



Interim 2018

LEGISLATIVE
NEWSLETTER

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Rep. Dunnigan

Thanks to all who helped with Taylorsville Dayzz. It was a great success!



Rep Dunnigan met with Miss Kearns Royalty at the Kearns Night Out Against Crime.

Meeting with top law enforcement officials from Africa, Israel and Greece to discuss how we address public corruption in Utah





Special Session Overview

The governor issued a call for a special session to be held in conjunction with July interim day in order to make some technical fixes to existing bills and provide tax relief for Utah families. Highlights of the bills are below.

Dependent Tax Exemption for Utah Working Families

Now that the impacts of federal tax reform are better understood, the Utah Legislature was able to find a way to lessen the tax burden for some Utahns with dependents. The Legislature passed *HB 2003, Income Tax Code Amendments*, which designates that \$30 million in new money be used to fund a state dependent tax exemption for working families with children, as this population was most impacted by the loss of the personal exemption at the federal level.

It also conforms provisions of the Utah tax code dealing with loss carry backs and carry forwards to federal tax law. These amendments give companies a longer time period to carry forward net operating losses.

Tax Amendments

Federal tax reform included a new, reduced tax on repatriated foreign earnings, payable over eight years. This new lower rate only applies for tax years beginning prior to January 1, 2018. In order for Utah state law to conform to the new federal law, it became necessary to clarify some issues, including that the same date provisions apply for state tax purposes.

Inland Port

HB 2001, Utah Inland Port Authority Amendment, is a result of weeks of open and candid dialogue with stakeholders, including the Salt Lake City Council, to strengthen and improve provisions enacted by SB 234, Utah Inland Port Authority, which passed during the 2018 session.

HB 2001 clarifies the strategies, policies and objectives of the Inland Port Authority, establishes clearer procedures and increases transparency.

Highlights of the bill:

Overview

- Ensures that municipalities within the authority will provide services and be allocated a tax increment
- Places a 2 percent cap on property tax to be used for the authority's operating expenses
- Encourages the Inland Port board to work with neighboring communities to develop plans to mitigate potential environmental impacts
- Respects existing land use and other agreements/arrangements between property owners and government authorities

Appeals

- Will first be considered by the municipality
- Require a public hearing
- Specifies that the Inland Port Authority board is an appeals board of last resort

Inland Port Cont.

Bound Adjustments

- Reduces the overall size of the jurisdictional land
 - Removes wetlands
- Removes developed areas in the south east
- Removes farmland in the northeast corner
- Removes the airport, including all land they currently own

Environmental Concerns

- Ensures that environmental sustainability policies and best practices meet or exceed applicable state and federal standards
- Requires monitoring and emissions reporting, and strategies to utilize the best available technology systems to mitigate environmental impact
- Requires the port authority annual report to include a sustainability plan on regulated emissions and efforts made by the authority to achieve compliance with applicable regulations

Governance

- Permits the authority to appoint non-voting members and advisory councils from various organizations and entities
- Sets in statute the inclusion of the SLC council member whose district includes the Salt Lake International Airport
- Clarifies conflict language for employees or board members
- Exempts statutorily required board members from conflict issues beyond their control, while still requiring transparency and public disclosure of circumstances that would have otherwise precluded them from serving

Inland Port Cont.

The bill also includes a provision that designates 10 percent of the property tax increment to be dedicated to affordable housing.

The amendments were supported by Governor Gary Herbert, the Governor's Office of Economic Development, Salt Lake City Council, West Valley City, Salt Lake County Mayor's Office, Utah League of Cities and Towns, World Trade Center Utah and the Salt Lake Chamber, , in addition to receiving unanimous support from the Salt Lake City Council. The bill passed the House on a vote of 62-5 and Senate, 22-2.

Water

HB 2005, Drinking Water Source Sizing Requirements, corrects a clerical error. HB 303, Drinking Water Source Requirements, unanimously passed the House and Senate during the 2018 session, but the signed bill did not include an amendment that passed both chambers.

HB 2005 amends definitions and the authorities of the Drinking Water Board, requires specific public water systems to provide data for water use and the director of the Division of Drinking Water to establish water source requirements for certain public water systems.

Damages

An ambiguity in statute when calculating settlement payments against government entities was recently identified, and SB 2005, Calculating New Damages Limits For Personal Injury Cases, clarifies the formula and aligns it to the consumer price index.

Inland Port Cont.

Beer Licenses

A business that sells beer for off-premise consumption, like grocery and convenience stores, must receive a city business license before applying for a license to sell beer. An inadvertent oversight occurred when the legislature passed comprehensive alcohol legislation during the 2018 session that could have businesses waiting six or more weeks after opening before obtaining a license to sell beer for consumption off-premises.

SB 2003, *Off-premise Beer Retailer Licensing Amendments*, corrects this oversight by permitting Utah Department of Alcoholic Beverage Control to issue conditional licenses for off-premise beer retailers. The bill provides clarification of the intent of the original law.

Procurement Code

Utah Communications Authority (UCA) is currently subject to the procurement code, though they are not included in on the list of procurement units. UCA recently noticed this error and requested that the Legislature add them in order to avoid confusion. HB 2004, *Utah Communications Authority – Procurement*, simply amends the procurement code to include UCA.

Roads

SB 2004, *Class B and Class C Road Fund Amendments*, makes adjustments to the road funding formula to not disadvantage smaller counties, where minor population fluctuations could greatly impact funding. A similar bill, HB 314, *Class B and Class C Road Funds Amendments*, passed the Utah Senate during the 2018 General Session but did not make it back to the House in time for concurrence before the session ended.

August

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**Taylorsville City
Night Out Against
Crime**

August

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Interim Day

Upcoming

EVENTS