

Senator Wayne A. Harper proposes the following substitute bill:

PUBLIC TRANSIT AND TRANSPORTATION

GOVERNANCE AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Mike Schultz

LONG TITLE

General Description:

This bill amends the governance of certain public transit districts, restricts powers of some public transit districts, and creates a task force.

Highlighted Provisions:

This bill:

- ▶ amends provisions relating to the authority of a public service district that serves a population over 200,000 people to develop transit oriented developments;
- ▶ requires a public transit district that serves a population over 200,000 people to have a citizens' advisory board, an office of constituent services, and an office of coordinated mobility;
- ▶ creates the Transportation Governance and Funding Task Force;
- ▶ provides an automatic repeal date for the task force; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None



Utah Code Sections Affected:

AMENDS:

17B-2a-804, as last amended by Laws of Utah 2016, Chapter 387

63I-2-272, as last amended by Laws of Utah 2016, Fourth Special Session, Chapter 2

ENACTS:

17B-2a-826, Utah Code Annotated 1953

72-14-101, Utah Code Annotated 1953

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

Section 1. Section **17B-2a-804** is amended to read:

17B-2a-804. Additional public transit district powers.

(1) In addition to the powers conferred on a public transit district under Section **17B-1-103**, a public transit district may:

(a) provide a public transit system for the transportation of passengers and their incidental baggage;

(b) notwithstanding Subsection **17B-1-103**(2)(g) and subject to Section **17B-2a-817**, levy and collect property taxes only for the purpose of paying:

(i) principal and interest of bonded indebtedness of the public transit district; or

(ii) a final judgment against the public transit district if:

(A) the amount of the judgment exceeds the amount of any collectable insurance or indemnity policy; and

(B) the district is required by a final court order to levy a tax to pay the judgment;

(c) insure against:

(i) loss of revenues from damage to or destruction of some or all of a public transit system from any cause;

(ii) public liability;

(iii) property damage; or

(iv) any other type of event, act, or omission;

(d) acquire, contract for, lease, construct, own, operate, control, or use:

(i) a right-of-way, rail line, monorail, bus line, station, platform, switchyard, terminal, parking lot, or any other facility necessary or convenient for public transit service; or

(ii) any structure necessary for access by persons and vehicles;

(e) (i) hire, lease, or contract for the supplying or management of a facility, operation, equipment, service, employee, or management staff of an operator; and

(ii) provide for a sublease or subcontract by the operator upon terms that are in the public interest;

(f) operate feeder bus lines and other feeder or ridesharing services as necessary;

(g) accept a grant, contribution, or loan, directly through the sale of securities or equipment trust certificates or otherwise, from the United States, or from a department, instrumentality, or agency of the United States;

(h) study and plan transit facilities in accordance with any legislation passed by Congress;

(i) cooperate with and enter into an agreement with the state or an agency of the state or otherwise contract to finance to establish transit facilities and equipment or to study or plan transit facilities;

(j) issue bonds as provided in and subject to Chapter 1, Part 11, Local District Bonds, to carry out the purposes of the district;

(k) from bond proceeds or any other available funds, reimburse the state or an agency of the state for an advance or contribution from the state or state agency;

(l) do anything necessary to avail itself of any aid, assistance, or cooperation available under federal law, including complying with labor standards and making arrangements for employees required by the United States or a department, instrumentality, or agency of the United States;

(m) sell or lease property;

(n) except as provided in Subsection (2)(b), assist in or operate transit-oriented or transit-supportive developments;

(o) establish, finance, participate as a limited partner or member in a development with limited liabilities in accordance with Subsection (1)(p), construct, improve, maintain, or operate transit facilities, equipment, and, in accordance with Subsection (3), transit-oriented developments or transit-supportive developments; and

(p) subject to the ~~[restriction in Subsection]~~ restrictions and requirements in Subsections (2) and (3), assist in a transit-oriented development or a transit-supportive

development in connection with economic development or community development as defined in Section 17C-1-102 by:

(i) investing in a project as a limited partner or a member, with limited liabilities; or
(ii) subordinating an ownership interest in real property owned by the public transit district.

