

**Utah League of Cities and Towns**  
**Legislative Policy Committee Minutes – December 16, 2019, 12:00 p.m.**  
**Utah Local Governments Trust, 55 US-89, North Salt Lake, UT 84054 (and Zoom webcast)**

1. Welcome, introductions, logistics, appreciation for elected officials leaving office, and adoption of October 16, 2019 minutes
  - a. ULCT 1<sup>st</sup> Vice Pres. Mayor Caldwell welcomed the LPC and the LPC approved the minutes from the October 2019 meeting.
  
2. Upcoming events, updated LPC process for 2020 Legislative Session, and updated ULCT policy prism
  - a. ULCT Executive Director Cameron Diehl explained the upcoming LPC meetings throughout the 2020 Legislative Session and introduced the updated ULCT policy prism. The prism is based on the same three pillars of respect, collaboration, and outcomes as the prior version but emphasizes the following three questions:
    - i. Does the bill respect the traditional role of local government?
    - ii. Is the bill a one-size-fits-all approach or does it respect that every city is unique?
    - iii. Will the bill result in an unfunded or unworkable mandate on cities?
  - b. Cameron Diehl also requested that LPC members share information they've learned about bill from meeting with their respective legislators.
  
3. Legislative items:
  - a. UPDATE: Tax reform
    - i. ULCT Senior Policy Advisor Roger Tew updated the committee on the legislature's tax reform bill. The legislation contains four core components. First is the income tax cut, the timing of which drove the special session timing. The second components is expanded state sales tax on food and an associated grocery income tax credit. The third piece is a minor sales tax exemption on servicers that's considerably smaller than HB 441 (2019). The final component is the state tax on fuel, which is not shared with local governments. Roger concluded by stating that the bill will take effect on February 10<sup>th</sup>.
  - b. UPDATE: [Upcoming water legislation](#)
    - i. ULCT Director of Policy Wayne Bradshaw briefed the LPC on anticipated water legislation. He stated that there are currently more than 19 bills that have been filed concerning water supply and conservation. Some are harmless, like the water banking bill. This would give municipalities the option of establishing a water bank. One of the more concerning bills could be the follow-up secondary metering bill. It's still uncertain as to whether conservation mandates will be accompanied by state funding. Representative Stratton is also introducing a bill that affects the

overarching water policy for the state. This bill has no anticipated impacts on municipalities. Finally, Representative Ballard's Water Loss Accounting Act bill still doesn't have any language available but in concept requires a municipality's water managers to participate in a training program. The program will instruct managers on how to use a new state water use accounting program, which could help identify leaks in water systems, find revenue losses, and replace the DWR water use report. The bill has an attached \$1.5 million fiscal impact. Wayne requested that cities reach out to ULCT staff to discuss how these (or other) pending water bills would affect them.

c. UPDATE: Land Use Task Force

i. Cameron Diehl told the LPC about the four major issues underway in the Land Use Task Force:

1. Gravel Pits – last year the gravel pits legislation resulted in a stalemate. Cities agreed to not add new regulations on current operations and gravel pit operators agreed not to expand beyond where they are currently entitled to. The “pit crew” has been working on legislation to address a number of pressing issues and anticipates legislation.
2. Subdivisions – Representative Logan Wilde has a bill file open to update the subdivision process in LUDMA. The LUTF is still awaiting language but Cameron encouraged concerned cities to reach out to ULCT staff.
3. Annexations – the annexation bill is almost at a consensus point and deals with peninsulas and islands being annexed into a city without consent.
4. Land use decision damages – the final item has not yet become a bill but could be a serious issue. Several members of the Property Rights Coalition (PRC) have suggested either judicial remedies or compensatory damages against local elected officials who, following an decision from the Property Rights Ombudsman (PRO), vote differently than the ombudsman's opinion. The ULCT Board of Directors instructed staff to oppose any such legislation because the PRO should be a neutral position and because this would have a chilling effect on local officials. Cameron told the LPC they would be notified if or when a bill becomes public.

d. UPDATE: Public safety retirement

- i. Wayne Bradshaw updated the LPC on the status of Tier II retirement legislation. Last year's expansion was split between public safety employers and employees. This year, Senator Harper has a proposal to fund the portion of state employee expansion and raised the rate from 14% to 16.5% but does not provide funding to local governments. Wayne

communicated with Senator Harper that ULCT would oppose an unfunded mandate. He explained that ULCT will be meeting with the different stakeholders next week to discuss the issue.

4. Other legislative issues from membership

- a. Universe of issues – Cameron Diehl explained that ULCT currently anticipates legislation dealing with local government administration, land use, public safety, taxes, transportation, and more. Cameron added that tax reform consumed much of the interim’s energy and many of the conversations on these bills is just beginning.
- b. Transient Room Tax – The question was asked what changes were being discussed to the TRT. Cameron explained that the smaller communities off the Wasatch Front were interested in using TRT to help fund tourist shuttles. It was originally part of the tax reform discussion but had fallen by the wayside for now.
- c. Economic development – Cameron was asked if there would be legislation to change how RDAs/CRAs participate in housing development projects. Cameron said it’s still in a policy discussion with the Utah Redevelopment Association and School Districts.
- d. SB 34 – Cameron Diehl explained that the ULCT Executive Board has met with several editorial boards and legislators to explain how cities have “stepped up to the plate” in regard to planning for growth and updating their moderate-income housing plans in compliance with SB 34. Cameron and Meg Ryan added that there would be a state funding bill for affordable housing this year.
- e. ULCT Senior Policy Advisor John Hiskey updated the LPC on an emerging economic development discussion. Senator Sandall is working on consolidating several different economic development tools for rural communities who have had challenges with programs like EDTIF. ULCT has been invited to participate in the discussion. John emphasized that there’s no conceptual finality yet, but conversations are ongoing.

5. Adjourn

- a. The LPC adjourned.