

Feb 9 LPC Minutes

## **Welcome**

Welcome by Lynn Pace.

Mr. Pace extended thanks to USU for making the broadcast available.

Mr. Pace pointed out that the next item on the agenda was the approval of minutes, but noted that there was an issue in getting last week's minutes posted early enough for everyone to review them. He said that the following LPC all minutes that had not yet been approved would be ratified.

Mr. Pace said that we would skip item 2 on the agenda for now until all those who will be speaking can make it.

## **Second Week Successes**

Cameron Diehl took some time to cover last week's bills.

HB 25, a water bill that LPC passed a resolution in September to endorse had run into some "snags" that were related to outside efforts trying to tie bills to it, but that is currently not the case.

SB 69 was in committee on Friday. This bill would require 50% of fleet replacement to be replacements of high-efficiency or alternative-fuel vehicles. Ogden was in that committee hearing and was a great resource in sharing their experience in converting to CNG. The committee held the bill, stating they wanted to look at alternative funding sources and get a better idea of the total cost of the bill. Mr. Diehl said that it would be helpful if cities sent us information to answer the following questions:

- How big is your fleet?
- In the current fleet, how many are alternative or high efficiency?
- What type of infrastructure is in place?

Mark Christensen asked about the infrastructure piece that comes along with having CNG vehicles, and how it is being addressed.

Mr. Diehl answered that that concern was also brought up in the committee, especially as it relates to the more rural areas of the state, and noted that that concern resonated with the committee.

Chuck Newton with south Jordan spoke the CNG fueling station, and mentioned that he had talked to Questar about putting in the infrastructure. Questar said that they

help with the infrastructure cost, but rural areas will need to discuss it further for cost sharing.

Law Enforcement related issues. SB 82 is Senator Urquhart's bill on forceful entry. Sen. Urquhart committed last week to hold the bill and have a conversation in the committee about the bill, which is what took place. Collection of law enforcement groups, along with the League in working out a solution on this bill.

Dave Spatafore, who works with the police chiefs, said Urquhart has language and is looking it over.

Mr. Diehl thanked the attorneys that have been involved in getting that language drafted.

A meeting with Representative Dan McCay and many stakeholders took place last Monday that lasted 2 ½ hours. The meeting was on Rep. McCay's bill about body worn cameras for law enforcement and the issues the bill has, including the rebuttable presumption. Gary Williams, the city attorney for Ogden has been working on language for that bill.

Mr. Spatafore thanked Mr. Williams for his work, and said that at one point the language had been accepted, but has since that time been rejected. He informed us that Rep. McCay wanted to have another meeting to discuss the language, but that meeting is currently on hold.

Mr. Diehl wants to make sure that ULCT staff has the appropriate pulse of the LPC on the issue of body worn cameras.

Lynn Pace stated that on most of these bills we have been working on them to fix them and live with whatever comes out. Mr. Pace stated that he assumed that LPC has not adopted the policy to try to kill these bills.

Chuck Newton from South Jordan said that we need to be ready to kill Rep. McCay's bill.

Lynn said it might go without saying, that if we can't fix these bills, we will take that position.

Mayor Brent Taylor of North Ogden expressed that he is in complete agreement with Mr. Newton, and that he would like to see Rep. McCay's bill killed.

### **Upcoming Focuses**

Roger Tew, ULCT staff addressed HB 181. Mr. Tew said when we talk about the term "sales tax distribution" we think about the formula. He shared that when we talk about distribution in general, we can be talking about sourcing, which is a change in

distribution, and stated that the League is always very skeptical of anything that changes the sourcing or distribution. He briefly explained that the bill makes changes to where the money from buying a car goes.

Mr. Pace said he felt it would be appropriate to have a discussion to the position of LPC on the issue, or entertain a motion to take a position on the bill.

Jan Wells from Murray moved to make a motion of reaffirming a previous position of opposing HB 181. Several seconds to the motion were heard. Some opposition, but the motion passed, making the position of the LPC on of opposition to HB 181.

