

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

**February 7, 2007**

**MEMBERS PRESENT:** Rep. John Dougall, Chair  
Rep. Craig A. Frank, Vice Chair  
Rep. Roger Barrus  
Rep. Ron Bigelow  
Rep. Tim M. Cosgrove  
Rep. Wayne A. Harper  
Rep. Gregory H. Hughes  
Rep. Christine Johnson  
Rep. Bradley G. Last  
Rep. Roz McGee  
Rep. Carol Spackman Moss  
Rep. Merlynn T. Newbold  
Rep. Aaron Tilton  
Rep. Carl Wimmer

**MEMBERS ABSENT:** Rep. Gordon E. Snow

**STAFF:** Bryant Howe, Assistant Director  
Rosemary Young, Secretary

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

Rep. Dougall called the meeting to order at 2:01 p.m. Commissioner Pam Hendrickson of the Utah State Tax Commission at the chair's request explained that the "TC 23" is a monthly report from the tax commission of all the revenues collected by category, YTD collections and a comparison to last year. The report can be found on the web site tax.utah.gov.

**MOTION:** Rep. Johnson moved to approve the corrected minutes of the February 5, 2007 meeting. The motion passed unanimously.

**H.B. 142 Fee in Lieu of Property Tax Amendments (*Rep. R. Wheeler*)**

**MOTION:** Rep. Harper moved to delete in title and body H.B. 142 and replace it with 1st Substitute H.B. 142. The motion passed unanimously with Rep. Bigelow, Rep. Hughes, Rep. Last, Rep. Moss, Rep. Newbold, and Rep. Wimmer absent for the vote.

Rep. Wheeler introduced the bill and explained it to the committee. Roger Tew, Utah League of Cities and Towns, spoke to the bill.

**MOTION:** Rep. McGee moved to transmit 1st Sub. H.B. 142 with a favorable recommendation. The motion passed unanimously with Rep. Bigelow, Rep. Hughes, Rep. Last, Rep. Moss, Rep. Newbold, and Rep. Wimmer absent for the vote.

**MOTION:** Rep. Cosgrove moved that 1st Sub. H.B. 142 be place on the consent calendar. The motion passed unanimously with Rep. Bigelow, Rep. Hughes, Rep. Last, Rep. Moss, Rep. Newbold, and Rep. Wimmer absent for the vote.

**3rd Sub. H.B. 122 Clean Air and Efficient Vehicle Tax Credit (Rep. R. McGee)**

**MOTION:** Rep. McGee moved to delete in title and body 3rd Substitute H.B. 122 and replace it with 4th Substitute H.B. 122.

**SUBSTITUTE**

**MOTION:** Rep. Harper moved to delete in title and body 3rd Substitute H.B. 122 and replace it with 4th Substitute H.B. 122 with the following amendments:

1. Page 1, Line 2: Delete "CREDIT" and insert "INCENTIVES"
2. Page 7, Line 199: After "January 1," bracket "2001" and insert "2008"
3. Page 11, Line 306: After "January 1," bracket "2001" and insert "2008"

The motion passed unanimously with Rep. Bigelow, Rep. Last, and Rep. Newbold, absent for the vote.

Rep. McGee explained the fourth substitute to the committee.

**MOTION:** Rep. Frank moved to transmit 4th Sub. H.B. 122 as amended with a favorable recommendation. The motion passed unanimously with Rep. Bigelow, Rep. Last, and Rep. Newbold absent for the vote.

**H.B. 393 Truth in Bonding (Rep. G. Hughes)**

Rep. Hughes introduced the bill and explained it to the committee. LeGrand Bitter, Director, Utah Association of Special Districts, spoke to the bill.

**MOTION:** Rep. Wimmer moved to transmit H.B. 393 with a favorable recommendation. The motion passed unanimously with Rep. Bigelow absent for the vote.

