

2023 Legislative Wrap Up

Ginger Chinn

UNOFFICIAL THEME

"Preparing Utah for Growth"



HOUSING

Supported policies that incentivize affordable housing development, streamline the permitting process, and address barriers to affordable homeownership.

Jobs = Housing AND Housing = Jobs.

- HB 364, Housing Affordability Amendments
- <u>SB 174</u>, Local Land Use and Development Revisions



HOMELESS

We advocated for additional funding for deeply affordable housing in conjunction with wraparound services that build on recent progress to better mitigate homelessness.

 HB 499, Homeless Services Amendments, sponsored by Rep. Steve Eliason



WORKFORCE DEVELOPMENT

Advocated for policies that support workforce development and training initiatives, including funding for apprenticeship programs and increased support for career and technical education.

• <u>HB 555</u>, Talent Ready Utah Program Modifications, sponsored by Jefferson Moss



INFRASTRUCTURE

Pushed for increased funding for transportation infrastructure to help support the growing needs of Utah's businesses and workforce.

- <u>SB 125</u>, Transportation Infrastructure Amendments, sponsored by Sen. Chris Wilson
- <u>SB 185</u>, **Transportation Amendments**, sponsored by Sen. Wayne Harper



ECONOMIC DEVELOPMENT & BUSINESS

Advocated for increased innovation in Utah. Supported incentives that promote research and development to keep the state moving forward as an innovation leader.

- <u>HB 42</u>, **Technology Commercialization Amendments**, sponsored by Rep. Jeffrey Stenquist
- <u>HB 216</u>, Business and Chancery Court Amendments, sponsored by Rep. Brady Brammer, was passed.

INCENTIVES

 Opposed <u>HB 407</u>, **Incentives Amendments**, sponsored by Rep. Kay Christofferson

Incentives encourage businesses to invest in developing new products, technologies, and processes, which can lead to breakthroughs and advancements that drive economic growth.



HEALTH CARE

• Opposed <u>SB 184</u>, <u>Prescription Cost Amendments</u>, sponsored by Sen. Curt Bramble

Business insurance premiums could be impacted, which would result in cost redistribution rather than real cost reduction.



ESG

The Chamber opposes federal overreach and supports local control with businesses putting economic return at the heart of decision-making processes.

SB 97, Public Contract Requirements, sponsored by Sen. Chris Wilson, which requires a company that seeks a contract with a public entity to self-certify that they are not engaging in an economic boycott.



WORKING GROUPS & NEXT STEPS

- Prescription drug costs
- Incentives and the impacts on Utah and business recruitment
- Workforce development connectivity
- Diversity and inclusion programs
- Federal Priorities





WFRC 2023 Utah Legislative Session Review

45 Days

575 Passed Bills

\$29.4 Billion Budget

See our 2023 Legislative Session Wrap Up <u>HERE</u>



Overview

1. Funding and Appropriations

- Shared principles for Infrastructure Investment
- Transportation Appropriations
- Other Appropriations

Key Legislation

- SB 185, Transportation Amendments (Utah Trails Network)
- SB 260, Transportation Funding Requirements (5th 5th)
- SB 84, Housing and Transit Reinvestment Zone Amendments (HTRZ)
- HB 301, Transportation Tax Amendments (Gas tax cut + EV charge tax)
- SB 175, Rural Transportation Infrastructure Fund (RTIF)
- SB 27, Transportation Revisions (SAP clarifications +)
- HB 44, Corridor Preservation Amendments
- SB 125, Transportation Infrastructure Amendments (USU electrification)



Funding and Appropriations



Shared Principles for Infrastructure Investment

Invest in Infrastructure Support Multi-Modal Transportation Choices

Utilize the
Professional
Planning and
Prioritization Process

Be Fiscally Prudent



\$1.6+ Billion for Transportation Infrastructure



Transp. Debt Repayment \$800M



Active Transportation \$45M 1x \$45M ongoing



\$200M for POM station + doubletracking



Cottonwood Canyon
Transportation
\$150M



Other Projects \$241M



Rural B&C Roads (RTIF) \$40M 1X \$3.5M ongoing

Other Growth Related Appropriations

- \$60M Transportation Corridor Preservation
- \$500M Water Resources (including ag optimization, water reuse and desalination, infrastructure, and metering)
- \$200M Housing and Homelessness (including LIHTC, first time homebuyer program deeply affordable housing, housing preservation, and housing preservation fund)
- \$108M The Point of the Mountain Core Infrastructure
- \$1.58M Shared Local Administrative Advisor (provide support to 145 cities and towns without management staff)
- \$1M Regional Roadway Grid Network Study (joint MAG, WFRC, Dixie, and Cache MPO connectivity study)



