

**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