

House Political Subdivisions Committee

February 25th, 2025

Bill: 2nd substitute HB 139 – Governmental Accounting Amendments

Sponsor: Representative Anthony E. Loubet

Floor Sponsor:

UASD Position: Tracking and UASD amended

This Bill addresses a political subdivision's annual financial report.

Discussion: The sponsor presented the 2nd substitute of the Bill, which was adopted by the Committee. Seth Oveson, manager of the Local Government Division within the Office of the State Auditor (“Office”), presented with the sponsor. Mr. Oveson explained that the Bill establishes a financial certification process, which would be administered by the State Auditor. The substitute language includes that the form must be created in consultation with stakeholders. The Office determined that adopting a standardized form for financial certification across local governments would be the most effective approach. He noted that this method allows for adjustments without requiring legislation if concerns arise.

Representative Miller asked about the timeline for implementing a new financial report statement. Mr. Oveson responded that it would apply to any fiscal year following the Bill’s implementation. No further discussion followed.

Yeas: 6

Nays: 0

N/V: 4

Outcome: 2nd substitute HB 139 passed out of the Committee with a favorable recommendation.

Bill: 2nd substitute SB 26 – Housing and Transit Reinvestment Zone Amendments

Sponsor: Senator Wayne A. Harper

Floor Sponsor: Representative Stephen L. Whyte

UASD Position: Support

This Bill amends provisions relating to the Housing and Transit Reinvestment Zone Act.

Discussion: The sponsor presented the 2nd substitute, which was adopted by the Committee. He explained that the Bill makes adjustments to the Housing and Transit Reinvestment Zone (“HTRZ”) and clarifies definitions. A key provision in the legislation is the creation of a new

convention center reinvestment zone. He noted that any modifications to the Sales Tax Code automatically add 69 pages to a Bill, making current law regarding sales tax the bulk of this Bill. The sponsor emphasized that over the next few years, the Salt Palace, Abravanel Hall, and the Museum of Culture and Arts will require renovations. This Bill establishes a convention center public improvement district (“district”) and the critical community reinvestment zone (“CCRZ”), which designates the zone within the district and allocates property and sales tax revenue from that property exclusively to facility improvements and renovations. He added that the process would ultimately require approval from the HTRZ Committee.

Representative Ward asked if this area overlaps with any other established zones. The sponsor confirmed that it does not. Representative Ward then inquired whether the Bill would redirect tax revenue from entities that typically receive these funds. The sponsor clarified that existing tax distributions would not be affected—only new growth revenue would be impacted.

Representative Walter asked if unused tax increments from overlapping redevelopment zones could be utilized by the reinvestment zone. The sponsor referenced the central business district but clarified that it does not currently overlap with the proposed district. Representative Walter then questioned why the Bill did not yet define the district boundaries. The sponsor explained that those boundaries must be determined by the HTRZ petitioners. Representative Walter also asked whether this was a special type of HTRZ. The sponsor responded that it is slightly different, as it applies only to a first-class city with a county-owned convention center. He noted that only two cities—Salt Lake City and Sandy—would qualify.

Representative Ward raised concerns about the timing of the release of the 2nd substitute which makes substantial changes and questioned whether the public had sufficient opportunity to participate in the Committee’s discussion on the substitute Bill. The sponsor stated that while it was ultimately up to the Committee, he believed the Bill had broad agreement and he expressed an openness to continue discussions to address any concerns.

The Utah Transit Authority (“UTA”) spoke in favor of the Bill, particularly to the approach to funding shared public infrastructure, which they believed would add value to future HTRZs. Representative Walter acknowledged strong policy elements in the Bill but argued that it should be held, citing concerns that significant changes—such as the creation of the new convention center reinvestment zone—were introduced late, limiting public awareness. Representative Ward echoed these concerns. Representative Gwynn spoke in favor of moving the Bill forward, stating that the sponsor would still have time to engage with stakeholders and the public. He motioned to advance the Bill out of Committee with a favorable recommendation, but the motion failed. The Committee Chair noted that they would attempt to place the Bill on the agenda for the following day. No further discussion followed.

Yeas: 8

Nays: 0

N/V: 2

Outcome: 2nd substitute SB 26 was held in the Committee and will be considered again at the next Committee hearing.

Bill: 2nd substitute SB 104 – Boundary Line Amendments

Sponsor: Senator Calvin R. Musselman

Floor Sponsor: Representative Paul A. Cutler

UASD Position: Tracking

This Bill modifies provisions related to boundary changes.

Discussion: Senator Musselman stated that the Bill has strong support from various stakeholders, as it is a consensus Bill. The sponsor explained that the Bill creates a streamlined process for landowners seeking to adjust their boundary lines. The Bill outlines a clear procedure in which landowners submit their request to the land use authority, which then reviews the property for any easements. If no objections are found, the adjustment can be recorded. However, if an easement is identified, the landowner must address any issues raised by the land use authority before proceeding with the boundary adjustment.

Representative Dunnigan inquired about which easements would require a survey. The sponsor clarified that for simple boundary adjustments, a survey would not be necessary, but for more complex adjustments, a survey would be required. No further discussion followed.

Yeas: 8

Nays: 0

N/V: 2

Outcome: 2nd substitute SB 104 passed out of the Committee with a favorable recommendation.