Rep. Dunnigan called the meeting to order at 2:03 p.m.


Rep. Fisher explained the bill to the committee.


Sen. Mayne explained the bill to the committee.


Sen. Mayne explained the bill to the committee assisted by David Spatafore, Coalition for a Stronger Utah Economy, who distributed a handout.

**MOTION:** Rep. Morley moved to amend 1st Substitute S.B. 35 as follows:

1. **Page 3, Line 64:**
   
   be the employer of each individual who, directly or indirectly, holds an ownership interest in the unincorporated entity.

2. **Page 3, Lines 67 through 77:**
   
   under Subsection (2)(a) for an individual by establishing by clear and convincing evidence that the individual:
   
   (i) is an active manager of the unincorporated entity;
   
   (ii) directly or indirectly holds at least a 20% ownership interest in the unincorporated entity; or
   
   (iii) is not subject to supervision or control in the performance of work by:
   
   (A) the unincorporated entity; or
   
   (B) a person with whom the unincorporated entity contracts.

3. **Page 12, Line 352:**
   
   be the employer of each individual who, directly or indirectly, holds an ownership interest in the unincorporated entity.

4. **Page 12, Lines 355 through 365:**
   
   under Subsection (2)(a) for an individual by establishing by clear and convincing evidence that the individual:
   
   (i) is an active manager of the unincorporated entity;
   
   (ii) directly or indirectly holds at least a 20% ownership interest in the unincorporated entity; or
   
   (iii) is not subject to supervision or control in the performance of work by:
   
   (A) the unincorporated entity; or
   
   (B) a person with whom the unincorporated entity contracts.
(c) As part of the rules made under Subsection (2)(b), the commission may define:
(i) "active manager";
(ii) "directly or indirectly holds at least a \( \geq 20\% \) ownership interest":

and

5. Page 14, Line 419:

be the employer of each \{ member-of \} individual who, directly or indirectly, holds an ownership interest in the unincorporated entity.

6. Page 14, Line 422 through Page 15, Line 432:

under Subsection (2)(a) for \{ member \} an individual by establishing by clear and convincing evidence that the

\( \{ \text{member} \} \) individual:
(i) is an active manager of the unincorporated entity;
(ii) directly or indirectly holds at least a \( \geq 20\% \) ownership interest in the unincorporated entity;
(iii) is not subject to supervision or control in the performance of work by:
(A) the unincorporated entity; or
(B) a person with whom the unincorporated entity contracts.

(c) As part of the rules made under Subsection (2)(b), the commission may define:
(i) "active manager";
(ii) "directly or indirectly holds at least a \( \geq 20\% \) ownership interest":

and

7. Page 32, Lines 968 through 972:

(10) (a) A licensee that is an unincorporated entity shall file an ownership status report
with the division every 90 days after the day on which the license is issued if the licensee has as
an owner an individual who:
(i) owns an interest in the contractor that is an unincorporated entity;
(ii) owns, directly or indirectly, less than a \( \geq 20\% \) interest in the unincorporated entity, as

8. Page 37, Lines 1118 through 1121:

(b) unemployment compensation in accordance with Title 35A, Chapter 4, Employment Security Act, for an individual who owns, directly or indirectly, less than a \( \geq 20\% \) } 8 \%
interest in the unincorporated entity, as defined by rule made by the division in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

9. Page 38, Lines 1165 through 1167:
   (8) an unincorporated entity licensed under this chapter through a pattern of negligence having an individual who owns an interest in the unincorporated entity engage in a construction trade in Utah while not lawfully present in the United States; or

10. Page 38, Line 1172 through Page 39, Line 1175:
   (b) unemployment compensation in accordance with Title 35A, Chapter 4, Employment Security Act, for an individual who owns, directly or indirectly, less than a $8\%$ interest in the unincorporated entity, as defined by rule made by the division in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

11. Page 42, Lines 1273 through 1277:
   (j) In addition to any other licensure sanction or fine imposed under this section, the division shall revoke the license of a licensee that violates Subsection 58-55-501(24) or (25) two or more times within a 12-month period, unless, with respect to a violation of Subsection 58-55-501(24), the licensee can demonstrate that the licensee successfully verified the federal legal working status of the individual who was the subject of the violation using a status verification system, as defined in Section 13-47-102.
   (k) For purposes of this Subsection (4), a violation of Subsection 58-55-501(24) or (25) for each individual is considered a separate violation.

The motion passed unanimously.

The following individuals spoke in favor of the bill:

Darrel Bostwick, Atty. Bostwick & Price, P.C.
Richard Thorn Associated General Contractors
Michael Sanchez Eagle Forum, IMS Masonry
Dennis Chavez Chavez L.L.C.
Rob Bay CSG Workforce Partners, L.L.C.
Weston Lunsford CSG Workforce Partners, L.L.C.

H.B. 78 Developer Fees (Rep. M. Morley)

MOTION: Rep. Morley moved to amend H.B. 78 as follows:

1. Page 2, Line 53 through Page 3, Line 60:

   (3) "Billboard" means a freestanding ground sign located on industrial, commercial, or residential property if the sign is designed or intended to direct attention to a business, product, or service that is not sold, offered, or existing on the property where the sign is located.

   (4) "Building permit fee" means any fee charged to enforce the uniform codes adopted pursuant to Title 58, Chapter 56, Utah Uniform Building Standards Act, that is no greater than a fee indicated in the appendix to the International Building Code.

   "Charter school" includes:

   (a) an operating charter school;

   And renumber the remaining sections accordingly.

2. Page 20, Lines 594 through 601:

   (3) "Billboard" means a freestanding ground sign located on industrial, commercial, or residential property if the sign is designed or intended to direct attention to a business, product, or service that is not sold, offered, or existing on the property where the sign is located.

   "Building permit fee" means any fee charged to enforce the uniform codes adopted pursuant to Title 58, Chapter 56, Utah Uniform Building Standards Act, that is no greater than a fee indicated in the appendix to the International Building Code.

   "Charter school" includes:

   (a) an operating charter school;

   And renumber the remaining sections accordingly.

Rep. Morley, assisted by Jodi Hoffman, Utah League of Cities and Towns, explained the bill to the committee.


**MOTION:** Rep. Morley moved to amend H.B. 243 as follows:

1. **Page 1, Lines 20 through 21:**
   
   20 {modifies unprofessional conduct provisions and unlawful conduct penalty
   
   21 provisions;
   
   }

2. **Page 2, Line 42:**
   
   42 {58-1-501, as last amended by Laws of Utah 2010, Chapter 180 }

3. **Page 14, Line 411 through Page 17, Line 494:** Delete Lines 411 through 494

   Renumber remaining sections accordingly.

The motion passed unanimously with Rep. Froerer absent for the vote.

Rep. Morley, assisted by Mark Steinagel, Director, Division of Occupational and Professional Licensing, explained the bill to the committee.


Rep. Dunnigan adjourned the meeting at 3:46 p.m.

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Rep. James Dunnigan, Chair