

**SB174, Transit and Transportation Governance Amendments Summary
(Sen. Wayne Harper)**

The proposed legislation amendments add clarifying language to the governance structure of a large public transit district (i.e. Utah Transit Authority or UTA). It clarifies and distinguishes the governing duties of the Board of Trustees from the administrative and management duties of the Executive Director and expands and adjusts the advisory duties of the Local Advisory Council (LAC). The bill also amends the Utah Department of Transportation's (UDOT) existing oversight and supervision of fixed guideway capital development projects to include all such projects, regardless of funding source. The amendments make other administrative reporting and technical adjustments.

UTA supports these proposed legislative amendments.

1. Governance Clarifying Changes:

- The amendments do not significantly alter original legislative intent for the roles of the UTA Board of Trustees, Executive Director, LAC, or UDOT in public transit.
- The amendments do:
 - Maintain the powers and duties of the Board of Trustees to perform the governing functions defined in the state's Special Districts Act, which include establishing governing bylaws, policies, and ordinances, approving strategic plans and annual budgets, issuing bonds, approving contracts and disbursements, fixing fares and other rates, and other duties defined in the Act.
 - Designate powers and duties of the Executive Director to include the administrative and management functions of operations, administrative policy, facilities, personnel, strategic planning, and budget. The Executive Director will also have supervisory authority over all executive positions not specifically reserved for the Board of Trustees.

2. UDOT Fixed Guideway Oversight:

- The amendments require UDOT oversight and supervision for all large public transit fixed guideway capital development projects, including those without state funding. Fixed guideway includes FrontRunner Commuter Rail, TRAX Light Rail, and Bus Rapid Transit (BRT) systems with dedicated lanes.
- This is a clarifying change as UDOT already has oversight of fixed guideway projects with state funding and all current UTA fixed guideway capital projects have state funding.

- This change ensures project alignment with statewide transportation goals and potentially improves project efficiency.
- UDOT retains authority to delegate responsibility of capital projects to UTA, while maintaining oversight.
- UTA and UDOT have an existing partnership for transit projects, which will continue with these amendments to ensure timely project delivery.

3. Public Transit Planning with the LAC, Municipalities, and other Stakeholders:

- Advisory functions of the LAC would be revised from an “approving and recommending” role to a “consulting” role to the Board of Trustees on service plans every 2 ½ years, project development plans of new capital development projects, and transit-oriented developments (TODs).
- LAC would assume new duties of consulting with the Board of Trustees on setting fares, and consulting with the Executive Director on the creation of an annual budget.
- LAC, Metropolitan Planning Organizations (MPOs), and other stakeholders will consult with the Executive Director on the development of a strategic plan, to be approved by the Board of Trustees, every 4 years.
- LAC will assume a new duty of approving requests by the Executive Director to direct an internal audit pertaining to an internal issue.

4. Contracting and Technical Changes:

- Requires an annual report to the Utah State Legislature’s Transportation Interim Committee on fare contracts and pass programs. This report increases transparency and accountability of public transportation-related benefits for pass partnership, regional events, and other fare-related contracts.
- Requires a cost-effectiveness and cost-benefit study for each mode of public transit every 5 years and development of goals to achieve an effective balance of cost-effective and cost-beneficial services.
- Amends the levels of contracts that require Board of Trustee approval from \$200,000 to \$250,000 and change orders from 15% to 25%. These amendments are consistent with UDOT approval thresholds with the Transportation Commission.
- The bill includes minor technical changes to improve clarity and consistency.