

## Utah League of Cities and Towns

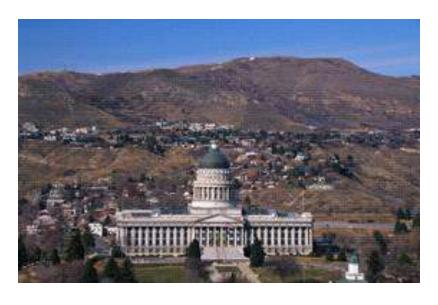
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# 2004 General Legislative Session Update

## Utah League of Cities and Towns



The 2004 Legislative Session &

Its Impact on Utah's Cities and Towns

April 2004





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#### **Legislative Team**

#### Kenneth H. Bullock, Executive Director kbullock@ulct.org

Ken is responsible for the overall management of day-to-day League operations and activities. He works closely with the League Board of Directors and ensures that Board objectives are achieved. Ken represents the League on various committees and boards and has routine contact with government officials, business leaders and the public.

#### Jodi Hoffman, Director of Legislative Affairs jhoffman@xmission.com

Jodi coordinates legislative policy for municipalities and presents findings to State administrative and legislative branches. She assists in the administration of the legislative policy committee and fields individual municipal questions. Her specific areas of expertise include municipal power and land use legislation.

#### Roger Tew, Tax Analyst rogertew@ulct.org

Roger coordinates legislative policy for municipalities and presents findings to State administrative and legislative branches. He fields individual municipal questions and concerns, and writes a pre and post legislative report. His specific areas of expertise include tax policy and telecommunications issues.

#### Lincoln Shurtz, Legislative Analyst lshurtz@ulct.org

Lincoln coordinates with the Executive Director, Legislative Team, and Legislative Policy Committee in order to assign, track, and draft legislation through out the year. He is responsible for committee updates, legislative task force coordination, and tracking of the State's budget as it relates to local government.

#### Kerri Nakamura, Budget Analyst knakamura@ulct.org

Kerri coordinates the League's budget database. She assists individual communities with budget and policy issues such as: revenue and expenditure monitoring; capital project budgeting; budget amendments; business licensing; impact fee revenue and expenditure tracking; contracting for services and other related issues.

#### Meg Ryan, Land-Use Analyst mbryan@xmission.com

Meg provides a variety of technical assistance on land-use related issues for municipalities, updates on new legislation affecting the planning and zoning aspects of municipal government and assists with on-site land use training.

## **Notes**

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#### **SB-222**

## **Local Government Feasibility and Economic Impact Study**

Sponsor: Sen. Scott Jenkins

Bill Status: Failed

**ULCT Position:** Oppose

**Purpose of the Bill:** This bill: requires a study before the approval of the expenditure of monies for facilities or services; requires the hiring of a feasibility consultant to conduct the study; establishes what is to be included in a study; and provides for a hearing on a study.

Municipal Implication: Although this bill failed, it certainly demonstrates the perception that several legislators have about the services municipal government provides. First, the bill would have required a municipality to have an economic impact study completed before any new municipal services or facility would be built. The study would be conducted to assess the impact that such a services would have on the private sector's ability to continue to provide a similar services. There are several legislators who believe that municipalities are competing with the private sector to provide several services and feel that it is not the role of government to provide "proprietary services". The bill outline several such services including recreation centers, swimming pools, refuse collection, ambulance services, etc.

The League staff believes that we will continue to grapple with this issue as municipalities continue to provide the services their constituents have come to expect. This subject of this bill will be a major issue in the years to come.



#### **SB-219**

## **Justice Court Operation Amendments**

Sponsor: Sen. Ed Mayne

Bill Status: Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill: allows municipal and county justice courts to be open to transact judicial business for no less than four days per week for at least 11 hours per day.

**Municipal Implication:** As several cities continue to transition from a 5 day - 8 hour work week to a 4 day - 10 hour work week, it was requested that municipal justice courts also be allowed to work on the same time schedule. With that in mind, Senator Ed Mayne, upon the request of West Valley City, introduced and passed this legislation to give some addition flexibility in the designation of a municipal work week for municipal justice courts.



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#### **HOW DOES THE ULCT WORK?**

## GENERAL MEMBERSHIP-237 MUNICIPALITIES

PROPOSES RESOLUTIONS AND MAKES RECOMMENDATIONS

## RESOLUTION COMMITTEE

ADOPTS AND APPROVES RESOLUTIONS SUBMITTED BY GENERAL MEMBERSHIP

#### LEGISLATIVE POLICY COMMITTEE

COMPOSED OF ELECTED & APPOINTED OFFICIALS, CONSIDERS ALL LEGISLATION PERTAINING TO MUNCIPAL GOVERNMENT

## **BOARD OF DIRECTORS**

DETERMINES THE LEAGUES FINAL POSITION
CAN DELEGATE DECISION MAKING AUTHORITY TO OTHER BODIES
UNDER CERTAIN CIRCUMSTANCES

## **EXECUTIVE BOARD**

DETERMINES THE LEAUGE'S LEGISLATIVE POLICY POSITIONS WHEN DELEGATED TO DO SO

## EXECUTIVE DIRECTOR/LEGISLATIVE TEAM

INTERACTS WITH LEGISLATORS ON BEHALF OF THE ULCT, CARRIES OUT THE POLICY DECISIONS MADE BY THE LPC AND BOARD



## 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.

#### 2004 ULCT LEGISLATIVE POLICY COMMITTEE

## NAME MUNICIPALITY

Gil Miller Bear River City Tom Hardy Bountiful Joe Johnson Bountiful Lou Ann Christensen **Brigham City** Don Tingey **Brigham City Brad Sears** Cedar Hills Steve Thacker Centerville Larry Waggoner Clearfield Dennis Cluff Clinton City Lori Miller Clinton City Clinton City Paul Ray Eric Keck Draper Draper Jennifer Spatig Michael Williams **Emery** Don Olson **Ephraim** Farmington Max Forbush Susan Holmes Farmington Mike Leonhardt Garden City Fred Oates Harrisville City J. Lynn Crane Herriman Craig Hall Holladay **Douglas Stipes** Hyrum Neka Roundy Kaysville City

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#### **SB-196**

## **Court Security Fee Amendments**

Sponsor: Sen. Dave Gladwell

Bill Status: Passed

**ULCT Position:** Support with Amendments

**Purpose of the Bill:** This bill: adds juvenile court security to the contract responsibility for the state court administrator; imposes a \$32 security surcharge on criminal convictions and moving violations in justice courts; allows the justice court to retain a portion of the funds collected.

**Municipal Implication:** SB 196 imposes a new fee on bail-scheduled offenses in District Court, which fee is then returned in part to the administrative office of the courts for computer upgrades, in part to cities for general revenue purposes, and in part to the counties' general funds, for juvenile courtroom security.

