

**Utah League of Cities and Towns Legislative Policy Committee**  
**Meeting Minutes**  
**Monday, February 23, 2015**

**Welcome**

Lyn Pace gave the welcome for the meeting. He then announced that there would be a change in the order of the agenda, and that we would have a presentation by Representative Ward for the Healthy Utah proposal.

**Healthy Utah (Rep. Ray Ward)**

Rep. Ward addressed the LPC stating he would like to briefly discuss the Healthy Utah proposal. Stated it brings back \$450 Million in federal tax money by the year 2021, and there are secondary tax benefits that cascade down to all the other areas of the state. Stated that it is estimated that local taxes could benefit \$10 Million a year if that money does come back to our state. Rep. Ward encouraged the LPC to please support the Governor's plan. He stated it is the only plan that leverages that kind of money to come back to our state.

He also shared that it addresses criminal justice issues such as recidivism rates, mental health, and substance abuse, and that those need to be addressed if we are serious about criminal justice reform.

A question was asked about the bill's information.

Rep. Ward answered that it is Sen. Shiozawa's bill, and is SB 164. He stated that it is essentially the Governor's Healthy Utah Plan. Other bills that might happen include Senator Christensen has a bill that will cover 1/5 or 1/8<sup>th</sup> of the people. Had some naming issues, but will be called the Utah Cares Plan. He stated that it is less well defined, but still helpful to some people, but not as helpful as Governor's bill.

**Adoption of Minutes**

Lynn Pace asked for an adoption of the minutes from the meetings of January 26, February 2, and February 9.

A motion to approve the minutes was given by Mayor Seghini from Midvale. Several seconds were given to the motion. Motion passed unanimously and all of the minutes were adopted.

**Law Enforcement**

Cameron shared how Rep. Ward wanted to go first because of how Healthy Utah dovetails with HB 348. He mentioned that 2 articles that address HB 348 had been provided for the LPC. One of them was from Standard Examiner and the other from Salt Lake Tribune. HB 348 would cost 11-16 million/week, but provides an early assessment program to prevent rather than correct behavior. The biggest deal for the League is the reduction of charges of drug offenses, and those will have a direct impact on local government and local law enforcement. Part of the way that HB 348 would be funded is by Healthy Utah, but other options are being pursued, and HB 348

could go into effect by itself. The state estimates that it will save hundreds of millions of dollars. The politics is that the Governor, the Senate, and the House support the underlying concepts of the bill. Law Enforcement Legislative Committee (LELC) voted to oppose the bill as written. Mr. Diehl said that ULCT staff is looking to LPC for preliminary direction on how to pursue the bill.

A question was asked why LELC opposed the bill as written.

Keegan Rank of LELC said they opposed it because of current talk of amendments and not sure how to proceed with the bill knowing there are changes coming. They also mentioned the reduction of sentences.

Mark Johnson with Ogden said his biggest concern is passing may cause problems for cities if there is no funding. Will to support if passed with funding. Right now in favor of opposing until funding is guaranteed as part of the bill.

Cameron-Healthy Utah will cover part of the cost and a second funding source is still to be determined.

Steve Thacker with Centerville asked if there was any fiscal impact research that has been done.

Cameron said that is where the \$11-\$16 million came from.

Paul Cutler Mayor of Centerville asked the League to do research for impact on municipalities.

Cameron answered that the League would be willing to do that.

Duncan Murray with South Weber asked if the League has talked to prosecuting attorneys at city and county levels to make sure it is functional.

Cameron stated that the prosecutors have been the tip of the spear for opposing the bill.

Jeff Stenquist from Draper mentioned that in their discussions with legislators, that the legislators seem to want to tie to the prison relocation efforts to this bill.

Mr. Diehl agreed that, that is indeed the case.

Mayor Seghini said that it seemed to her that reducing the severity of sentences is tied to health care bill that assumes that upon arrest that you will be schedule for treatment. She said it seemed more like a catch and cure not catch and cage approach.

Cameron agreed that the bill is looking for treatment programs for prevention not just corrections. The issues are connected, but Healthy Utah may not pass this year.

Dama Barbour from Taylorsville asked if there anything about the competing plan to Healthy

Utah that would address covering costs of HB 348, stating that cities aren't able to cover those costs.

Cameron said that Utah Cares has not been tied to this bill publicly or privately so we don't know.

Mark from South Jordan said that in the article it shows that the length of stays is increasing saying that he is not convinced this program will help all of the individuals in the same way.

