

**MINUTES OF THE SENATE BUSINESS & LABOR
STANDING COMMITTEE
TUESDAY, FEBRUARY 8, 2005, 4:00 P.M.
ROOM W015, WEST OFFICE BUILDING
STATE CAPITOL COMPLEX**

Members Present: Sen. Scott K. Jenkins, Chair
Sen. Gene Davis
Sen. Thomas V. Hatch
Sen. Parley G. Hellewell
Sen. John W. Hickman
Sen. Sheldon L. Killpack
Sen. L. Alma Mansell
Sen. Ed Mayne
Sen. Michael Waddoups

Staff Present: Mark Steinagel, Policy Analyst
Chris Parker, Office of Legislative Research and General Counsel
Karen Allred, Committee Secretary

Public Speakers Present: Christopher Kyler, CEO, Utah Association of Realtors
Dave Wayment, Deputy County Attorney, Utah County
Russell Skousen, Executive Director, Department of Commerce
Robert Thorup, Attorney, Ray Quinney & Nebeker
Gary Leavitt, President, Realty NET Advisors
Gary Beynom, CEO, OMNI Brokerage, Inc.
John Temple, President, 1031 Property Watch
Blaine Walker, Utah Association of Realtors
Greg Paul, President OMNI Brokerage
Jack Gardner, Branch Manager, Brinks Inc.

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

Committee Chair Scott K. Jenkins called the meeting to order at 4:10 p.m.

MOTION: Sen. Hellewell moved to approve the minutes of February 4, 2005.

The motion passed unanimously with Sen. Hickman, Sen. Waddoups, Sen. Davis and Sen. Mayne absent for the vote.

1. S.B. 56 Real Estate Listing Agreement Provisions (L. A. Mansell)

MOTION: Sen. Mansell moved to adopt **1st Sub. S.B. 56**.

The motion passed unanimously with Sen. Hickman, Sen. Waddoups, Sen. Davis and Sen. Mayne absent for the vote.

Sen. Mansell explained the bill assisted by Chris Parker, Office of Legislative Research and General Counsel.

Christopher Kyler, CEO, Utah Association of Realtors, spoke in support of the bill.

MOTION: Sen. Hickman moved to pass **1st Sub. S.B. 56** out favorably.

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

2. S.B. 64 Real Estate Transactions and Securities (L. A. Mansell)

The following amendments were distributed:

1. Page 2, Line 34: Delete line 34
2. Page 2, Line 36: After line 36 insert "**61-2-11.5**, Utah Code Annotated 1953"
3. Pages 18-22, Lines 549-649:

Delete lines 549-649 and after line 649 insert:

"Section 4, Section **61-2-11.5** is enacted to read:

61-2-11.5. Investigations related to an undivided fractionalized long-term estate.

In addition to any action authorized by Section 61-2-11, in relationship to the offer or sale of an undivided fractionalized long-term estate:

(1) the division may make any public or private investigation within or outside of this state as the division considers necessary to determine whether any person has violated, is violating, or is about to violate this chapter or any rule or order under this chapter;

(2) to aid in the enforcement of this chapter or in the prescribing of rules and forms under this chapter, the division may require or permit any person to file a statement in writing, under oath or otherwise as to all facts and circumstances concerning the matter to be investigated; and

(3) for the purpose of the investigation described in Subsection (1), the division or any employee designated by the division may:

(a) administer oaths and affirmation; or

(b) take any action permitted by Section 61-2-11 including:

(i) subpoena witnesses and compel their attendance;

(ii) take evidence; and

(iii) require the production of any books, papers, correspondence, memoranda, agreement, or other documents or records relevant or material to the investigation."

MOTION: Sen. Mansell moved to adopt the amendments.

The motion passed unanimously with Sen. Killpack and Sen. Mayne absent for the vote.

Speaking in support of the bill were: Robert Thorup, Attorney, Ray Quinney & Nebeker; Gary Leavitt, President, Realty NET Advisors; and Blaine Walker, Utah Association of Realtors.

Speaking in opposition to the bill were: Dave Weyment, Deputy County Attorney, Utah County; Gary Beynon, CEO, OMNI Brokerage, Inc.; and Greg Paul, OMNI Brokerage.

Speaking to the bill were: Russell Skousen, Executive Director, Department of Commerce, and John Temple, President, 1031 Property Watch.

MOTION: Sen. Hickman moved to pass the bill out favorably as amended.

The motion pass unanimously.

3. S.B. 174 Security Service Amendments (R. Allen)

Sen. Allen explained the bill.

Jack Gardner, Branch Manager, Brinks Security, spoke in support of the bill.

MOTION: Sen. Davis moved to pass the bill out favorably.

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

MOTION: Sen. Hickman moved to adjourn.

The motion passed unanimously at 5:35 p.m.