The original legislation would have meant a net loss of revenues to cities and towns and a \$7 Million windfall to the counties. The League's amendments to the bill resulted in a net gain to cities of over a million dollars annually, and a statutory change, which now prohibits counties from charging jail or booking fees to cities and towns who use their facilities for municipal prisoners, unless the city consents to such charges in writing.

SB 196 was not League initiated and was opposed by the membership until certain compromises were included in the legislation. However, once the League and the UAC reached a compromise and worked together on the bill, opposition to the bill subsided



#### **SB-183**

#### **Local Governments Authority for Design-Build Construction**

Sponsor: Sen. Howard Stephenson

Bill Status: Passed

**ULCT Position:** Support and League Initiated

Purpose of the Bill: This bill: adds certain design-build projects as a type of building improvement or public works project that is subject to certain requirements relating to plans and specifications, cost estimates, and bid procedures; and allows a local government entity, with respect to certain design-build projects, to award a bid to a responsible bidder that offers design-build services rather than to the lowest responsive responsible bidder.

Municipal Implication: After the passage of SB-141 during the 2003 legislative session, some city attorneys felt that the ability to procure a project using design-build technology was prohibited. SB-183 essentially provide some immunity for cities that have moved forward with a design-build project and have since recognized that they may have done so despite the state prohibition. This bill does, however, only provide a narrow window for a few projects. The League of Cities will be working with the interested parties during the interim to come up with a long standing approach to local governments ability to use design-build technology and whether or not any limitations should be put in place. We will be sure to keep you up to date on the discussions

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#### **2004 POLICY COMMITTEE CONTINUED**

NAME **MUNICIPALITY** Gary Crane Layton J. Stephen Curtis Layton **Ed Collins** Lehi

Larry Ellertson Lindon Mark Sorenson Logan Doug Thompson Logan Midvale Lee King JoAnn Seghini Midvale Dave Sakrison Moab

Marie Heiner

Morgan Julie Lee Morgan Chesley Christensen Mt. Pleasant

Krista Dunn Murray Jan Wells Murray Randy McKnight Nephi City North Ogden Lynn Muirbrook Nate Pierce Ogden Carol Ware Orangeville

Jim Reams Orem City Shiree Thurston Orem City Jerry Washburn Orem City Candy Erickson Park City Gary Hill Park City

Bernell Evans Payson City Pleasant Grove Frank Mills

Joe Piccolo Price Lewis Billings Provo Michael Mower Provo Wayne Parker Provo

Richfield City Matthew Creamer Larry Lunnen Richfield City Vic Jensen River Heights Bruce Burrows Riverdale Roger Burnett Roy City Chris Davis Roy City Steven Allred Salt Lake City Rocky Fluhart Salt Lake City Dale Lambert Salt Lake City Nancy Saxton Salt Lake City



#### **2004 POLICY COMMITTEE CONTINUED**





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#### SB-175S2

## **Protection of Private Lawfully Obtained Property**

Sponsor: Sen. D.C. Buttars

Bill Status: Passed

**ULCT Position:** Support by Resolution

Purpose of the Bill: This bill: provides additional definitions; increases innocent owner protections; repeals the provision for depositing forfeiture proceeds in the Uniform School Fund; creates a restricted account for specified state forfeiture funds, and provides that funds in the account shall be appropriated to the Commission on Criminal and Juvenile Justice; specifies accountability standards in management of forfeited property and of the proceeds; specifies law enforcement purposes for which the proceeds may be used and those purposes for which the proceeds may not be used; and requires reporting by agencies and by the Commission on Criminal and Juvenile Justice.

**Municipal Implication:** This bill allows municipal policing agencies to obtain the money and assets associated with criminal activity, while simultaneously protecting the property of the innocent. The bill rescinds several aspects of Initiative B, which passed during the 2000-2001 election cycle. The bill outlines how property must be seized, provides accountability at both the state and local level, and also outlines how the proceeds must be used.



#### **SB-130**

## **Restrictions on Use of Unmarked Police Vehicles**

Sponsor: Sen. Bill Hickman

Bill Status: Failed

**ULCT Position:** Oppose

**Purpose of the Bill:** This bill: provides definitions; clarifies that all law enforcement agencies are subject to restrictions for the use of unmarked vehicles in traffic enforcement; provides that if a vehicle is used by a law enforcement agency for traffic enforcement, the identification markings that are required on government vehicles must be plainly visible from a distance of 500 feet; and makes technical changes.

**Municipal Implication:** The intent of the bill was to limit the use of unmarked police cars as traffic enforcement tools. The major problem of the bill revolved around the restrictions on the necessary markings for traffic enforcement operations and the impact that may have on motorcycle police squads, as well as the potential for scrutiny regarding the visibility of a marking from 500 feet away.

This bill did fail.



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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 three 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 pixilated

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.

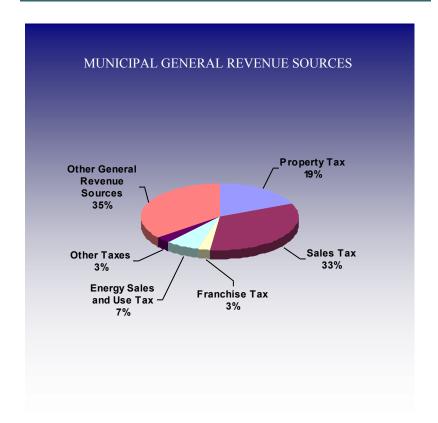


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## WHAT DOES IT LOOK LIKE?

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





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#### **SB-124**

## Prohibition on Sales and Use Tax Incentive Payments

Sponsor: Sen. Sheldon Killpack

Bill Status: Passed

**ULCT Position:** No Position Once Amendments Were

Made

Purpose of the Bill: This bill: creates the Prohibition on Sales and Use Tax Incentive Payments Act; defines terms; prohibits a county or municipality from making a sales and use tax incentive payment under an agreement entered into on or after July 1, 2004; and prohibits a county or municipality from entering into an agreement on or after July 1, 2004, to make a sales and use tax incentive payment.

Municipal Implication: Prohibits a city or county from making incentive payments with money from sales tax revenue to induce a regional retail business to relocate. A regional retail business is defined as one that occupies more than 80,000 square feet of floor space; is a car or motor vehicle dealer; is a retail shopping facility that has at least two anchor tenants if the total floor area of all tenants is more than 150,000 square feet; or is a grocery store of more than 30,000 square feet. Again, this is an attempt on behalf of the Leg



## **SB-121**

#### **Local Sales and Use Tax Distribution Taskforce**

Sponsor: Sen. Greg Bell

Bill Status: Failed

**ULCT Position:** Oppose

**Purpose of the Bill:** This bill would have created the Local Sales and Use Tax Distribution Task Force.

Municipal Implication: SB121 – Local Sales and Use Tax Distribution Task Force, was an attempt by Sen. Greg Bell to address the issue of redistributing sales tax dollars to address the issue of municipal "fiscalization" of land-use decision due the heavy municipal dependence on sales tax revenue. The bill would have set up a task force to look at this issue and make changes. The League of Cities and Towns objected to the proposed task force because our experience with legislative task forces in the past has been that they are composed primarily of legislators, and they do not listen or involve local officials very well in their deliberations.