Cameron stated that screening is currently based on the type of crime, and that that may predict future crimes.

Lynn Pace wanted to see if the LPC should take a position on any of the bills discussed.

Mayor Seghini made a motion to support Healthy Utah, SB 164. There was a second to the motion. Mr. Pace asked for any discussion to the motion.

Paul Cutler with Centerville shared that he thought we should stay out of the debate and allow legislators to handle it.

Shellie Baertsch from Saratoga Springs felt it was too early to decide, while they are making changes to the bill, to support it at this time.

Lynn called for the vote. The motion failed on a close vocal vote. Mr. Pace stated that there was the option to bring it back next week.

Asked if anyone was interested in making a motion on HB 348.

Duncan Murray made a motion to oppose HB 348. There were a few seconds to the motion.

Mr. Pace called for discussion to the motion. There was no discussion. Mr. Pace then called for a vote on the motion to oppose HB 348. The motion passed. Mr. Pace stated that makes the League's position one of opposition to HB 348.

Cameron then addressed the LPC speaking on SB 82. He wanted to bring it back for review. He mentioned that there is still some language changing. At this point we are still working on it, but don't have more information.

Mr. Diehl then covered SB 157. He mentioned the bill as currently drafted doesn't allow for local appeals for GRAMA requests.

Gary Williams stated that this is a discussion between just using a state board for appeals, or using the local appeals process that many cities have in place. Mr. Williams shared that Sen. Bramble wanted to address video and audio of officer worn cameras. He shared that it was

decided in committee that that issue should be worked on over the next year due to how complicated it is.

Mr. Pace said that was the end of the general legislative update, and asked if there were any other items to be discussed before the transportation discussion.

Chip Dawson from South Jordan brought up SB 197, which is a bill that takes away the ability of animal shelters to use gas or carbon monoxide chambers to euthanize animals, and would require the dismantling and removal of those chambers from the shelter. He informed everyone that the bill was going to be in committee later that day at 4 o'clock.

Gary Crane from Layton informed everyone on Rep. Brad Dee's HB 343 bill, which deals with 911 issues. The bill is currently requesting funding at .71 cents in additional funding. This would go to pay for radios, which currently cost \$25 month per radio. He shared that Gary Hill may have more information but felt that things were headed in a good direction.

Shawn Guzman with St. George said that they still have a few questions about the bill. He wanted to know if the bill will fund radios from the get go still, or will it be in the future after the infrastructure needs are met first.

Gary Crane acknowledged that Shawn's questions still needed to be straightened out, but felt that the bill should be supported. He then made a motion to support HB 343. Lynn received several seconds to the motion. There was no discussion to the motion. It passed with some limited opposition.

Gary Crane then spoke to HB 385, which is a building inspector and fire code bill. He mentioned that most issues were resolved but that there were still some concerns about the bill not passing the 2015 code or allowing for local fire codes to be grandfathered in. He stated that there will be no more simply passing local fire ordinance, but instead will need to work through a fire board. He stated that the bill should be supported, but probably isn't ready to take a position on just yet.

A question if anyone knows if the House has brought up HB 216 yet, which will make it very difficult to dismiss a person from the job.

Brian Brower with Clearfield addressed HB 190 and asked for an update. Mentioned that HB 190 is opposed right now.

Cameron said that this has been a three-year process, mentioning that at this point we are still not at yes. It was in committee a few days ago and turned ugly. He then shared that this morning it was circled on the reading calendar, and gives us a chance to get to yes. Ogden gave some amendments the last few days. We are trying get those addressed before a vote on the floor. We are still trying to work on good faith with the bill sponsor while the bill is on the house floor.

Gary Williams said that Rep. Webb did come out with an amendment that is pretty good, but there are many floor amendments that would change it.

Cameron mentioned that we would need to rally our support against the hostile floor amendments.

Lynn asked if there was anything else before we moved on to transportation. There was no other input.

Lynn then gave some background to the transportation discussion. He stated that SB 160 has passed out of committee in the Senate, which increases the per gallon tax by .10 cents. We have position to support that bill. There is a bill coming out of the senate that would convert some portion to a sales tax on fuel, though it isn't currently numbered. The third bill is HB362, which would authorize a local option sales tax increase by .25 percent. Those funds are divided by giving .10 percent to the cities, .05 percent to the counties, and .10 percent to counties that have a transit district. Without transit district, cities would get .10 percent, and the counties would receive .15 percent.

Cameron stated that there is still some confusion if Cache Valley's transit system qualifies. We think the local system might qualify.

