



MINUTES

REVENUE AND TAXATION INTERIM COMMITTEE

LEGISLATURE

Wednesday, June 17, 2020 | 9:00 a.m. | 445 State Capitol

Members Present:

Sen. Lincoln Fillmore, Chair
Rep. Robert M. Spendlove, Chair
Sen. Curtis S. Bramble
Sen. Gene Davis
Sen. Daniel Hemmert
Sen. Deidre M. Henderson
Rep. Stewart E. Barlow
Rep. Joel K. Briscoe
Rep. Brad M. Daw
Rep. Steve Eliason
Rep. Francis D. Gibson
Rep. Bradley G. Last

Rep. Jefferson Moss
Rep. Val L. Peterson
Rep. Tim Quinn
Rep. Douglas V. Sagers
Rep. Rex P. Shipp
Rep. Andrew Stoddard
Rep. Norman K. Thurston

Staff Present:

Ryan M. Hunter, Policy Analyst
Alex R. Janak, Policy Analyst
Andrea Valenti Arthur, Associate General Counsel
Christine R. Gilbert, Associate General Counsel
Jesse Dowdle, Administrative Assistant

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.

1 . Committee Business

Ryan M. Hunter, Policy Analyst, Office of Legislative Research and General Counsel, presented a training on the Open and Public Meetings Act.

[1 - Open and Public Meetings Act annual training](#)

MOTION: Sen. Fillmore moved to approve the minutes of the November 20, 2019, meeting. The motion passed with a vote of 14 - 0 - 5.

Yeas-14

Rep. S. Barlow
Rep. J. Briscoe
Sen. G. Davis
Rep. S. Eliason
Sen. L. Fillmore
Rep. F. Gibson
Sen. D. Hemmert
Rep. J. Moss
Rep. V. Peterson
Rep. T. Quinn
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard

Nays-0

Absent-5

Sen. C. Bramble
Rep. B. Daw
Sen. D. Henderson
Rep. B. Last
Rep. N. Thurston

2 . Committee Study List

Alex Janak, Policy Analyst, Office of Legislative Research and General Counsel, presented potential interim committee study items.

[2 - Potential Interim Study Items](#)

MOTION: Sen. Fillmore moved to add a committee study item regarding property tax relief for senior citizens.

SUBSTITUTE MOTION: Sen. Bramble moved to add a study item regarding property tax relief for military and senior citizens. The substitute motion passed with a vote of 19 - 0 - 0.

Yeas-19

Nays-0

Absent-0

- Rep. S. Barlow
- Sen. C. Bramble
- Rep. J. Briscoe
- Sen. G. Davis
- Rep. B. Daw
- Rep. S. Eliason
- Sen. L. Fillmore
- Rep. F. Gibson
- Sen. D. Hemmert
- Sen. D. Henderson
- Rep. B. Last
- Rep. J. Moss
- Rep. V. Peterson
- Rep. T. Quinn
- Rep. D. Sagers
- Rep. R. Shipp
- Rep. R. Spendlove
- Rep. A. Stoddard
- Rep. N. Thurston

John L. Valentine, Chair, State Tax Commission, and Rebecca Rockwell, Commissioner, State Tax Commission, presented additional study item recommendations to the committee and responded to questions.

[2 - Tax Commission Study Issues](#)

MOTION: Sen. Bramble moved to both approve the list and add the items from the State Commission list to the interim study item list. The motion passed with a vote of 19 - 0 - 0.

Yeas-19Nays-0Absent-0

Rep. S. Barlow
Sen. C. Bramble
Rep. J. Briscoe
Sen. G. Davis
Rep. B. Daw
Rep. S. Eliason
Sen. L. Fillmore
Rep. F. Gibson
Sen. D. Hemmert
Sen. D. Henderson
Rep. B. Last
Rep. J. Moss
Rep. V. Peterson
Rep. T. Quinn
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. N. Thurston

MOTION: Sen. Hemmert moved to authorize the committee chairs to open committee bill files The motion passed with a vote of 18 - 0 - 1.