Sen. Bell agreed to hold off on pursuing a legislative task force if the League would, as promised, pursue this issue in the coming year. It is a topic of concern to legislators, as evidenced by SB124 – Prohibition on Sales and Use Tax Incentive Payments by a County or Municipality, which passed during the session. As such, the League of Cities has set up a group of city officials to address this issue as a single component of a greater discussion on the funding of local government. The League taskforce began meeting soon after the legislative session concluded and will continue to meet throughout the year.

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## 2004 Legislative Bill Summary



#### **HB-9**

#### **Absentee Ballot Amendments**

Sponsor: Rep. Doug Aagard

Bill Status: Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** This bill eliminates barriers to people voting by absentee ballot. This bill: allows anyone to vote an absentee ballot either by mail or at the election officer's office; establishes requirements for making absentee ballot information available to the public; expands the ability of the county legislative body to administer an election in a voting precinct entirely by absentee ballot; and makes technical corrections.

Municipal Implication: As the state continues to move toward electronic voting, there has been a concerted effort to increase voter turn-out while simultaneously attempting to limit the necessary resources for an election. By allowing all eligible voters to vote absentee it will reduce the number of electronic voting machines that will be purchased by the county and state. Since may cities contract with the county for municipal election assistance, this legislation will help reduce the costs associated with that contract. Additional election related legislation will be introduced during the 2005 legislative session in order to better accommodate electronic voting. Issues such as: Coordinating municipal elections on even-numbered years, and capping the county election contracting fee are likely to be addressed in the near future



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## SB-115 Special Election Dates

Sponsor: Sen. Curt Bramble
Bill Status: Governor Vetoed

**ULCT Position:** Oppose the Concept

**Purpose of the Bill:** This bill: would have required local and statewide special elections to be held on either the first Tuesday after the first Monday in November or the fourth Tuesday in June; and makes technical changes.

**Municipal Implication:** This bill was vetoed by the Governor, but would have required any special election, and specifically bond elections to be held in conjunction with a general election or primary election in order to promote greater scrutiny of potential local government and school board bonding.

The League of Cities has opposed the concept in the past due to the forced rigidity of the bond market if municipalities can only hold bond elections twice a year. The potential of unfavorable bond rates has been a major sticking point for most local governing bodies.

Expect to see similar legislation in the future.



## **SB-85**

## **Political Activities of Public Entities Amendments**

**Sponsor:** Sen. Dave Thomas

Bill Status: Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill: clarifies the definition of "public entity" and "public official"; and provides that public officials who violate the act are guilty of a class B misdemeanor.

Municipal Implication: By expanding the definition of a public entity, this bill would prohibit a local health department from expending public funds for political purposes (i.e. Water Fluoridation) or to influence a ballot proposition. Nothing in this chapter prohibits a public official from speaking, campaigning, contributing personal monies, or otherwise exercising the public official's individual First Amendment rights for political purposes and nothing in this chapter prohibits a public entity from providing factual information about a ballot proposition to the public, so long as the information grants equal access to both the opponents and proponents of the ballot proposition.



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#### HB-13

## Non Hazardous Solid Waste Fee and Tax Amendments

Sponsor: Rep. Eli Anderson

Bill Status: Passed

**ULCT Position:** No Position Taken

**Purpose of the Bill:** This bill: terminates a \$28 per ton fee on hazardous waste; reinstates a \$14 per ton fee on treated hazardous waste; and terminates a gross receipts tax on certain hazardous waste facilities and nonhazardous solid waste facilities.

Municipal Implication: As you may recall, a gross receipts tax was placed on commercial nonhazardous waste facilities during the 2003 legislative session in order to fund the Department of Environmental Quality in their regulation efforts. In the evaluation of the revenue generated by the gross receipts tax and the municipal waste surcharge the State Legislature recognized that they were generating more revenue that anticipated and therefore removed the gross receipts tax on commercial non-hazardous waste. So, what does that mean to you? While there is no immediate, direct impact, future discussions regarding the funding of state regulation of municipal solid waste facilities is going to be an issue in the 2005 session. The perception that municipal waste facilities are competing with the private sector is prevalent among legislators. In order to avoid future fee increases on municipal waste we must show that we are not competing with private waste facilities and that fee increases are passed on to our constituents as a direct tax/fee increase



## <u>HB-23</u>

## **Joint Transportation Planning Amendments**

Sponsor: Rep. Rebecca Lockhart

Bill Status: Passed

**ULCT Position:** Support

Purpose of the Bill: This bill: defines a metropolitan planning organization; requires the Department of Transportation to cooperate with metropolitan planning organizations for transportation planning and project programming; requires that the department cooperate with metropolitan planning organizations with contiguous boundaries, if those organizations have: coordinated transportation plans and improvement programs; and submitted joint comprehensive, integrated transportation plans to the department; and provides that the governor and local units of government may redesignate or realign metropolitan planning organizations if the governor and the affected local units of government jointly determine that metropolitan planning organizations have failed to cooperate and submit joint transportation plans.

Municipal Implication: While this bill was drafted primarily to recognize an MPO under Title 72 of the Utah State Code, the bill also requires that adjoining MPO's coordinate their transportation plans in order to accommodate shifting regional transportation issues. The MPO's most directly affected by this legislation are the Wasatch Front Regional Council and Mountainland Association of Governments as they continue to address transportation issues between Salt Lake and Utah Counties.

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#### **SB-66S2**

## **Telecommunications Amendments**

Sponsor: Sen. Bill Hickman

Bill Status: Passed

**ULCT Position:** Opposed

**Purpose of the Bill:** This bill: requires a municipality or an interlocal entity under certain circumstances to comply with specified provisions of the Municipal Cable Television and Public Telecommunications Service Act; and modifies certain bonding requirements in the Municipal Cable Television and Public Telecommunications Service Act

**Municipal Implication:** This was one of the most hotly contested pieces of legislation during the session. Nicknamed the "Utopia" bill, the legislation initially attempted to severely restrict how cities may involve themselves in wholesale telecommunications services.

In the end, the legislation did the following:

"Grandfathered" the current cities who had already taken formal action to participate in the UTOPIA process. The legislation did require that those cities undertake a final public hearing before choosing to participate and provide certain information to the public.

Imposed a three-year moratorium on new cities participating unless there was a popular vote authorizing participation.

After the three year period, any city could participate on the same terms as the original cities.

The legislation also established public notification requirements and imposed certain budgetary requirements on the use of sales tax money used to pledge financial support for a telecommunications



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#### **SB-55**

## Governmental Immunity Act of Utah — Continued

(regardless of function) and to allow us to meet with representatives of groups concerned with various facets of the act to hammer out a comprehensive repeal and reenactment of a new Governmental Immunity Act.