**H.B. 308 Tax Me More Fund (Rep. G. Hughes)**

**MOTION:** Rep. Hughes moved to amend H.B. 308 as follows:

1. *Page 1, Line 1:*

1 TAX ME MORE FUND **- VOLUNTARY CONTRIBUTION TO PUBLIC  
EDUCATION**

2. *Page 1, Lines 23 through 24:*

23 ▶ requires the State Tax Commission to determine annually the contributions to  
the

24 Tax Me More Fund and deposit those contributions into the Tax Me More Fund;  
**▶ requires contributions credited to the Tax Me More Fund to be  
deposited into the Uniform School Fund;**

3. *Page 2, Line 42:*

42 59-10-550.3. Tax Me More Fund -- Interest -- Contribution to fund **-- Deposit of  
contributions into the Uniform School Fund** .

4. *Page 3, Lines 71 through 75:*

71 (7) The commission shall:

72 (a) determine annually the total amount of contributions designated in accordance  
with

73 this section; and

74 (b) credit the amount described in Subsection (7)(a) to the Tax Me More Fund  
created

75 by this section.

**(8) Amounts credited to the Tax Me More Fund shall be deposited into the Uniform  
School Fund.**

The motion passed unanimously with Rep. Bigelow absent for the vote.

Rep. Hughes introduced the amended bill and explained it to the committee. Sarah Wilhelm, Voices for Utah Children, spoke to the bill. During the discussion Rep. Dougall relinquished the chair to Rep. Frank.

**MOTION:** Rep. Harper moved to transmit H.B. 308 as amended with a favorable recommendation.

**SUBSTITUTE**

**MOTION:** Rep. Cosgrove moved to hold the bill in committee. The motion failed with Rep. Barrus, Rep. Bigelow, Rep. Cosgrove, Rep. Johnson, Rep. Last, Rep. McGee, and Rep. Moss voting in favor.

**SUBSTITUTE**

**MOTION:** Rep. McGee moved to proceed to the next item on the agenda. The motion failed with Rep. Bigelow, Rep. Cosgrove, Rep. Johnson, Rep. Last, Rep. McGee, and Rep. Moss voting in favor.

**SUBSTITUTE**

**MOTION:** Rep. Bigelow moved to amend the bill as follows:

5. Page 2, Line 1: After "MORE" insert "FOR EDUCATION"
6. Page 2, Line 44: After "More" insert "for Education"
7. Page 2, Line 45: After "More" insert "for Education"
8. Page 2, Line 48: After "Interest earned on the Tax Me More" insert "for Education"
9. Page 2, Line 49: At the beginning of line 49 insert "for Education"
10. Page 2, Line 53: After "More" insert "for Education"
11. Page 3, Line 74: After "More" insert "for Education"

The motion passed with Rep. Cosgrove voting in opposition.

**MOTION:** Rep. Barrus moved to transmit H.B. 308 as amended with a favorable recommendation. The motion passed with Rep. Cosgrove, Rep. Johnson, Rep. Last, Rep. McGee, and Rep. Moss voting in opposition.

Rep. Dougall resumed the chair.

**H.B. 158 Amendments to Transportation Provisions (Rep. W. Harper)**

**MOTION:** Rep. Harper moved to delete in title and body H.B. 158 and replace it with 1st Substitute H.B. 158. The motion passed unanimously with Rep. Hughes, Rep. Last, Rep. McGee, and Rep. Tilton absent for the vote.

Rep. Harper introduced the bill and explained it to the committee. The following individuals spoke against the bill:

Brian Bremner  
John Hill

Garfield County Engineer  
Utah Petroleum Marketers and Retailers Association

The following individuals spoke to the bill:

Lee Peacock	Utah Petroleum Association
Michael Jensen	Salt Lake County Council, Wasatch Front Regional Council
Shelly Cordon-Teuscher	Tesoro
Barbara Thomas	Salt Lake County Council of Governments
Brent Gardner	Utah Association of Counties
David Creer	Utah Trucking Association
Steve White	Utah County Commission

The following individuals spoke for the bill:

