

**MINUTES OF THE HOUSE  
WORKFORCE SERVICES AND COMMUNITY  
AND ECONOMIC DEVELOPMENT STANDING COMMITTEE  
Room W025, West Office Building, State Capitol Complex**

February 12, 2008

**MEMBERS PRESENT:** Rep. Steven R. Mascaro, Chair  
Rep. Julie Fisher, Vice Chair  
Rep. Bradley M. Daw  
Rep. Jack R. Draxler  
Rep. Janice Fisher  
Rep. Christopher Herrod

**MEMBERS ABSENT:** Rep. Brad King  
Rep. Karen W. Morgan

**STAFF PRESENT:** Arthur L. Hunsaker, Policy Analyst  
Linda Error, Committee Secretary

**Note:** A list of visitors and a copy of handouts are filed with the committee minutes.

Rep. Mascaro called the meeting to order at 9:04 a.m.

**MOTION:** Rep. Daw moved to approve the minutes of the February 7, 2008 meeting. The motion passed unanimously.

**H.B. 257 Employee Verification (*Rep. C. Herrod*)**

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

*1. Page 1, Lines 9 through 11:*

9 This bill modifies provisions related to state affairs in general by conditioning  
10 {~~certain~~  
10 ~~economic incentives and~~} procurement agreements on employer participation in a  
11 federal  
11 employee eligibility verification program.

*2. Page 1, Lines 15 through 17:*

15 verification program of a newly hired employee's employment eligibility as a  
16 condition for receiving {~~certain economic incentives and~~} procurement contracts  
17 including:

3. *Page 1, Lines 26 through 27:*

26 ENACTS:

27 { ~~63-38f-206, Utah Code Annotated 1953~~ }

4. *Page 2, Line 30 through Page 3, Line 76:*

30 *Be it enacted by the Legislature of the state of Utah:*

31 { ~~Section 1. Section 63-38f-206 is enacted to read:~~

32 ~~63-38f-206. Employment eligibility verification as a requirement for~~  
receiving

33 ~~economic development incentives:~~

34 ~~(1) As used in this section:~~

35 ~~(a) "Economic development incentive" means one or more of the following:~~

36 ~~(i) a loan, grant, or other financial assistance described in Part 9, Industrial~~  
~~Assistance~~

37 ~~Fund;~~

38 ~~(ii) a partial tax rebate described in Part 13, Aerospace and Aviation Zone;~~

39 ~~(iii) a partial tax rebate described in Part 17, Economic Development~~  
~~Incentives Act;~~

40 ~~(iv) an incentive described in Part 18, Motion Picture Incentive Fund;~~

41 ~~(v) monies distributed under Part 19, Economic Development on Military~~  
~~Installations;~~

42 ~~or~~

43 ~~(vi) monies or other incentives distributed under Part 21, Economic~~  
~~Development -~~

44 ~~Government Procurement Contracts:~~

45 ~~(b) "Employee" means an individual performing or applying for work or~~  
~~service of any~~

46 ~~kind or character for hire;~~

47 ~~(c) "Employer" means a person employing or seeking to employ an~~  
~~individual for hire;~~

48 ~~(d) "Employment" means:~~

49 ~~(i) the act of employing; or~~

50 ~~(ii) the state of being employed, engaged, or hired;~~

51 ~~(e) "Federal employment verification program" means a program to~~  
~~electronically~~

52 verify employment eligibility that is:  
53 —— (i) operated by the United States Department of Homeland Security to verify  
54 information of employees pursuant to the Illegal Immigration Reform and Immigrant  
55 Responsibility Act of 1996, P.L. 104-128, 110 Stat. 3009, Title IV, Subtitle A, (as  
56 amended  
57 2002, 2003); or  
58 —— (ii) a similar program operated by the United States Department of  
59 Homeland Security:  
60 —— (2) The office shall require as a condition for receipt of an economic  
61 development  
62 incentive that an employer certify that the employer:  
63 —— (a) participates in a federal employment verification program referred to in  
64 Subsection  
65 (1)(c); and  
66 —— (b) has not been found to violate the requirements of the federal employment  
67 verification program by:  
68 —— (i) the United States Department of Homeland Security; or  
69 —— (ii) the office.  
70 —— (3) (a) If the office learns that an employer does not participate in the federal  
71 employment verification program or is found by the United States Department of  
72 Homeland  
73 Security to violate the requirements of the federal employment verification program  
74 within one  
75 year after the day on which the employer receives or otherwise claims an economic  
76 development incentive, the office may require the employer to repay to the state up to  
77 the full  
78 value of the economic development incentive as of the day on which the employer  
79 receives or  
80 otherwise claims the economic development incentive.  
81 —— (b) If an employer described in this Subsection (3) receives or claims an  
82 economic  
83 development incentive, the employer shall notify the office of a finding described in  
84 Subsection  
85 (3)(a) within five business days of the day on which the finding described in  
86 Subsection (3)(a)

76 ~~is final.~~}

5. *Page 3, Line 77:*

77           Section   {~~2~~}   1 . Section **63-56-427** is enacted to read:

The motion to amend passed, with Rep. Daw voting in opposition.

Rep. Herrod explained the bill to the committee.

Spoke to the bill:               Doug Richins, Director, Division of Purchasing

Spoke for the bill:             Rundussa Eshete, owner, Design, Build, Operate Services  
                                      Nellie Morgan, Utah Minutemen Project

Spoke against the bill:        Dave Davis, Utah Food Industry  
                                      Robin Riggs, Vice President, Salt Lake Chamber

MOTION:   Rep. Daw moved to pass the bill out favorably as amended.

SUBSTITUTE

MOTION:   Rep. Janice Fisher moved to send H.B. 257 to Interim Study. The motion failed  
                                      with Rep. Janice Fisher voting in favor.

The original motion to pass the bill out favorably passed, with Rep. Janice Fisher voting in  
opposition.

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

Rep. Mascaro adjourned the meeting at 9:55 a.m.

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Rep. Steven Mascaro, Chair