

1 **INLAND PORT AMENDMENTS**

2 2020 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Luz Escamilla**

5 House Sponsor: Francis D. Gibson

6

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies provisions of the Utah Inland Port Authority Act.

10 **Highlighted Provisions:**

11 This bill:

12 ▶ requires the Utah Inland Port Authority to study the development and
13 implementation of a fund to mitigate development impacts on adjacent
14 communities;

15 ▶ requires the Utah Inland Port Authority to establish standards relating to impacts of
16 development that a person is required to meet to qualify for authority funding for
17 the person's development project; and

18 ▶ modifies the composition of the authority board.

19 **Money Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 None

23 **Utah Code Sections Affected:**

24 AMENDS:

25 **11-58-202**, as last amended by Laws of Utah 2019, Chapter 399

26 **11-58-302**, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1

27 **11-58-303**, as last amended by Laws of Utah 2018, Second Special Session, Chapter 1



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Be it enacted by the Legislature of the state of Utah:

Section 1. Section **11-58-202** is amended to read:

11-58-202. Port authority powers and duties.

(1) The authority has exclusive jurisdiction, responsibility, and power to coordinate the efforts of all applicable state and local government entities, property owners and other private parties, and other stakeholders to:

(a) develop and implement a business plan for the authority jurisdictional land, to include an environmental sustainability component, developed in conjunction with the Utah Department of Environmental Quality, incorporating policies and best practices to meet or exceed applicable federal and state standards, including:

(i) emissions monitoring and reporting; and

(ii) strategies that use the best available technology to mitigate environmental impacts from development and uses on the authority jurisdictional land;

(b) plan and facilitate the development of inland port uses on authority jurisdictional land and on land in other authority project areas;

(c) manage any inland port located on land owned or leased by the authority; and

(d) establish a foreign trade zone, as provided under federal law, covering some or all of the authority jurisdictional land or land in other authority project areas.

(2) The authority may:

(a) facilitate and bring about the development of inland port uses on land that is part of the authority jurisdictional land or that is in other authority project areas, including engaging in marketing and business recruitment activities and efforts to encourage and facilitate:

(i) the development of an inland port on the authority jurisdictional land; and

(ii) other development of the authority jurisdictional land consistent with the policies and objectives described in Subsection [11-58-203\(1\)](#);

(b) facilitate and provide funding for the development of the authority jurisdictional land and land in other authority project areas, including the development of publicly owned infrastructure and improvements and other infrastructure and improvements on or related to the authority jurisdictional land;

(c) engage in marketing and business recruitment activities and efforts to encourage

59 and facilitate development of the authority jurisdictional land;

60 (d) apply for and take all other necessary actions for the establishment of a foreign
61 trade zone, as provided under federal law, covering some or all of the authority jurisdictional
62 land;

63 (e) as the authority considers necessary or advisable to carry out any of its duties or
64 responsibilities under this chapter:

65 (i) buy, obtain an option upon, or otherwise acquire any interest in real or personal
66 property;

67 (ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or
68 personal property; or

69 (iii) enter into a lease agreement on real or personal property, either as lessee or lessor;

70 (f) sue and be sued;

71 (g) enter into contracts generally;

72 (h) provide funding for the development of publicly owned infrastructure and
73 improvements or other infrastructure and improvements on or related to the authority
74 jurisdictional land or other authority project areas;

75 (i) exercise powers and perform functions under a contract, as authorized in the
76 contract;

77 (j) receive the property tax differential, as provided in this chapter;

78 (k) accept financial or other assistance from any public or private source for the
79 authority's activities, powers, and duties, and expend any funds so received for any of the
80 purposes of this chapter;

81 (l) borrow money, contract with, or accept financial or other assistance from the federal
82 government, a public entity, or any other source for any of the purposes of this chapter and
83 comply with any conditions of the loan, contract, or assistance;

84 (m) issue bonds to finance the undertaking of any development objectives of the
85 authority, including bonds under Chapter 17, Utah Industrial Facilities and Development Act,
86 bonds under Chapter 42, Assessment Area Act, and bonds under Chapter 42a, Commercial
87 Property Assessed Clean Energy Act;

88 (n) hire employees, including contract employees;

89 (o) transact other business and exercise all other powers provided for in this chapter;

90 (p) engage one or more consultants to advise or assist the authority in the performance
91 of the authority's duties and responsibilities;

92 (q) enter into an agreement with a taxing entity to share property tax differential for
93 services that the taxing entity provides within the authority jurisdictional land;

94 (r) work with other political subdivisions and neighboring property owners and
95 communities to mitigate potential negative impacts from the development of authority
96 jurisdictional land;

97 (s) own and operate an intermodal facility if the authority considers the authority's
98 ownership and operation of an intermodal facility to be necessary or desirable;

99 (t) own and operate publicly owned infrastructure and improvements in a project area
100 outside the authority jurisdictional land; and

101 (u) exercise powers and perform functions that the authority is authorized by statute to
102 exercise or perform.

103 (3) Beginning January 1, 2020, the authority shall:

104 (a) be the repository of the official delineation of the boundary of the authority
105 jurisdictional land, identical to the boundary as delineated in the shapefile that is the electronic
106 component of H.B. 2001, Utah Inland Port Authority Amendments, 2018 Second Special
107 Session, subject to any later changes to the boundary enacted by the Legislature; and

108 (b) maintain an accurate digital file of the boundary that is easily accessible by the
109 public.

110 (4) An intermodal facility owned by the authority is subject to a privilege tax under
111 Title 59, Chapter 4, Privilege Tax.