Key Legislation



SB185, Transportation Amendments (Harper)

- Provides the requirements and funding mechanism to establish the Utah Trail Network as proposed by UDOT and Governor Cox
 - Creates a long-term, stable funding source for trails by creating the Active Transportation Investment Fund (ATIF) with a transfer of 5% of the TIF, (\$45M ongoing)
 - Funding is to be used for planning, design, construction, and maintenance of paved pedestrian or paved non-motorized trails prioritized through the Transportation Commission
- Provides local distribution of Road Usage Charge revenues
- Expands State Infrastructure Bank to greenfield development
- Other various changes



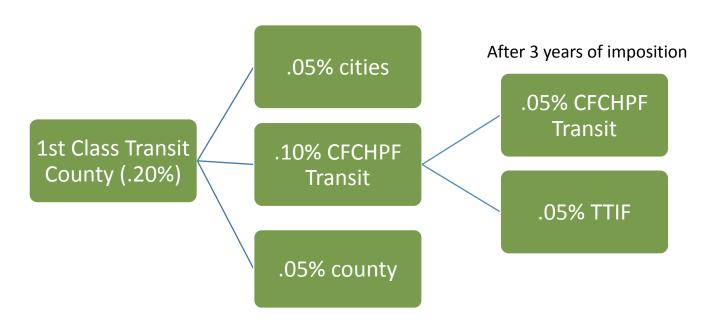
SB260, Transportation Funding Requirements (Cullimore)

This bill modifies the .20% local option transportation sales tax, also known as the "5th 5th", which is currently only imposed in Summit County, and can only be used for transit service. The bill does the following:

- Eliminates the imposition deadline of June 2023
- Allows counties with transit service to divide funds between cities, counties, and transit
- Allows counties without transit to divide between cities and counties for transportation services
- ullet The subsequent charts describe the distribution \square



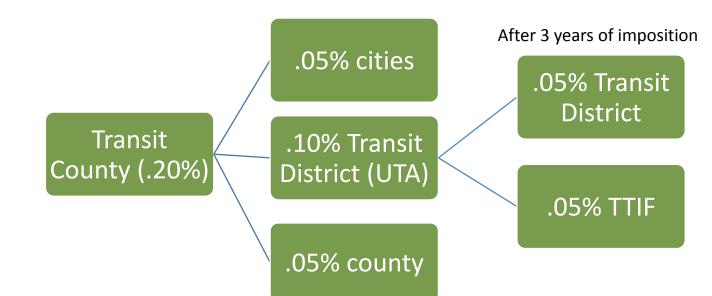






















Partial Transit County(.20%)

Transit Area

No Transit

.075% County

.05% Transit

.075% Cities

.08% Cities

.12% County

****TOOELE** COUNTY

UINTAH COUNTY

17

other Counties

County without transit(.20%)

.08% cities

.12% County

HB301, Transportation Tax Amendments (Schultz)

1. Provides temporary gas tax relief

- Decreases tax by ~2 cents per gallon on July 1, 2023
- Establishes more gradual increase in gas tax than would have otherwise happened
- Equates to \$32M tax cut in 2024, and \$24M in 2025
- Relief from inflationary pressures + recent gas prices

2. Establishes a 12.5% tax on retail EV charging

- Only taxed at retail charging station
- Intended to tax drivers not paying for impact on roads through gas tax

3. Increases vehicle registration fees by \$7

- Provides additional long term funding stability
- \$2 of increase funds the RTIF (Rural infrastructure fund)



SB84, HTRZ Amendments (Harper)

This bill amends proposal requirements of Housing and Transit Reinvestment Zones, which is the tool enabling a portion of incremental tax revenue growth to be captured over a period of time to support costs of development around light rail, commuter rail, and bus rapid transit (BRT) stations.

