



# 2003 General Legislative Session Update

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## Utah League of Cities and Towns



## *45 Days in Review*

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## Utah League of Cities and Towns

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**April 2003**





### What Does the Future Hold?

- Is the Economic Calamity Near its End or is This Just the Beginning?
  - ❑ NCSL – State Government was short \$23 Billion this Year, Estimates \$45 Billion Next Year
  - ❑ Several cities and towns experienced decreased revenue in 2003
  - ❑ What effect will the war in Iraq have on the economy
  - ❑ Can we expect as much Federal assistance in the post Olympic era
  
- How will State & Local Government Being Funded in the Future?
  - ❑ Taxes vs. Fees – Is the State becoming Fee Savvy?
  - ❑ Sales Tax vs. Property Tax – What is a good balance?
  - ❑ What impact will SST have on zoning decisions – Zoning for \$\$
  - ❑ Transportation Funding – Fate of Centennial Highway Fund and B&C Roads
  - ❑ Future Viability of RDAs
  - ❑ Boutique Taxes and the Resort Community
  
- Regional Development vs. Local Control & Authority
  - ❑ Zoning Authority of Local Government and Regional Facility Considerations
  - ❑ Sales Tax as an Economic Development Tool – New Growth or Raiding Neighboring communities?
  - ❑ Distribution of Sales Tax – Point of Sale or Population?

### Stay Informed

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**SB-225 Caps for Governmental Immunity Continued**

SB 225 was a hotly contested bill. Historically, the Utah Trial Lawyers’ Association has been the primary advocate in opposition to government immunity and liability caps. Two years ago, the League achieved a negotiated resolution to the Trial Lawyers’ request to raise the liability caps to their current level.

This session, the League met extensively with representatives of the Utah Trial Lawyers’ Association, State Risk Management, IPA, the Utah Association of Counties, as well as Senators Blackham, Hillyard, Bell and Arent, to agree on compromise language contained in the bill. All participants agreed that the Government Immunity Act is broken and needs to be fixed.

As such, in exchange for the Trial Lawyers’ support of SB 225, the League has agreed to facilitate a Task Force comprised of affected governmental entities and representatives of the Trial Lawyers’ Association. The goal of the Task Force is to completely revamp the Governmental Immunity Act.

Steven Allred has graciously agreed to chair the Task Force. Senator Greg Bell has agreed to participate on the Task Force, as well as several members of the Trial Lawyers’ Association. We will keep you apprised of Task Force recommendations throughout the year.

Meanwhile, between now and December 31, 2004, we have caps on the upper limits of municipal liability identical to those found within the Governmental Immunity Act (\$500,000 per person/\$1,000,000 per occurrence).



**SB-225 Substitute**  
**Caps for Governmental Immunity**

**Sponsor:** Sen. Leonard Blackham

**Bill Status:** Passed

**ULCT Position:** Support , and League Initiated

**Purpose of the Bill:** The League initiated SB225 to counteract the worst aspects of a 2002 Utah Supreme Court decision in *Laney v. Fairview City (Laney)*. The *Laney* court determined that certain provisions of the Governmental Immunity Act were unconstitutional as they pertained to proprietary acts of government.

**Municipal Implication:** The *Laney* decision opened a very wide door to substantial judgments against all governmental entities, from the State of Utah down to the smallest town. Governmental immunity is a complicated notion. It constantly runs up against a state constitutional provision, which guarantees open access to the courts. Since governmental immunity is an absolute prohibition to access to the courts, it presents a constitutional issue.

While the Governmental Immunity Act provides that each governmental entity has absolute immunity from suit in some narrow and limited contexts, each entity is, in fact, subject to suit in most instances (i.e. tort claims, civil rights actions, contract disputes, etc.). Prior to the *Laney* decision, however, the Governmental Immunity Act set an upper limit on governmental liability—even when immunity has been waived. It is this liability cap that SB225 has restored.

**Continued on the following page**

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**HOW DOES THE ULCT WORK?**



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## WHO IS DOING IT?

The ULCT Legislative Policy Committee is composed of elected and appointed municipal officials through out the state of Utah. It is a comprehensive group of individuals who meet once a month through out the year, and weekly during the legislative session. The ULCT Policy Committee maintains a balance between both Wasatch Front and Non- Wasatch Front Officials, as well as maintaining a balance between elected and appointed officials from municipal government.

### 2003 ULCT LEGISLATIVE POLICY COMMITTEE

<u>NAME</u>	<u>MUNICIPALITY</u>
Bill Leavitt	Alta
Gil Miller	Bear River City
Chris Webb	Blanding
Thomas Hardy	Bountiful City
Lou Ann Christensen	Brigham City
Don Tingey	Brigham City
Joe Melling	Cedar City
Brad Sears	Cedar Hills
David Gill	Centerville
Larry Waggoner	Clearfield
Dennis Cluff	Clinton City
Lori Miller	Clinton City
Eric Keck	Draper City
Vincent Liddiard	Eagle Mountain
Michael Williams	Emery
Susan Holmes	Farmington
Dennis Larkin	Holladay
Douglas Stipes	Hyrum City
Neka Roundy	Kaysville City
Tom Stocks	LaVerkin



## SB-214 Uninsured & Underinsured Motorist Amendments

**Sponsor:** Sen. Michael Waddoups

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill was ran to address some unintended consequences related to earlier legislation which allowed for the ability to make claims under both uninsured and underinsured motorist coverage. This bill allows self-insurers to provide uninsured and underinsured motorist coverage in amounts that are less than their maximum self-retention by issuing a statement that declares the coverage level and the process for filing a claim.

