

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

Room C450, State Capitol, Utah State Capitol Complex

February 22, 2008

**Members Present:** Rep. Stephen D. Clark, Chair  
Rep. Jim Dunnigan, Vice Chair  
Rep. Jackie Biskupski  
Rep. David Clark  
Rep. Gage Froerer  
Rep. Kevin Garn  
Rep. Neil A Hansen  
Rep. Michael T. Morley  
Rep. Paul Neuenschwander  
Rep. Mark Walker

**Members Absent:** Rep. Ben Ferry  
Rep. Todd E. Kiser

**Members Excused:** Rep. Carl W. Duckworth

**Staff Present:** Allison Nicholson, Policy Analyst  
Linda Error, Committee Secretary

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

Vice Chair Dunnigan called the meeting to order at 8:15 a.m.

**H.B. 466 Title Insurance Recovery, Education, and Research Fund Act  
(Rep. M. Morley)**

Rep. Morley introduced the bill to the committee.

**MOTION:** Rep. Morley moved to amend the bill as follows:

*1. Page 7, Lines 195 through 212:*

195           (2) Beginning January 1, 2009, an individual who applies for a license or renewal of  
              a  
196       license as a title insurance producer, shall pay in addition to any other fee required by this  
              title,  
197       an assessment {no} ~~not~~ to exceed \$20, as determined by the commission by rule  
              made in accordance  
198       with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, except that if the  
              individual

199 holds more than one license, the total of all assessments under this Subsection (2) may not  
200 exceed \$20 in a fiscal year.

201 ~~{(3)(a) Subject to Subsection (3)(b), a title insurance licensee licensed on July~~  
~~1, 2008~~

202 shall pay to the department an assessment equal to the greater of:

203 —(i) \$1,000; or

204 —(ii) 2% of the balance as of July 1, 2008 in the title insurance licensee's reserve  
account

205 required under Subsection 31A-23a-204(3):

206 —(b) If the aggregate amount collected from title insurance licensees under  
Subsection

207 (3)(a) exceeds \$250,000, the commission may reduce the assessment by an equal  
percentage

208 for all title insurance licensees required to pay the assessment under Subsection  
(3)(a):

209 —(c) A title insurance licensee required to pay an assessment under Subsection  
(3)(a)

210 shall pay the assessment to the department by no later than August 1, 2008. }

(3)(a) To be licensed as a title insurance agency on or after July 1, 2008, a person  
shall pay to the department an assessment of \$1,000 before the day on which the  
person is licensed as a title insurance agency.

(b)(i) By no later than July 15, 2008, the department shall assess on a title insurance  
agency licensed as of June 30, 2008, an amount equal to the greater of:

(A) \$1,000; or

(B) subject to Subsection (3)(b)(ii), 2% of the balance as of December 31, 2007, in the  
title insurance agency's reserve account required under Subsection 31A-23a-204(3).

(ii) The department may assess on a title insurance agency an amount less than 2%  
of the balance described in Subsection (3)(b)(i)(B) if:

(A) before issuing the assessments under this Subsection (3)(b) the department  
determines that the total of all assessments under Subsection (3)(b)(i) will exceed  
\$250,000;

(B) the amount assessed on the title insurance agency is not less than \$1,000; and

(C) the department reduces the assessment in a proportionate amount for title  
insurance agencies assessed on the basis of the 2% of the balance described in  
Subsection (3)(b)(i)(B).

(iii) A title insurance agency assessed under this Subsection (3)(b) shall pay the

**assessment by no later than August 1, 2008.**

211 (4) The department may not assess a title insurance licensee an assessment for  
212 purposes of the fund if that assessment is not expressly provided for in this section.

