



UTAH STATE SENATE

UTAH STATE CAPITOL COMPLEX • 320 STATE CAPITOL
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March 8, 2019

Mr. President,

The Business and Labor Committee reports a favorable recommendation on **S.B. 262**, SALES REPRESENTATIVE COMMISSION PAYMENT ACT AMENDMENTS, by Senator K. A. Cullimore, with the following amendments:

1. *Page 1, Lines 14 through 15:*

14 ▶ excludes a participant in a ~~{multilevel marketing}~~ direct sales
company from the definition of
15 "sales representative"; and

2. *Page 2, Lines 41 through 54:*

41 (3) (a) " ~~{Multilevel marketing}~~ Direct sales company" means a person
that:
42 (i) sells, distributes, or supplies for consideration a good or service through
43 participants:
44 (A) at different levels of distribution; or
45 (B) in accordance with a formula for compensating participants in whole or in part
46 based on:
47 (I) the sale of a good or service; and
48 (II) the recruitment of or the performance or action of another participant; and
49 (ii) (A) permits participants to recruit other participants to sell, distribute, or supply
 for
50 consideration the person's good or service; or
51 (B) provides for commission, cross-commissions, override commissions, bonuses,

Bill Number



SB0262

Action Class



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Action Code



SCRAMD

- 52 refunds, dividends, or other consideration that is or may be paid as a result of:
53 (I) the sale of a good or service; or
54 (II) the recruitment of or the performance or action of another participant.

3. *Page 3, Lines 81 through 82:*

- 81 (vii) an independent agent, contractor, or distributor through whom a {~~multilevel~~
82 marketing} direct sales company supplies for consideration a good or service.

Respectfully,

Curtis S. Bramble
Chair

Voting: 5-0-3

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