Over the interim, the League facilitated a non-legislative Task Force comprised of 28 members, 27 of whom were practicing attorneys. The Task Force first met monthly, and then weekly, to complete the draft legislation. It was chaired by Steven Allred and was anchored by Assistant Attorney General Brent Burnett.

SB 55 was the larger component of a comprehensive Task Force recommendation with respect to private claims against government. (SB 262 was an ancillary component, but an important one for the trial lawyers.) SB 55 reaffirmed the state's interest in a comprehensive approach to Governmental Immunity; to clear and rational waivers thereof; and to clear notice, reporting and discovery rule provisions.

The Task Force represented a wealth of living history and practical knowledge about the current Government Immunity Act. Everyone made tradeoffs, with the higher purpose in mind of crafting for the State of Utah a sound policy regarding claims against government that would simultaneously produce broad justice while guarding government's ability to act for the public good without fear of unexpected and potentially crippling taxpayer burdens.



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#### **HB-25**

#### **Governmental Internet Information Privacy Act**

Sponsor: Rep. Wayne Harper

Bill Status: Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill: enacts provisions governing privacy policies and the collection of personally identifiable information by a governmental entity; and enacts provisions regulating the posting of personally identifiable information on a court website.

Municipal Implication: This bill will require any municipality that gathers personally identifiable information to post on the website the privacy policy statement for that site and disclose the contact information for the website operator. In addition, the website must also contain information as to how the information is being used by the governing agency and the security measures that have been take to protect the personal information. This bill also prohibits the posting of personal information on court websites except under certain, outlined circumstances.



#### **HB-28S1**

#### **Transportation Planning Task Force Reauthorization**

Sponsor: Rep. Rebecca Lockhart

**Bill Status:** Passed

**ULCT Position:** Supported by Resolution

**Purpose of the Bill:** This bill reauthorizes a legislative Transportation Planning Taskforce to study transportation planning and funding needs for the next 10-20 year time frame.

Municipal Implication: The Utah League of Cities and Towns has been working closely with the members of this taskforce since its inception. The reauthorization of the taskforce will allow the legislature to better examine the impact of various funding scenarios as well as determine funding priorities. The focus of this year's taskforce will likely be on potential gas tax increases, jurisdictional transfer issues, local matching funds, and B&C road revenue. League staff will be an active participant in the proceedings and will update the membership with any new information.



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#### **SB-55**

#### Governmental Immunity Act of Utah — Continued

Municipal Implication: SB 55, Governmental Immunity Act, was sponsored by Senator Leonard Blackham. The bill originated from broad-based government concern over the 2002 Utah Supreme Court's reasoning in *Laney v. Fairview City*. In that case, the Supreme Court removed governmental immunity from a discretionary decision of a municipal power city to maintain a power line at a height, which exceeded federal minimum standards. The high court reasoned that because municipal power was a "proprietary function" of government and was not a "core governmental function" all discretionary budget decisions pertaining to municipal power were subject to unlimited claims for damages. Most government officials surmised that although *Laney* involved municipal power, the *Laney* reasoning could be applied to defeat virtually any discretionary decision of any government.

In 2003, the League attempted to address the *Laney* decision and concluded that the entire Governmental Immunity Act was in dire need of a comprehensive rewrite. Fortunately, the trial attorneys had their own concerns with the law and were willing to participate in a comprehensive rewrite. They thought the law was excessively complex, misunderstood, convoluted and unfriendly to claimants. They were concerned that the "notice of claim" provisions were a procedural trap for the unwary and the source of many malpractice claims.

There was no time to effect the rewrite in the 2003 session, so the League and interested parties convinced the 2003 legislature to place a temporary cap on government liability



#### **SB-55**

## **Governmental Immunity Act of Utah**

Sponsor: Sen. Leonard Blackham

Bill Status: Passed

**ULCT Position:** Support and League Initiated

Purpose of the Bill: This bill: defines the scope of liability and immunity of Utah's state and local governments and their employees; defines terms; establishes immunity from suit for injuries that result from the exercise of a government function; waives government immunity from suit for certain specific governmental functions and provides exceptions to certain portions of those waivers; establishes procedures for making claims against a government entity or employee when an alleged injury has occurred; establishes jurisdiction and venue requirements for actions against government entities and employees; defines certain procedures and requirements for legal actions brought under this chapter; establishes a process for submitting claims for payment to a government entity and authorizes certain options that government entities may use to pay claims; authorizes government entities to self-insure or purchase liability insurance for potential claims against the entity and establishes procedures and requirements for implementing those options; establishes limits on judgments against government entities or employees; addresses legal representation and settlement authority for claims against executive, legislative, and judicial entities and employees; and establishes a process for defending employees generally when claims are asserted against them and defines the scope of that representation.

CONTINUED ON NEXT 2 PAGES

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#### **HB-36S2**

#### Management, Enhancement, and Funding of 911 Systems

Sponsor: Rep. Brad Dee

Bill Status: Passed

**ULCT Position:** Supported by Resolution

Purpose of the Bill: This bill: creates a 13 cent per month state fee on telephone services for unified statewide E-911 emergency services; provides for the administration, collection, and enforcement of telephone E-911 emergency fees by the State Tax Commission; creates 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; authorizes local governments to increase the local levy on telephone services for 911 emergency services from a maximum of 53 cents per month to a maximum of 65 cents per month; allows exchange carriers some cost recovery for implementing Phase I technology and collecting and administering the levy; reduces the 13 cent state E-911 emergency service fee in 2006 to eight cents; sunsets the state imposed fee on July 1, 2011.

**Municipal Implication:** While this bill does several things, the most immediate impact to a municipality will be the ability to raise an additional 12 cents per month for emergency service administration. This revenue will be collected by the telecommunications provider and remitted to the state, at which time the Utah 911 committee will redistribute that revenue to the local governing body and PSAP's for implementation of Phase I emergency response technology.



#### **HB-56S3**

## **Local Government Collection for Service Charges**

**Sponsor:** Rep. Steve Mascaro

Bill Status: Passed

**ULCT Position:** No Position Taken

Purpose of the Bill: This bill: prohibits local districts from: refusing to furnish water or sewer service to property based on an arrearage from a previous owner, absent a valid lien; and collecting from the current owner a previous owner's arrearage for water or sewer service provided to the property before the current owner's ownership, absent a valid lien; authorizes municipalities and local districts providing sewer service to: require a written application for service; and discontinue providing service if the property owner fails to pay for the service; local districts to: certify amounts owing for water or sewer service as a lien on the property of the customer who received the service, with certain limitations; and impose collection costs on a customer who has not paid water or sewer service fees; and authorizes a municipality to discontinue sewer service to a property whose owner fails to pay for the service; prohibits a municipality from: refusing sewer service to property based on an arrearage from a previous owner; and collecting from the current owner a previous owner's arrearage for sewer service provided to the property before the current owner's ownership.

**Municipal Implication:** In short, this bill prohibits a municipality for requiring a current owner to pay for a past owners arrearage for sewer and water services. It does, however, allow the municipality to place a lien on the property that would be reconciled if the house were sold as well as cut service for a current owners payment delinquency.

