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**ECONOMIC
SUMMIT**

BEYOND BOUNDARIES



2024 LEGISLATIVE RECAP



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Park City Chamber
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Des Barker
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of Commerce



2024
Tourism &
Recreation
Policy

Wasatch Back
Economic Summit

Transient Room Tax

Visitor Management Needs

- Pressures to increase TRT / Guest Folio Total Effective Tax Rates
- Government leaders – TRT Head Room exists
- Visitor Management Needs – Residents, Recreationalists, Tourists
- EMS, Search & Rescue
- County needs – Statewide needs
- 2024 Legislative Interim to Study possible uses for TRT head room
- Counties and legislative leaders are wanting new revenue, TRT flexibility and industry partnership
- Possible additional funding for SEG Entertainment District / NHL/ Olympic Medals and Hosting (SL County)

TRT Comparision

	<u>Hotel Tax</u>		<u>Hotel Tax</u>
Cincinnati	19.30%	Philadelphia	16.37%
Kansas City	18.46%	Los Angeles	16.29%
San Antonio, TX	18.21%	Portland, OR	16.00%
Ft. Worth, TX	18.12%	New York, NY	15.94%
Seattle, WA	18.00%	Salt Lake City	15.82%
Milwaukee	17.90%	Denver, CO	15.75%
Louisville	17.67%	Albuquerque, NM	15.63%
Austin	17.61%	Minneapolis, MN	15.03%
Chicago	17.40%	Detroit	15.00%
Dallas, TX	17.30%	Las Vegas	13.38%
Anaheim, CA	17.23%	Phoenix, AZ	13.38%
Indianapolis	17.00%	Park City, UT	13.37%
Nashville, TN	16.64%	Boise, ID	13.00%
San Francisco	16.44%	San Diego, CA	12.69%

NHL Entertainment District

- Salt Lake Entertainment District
- Redevelop area around Salt Palace and Delta Center
- Ryan Smith - Keep Jazz downtown NHL Franchise
- Olympic Hosting Venues
- .5% Sales Tax Increase – Salt Lake City Only
- Similar to Resort City Sales Tax - On all purchases (except items like automobiles)
- Major remodel of Salt Palace Convention Center
- Likely needing more government revenue – over 30 years.

Fairpark Area Investment and Restoration

- **HB 562 Utah Fairpark Area Investment and Restoration District** (*Rep. Wilcox, Ryan*)
- 2% TRT – 7 Counties - Original draft proposal to fund MLB Stadium - Larry H. Miller
 - ***Only imposed if LHM secures an MLB Expansion Team
- Legislative Leadership heavily supported
- Industry opposed tax on just one industry that wouldn't benefit from Hotel lift
- Utah Hotel groups and Washington County Commission opposed.
- Statewide 1.5% TRT introduced in HB 562 (eventually removed from bill)
- Replaced with new District tax Increment and dedication of all tax collections inside the District - similar to MIDA
- Car Rental Tax Increase 1.5% Statewide imposed.
- Southern/Central Utah County leaders supported the bill with a .1% Statewide TRT Increase for EMS (was eventually removed)

Alcohol Omnibus Bill

- **HB 548S04 - Alcohol Amendments** (*Rep. Burton, Jefferson S.*)
 - Increases full-service restaurant licenses by 312 & bar licenses by 136 over 7 years.
 - Increases the state markup on spirituous liquor, wine, heavy beer, and flavored malt beverages. .5%
 - Uses the revenue increase to fund three new alcohol-related law enforcement officers dedicated to compliance.

Alcohol Omnibus Bill Portability

- Hotel portability for specified locations through a designated “**conveyance area**” for hotels that operate with a master hotel or resort license.
- Does not include select-service hotels. Will work to add select-service properties in 2025 session.
- 2024 Anticipate DABS Rulemaking. To establish a process to adopt a Hotel Plan with Conveyance Areas

Bar, Restaurant, Banquet, Guest Room Opaque Container

- Patron **may transport an alcoholic beverage** between any of the following locations in a Master Hotel License: **Bar; Hospitality amenity /restaurant ; On-premise banquet; and a guest room.**
- (b) A patron may transport an alcoholic beverage **only if:**
 - (i) the **patron travels exclusively within a designated conveyance area**
 - (ii) the alcoholic beverage is **not in the alcoholic beverage's original container;** and
 - is in an **opaque or solid** color container

Conveyance Area

- 2) "**Designated conveyance area**" means a route within a hotel or resort:
 - (a) that connects one or more of the following:
 - (i) the premises of a bar establishment sublicensee;
 - (ii) the premises of a hospitality amenity sublicensee;
 - (iii) the premises of an on-premise banquet sublicensee; or
 - (iv) a guest's room; and
 - (b) that **does not** begin, end, or **pass through a pool** area or other recreation area, a
- designated business center.

