



MINUTES

HOUSE REVENUE AND TAXATION STANDING COMMITTEE

Wednesday, February 26, 2020 | 4:00 p.m. | 445 State Capitol

Members Present:

Rep. Robert M. Spendlove, Chair
Rep. Jefferson Moss
Rep. Kyle R. Andersen
Rep. Stewart E. Barlow
Rep. Joel K. Briscoe
Rep. Steve Eliason
Rep. Stephanie Pitcher
Rep. Douglas V. Sagers
Rep. Mike Schultz
Rep. Rex P. Shipp

Rep. Andrew Stoddard
Rep. Mark A. Strong
Rep. Norman K. Thurston
Speaker Brad R. Wilson

Members Absent:

Rep. Tim Quinn, Vice Chair

Staff Present:

Ryan M. Hunter, Policy Analyst
Linda Service, Committee Secretary

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

Chair Spendlove called the meeting to order at 4:10 p.m.

1 . H.B. 356 Railroad Amendments (Ferry, J.)

Rep. Ferry explained the bill.

Daniel Brewer, railroad employee, spoke in favor of the bill.

Rusty Cannon, Utah Tax Payers Association, spoke in opposition to the bill.

Tyler Vincent, Mayor, Brigham City, Utah, spoke in favor of the bill.

Douglas Foxley, on behalf of Union Pacific, spoke in opposition to the bill.

Carson Eilers, Utah League of Cities and Towns, spoke in favor of the bill.

Jay Seegmiller, former railroad employee, spoke in favor of the bill.

MOTION: Rep. Stoddard moved to replace H.B. 356 with 1st Substitute H.B. 356.

SUBSTITUTE MOTION: Rep. Andersen made a substitute motion to amend H.B. 356. He withdrew his motion.

Rep. Stoddard's underlying motion passed with a vote of 13 - 0 - 2.

Yeas-13

Rep. K. Andersen
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. J. Moss
Rep. S. Pitcher
Rep. D. Sagers
Rep. M. Schultz
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong
Rep. B. Wilson

Nays-0

Absent-2

Rep. T. Quinn
Rep. N. Thurston

MOTION: Rep. Andersen moved to amend 1st Substitute H.B. 356 to add the words Class A before the words Class B on lines 19 and 3588. The motion passed with a vote of 13 - 0 - 2.

Amendment 1
1st Sub. H.B. 356

1. Page 1, Lines 17 through 20:

17 ▸ provides that upon appropriation, the Department of Transportation shall use the
18 money in the Railroad Crossing Restricted Account for construction projects related
19 to railroad crossings on class A, class B . and class C roads; and
20 ▸ makes technical changes.

2. Page 116, Lines 3587 through 3589:

3587 (4) Upon appropriation, the department shall use the money in the account for
3588 construction, reconstruction, or renovation projects related to railroad crossings on class A, class B . or
3589 class C roads.

Yeas-13

Rep. K. Andersen
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. J. Moss
Rep. S. Pitcher
Rep. D. Sagers
Rep. M. Schultz
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong
Rep. B. Wilson

Nays-0

Absent-2

Rep. T. Quinn
Rep. N. Thurston

MOTION: Rep. Shipp moved to pass 1st Substitute H.B. 356 out favorably as amended. The motion passed with a vote of 13 - 0 - 2.

Yeas-13

Rep. K. Andersen
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. J. Moss
Rep. S. Pitcher
Rep. D. Sagers
Rep. M. Schultz
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong
Rep. B. Wilson

Nays-0

Absent-2

Rep. T. Quinn
Rep. N. Thurston

2 . 1st Sub. H.B. 269 Tax Credit Amendments (Sagers, D.)

Rep. Sagers explained the bill assisted by John Andrews, attorney, Snell and Wilmer.

MOTION: Rep. Sagers moved to replace 1st Substitute H.B. 269 with 2nd Substitute H.B. 269. The motion passed with a vote of 11 - 0 - 4.

Yeas-11

Rep. K. Andersen
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Pitcher
Rep. D. Sagers
Rep. M. Schultz
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong

Nays-0

Absent-4

Rep. J. Moss
Rep. T. Quinn
Rep. N. Thurston
Rep. B. Wilson

MOTION: Rep. Sagers moved to pass 2nd Substitute H.B. 269 out favorably. The motion passed with a vote of 9 - 2 - 4.

Yeas-9

Rep. K. Andersen
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Pitcher
Rep. D. Sagers
Rep. M. Schultz
Rep. R. Shipp
Rep. R. Spendlove

Nays-2

Rep. A. Stoddard
Rep. M. Strong

Absent-4

Rep. J. Moss
Rep. T. Quinn
Rep. N. Thurston
Rep. B. Wilson

3 . H.B. 62 Enterprise Zone Tax Credit Amendments (Sagers, D.)

Rep. Sagers explained the bill.

Paul Rogers, on behalf of Nikola Motors, spoke in favor of the bill.

MOTION: Rep. Briscoe moved to replace H.B. 62 with 1st Substitute H.B. 62. The motion passed with a vote of 10 - 0 - 5.