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#### SB-53S1

### **County and Municipal Zoning Regarding Billboards**

Sponsor: Sen. Michael Waddoups

Bill Status: Passed

**ULCT Position:** No Position - After Amendments Were Added

Purpose of the Bill: This bill: modifies the county or municipal actions that constitute initiation of acquisition of a billboard by eminent domain; modifies the circumstances under which a county or municipality may remove a billboard without providing compensation; modifies the procedure a county or municipality must follow in order to be able to remove a billboard without providing compensation; and requires counties and municipalities to allow billboards to be relocated under certain circumstances

Municipal Implication: This bill went through a number of changes late in the session. The version that passed, while not ideal, was much better than what was originally proposed. The bill deals primarily with non-conforming billboards and when and where they can be rebuilt. A number of stipulations are made, many of them dealing with whether the sign was built in the wrong place, and whether that was due to a mistake or was intentional. The wording of the bill gets pretty confusing. I would encourage you to have your city or county attorney read it and advise you if you happen to get the unique situation that may fit this bill.



## SB-50S1 Rural Planning and Development

Sponsor: Sen. Tom Hatch

Bill Status: Passed

**ULCT Position:** Support

Purpose of the Bill: This bill: creates an Office of Rural Development within the Department of Community and Economic Development to help foster and support economic development for the benefit of rural counties and communities; creates a Rural Development Legislative Liaison Committee to serve as liaison between rural economic development and planning groups and state entities and recommend legislation, when appropriate, on the economic and planning interests of rural Utah; and creates a Rural Coordinating Committee to coordinate efforts and resources and help implement the strategic plan on rural economic development, planning, and leadership training.

**Municipal Implication:** Creates four new bodies to address planning and economic development of rural Utah. They are: an Office of Rural Development within the Dept. of Community & Economic Development; a Rural Development Legislative Liaison Committee; a Governor's Rural Partnership Board; and a Rural Coordinating Committee.

Among other things, these groups are to develop and implement a strategic plan to address rural economic development, planning, and leadership training. The League of Cities and Towns has appointment authority for the both the Rural Partnership Board and the Rural Coordinating Committee.

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#### **HB-64S1**

## **Amendments to Local Option Sales Tax**

Sponsor: Rep. Sheryl Allen

Bill Status: Passed

**ULCT Position:** Support

Purpose of the Bill: This bill: extends to cities and towns in second class counties the authority to impose a sales tax for funding recreational and zoological facilities and botanical, cultural, and zoological organizations; extends from five to eight years the period for which the sales tax may be levied; requires each election for voter approval of the sales tax to take place at a regular general election or municipal general election; and limits a county from imposing a similar county option sales tax within municipalities that have already imposed the sales tax.

Municipal Implication: This bill will simply give cities and towns in counties of the second class to the option to impose a municipal Recreation, Arts and Parks (RAP) tax. Although this bill grants additional taxing authority to the city, it does not eliminate the county's taxing authority for such facilities, but rather allows cities to impose the tax if the county chooses not to act.



# **HB-71S1**Water Conservation Plans

Sponsor: Rep. Judy Ann Buffmire

Bill Status: Passed

**ULCT Position:** No Position Taken

Purpose of the Bill: This bill: provides for publishing of a report identifying entities who do not have a current water conservation plan; requires that water conservation plans contain existing and proposed water conservation measures; requires that water conservation plans contain a description of the extent to which a retail provider will use certain measures to achieve its conservation goals; requires that water conservation plans contain a clearly stated water use reduction goal and implementation plan for each conservation measure, including a timeline for action and an evaluation process to measure progress; and requires that the Board of Water Resources' report be presented to the Natural Resources, Agriculture, and Environment Interim Committee at its November 2004 meeting.

**Municipal Implication:** This bill outlines the procedures that a public water company must go through in order to comply with the state statute governing water conservation plans. While these requirements are minimal, there is a provision in the bill that requires proof of compliance in order to access state funds for water development.



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## SB-33 Mobile Home Park Residency Act

**Sponsor:** Sen. Ed Mayne

Bill Status: Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill: provides that a city, county, or municipality may regulate a mobile home park.

Municipal Implication: This bill wins the award for the shortest bill of the session. All the bill says is: "This chapter (Mobile Home Park Residency Act) does not prevent a city, county, or municipality from mediating and enforcing state statutes governing a mobile home park." While most provision in this chapter deal with personal contract requirements between mobile home park owners and mobile home park residents, this addition will allow cities, if they desire, to mediate disputes between the two parties.

It is likely that additional language will be added to this chapter to allow a municipality to enforce certain provision on mobile home parks that are currently prohibited.



#### **SB-26S4**

## Public Safety Retirees' Cost-of-Living Increase

Sponsor: Sen. D.C. Buttars

Bill Status: Passed

**ULCT Position:** Support with Amendments

Purpose of the Bill: This bill: creates the Public Safety Retirees' Cost-of-Living Increase Restricted Account within the State General Fund; specified the uses of the restricted account monies; provides a formula that may require the Utah State Retirement Office to deposit certain premium tax revenues in the Public Safety Retirees' Cost-of-Living Increase Restricted Account; provides certain administrative powers to the Utah State Retirement Office; and transfers monies between restricted accounts.

Municipal Implication: After making significant changes to the original bill, Sen. Buttars received the support of the League of Cities and Towns on SB-26. Originally, the bill would have created a restricted account for a public safety retirees COLA increase from 2.5% to 4%, but the proposed increase in COLA would not have been funded by the state and was instead structured as an unfunded mandate to municipalities who contribute to the retirement system. After modification were made, the bill has no fiscal impact on cities, and instead uses excess money from the fire fighters insurance premium revenue to fund additional increase to public safety COLA increases. The COLA increase was not specified, but a one-time state appropriation of \$1.1 million was added to the account to get things started.

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#### **HB-103**

## **Special Districts for Police Service**

Sponsor: Rep. Ty McCartney

Bill Status: Failed

**ULCT Position:** Oppose and Study Issue during the inter-

im

Purpose of the Bill: This bill: authorizes the creation of a county service area and a local district for extended police protection service by resolution of the legislative body of the participating county and the legislative body of participating municipalities without the necessity of voter approval under certain circumstances; adds extended police protection as a service that a local district may provide; requires the county sheriff to perform for the county service area the functions and duties that the sheriff performs for the county; requires the county and the municipalities included within a county service area for extended police protection to reduce their certified tax rate to offset the cost of extended police protection services; imputes a tax imposed by a police district to the county or municipality included within the district for purposes of the county or municipality's tax limit; adds an alternate method of withdrawing an area within a municipality from the district upon resolution of the municipal legislative body and a vote of voters within the municipality.

**Municipal Implication:** This bill did fail, due to the concerns expressed by the Utah League of Cities and Towns and the Utah Police Chiefs Association. While we recognize the coordination problem between separate municipal police departments there were several problems regarding local control of police services that need to be worked out before this bill will be viable. THIS BILL DID NOT PASS.