112 (5) The authority shall:

113 (a) study the development and implementation of a fund to mitigate the impacts that
114 development or inland port uses within project areas have on adjacent communities; and

115 (b) on or before October 1, 2020, submit a written report on the study under Subsection
116 (5)(a) to:

117 (i) the Business, Economic Development, and Labor Appropriations Subcommittee of
118 the Legislature;

119 (ii) the Economic Development and Workforce Services Interim Committee of the
120 Legislature; and

- 121 (iii) the Business and Labor Interim Committee of the Legislature.
- 122 (6) (a) The authority shall establish minimum standards that a person undertaking a
 123 development project within authority jurisdictional land is required to meet to qualify for
 124 authority funding or financing for the development project.
- 125 (b) The standards under Subsection (6)(a) shall include standards relating to:
- 126 (i) waste reduction and reuse;
- 127 (ii) the management of hazardous materials;
- 128 (iii) storm water prevention; and
- 129 (iv) dust mitigation, as outlined by the municipality in which the development project
 130 is located.

131 Section 2. Section **11-58-302** is amended to read:

132 **11-58-302. Number of board members -- Appointment -- Vacancies.**

- 133 (1) The authority's board shall consist of [++] 13 members, as provided in Subsection
 134 (2).

135 (2) (a) The governor shall appoint two board members, one of whom shall be an
 136 employee or officer of the Governor's Office of Economic Development, created in Section
 137 [63N-1-201](#).

- 138 (b) The president of the Senate shall appoint one board member.
- 139 (c) The speaker of the House of Representatives shall appoint one board member.
- 140 (d) The Salt Lake County mayor shall appoint one board member.
- 141 (e) The chair of the Permanent Community Impact Fund Board, created in Section
 142 [35A-8-304](#), shall appoint one board member from among the members of the Permanent
 143 Community Impact Fund Board.

144 (f) The chair of the Salt Lake Airport Advisory Board, or the chair's designee, shall
 145 serve as a board member.

146 (g) The member of the Salt Lake City council who is elected by district and whose
 147 district includes the Salt Lake City Airport shall serve as a board member.

148 (h) The city manager of West Valley City, with the consent of the city council of West
 149 Valley City, shall appoint one board member.

150 (i) The executive director of the Department of Transportation, appointed under
 151 Section [72-1-202](#), shall serve as a board member.

152 (j) The director of the Salt Lake County office of Regional Economic Development
153 shall serve as a board member.

154 (k) The mayor of Salt Lake City or the mayor's designee shall serve as a board member.

155 (l) A member of the board of education of the Salt Lake City School District,
156 designated by the board of education, shall serve as a board member.

157 (3) An individual required under Subsection (2) to appoint a board member shall
158 appoint each initial board member the individual is required to appoint no later than June 1,
159 2018.

160 (4) (a) A vacancy in the board shall be filled in the same manner under this section as
161 the appointment of the member whose vacancy is being filled.

162 (b) A person appointed to fill a vacancy shall serve the remaining unexpired term of
163 the member whose vacancy the person is filling.

164 (5) A member of the board appointed by the governor, president of the Senate, or
165 speaker of the House of Representatives serves at the pleasure of and may be removed and
166 replaced at any time, with or without cause, by the governor, president of the Senate, or speaker
167 of the House of Representatives, respectively.

168 (6) The authority may appoint nonvoting members of the board and set terms for those
169 nonvoting members.

170 (7) Upon a vote of a majority of all board members, the board may appoint a board
171 chair and any other officer of the board.

172 (8) (a) An individual designated as a board member under Subsection (2)(g), (i), [or]
173 (j), (k), or (l) who would be precluded from serving as a board member because of Subsection
174 [11-58-304\(2\)](#):

175 (i) may serve as a board member notwithstanding Subsection [11-58-304\(2\)](#); and

176 (ii) shall disclose in writing to the board the circumstances that would otherwise have
177 precluded the individual from serving as a board member under Subsection [11-58-304\(2\)](#).

178 (b) A written disclosure under Subsection (8)(a)(ii) is a public record under Title 63G,
179 Chapter 2, Government Records Access and Management Act.

180 (9) The board may appoint one or more advisory committees that may include
181 individuals from impacted public entities, community organizations, environmental
182 organizations, business organizations, or other organizations or associations.

183 Section 3. Section 11-58-303 is amended to read:

184 **11-58-303. Term of board members -- Quorum -- Compensation.**

185 (1) The term of a board member appointed under Subsection 11-58-302(2)(a), (b), (c),
186 (d), ~~(e)~~ (h), or (l) is four years, except that the initial term of one of the two members
187 appointed under Subsection 11-58-302(2)(a) and of the members appointed under Subsections
188 11-58-302(2)(d) and (h) is two years.

189 (2) Each board member shall serve until a successor is duly appointed and qualified.

190 (3) A board member may serve multiple terms if duly appointed to serve each term
191 under Subsection 11-58-302(2).

192 (4) A majority of board members constitutes a quorum, and the action of a majority of
193 a quorum constitutes action of the board.

194 (5) (a) A board member who is not a legislator may not receive compensation or
195 benefits for the member's service on the board, but may receive per diem and reimbursement
196 for travel expenses incurred as a board member as allowed in:

197 (i) Sections 63A-3-106 and 63A-3-107; and

198 (ii) rules made by the Division of Finance according to Sections 63A-3-106 and
199 63A-3-107.

200 (b) Compensation and expenses of a board member who is a legislator are governed by
201 Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.