

(Draft-Awaiting Approval)
MINUTES OF THE
HOUSE TRANSPORTATION STANDING COMMITTEE
Monday, March 5, 2018 • 10:00 a.m. • 30 House Building

Members Present:

Rep. Kay J. Christofferson, Chair
Rep. Logan Wilde, Vice Chair
Rep. Walt Brooks
Rep. Justin L. Fawson
Rep. Michael S. Kennedy
Rep. Karen Kwan
Rep. Jefferson Moss
Rep. Adam Robertson

Rep. Mike Schultz
Rep. John R. Westwood

Members Absent:

Rep. Lynn N. Hemingway
Rep. John Knotwell

Staff Present:

Mr. Alex R. Janak, Policy Analyst
Ms. Wendy Hill, Committee Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

Chair Christofferson called the meeting to order.

MOTION: Rep. Kennedy moved to approve the minutes of March 2, 2018. The motion passed with a vote of 8 - 0 - 4 .

Yeas-8

Rep. W. Brooks
Rep. K. Christofferson
Rep. J. Fawson
Rep. M. Kennedy
Rep. K. Kwan
Rep. J. Moss
Rep. M. Schultz
Rep. J. Westwood

Nays-0

Absent-4

Rep. L. Hemingway
Rep. J. Knotwell
Rep. A. Robertson
Rep. L. Wilde

1 . 4th Sub. S.B. 155 Towing Amendments (*Harper, W.*)

Sen. Wayne A. Harper explained the bill.

Mr. George Chapman, citizen, spoke in favor of the bill.

Mr. Neil Schultz, President, Ogden-Weber Towing Association, spoke in opposition the bill.

Mr. Gary Williams, Attorney, Ogden City, Utah League of City and Towns, spoke to the bill.

MOTION: Rep. Schultz moved to pass 4th Substitute S.B. 155 out favorably. The motion passed with a vote of 10 - 0 - 2 .

Yeas-10

Rep. W. Brooks
Rep. K. Christofferson
Rep. J. Fawson
Rep. M. Kennedy
Rep. K. Kwan

Nays-0

Absent-2

Rep. L. Hemingway
Rep. J. Knotwell

Rep. J. Moss
Rep. A. Robertson
Rep. M. Schultz
Rep. J. Westwood
Rep. L. Wilde

2 . 3rd Sub. S.B. 136 Transportation Governance Amendments (*Harper, W.*)

Sen. Wayne A. Harper presented the bill with the assistance of Rep. Mike Schultz.

Mr. Cameron Diehl, Director of Government Relations, Utah League of Cities and Towns spoke in favor of the bill.

Ms. Ashley Soltysiak, Chapter Director, Sierra Club spoke in opposition to the bill.

Mr. Andrew Gruber, Executive Director, Wasatch Front Regional Council, spoke in favor of the bill.

Mr. Andrew Jackson, Executive Director, Mountainland Association of Governments, spoke in favor of the bill.

Mr. Kevin Emerson, Program Director, Utah Clean Energy, spoke to the bill.

Ms. Laura Schmidt, citizen, spoke in opposition to the bill.

Mr. George Chapman, citizen, spoke in opposition to the bill.

Mr. Robert J.Grow, Commission Member, Envision Utah, spoke in favor of the bill.

Ms. Ashley Miller, Policy Director, Breathe Utah, spoke to the bill.

Mr. Jerry Benson, President, CEO, Utah Transit Authority, spoke in favor of the bill.

Mr. John Valentine, Chairman, Utah State Tax Commission, spoke to the bill.

Ms. Abbie Osbourne, Vice President of Government Relations, Salt Lake Chamber, Executive Director, Utah Transportation Coalition, spoke in favor of the bill.

MOTION: Rep. Fawson moved to replace 3rd Substitute S.B. 136 with 4th Substitute S.B. 136. The motion passed with a vote of 10 - 0 - 2 .

Yeas-10

Rep. W. Brooks

Nays-0

Absent-2

Rep. L. Hemingway

Rep. K. Christofferson
Rep. J. Fawson
Rep. M. Kennedy
Rep. K. Kwan
Rep. J. Moss
Rep. A. Robertson
Rep. M. Schultz
Rep. J. Westwood
Rep. L. Wilde

Rep. J. Knotwell

MOTION: Rep. Robertson moved to amend 4th Substitute S.B. 136 with Amendment #1. The motion passed with a vote of 10 - 0 - 2 .