#### **HB-111S2**

## **Local Government Amendments**

Sponsor: Rep. Wayne Harper

Bill Status: Passed

**ULCT Position:** Support as Amended

**Purpose of the Bill:** This bill primarily makes a number of technical changes to municipal government, but also modifies the provisions for plans for moderate income housing for both cities and counties. Exempts towns from having to prepare such plans. Modifies the definition of "moderate income," and stipulates that in a civil action brought under this section, a plaintiff may not recover monetary damages, only be awarded injunctive or other equitable relief.

**Municipal Implication:** This bill will require cities of the fifth class and greater, regardless of the county classification, to submit and update their moderate income housing plan on a biennial basis. This bill also makes technical amendments to incorporation process by removing the default form of government and requiring a vote on the municipal form of government. Several other technical amendments to further clarify quorum requirements and proposed changes in classification were also added to the bill



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#### **SB-23S1**

## **Amendments to Municipal Government**

Sponsor: Sen. Tom Hatch

Bill Status: Passed

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

Purpose of the Bill: This bill: modifies the officers and employees of a municipality to whom certain provisions relating to the duration of employment and appeals from employment decisions apply; modifies the composition of an appeal board for employment decisions; modifies the process for appealing an action or decision of the appeal board; expands circumstances covered by provisions relating to limitations on taking negative employment action; requires rather than permits the appeal board to provide that an employee receive back salary if the board finds in favor of the employee.

**Municipal Implication:** This clarifies several provision relating to employee appeal boards to include issues such as which employees are granted appeals, who sits on an appeal board if a municipality only has a few employees, and how state statute governing employee appeal boards will interact with individual municipal personnel policies. If your city/town uses an employee appeal board please read the bill for a more detailed analysis of these provisions.



## **SB-18**

## **Municipal Annexation Provisions in 1st Class Counties**

Sponsor: Sen. Patrice Arent

Bill Status: Passed

**ULCT Position:** Support

Purpose of the Bill: This bill: requires proponents of a proposed annexation of an area in a county of the first class to file with the proposed annexing municipality a notice of intent to file an annexation petition; requires the county to mail notice of the proposed annexation to each owner of real property within the area proposed for annexation and within 300 feet of the area proposed for annexation for an annexation in a county of the first class; requires each annexation petition proposing to annex an area in a first class county to include a notice to petition signers; and authorizes a signer of an annexation petition in a first class county to withdraw the signer's signature with in a certain timeframe.

Municipal Implication: Applies only to Salt Lake County. Requires the county to mail notices of proposed annexations to all property owners in the proposed annexation area and all owners within 300 feet. The cost of providing this notice is to be paid by the petitioners for the annexation. Notice of private property owners rights must also be displayed on all circulated petitions. Lastly, the bill provides for signers of an annexation petition to remove their names from the petition within 30 days of certification of the petition.

The League will be drafting a model petition form for cities to use as the template for potential annexation petitions.

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#### **HB-116S2**

#### **Facilities with Regional Impact**

Sponsor: Rep. Ralph Becker

Bill Status: Passed

**ULCT Position:** Support as Amended

Purpose of the Bill: This bill will apply only to first and second class counties. Will require cities and counties to provide notification of intent to adopt or modify their general plan to all affected entities – adjacent cities/counties, special districts, school districts, and public utilities. Will also require those entities to provide similar notice when they prepare or modify a long range facilities plan. Will also require these entities to notify the local government of their intent to acquire property for a regional facility if the zoning and/or plan of the local government does not provide for such a facility at the intended location.

Municipal Implication: The bill originally included a dispute resolution process to be used in instances where a city/county and another entity could not agree on the use of land for a regional facility. This provision was dropped, however, after several groups expressed concern and non-support for this provision. The sponsors of the bill, Reps. Ralph Becker and Greg Hughes, promise to work this out during the interim and bring this back for adoption in the 2005 legislative session. So, for the time being this bill will simply require notification of changes to the general plan or special district plans to locate a facility within a municipality — Watch for more on this issue



#### **HB-121**

## **Code of Criminal Procedures Amendments**

Sponsor: Rep. Jack Seitz

Bill Status: Passed

**ULCT Position:** Support

**Purpose of the Bill:** This bill clarifies the conditions under which misdemeanor and infraction traffic violations may be compromised; allows the same surcharges to be imposed on fees paid as part of plea in abeyance agreements as are imposed on a fine for a criminal conviction.

**Municipal Implication:** For those municipalities that run a traffic school, this bill will directly impact your ability to allow a plea and abeyance for traffic violation and refer the offender to traffic school. The bill clarifies that a plea and abeyance or referral to traffic school can only occur on violations amounting to a class B and C misdemeanor or infraction of a local traffic ordinance as outlined under U.S.C. Title 41 Chapter 6. In all cases where a compromise is reached a plea and abeyance surcharge must be assessed at the same rate as if imposed on a criminal fine for the same infraction. If no plea in abeyance fee is collected, a surcharge on the fee charged for the traffic school or other school, class, or rehabilitative program shall be collected, which surcharge shall be computed, assessed, collected, and remitted in the same manner as if the traffic school fee and surcharge had been imposed as a criminal fine and surcharge. These surcharges will be used to fund state programs for domestic violence, victim reparations trust, and public safety support.

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#### **SB-13**

## **Resort Community Tax Amendments**

Sponsor: Sen. Lyle Hillyard

Bill Status: Passed

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

Purpose of the Bill: This bill requires a municipality to file with the State Tax Commission a form containing information regarding lodging capacity within the incorporated boundaries of the municipality; provides procedures and requirements for a municipality to file the form with the State Tax Commission; requires the State Tax Commission to provide written notice to a municipality if the municipality has a transient room capacity that is less than 66% of the municipality's permanent census population; provides procedures and requirements for the State Tax Commission to provide the written notice to a municipality; and provides that a municipality that receives the written notice from the State Tax Commission may not impose a resort communities tax under certain circumstances.

Municipal Implication: The ULCT was involved in the development of this legislation. The Tax Commission and the Legislature during previous interim studies had identified several administrative problems with the current resort community tax legislation. In particular were concerns over lack clearly defined criteria for eligibility to impose the tax. Also, there were no procedures for compliance and for the situation where a community may lose eligibility. This legislation addressed all of these issues.



#### **SB-11**

## **Guidelines for Local Matching \$\$ for Transportation**

Sponsor: Sen. Carlene Walker

Bill Status: Passed

**ULCT Position:** Support as Amended

Purpose of the Bill: This bill: requires the Transportation Commission, in consultation with representatives of local government, to make rules adopting guidelines that encourage partnering, help finance projects, and provide for: consideration of factors relevant to a decision to make program adjustments; a process for submitting, evaluating, and hearing partnering proposals; and maintenance of a public record of each proposal from initial submission to final disposition; and requires the Transportation Commission to submit the proposed rules and any proposed amendment to the rules to a committee or task force prior to taking final action on the rules or any amendment to the rules.