**Municipal Implication:** For municipalities that are self insured, this bill will allow them to provide uninsured and underinsured motorist coverage in amounts less that their maximum self retention by providing a policy statement which essentially shows appropriate coverage, but also limits the ability to “stack” coverage. This should limit the potential for double payouts of claims associated with the same accident.

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**SB-213**  
**Sales and Use Tax Exemptions**

**Sponsor:** Sen. Ed Mayne

**Bill Status:** Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** The bill included cable and satellite services as one of the transactions that is subject to the sales & use tax.

**Municipal Implication:** While this bill was primarily intended to balance the States budget, it will also produce revenue associated with the 1% local option portion of the sales tax. The State is estimating they will receive approximately \$8-10 million dollars in revenue, which would mean local government can expect to receive approximately \$1.5 million from this exemption.



**2003 POLICY COMMITTEE CONTINUED**

<u>NAME</u>	<u>MUNICIPALITY</u>
Gary Crane	Layton City
J. Stephen Curtis	Layton City
Larry Ellertson	Lindon City
Thomas Kerr	Logan City
Lee King	Midvale City
Kent King	Midvale City
JoAnn Seghini	Midvale City
Dave Sakrison	Moab City
Y. Marie Heiner	Morgan City
Chesley Christensen	Mt. Pleasant City
Richard Stauffer	Murray City
Jan Wells	Murray City
Randy McKnight	Nephi City
Matthew Godfrey	Ogden City
Kent Jorgenson	Ogden City
Wayne Parker	Ogden City
Shiree Thurston	Orem City
Jerry Washburn	Orem City
Candy Erickson	Park City
Gary Hill	Park City
Dana Williams	Park City
Bernell Evans	Payson City
Max Roberts	Payson City
Frank Mills	Pleasant Grove
Joe Piccolo	Price City
Lewis Billings	Provo
Michael Mower	Provo
Matthew Creamer	Richfield City
Vic Jensen	River Heights City
Bruce Richins	Riverdale City
Russell Cowan	Roosevelt City
Roger Burnett	Roy City
Chris Davis	Roy City
Dale Lambert	Salt Lake City
Steven Allred	Salt Lake City
Nancy Saxton	Salt Lake City



**2003 POLICY COMMITTEE CONTINUED**

<u>NAME</u>	<u>MUNICIPALITY</u>
Nancy Saxton	Salt Lake City
Bryant Anderson	Sandy City
Pat Casaday	Sandy City
Tom Dolan	Sandy City
Don Pott	Sandy City
John Winder	Sandy City
Matthew Brower	Santa Clara
Keith Morey	South Jordan City
George Garwood, Jr.	South Ogden City
Bruce Talbot	South Salt Lake
Suzanne Allen	St. George
Dan McArthur	St. George
Janice Galbraith	Sunset City
Janice Auger	Taylorsville
Bruce Wasden	Taylorsville
Charlie Roberts	Tooele City
Ken Bassett	Vernal City
William Kremin	Vernal City
Carolyn Nelson	West Jordan City
Jake Nielson	West Jordan
Sheri McKendrick	West Valley City
Paul Morris	West Valley City
Dennis Nordfelt	West Valley City
Margaret Peterson	West Valley City
Gary Uresk	Woods Cross City
Todd Weiler	Woods Cross City

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**SB-190**  
**Expansion of Uses of Publicly Funded Shooting Ranges**

**Sponsor:** Sen. Bill Wright

**Bill Status:** Not Passed

**ULCT Position:** Oppose

**Purpose of the Bill:** This bill would have required CERTAIN shooting ranges constructed with public funds to be made available to the public. The bill did allow for reasonable fees to be charged and for the use of the ranges, and also allowed procedures to be established for the use of shooting ranges.

**Municipal Implication:** This bill would have required that municipal shooting ranges, even those associated with the training of public safety officers, to be opened to public for use. Although fees could be charged to recoup costs, additional concerns were expressed about liability, safety, and access to these ranges. The Utah League of Cities & Towns strongly opposed this bill, and worked with many legislators to make sure it was not passed.

This bill did not pass, but expect future legislation with similar language.

**Utah League of Cities and Towns**





**SB-180 Substitute**  
**Emergency Medical Services**

**Sponsor:** Sen. Curtis Bramble

**Bill Status:** Passed

**ULCT Position:** Support as Amended

**Purpose of the Bill:** The bill will allow ambulance and paramedic license applicants who have met the Department of Health's minimum requirements and standards to enter into a competitive bid process to provide services to local governments for 911 ambulance and paramedic calls. The bill also permits local governments in counties of the first and second class to select a license applicant through an open procurement process.