Chip Dawson	City of South Jordan
Chuck Chappell	Wasatch Front Regional Council

**MOTION:** Rep. Frank moved to amend H.B. 158 as follows:

1. *Page 1, Lines 23 through 25:*

23       ▶ provides that beginning on July 1, 2009 until December 31, 2018, the  
motor fuel and special fuel tax rate shall be increased ~~{or decreased}~~ by  
2 cents  
24 every two years in the odd numbered year ~~{based on the actual percentage~~  
change in the consumer price index  
25 over the previous two calendar years} ;

2. *Page 14, Lines 412 through 420:*

412       (c) (i) Beginning on or after January 1, 2009 and until December 31, 2018 , the  
commission shall, every two years in  
413 the odd numbered year, increase ~~{or decrease}~~ the rate imposed under  
Subsection (1)(a) by ~~{an amount equal~~  
414 to the actual percentage change in the Consumer Price Index during the previous two  
calendar  
415 years rounded up to the nearest half penny} 2 cents .  
416 ~~{(ii) For purposes of Subsection (1)(c)(i), the commission shall calculate the~~  
Consumer  
417 Price Index as provided in Sections 1(f)(4) and 1(f)(5), Internal Revenue Code.  
418 ~~—(iii)}~~ (ii) The adjusted fuel tax rate shall take effect on January 1 in a year that  
the fuel tax

- 419 rate is required to be adjusted in accordance with Subsection (1)(c)(i).  
420            ~~(iv)~~    (iii) In accordance with Title 63, Chapter 46a, Utah Administrative  
                  Rulemaking Act,

The motion passed with Rep. Cosgrove, Rep. Johnson, Rep. McGee, and Rep. Moss voting in opposition; and Rep. Bigelow, Rep. Hughes, Rep. Last, and Rep. Tilton absent for the vote.

**MOTION:** Rep. Wimmer moved to amend 1st Sub. H.B. 158 as follows:

- |    |                         |                      |
|----|-------------------------|----------------------|
| 3. | Page 2, Lines 31-32:    | Delete lines 31-32   |
| 4. | Page 3, Line 57:        | Delete line 57       |
| 5. | Page 25, Lines 764-769: | Delete lines 764-769 |
| 6. | Page 26, Lines 770-800: | Delete lines 770-800 |
| 7. | Page 27, Lines 801-831: | Delete lines 801-831 |
| 8. | Page 28, Lines 832-839: | Delete lines 832-839 |

And renumber the remaining sections accordingly

The motion passed unanimously with Rep. Bigelow, Rep. Last, Rep. Moss, and Rep. Tilton absent for the vote.

**MOTION:** Rep. Wimmer moved to transmit 1st Sub. H.B. 158 as amended with a favorable recommendation. The motion passed with Rep. Cosgrove, Rep. Johnson, and Rep. McGee voting in opposition.

**H.B. 141      Health Insurance and Health Care Payment Amendments (*Rep. B. Daw*)**

Rep. Daw introduced the bill and explained it to the committee. The following individuals spoke to the bill:

Kelly Atkinson	Utah Health Insurance Association
Dave Gessel	Utah Hospital Association
Paul Mero	Sutherland Institute
Brad Kinhausen	Utah Association of Health Underwriters

The following individuals spoke against the bill:

Judy Hillman	Utah Health Policy Project (handout)
Gayle Ruzicka	Eagle Forum

The chair proceeded to the next item on the agenda.

**H.B. 238      Municipal Telecommunications License Tax Amendments (*Rep. W. Harper*)**

Rep. Harper introduced the bill and explained it to the committee.

**MOTION:**    Rep. Frank moved to transmit H.B. 238 with a favorable recommendation. The motion passed unanimously with Rep. Bigelow, Rep. Hughes, Rep. Moss, Rep. Newbold, and Rep. Tilton absent for the vote.

**MOTION:**    Rep. Wimmer moved to adjourn. The motion passed unanimously with Rep. Bigelow, Rep. Hughes, Rep. Moss, Rep. Newbold, and Rep. Tilton absent for the vote.

Rep. Dougall adjourned the meeting at 4:53 p.m.

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Rep. John Dougall, Chair