### **HB 77 Postretirement Employment**

Mr. Pace was informed that Representative Cunningham was on his way to the meeting, so item 2 on the agenda would now be addressed.

Senator Okerlund was the first to address the LPC on HB 77. He shared the he is supporting this because it is dealing with rural issues of getting good people to fill positions that need to be filled. He stated that it is harder for the more rural areas to fill positions when they open up. He made it clear that he is not in favor of double dipping, but this is a problem in those smaller areas if they can't hire those who have retired, that have a wealth of knowledge and experience. He shared that they wouldn't be getting a second retirement if they started working again after they retired.

Representative Cunningham apologized for being late and being stuck on the floor. Said this bill isn't about double dipping, but deals with post retirement individuals who are qualified to fill positions around the state. Suggested that this bill doesn't change what is already in the law, but adds a few options. He mentioned that it makes so a person can't retire in place or hold jobs. Feels that those who retire often want to get back to work, and we should be able to utilize their qualifications in the work place. Rep. Cunningham gave examples of teachers and police officers in various places around that state that are negatively affected by the current law. He then shared how his bill addresses the unfunded liability issue. Shared that the baby boomer issue is one of the greater issues Utah is going to face, and that his bill is to going to help make things better and easier on the state. He mentioned that there is a new fiscal note on the bill that will be released later in the day, and that the note is smaller than the original one. Shared that as he has moved forward with addressing this issue he has found that it is not just a rural area issue, and that many areas on the Wasatch Front are dealing with the same issue. He then complimented former Senator Liljenquist on his efforts in the past on working on this issue.

Mark Christensen from Saratoga Springs brought up a fiscal note issue related to a social security issue for a number of cities.

Rep. Cunningham said there are many issues that will still need to be addressed, and that he is willing to continue to talk about issues that need to be addressed.

Former Senator Liljenquist then addressed the LPC, and said he wanted to be clear that Rep. Cunningham's bill would completely undo what was done in recent years to address retirement issues in Utah. A solution he says was carefully crafted and unanimously supported by LPC. He acknowledged that there are some very real issues that still exist in the rural and Wasatch Front areas, but that Rep. Cunningham's bill doesn't address those issues. He claims that this bill would reinstate incentives that were shown to be broken, including well connected people essentially switching jobs at the end of their careers. He noted that the fiscal note that everyone will see later in the day will show that Rep. Cunningham's bill is going to raise everyone's contribution rates.

Mark Seethaler with South Jordan City Council said that it seems to him that there are two issues. One is the current retirement system is one that permits early retirement that at some point will be paying out the pension on that retirement. The second is that positions go unfilled because qualified applicants are not readily available. Mr. Seethaler suggested that preventing people from retiring early is the answer.

Mr. Liljenquist responded that what the current law does is allows these people to come back to work, and that it fixed the problem of people retiring after 20 years and switching jobs instead of working 25 years and retiring.

Mark said it sounds like they are both saying essentially the same thing. That it doesn't matter how long someone is retired before they go back to work, it matters when they retire relative to their years of service. Isn't it true that if they were required to have the full number of years to retire that it would solve the problem?

Mr. Liljenquist's response was that the actuary on when someone is first eligible to retire. He mentioned that the actuaries base it on when they actually physically retire. He said that the movements of retiring early is what cost the pension system so much, because they had been artificially increased because people weren't actually retiring, they were just switching jobs.

Jamie Davidson with Orem said it was painful last time and will painful this time. His question to body as a whole, do we want to change this again? The world is moving toward a defined contribution. Mr. Davidson said that he feels there is a wage issue more than anything.

Mr. Liljenquist agreed that there is a wage issue, especially in public safety. He suggested that if he were doing it he would systematically fix the wage issue.

Gary Crane from Layton said that he was wondering what the thinking behind the one year time period is, as opposed to the 60 day time period.

Mr. Liljenquist said that the 60 days was too short. He explained that school teachers only had to wait over the summer before switching to another job in another school district, sometimes even lining up a job before they left their old job. Thought the year of separation was an adequate time frame of separation.

