

MAR 16 2007

SALT LAKE CITY CORPORATION

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MEMORANDUM

TO: Mayor Ross C. Anderson
Salt Lake City Council

FROM: Lynn H. Pace, Deputy City Attorney *LHP*

DATE: March 16, 2007

SUBJECT: Summary of 2007 Utah Legislative Session

The following is a summary of the most significant bills effecting Salt Lake City that passed during the recent 2007 session of the Utah Legislature.

A. Changes to Election Laws

1. HB 14, Election Law Revisions (Aagard). Provides quorum requirements for local and state board of canvassers and modifies language relating to municipal ballot formatting to be more consistent with electronic ballot requirements and makes other changes to provisions of the State Election Code.
2. HB 61, Election Law Amendments (Aagard). This bill changes the deadline for challenging the nomination of a person in a primary election and makes other modifications to the State Election Code.
3. Substitute HB 347, Municipal Election Law Provisions (Aagard). This bill modifies the dates for filing a declaration of candidacy and filing financial disclosure statements in municipal elections. It also moves the date for the municipal primary election from October to September. The bill authorizes the further consolidation of voting precincts in municipal elections, and clarifies that municipalities are not required to use electronic balloting in municipal elections.
4. SB 241, Election Law Modifications (Knudson). This bill modifies the requirements for counting provisional and absentee ballots and accelerates the date at which the vote count from provisional and absentee ballots must be released.

B. Changes to Land Use Laws

1. HB69, County and Municipal Land Use Provisions Regarding Schools (Wiley). This bill allows a city to impose regulations on public and charter schools that are necessary to avoid unreasonable risk to health or safety. The bill also makes some modifications to the requirements for who can be used to inspect school construction.

2. Substitute HB 117, Transfer of Density (Froerer). This bill authorizes municipalities to designate areas as sending and receiving zones to allow for the transfer of development rights.

3. Substitute HB 120, Utility Facility Review Board (Tilton). This bill extends the current process for resolving disputes between local governments and electrical utilities to natural gas facilities.

4. Substitute HB 129, Land Use Provisions (Morley). This bill deals primarily with the vacating of streets and alleys, changing the reviewing body from the land use authority to the planning commission, and making the land use authority the decision making body instead of the chief executive officer.

5. HB285, Land Use Development and Management Act Amendments (Tilton). This bill clarifies that when an owner signs a plat that includes rights-of-way and easements for underground utilities, this only verifies the approximate location of those utilities.

6. HB352, Local Government Regulation of Billboards (Brown). This bill allows a billboard owner to relocate a billboard to any commercial, manufacturing or industrial property with 1/2 mile of the existing sign. Prior to doing so, however, the sign owner must consult with the City to attempt to identify a mutually acceptable location for the sign.

7. SB163, Amendments to Municipal and County LUDMA (Stowell). This bill encourages counties and municipalities to receive a recommendation from the fire authority before approving a subdivision plat.

8. SB183, Restriction on Designation of Wetlands (Killpack). This bill simply says that a city may not designate nor regulate an area as wetlands unless the U.S. Army Corps of Engineers has designated the area as such.

9. SB 215, Amendments to Land Use Development & Management Act (Bell). This bill contains several negotiated amendments to the Land Use & Development Act. It includes a reference to "fundamental fairness" in land use decisions. It also creates a provision by which an applicant may, after a reasonable period of time to allow the municipality to make a decision,

demand a decision on a land use application. In the event of such a request, the municipality must render a decision on the application within 45 days.

C. Changes to Open and Public Meetings Act

1. HB 10, Open and Public Meetings Act Amendments (Harper). This bill clarifies that the definition of public body includes a public body created by the Utah Constitution as well as by statute, rule, ordinance, or resolution; amends content requirements for written minutes and recordings of open meetings; and makes technical changes. The technical corrections clarify that summaries of public comment can be included in the written minutes, rather than exact comments.

2. HB 204, Modifications to Open and Public Meetings (Wyatt). This bill modifies definitions; clarifies that notice of an emergency meeting shall include notice of the time, place, and topics of the meeting; provides that, at the discretion of the presiding member of the public body, topics raised by the public may be discussed at a meeting even if they have not been placed on the agenda, provided that no final action is taken at the meeting; and makes technical changes.

