

Utah League of Cities and Towns Legislative Policy Committee Minutes – February 10th, 2020, 12:00 p.m. Utah State Capitol – Senate Building Room 210 (and Zoom webcast)

1. Welcome, introductions, logistics, and adoption of February 3, 2020 minutes
 - a. ULCT 1st Vice President Mayor Caldwell welcomed the LPC into meeting and the LPC adopted the February 3rd meeting minutes.

2. Legislative Items:
 - a. UPDATE AND DISCUSSION: Land use bills
 - i. HB 273 Property Rights Ombudsman Amendments – ULCT Director of Government Relations Victoria Ashby briefed the LPC on HB 273. HB 273 would allow the award of compensatory damages to the prevailing party of a land use dispute if the judge’s findings are consistent with the Property Rights Ombudsman’s (PRO) decision. The PRO is a neutral 3rd party within the state department of commerce that provides free mediation and arbitration for property owners and land use authorities. PRO decisions are advisory and non-binding. Under current law the prevailing party of land use litigation can be awarded attorney fees if the judge finds in favor of the PRO decision. HB 273 also waives government immunity for compensatory damages and attorney fees in these cases. Victoria cautioned that for land use litigation concerning large-scale projects, compensatory damages could amount to millions of dollars. She emphasized that the bill could have chilling effects on local elected officials, weaponize the PRO, and could motivate cities to deviate from their general plans. ULCT Executive Director Cameron Diehl added that the sponsor’s goal for the legislation is to hold cities accountable for violating their own land use policies.
 - ii. Other land use and local authority issues – Victoria briefly mentioned three other recently numbered land use bills on rent control (HB 131), storm water permitting (HB 226), and agriculture setbacks (SB 106). There may also be legislation affecting building standards, impact fees, and development in unincorporated counties.
 - iii. SB 39 Affordable Housing Amendments - Victoria updated the LPC on SB 39, the follow-up legislation to 2019’s SB 34. SB 34 aligned state transportation resources with local planning and implementation. 96% of cities are currently compliant with the moderate-income housing general requirements. SB 39 adds dedicated state resources to affordable housing specifically. The current proposal would entail \$20,300,000 in one-time dollars and \$10,000,000 ongoing. The funding is for gap financing private activity bonds for affordable rental housing, rental assistance, and to match private sector investment in affordable housing.
 - b. UPDATE AND DISCUSSION: Preemption bills/ Unfunded mandates
 - i. HB 261 Eminent Domain Revisions - Victoria discussed HB 261. HB 261 provides that state agencies and political subdivisions may not take private property

unless the taking is necessary for the public use. She stressed that the phrase “necessary” creates a very unworkable standard for critical transportation and utility projects.

- ii. HB 217 Firearm Preemption Amendments – Cameron explained that under Utah law, cities have general authorities where not prohibited by the legislature. HB 217 is problematic because the preemption language and penalties for local officials violate the underlying principle of local decision making, though local governments may never seek to regulate firearms. The bill declares that the legislature exclusively occupies the field of firearm regulation and provides severe penalties for local governments who violate that preemption including treble damages, actual damages, attorney fees, interest, and fines for \$500 per day.
- iii. HB 265 Government Records Transparency Act – Victoria stated that under HB 265, all personal information that local governments collect would need to be reported to the state auditor. This could include everything from utility bills to youth recreation programs. The cost of administering this program could be overwhelming.
- c. UPDATE: HB 283 Outdoor Recreation Strategic Planning
 - i. Representative Stenquist, sponsor of HB 283, visited the LPC to seek League support for the bill. Rep. Stenquist explained that the bill is not about tourism. The bill is focused on recreation. The idea is to develop a strategic long-term plan for recreation in the state, not necessarily just for tourism. The aim is to improve the quality of life for Utahns. There is currently no comprehensive vision for how recreation initiatives fit together. There is also no comprehensive inventory of the state’s outdoor recreation assets. Rep. Stenquist added that in drafting he specifically wanted to identify impacts on local communities including emergency services and infrastructure.
- d. UPDATE: Tax reform and SCR 6 Concurrent Resolution for Study of Local Option Sales Tax Distribution
 - i. HB 280 Transient Room Tax Amendments – Cameron Diehl suggested that HB 280 is a step in the right direction towards improving the TRT. The bill has an appropriation to hire an additional staffer at the tax commission to study short-term rental tax compliance. The bill also adds more flexibility for TRT infrastructure expenditure in counties of the 4th through 6th classes and repeals the municipal TRT sunset.
 - ii. SRC 6 Concurrent Resolution to Study Tax Distribution – ULCT Senior Policy Advisor Roger Tew briefed the LPC on the resolution. Senator Bramble is involved in discussions about the e-commerce shift on that national level. He wanted to raise the issue of whether local governments were prepared for a market shift in sourcing. Roger and Senator Bramble have met several times to discuss the issue and Senator Bramble committed to working with ULCT to find language that addresses the issue and is more amenable to local governments.
- e. UPDATE: Public safety and water bills