There was a question about allocation where the transit doesn't cover all of county?

Lynn informed everyone that it stays the same.

Lynn then moved on to item B which outlines that the sales tax would be on a county by county basis. Each county would impose the tax.

Mayor Seghini asked if the county imposed by the tax, how would the money be distributed.

Lynn stated that we are not sure. But said if legislative council says we can then we should be okay, though it is still an open question.

Lynn continued on stating that item C says that the tax would be imposed on a county by county basis, but must be on ballot for voter approval.

Mr. Pace then covered item D that deals with the distribution formula. He informed us that the tax would be distributed on a county bases using the B and C formula by county.

Item E requires a maintenance of effort and making sure the money is used to increase transportation efforts.

Item F indicates that this bill, in addition to authorizing a local option sales tax, also converts current the current gas tax so it can be adjusted yearly.

Lynn stated that his goal today is to get feedback for how to proceed. He shared that HB 362 maybe in committee on Wednesday. He wanted to make sure that city reps. had the first chance to comment.

Duane Huffman from West Bountiful said that item E will be regretted. He stated that money fluctuates and will remove our flexibility, and that the maintenance will eventually cost. He mentioned that in West Bountiful they have been proactive and raised property taxes for this, and will be locked in if this moves forward as written.

Michael from South Weber, wanted to know our position with both the house bill and the senate bill?

Lynn stated that we support all bills, though that may not be realistic. We need the money to fund it.

Michael stated that he doesn't encourage supporting both bills.

Mayor Dave Sakrison from Moab stood and mentioned that he takes exception to transit issue, stating that if you don't have a transit system then the money goes to county and none of it can go back to the city. He felt that the money should be divided between the city and county. He also raised the question if how the money was being distributed is constitutional?

Mayor Ted Eyre from Murray city had a question about the average rack price, and wanted to know if a city could opt out of that.

Cameron answered that there would be no option to opt out. He also informed everyone that the rack price is the wholesale price.

Ted then asked if everyone gets the wholesale price. He also asked if we need to maintain that money or can we use the money for other issues later. Cameron stated that the maintenance of effort was a big issue for some of the legislators.

Mayor Eyre then asked about item E and not being able to use the funds to supplant other funds. Does that mean that cities would need to maintain the current level of spending?

Cameron answered that that was the case, and that there is not yet a mechanism to figure out what level that spending is at.

Ted asked if this would start in 2016.

Cameron answered yes to that as well, stating again that the maintenance of effort was a big deal to some legislators.

Ted then asked if cities and towns would continue to receive their portion of the 30 percent of the B and C formula. He wanted to know what how that works.

Cameron answered that the current B and C breakdown is a 70-30 split. The 30 percent is split with about 2/3 to the counties and 1/3 going to city coffers.

Jim Gass from Smithfield stated he was concerned with the League's position. He stated that he thinks the need to maintain is just as great for small towns as well as big cities.

Lynn chimed in mentioning that this isn't the League's bill, but that it proposes a distribution based on county to county instead of state-wide.

Jim said it looked like the League was supporting the bill as he read the memo.

Roger Tew said that the memo had been sent out on the issue just to inform, not to endorse.

Cameron Diehl said that as staff we were trying to say there would be a new distribution formula, and we wanted to make sure everyone is aware that it is not a 50-50 distribution.

Ted said that those who don't have a great deal of sales tax in their areas don't get a very good deal, especially because of their large number of lane miles.

North Salt Lake Mayor said he guesses this is a tax where there are winners and losers. He stated that he was supportive of the staff recommendations in the memo. He said he realized there are other places, but I don't want the city money to be sent out to other places. I'd rather pass a property tax if that happened.

Dennis Cluff with Clinton said they increased their property tax by 25%. It is a general fund, though so that we can put the money where it is needed. There is a problem with distribution not being based on mileage, stating that there is a problem with cities being required to maintain a certain level of funding even though that will change year to year. Local budgeting should belong to local governments. If the state government wants to determine local government, they should fund it.

Mayor Jon Pike from St. George said that they could support the bill with a few changes. We have our own transit but we believe that we could change language to make it so that if we qualify for federal funds, we should qualify for this. He shared concerns of the county being able to impose the tax and not the cities, stating that there might be constitutional issues with that.

Gary Hill from Bountiful stated that this is the first time we have come close to increasing the sales tax in a long time. He stated that he thought we won't get another chance in the near future, and that the maintenance of effort is a small price to pay for this. He also said that he felt the distribution formula position should be status quo. He then stated that he was prepared

to make a motion when the time came.