3. HB 222, Open and Public meetings - Electronic Notice (Dougall). The bill requires a public body to provide public notice of its meetings on the Utah Public Notice Website authorizes the Division of Archives and Records Service, with the technical assistance of the Department of Technology Services, to establish and maintain the Utah Public Notice Website; provides that responsibility of the public body posting the notice; and makes technical changes.

4. HB 257, Open and Public Meeting Act Amendments (Donnelson). This bill provides that all special districts or local with annual budgeted expenditures of \$50,000 or less may keep either written minutes or a recording of their open meetings.

D. Tax Bills

1. HB 38, Amendments to Local Options Sales and Use Taxes on Certain Accommodations and Services (Newbold). This is the bill which provided funding for the soccer stadium in Sandy. The bill diverts a portion of the transient room tax collected by Salt Lake County to purchase land and to build a parking terrace which would service both the South Towne Expo Center and the proposed soccer stadium.

2. HB 238, Municipal Telecommunications Licensed Tax Amendments (Harper). This bill reduced the cell phone tax rate from 4% to 3.5%, which will cause a significant reduction in revenues to the City.

3. Substitute SB 64, Tourism, Recreation, Cultural, & Convention Facilities Tax-Advisory Board (Waddoups). This bill originally proposed to redistribute the Salt Lake County

restaurant tax among the various municipalities. The bill that was passed merely creates an advisory board to provide recommendations to the Salt Lake County Council as to how those restaurant tax funds should be used.

4. SB 119, Municipal License Fee or Tax on Public Assembly Facilities (Goodfellow). This bill increases the maximum per ticket license fee or tax that a municipality may impose on a public assembly facility from \$1 to \$5, and clarifies that a municipality may not impose the fee on a facility owned and operated by another political subdivision, other than an RDA, without written consent. This bill was adopted on behalf of West Valley City, but could be applied to generate additional revenues for City-owned facilities, such as the proposed youth soccer complex.

5. Second Substitute SB 223 (Niederhauser). This bill is the modified tax bill adopted by the Legislature this session. The significant aspect of this bill for Salt Lake City is that the bill removed the sales tax on food from specialty taxes, including the County ZAP tax and the recently adopted transit tax. The bill also restores a substantial portion of the transit tax, but does not restore any of the revenues lost to the ZAP tax.

E. Transportation Bills

1. HB 98, County Option Sales and Use Tax for Highways, Fixed Guideways, or Systems of Public Transit Amendments (Frank). This bill authorizes a local political subdivision to issue negotiable bonds to pay or contribute toward new construction, renovation or improvement to a state highway within the local political subdivision boundaries and authorizes the state to use state highway funds for local highway projects of regional significance.

2. Fourth Substitute HB 158, Amendments to Transportation Provisions (Harper). Re-Directs certain existing State and County transportation funds to the Mountain View Corridor.

3. HB 226, Sales and Use Tax-Highways and Public Transportation Amendments (Dougall). This bill provides that a city is not required to be located within a transit district to impose certain local options sales and use taxes for highways, public transportation and fixed guideway systems, and modifies the percentages of revenues designated for public transit within a county of the first class. This bill provided some replacement revenue for the transit money lost due to the partial removal of sales tax from food.

4. Substitute HB 383, Amendments to Transportation Funding Provisions (Lockhart). This bill reallocates the 1/16% sales and use tax revenue currently dedicated for class B and C roads to the Transportation Fund, and changes the percentage of the Transportation Fund revenue that is deposited in the class B and C account from 25% to 30%. We expect that this change will result in a small increase in the amount of highway funds available for local government.

5. Second Substitute SB 20, State Highway Amendments (Walker). This bill removes 2300 East from the state highway system. A small portion of that road will be transferred to Salt Lake City.

6. SB 69, Local Transportation Corridor Preservation Fund Amendments (Kilpack). This bill clarifies the Legislature's intended use of the \$10 Local Transportation Corridor Preservation Fund currently being collected by Salt Lake County. The effect of these changes is that it will be much more difficult to obtain any portion of those corridor preservation funds for local roads.

F. Changes to Water Laws

1. HB 20, State Declaration of Water Week (Becker). The bill establishes the first full week of May to be commemorated yearly as State Water Week to recognize the importance of water conservation, quality, and supply in the state.

2. HB 53, Share Assessment Act (Gowans). This bill defines terms, describes how shares may be assessed; provides rules for assessing shares; and allows enforcement of assessments by various methods, including sale of shares with unpaid assessments.