(2) (a) A public transit district may only assist in the development of areas under Subsection (1)(p):

(i) in the manner described in Subsection (1)(p)(i) or (ii); and
(ii) on no more than eight transit-oriented developments or transit-supportive developments selected by the board of trustees.

(b) A public transit district may not invest in a transit-oriented development or transit-supportive development as a limited partner or other limited liability entity under the provisions of Subsection (1)(p)(i), unless the partners, developer, or other investor in the entity, makes an equity contribution equal to no less than 25% of the appraised value of the property to be contributed by the public transit district.

(c) (i) For transit-oriented development projects, a public transit district shall adopt transit-oriented development policies and guidelines that include provisions on affordable housing.

(ii) For transit-supportive development projects, a public transit district shall work with the metropolitan planning organization and city and county governments where the project is located to collaboratively seek to create joint plans for the areas within one-half mile of transit stations, including plans for affordable housing.

(d) A current board member of a public transit district to which the board member is appointed may not have any interest in the transactions engaged in by the public transit district pursuant to Subsection (1)(p)(i) or (ii), except as may be required by the board member's fiduciary duty as a board member.

(3) For any transit-oriented development or transit-supportive development authorized in this section, the public transit district shall:

(a) perform a cost-benefit analysis of the monetary investment and expenditures of the development, including effect on:

(i) service and ridership;

119 (ii) regional plans made by the metropolitan planning agency;

120 (iii) the local economy;

121 (iv) the environment and air quality;

122 (v) affordable housing; and

123 (vi) integration with other modes of transportation; and

124 (b) provide evidence to the public of a quantifiable positive return on investment,
125 including improvements to public transit service.

126 ~~[(3)]~~ (4) A public transit district may be funded from any combination of federal, state,
127 local, or private funds.

128 ~~[(4)]~~ (5) A public transit district may not acquire property by eminent domain.

129 Section 2. Section **17B-2a-826** is enacted to read:

130 **17B-2a-826. Public transit district office of constituent services, citizens' advisory**
131 **board, and office of coordinated mobility.**

132 (1) (a) The board of trustees of a public transit district serving a population over
133 200,000 people shall create and employ an office of constituent services.

134 (b) The duties of the office of constituent services described in Subsection (1)(a) shall
135 include:

136 (i) establishing a central call number to hear and respond to complaints, requests,
137 comments, concerns, and other communications from customers and citizens within the
138 district;

139 (ii) keeping a log of the complaints, comments, concerns and other communications
140 from customers and citizens within the district; and

141 (iii) reporting complaints, comments, concerns, and other communications to
142 management and to the citizens' advisory board created in Subsection (2).

143 (2) (a) A public transit district serving a population over 200,000 people shall create
144 and oversee a citizens' advisory board.

145 (b) (i) The board of trustees of the public transit district shall select up to 12 members
146 for the public transit district citizens' advisory board with at least one member from each of the
147 eight board appointing areas described in Subsection [17B-2a-807\(2\)](#).

148 (ii) The board of trustees shall ensure that each member of the citizens' advisory board
149 regularly uses the public transit district services.

(c) The public transit district citizens' advisory board shall meet as needed or quarterly in a meeting open to the public for comment, to discuss the service, operations, and any concerns with the public transit district operations and functionality.

(d) The public transit district management shall meet at least quarterly with and consult with the citizens' advisory board and take into consideration the input of the citizens' advisory board in managing and operating the public transit district.

(3) (a) A public transit district serving a population over 200,000 people shall create and employ an office of coordinated mobility.

(b) The duties of the office of coordinated mobility shall include:

(i) establishing a central call number to facilitate human services transportation;

(ii) coordinating all human services transportation needs within the public transit district;

(iii) receiving requests and other communications regarding human services transportation;

(iv) receiving requests and other communications regarding vans, buses, and other vehicles available for use from the public transit district to maximize the utility of and investment in those vehicles; and

(v) supporting local efforts in transportation and public transit funding.

Section 3. Section **63I-2-272** is amended to read:

63I-2-272. Repeal dates -- Title 72.