Rep. Cunningham addressed the body once more. He shared that there are issues with how the unfunded liability is playing out, and that something needs to be done. He then shared his background, suggesting that how things currently are will not work, and that the fiscal note on the bill is based on actuarial data. He also pointed out that the data being used by Mr. Liljenquist is 6 years old. He shared that the fire and police chiefs did not support the last bill. He said they were told take the deal and the money will come back. He says they still haven't made it back, suggesting that the bill hasn't worked out, and things need to be fixed.

Mr. Pace thanked them both for coming to speak to us. He asked if the LPC was interested in taking a position on the bill?

Chuck Newton, after an explanation that there are still some issues, it is worth moving forward with, and moved to support Rep. Cunningham's HB 77. There was and a second to the bill.

Mayor Taylor from North Ogden had some discussion to the motion. He voiced a his concern that the LPC was moving too quickly on a bill that will have significant impact on our cities and towns, and that he spends a good deal of time defending the retirement plans for the cities public employees right now, and that HB 77 would be opposed by most tax payers.

Ron Bigelow, West Valley. Of any issue coming before you, retirement should be done the slowest of all because the ramifications will last for decades. Feels the time frame we are operating in is very suspect. Would like a year, at least, to look at this. Cautioned everyone on taking a position on the issue at this time, and said he is going to oppose the motion.

Karianne Lisonbee with Syracuse stated that she felt it was too soon to vote on a position on the bill and made a substitute motion to table the issue and discuss it more at a later time. Dama Barbour of Taylorsville seconded the substitute motion. Motion passed.

### **Requested Information from ULCT Staff to LPC Members**

Mr. Diehl then took the floor once again to cover a range of other issues, stating that the transportation discussion would be saved for the end.

He first addressed the GRAMA appeals bill, and thanked the cities that responded. Mr. Diehl shared that the League is working to defeat the bill. The League heard back

from 26 cities that said they have their own appeals process. Mr. Diehl informed the LPC that the bill would strip that process.

Mr. Diehl then moved to the video streaming bill. The League is working on some guiding principles for the representative. He stated that through some research it was discovered that there is no standards in state law that govern what takes place on the House and Senate floor recordings, which the representative found surprising. Mr. Diehl shared that the League had heard back from 34 cities and towns on this issue. He thanked those cities as well as Finn Kofoed with the Utah Municipal Clerks Association for spreading the word.

Mr. Diehl then asked the cities to please continue to send the League information on SB 69.

### **Transportation**

Mr. Pace excused Ken Bullock who had other meetings he had to be to. Mr. Pace stated that the transportation subject has primarily three parts. He brought up two bills dealing with transportation that are currently in the Senate. One of the bills increases the gas tax by .10 cents a gallon with no index sponsored by Senator Van Tassel. Its number is SB 60. Senator Jackson doesn't raise the gas tax, but converts it to a gas sales tax, that would be revenue neutral today. Shared that we expect to see a bill from Representative Johnny Anderson in the House. This bill deals with the .25 cent tax increase. Dialogue on that is still continuing.

Cam said he met with Rep. Anderson many times last week, and expect language soon. What Rep. Anderson has relayed to Mr. Diehl and others, is that the .25 cent would be split .1 to cities, .1 to UTA for those inside UTA districts, and .05 for counties. For those areas that are outside of the UTA area, Mr. Diehl mentioned that there situations have been sent to Rep. Anderson, and will make sure that they are included in that discussion about transit funding. The House, however, is still not clear on what the imposing mechanism would be. Rep. Anderson favors a voter approved increase, but it still isn't settled in the house.

There was a question about the split of funds in Anderson's bill. The question was what would be the case in a county where only a portion is covered by transit?

Mr. Diehl answered that there are still some issues that need to be worked out, and that is one of them.

Another question asked was will the sales tax still be subject to the 50/50 formula?