**Municipal Implication:** After conducting a competitive bid, a municipality in a county of the first or second class may provide E-911 ambulance and paramedic services to a given geographic area. Certain auditing standards are required in order to reflect the true cost of providing the service by the municipality and must be considered during the procurement process. After awarding the contract, it may be renewed every four years without conducting another bid if certain criteria is met, but may also require an additional bidding process if deemed appropriate. This bill is specific about emergency response, and will not allow municipalities to provide non-emergency medical transportation.

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**WHERE IS THE INFORMATION COMING FROM?**

In 1998 the ULCT began a municipal finance data project to gather and maintain budgetary and financial information from member communities. An amazing 69 communities responded to our request, and participated that first year. Each subsequent year we have seen the number of communities participating inch towards the century mark, giving us an even firmer grasp on both the local government revenue and expenditure picture. The League has compiled, analyzed, and used this information to enhance our efforts at the State Legislature and support our member communities.

In the past two years, the League has merged its process with the State Auditor's office, and compiled a new, comprehensive UT-2 Municipal Finance Database. Under this new project, we are now collecting and maintaining the fiscal data for all municipalities within the State of Utah. This information has become the official State record for municipal budgetary information, and is often used by Legislative Research, the Governor's Office of Planning and Budget, and many other State organizations, as well as the US Census Bureau. The League of Cities & Towns often uses this information to quantify the fiscal impact of potential legislation, show revenue and expenditure trends at the municipal level, and show legislators what certain policy shifts may mean to communities they represent.

In our efforts to describe the fiscal situation of local government, we have also begun sifting through the archived records of municipal government and compiling a fiscal history of municipal government that will span 20 plus years and with every additional year of information the municipal fiscal picture becomes less pixelated.

If you have questions regarding this information or would like to know where your community fits in, please contact Kerri Nakamura at the League office, 801-328-1601.

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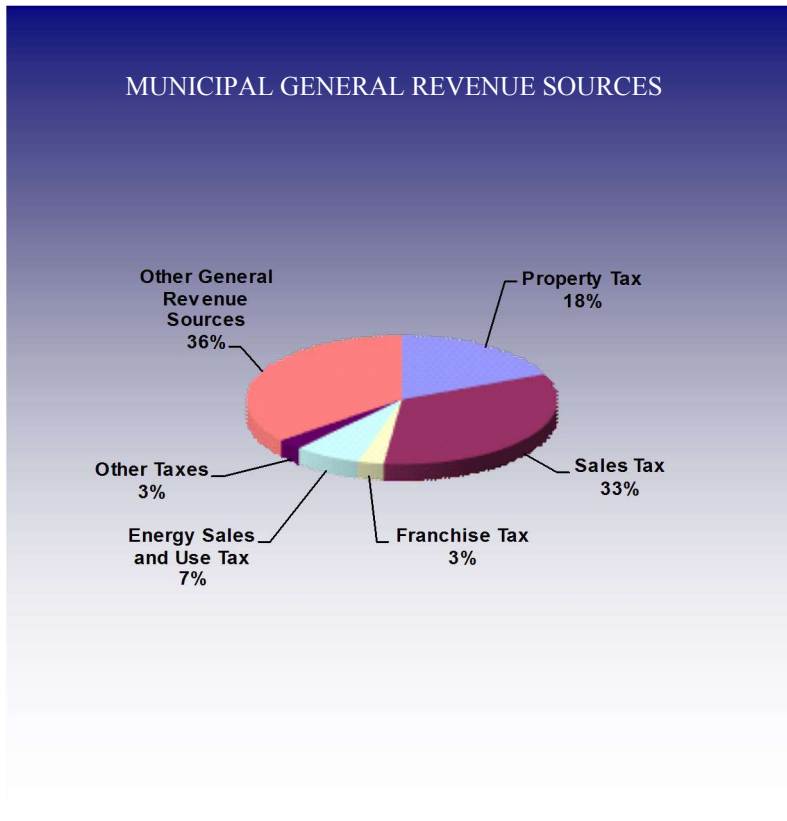
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### WHAT DOES IT LOOK LIKE?

This is a graphical representation of the information collected out of the ULCT Municipal Finance Database. Information of this nature is used to give quantifiable testimony regarding the fiscal implication of legislation as pertains to local government.

### SAMPLE INFORMATION FROM FINANCE DATABASE



### SB-147 Streamlined Sales Tax Project Amendments

**Sponsor:** Sen. Lyle Hillyard

**Bill Status:** Passed

**ULCT Position:** Support as Amended

**Purpose of the Bill:** This bill will require an extensive overhaul of the State sales tax collection and distribution methods. The intent of the legislation was to capture the revenue lost through remote sales (catalog & internet), which is estimated at approximately 4% of all sales tax collected. It was drafted in response to a multi-year, multi-state agreement which will take effect after federal legislation is passed in the same vein.

