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SUMMARY OF EFFORTS TO INCREASE SALES TAX BY $\frac{1}{2}\%$

by Gary N. Anderson

Senior Thesis

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Approved:

SUMMARY OF EFFORTS TO INCREASE SALES TAX BY $\frac{1}{2}\%$

The 39th Legislature was faced with a well-organized lobby promoting the adoption of an increase in the sales tax to help the cities of the State of Utah meet their increasing financial plight, particularly in financing the needs of law enforcement. This paper will outline, from an observer's viewpoint, the background of this movement; its initial approaches; its later attempts; and finally its failure.

This is an examination of one particular issue which contains several elements which have continuing significance. 1) The move to adopt the $\frac{1}{2}\%$ sales tax was well-publicized and was quite visible to the public. 2) It had widespread significance because of its connection with the well-known problems of the cities. 3) It involved several different interest groups in pursuit of a common solution. 4) It provided a situation in which the activities of the various lobbyists were rather obvious. Most of these elements do not lend themselves to final conclusions and so they are merely discussed. However, one which is a little easier to evaluate is the effectiveness of the lobbying. Certain conclusions about this will be drawn.

One final explanation should be made. I was involved in the 39th Legislature as a legislative assistant to the President of the Senate. Although an effort was made to maintain objectivity, certain biases may make themselves apparent to the reader. Hopefully, these biases will not be significant enough to destroy the validity of this approach.

BACKGROUND

It was apparent as the session began that the cities were launching another campaign for help from the Legislature similar to previous tries. This was made abundantly clear by Commissioner Garn of the Salt Lake City Commission. He stated on several occasions that the Legislature had not listened to the pleas of Salt Lake City in the last two sessions, and he wondered how they could continue to turn deaf ears in this direction. He implied that previous legislatures had been completely oblivious to the needs of the cities, and that the cities were becoming desperate.

The problem that apparently faces the cities of the State, and particularly Salt Lake City and Ogden, are not peculiar to this State or region. They are manifesting the same symptoms that other municipalities across the nation have been showing in the past decade. Rising urban problems, coupled with a movement of the poor into the core cities and the rich and middle classes to the suburbs, has created an inequity which is aggravated by a regressive tax base and increasing demand and costs for services. While this problem has not come as severely or as soon to the State of Utah, as many other states, nevertheless it has arrived. For example, during the years from 1967 to 1971, the percent increase in property valuation in Salt Lake City averaged between 3.4% and 1.7% while the assessed valuation of Salt Lake County increased from 2.1% increase between 1967-1968 to 15.7% between 1970-1971. Also, the population of Salt Lake City declined slightly from 1960 to 1970 while the population of the County went up substantially. According to Commissioner Garn, approximately 80,000 people commute to Salt Lake City from outlying areas daily, and in the process they use municipal services for which they pay

little or nothing.

Not only do citizens of Salt Lake City subsidize outside residents in this way, but they are taxed 24.5 mills more than people living in unincorporated areas of the county. They pay 18.5 mills on a countywide levy plus the 24.5 mill city levy. The overall result has been that the resources of the city have not been keeping pace with its needs. The particular problems of Salt Lake City could be spotlighted more clearly, but they correspond quite closely with the now-familiar plight of virtually all of our nation's urban areas.

As pointed out earlier, apparently the pleas for help for the cities began some time ago, but they are getting stronger as the problems intensify. These pleas have been directed at the State Capitol. The nature of the solutions proposed by the cities will be discussed later in this paper.

A more recent element in this controversy over lack of revenue, is the problem of law enforcement. The crime rate in Salt Lake City, while not as high as some other areas, is growing at a very rapid rate. The FBI says that Utah's crime rate is growing 87% faster than the national average. This statistic, plus the growing awareness of people in the security of these high mountain valleys that all is not right has given the cities an issue to hang their hat on. "More money is needed to provide adequate law enforcement. Our lives and property are in danger; something must be done!"

Out of this sentiment has grown an organization called the Alliance for Better Law Enforcement, or ABLE. Composed of numerous prominent individuals, this group was organized to promote better law enforcement by

putting more policemen on the streets. Of course, this requires more money, and this is where the needs of this group coincided with those of the cities.

Another less obvious, but viable force in this situation, is the policeman's lobby. The policeman's unions in the state are for more officers but also for more benefits and increased salaries for those already employed. They employed a full-time lobbyist to work for their interests.

