

**MINUTES OF THE HOUSE
WORKFORCE SERVICES AND COMMUNITY
AND ECONOMIC DEVELOPMENT STANDING COMMITTEE**

Room W025, House Office Building
February 1, 2012

MEMBERS PRESENT: Rep. Jim Bird, Chair
Rep. Dean Sanpei, Vice Chair
Rep. Val Peterson
Rep. Mark A. Wheatley

MEMBERS EXCUSED: Rep. David Litvack
Rep. Ronda Rudd Menlove

MEMBERS ABSENT: Rep. Keith Grover

STAFF PRESENT: Ben Christensen, Policy Analyst
Linda Service, Committee Secretary

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

Chair Bird called the meeting to order at 9:03 a.m.

MOTION: Rep. Sanpei moved to approve the minutes of January 25, 2012. The motion passed unanimously.

H.B. 78 Utah Division of Consumer Protection Amendments (Rep. D. Brown)

Rep. Brown introduced the bill, assisted by Traci Gundersen, Utah Department of Commerce.

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

1. Page 23, Line 689:

689 (6) ~~{(a)}~~ Except as otherwise provided in Subsections (3) and (4), if an agreement

2. Page 23, Line 691 through Page 24, Line 714:

691 the debt ~~{,}~~ :
(a) compensation for services in connection with settling a debt ~~{may not exceed one of~~
692 ~~the following applicable settlement fee limits in Subsection (6)(b) or (c), the terms of which~~
693 ~~shall be clearly disclosed in the agreement.}~~ shall be reasonable and clearly disclosed in the agreement; and
(b) a fee for settling a debt may be collected only as the debt is settled.

694 ~~{(b)(i) With respect to agreements where a flat settlement fee is charged~~
 ~~based on the~~
695 ~~overall amount of included debt, total aggregate fees charged may not exceed 17% of~~
 ~~the~~
696 ~~principal amount of debt included in the agreement[, including any fees charged~~
 ~~under~~
697 ~~Subsections (4)(b)(i) and (ii)].~~
698 ~~—(ii) The flat settlement fee authorized under this Subsection (6)(b) [shall be~~
 ~~assessed in~~
699 ~~equal monthly payments over no less than half of the length of the plan, as estimated~~
 ~~at the~~
700 ~~plan's inception, unless:] may be collected only upon the settlement of all debt~~
 ~~included in the~~
701 ~~settlement fee agreement.~~
702 ~~—[(A) payment is voluntarily accelerated by the individual in a separate record;~~
 ~~and]~~
703 ~~—[(B) at least half of the principal amount of overall debt included in the~~
 ~~agreement at its~~
704 ~~inception has been settled.]~~
705 ~~—(c)(i) With respect to agreements where fees are calculated as a percentage of~~
 ~~the~~
706 ~~amount saved by an individual, a settlement fee may not exceed 30% of the excess of~~
 ~~the~~
707 ~~outstanding amount of each debt over the amount actually paid to the creditor, as~~
 ~~calculated at~~
708 ~~the time of settlement.~~
709 ~~—(ii) Settlement fees authorized under this Subsection (6)(c):~~
710 ~~—(A) may be collected only as debts are settled; and~~
711 ~~—(B) the total aggregate amount of fees charged to any individual under this~~
 ~~chapter[,]~~
712 ~~including fees charged under Subsections (4)(b)(i) and (ii),] may not exceed 20% of~~
 ~~the~~
713 ~~principal amount of debt included in the agreement at the agreement's inception.~~
714 ~~—(d) A provider may not impose or receive fees under both Subsections (6)(b) and~~
 ~~(c).}~~

The motion passed unanimously.

MOTION: Rep. Peterson moved to pass **H.B. 78** as amended out with a favorable recommendation. The motion passed unanimously.

S.B. 105 **Utah Fallen Heroes Commemoration** (*Sen. W. Niederhauser*) (**Rep. D. Brown**)

Sen. Niederhauser introduced the bill.

MOTION: Rep. Sanpei moved to pass out **SB105** with a favorable recommendation. The motion passed unanimously.

MOTION: Rep. Sanpei moved to adjourn. The motion passed unanimously. The meeting adjourned at 9:34 a.m.

Jim Bird, Chair