Mayor Caldwell from Ogden said that he thinks this is a unique opportunity, and that it is do or die with this. It has been twenty years in preparation. It should be put on the table and then we will make changes as needed. We need to come together on this.

Tom Dolan from Sandy stated that no bill is perfect. We think the 2040 plan states that we will spend the same amount of money and still short 11.3 billion. The sponsor and speaker have made it clear that if we don't support it as it stands, it won't move forward. We haven't had a shot at this forever and if we don't support it we won't have another chance for years.

Shellie Baertsch from Saratoga Springs asked a clarifying question. She wanted to know if the city imposed the tax made by a county-wide vote, but said that item D states that those not included won't be participants. How is that possible?

Lynn said that League staff wants amend the county by county imposition to a city by city imposition.

Mayor Brent Taylor from North Ogden said he though we all realize that we won't get everything we want out of this. He expressed that we should prioritize items B and C.

Nick Jarvis then read a host of online comments:

*Ben Reaves from Santaquin said they agree that sales tax should be pursued. The distribution formula needs to be reevaluated.*

*Tami Fillmore from Centerville said we should be pushing for both the gas and sales tax increase. Bret Howser from Brian Head agrees.*

*Bret Howser asked how does 50-50 formula undercut the bill. There are many different types of sales tax. I don't see a problem with B and C style distribution.*

Mayor Ron Bigelow of West Valley shared that he believed the Speaker said we need to support the bill as it is, but there is still the Senate to consider, that he thinks there will be changes there. Should we support the bill in general concept? Yes, but we have until the last night at midnight to try and weigh in and try and make changes. We should have a flexible motion so that we can continue to make changes until the end.

Mark Christensen with Saratoga Springs wanted to get some clarification. He asked if it isn't county imposed, what if one city passes and the neighbor doesn't, that could be a .40-cent difference across the street.

Lynn stated that the bill will change the gas tax to a sales tax that would be state wide, and that would prevent that problem. The city-by-city tax is a general sales tax.

Roger Tew stated that it is essentially the size of the ZAP Tax.

Mayor Pike said we typically support each other on this, but it has big flaws for rural areas and that St. George can't support the bill without some changes.

Mayor Steve Hiatt from Kaysville said he thought we should have support for such a great opportunity, but it is still early and we should support with modifications. We don't want to risk it spiraling out of control by opposing it.

A question from Murray about how to give feedback for the question asked on the printout?

Lynn said there would be a general motion with feedback after. The maker of the motion will be able to specify which of those questions we will talk about for instructions for staff.

Gary Hill then made a motion that first the League supports HB 362 as recommended by staff, meaning there are three things the staff will amend or oppose. The second part of the motion is that we give the staff the flexibility to negotiate as needed. Then they will come back to inform us for further debate.

A substitute motion was made by Mayor Dolan to support bill with the caveat that the League works with the sponsor to add whatever amendments we need in the future. This won't go anywhere unless we support today. There were several seconds to that substitute motion.

Lynn asked if there was discussion to that motion.

Mayor Caldwell from Ogden said that he agreed that we should go forward with support. If we have too many bullet points we will just bog it down and it won't go forward.

Gary Hill commented that he felt we are close to being on the same page. I think staff needs to have every opportunity to make improvements. I think we should oppose the substitute motion and know we can always come back to re-discuss.

A comment that if we support it as is, how do we come back to the Senate and say that we want changes.

There was a comment that maybe we should be somewhere between the two motions. I can't image saying we don't want feedback four days after releasing bill. I think if it is an all or nothing, it is a little too radical.

Brody Bovero of Syracuse said that on its merits alone, I think as it is proposed now, it makes a lot of sense when speaking of the distribution. If someone drives a few miles for shopping, they might drive on three or four different city roads to get there.

Brent Taylor North Ogden Mayor said we support it because it is better than nothing and hope that we can make something better happen. I think we are all on the same page but one has just a little stronger wording.

Michael from South Weber said that if today is our only chance, maybe it isn't such a good idea.

A call was made for the question. No opposition to that.

Mayor Dolan summarized his motion to support bill and leave it up to the staff to improve bill as necessary. Many are working on this bill.

Lynn called for a vote on the substitute motion. It passed with some opposition.

There was a quick announcement that on Wednesday at 9:30 a.m. there is a transportation rally that will be taking place because we still need to sell the vote to the legislators. We need to persuade them to increase taxes.

Next meeting is Monday March 2<sup>nd</sup> at noon.