

Government Affairs Update January 14, 2022



The legislative session is quickly approaching! So quickly in fact, that it starts next Tuesday, January 18th. Though the omicron variant continues to surge, the 45-day session will remain in-person, with remote public participation still an option for engagement. Legislative leadership has stated, however, that adjustments may be needed and that they will remain flexible.

This brief update will share various legislative policy and funding priorities from the Governor, House Majority Caucus, Salt Lake Chamber, and others while giving a broad overview of the legislative landscape going into the session, and how to stay involved and informed with WFRC.

Additionally, we'll provide a brief update on the implementation of the federal infrastructure bill.

Potential State Investment

The legislature kicks off their 45-day session this coming week with approximately \$1.2 billion in excess state revenue to spend, with roughly \$1 billion of that considered one-time cash and \$200 million considered ongoing, or funds which can be appropriated out for more than one fiscal year. Additionally, lawmakers have a significant portion of federal stimulus funding that remains to be appropriated.

Specifically, legislative leadership has indicated that their focus for appropriations this coming year will focus on generational investments of water, infrastructure, and education, which closely mirror the Governor's recommended use of state funds. Moreover, legislative leaders have deemed 2022, ['The year of the tax cut – again'](#), with a handful of income tax cut proposals up for consideration. The legislature's Executive Appropriations Committee has already set aside \$160 million dollars for a tax cut, the same as included in the Governor's budget.

Specifically, Wasatch Front Regional Council is keeping an eye on the following potential funding investments:

- *Multimodal transportation investment (including roadway, transit, and active transportation)*

- Replacing \$232 million in previously authorized bonds for FrontRunner with cash, which would free up the Transit Transportation Investment Fund (TTIF) to fund additional transit projects throughout the state.
- \$46 million for regionally significant active transportation projects.
- Point of the Mountain transportation solutions.
- Sustainable growth planning
 - \$1.65 million ongoing in technical planning assistance, \$1.05 million of which would go to Associations of Governments for training, grant writing, and other technical assistance, as well as \$600 thousand for UDOT's Technical Planning Assistance Grant Program.
 - \$1 million to fund a statewide growth planning and communications effort.
- Housing affordability
 - \$228 million for deeply affordable housing.

Many of these funding items have been studied and discussed primarily through the Unified Economic Opportunity Commission (UEOC) and the Commission on Housing Affordability. The UEOC and its working group on Sustainable Community Growth endorsed multimodal transportation investment, technical assistance, and the statewide conversation on growth as sustainable growth strategies. Additionally, the Commission on Housing Affordability has been discussing various strategies to combat the state's affordable housing crisis, many of which we will see emerge in the Commission's affordable housing legislation.

2022 House Majority Policy Pillars

Earlier this week, the Utah House Majority Caucus released their 2022 policy priorities, entitled [The Utah Way Forward](#). The five pillars under which the House Majority will seek to enact policies are:

1. Conserve, optimize, and preserve Utah's water;
2. Keep life affordable for Utahns;
3. Drive innovation in education;
4. Promote sustainable growth, rather than rapid expansion; and
5. Make large-scale, strategic investments that are sure to have generational impacts.

Notable transportation and infrastructure recommendations include:

- Modernizing transportation funding by looking at a sustainable long-term solution to the dying gas tax.
- Funding FrontRunner expansion with available funds rather than bonding, saving the state approximately \$32 million in interest payments, reducing emissions, getting more cars off the road, and freeing up funding in the TTIF (Transit Transportation Investment Fund) for other transit projects throughout the state.
- Seeking sustainable funding sources for outdoor recreation as use of the great outdoors continues to rapidly increase.
- Invest in an integrated, multimodal transportation system at the Point of the Mountain site which should include a connected street grid and high-capacity roadway, extensive connected biking and walking routes, two transit stops that strategically connect to FrontRunner, and future-focused transportation technologies.

