

MINUTES OF UTC PUBLIC POLICY FORUM

January 27, 2017 3:00 p.m.

Co-chair Mark McBride and Dan Lloyd

Held at State Capitol

Those in attendance: Mark McBride, Ivanti; Dan Lloyd, inContact; Jeff Triplette, ArbiterSports; Dan Stevenson, Domo; Mark Griffin, Overstock; Brock Lyle, Overstock; Katie Stevens, Ebay; Brian Verwer, IM Flash; Johnny Hanna, Homie; Vanessa Clayton, Homie; Arrin Wray, TEKsystems; Tim Brown, CommerceESB.com; Whitney Poulsen, AT&T; Wendy Barclay, England Logistics; Jeremy Dailami, England Logistics; Lance Eastman, DATC; Ron Hilton, Proximal Systems Corporation; Chris Marsh, Object Systems; Justin Olsen, England Logistics; Chris Perry, Inst. of Electronic and Electrical Engineers; Michelle Scharf, UNSPAM; Joe Smith, Accelerant People; Paul Smith, UESP; Michael Anderson, Jordan School District; G. Butters, Orbit Irrigation Products; James Campbell, Rocky Mountain Power; Kimberlee Carlile, GOED; Kelleigh Cole, GOED; Marilyn Davies, UofU; Stacey Deru, Opus Strategy Group; Ryan Evans, Utah Clean Energy; Susan Edwards, Canyons School District; K.C. Ericksen, Orbit Irrigation Products; David Ferro, WSU; Tamara Goetz, STEM Action Center; Josh Grant, UofU College of Engineering; Ben Hart, GOED; Billy Hesterman, Utah Taxpayers Association; Susan Koehn, Segoe Strategies; Al Landon, Eccles School of Business; Brent Lorimer, Workman Nydegger; Tom Lund, Tanner LLC; Patty Norman, USBE; Ryan Nelson, The Employers Council; Murali Penubothu, Nicholas and Company; Val Potter, Utah Legislature; Erin Preston of Lear Law; Gary Thorup, Durham Jones & Pinegar; Mike Waldron, Tanner LLC; Sarah Young, USBE; and Richard Nelson and Jonathan Jackson of UTC

Welcome and Brief Introductions – Richard Nelson

Minutes – Mark McBride

The motion was made and seconded to amend the minutes from December 1, 2016, for motion of “High Priority Support” for the Engineering Initiative, and to approve the minutes. The motion passed unanimously.

Facilitation of Meeting – Mark McBride

Discussion: Introduction of Dan Lloyd as new co-chair of Public Policy Forum.

Engineering Initiative – Marilyn Davies, UofU [**UTC High Priority Support**]

- There is a tremendous demand for engineering and computer science graduates. We anticipate this would produce 657 more graduates statewide.
- Thank you for list of 65 companies that responded to endorse initiative.
- If you would like to support, please contact Marilyn Davies at mdavies@coe.utah.edu
- Asking for \$5M. Received earmark for \$1M on-going in governor budget.

Action: Provide company name to endorsement list. Contact legislators to support.

K-16 Computing Pathway – Tami Goetz, STEM Action Center

- This is an industry led initiative, Vance Checketts is taking the lead, and the STEM Action Center is the administrative support which dedicated \$1M to fund K-16 initiative.
- Rural response is outstanding and the strongest grants came from rural areas.
- This request is complementary to the Engineering Initiative.
- Utah is aggressively taking the lead on K-12 computing and is ahead of the curve.
- Ben Hart discussed Tech Day on the Hill on January 30.
- Asking for \$1.2M. Believe this is one of the most critical issues of the session.

Motion: UTC Designate as “High-Priority Support” for bill.

Non-compete Agreements – Dan Stevenson, Domo

- Richard Nelson provided summary of HB 251 non-compete legislation during 2016.

- Cicero Group is conducting an industry survey that will close February 10. Survey results will be available February 24.
- What has fueled Utah's growth and will continue to fuel growth is talent, and talent is attracted to companies without non-competes.
- Agree that IP, trade secrets, copyrights are crucial, but there isn't a chance for IP law to develop because of non-compete agreements in place.
- Companies hesitate investing in Utah. \$78B of venture capital invested in CA (84% went to Silicon Valley). Comments from VC's: "...if you move to California, I'll fund that company."
- CR England, has a 9 month non-compete so they can recoup costs from training. They have a 1-year period, but have no way to protect the misappropriation of goodwill.
- The dispute is how do we know if someone took trade secrets.
Action: Provide survey link to group. Provide completed survey results to group in late February.

Review of Bill Watch List – Jeff Rogers, Paul Rogers & Associates

- Homie is interested in tracking HB 196 - Division of Real Estate Amendments.
Action: Send Bill Watch list to group. Request that any additional items be added.

Online Sales Tax – Sen. Curt Bramble

- We prefer a national solution, with safe harbors and consistency, but Congress has failed to act. Last year 16 states, passed bills to collect online sales tax.
- SB 110 creates economic nexus if business revenue is over \$100,000 in Utah. The "200 transactions" provision has been removed from the bill.
- The economic nexus piece fiscal note is somewhere \$190M-\$240M per year.
- Utah is on the cutting edge for economic development, but sales tax revenue has been flat. The vast majority of new commerce is based on new online sales. We have to figure out a way to stop the hemorrhaging, and input from the business community is critical to our process.
- Intent of bill is to provide solution to Utah, and impetus for U.S. Congress to act nationally.

STEM Mentor Exchange (STEM MX) – Brent Peterson

- Teachers, Industry Volunteers, and Parents join the exchange to help mentor and prepare kids. We are building a database of users of both teachers and volunteers.
- We are building a match-making app focused on K-12. Website: STEMMX.com
- Building marketing campaign, when app is completed in April. This is a grassroots effort where Utah is leading out--with no other examples throughout country.
Action: Familiarize yourself with STEM MX initiative.
Motion: UTC Designate as "Support" for request.

HB 277 Digital Teaching & Learning – Sen. Howard Stephenson

- Most school one-to-one computer deployments have resulted in lower student performance.
- 95% of computer assisted instructional software is not used with fidelity. Infidelity causes lack of focus, vision and leadership, belief that it's about devices and connectivity, insufficient professional development, and lack of integration in the instructional model.
- Focus should be on children and teachers and how their engaging with these tools.

Solar Industry v. Rocky Mountain Power Rate Increase

- Confidential working group with governor. UTC offered industry working group as assistance.

Meeting adjourn at 4:55 p.m.

Next Meeting is February 3, 2017.