

UTAH LEGISLATIVE UPDATE

The Weekly Legislative Session Newsletter of RRJ Consulting
Utah's Leading Lobbying Firm



THAT'S A WRAP

The 2024 legislative session wrapped up just before midnight last Friday with 591 bills passed and an allocation of \$29 billion. It was a significant session that started and ended with a lot of energy.

Lawmakers focused on major areas including housing, transportation, energy, federal overreach, education and homelessness.

Professional sports took center stage as lawmakers passed legislation to welcome both Major League Baseball and National Hockey.

HOUSING HIGHLIGHT

“This is the biggest housing package in the United States right now. This could be a model for other states.”

Governor Cox

HOUSING CON'T

Four major housing bills received final approval during the last week:

SB268, First Home Investment Zone Act - allows cities to create two new kinds of zoning designations in their boundaries to help lower and middle income residents afford to buy a home.

SB168, Affordable Building Amendments - provides a definition of modular housing, a technology that allows single-family and multifamily residential units to be prefabricated in different segments and then assembled at the home site.

HB476, Municipal Land Use Regulation Modifications - modifies building regulations to create certainty for cities and builders in the planning process, reduces ambiguity in code, and provides efficiency-optimizing measures for builders.

HB465, Housing Affordability Revisions - gives city redevelopment agencies the ability to help construct homes at 120% of area median income to ensure these funds are used to increase the supply of owner-occupied homes, not just rental units.

A CLOSER LOOK

TOP LEGISLATIVE BUDGET ACTIONS

The Utah Legislature concluded the 2024 General Session with an operating and capital budget of \$29.4 billion for fiscal year 2025. The budget includes \$12.9 billion from the sales-taxed backed General Fund and the Income Tax Fund.

Top legislative budget priorities included state fund investments in:

- **Tax Relief** – \$167.7 million ongoing and \$37.1 million one-time for an income tax rate cut from 4.65 percent to 4.55 percent, \$2.3 million ongoing beginning in 2026 to expand eligibility for the child tax credit from age 3 and under to age 4 and under, \$1 million ongoing and \$22.0 million one-time to continue rural film incentive credits.
- **Transportation** — \$330.0 million ongoing and \$775.0 million one-time for infrastructure and transportation projects.
- **Public Education** — \$211.7 million to increase the WPU Value by 5.0% to \$4,443 for FY 2025, up from \$4,280 in FY 2024. \$57.0 million for at-risk students and digital teaching tools, \$40.0 million for scholarships, and \$440.0 million in one-time projects from the Public Education Economic Stabilization Account.
- **Higher Education** — \$20.0 million for university performance funding, \$7.0 million ongoing and \$5.0 million one-time for technical colleges, \$160.0 million one-time for new building construction.
- **Affordable Housing** — \$17.0 million for \$300 million in subsidized loans under the Utah Homes Investment Program, \$3.0 million for Shared Equity Revolving Loan Program, and \$3.0 million for the Law Enforcement First Time Home Buyer Program.
- **Homelessness** — \$10.0 million ongoing and \$11.8 million one-time for Statewide Homeless System Support, \$25.0 million one-time for Low-barrier Shelter, \$0.5 million ongoing and \$2 million one-time for Home Courts, and \$2.6 million for mitigation.
- **State Employee Compensation** — \$135.0 million ongoing for 3% compensation increases for executive branch and higher education employees, 2% pay for performance increases for executive branch employees, 5% discretionary increases for other branches of government, 0.7% salary enhancement for Tier II employees.