**Municipal Implication:** After extensive dialog between the State Tax Commission and several local government representatives, the bill was amended to hold municipal government harmless despite the extensive tax overhaul. The 50% population—50% point of sale distribution method will still exist for the 1% local option sales tax, but all taxes will be collected at the point of distribution instead of the point of sale. This new collection method will have little if any financial impact at the local level, since the distribution of this revenue will still be done by the point of sale.

In short, sales tax will be collected based on point of delivery, but still redistributed based on the point of sale.

**If you have questions regarding this legislation or it's impacts, please contact a ULCT Staff Member.**



**SB-146**  
**Waste Fee Amendments**

**Sponsor:** Sen. Bill Wright

**Bill Status:** Passed

**ULCT Position:** Support as Amended

**Purpose of the Bill:** This bill will require waste facilities solely under contract with a political subdivision to receive municipal waste to pay a fee of 50 cents per ton. This bill also imposes an annual facility fee on any municipal waste facility operated by a political subdivision primarily to receive its own municipal waste, and will take effect on July 1, 2003. The bill was drafted to help fund the Department of Environmental Quality, who is primarily responsible for the inspection of waste facilities throughout the state.

**Municipal Implication:** There will be a financial burden associated with this bill, which will depend on the amount of waste generated at the municipal level. The Utah League of Cities & Towns worked with the sponsor of this legislation to reduce the applicable fees associated with municipal waste, and minimize the impacts as they relate to municipal government. After several proposed amendment, the Utah League of Cities & Towns agreed to support the legislation with the lesser fees and the removal of all anti-competitive language.

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**2003 Legislative Bill Summary**

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**HB-13 Substitute**  
**Transportation Corridor Preservation Amendments**

**Sponsor:** Rep. Marda Dillree

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill modifies the Transportation Code to extend the period in which real property may be acquired for the preservation of a future transportation corridor from 20 to 30 years in advance. The bill will also require first right of refusal on the highest offer to be given to the original grantor on property not used in the construction of the transportation corridor.

**Municipal Implication:** While the impetus of the bill pertains primarily to the Utah Department of Transportation ability to acquire property, the 10 year extension will allow local government the ability to better plan their community around potential transportation corridors, and aid in the formation of a more comprehensive long range plan.



**SB-141**  
**Local Government Capital Projects**

**Sponsor:** Sen. Howard Stephenson

**Bill Status:** Passed

**ULCT Position:** Support as Amended

**Purpose of the Bill:** The bill requires that counties, municipalities, special districts, and local districts request bids for certain capital projects and establishes a bid process, including the amount of the project for which a bid is required. This bill also includes an inflationary component that will increase the bid requirements annually.

**Municipal Implication:** After a few years of negotiations on this bill which determined the inflationary growth element, the exclusion of some projects, and raising the bid requirement limit on both building improvements and public works projects, the ULCT agreed to compromise and support this legislation. The bill will require municipalities to bid out certain capital projects. On building improvements, a municipality must bid out any project over \$40,000 and on certain public works projects, they must bid out any job over \$125,000. This will have ramifications on the “Design/Build standard, since bidding is difficult to do on a project that is designed as it is built. This bill will also raise the imposed bid limits based on the lesser of 3% or the increase in CPI for that year.



**SB-135**  
**Redevelopment Agencies –Exemption of School Property Tax**

**Sponsor:** Sen. Leonard Blackham

**Bill Status:** Not Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** This bill would have exempted 50% of the school district portion of the property tax increment from being used by the redevelopment agency.

**Municipal Implication:** If attempting to use an RDA, a municipality would have been unable to use 50% of the school district portion of the property tax increment in the funding of the project. This bill did not pass



**HB- 47**  
**Fire Prevention Amendments**

**Sponsor:** Rep. Joe Murray

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill established a certification program for persons who inspect or test automatic Fire Sprinkler Systems, and allows the fire prevention board to impose a fee for the certification program.

**Municipal Implication:** If a municipality, through its building inspection process or fire department, is inspecting Fire Sprinkler Systems, then they will be required to certify the inspector and pay any associated fees.



**HB-51**  
**Historic Preservation in General Plans**

**Sponsor:** Rep. Ralph Becker

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This act modified the Utah Municipal Code to include historic preservation as one of the matters that a municipality may include in it's general plan.

**Municipal Implication:** This bill does not mandate that a municipality must include historic preservation in its general plan, but just allows you to include this criteria if you wish to.



**SB-75**  
**Criminal Background Checks when Operating Water Systems**

**Sponsor:** Sen. Carlene Walker

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill enacts provisions authorizing political subdivisions of the state that operate a public water system to require prospective and current employees and contractors and those seeking access to public water system facilities to submit to a criminal background check.

**Municipal Implication:** If a municipality is operating a public water system, it now will have the ability to require background checks on those who seek access to the system or it's facilities.