As events progressed, three major groups seemed to be doing the bulk of the lobbying. These are the three mentioned above: the city representatives, the ABLE group, and the policeman's unions. It did not seem that they coordinated their efforts in any meaningful way, however. In fact, at certain times they seemed to be working at cross-purposes. A more detailed discussion of this problem will come later.

One other factor that should be mentioned was the intransigence of the city commissions to consider increased property tax levies. As pointed out earlier, they probably have legitimate complaints about the effectiveness of property tax to finance city needs. A further incentive which might be implied, is that several city commissioners are coming up for election this fall, and property tax increases are far from being popular.

With this much background we can proceed to analyze the course which was followed by the various promoters of the sales tax increase, and the reaction of the legislature. Some of the pressures that were brought to bear upon the legislature were quite obvious while others were fairly subtle. The influences that were apparent will be discussed and assessed as to their effectiveness. While this will be fairly difficult to accomplish, a comparison can at least be made with other similar situations.

INITIAL APPROACHES

The forces had already been marshalled when the legislature convened on January 11, 1971. Although it takes awhile for things to get underway, it was obvious from the very beginning that a strong effort was going to be made to persuade the legislature to increase the sales tax by $\frac{1}{2}\%$. It was not clear exactly what that increase would be used to accomplish, except that it would be used for something other than State needs. The lobbyist who was employed by the policemen's unions was a former legislator, and he made the rounds with the leadership in the Senate and the House almost as soon as they were in the door. Several editorials and articles had been published and were being published concerning the needs for the adoption of the proposed increase. The fact that a group such as ABLE had been organized was an indication that something significant was underway. This organization was putting out all kinds of information about the increase of crime in Salt Lake City and the lack of money to finance adequate police protection.

During the first two weeks of the legislature, a survey was published in the Salt Lake Tribune which pointed up the magical connotation which had been given to the $\frac{1}{2}\%$ sales tax concept. The survey was worded this way: "Studies show Utah ranks near the top in crime rate in the United States. To combat this, it is proposed that the legislature allow local communities to levy a sales tax to raise the salaries of policemen and hire additional ones. Would you favor or oppose such a tax?" (According to the Utah Foundation both Salt Lake City and Utah are below the national and regional averages in total crime and they exceed the national averages only in property crime and grand larceny. Therefore, the first statement

was misleading.) When this statement and the propaganda of the preceding weeks were coupled together, naturally there was strong support for the proposition. The lobbyists used the results of this survey to demonstrate strong backing for their approach.

Another problem with this survey was that it tied the sales tax increase directly to the needs of law enforcement. This did not help the position of Salt Lake City much because its cry was for more money to make up for an anticipated deficit in the general fund of 4.4 million dollars in fiscal year 1972. The city commissioners tried to show that one of their big needs was law enforcement, but they could not use the survey to show that people favored increasing sales tax in order to meet the overall needs of the cities.

Those who were concerned directly with getting more money for law enforcement used fairly elementary tactics to mobilize public opinion. They cited various types and kinds of statistics about the increasing crime rate in Utah and Salt Lake, and estimates of the numbers of policemen that should be employed in relation to the population. In the legislature a daily record of the number of law violations in the various categories such as rapes, murders, armed robberies, etc. were distributed to the legislators. A booklet, published by the Salt Lake City police department outlining the critical needs of the department, was distributed and discussed. All of these things taken together served to portray a very gloomy picture of the law enforcement agencies in the State, particularly in the urban areas of Salt Lake and Weber Counties.

The city commission took a slightly different tack. They prepared a summary of their fiscal history in recent years trying to show that they

were handling money wisely and efficiently, but that they were losing the battle of the budget to persistent inflation and the problems already cited in this paper. Their approach was typically low-key and personal. It was based on experience which they had gained in the two previous sessions of the legislature. The commissioners told the legislators that the cities were not receiving the help that they needed from the State. They felt that a deaf ear had been turned in their direction, but they were coming to the end of their rope and they needed help desperately. One commissioner threatened to resign if the needed help did not come. He said that he could not continue to serve in a capacity where he was powerless because of lack of funds. He felt that he could not continue to resist public pressure to do something about city needs when no money was available. The commissioners continually portrayed a lack of confidence that the legislature would come to their aid.