2. *Page 8, Lines 216 through 228:*

216 (2) (a) Except as limited by Subsection (2)(b), monies in the fund in excess of  
217 \$250,000 may be used by the commissioner, with the consent of the commission, to:  
218 (i) investigate violations of this chapter related to fraud by a title insurance licensee;  
219 (ii) conduct education and research in the field of title insurance; or  
220 (iii) { ~~audit or review~~ } **examine** a title insurance licensee's:  
221 (A) escrow and trust account;  
222 { ~~(B) financial condition;~~ }  
223 { ~~(C)~~ } **(B)** search and examine procedures; or  
224 { ~~(D)~~ } **(C)** compliance with applicable statutes and rules.  
225 (b) The commissioner may not use more than 75% of monies collected under this  
226 chapter in a fiscal year from assessments and interest for the purposes outlined in this  
227 Subsection (2).  
228 (3) { ~~An audit~~ } **The disclosure of an examination** conducted under this  
section is { ~~confidential~~ } **governed by Section 31A-2-204** .

The motion to amend passed unanimously, with Rep. Garn and Rep. Walker absent for the vote.

Spoke for the bill: Paul Newton, Utah Land Title Association  
Brett Simpson, Backman Title Services

MOTION: Rep. D. Clark moved to pass the bill out favorably. The motion passed unanimously, with Rep. Garn and Rep. Walker absent for the vote.

MOTION: Rep. S. Clark moved to approve the minutes of the February 20, 2008 meeting. The motion passed unanimously, with Rep. Garn and Rep. Walker absent for the vote.

**H.B. 443 Membership of Occupational and Professional Licensure Review Committee**  
*(Rep. G. Hughes)*

Rep. Hughes introduced the bill to the committee.

MOTION: Rep. D. Clark moved to pass the bill out favorably. The motion passed

unanimously, with Rep. Morley absent for the vote.

MOTION: Rep. Garn moved to place H.B. 443 on the Consent Calendar with the approval of the sponsor. The motion passed unanimously, with Rep. Morley absent for the vote.

**S.B. 156 Utah Relocation Assistance Act Amendments (*Sen. L. Hillyard*)**

Sen. Hillyard introduced the bill to the committee with the assistance of Craig Call, citizen.

MOTION: Rep. S. Clark moved to pass the bill out favorably, The motion passed unanimously with Rep. Morley absent for the vote.

MOTION: Rep. Garn moved to place S.B. 156 on the Consent Calendar with the approval of the sponsor. The motion passed unanimously, with Rep. Morley absent for the vote.

**S.B. 132 Consumer Credit Protection Act - Attorney General Powers (*Sen. C. Walker*)**

Sen Walker introduced the bill to the committee.

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

1. *Page 3, Lines 60 through 62*  
*Senate Committee Amendments*  
*1-28-2008:*

60 (8) (a) The attorney general may inspect and copy all records related to the business  
61 conducted by the person ~~Œ~~ {+} alleged {+} {~~who is found~~} ~~Œ~~ to have  
violated this chapter, including  
61a records located outside  
62 the state.

The motion to amend passed unanimously, with Rep. Morley absent for the vote.

MOTION: Rep. D. Clark moved to pass the bill out favorably. The motion passed unanimously, with Rep. Morley absent for the vote.

MOTION: Rep. Neuenschwander moved to place S.B. 132 on the Consent Calendar with the approval of the sponsor. The motion passed unanimously, with Rep. Morley absent for the vote.

**S.B. 171      Repeal of Certain Reporting by Financial Institutions (*Sen. K. VanTassell*)**

Sen. VanTassell introduced the bill to the committee.

MOTION:      Rep. S. Clark moved to pass the bill out favorably. The motion passed unanimously, with Rep. Morley absent for the vote.

MOTION:      Rep. Neuenschwander moved to place S.B. 171 on the Consent Calendar with the approval of the sponsor. The motion passed unanimously, with Rep. Morley absent for the vote.

MOTION:      Rep. D Clark moved to adjourn. The motion passed unanimously, with Rep. Morley absent for the vote.

Vice Chair Dunnigan adjourned the meeting at 8:45 a.m.

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Rep. Stephen D. Clark, Chair