Amendment 1
4th Sub. S.B. 136

1. Page 149, Line 4610 through Page 150, Line 4614:

- 4610 (b) The following cities or towns may impose the sales and use tax as described in
4611 Subsection (12)(a):
4612 (i) in a county of the first { ~~or~~ , second , or third class, a city or town that:
4613 (A) has been annexed into a { ~~large~~ } public transit district; or
4614 (B) is an eligible political subdivision; or

Yeas-10

Rep. W. Brooks
Rep. K. Christofferson
Rep. J. Fawson
Rep. M. Kennedy
Rep. K. Kwan
Rep. J. Moss
Rep. A. Robertson
Rep. M. Schultz
Rep. J. Westwood
Rep. L. Wilde

Nays-0

Absent-2

Rep. L. Hemingway
Rep. J. Knotwell

MOTION: Rep. Moss moved to amend 4th Substitute S.B. 136 with Amendment #2. The motion passed with a vote of 9 - 1 - 2 .

Amendment 2
4th Sub. S.B. 136

1. Page 55, Lines 1677 through 1696:

- 1677 (6) (a) The following portions of the registration fees imposed under Section

1678 41-1a-1206 for each vehicle shall be deposited in the Transportation Investment Fund of 2005
1679 created under Section 72-2-124:
1680 (i) ~~{+}\$30{+}{-\$40-}~~ of the registration fees imposed under Subsections 41-1a-1206(1)(a),
1681 (1)(b), (1)(f), ~~[(3), and (6)] (4), and (7)~~;
1682 (ii) ~~{+}\$21{+}{-\$31-}~~ of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i)
1683 and (1)(c)(ii);
1684 (iii) \$2.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii);
1685 (iv) ~~{+}\$23{+}{-\$33-}~~ of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i);
1686 (v) ~~{+}\$24.50{+}{-\$34.50-}~~ of the registration fee imposed under Subsection
1687 41-1a-1206(1)(e)(i); ~~{+} and {+}~~
1688 (vi) \$1 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(ii) ~~{+}, {+} {; and~~
1689 ~~(vii) \$10 of the registration fee imposed under Subsection 41-1a-1206(1)(g)-}~~
1690 (b) The following portions of the registration fees collected for each vehicle registered
1691 for a six-month registration period under Section 41-1a-215.5 shall be deposited in the
1692 Transportation Investment Fund of 2005 created by Section 72-2-124:
1693 (i) ~~{+}\$23.25{+}{-\$28.50-}~~ of each registration fee collected under Subsection
1694 41-1a-1206(2)(a)(i); and
1695 (ii) ~~{+}\$23{+}{-\$28.50-}~~ of each registration fee collected under Subsection
1696 41-1a-1206(2)(~~(b)~~)(a)(ii).

2. Page 56, Line 1719 through Page 57, Line 1737:

1719 (a) ~~{+}\$46.00{+}{-\$56-}~~ for each motorcycle;
1720 (b) ~~{+}\$44{+}{-\$54-}~~ for each motor vehicle of 12,000 pounds or less gross laden weight,
1721 excluding motorcycles;
1722 (c) unless the semitrailer or trailer is exempt from registration under Section 41-1a-202
1723 or is registered under Section 41-1a-301:
1724 (i) ~~{+}\$31{+}{-\$41-}~~ for each trailer or semitrailer over 750 pounds gross unladen weight; or
1725 (ii) ~~{+}\$28.50{+}{-\$38.50-}~~ for each commercial trailer or commercial semitrailer of 750
1726 pounds or less gross unladen weight;
1727 (d) (i) ~~{+}\$53{+}{-\$63-}~~ for each farm truck over 12,000 pounds, but not exceeding 14,000
1728 pounds gross laden weight; plus
1729 (ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;
1730 (e) (i) ~~{+}\$69.50{+}{-\$79.50-}~~ for each motor vehicle or combination of motor vehicles,
1731 excluding farm trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden
1732 weight; plus
1733 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;
1734 (f) (i) ~~{+}\$69.50{+}{-\$79.50-}~~ for each park model recreational vehicle over 12,000 pounds,
1735 but not exceeding 14,000 pounds gross laden weight; plus
1736 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight; ~~[and]~~
1737 (g) ~~{+}\$45{+}{-\$55-}~~ for each vintage vehicle that is less than 40 years old~~[-]; and~~

3. Page 57, Lines 1759 through 1761:

1759 [(a) \$34.50] (i) { ~~\$42~~ } \$34.50 for each motorcycle; and
1760 [(b) \$33.50] (ii) { ~~\$41.25~~ } \$33.50 for each motor vehicle of 12,000 pounds or less gross laden
1761 weight, excluding motorcycles.