Yeas-18Nays-0Absent-1

Rep. S. Barlow
Sen. C. Bramble
Rep. J. Briscoe
Sen. G. Davis
Rep. B. Daw
Rep. S. Eliason
Sen. L. Fillmore
Rep. F. Gibson
Sen. D. Hemmert
Sen. D. Henderson
Rep. J. Moss
Rep. V. Peterson
Rep. T. Quinn
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard
Rep. N. Thurston

Rep. B. Last

3 . Tax Revenue and Economic Outlook Update

Andrea Wilko, Economist, Office of the Legislative Fiscal Analyst, provided an update on current and projected future tax revenue trends and responded to questions from the committee.

[3 - June 2020 Consensus Revenue](#)

Eric Cropper, economist, Utah State Tax Commission, responded to questions.

Sen. Fillmore assumed the chair.

4 . COVID-19 Economic Recovery Grant Programs - Draft Legislation

Rep. Spendlove spoke to the draft legislation and responded to questions.

[4 - Utah Employment Growth Initiative Summary](#)

[4 - COVID-19 Economic Recovery Presentation](#)

Sen. Hemmert spoke to the draft legislation and responded to questions.

MOTION: Rep. Spendlove moved to express committee support to draft legislation "COVID-19 Economic Recovery Grant Programs." The motion passed with a vote of 17 - 1 - 1.

Yeas-17

Rep. S. Barlow
Sen. C. Bramble
Rep. J. Briscoe
Sen. G. Davis
Rep. B. Daw
Rep. S. Eliason
Sen. L. Fillmore
Rep. F. Gibson
Sen. D. Hemmert
Sen. D. Henderson
Rep. B. Last
Rep. J. Moss
Rep. V. Peterson
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. A. Stoddard

Nays-1

Rep. T. Quinn

Absent-1

Rep. N. Thurston

5 . Potential State Finance Policy Options in Response to COVID-19 Impacts on Economy

Rep. Spendlove resumed the chair.

David Damschen, State Treasurer, provided insight regarding the purchase of Paycheck Protection loans and the issuance of Tax Anticipation Notes and responded to questions from the committee.

Doug DeFries, CEO, Bank of Utah and Chairman, Utah Money Management Council, spoke to the issue and responded to questions from the committee.

6 . Temporary Flexibility in Uses of Local Option Sales Taxes in Response to COVID-19 Impacts on Local Governments

Alex R. Janak introduced the capital local levy discussion.

Sen. Fillmore assumed the chair.

Mark Huntsman, Chairman, State Board of Education, spoke regarding the need for additional flexibility in uses of local option sales tax and capital local levy property tax revenue.

Terry Shoemaker spoke to the issue.

Rep. V. Lowry Snow spoke to the bill.

[6 - "School District Use of Property Tax Revenue" - H.B. 3005](#)

MOTION: Rep. Barlow moved to express support for the education bill The motion passed with a vote of 16 - 0 - 3.

Yeas-16

Rep. S. Barlow
Rep. J. Briscoe
Sen. G. Davis
Rep. S. Eliason
Sen. L. Fillmore
Rep. F. Gibson
Sen. D. Hemmert
Sen. D. Henderson
Rep. B. Last
Rep. J. Moss
Rep. V. Peterson
Rep. T. Quinn
Rep. D. Sagers
Rep. R. Shipp
Rep. R. Spendlove
Rep. N. Thurston

Nays-0

Absent-3

Sen. C. Bramble
Rep. B. Daw
Rep. A. Stoddard

Ryan M. Hunter introduced local option sales tax issues at the county and local level.

Lincoln Shurtz, Director of External Relations, Utah Association of Counties, spoke to the issue.

Roger Tew, Executive Director, Utah League of Cities and Towns, spoke to the issue.

7 . Utah State Income Tax Treatment of Individual CARES Act Stimulus Payments and Proceeds from Paycheck Protection Program Loans

Andrea Valenti Arthur, Associate General Counsel, Office of Legislative Research and General Counsel, provided an overview of how CARES Act stimulus payments and proceeds from the Paycheck Protection Program loans will be treated for state income tax purposes.

[7 - State Tax Treatment of Individual Stimulus and Forgiven PPP](#)

8 . Update on Airline Property Tax Court Case

Christine R. Gilbert, Associate General Counsel, Office of the Legislative Research and General Counsel, presented an update on Utah Supreme Court decision Salt Lake County v. State of Utah.

[8 - "Salt Lake County v. State" Decision Explanation](#)

9 . Other Items/Adjourn

MOTION: Rep. Barlow moved to adjourn.

Chair Spendlove adjourned the meeting.