(1) On July 1, 2018:

(a) in Subsection **72-2-108**(2), the language that states "and except as provided in Subsection (10)" is repealed;

(b) in Subsection **72-2-108**(4)(c)(ii)(A), the language that states ", excluding any amounts appropriated as additional support for class B and class C roads under Subsection (10)," is repealed; and

(c) Subsection **72-2-108**(10) is repealed.

(2) Section **72-3-113** is repealed January 1, 2020.

(3) Section 72-14-101 is repealed on March 31, 2018.

Section 4. Section **72-14-101** is enacted to read:

72-14-101. Creation of the Transportation Governance and Funding Task Force.

(1) As used in this section:

(a) "Task force" means the Transportation Governance and Funding Task Force created in Subsection (2).

(b) "Transportation" includes:

(i) state transportation systems as defined in Section [72-1-102](#);

(ii) public transit as defined in Section [17B-2a-802](#);

(iii) active transportation, including walking, cycling, and other modes of human powered transportation; and

(iv) any other modes of transportation in this state.

(2) There is created the Transportation Governance and Funding Task Force consisting of the following members:

(a) two members of the Senate appointed by the president of the Senate;

(b) two members of the House of Representatives appointed by the speaker of the House of Representatives;

(c) three members appointed by the governor, with at least one member representing the private sector;

(d) one member designated by the Transportation Commission;

(e) one member designated by the board of trustees of any public transit district serving a population over 200,000 people;

(f) one member designated by the Utah League of Cities and Towns;

(g) two members designated by the Utah Association of Counties, with one member representing a rural county;

(h) one member who is the elected chair of the Mountainland Association of Governments; and

(i) one member who is the elected chair of the Wasatch Front Regional Council.

(3) (a) The president of the Senate shall designate a member of the Senate appointed under Subsection (2)(a) as a cochair of the task force.

(b) The speaker of the House of Representatives shall designate a member of the House of Representatives appointed under Subsection (2)(b) as a cochair of the task force.

(4) (a) Salaries and expenses of the members of the task force who are legislators shall be paid in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 2,

Lodging, Meal, and Transportation Expenses, and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.

(b) A member of the task force who is not a legislator may not receive compensation for the member's work associated with the task force, but may receive per diem and reimbursement for travel expenses incurred as a member of the task force at the rates established by the Division of Finance under Sections [63A-3-106](#) and [63A-3-107](#).

(5) The Office of Legislative Research and General Counsel shall provide staff support to the task force.

(6) (a) A vacancy shall be filled by appointing a replacement member in the same manner as the member creating the vacancy was appointed under Subsection (2).

(b) Each member of the task force shall serve until a successor is appointed and qualified.

(7) (a) A majority of the members of the task force constitutes a quorum.

(b) The action of a majority of a quorum constitutes the action of the task force.

(8) The task force shall review, evaluate, study, prepare a report, and make recommendations on transportation and related topics, including:

(a) evaluation of statewide governance, configuration, and organization strategies to coordinate management and oversight of all forms of transportation in this state;

(b) evaluation of and implementation of best practices in:

(i) functionality, funding, and operations of transportation in this state and other states;

(ii) governance, coordination, oversight, and operational structures of transportation in this state and other states;

(iii) meeting funding needs, including consideration of current state and local transportation funding sources, and future projections; and

(iv) evaluating the interrelationship of growth, land use, capital development, and transportation;

(c) evaluation of alternative transportation revenue mechanisms available or currently in use in this state and around the country, including an evaluation of:

(i) existing sales and use tax funding; and

(ii) other funding sources, including taxes, fees, and user charges, as part of the transportation funding balance;

243 (d) evaluation and study of best practices to meet multimodal mobility and safety needs
244 in this state that support economic growth and quality of life;
245 (e) impacts of transportation on economic development; and
246 (f) evaluation of best practices in prioritization of transportation projects.
247 (9) The task force may designate and assign subgroups within the task force to address,
248 study, evaluate, and discuss certain issues, including:
249 (a) improvement in governance and transparency of transportation agencies and
250 districts; and
251 (b) allocation of resources based on population, including consideration of previously
252 underserved areas.
253 (10) The task force shall report the task force's findings and recommendations to the
254 Transportation Interim Committee and the governor before December 1, 2017.