4. Page 58, Line 1782 through Page 59, Line 1791:

1782 (3) (a) (i) Beginning on January 1, { ~~2020~~ } 2019, the commission shall, on January 1, annually
1783 adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i), (1)(d)(i), (1)(e)(i),
1784 (1)(f)(i), (1)(g), { ~~(1)(h)(i)(C), (1)(h)(ii)(C), (1)(h)(iii)(C), (1)(h)(iv)(C),~~ } (2)(a), { ~~(2)(b)(i)(C),~~
1785 ~~(2)(b)(ii)(C), (2)(b)(iii)(C), (2)(b)(iv)(C),~~ } (4)(a), and (7), by taking the registration fee rate for
1786 the previous year and adding an amount equal to the greater of:
1787 { ~~(i)~~ } (A) an amount calculated by multiplying the registration fee of the previous year by the
1788 actual percentage change during the previous fiscal year in the Consumer Price Index; and
1789 { ~~(ii)~~ } (B) 0.

(ii) Beginning on January 1, 2022, the commission shall, on January 1, annually adjust the registration fees described in Subsections (1)(h)(i)(C), (1)(h)(ii)(C), (1)(h)(iii)(C), (1)(h)(iv)(C), (2)(b)(i)(C), (2)(b)(ii)(C), (2)(b)(iii)(C), and (2)(b)(iv)(C), by taking the registration fee rate for the previous year and adding an amount equal to the greater of:

(A) an amount calculated by multiplying the registration fee of the previous year by the actual percentage change during the previous fiscal year in the Consumer Price Index; and

(B) 0.

1790 (b) The { ~~amount~~ } amounts calculated as described in Subsection (3)(a) shall be rounded up to the
1791 nearest 25 cents.

5. Page 126, Line 3896 through Page 127, Line 3901:

3896 (c) { ~~(f)~~ } Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
3897 Subsections (6) and (7), [and subject to Subsection (8)(e)(ii), for a fiscal year] beginning on or
3898 after { ~~+~~ } July 1, 2018 { ~~+~~ } { ~~January 1, 2019~~ }, the commission shall annually deposit into the
3899 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes
3900 listed under Subsection (3)(a) in an amount equal to { ~~+~~ } 3.68% { ~~+~~ } { ~~-2.6%~~ } of the revenues collected
3901 from the following taxes:

6. Page 127, Lines 3911 through 3918:

3911 { ~~(ii) Notwithstanding Subsection (3)(a), beginning on or after January 1, 2019, the~~
3912 ~~commission shall annually deposit into the Transit Transportation Investment Fund created in~~
3913 ~~Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) in an amount equal to~~
3914 ~~1.08% of the revenues collected from the following taxes:~~

3915 — ~~(A) the tax imposed by Subsection (2)(a)(i)(A);~~

3916 — ~~(B) the tax imposed by Subsection (2)(b)(i);~~

3917 — ~~(C) the tax imposed by Subsection (2)(c)(i); and~~

3918 — ~~(D) the tax imposed by Subsection (2)(d)(i)(A)(I).}~~

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Yeas-9

Rep. W. Brooks
Rep. J. Fawson
Rep. M. Kennedy
Rep. K. Kwan
Rep. J. Moss
Rep. A. Robertson
Rep. M. Schultz
Rep. J. Westwood
Rep. L. Wilde

Nays-1

Rep. K. Christofferson

Absent-2

Rep. L. Hemingway
Rep. J. Knotwell

MOTION: Rep. Westwood moved to pass 4th Substitute S.B. 136 as amended out favorably. The motion passed with a vote of 9 - 1 - 2 .

Yeas-9

Rep. W. Brooks
Rep. K. Christofferson
Rep. J. Fawson
Rep. M. Kennedy
Rep. J. Moss
Rep. A. Robertson
Rep. M. Schultz
Rep. J. Westwood
Rep. L. Wilde

Nays-1

Rep. K. Kwan

Absent-2

Rep. L. Hemingway
Rep. J. Knotwell

MOTION: Rep. Fawson moved to adjourn. The motion passed with a vote of 10 - 0 - 2 .

Yeas-10

Rep. W. Brooks
Rep. K. Christofferson
Rep. J. Fawson
Rep. M. Kennedy
Rep. K. Kwan
Rep. J. Moss
Rep. A. Robertson
Rep. M. Schultz
Rep. J. Westwood

Nays-0

Absent-2

Rep. L. Hemingway
Rep. J. Knotwell

Rep. L. Wilde

Chair Christofferson adjourned the meeting.