

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

30 ENACTS:

31 **17B-2a-826**, Utah Code Annotated 1953

32 **72-14-101**, Utah Code Annotated 1953

33

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

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

36 **17B-2a-804. Additional public transit district powers.**

37 (1) In addition to the powers conferred on a public transit district under Section
38 **17B-1-103**, a public transit district may:

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

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

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

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

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

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

48 (c) insure against:

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

51 (ii) public liability;

52 (iii) property damage; or

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

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

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

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

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

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

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

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

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

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

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

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

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

79 (m) sell or lease property;

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

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

86 (p) subject to the ~~[restriction in Subsection]~~ restrictions and requirements in
87 Subsections (2) and (3), assist in a transit-oriented development or a transit-supportive
88 development in connection with economic development or community development as defined
89 in Section 17C-1-102 by:

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

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

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

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

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

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

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

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

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

118 (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 district;

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

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

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

144 (b) (i) The board of trustees of the public transit district shall select up to 12 members
145 for the public transit district citizens' advisory board with membership representing the diversity
146 of the public transit district area.

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

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

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

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

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

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

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

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

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

166 (v) supporting local efforts and applications for additional funding.

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

168 **63I-2-272. Repeal dates -- Title 72.**

169 (1) On July 1, 2018:

170 (a) in Subsection [72-2-108\(2\)](#), the language that states "and except as provided in
171 Subsection (10)" is repealed;

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

175 (c) Subsection [72-2-108\(10\)](#) is repealed.

176 (2) Section [72-3-113](#) is repealed January 1, 2020.

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

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

179 **72-14-101. Creation of the Transportation Governance and Funding Task Force.**

180 (1) As used in this section:

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

183 (b) "Transportation" includes:

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

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

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

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

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

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

192 (ii) one member representing the private sector appointed by the president of the
193 Senate;

194 (b) (i) two members of the House of Representatives appointed by the speaker of the
195 House of Representatives; and

196 (ii) one member representing the private sector appointed by the speaker of the House
197 of Representatives;

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

200 (d) one member designated by the Transportation Commission;

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

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

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

206 (h) one member who is an elected member of the Mountainland Association of
207 Governments; and

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

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

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

213 (4) (a) Salaries and expenses of the members of the task force who are legislators shall
214 be paid in accordance with Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 2,
215 Lodging, Meal, and Transportation Expenses, and Legislative Joint Rules, Title 5, Chapter 3,
216 Legislator Compensation.

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

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

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

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

226 qualified.
227 (7) (a) A majority of the members of the task force constitutes a quorum.
228 (b) The action of a majority of a quorum constitutes the action of the task force.
229 (8) The task force shall review, evaluate, study, prepare a report, and make
230 recommendations on transportation and related topics, including:
231 (a) evaluation of statewide governance, configuration, and organization strategies to
232 coordinate management and oversight of all forms of transportation in this state;
233 (b) evaluation of and implementation of best practices in:
234 (i) functionality, funding, and operations of transportation in this state and other states;
235 (ii) governance, coordination, oversight, and operational structures of transportation in
236 this state and other states;
237 (iii) meeting funding needs, including consideration of current state and local
238 transportation funding sources, and future projections; and
239 (iv) evaluating the interrelationship of growth, land use, capital development, and
240 transportation;
241 (c) evaluation of alternative transportation revenue mechanisms available or currently in
242 use in this state and around the country, including an evaluation of:
243 (i) existing sales and use tax funding; and
244 (ii) other funding sources, including taxes, fees, and user charges, as part of the
245 transportation funding balance;
246 (d) evaluation and study of best practices to meet multimodal mobility and safety needs
247 in this state that support economic growth and quality of life;
248 (e) impacts of transportation on economic development; and
249 (f) evaluation of best practices in prioritization of transportation projects.
250 (9) The task force may designate and assign subgroups within the task force to address,
251 study, evaluate, and discuss certain issues, including:
252 (a) improvement in governance and transparency of transportation agencies and
253 districts; and

254 (b) allocation of resources based on population, including consideration of previously
255 underserved areas.

256 (10) The task force shall report the task force's findings and recommendations to the
257 Transportation Interim Committee and the governor before December 1, 2017.