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Utah Legislative Update: December 2015

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What to Expect in December for Utah Politics

The Utah Legislature completed the final round of interim committee hearings in November before heading into the Thanksgiving break. December features two important events as we advance to the beginning of the 2016 General Session. The first is the release of Governor Herbert's budget which will take place in the first half of the month. The Governor's budget is a preview of his policy directives and the State's fiscal health. It is anticipated that the Governor will include increases in the Public Education budget due to an influx of 9,730 additional students and overall growth in the income tax revenues which are dedicated to Public and Higher Education needs. Departments and programs that draw on revenues in the General Fund are less likely to see budget growth due to declines in severance tax collections and slower than expected sales tax collections related to the growth of online sales that often skirt tax collection requirements.

The second important event is the meeting of the four major legislative caucuses to set the caucus budget and issue priorities for the 2016 General Session. Given the supermajorities of the Republican Party in both chambers, the Majority Caucuses will control the legislative agenda with very little input from the Minority Caucuses. Traditionally, the Majority Caucuses will take caucus positions in these planning meetings if they can gain 38 of the 63 caucus member votes in the House and 15 of the 24 caucus members in the Senate. This guarantees that during full floor debate the caucus agendas can be advanced without a single minority caucus vote required for passage. There is often overlap between the priorities of the Governor, the House Majority Caucus, and the Senate Majority Caucus, but sometimes there are key points of disagreement that can shape and frame the session. Stay tuned for an analysis of the Governor's budget and the caucus planning meetings and priorities.

2016 Election & Fix to Signature Gathering Law

The 2016 Election cycle is shaping up to be very interesting due to the continually evolving nature of Utah's new signature gathering option as a pathway to appearing on a Primary Election ballot. SB 54 Election Amendments was passed during the 2014 General Session as a compromise between legislative leaders and the "Count My Vote" initiative. The bill was intended to offer candidates the option to gather signatures to appear on a party's Primary Election ballot. The signature gathering method doesn't preclude a candidate from also using the party convention nominating process. The Republican Party sued the State of Utah over concerns that parties should be able to determine their nominees and close their conventions and primaries to unaffiliated voters. U.S. District Judge David Nuffer sided with the Republican Party and struck those requirements. The Utah Democratic Party has traditionally allowed

unaffiliated voters to participate in their Primary Election, but the Judge Nuffer's ruling seems to now put that practice in jeopardy!

Further complicating the new law are threats from the Utah Republican Party to revoke party membership from any candidates that pursue the signature gathering option rather than the traditional convention nominating pathway. Many sitting legislators in swing seats who have been considering a dual track approach for the 2016 Election (both nominating convention and signature gathering) to ensure they appeared on the Primary ballot may reconsider if their party membership is called into question. A legislative fix for SB 54 has been rumored for over a month to address these and other issues about the law raised by concerned groups. However, Governor Herbert has declined to call a Special Session and has left it for the Legislature to address in the opening weeks of the 2016 Legislative Session. This will create some interesting timing concerns. Under the existing law, signature gathering can begin on January 1, 2016, but the Legislature doesn't convene until January 25, 2016, so the rules of the game may change mid-process. Election cycles always provide intrigue and drama and this one is shaping up to have more than its fair share of both!

December Interim Issues to Watch for in 2016 Session

- **Sales Tax Earmarks:** The Tax Review Commission has recommended removal of sales tax earmark funding from several water and transportation programs and the return of those funds to the General Fund. If the legislation passes, those programs will have to compete with all other General Fund appropriations for funding.
- **Medical Marijuana:** The Sen. Evan Vickers/Rep. Brad Daw CBD oil-only bill was recommended favorably by the Health & Human Services Interim Committee, but Sen. Mark Madsen has stated his intention to bring forward his California dispensary model bill as well. The battle between medical use of the entire marijuana plant vs. only CBD oil is not over.
- **Centrally Assessed Taxpayers:** Rep. Dan McCay is continuing his efforts to find a workable solution for the counties, centrally assessed taxpayers, and other property taxpayers on the topic of new growth and what is fair for all involved. An interesting behind the scenes tax battle between the counties and centrally assessed properties is likely during the 2016 General Session.
- **Water Metering & Pricing:** Sen. Scott Jenkins has proposed a resolution to encourage water metering by water districts and legislation to encourage water providers to adopt a pricing system that increases water prices per block unit for culinary water. Both were adopted as committee bills by Natural Resource, Agriculture, & Environment Interim Committee.

If there are issues of particular concern to clients or to join the Utah Legislative Alert list, contact Kate Bradshaw

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