3. SB 9, Nonprofit Corporate Amendments (Hillyard). The bill defines the term "mutual benefit corporation"; addresses property rights of members of a nonprofit corporation; addresses voting requirements, addresses the time required for allowing members to vote; authorizes distributions from one nonprofit corporation to another upon dissolution; and makes related changes.

4. SB 28, Water Conveyance Easements (Stowell). This bill authorizes recording an easement for a water conveyance.

G. Other Bills of Interest

1. HB 21, Public Safety Retirement Conversion Window (Newbold). This bill modifies the Utah State Retirement & Insurance Benefit Act by providing a conversion window between the Public Safety Contributory Retirement System and the Public Safety Non-Contributory Retirement System beginning July 1, 2007 and ending December 31, 2007.

2. Substitute HB 46, Disaster Recovery Funding (Oda). This bill authorizes local government to create local disaster funds and modifies other provisions related to funding state and local government recovery efforts in emergencies.

3. Second Substitute HB 102, Land and Water Reinvestment (Clark). This bill appropriates \$2 million each to the Lee Ray McCallister Critical Land Conservation Fund, the

Range Land Improvement Fund, and the Department of Natural Resources to fund land and water projects.

4. Substitute HB 119, Emergency Communication Funding (Dee). This bill produces the charge on communication services that fund emergency communication services from \$.65 per line to \$.61 and changes the date on which a charge levied to fund E-911 service is reduced from July 2008 to July 2007.

5. HB 145, Farmers' Market Exemptions (Menlove). This bill exempts farmers' markets from the definition of food establishment and food handlers and allows counties and municipalities to operate farmers' markets.

6. HB 188, Easements-Counties and Municipalities (Tilton). This bill allows property owners to realign easements acquired through eminent domain at their own expense.

7. HB 201, Governance of Local Ordinances Regarding Smoking (Ray). This bill amends the prohibition against political subdivisions adopting ordinances that restrict smoking. The bill does not supersede an ordinance enacted by a political subdivision that restricts smoking in outdoor places which are owned by the political subdivision.

8. Substitute HB 273, Indoor Smoking Amendments (Oda). This bill amends the Utah Indoor Clean Air Act to provide further regulation of smoking in class B fraternal organizations and class D clubs and taverns.

9. Substitute HB 362, Annexation Amendments (Hughes). This bill contains a variety of annexation amendments, most of which will not affect Salt Lake City. However, the bill prohibits annexation of an unincorporated area within the "conical surface area of an airport operated by another municipality unless the legislative body of the other municipality adopts a resolution consenting to the annexation."

10. Substitute HB 365, Eminent Domain Authority of Community Development and Renewal Agencies (Urquhart). This bill restores the authority to utilize eminent domain for the acquisition of property within urban renewal (RDA) areas.

11. HB 393, Truth in Bonding (Hughes). This bill requires certain information regarding the amount of property tax increase to be included in any ballot propositions for bond elections.

12. House Concurrent Resolution 2, Concurrent Resolution Supporting Airport Surveillance Radar Acquisition (Sandstrom). This resolution expresses support for acquiring a second airport surveillance radar facility for the Salt Lake International Airport and full radar coverage for the Salt Lake Airport II.

13. Second Substitute SB 98, Governmental Immunity for Trails (Buttars). This bill extends governmental immunity for pedestrian or equestrian trails along a ditch, canal, stream or river regardless of ownership or operation of the ditch, canal, stream or river if the trail is designated under a general plan adopted by the municipality.

14. SB 179, Immunity of Counties and Municipalities for Skydiving Activities (Goodfellow). Extends governmental immunity for skydiving activities.

15. SB 191, Governmental Immunity Limits Amendments (Stephenson). This bill modifies and slightly increases the governmental immunity limits.

16. Second Substitute SB 218, Community Development and Renewal Agency Amendments (Bramble). This bill modifies the regulations for urban renewal (RDA) areas to include inactive industrial sights and sights requiring environmental remediation (the former Geneva Steel site).

17. Second Substitute SB 261, Disposition of Real Property (Niederhauser). This bill provides that if a municipality has obtained land through an exaction, and later determines to dispose of that property so obtained, it must first offer the property back to the original owner, free of charge. If the original owner declines, the municipality may then sell the property. These provisions do not apply to a property acquired by an RDA.

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