**Municipal Implication:** The intent here is to help stretch state transportation dollars, but many fear the unintended consequence may be to allow "wealthy" communities to "buy" their way to the head of the state list of transportation priorities at the expense of the "less fortunate" communities.

The League of Cities and Towns will be actively participating in the discussions regarding this issue, and will keep members posted on any suggested proposal — all efforts will be made to protect both the rural and urban communities from any negative consequences.

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## **HB-123S1**

## **Drug Lab Cleanup and Disclosure**

Sponsor: Rep. David Litvack

Bill Status: Passed

**ULCT Position:** No Position

Purpose of the Bill: This bill requires law enforcement agencies to report contaminated property locations to the local health department; requires the local health departments to make these reports available to the public, as advisory information only; requires the local health department to notify the property owner of the report, and also to notify the county or municipality if the property owner is not taking action regarding the contamination; directs the state Department of Health to make rules that include certification standards regarding the decontamination of contaminated property; requires the Department of Environmental Quality to establish a certification program for decontamination specialists; requires clean-up of contamination and certification that a contaminated property has been cleaned up.

Municipal Implication: When any state or local law enforcement agency in the course of its official duties observes any paraphernalia of a clandestine drug laboratory operation, including chemicals or equipment used in the manufacture of unlawful drugs, the agency shall report the location where the items were observed to the local health department. The law enforcement officer shall make the report at the location where the observation occurred, if making the report at that time will not compromise an ongoing investigation.

If the report cannot be made at the location, the report shall be made as soon as is practical. The local health department is then responsible to ensure decontamination or notification to the municipality if decontamination measures are not taken.



#### **HB-125**

## **County Option Funding for ZAP Facilities Amendments**

Sponsor: Rep. Todd Kiser

Bill Status: Passed

**ULCT Position:** No Position

**Purpose of the Bill:** This bill: amends the definition of "recreational facility" to include a "cultural facility" and defines the term "cultural facility"

**Municipal Implication:** This bill allows the county option Zoo, Arts and Parks Revenue to be used on cultural facilities as defined under the auspices of a recreational facility.



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#### **SB-10**

#### **Amendments to Local Referendum Process**

Sponsor: Sen. Bill Hickman

Bill Status: Passed

**ULCT Position:** Support as Amended

**Purpose of the Bill:** This bill: increases the number of days from 35 to 45 for filing a referendum petition challenging a local law.

**Municipal Implication:** This bill simply allows referendum petitioners an additional 10 days to gather the necessary signatures for a petition challenging a local law.

The bill was amended at our request from the original proposal of 60 days to gather signatures down to 45 days proposal.



#### **SB-9**

## **Property Rights Amendments**

Sponsor: Sen. Carlene Walker

Bill Status: Passed

ULCT Position: Support after compromise was reached

during a ULCT sponsored, multiyear

taskforce.

Purpose of the Bill: This bill: requires those intending to acquire property by eminent domain to negotiate with and provide a specified written explanation to the property owner beforehand; modifies notice requirements for redevelopment agencies intending to exercise eminent domain; provides that an appraisal obtained by a governmental entity is not a protected record if the governmental entity has initiated negotiations to acquire a single family residence before using eminent domain; exempts takings law actions from specified governmental immunity procedural requirements; imposes reasonable time and reasonable notice requirements on those entering land for examination, survey, and other purposes when the land is subject to being acquired by eminent domain; and prohibits a defendant in an eminent domain action from having to respond to a motion for immediate occupancy before the time for answering the complaint expires, unless the court so orders.

**Municipal Implication:** Primarily makes modifications to procedures for the use of eminent domain. Also stipulates that the state private property ombudsman (Craig Call) may assist private property owners in a dispute involving local government regulation on the use of property. The ombudsman can only order mediation or arbitration, however, when an issue of takings rights law is involved.

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#### **HB-131**

## **Eminent Domain Amendments**

Sponsor: Rep. Ben Ferry

Bill Status: Passed

**ULCT Position:** No Position

Purpose of the Bill: This bill authorizes shareholders in a mutual stock water company to appear and defend in a condemnation action involving the taking of the company or company property; and adds to the amount of damages to be assessed in a condemnation action: the value of water delivery system facilities damaged or impaired by the condemnation of water rights or a water delivery system; and the value of crops on land that is condemned.

Municipal Implication: If a municipality is condemning property and the property sought to be condemned consists of water rights or part of a water delivery system or both, and the taking will cause present or future damage to or impairment of the water delivery system not being taken, including impairment of the system's carrying capacity, an amount to compensate for the damage or impairment shall be awarded; if land on which crops are growing at the time of service of summons is sought to be condemned, the value that those crops would have had after being harvested, taking into account the expenses that would have been incurred cultivating and harvesting the crops also must be considered in awarding damages.



#### **HB-136S6**

## **Electronic Filing of Preliminary Lien Documents**

Sponsor: Rep. Mike Morley

Bill Status: Passed

**ULCT Position:** Support as Amended

**Purpose of the Bill:** This bill: addresses preliminary notice requirements; addresses notice of claim requirements; requires the Division of Occupational and Professional Licensing to contract for the creation and maintenance of a construction notice registry; requires the notice registry to be accessible for filing and reviewing notices of commencement, preliminary notices, and notices of completion; provides for alternative filing; requires that electronic notification and hard-copy printing of electronic receipts be provided; requires the division to establish by rule the fees for filing; creates requirements for filing notices; provides requirements for the content of a notice of commencement; provides penalties for failure to file notices in a timely manner.

**Municipal Implication:** For a construction project where a building permit is issued, within 15 days after the issuance of the building permit, the local government entity issuing that building permit shall input the required data and transmit the building permit information to the state notice registry database electronically or by any other means. That information will form the basis of a required notice of commencement. If not building permit is issued, the original contractor is responsible for the filing of the notice of commencement. We will be drafting a model ordinance to require the original contractor to handle <u>all</u> new filing requirements.

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#### **SB-8**

## **Local Referendum Amendments**

Sponsor: Sen. Bev Evans

Bill Status: Failed

**ULCT Position:** Oppose

**Purpose of the Bill:** After some initial amendments this bill would have corrected a statutory conflict with the Utah Constitution by prohibiting a local law challenged by a referendum from having force or effect until it is approved by voters; and clarified when that law will take effect if it is approved by the voters.

Municipal Implication: SB8 – Local Referendum Amendments, nearly passed early in the session, but ultimately died because of some possible serious side effects. The bill would have clarified that if an ordinance passed at the local level is then subjected to a citizens' referendum, the ordinance would be prohibited from going into effect until the resolution challenge had been resolved. Because a referendum can only be voted on in general elections, some local ordinances might have had to wait as long as two years from the time they were passed by the local governing body before they could go into effect.

This issue became of concern to planners because of the potential for opening the door to possible stymicing of planning decisions by small groups of citizens who might now view this tool as a way of greatly delaying development proposals. Lost in the discussion was a provision in the current law which says, "'Local law' does not include individual property zoning decisions." (Utah Code 20A-7-101). The question then becomes, what is an individual property zoning decision – an administrative action, legislative action, or quasi-judicial?