- Requires that a proposed HTRZ be at a BRT, light rail, or commuter rail station that is included in the respective metropolitan planning organization's adopted long-range transportation plan and the transit district's five-year plan.
- Adds additional objectives that an HTRZ should promote, including walkability, improvement in parking, and fulfillment of moderate income housing plans.
- Clarifies the number of allowable HTRZ at bus rapid transit station
- Requires GOEO to provide notice of an HTRZ proposal to certain entities
- Clarifies membership of an HTRZ committee.
- Allows the HTRZ committee to request certain changes to an HTRZ proposal



SB27, Transportation Revisions (Harper)

- Amends the Station Area Planning (SAP) statute, which was passed in HB462 of the 2022 General Session and requires cities to plan around their fixed guideway transit stations. The bill clarifies:
 - the number of moderate income housing strategies required for cities with fixed guideway transit
 - the percentage of acreage in a qualifying land use application that must be within a station area
 - how previous actions are treated in meeting SAP requirements,
 specifically for cities that already developed plans for their station areas
- Reduces the Transit Transportation Investment Fund (TTIF) local match rate from 40% to 30%.
- Requires that a municipality send their adopted or modified general plans or qualifying land use applications to an Association of Government (AOG).
- Makes various technical changes to Utah Department of Transportation code, including safety measures in relation to snowplows and towing provision.



Other Priority Transportation Bills

- SB175, Rural Transportation Infrastructure Fund (Owens): creates and funds the Rural Transportation Investment Fund (RTIF) which provides transportation funding for 3rd-6th class counties, distributed like B&C road funds.
- SB125, Transportation Infrastructure Amendments (Wilson): designates the ASPIRE Engineering Research Center at Utah State University as the research center for strategic planning and electrification for transportation infrastructure in the state, to develop a strategic master plan for transportation electrification in Utah.
- HB44, Corridor Preservation Amendments (Christofferson): allows UDOT to preserve corridors 40 years ahead of the need, as opposed to the current 30 year purchasing outlook allowed, and provides that UDOT can utilize corridor preservation funds to be used for administrative costs of the fund.
- HB 433, Public Land Geographic Data Amendments (Spendlove): requires UGRC and GOPB to create a statewide interactive map and dataset depicting publicly owned property in Utah.



Safety Action Plan

- WFRC partnering with municipalities, UDOT, and UTA
- To prevent fatal and serious injury (F&SI) crashes
 - A. goal and timeline for eliminating F&SI crashes;
 - B. analysis of crashes and risk factors;
 - C. extensive public and stakeholder engagement;
 - D. identification of strategies and project types;
 - E. mechanisms for evaluating & reporting the outcomes.

Safe Streets for All (SS4A)

- \$1.0B annually (FY22-26)
- Nationally competitive grants
- Primarily for local governments
- Comprehensive Safety Action Plan
 - WFRC awarded \$775,000

SS4A – Next Steps

- April/ May 2023 WFRC/FHWA grant agreement
- May/ June 2023 advertise RFSQ
- June/ July 2023 select consultant team
- May 2024 complete Action Plan
- Summer 2024 cities/counties eligible to apply for SS4A implementation grant







Governor's Office of Economic Opportunity

WE'RE STEWARDS OF...

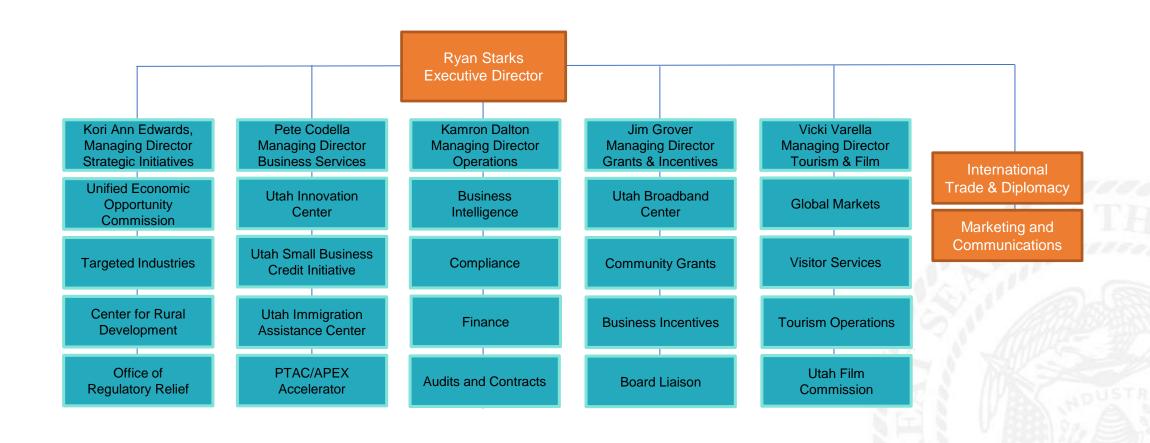
the world's best economy and quality of life

We:

