{deleted text} shows text that was in SB0112 but was deleted in SB0112S01. inserted text shows text that was not in SB0112 but was inserted into SB0112S01.

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Senator Luz Escamilla proposes the following substitute bill:

INLAND PORT AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Luz Escamilla

House Sponsor:

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- {requires the Utah Inland Port Authority to study the development and implementation of a fund to mitigate development impacts on adjacent communities;
- requires<u>authorizes</u> the Utah Inland Port Authority to establish {standards relating<u>}</u> a community enhancement program to <u>address the</u> impacts of development {that a person is required to meet to qualify for authority funding for the person's development project; and
 - modifies the composition of the authority board} and inland port uses on adjacent

communities and to create and administer a fund to support the program;

- <u>exempts money in the fund from execution and other debt collection processes; and</u>
- requires the authority to report on the program to legislative committees.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

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

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

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

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 and facilitate development of the authority jurisdictional land;

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

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

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

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

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

(f) sue and be sued;

(g) enter into contracts generally;

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

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

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

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

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

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

(n) hire employees, including contract employees;

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

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

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

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

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

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

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

(3) (a) The authority may establish a community enhancement program designed to address the impacts that development or inland port uses within project areas have on adjacent communities.

(b) (i) The authority may create and administer a fund to support the community enhancement program and to pay for efforts to address the impacts described in Subsection (3)(a).

(ii) Money in a fund created under Subsection (3)(b)(i) is exempt from execution or any other process in the collection of a judgment against or debt or other obligation of the authority arising out of the authority's activities with respect to the community enhancement program.

(c) On or before October 31, 2020, the authority shall report on the authority's actions under this Subsection (3) to:

(i) the Business, Economic Development, and Labor Appropriations Subcommittee of the Legislature:

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

(iii) the Business and Labor Interim Committee of the Legislature.

[(3)] (4) Beginning January 1, 2020, the authority shall:

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

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

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

{ (5) The authority shall:

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

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

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

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

(iii) the Business and Labor Interim Committee of the Legislature. (6) (a) The authority shall establish minimum standards that a person undertaking a

<u>development project within authority jurisdictional land is required to meet to qualify for</u> <u>authority funding or financing for the development project.</u>

(b) The standards under Subsection (6)(a) shall include standards relating to:

(i) waste reduction and reuse;

(ii) the management of hazardous materials;

(iii) storm water prevention; and

(iv) dust mitigation, as outlined by the municipality in which the development project is located.

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

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

(1) The authority's board shall consist of [11] <u>13</u> members, as provided in Subsection (2).

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

(b) The president of the Senate shall appoint one board member.

(c) The speaker of the House of Representatives shall appoint one board member.

(d) The Salt Lake County mayor shall appoint one board member.

(e) The chair of the Permanent Community Impact Fund Board, created in Section
 35A-8-304, shall appoint one board member from among the members of the Permanent
 Community Impact Fund Board.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

 (i) may serve as a board member notwithstanding Subsection 11-58-304(2); and

 (ii) shall disclose in writing to the board the circumstances that would otherwise have

precluded the individual from serving as a board member under Subsection 11-58-304(2).

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

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

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

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

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

(2) Each board member shall serve until a successor is duly appointed and qualified.
 (3) A board member may serve multiple terms if duly appointed to serve each term under Subsection 11-58-302(2).

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

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

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

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

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