

BUSINESS REGULATION AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kim F. Coleman

Senate Sponsor: _____

LONG TITLE**General Description:**

This bill enacts provisions related to the regulation of certain businesses and provisions related to certain commercial activity at an airport.

Highlighted Provisions:

This bill:

- defines terms;
- prohibits a public entity from regulating a peer-to-peer company or a peer-to-peer seller in the same manner as certain businesses;
- prohibits a public entity from regulating a peer-to-peer transaction in the same manner as certain business transactions;
- prohibits a city from regulating an incidental commercial activity at an airport as a commercial activity; and
- permits a city to establish a fee for an incidental commercial activity under certain circumstances.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:



28 **13-54-101**, Utah Code Annotated 1953
29 **13-54-102**, Utah Code Annotated 1953
30 **13-54-201**, Utah Code Annotated 1953
31 **72-10-701**, Utah Code Annotated 1953
32 **72-10-702**, Utah Code Annotated 1953

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34 *Be it enacted by the Legislature of the state of Utah:*

35 Section 1. Section **13-54-101** is enacted to read:

36 **CHAPTER 54. PEER-TO-PEER PLATFORM ACT**

37 **Part 1. General Provisions**

38 **13-54-101. Title.**

39 This chapter is known as "Peer-to-Peer Platform Act."

40 Section 2. Section **13-54-102** is enacted to read:

41 **13-54-102. Definitions.**

42 As used in this chapter:

43 (1) "Peer-to-peer company" means an entity that uses a peer-to-peer platform to
44 connect independent individuals who agree to exchange a product or service.

45 (2) "Peer-to-peer platform" means an Internet-connected software service:

46 (a) that a peer-to-peer company provides; and

47 (b) through which independent individuals agree to exchange a product or service.

48 (3) "Peer-to-peer seller" means an individual who uses a peer-to-peer platform to offer
49 a product or service to another individual.

50 (4) "Peer-to-peer transaction" means an exchange:

51 (a) that a peer-to-peer company facilitates; and

52 (b) between two independent individuals whom the peer-to-peer company described in

53 Subsection (4)(a) does not employ.

54 (5) "Public entity" means:

55 (a) the state; or

56 (b) a political subdivision of the state.

57 (6) (a) "Service" means a service that a peer-to-peer seller provides to an individual.

58 (b) "Service" does not include a peer-to-peer platform or a peer-to-peer transaction.

Section 3. Section **13-54-201** is enacted to read:

Part 2. Regulation

13-54-201. Prohibition of regulation.

(1) Except as specifically authorized in statute, a public entity may not regulate:

(a) a peer-to-peer company or a peer-to-peer seller in the same or substantially similar manner as a business that offers the same product or service to the public; or

(b) a peer-to-peer transaction in the same or substantially similar manner as a transaction that a business offering the same product or service to the public facilitates.

(2) A public entity may regulate a peer-to-peer company in a manner prohibited under Subsection (1)(a), if the peer-to-peer company manufactures, owns, or distributes the product, or provides the service, for which the peer-to-peer company facilitates a peer-to-peer transaction.

(3) Any tax owed as part of a peer-to-peer transaction is the obligation of the independent individuals who agreed to exchange the product or service and not the peer-to-peer company.

Section 4. Section **72-10-701** is enacted to read:

Part 7. Airport Commercial Activities

72-10-701. Definitions.

As used in this part:

(1) (a) "City" means a municipality of the first class, as defined under Section [10-2-301](#), that:

(i) is authorized by statute to operate an airport; and

(ii) operates an airport with more than 10 million annual passengers.

(b) "City" includes a city's enterprise fund.

(2) "Incidental commercial activity" means a commercial activity that:

(a) (i) occurs inside an airport building; and

(ii) is exclusively conducted with a person off the airport property using electronic means; or

(b) (i) occurs outside an airport building on airport property; and

(ii) is exclusively comprised of:

(A) dropping off or picking up an individual; or

(B) transferring a vehicle to another individual.

(3) "Peer-to-peer company" means the same as that term is defined in Section

13-54-102.

Section 5. Section **72-10-702** is enacted to read:

72-10-702. Regulation of commercial activity at an airport.

(1) A city shall regulate an incidental commercial activity as if the activity is not commercial in nature.

(2) Notwithstanding Subsection (1), a city may establish a per-transaction fee for an incidental commercial activity if the fee is based on the actual impact of the activity on airport property.