**SB-72 Substitute**  
**Local District Expanded Fire Protection Service**

**Sponsor:** Sen. Dave Thomas

**Bill Status:** Passed

**ULCT Position:** Support as Amended

**Purpose of the Bill:** The bill authorizes the creation of a county service area and a local district for fire protection, paramedic, and emergency services by resolution of the legislative bodies of participating counties and municipalities without the necessity of voter approval under certain circumstances. The bill requires municipalities included within a certain type of district for fire protection, paramedic, and emergency services to reduce their certified tax rate to offset taxes imposed by the district for those services. The bill also provides for automatic annexation to certain districts providing fire protection, paramedic, and emergency services when an area is annexed to a municipality within the district and for automatic withdrawal from those districts when an area within the district is annexed to a municipality that is not within the district. Finally, the bill provides an alternate method of withdrawing an area within a municipality from certain districts providing fire protection, paramedic, and emergency services upon resolution of the municipal legislative body and a vote of the municipality

**Municipal Implication:** When a municipality is contracting for emergency services, fire protection , & paramedic services or annexing area's where these services are being provided by a local service district, several new annexation, taxation, and participation requirements exist, if you are one of those cities please have your city attorney read this legislation .

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**Want to See the Full Text?**

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**HB-54**  
**Special Districts Acquisition of Real Property**

**Sponsor:** Rep. Greg Hughes

**Bill Status:** Not Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** The bill required Special Districts & Local Districts to provide notice to the legislative body of the municipality or county in which the district intended to acquire real property to be used for the expansion of infrastructure if that expansion would be inconsistent with the current zoning.

**Municipal Implication:** This bill would have required Special Districts to either comply with the municipal zoning requirements when expanding, or notify the municipality of any zoning incompatibilities. THIS BILL DID NOT PASS.

Expect future legislation that will address the zoning authority of local government as well as the issues surrounding regional service facilities and their impact on local zoning authority.



**HB-59**  
**Off-Highway Vehicle Program Funding**

**Sponsor:** Rep. Brent Goodfellow

**Bill Status:** Passed

**ULCT Position:** Oppose

**Purpose of the Bill:** This bill will raise the \$850,000 cap on the diversion from the transportation fund to recreational vehicle trails funding programs. The new cap will be placed at \$1,050,000.

**Municipal Implication:** 25% of the transportation fund is sent to municipal and county government for the construction and maintenance of those roads, by removing an additional \$200,000 from the transportation fund, local government will lose approximately \$50,000 statewide. While the impact is not large when distributed between 237 municipalities and 29 counties, many felt that this revenue may have been more effectively used on the critical infrastructure needs of both the state and local road systems instead of ATV trails.



**SB-66**  
**Alcoholic Beverage Enforcement & Treatment**

**Sponsor:** Sen. Michael Waddoups

**Bill Status:** Passed

**ULCT Position:** Support, and League Initiated

**Purpose of the Bill:** The bill was ran in order to raise the tax imposed on beer, and dedicate the additional revenue raised to the local policing agencies for DUI enforcement, prevention, & education The bill would create a restricted account for the municipal and county agencies, which would make it more difficult to remove the revenue in order to balance the state budget shortfalls.

**Municipal Implication:** This bill in conjunction with SB-153 will raise \$2.5 million dollars this year and dedicate that revenue to municipal and county DUI enforcement programs. The bill also set up a timeline, where the annual appropriation to local government will be increased to a 60/40 split between the State and local government by 2008 (Approx. \$5 million). There are, however, some requirements that come along with this money. An annual report must be filed by the municipality to show that the revenue was being used for DUI enforcement, prevention, and education programs, and was in addition to current revenue in these programs, and not replacing that revenue.

**If the money is not used appropriately by municipal government, new legislation to remove the funding from the local level will be introduced.**





**SB-56 Substitute**  
**Local Government Board of Examiners**

**Sponsor:** Sen. James Evans

**Bill Status:** Did Not Pass

**ULCT Position:** Oppose

**Purpose of the Bill:** In the bills initial form, it would have required local government to waive governmental immunity under certain circumstances. After working with the sponsor, the ULCT Legislative Team had the language changed to a more favorable idea, which included a local government board of examiners. This board would have been comprised on local elected officials from the municipality, and would have been able to pay damages to constituents based off of moral compulsion instead of legal obligation.

**Municipal Implication:** Although the bill still allowed the municipality to determine what it would like to the board of examiners consider, the ULCT still opposed the bill as a whole. This bills enacting clause was struck, and the bill did not pass.



**HB-60**  
**Public Safety Noncontributory Retirement Act**

**Sponsor:** Rep. Neil Hansen

**Bill Status:** Not Passed

**ULCT Position:** Oppose

**Purpose of the Bill:** This bill would have included over-time in the calculation of compensation that is used to determine the defined retirement benefit of members of the Public Safety Noncontributory system.

