

**MINUTES OF THE
SENATE REVENUE AND TAXATION STANDING COMMITTEE
THURSDAY, FEBRUARY 19, 2004
ROOM 131, STATE CAPITOL BUILDING**

Members Present: Sen. Curtis Bramble, Chair
 Sen. Gregory Bell
 Sen. David Gladwell.
 Sen. Howard A. Stephenson

Members Excused: Sen. Ron Allen
 Sen. Leonard Blackham
 Sen. Mike Dmitrich
 Sen. Michael Waddoups

Staff Present: Bryant Howe, Policy Analyst
 Jeanne Wride, Committee Secretary

Public Speakers Present: Vic Arnold, Utah Education Association
 Mike Jerman, Utah Taxpayers Association
 Sarah Wilhelm, Utah Issues
 Steve Proper, Utah TV and Satellite Service
 Roger Tew, Utah League of Cities and Towns
 Kathy Ockey, Department of Corrections
 Mark Shurtleff, Attorney General
 Stephanie Peterson, ACLU of Utah
 Phil Dyer, attorney
 Molly Prince, citizen
 Ron Casper, National Federation of Independent Business
 Bruce Johnson, Utah State Tax Commission
 Lee Gardner, Salt Lake County Assessor
 Jim Olson, Utah Food Retailers Association
 Lynn Vellinga, Division of Finance
 Paula Plant, School Trust Lands Specialist

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

Chair Bramble called the meeting to order at 4:30 p.m.

APPROVAL OF MINUTES:

MOTION: Sen. Gladwell moved to approve the minutes of February 17, 2004.

The motion passed unanimously with Sen. Stephenson absent for the vote.

Sen. Gladwell assumed the committee chair.

1. **H.B. 74 EXTENSION OF SALES AND USE TAX EXEMPTION FOR STEEL INDUSTRY (Rep. B. Ferry)**

Sen. Bramble presented the bill to the committee.

Vic Arnold, Utah Education Association, spoke in opposition to the bill and Mike Jerman, Utah Taxpayers Association, spoke in favor.

MOTION: Sen. Bramble moved to pass H. B. 74 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Stephenson absent for the vote..

2. **H.B. 38 SALES AND USE TAX - REPEAL OF CABLE AND SATELLITE SERVICE (Rep. Curtis)**

Sen. Bramble presented the bill to the committee.

Sarah Wilhelm, Utah Issues, spoke in opposition. Steve Proper, Utah TV and Satellite Service, and Mike Jerman, Utah Taxpayers Association, spoke in favor of the bill. Roger Tew, Utah League of Cities and Towns, spoke to the bill.

MOTION: Sen. Bramble moved to pass H. B. 38 out of committee with a favorable recommendation.

The motion passed with Sen. Stephenson absent for the vote.

MOTION: Sen. Bramble moved that the committee recommend that the issue of apportionment of corporate taxable income be referred for interim study.

The motion passed unanimously with Sen. Stephenson absent for the vote.

Sen. Bramble assumed the committee chair.

3. **H.B. 239 SEXUALLY EXPLICIT BUSINESS AND ESCORT SERVICE TAX (Rep. Bourdeaux)**

Rep. Bourdeaux presented the bill to the committee.

Kathy Ockey, Department of Corrections; Mark Shurtleff, Attorney General; and Molly Prince, social worker; spoke in favor of the bill. Phil Dyer, attorney; and Stephanie Peterson, ACLU; spoke in opposition.

MOTION: Sen. Stephenson moved to pass H. B. 239 out of committee with a favorable recommendation.

The motion passed unanimously.

4. 1st SUB. H.B. 66 STATE SPENDING LIMITATIONS AMENDMENTS (Rep. G. Hughes)

Rep. Hughes presented the bill to the committee.

Ron Casper, National Federation of Independent Business spoke in favor and Sarah Wilhelm, Utah Issues, spoke in opposition.

MOTION: Sen. Stephenson moved to pass 1st Sub. H.B.66 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Gladwell absent for the vote.

5. S.B. 206 PROPERTY TAX AMENDMENTS (Sen. H. Stephenson)

Sen. Stephenson presented the bill to the committee.

Bruce Johnson, Utah State Tax Commission, and Lee Gardner, Salt Lake County Assessor, spoke to the bill.

The motion passed unanimously with Sen. Gladwell absent for the vote.

6. H.B. 184 VOYEURISM AMENDMENTS (Rep. B. Goodfellow)

Rep. Goodfellow presented the bill to the committee.

MOTION: Sen. Bell moved to pass H.B. 184 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Gladwell absent for the vote.

MOTION: Sen. Bell moved to place H.B. 184 on the Consent Calendar. The motion passed unanimously with Sen. Gladwell absent for the vote.

Sen. Stephenson assumed the committee chair.

7. 1st SUB. H. B. 202 MAIL ORDER TOBACCO SALES AMENDMENTS (Rep. E. Hutchings)

Sen. Bramble presented the bill to the committee.

Jim Olson, Utah Food Retailers Association, spoke to the bill.

MOTION: Sen. Bramble moved to pass 1st Sub. H.B. 202 out of committee with a favorable recommendation.

The motion passed unanimously with Sen. Gladwell absent for the vote.

MOTION: Sen. Bramble moved to place 1st Sub. H. B. 202 on the Consent Calendar.

The motion passed with Sen. Gladwell absent for the vote.

Sen. Bramble assumed the committee chair.

8. H. B. 78 SCHOOL LAND TRUST PROGRAM RESTRICTED ACCOUNT (Rep. D. Clark)

Rep. Clark presented the bill to the committee.

Lynn Vellinga, Utah State Department of Finance and Paula Plant, School Trust Lands Specialist, spoke to the bill.

MOTION: Sen. Bell moved to pass H. B. 78 out of committee with a favorable recommendation.

The motion passed with Sen. Gladwell absent for the vote.

MOTION: Sen. Bell moved to place H. B. 78 on the Consent Calendar.

The motion passed with Sen. Gladwell absent for the vote.

9. H. B. 242 FUNDS CONSOLIDATION ACT - DEPOSIT AMENDMENTS (Rep. D. Clark)

Rep. Clark presented the bill to the committee.

MOTION: Sen. Bell moved to pass H.B. 242 out of committee with a favorable recommendation.

The motion passed with Sen. Gladwell absent for the vote.

MOTION: Sen. Bell moved to place H.B. 242 on the Consent Calendar.

The motion passed with Sen. Gladwell absent for the vote.

10. 3rd Sub H. B. 231 REVIEW AND APPROVAL OF FEDERAL MONIES RECEIVED BY THE STATE (Rep. C. Bennion)

Rep. Bennion presented the bill to the committee.

MOTION: Sen. Bramble moved to pass 3rd Sub. H.B. 231 out of committee with favorable recommendation.

The motion passed unanimously with Sen. Gladwell absent for the vote.

MOTION: Sen. Bramble moved to adjourn.

The motion passed unanimously with Sen. Gladwell absent for the vote.

Sen. Bramble adjourned the meeting at 5:45 p.m.

Minutes recorded by Jeanne Wride, Committee Secretary

Sen. Curtis Bramble, Committee Chair