

**Representative Kim F. Coleman** proposes the following substitute bill:

**BUSINESS REGULATION AMENDMENTS**

2019 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Kim F. Coleman**

Senate Sponsor: \_\_\_\_\_

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**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



26 **Utah Code Sections Affected:**

27 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



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.

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

60 **Part 2. Regulation**

61 **13-54-201. Prohibition of regulation.**

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

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

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

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

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

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

75 **Part 7. Airport Commercial Activities**

76 **72-10-701. Definitions.**

77 As used in this part:

78 (1) (a) "City" means a municipality of the first class, as defined under Section  
79 [10-2-301](#), that:

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

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

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

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

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

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

87 (B) between two or more individuals, each of whom is in the course of patronizing the

88 airport for travel purposes; or

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

90 (ii) is part of a peer-to-peer transaction;

91 (iii) is not a prearranged ride as defined in Section [13-51-102](#); and

92 (iv) is comprised of the transferring of a vehicle to another individual.

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

94 [13-54-102](#).

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

96 **72-10-702. Regulation of commercial activity at an airport.**

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

98 commercial in nature.

99 (2) Notwithstanding Subsection (1), a city may establish a per-transaction fee for an  
100 incidental commercial activity if the fee is:

101 (a) based on the actual impact of the activity on airport property; and

102 (b) uniformly applied to all persons who make the same or similar impact on airport  
103 property, regardless of whether the person makes the impact in connection with an incidental  
104 commercial activity.