**Municipal Implication:** Since many municipal police officers work a considerable amount of overtime--as much as 30% of their compensation is overtime compensation. With the retirement rate for public safety retirement at over 20%, the impact of providing retirement compensation for this could have been extremely expensive. **THIS BILL DID NOT PASS.**



**HB-62**  
**Emergency Response Costs**

**Sponsor:** Rep. Brent Goodfellow

**Bill Status:** Not Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill would have allowed public emergency response agencies a civil cause of action to recover expenses of an emergency, where the offender’s criminal conduct caused the incident.

**Municipal Implication:** This bill would have allowed municipal agencies the ability to recover some costs associated with emergency response if criminal conduct was involved. This bill did not pass.



**SB-50**  
**Municipal Land Use & Development Amendments**

**Sponsor:** Sen. Michael Waddoups

**Bill Status:** Not Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** This was the competing bill of HB-54, which dealt with the placement of regional service facilities (Water Treatment Plants) which serve more than one political subdivision. This bill would have limited the ability of a municipal entity to enforce certain zoning standards if the facility was serving more than one political subdivision.

**Municipal Implication:** This bill was pulled after a compromise was reached between the two parties that were the impetus of this legislation.

Expect future legislation that will deal with local government’s ability to enforce zoning standards when regional service facilities are involved.



**SB-37**  
**Taskforce Study of Impact of Gravel Pits**

**Sponsor:** Sen. Pete Knudson

**Bill Status:** Passed

**ULCT Position:** Support, and League Initiated

**Purpose of the Bill:** This bill creates a task force to study the operations of gravel pits in the state and their impact on the surrounding environment and infrastructure and the economic benefit they provide.

**Municipal Implication:** This task force created in this bill will include municipal representation, and will be charged with assessing both the positive and negative impacts that gravel pits have on the surrounding community.

This bill was a result of a ULCT resolution passed at the Business Meeting in September of 2002.



**HB-64**  
**Public Water System Amendments**

**Sponsor:** Rep. Roger Barrus

**Bill Status:** Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** This bill allows voters of a county, municipality, or water district the option to vote to add fluorine or cease adding fluorine to the public water supply.

**Municipal Implication:** This bill will not allow fluorine to be added or taken out of the water system until it has been placed, by an initiative petition, on the ballot and voted on by the public to do so. The item will only be placed on the ballot during a municipal general election or, in counties of the 1st & 2nd class, on a general election year. Once the item has been voted on, another vote cannot be taken for four years from the date of approval dating back to elections held in November 2000.



**HB-79**  
**Regulation of Amateur Radio Antennas**

**Sponsor:** Rep. Neil Hendrickson

**Bill Status:** Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** This bill prohibits municipalities and counties from enacting ordinances that fail to comply with federal regulation regarding amateur radio antennas.

**Municipal Implication:** This bill will still allow municipalities the option to zone with the intent of limiting certain antennas, but a “minimal practicable regulation” standard must be used to achieve your set purpose. This has been defined in the courts on the federal level, and has often gone in the favor of the governmental agency in question, and should not be of major concern to municipal government as well. The bill just asks municipalities to comply with the existing federal law.

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**Want to See the Full Text?**

Please Visit [www.ulct.org](http://www.ulct.org) and follow the legislative links



**SB-35**  
**Redevelopment of Superfund Sites**

**Sponsor:** Sen. D. Chris Buttar s

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill narrowly modifies the Redevelopment Agencies Act to expand the criteria for blight to include a superfund site. The bill also makes an exception to a size restriction on RDA project areas for the case of a superfund site.

**Municipal Implication:** While this legislation will not affect many municipalities, it will give some municipalities, such as Midvale City, the ability to use RDA money to redevelop their superfund site. This has been a concern for Midvale for quite some time and was finally fixed this legislative year.

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**Utah League of Cities and Towns**



**SB-23**  
**State & Local Taxes Related to Telecommunications**

**Sponsor:** Sen. Curtis Bramble

**Bill Status:** Passed

**ULCT Position:** Support and Drafted by ULCT

**Purpose of the Bill:** This bill was drafted after the completion of a multi-year taskforce which was assigned to address problems regarding the imposition and administration of taxes associated with telecommunications. The intent was to broaden the telecommunications tax base and lower the applicable rate, while simultaneously simplifying the administration of such taxes.

**Municipal Implication:** This bill will have wide ranging impacts on municipal government, including the necessary removal of all franchise fees and local surcharges associated with the telecommunications industry. This will include the \$1 surcharge on mobile phones in addition to any telephone franchise fee. In exchange for these fees, a 4% local tax may be imposed on telecommunications. This tax will be applicable to both the land line and mobile phone users. This legislation was intended to be revenue neutral, and that neutrality is facilitated by the broader tax base and lower applicable rate. The bill does however, allow some fees to be assessed, such as street cut fees, but these fees can only recover associated costs and not used as a revenue source.

ULCT Staff will be drafting model ordinances to repeal the existing \$1 mobile phone surcharge, and institute the new 4% tax. This bill takes effect on July 1, 2004.

**Want to See the Full Text?**



**HB-95**  
**Annexation of Unincorporated County Islands Into Cities**

**Sponsor:** Rep. Todd Kiser

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill will allow municipalities to annex an island of unincorporated territory within the municipality without an annexation petition under certain circumstances.