Yeas-10

Rep. K. Andersen
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Pitcher
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong

Nays-0

Absent-5

Rep. J. Moss
Rep. T. Quinn
Rep. M. Schultz
Rep. N. Thurston
Rep. B. Wilson

MOTION: Rep. Sagers moved to amend 1st Substitute H.B. 62 with Amendment #3. The motion passed with a vote of 10 - 0 - 5.

Amendment 3
1st Sub. H.B. 62

1. Page 1, Lines 12 through 15:
12 ▶ authorizes enterprise zone income tax credits for{:
13 —•— the creation of certain full-time jobs in a business that produces, processes,
14 distributes, or dispenses hydrogen fuel; and
15 —•—}certain investments in plant, equipment, or other depreciable property used to
2. Page 8, Lines 236 through 242:
236 {~~(e)~~ an additional tax credit of \$750 may be claimed if the new full-time employee
237 position created within the enterprise zone is in a business entity that produces or processes
238 hydrogen for use as a fuel;}
239 {(f) an additional tax credit of \$750 may be claimed if the new full-time employee
240 position created within the enterprise zone is in a business entity that distributes or dispenses
241 hydrogen fuel;}
242 {+}(e){+}{(g)} a tax credit of 25% of the first \$200,000 spent on rehabilitating a building in
3. Page 9, Line 244:
244 {+}(f){+}{(h)} an annual investment tax credit of 10% of the first \$250,000 in investment,
4. Page 9, Line 247:
247 {(i)} (g) an additional annual investment tax credit of 10% of the first \$250,000 investment.
5. Page 9, Line 253:
253 credit under Subsections (7)(a) through {+}(d){+}{(f)} may claim the tax credit for no more than 30
6. Page 9, Line 256:
256 positions under Subsections (7)(a) through {+}(d){+}{(f)} in a prior taxable year may claim a tax
7. Page 9, Line 258:
258 (7)(a) through {+}(d){+}{(f)} if:
8. Page 9, Line 266:
266 through {+}(d){+}{(f)}.
9. Page 10, Lines 274 through 275:
274 (a) may not claim tax credits under Subsections (7)(a) through {+}(d){+}{(f)}; and
275 (b) may claim tax credits under Subsections {+}(7)(e){+}{(7)(g)} through [(f)] {(i)} (g).

Yeas-10

Rep. K. Andersen
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Pitcher
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong

Nays-0

Absent-5

Rep. J. Moss
Rep. T. Quinn
Rep. M. Schultz
Rep. N. Thurston
Rep. B. Wilson

MOTION: Rep. Stoddard moved to hold 1st Substitute H.B. 62. The motion passed with a vote of 9 - 2 - 4.

Yeas-9

Rep. K. Andersen
Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Pitcher
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong
Rep. N. Thurston

Nays-2

Rep. S. Barlow
Rep. D. Sagers

Absent-4

Rep. J. Moss
Rep. T. Quinn
Rep. M. Schultz
Rep. B. Wilson

4 . H.B. 351 Tax Credit for Medical Instructors (*Dailey-Provost, J.*)

Rep. Dailey-Provost explained the bill assisted by Kirsten Stoesser, Program Director, Family Medicine Residency, University of Utah.

Maryann Martindale, Executive Director, Utah Academy of Family Physicians, spoke in favor of the bill.

Jonathan Baird, President, Utah Academy of Physician Assistants, spoke in favor of the bill.

Lee Moss, Nurse Practitioner, University of Utah, spoke in favor of the bill.

Teresa Garrett, Utah Nurses Association, spoke in favor of the bill.

MOTION: Rep. Thurston moved to adjourn. The motion failed with a vote of 5 - 6 - 4.

Yeas-5

Rep. K. Andersen
Rep. S. Barlow
Rep. R. Shipp
Rep. M. Strong
Rep. N. Thurston

Nays-6

Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Pitcher
Rep. D. Sagers
Rep. R. Spendlove
Rep. A. Stoddard

Absent-4

Rep. J. Moss
Rep. T. Quinn
Rep. M. Schultz
Rep. B. Wilson

MOTION: Rep. Stoddard moved to pass H.B. 351 out favorably. The motion passed with a vote of 6 - 5 - 4.

Yeas-6

Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Pitcher
Rep. D. Sagers
Rep. R. Spendlove
Rep. A. Stoddard

Nays-5

Rep. K. Andersen
Rep. S. Barlow
Rep. R. Shipp
Rep. M. Strong
Rep. N. Thurston

Absent-4

Rep. J. Moss
Rep. T. Quinn
Rep. M. Schultz
Rep. B. Wilson

MOTION: Rep. Stoddard moved to adjourn. The motion passed with a vote of 11 - 0 - 4.

Yeas-11

Rep. K. Andersen
Rep. S. Barlow
Rep. J. Briscoe
Rep. S. Eliason
Rep. S. Pitcher
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. M. Strong
Rep. N. Thurston

Nays-0

Absent-4

Rep. J. Moss
Rep. T. Quinn
Rep. M. Schultz
Rep. B. Wilson

Chair Spendlove adjourned the meeting at 6:05 p.m.