

**TAYLORSVILLE CITY COUNCIL
AGENDA ITEM SUMMARY**

MEETING DATE: February 18, 2015

AGENDA ITEM: OTHER MATTERS – Discussion Regarding Gas Tax Legislation

PUBLIC HEARING REQUIRED: YES _____ NO X

RESOLUTION/ORDINANCE REQUIRED:

ORDINANCE _____ **RESOLUTION** _____ **NONE** X

PRESENTER: John Taylor

ISSUE SUMMARY: There are a number of proposed alternatives regarding a potential gas tax at the legislature this year. If any one of the alternatives is passed as legislation this year, the residents of Taylorsville will be affected. The City of Taylorsville has been asked to support different alternatives. We feel it is important that the city has a unified front regarding its support of proposed legislation and would, therefore like to have a discussion to clarify the city's position. ULCT is encouraging cities to adopt a resolution regarding increased transportation funding. A sample resolution from ULCT, as adopted by some cities, is attached.

The following information regarding current options has been provided by City Lobbyist Charles Evans:

“There are two pieces to the gas tax discussion at the legislature this year.

The first piece is the consideration of an increase in the current gas tax. This tax is collected at 24.5 cents per gallon. The Senate would simply like to increase the amount of this tax by 10 cents per gallon for a total of 34.5 cents per gallon. This approach is currently reflected in Senator Van Tassell’s SB 160. The House wants to increase the gas tax by tying it to a mechanism similar to a sales tax, which, unlike a rate per gallon, will grow with inflation. Exactly how this will be done is still being worked out, but once they have settled on a plan it will be in a bill sponsored by Rep. Johnny Anderson. This bill would most likely be revenue neutral in the next fiscal year, but would begin generating new revenue in the following fiscal year. If the gas tax is increased, the new revenues will be distributed with the current B & C road formula.

The second piece of the gas tax debate is a local option gas tax. There are a lot of variables in these proposals, but there seems to be a consensus building around a plan from the Association of Counties for a .25 cent local option gas tax with .1 cent going to the cities, .1 cent to transit and .05 cent to the counties. The tax would be imposed at the county level. Whether or not voter approval would be required is still undecided, but is strongly supported by the House Speaker.

Given all the talk and discussion about gas tax increases, both on the hill and in the media, it is hard at this point to say with any certainty what the eventual outcome will be, but these are the latest plans being considered by leadership in both Houses.”

ACTION REQUIRED: Discussion Regarding the City’s Position on this Issue

ATTACHMENT(S): Sample Resolution, as Provided by ULCT

RESOLUTION R2014 – 000

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF _____, UTAH,
ENCOURAGING THE STATE OF UTAH TO ADDRESS COMPREHENSIVE
TRANSPORTATION FUNDING.**

WHEREAS, a safe and efficient transportation system creates the foundation for economic growth and improved quality of life; and

WHEREAS, the creation and maintenance of transportation infrastructure is a core responsibility of State and local government; and

WHEREAS, Utah's population is expected to grow by 1 million residents by 2040; and

WHEREAS, Utah's residents demand new comprehensive transportation options such as bike lanes, multi-use paths, off-road trails and transit in addition to traditional roads; and

WHEREAS, research from the Utah Department of Transportation indicates that road maintenance efforts save cities from road rehabilitation that costs six times as much as maintenance, and saves cities from road reconstruction that costs ten times as much as maintenance, and

WHEREAS, investing in transportation results in tremendous economic development returns for both municipalities and the state; and

WHEREAS, improving comprehensive transportation in Utah will reduce private vehicle usage which will in turn lead to improved air quality; and

WHEREAS, poor air quality discourages economic development, business recruitment and tourism visits, and contributes to asthma and other health ailments; and

WHEREAS, nearly 1 in 10 Utah adults suffer from asthma and struggle to breathe during poor air quality days; and

WHEREAS, nearly 57% of Utah adults are overweight, approximately 200,000 Utahns have diabetes, and diabetes and obesity related health care costs in Utah exceed \$1 billion; and

WHEREAS, investing in safe and connected trails, bike lanes, sidewalks, and multi-use paths will encourage Utahns to be more active, spend more time with their families via active transportation, and result in improved personal and community health; and

WHEREAS, the current motor fuel tax of 24.5 cents and 1% local option sales tax are insufficient to satisfy current and future transportation needs; and

WHEREAS, Utah has led the nation in creating an Unified Transportation Plan to address these comprehensive transportation and quality of life issues and the City now asks the State and local governments to work together to find comprehensive funding solutions that will address transportation, economic development, air quality, and health needs.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF _____, UTAH:

SECTION 1. Comprehensive Transportation Funding. The City Council supports proposals which meet comprehensive local transportation needs, promote the Unified Transportation Plan, and provide for future growth. The City supports studying a transportation funding option which

would allow for the statewide implementation of a quarter cent (\$0.0025) local options sales tax to be used for transportation. The City also supports studying motor fuel taxes, "B and C" road funding, and other transportation funding options. Motor fuel taxes are not equitably borne by road users with the advent of higher MPG vehicles, electric and hybrid vehicles, and other fuel-saving technologies. Additionally, since the motor fuel tax has not been adjusted since 1997 and is not indexed, the current purchasing power is inadequate. The City requests the Utah Legislature to carefully examine all funding options.

SECTION 2. Comprehensive Transportation Options. The City supports the expansion of the uses for which transportation funding can be spent to reflect the individual needs and discretion of local governments. Transportation, air quality, and public health can be enhanced when active transportation and transit are eligible for transportation funding. Examples of items that could be eligible may include trails, bike lanes, sidewalks, safety equipment, traffic calming, signage, and lighting. Investment in active transportation options will encourage residents to travel via walking, biking, and transit, result in a healthier population, reduced car emissions, decreased health care costs, and improved quality of life. The City supports additional funding mechanisms that will result in expanded active transportation infrastructure. The City also supports continued investment in public transit as outlined in Utah's Unified Transportation Plan. Transit can help relieve traffic, promote walkable communities, and improve air quality.

SECTION 3. Coordinating Efforts. The City encourages City staff to work with State elected officials, the Utah Transportation Coalition, and the Utah League of Cities and Towns.

SECTION 4. Distribution of this Resolution. A copy of this resolution shall be sent to the Governor, the President of the Utah State Senate, the Speaker of the Utah House of Representatives, the municipality's State Senators and State House Representatives, and the Executive Director of the Utah League of Cities and Towns.

SECTION 5. Effective Date. This Resolution shall become effective upon passage.

APPROVED BY THE CITY COUNCIL OF THE CITY OF _____, UTAH, ON THIS _____ DAY OF _____, 2014 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
City Council Member	_____	_____	_____	_____
City Council Member	_____	_____	_____	_____
City Council Member	_____	_____	_____	_____
City Council Member	_____	_____	_____	_____
City Council Member	_____	_____	_____	_____

Mayor: _____
Mayor

Attest: _____
City Recorder

Approved as to form:

 City Attorney