

**UTAH STATE TAX COMMISSION  
MEETING MINUTES**

9:00 a.m., Wednesday, February 23, 2011

Commission Hearing Room 1025, 210 North 1950 West, Salt Lake City, Utah

**Participating:**

R. Bruce Johnson - Commission Chair  
Marc B. Johnson - Commissioner  
D'Arcy Dixon Pignanelli - Commissioner  
Michael J. Cragun - Commissioner

**Excused:**

Barry Conover - Interim Executive Director

**Commission Staff Present:**

Lynn Solarczyk, Legislative and Government Affairs Director  
Christa Johnson, Commission Executive Assistant  
Charlie Roberts, Public Information Officer

Note: A list of others present, a copy of related materials and an audio recording of the meeting can be obtained from the Office of the Commission at 801-297-3901.

**I. Call to Order**

Commission Chair B. Johnson called the meeting to order at 9:00 a.m.

**II. Public Comment** (members of the public wishing to address the Commissioners for up to three minutes on matters not related to a pending or reasonably imminent appeal to the Tax Commission)

Commission Chair B. Johnson noted that no one wished to address the Tax Commissioners.

**III. Consider Approving Minutes Of Previous Meetings**

MOTION: Commissioner Cragun moved approval of the February 10, 2011 Commission Meeting minutes as presented. The motion passed unanimously.

**IV. Commission Business**

**a. Consider Tax Commission positions on pending legislation**

**i. Recommended positions on bills:**

1. Tax Commission Bills (A): SB 188 Tax Commission Amendments

Commissioner Dixon asked for clarification on who was recommending the positions on the bills – the Director of Legislation, the Commission Chair or the Interim Director. Commission Chair B. Johnson stated he and Ms. Solarczyk were making the recommendations.

Commissioner Cragun reported on SB 188 - Tax Commission Amendments. This bill exempts the Tax Commission from the Open and Public Meetings Act when considering or acting on confidential tax matters and conducting hearings; grants rulemaking authority to the State Tax Commission to establish procedures and requirements related to a meeting that is not open to the public. He also stated that the current status of the bill has been placed on the 2nd reading calendar of the Senate.

MOTION: Commissioner Cragun moved to prioritize SB 188 - Tax Commission Amendments, as an (A) Tax Commission Bill. The motion passed unanimously.

## **2. Other bills (C) No position:**

HB 126, HB 156, HB 277, HB 280, HB 282, HB 286, HB 301, HB 303, HB 320, HB 323, HB 352, HB 371, HB 416, HB 440, SB 76, SB 82, SB 187, SB 188, SB 222, SB 226, SB 259, SB 262, SB 270, SB 276, SB 284, SB 296, SB 313

Ms. Lynn Solarczyk discussed SB 276, and answered the Commissioners questions.

Commissioner Dixon suggested that the Commission add (E) Appropriation Committee Bill to the Tax Commission Legislative Priority Report for SB 276 - Personal Property Audits and HB 440 - Beer Tax Amendments.

MOTION: Commissioner Dixon moved to prioritize as (E) Appropriation Committee Bill on the Tax Commission Legislative Priority Report, SB 276 - Personal Property Audits and HB 440 - Beer Tax Amendments. The motion passed with Commissioner B. Johnson, Dixon and Cragun voting aye and Commissioner M. Johnson voting nay.

Commissioner M. Johnson noted that his concern with SB 276 - Personal Property Audits is that it will shift the auditing cost to the counties with no additional funding to counties. He is also not sure the Tax Commission has an obligation under the Constitution to do these audits.

Commission Chair B. Johnson asked if any commissioner wanted to recommend a position on bill.

Commissioner Dixon wanted to share she had been contacted by a representative of the Utah Farm Bureau regarding SB 82-Urban Farming Assessment. The Bureau has a non-voting member on the State Farmland Evaluation Advisory Committee, which recommends productive values for farmland. These values are then adopted by administrative rule by the Commission. There are questions on how values of the farmland covered under the bill will be determined.

Noting no motions Commission Chair Johnson stated the Commission would not take a formal position on the remaining pending legislation listed on the agenda.

**b. Discuss HB 54 Substitute 2 - Electronic Communications in Public Meetings**

Commissioner Cragun reported on HB 54 - Electronic Communications in Public Meetings. He stated that this is the third version of the bill and that the second version of the bill has already been passed by the House. Commissioner Dixon asked if the new language in the new substitute of HB 54 Electronic Communications in Public Meetings could cause a conflict with SB 188 Tax Commission Amendments.

Commissioner Chair B. Johnson asked Commissioner Cragun and Commissioner Dixon to contact Senator Valentine regarding the possible conflicts with the bills.

**c. Consider amending Administrative Rule 861-1A-43, Electronic Meetings Pursuant to Utah Code Ann. Section 52-4-207.**

Commissioner Cragun stated that the proposed amendment to Rule 861-1A-43- Electronic Meetings deletes language that limited commissioner participation electronically in meetings to considering administrative rules and deletes language that is internally redundant. He said that the rule was submitted on December 21, 2010, and the last day for public comment was on February 14, 2011. He also said that there was no public comment brought to his attention on the proposed amendment.

MOTION: Commissioner Cragun moved to approve the amendment to Administrative Rule 861-1A-43, Electronic Meetings Pursuant to Utah Code Ann. Section 52-4-207. The motion passed unanimously.

**V. Commissioner Reports**

Commissioner M. Johnson said that the Utah State Tax Commission issued a new Revenue Summary on Wednesday, February 16, 2011. He reported that the fiscal year 2011 growth for General and Education was 12.6 percent and that the total fiscal year 2011 growth for Transportation was 15.0 percent.

Commissioner Cragun stated that the Tax Commission Executive Director position application period ended Tuesday, February 22, 2011, and that the Commission received 41 applicants. He also said that in order for the Senate to approve the Commissioners appointment at its April meeting, the Commissioners would need to submit their nominee to the Senate no later than April 5, 2011 after consultation with the Governor.

Commissioner Chair B. Johnson asked that Commissioner Cragun make a brief outline on how the Commission will proceed under the Open and Public Meeting Act with interviewing applicants for the Tax Commission Executive Director position. He also asked that Linda Whitney with Human Resources send an acknowledgement letter to all the applicants who applied for the Tax Commission Executive Director position.

**Adjourn**

MOTION: Commissioner M. Johnson moved to adjourn. The motion passed unanimously.

Commission Chair B. Johnson adjourned the meeting at 10:00 a.m.

Approved on: March 3, 2011

Attested: Christa Johnson  
Executive Assistant  
Utah State Tax Commission