line 160, and lines 240 through 245.

The motion to adopt the first amendment, lines 112 through 119 failed, with Rep. Duckworth 

The motion to adopt the second amendment, line 130, passed unanimously, with Rep. Biskupski
and Rep. Hansen absent for the vote.


1st Sub. S.B. 69 Protection of Information in Consumer Credit Databases (Sen. C. Walker)

Sen. Walker introduced the bill to the committee, with the assistance of Richard Hamp, Office of the Attorney General.

MOTION: Rep. D. Clark moved to amend the bill as follows:

1. Page 1, Lines 24 through 25:
   24 Other Special Clauses:
   25 \{None\} This bill takes effect on January 1, 2007.

2. Page 2, Lines 43 through 48
   Senate 2nd Reading Amendments
   2-7-2006:
   43 (1) (a) "Breach of system security" means an unauthorized acquisition of unencrypted computerized \{records\} \{data\} maintained by a person that compromises the security \{or\} confidentiality \{or integrity\} of personal information \{contained in the records\}.
   46 (b) "Breach of system security" does not include the acquisition of personal information by an employee or agent of the person possessing \{records\} unencrypted computerized data unless the personal information is used or disclosed in an unauthorized manner.

3. Page 2, Line 50 through Page 3, Line 64c
   Senate 2nd Reading Amendments
   2-7-2006:
   50 (3) \$→ (a) \$ $→ [?]
   51 (a) $→ [?]} a person's first name or first initial and last name $→ [?}\$→ [?]} address, or telephone number $→ [?]} combined with $→ [?\} the
51a any one or more of the following data elements relating to that person

{if} when either the name or data

51b element is unencrypted

52 (i) Social Security number;

53 (ii) (A) financial account number, or credit or debit card number; and

54 (B) any required security code, access code, or password that would permit access to

the person's account; or

55 (iii) driver license number or other comparable state identification card;

56 (iv) consumer report;

57 (v) employee number;

58 (vi) faculty or student identification number;

59 (vii) United States Armed Forces serial number; or

60 (viii) genetic or biometric information; or

61 (b) "Personal information" includes any of the information listed in Subsections

62a (3)(a)(i) through (viii) without the

63 person's name, address, or telephone number if the information is sufficient to allow a

63a person
to obtain money, credit, or services through unauthorized use of the information;

64a "Personal information" does not include information, regardless of its source, contained

64b in federal, state, or local government records or in widely distributed media that are lawfully

64c made available to the general public.

4. Page 4, Lines 106e through 106g
Senate 2nd Reading Amendments
2-7-2006:

106e (b) If an investigation under Subsection (1)(a) reveals that the misuse of personal information

106f has occurred, or is reasonably likely to occur, the person shall provide notification to each affected

106g Utah resident {as soon as possible}.
5. **Page 4, Lines 106h through 106l**
   **Senate 2nd Reading Amendments**
   2-7-2006:
   
   106h (2) A person required to provide notification under Subsection (1) shall provide the notification as soon as possible in the most expedient time possible without unreasonable delay;
   
   106i (a) considering legitimate investigative needs of law enforcement, as provided in Subsection (4)(a);
   
   106j (b) after determining the scope of the breach of system security; and
   
   106k (c) after restoring the reasonable integrity of the system.

6. **Page 4a, Lines 106v through 106y**
   **Senate 2nd Reading Amendments**
   2-7-2006:
   
   106v (b) A person who delays providing notification under Subsection (4)(a) shall provide notification in good faith without unreasonable delay as soon as possible after the law enforcement agency informs the person that notification will no longer impede the criminal investigation.
   
   106w (c) A person who delays providing notification under Subsection (4)(a) shall provide notification in good faith without unreasonable delay as soon as possible after the law enforcement agency informs the person that notification will no longer impede the criminal investigation.

7. **Page 5, Lines 124 through 124e**
   **Senate 2nd Reading Amendments**
   2-7-2006:
   
   124 (c) If a person maintains the person's own notification procedures as part of an information security policy for the treatment of personal information, the person is considered to be in compliance with this chapter's notification requirements if the procedures are otherwise consistent with this chapter's timing requirements and the person notifies each affected Utah resident in accordance with the person's information security policy in the event of a breach.

8. **Page 6, Line 155:**
The motion to amend passed unanimously, with Rep Biskupski and Rep. Hansen absent for the vote.


Rep. S. Clark adjourned the meeting at 6:50 p.m.

Rep. Stephen D. Clark, Chair