Cultivate prosperity
Future-proof Utah's economy
Work at the speed of business



Organization Structure



Economic Priorities: 2023 and Beyond

- 1. Solidify Utah's position as the "start-up" state; hire first-ever entrepreneur in residence
- 2. Increase capital access to small businesses throughout the state
- 3. Continue to support the development of targeted industries; identify and nurture emerging industries
- 4. Prioritize nearshoring, enhance manufacturing capabilities, and strengthen supply chains
- 5. Provide tools, resources, and services to support the growth and expansion of Utah businesses Financial incentives

Grants

Technical assistance

- 6. Develop world-class workforce: (STEM fields, upskilling, returnships, new-Americans, etc.)
- 7. Invest into infrastructure that will lead to thoughtful development on and off of the Wasatch Front
- 8. Support rural economic development opportunities; launch regional outreach model
- 9. Further Utah's global trade opportunities;
- 10. Attract Red Emerald visitors, quality film productions, impactful conferences, and global sporting events

Targeted Outreach

Regional managers act as liaisons between the Economic Opportunity Office and counties, cities, businesses, and key partners



Legislative Recap

Economic Opportunity Funding

- ✓ Arts and Culture Organization Grant \$2m
- ✓ Air & Water Grant \$8m one-time

Pilot program that received one-time \$10m in 2022

✓ Economic Assistance Grant additional \$2m one-time

Annually receive \$4.5m

- ✓ Industrial Assistance Fund Replenishment \$18.9m one-time
- ✓ Manufacturing Modernization Grant \$10m one-time

Received one-time \$10m in 2022

- ✓ Water Infrastructure Projects \$50m one-time
- ✓ Upstart Program Amendments \$24m ongoing
- ✓ Agriculture Infrastructure Development \$8m one-time
- ✓ Utah Office of Tourism Supplemental Industry Support \$1m one-time

Staff and Administrative Funding

- ✓ Tourism Marketing Manager
- ✓ Rural Outreach Manager
- ✓ Office Building Lease Increase \$180k one-time and \$84k ongoing
- ✓ Five percent COLA for state employees

Unified Economic Opportunity Commission 2023

Overview

- Chaired by Governor Cox, with Speaker Wilson and President Adams, cabinet members, cities, and towns represented
- Over 70 meetings, over 200 stakeholders
- Subcommittees on Talent, Women in the Economy, and Housing Affordability
- Working Groups on Growth & Transportation, Innovation, Government Efficiency, and Water Infrastructure & Environment
- WFRC is a valued partner with the UEOC, with its staff or members involved in every UEOC Subcommittee and Working Group

Big Wins

- 19 bills, nearly half billion dollars ongoing, and \$390 MM one-time funding.
- Aligning with Governor Cox's Utah Home strategy, the UEOC developed over 50 policy solutions, consolidated into the 19 bills, to address:
 - Growth: 11 bills on housing affordability, water conservation, and transportation
 - People: 4 bills on education, talent development/retention, and innovation
 - Good Government: 2 bills on employee retention/compensation and updates to UEOC and GOEO

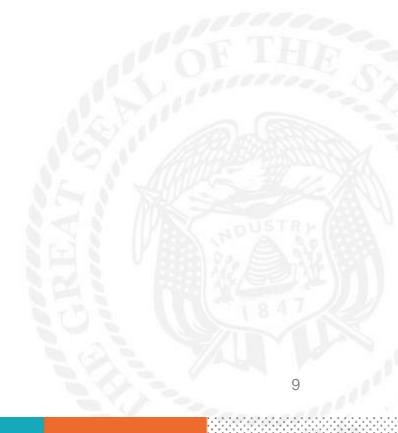
Hill Air Force Base



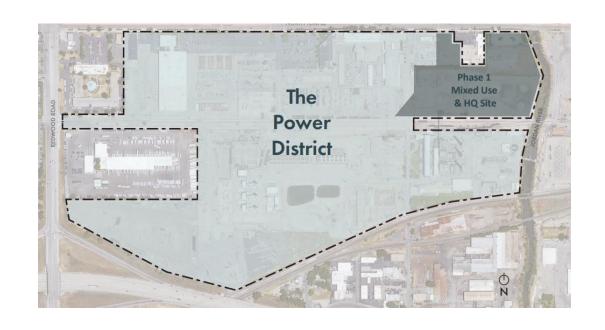
- √ \$7.1 billion economic impact
- ✓ New 850k square foot Northrup campus
- ✓ 50k direct and indirect jobs

Northern Utah Economic Alliance





The Power District – Salt Lake City





The Point of the Mountain

Convergence Hall





The Utah Inland Port