#### **HB-341**

#### **Children's Internet Protection Act**

Sponsor: Rep. Mike Noel

Bill Status: Passed

**ULCT Position:** Support in Concept, Oppose bill

**Purpose of the Bill:** This bill: prohibits a public library from receiving state funds unless the library implements and enforces measures to filter Internet access to certain types of images; allows a public library to block materials that are not specified in this bill; and allows a public library to disable a filter under certain circumstances.

Municipal Implication: This bill will require any municipal library who seeks state funding to implement a electronic filtering system on any publicly used computer that has internet access capabilities. While we supported the concept of protecting children from harmful material, there are several unintended consequences associated with this bill including issues such as increased staffing requirements to monitor internet activity and disable filtering equipment under certain circumstances. In addition, there will be cost associated with the purchase, implementation, and management of the filtering software.

It is likely that legislation will be ran in 2005 to address some of these concerns.



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#### **HB-150**

#### **Workers Compensation** — Fire Department Employees

**Sponsor:** Rep Joe Murray

Bill Status: Failed

**ULCT Position:** Oppose

**Purpose of the Bill:** This bill: provides for a presumption for purposes of workers' compensation that certain occupational diseases are employment related for fire department employees.

**Municipal Implication:** This bill did not pass, but the various firefighter associations continue to run this legislation. In essence, the bill would change the presumption that various forms of cancer among firefighters is work related, and therefore make them eligible for workers compensation benefits. This change in presumption for occupation diseases would make firefighter employee benefit packages extremely expensive to municipality.



# **HB-162S1 Municipal Election Amendments**

Sponsor: Rep. John Dougall

Bill Status: Passed

**ULCT Position:** Support

Purpose of the Bill: This bill: allows third, fourth, and fifth class cities and towns, that have used the convention system for choosing municipal candidates, to require that candidates for municipal office file a nominating petition in addition to their declaration of candidacy in lieu of using the convention system and place restrictions on the use of this system. The bill also modifies a provision relating to municipal campaign finance disclosure; eliminates certain exemptions from campaign finance disclosure provisions; modifies reporting requirements; requires the municipal clerk to notify candidates of disclosure requirements and that the candidate's name will be removed from the ballot if the candidate does not file the required report.

Municipal Implication: In order to address some of the municipal campaign finance disclosure problems that were highlighted in the 2003 municipal election cycle, Rep. John Dougall proposed this legislation. This bill will require that all candidates for municipal office file a campaign finance disclosure statement, but only requires the candidate to itemize the disclosure statement if they have spent or earned more than \$500. The bill also requires the city clerk/recorder to inform all candidates of the cities ordinance governing campaign finance disclosure and also allows the municipality to draft a stricter disclosure ordinance. Please read bill for a more comprehensive understanding of the new requirements.

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#### **HB-311**

## **Redevelopment Agency Amendments**

Sponsor: Rep. Stuart Adams

Bill Status: Failed

**ULCT Position:** Support

**Purpose of the Bill:** This bill: would have modified the definition of economic development and expanded the type of development that can occur in an economic development project; added a definition for attached housing; modified the requirements of economic development project plans; and modified limitations on the use of tax increment in economic development and education housing development projects.

**Municipal Implication:** HB-311, sponsored by Rep. Stuart Adams of Layton, nearly passed but got caught in some political wrangling. The bill was rather complex, and would have made a number of changes in the RDA laws. It would have significantly expanded the types of projects that would qualify for RDA funding, in large measure to encourage mixed use development and transit facilities.

It is likely that a similar bill will be ran again during the 2005 Session after consensus on a few sticking points is reached.



#### HB-273

## Tax and Charge Amendments — Continued

For businesses that choose to use the new national SST tax return they will not provide information on point of sale v. point of delivery as part of that form. However, to provide information to the tax commission so they can remit local option money according to the current formula, the tax commission will require such retailers to submit an information return containing that information at the end of the year. This situation will result in the distribution being based on delayed information in some cases.

It is impossible to know how many businesses will choose to use the national form. However, the impact should be minimal in most cases. There is a provision that allows the tax commission to incorporate the impact of a new retailer earlier provided certain information is shared with the commission.



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## **HB-229 Public Utility Easements**

Sponsor: Rep. Curt Webb

Bill Status: Passed

**ULCT Position:** Support as Amended

**Purpose of the Bill:** This bill: enacts provisions governing: the use of a public utility easement; the use of property on which a public utility easement is located; and the recording of a subdivision plat that includes a public utility easement.

**Municipal Implication:** This bill makes much more explicit the rights and restrictions associated with public utility easements, like those that are included on most subdivision plats. Also specifies that a subdivision plat cannot be recorded until the subdivider provides evidence to the local government that a courtesy notice has been given to all public utilities regarding the planned easements at least 14 days previously.

The bill was amended at the request of the Utah League of Cities and Towns from a mandatory notice from the local governing body to the public utility company before a subdivision plat could be approved to the current bill which requires courtesy notice from the subdivider to the public utility company before plat approval.



#### HB-247

## **Taskforce Studying Water Issues**

Sponsor: Rep. Michael Styler

Bill Status: Passed

**ULCT Position:** Supported as ULCT Resolution

**Purpose of the Bill:** This bill: creates the Water Issues Task Force; provides for membership of the task force and compensation for members; specifies duties and responsibilities of the task force; and specifies issues that the task force will review

**Municipal Implication:** This taskforce will be studying several issues related to municipal water systems, including sewage effluent, water reuse, 1/16th of cent sales tax for the water project revolving loan fund, municipal conservation efforts, water shares in public water companies, and water right priorities.

The Utah League of Cities and Towns will be watching this taskforce closely and will provide periodic updates throughout the year.

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age 33

#### **HB-273**

## **Tax and Charge Amendments**

**Sponsor:** Rep. Wayne Harper

Bill Status: Passed

**ULCT Position:** Support

Purpose of the Bill: This bill amends the Sales and Use Tax Act, provisions relating to a municipality's authority to levy a tax on taxable energy or a municipal telecommunications license tax, and provisions relating to a county's or municipality's authority to impose an emergency services telephone charge.

**Municipal Implication:** The bill is the technical amendments bill for the streamlined sales tax project. In terms of those areas that concern cities and towns, there are two items that were discussed extensively this past year during LPC meetings:

There is a new single vendor discount rate that applies to all sales tax rates – including the various boutique taxes. This rate is essentially a weighted, blended rate between the prior 1% payment for the local option tax and the 1.5% for the state tax. In addition, there were a number of specialized rates that had no discount payment. Under the new legislation, there will be a single rate of 1.31% applied to all tax levies. In order to protect local government revenues the tax commission will refund the additional revenue generated by the higher local rate back to cities. It should be noted, that those levies which previously had no vendor discount will now see a slight loss of revenue.

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