**Municipal Implication:** Current provisions in the state law provide for an annexation with out a petition if most of the municipal services are provided to the unincorporated island, this bill changes that language to require only one municipal service to be provided in order to allow for an annexation without an annexation petition. This language was added to address the “laundry list” of services that were required under current statute

The bill did address the concerns of some by outlining that if the annexation was being contested during the public hearing process, and more than 10% of the population did object the annexation, then an annexation petition would be required. The bill was intended to minimize the costs associated with annexation proceedings in an uncontested annexation of a county island.



**HB-97**  
**Repeal of Sunset Date on Limitations to Annex Townships**

**Sponsor:** Rep. Eric Hutchings

**Bill Status:** Not Passed

**ULCT Position:** Oppose

**Purpose of the Bill:** This bill would have repealed a sunset date that would have eliminated a prohibition against a municipality in a first class county from approving an annexation petition for an area within a township unless the entire township was annexed

**Municipal Implication:** If passed, this bill would have repealed the 2006 sunset date which requires a municipality, when annexing, to take the entire township into to the city, instead of only taking portions of the township.



**HB-371 Substitute**  
**Court Security Fee**

**Sponsor:** Rep. David Hogue

**Bill Status:** Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** This bill increases court fees to fund the creation of a Court Security Account. The fund is to be used to contract for security at courts across the state.

**Municipal Implication:** This bill imposes an additional \$25 fee on all courts of record. Since these security fees are taken off of the top of a judgment amount, any reduced fine will mean less money available for collection at the local level.



**HB-310**  
**Transportation Planning Taskforce**

**Sponsor:** Rep. John Dougall

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This act establishes a legislative task force to study transportation needs and funding for the next 10 and 20-year time frames.

**Municipal Implication:** Although this bill was ran to create a legislative task force, local government input will be required in order to receive a comprehensive picture of the transportation infrastructure needs of Utah. This task force will examine funding options, critical needs, and the Centennial Highway Endowment Fund and associated programs. The Utah League of Cities & Towns received a commitment that our input would be included in the task force.



**HB-98**  
**Municipal Disconnection Amendments**

**Sponsor:** Rep. Ann Hardy

**Bill Status:** Passed

**ULCT Position:** Support, and League Initiated

**Purpose of the Bill:** This bill modifies the municipal code and the procedure for disconnecting territory from the municipality. The bill modifies the criteria and procedures that must be followed for disconnection. The bill also repeals the provision regarding the appointment of a commission to determine the validity of the disconnection.

**Municipal Implication:** The bill makes several technical changes in the municipal disconnection process, most noticeably the removal of language pertaining to the creation of a commission charged with determining the validity of the disconnection. The commission's duty will now be included in the duties of the municipal legislative body.

For a more detailed analysis of the bill please visit [www.ulct.org](http://www.ulct.org) and follow the legislative links to the bill text.



**HB-114 Substitute**  
**Management, Enhancement, & Funding of 911 System**

**Sponsor:** Rep. Brad Dee

**Bill Status:** Not Passed

**ULCT Position:** Support

**Purpose of the Bill:** The bill would have created an 18 cent per month state fee on telephone services for unified statewide E-911 emergency services. The bill would have also provided for the administration, collection, and enforcement of telephone E-911 emergency fees by the State Tax Commission. In addition, the bill would have repealed the advisory Utah 911 Committee in Bureau of Communications in the Department of Public Safety, and replaced it with a new state Utah 911 Committee in the Department of Public Safety to develop state standards for the unified E-911 emergency system and to administer the fund. This new committee would have had local government representation.

**Municipal Implication:** This bill would have allowed local government to levy monthly emergency telephone charges up to 65 cent, up from the current cap of 53 cents. The bill would have created a comprehensive, statewide E-911 system that would have been administered at the state level with local government representation.



**HB-296**  
**Municipal Annexation Amendments**

**Sponsor:** Rep. Susan Lawrence

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill modifies the Utah Municipal Code to require notice of annexations to be sent to affected entities and to provide for the effective date of annexations. The bill also requires certain municipalities to submit to the lieutenant governor a notice of adoption of an annexation ordinance.

**Municipal Implication:** This bill will limit the effective dates of annexations to two days per calendar year in counties of the first class. Those two dates are July 1st and January 1st, and are determined by the date in which the ordinance for annexation is completed and notice requirements are fulfilled. If the ordinance is enacted between November 1st and April 30th of the preceding year then the annexation takes effect on July 1st. If the ordinance is enacted between May 1st and October 31st of the preceding year, then the annexation takes effect on January 1st.





**HB-278**  
**Review of Subdivisions Crossing County Boundaries**

**Sponsor:** Rep. Greg Buxton

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill modifies the Utah Municipal Code by requiring the consent of the legislative body of the county in which an area proposed for annexation is located if the proposed annexing municipality is in another county.