Governor's Recommended FY2023 Utah Proposed Budget

Utah Governor Spencer Cox released his [FY23 Budget Recommendations](#) in December. Included in the \$28.5 billion proposed budget are significant amounts of funding for the state's infrastructure needs, including water, transportation, air quality, and housing. These recommendations, now under consideration by the Legislature, will be considered with additional legislative priorities during the 2022 General Legislative Session. You can find a summary of WFRC-related items included in the Governor's Budget Governor's FY23 Budget [here](#). A few worth noting include:

- \$232 million one-time to replace previously authorized FrontRunner bonding with cash.
- \$46.2 million one-time for regional active transportation projects.
- \$1 million in one-time funding for a data-driven, statewide conversation about growth.
- \$1.65 million ongoing for technical planning assistance.
- \$100 million one-time to the ARPA Local Matching Grant Program.

- \$228 million one-time for housing affordability.

Economic Outlook and Public Policy Summit + Salt Lake Chamber Legislative Priorities

Yesterday was the 2022 Utah Economic and Public Policy Summit where several annual reports were released, including:

- The 2022 Economic Report to the Governor prepared by the Utah Economic Council.
- The 2022 version of Utah Informed from the Kem C. Gardner Policy Institute.
- The Salt Lake Chamber of Commerce 2022 Legislative Priorities.

Many of the Chamber's [legislative priorities](#) are consistent with the activities undertaken by WFRC and its partners, and specifically quotes and endorses the [Wasatch Choice Vision](#) and its four key strategies, as well as [Utah's Unified Transportation Plan](#). Some examples of those Chamber priorities include:

Transportation

- We support continued investment in our state's multimodal transportation system that allows people and goods to move efficiently, safely and reliably across the state and provides quality of life, economic growth and environmental quality. We also support continued investment as a catalyst toward future opportunities related to a potential successful Olympic bid.
- We support smart investments in Utah's infrastructure as it is critical to staying competitive globally. We also support exploring alternative measures for funding Utah's transportation infrastructure, including tolling, road-usage charge and public-private partnerships.
- We support strategic and consistent policies that will contribute to increasing safety for all modes of transportation.
- We support local governments' intentional efforts to plan and zone for mixed-use, multifamily and missing-middle housing in coordination with high-capacity transportation and transit service. We also support requiring local governments to consider long-range regional transportation plans as they develop their general plans and zoning decisions.

Air Quality

- We support the investments in multimodal transportation options — including enhanced public transit and regionally significant "active transportation" bike paths for commuting — to give Utah residents and workers alternatives to driving.
- We support a plan to reduce transportation emissions and help low-income drivers afford cleaner vehicles.

Housing

- We support incentivizing housing near high-capacity transportation, jobs and other destinations, including transit-oriented, mixed-use developments that make smart use of land and allow residents to live in walkable, accessible communities.

Stay Informed with WFRC

During the whirlwind 45 day session, you can stay up to speed by following along with these timely and informational government affairs email updates. Additionally, you can keep an eye on relevant pieces of legislation we're watching with our [WFRC bill tracker](#). There you'll find a brief bill summary and position taken on the bill by WFRC's members.

We look forward to yet another productive legislative session working with our members, partners, and legislators! We hope you'll join us for the fun.

Implementation of the Infrastructure Investment and Jobs Act

As Utah's transportation partners continue to analyze and move towards implementation of what is included in the federal infrastructure bill and what it means for Utah, additional information continues to trickle down from the feds.

For example, today, the FHWA provided a [guidance](#) and [funding](#) notice on the new \$27 billion Bridge Formula Program (BFP) established in the IIJA, intended to replace, rehabilitate, preserve, and protect bridges. The guidance provides background on the new program, including the eligibility and the USDOT priorities detailing how the funding could be used. Specifically, it indicates that Utah's apportionment for the program includes \$45 million over 5 years for main and off-system bridges.

Congress also faces increasing pressure to reach an agreement on federal spending for an FY22 omnibus spending bill, with funding for the federal government set to expire on February 18th. This is worth noting as the Infrastructure Investment and Jobs Act (IIJA) requires a full-year appropriation, as a short-term continuing resolution would delay funding in the bill above the FY21 continuing resolution.

As we continue to receive additional information on funding and discretionary grant program funding opportunities, we will keep you informed.

Stay safe and stay healthy -

Best,

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