

**MINUTES OF THE
HOUSE REVENUE AND TAXATION
STANDING COMMITTEE
Room W135 - West Office Building, State Capitol Complex**

February 13, 2006

MEMBERS PRESENT: Rep. Wayne A. Harper, Chair
 Rep. Glen A. Donnelson, Vice Chair
 Rep. Sheryl L. Allen
 Rep. Tim M. Cosgrove
 Rep. Craig A. Frank
 Rep. Fred R. Hunsaker
 Rep. Bradley G. Last
 Rep. Roz McGee
 Rep. Carol Spackman Moss
 Rep. Joseph G. Murray
 Rep. Merlynn T. Newbold
 Rep. Ross I. Romero
 Rep. Gordon E. Snow

MEMBERS ABSENT: Rep. Rebecca Lockhart
 Rep. Patrick L. Painter

STAFF: Bryant Howe, Assistant Director
 Rosemary Young, Secretary

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

Chair Harper called the meeting to order at 8:35 a.m.

MOTION: Rep. Snow moved to approve the minutes of the February 9, 2006 meeting. The motion passed unanimously with Rep. Cosgrove, Rep. McGee, Rep. Moss, and Rep. Newbold absent for the vote.

S.B. 29 Sales and Use Tax Exemption - Telecommunications (*Sen. C. Bramble*) (Rep. J. Dougall)

Sen. Bramble introduced the bill and explained it to the committee. The following individuals spoke in favor of the bill:

Robin Riggs, Salt Lake Chamber of Commerce
Jerry Fenn, President of Qwest Communications (handout)
Larry Bunkall, Utah Business Coalition (handout)
Steve Mecham, Rural Telecommunications Network
Tom Bingham, Utah Manufacturing Association

MOTION: Rep. Frank moved to transmit the bill with a favorable recommendation. The motion passed unanimously with Rep. McGee, Rep. Moss, and Rep. Newbold absent for the vote.

S.B. 31 Sales and Use Tax - Manufacturing Exemptions Amendments (*Sen. H. Stephenson*) (Rep. W. Harper)

MOTION: Rep. Snow moved to delete in title and body SB 31 and replace it with **1st Substitute SB 31**. The motion passed unanimously with Rep. McGee absent for the vote.

Sen. Stephenson introduced the bill and explained it to the committee. Tom Bingham, Utah Manufacturing Association; Robin Riggs, Salt Lake Chamber of Commerce; and David Litvin, Utah Mining Association spoke in favor of the bill.

MOTION: Rep. Snow moved to transmit the bill with a favorable recommendation. The motion passed unanimously with Rep. McGee absent for the vote.

S.B. 182 Direct Sales Amendments (*Sen. M. Madsen*) (Rep. M. Noel)

Sen. Madsen introduced the bill and explained it to the committee assisted by Rep. Noel. Rep. Romero declared a conflict of interest. The following individuals spoke in favor of the bill:

Rich Hartvigsen, Nu Skin Enterprises
Mark Shurtleff, Utah Attorney General
Misty Fallik, Direct Selling Association

Spoke against the bill: John Taylor, Consumer Awareness Institute

Spoke to the bill: Thad LeVar, Utah Division of Consumer Protection
Chris Parker, Associate General Counsel

MOTION: Rep. Allen moved to amend the bill by striking the word "anyone" on line 38 and inserting in its place the word "nonparticipants" and by adding a comma between the words "money" and "bonuses" on line 35.

SUBSTITUTE

MOTION: Rep. Frank moved to amend the bill as follows:

Page 2, Line 35: After "means" insert "money,"

The substitute motion passed with Rep. Allen and Rep. Last voting in opposition and Rep. Donnelson absent for the vote.

MOTION: Rep. Newbold moved to transmit the bill with a favorable recommendation. The motion passed with Rep. Allen voting in opposition and Rep. Donnelson absent for the vote.

S.B. 169 Sales and Use Tax - Dental Prostheses (*Sen. P. Knudson*) (Rep. L. Fowlke**)**

Sen. Knudson introduced the bill, explained it to the committee, and declared a conflict of interest.

MOTION: Rep. Hunsaker moved to transmit the bill with a favorable recommendation. The motion passed with Rep. Romero voting in opposition and Rep. McGee absent for the vote.

MOTION: Rep. Moss moved to adjourn. The motion passed unanimously with Rep. Donnelson absent for the vote.

The Chair adjourned the meeting at 9:52 a.m.

Rep. Wayne A. Harper, Chair