Mr. Diehl responded that it depends on who imposes it. Our preference would be that the cities do it. Brought up the issues of a mixed bag of counties and cities adopting and imposing.

Heather Pehrson with Bluffdale asked how we got to a .25 cent. Explaining that at the Legislative Roundup she had heard a higher number.

Mr. Pace explained that the LPC had previously adopted a bill that included the .25 cent option. He said since our proposal has been out on the table, there have been other ideas brought forward by the counties and UTA. He recounted that last year UTA was up here looking for a .25 cent.

Dama Barbour with Taylorsville said that she had a question about the League's proposal, and that is who will impose the tax.

Mr. Pace explained that the League's original proposal was the taxed to be imposed city by city, but that could change. To which Ms. Barbour responded that she had a problem with that.

Micheal from South Weber recalls earlier talks about what cities would be able to spend the money on.

Cameron answered saying that the new broader definition of transportation that has been pushed by the League is widely accepted by legislators, allowing for the sales tax option to be open to discussion.

Roger Tew stepped in to give some insight. He brought up two issues. The first is who imposes the tax. The second is how does it get divided up. Roger explained that whichever entity imposes the tax, is the one who owns it and is responsible for dividing it up.

Ron Bigelow from West Valley mentioned that the LPC had taken a position on a concept that most matches the bill that is starting in the House. He clarified that the LPC has not yet taken a position on the Senate proposals. His concern is that if he were representing his city on this, he would say that they support a revenue increase, but at this point the Senate proposals haven't been officially supported by the LPC. His concern is that the bill in the House continues to morph and change. He candidly shared that he had been up on the hill doing some of his own lobbying, nothing hard, just sharing ideas. Has made the statement to the Speaker that the easiest solution is the gas tax because the money is set as to how it is divided. The .25 cent is still up to negotiation, and is still an unknown. But if we do the .25 cent we won't actually be in the room when that final decision is made. Feels our position should be an increase in revenue that we want to be realistic, and happen this year.

Mr. Pace said that what was passed in September by the LPC supported a gas tax increase, an indexing of the gas tax, as well as the local option sales tax.

Mr. Diehl corrected Mr. Pace that only one senate gas tax bill has been put out.

**Ratify ULCT Bill List and ULCT Staff Recommendations**

Mr. Pace mentioned that League staff has posted positions on the bills in the League's tracking system.

Brent Taylor from North Ogden brought up HB 77 and wanted to make sure that the support will be taken off the League's bill tracking system. It was determined that HB 77 would be listed as neutral in the bill tracking system.

Mr. Pace asked for a Motion to endorse the positions on the bills.

Ken Bassett from Vernal wished to oppose HB 167 Asset Forfeiture Amendments. Second by Gary Crane, who shared that the police chiefs are against it because it limits the ability to use forfeiture funds.

Dave Spatafore said chiefs have also voted to oppose the bill.

Karianne Lisonbee with Syracuse said she feels it is a good bill that is a roll back of previous bills and did not support the motion.

Mr. Newton from South Jordan informed everyone that Congress is looking at entertaining laws on this, and made a substitute motion to remain neutral on the bill. Duncan Murray of South Weber City seconded the motion.

Mr. Crane wanted to speak to the substitute motion and make a note that none of us are experts on this subject, we rely on our groups that are experts, like our police chiefs. Encouraged everyone to vote against the substitute motion to remain neutral.

Voting on sub motion to remain neutral. Motion failed.

Mayor Bigelow moved to make a substitute motion to approve the League's bill list as it is, and come back to HB167 later. Mr. Pace ruled the motion out of order.

Mr. Pace entertained the original motion to oppose 167. Motion passed.

Mr. Pace then accepted a motion to approve the rest of the list. Several seconds were given. Mr. Pace then called for a vote to approve staff positions on League bills. The motion passed.

Mr. Diehl closed with a "thank you" to those cities that have passed the Transportation Resolution. The League has had 69 cities and towns representing 2/3 of the population in the state that have passed a resolution. If you haven't passed it yet please do so and pass them on to the League.