**Municipal Implication:** This bill should not have far reaching implications, but if an annexation is taking place between to areas located in different counties, some coordination and notification will be required before the annexation can be validated.



**HB-116**  
**Property Tax-Calculation of Certified Tax Rate**

**Sponsor:** Rep. Ann Hardy

**Bill Status:** Passed

**ULCT Position:** Support, and League Initiated

**Purpose of the Bill:** This bill modifies the Property Tax act by changing the method in which the certified tax rate is calculated. The certified tax rate will now be calculated based off of the previous years budgeted tax revenue instead of the previous years collected tax revenue.

**Municipal Implication:** Since local government rarely collects 100% of the budgeted property tax, they were seeing a continuous ratcheting down of the certified tax rate due to it's linkage to the collected amount. This bill address's that problem and bases the certified tax rate on the previous years budgeted amount, which, when calculated, will produce the same revenue as the previous year. This will give local government a more stable, reliable property tax base.

This bill is the result of a ULCT resolution passed at the Business Session in September of 2002.



**HB-122 Substitute**  
**Planning Commission Review of Changes to Public Use**

**Sponsor:** Rep. Ann Hardy

**Bill Status:** Passed

**ULCT Position:** Support, and League Initiated

**Purpose of the Bill:** This bill modifies municipal and county land use development and management provisions to eliminate the requirement of planning commission review of certain actions with respect to public lands or facilities. This bill also requires counties and municipalities to provide reasonable notice and an opportunity for public comment before disposing of a significant parcel of real property.

**Municipal Implication:** This bill removes requirements relating to planning commission review of actions that are already outline in the municipalities general plan. The legislation also requires public notice and opportunity for public comment (14 days) when disposing of a significant parcel of real property. Significant must be defined by a municipal ordinance.



**HB-271**  
**Airport to U of U Light Rail Restricted Account**

**Sponsor:** Rep. David Ure

**Bill Status:** Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** The bill requires the Division of Finance to distribute any revenues in the Airport to University of Utah Light Rail Restricted Account to each city or town that has constructed within the boundaries of the city or town any portion of the Airport to University of Utah Light Rail.

**Municipal Implication:** This bill was specific to Salt Lake City. It transferred \$2.5 million from the state restricted account to the Salt Lake City Corporation for the construction of light rail in accordance with TEA-21.



**HB-244**  
**Municipal Government Amendments**

**Sponsor:** Rep. Wayne Harper

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill modifies city classification provisions and adds new classifications. The bill also modifies the population size of cities to which certain meeting requirements apply, animal shelter provisions apply, and the maximum charge for newspaper official notice requirements.

**Municipal Implication:** The new municipal classification standard is as follows:

Towns: 0-999 in population

5th Class: 1,000-9,999 in population

4th Class: 10,000-29,999 in population

3rd Class: 30,000-64,999 in population

2nd Class: 65,000-99,999 in population

1st Class: 100,000 + in population

While most laws that were applicable under the current system will stay in effect for those municipalities that were reclassified, this bill will allow for future legislation to be more narrowly tailored to fit its intent. In the future, expect to see several bills that will address the mandates that have been placed on smaller municipalities, as well as more tinkering with municipal classification.

**Want to See the Full Text?**

**Please Visit [www.ulct.org](http://www.ulct.org) and follow the legislative links**



**HB-150**  
**Poll Watcher & Election Day Amendments**

**Sponsor:** Rep. Morgan Philpot

**Bill Status:** Not Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** This bill would have allowed representatives acting as poll watchers during specified elections to be present in the counting room or other rooms associated with the processing of the votes for counting.

**Municipal Implication:** This bill would have given poll watchers “unrestricted” access to all rooms associated with the counting of election ballots. This obviously presented some concerns regarding the possibility of an accident that could jeopardize the integrity of the election. The bill did not pass.



**HB-158**  
**Incorporation of Cities**

**Sponsor:** Rep. Brad Dee

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This act modifies the Utah Municipal Code to expand application of a provision allowing an owner of property to exclude that property from a proposed municipal incorporation so that the provision applies to proposed incorporations in counties of the second class.

**Municipal Implication:** In bill allows property owners who own over 1% of the assessed value property to exclude themselves from a municipal incorporation if they meet certain criteria, which includes being in a non-urban area in addition to not requiring municipal services. This law currently exists in counties of the first class, and this bill only extended this provision to counties of the second class.



**HB-225**  
**Retirement Membership Exclusions**

**Sponsor:** Rep Brad Dee

**Bill Status:** Passed

**ULCT Position:** Support

**Purpose of the Bill:** This act modifies the Utah State Retirement and Insurance Benefit Act by increasing the cap on the number of positions that a municipality, county, or political subdivision may exclude from membership in the Public Employees' Contributory Retirement System and Public Employees' Noncontributory Retirement System.

**Municipal Implication:** For those municipalities that are near the existing cap on the number of positions that a municipality may exclude from membership in the Public Employees' Retirement System, this bill may help. The new cap will be placed at a maximum of 50 exemptions, which replaces the current law allowing 30 exemptions.