Signage

- (i) in **accordance with commission rule**, establish and maintain **signage** that clearly identifies each designated conveyance area and conspicuously states that **a patron may not take an alcoholic beverage beyond the designated conveyance area** except as otherwise provided in this chapter;
- (ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance area; and
- (iii) ensure that each patron complies with the requirements

Marketing vs. Recreation Management

- Discussions of tourism marketing vs. recreation management will be discussed May 15th at the legislative Workforce Services and Economic Development Interim Committee. Chaired by Sen. Ron Winterton and Rep. Jeff Stenquist.
- Tourism Marketing Performance Fund
 - 2023 \$22.8 million • 2024 = \$21.8 million
 - Beginning of 2024 session, the legislative fiscal analyst recommended reducing the TMPF by - \$14.5 million
 - All state agencies saw budget cuts.
 - Battling TRT legislation came at a cost.
- \$1 Million TMPF reduction 2024/25 FY
 - \$200k for GOEO's Utah Center for Immigration & Integration Last Executive Appropriations Committee cut an additional -\$800,000 ongoing budget to TMPF



Ginger Chinn

Vice President of Public Policy & Government Affairs

2024 Legislative Update

- The legislative session concluded on March 1 after 45 days, setting a new record with 591 bills passed.
- Notably, a \$29.4 billion budget was approved despite tight fiscal constraints.

Legislative Priorities

The Process

- On-Going: Industry Committee Meetings
- August: Board of Governors Meeting Feedback
- September & October: Survey
- November: Executive Board Feedback
- December: Final Stakeholder & Committee Feedback

EMPLOYMENT

H.B. 111, Employment Training Requirement Limitations, Rep. Jimenez

- Aimed to prohibit private companies from mandating employees to profess beliefs that assert moral superiority of one race over another or label a person as inherently "racist, sexist or oppressive." It provides recourse for employees who feel unlawfully compelled to agree with such concepts.
- **Why it matters:** This bill would have introduced new requirements and restrictions on the content of employee training programs, which could create compliance challenges for businesses.

EMPLOYMENT

H.B. 305, Post- Employment Restrictions Amendments, sponsored by Rep. Brammer

- This bill aims to amend the Post-employment Restrictions Act, specifically targeting post-employment restrictive covenants. Non-compete agreements, an issue of varied opinions among Chamber members, significantly influence business operations and employee relations.
- **Why it matters:** Any legislation that directly affects the operations, legal obligations or competitiveness of businesses is of significant interest to the Chamber. By targeting post-employment restrictive covenants, such as non-compete agreements, this bill could directly impact how businesses operate and structure their employment contracts.

EMPLOYMENT

HB 396 - Workplace Discrimination Amendments

- Sponsor: Rep.
Brady Brammer

- Prohibits employers from compelling employees to engage in religious acts contrary to their beliefs or morals

TECHNOLOGY

S.B. 149, **Artificial Intelligence Amendments,** sponsored by Sen. Cullimore

- Addresses the increasing use of AI technologies by establishing clear guidelines and ensuring transparency and consumer protection. This bill strikes a balance between fostering innovation and safeguarding against potential harm, thereby promoting a business-friendly regulatory environment conducive to growth and entrepreneurship.

WORKFORCE

S.B. 176, Child Care Services Amendments, sponsored by Sen. Escamilla

- Addressing child care capacity issues, this bill leverages state-owned properties and private employer partnerships and incentivizes the expansion of access to quality child care.
- **Why it matters:** Access to quality child care is essential for workforce stability and productivity. When employees have reliable child care options, they are more likely to remain in the workforce and perform effectively. The business community relies on a stable and productive workforce to drive economic growth and competitiveness.

TAXES

SB 030 - Property Transaction

Amendments, Sponsored
by Dan McCay

- Requires disclosure of real property purchase price to county recorders, State Tax Commission, and involved parties in property tax appeals

HOMELESSNESS

- Multiple bills addressing homelessness were passed, including:
 - One aimed at adjusting the threshold for [code blue conditions](#).
 - \$62.5 million towards homelessness and wrap-around services, with a notable portion designated for a \$25 million low-barrier shelter. Such shelters impose minimal rules, enabling cities to promptly assist individuals experiencing homelessness.
- In a creative approach to funding, a [measure was introduced](#) for liquor store patrons.
 - Consumers have the option to round up their sales tax to the nearest dollar, with proceeds directed to the Pamela Atkinson Homeless Trust Fund. These funds are specifically earmarked for substance abuse treatment and homeless services, relying on public generosity to support these crucial initiatives.

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