The combination of all of these forces made the $\frac{1}{2}\%$ sales tax issue a hot one from the beginning. Even though no bills had yet been introduced concerning this program, much had been said and was continually being said about it. Facing this as they were, the legislators set about finding the facts for themselves. They were getting a lot of pressure, but now they figured they had better do their homework.

ATTITUDES OF THE LEGISLATORS

One of the first things the legislators thought was this: "Recently we have been hearing a great deal about the Omnibus Crime Control Act which was to have provided Federal money to increase the effectiveness of the law enforcement agencies across the United States. Why isn't it solving

the problems that everyone is crying about?" As the legislature geared up and legislative interns were assigned to the various legislators, one of the first projects given to them was to find out how much money was available to the cities from the federal government to help them with their problems.

These interns first went to see Ray Jackson, Commissioner of Public Safety for the State of Utah. He is in charge of all law enforcement affairs that come under state jurisdiction. As such, he has overall supervision over the Law Enforcement Planning Agency which is given the administrative responsibility for the Omnibus Crime Control Act in the State. Although Commissioner Jackson was not familiar with many of the specifics of the program, he was helpful in giving an overview of it.

The next source of information was Robert Andersen, head of the Law Enforcement Planning Agency. The impression received from him was that the various law enforcement agencies in the State were not taking full advantage of the resources available through the Omnibus Bill. He pointed out that many of the smaller agencies in the State seemed not to be aware that money was available in certain areas to help them, and the larger departments seemed to be skeptical about this federal program. In fact, the Law Enforcement Planning Council, which actually approves the money to be used in various areas, had given approval for \$150,000 to be used in Salt Lake City for a 24-man task force. This approval had been made in July 1970, but the program was not yet in effect because the Salt Lake City Police Department wanted to make sure they could get the matching money.

When their findings were disclosed to the legislators they received the impression that the cities were not fully incorporating into their departments all that was available through the Omnibus Crime Act. They in turn used this information to reply to those pushing for additional revenue

by saying that they ought to use Federal money if it was available instead of coming to the State for help. The policemen began asking for specifics on how much money they had which they had not made use of and so the Law Enforcement Planning Agency was consulted again. The result of this was a report written by one of the interns which outlined a number of areas where money was available as well as alternatives to the $\frac{1}{2}\%$ sales tax.

Copies of this report were distributed to several of the senators, and a copy found its way into the hands of the Chief of Police in Salt Lake City, Calvin Whitehead. He reacted quickly by phoning Robert Andersen to ask him where all this money was that he was supposed to have. The result was that a meeting was arranged with the leaders in the Senate, Chief Whitehead, Robert Andersen, Ray Jackson, city commissioners from Salt Lake City and the interns who had prepared the report. The conclusion of the meeting was that there was a lack of communication between the various departments and the Law Enforcement Planning Agency. As this became apparent, the senators requested a report from the Law Enforcement Planning Agency working directly with Chief Whitehead about the amount of money actually available to Salt Lake City through the program. This report was forthcoming and it showed that approximately \$400,000 would be available in fiscal year 1972 for Salt Lake City. (Letter from Robert Andersen to Haven J. Barlow, February 17, 1971.) Since the Salt Lake Police Department felt they needed 1.3 million this did not fulfill their needs, but the legislators encouraged the department to implement as much of it as possible.

After this particular aspect of the problem was clarified and the legislators knew how much money could come from the federal government, other objections to the idea of the $\frac{1}{2}\%$ sales tax began to be aired. The opinion

generally was that there should be no tax increases during this session if at all possible. Pressures from constituents had apparently affected the legislators before the session began, and aside from the mine occupation tax proposed by the Governor and supported by the Democrats, there was very little support for any tax increase. The strongest feeling was probably in the area of property tax. Organizations like the Utah Taxpayers Association were very much opposed to any property tax increases and most legislators felt there was a need to preserve increases in the sales tax for future needs of the State and not the localities. Historically the income tax and the sales tax have been prime revenue sources for the State and they were quite reluctant to turn over one of these sources to the local governments. It is true that they were only asking for $\frac{1}{2}\%$, but most legislators opposed going past 5% on sales tax and it was already at $4\frac{1}{2}\%$.

As the legislators contemplated the upward spiral in welfare costs and the continuing costs of education plus all of the other costs of running State government, they were very careful about committing one of their remaining options to helping the cities. Coupled with this was the conviction that perhaps the city commissioners were trying to get the state legislature to take the blame for increasing taxes while the cities got the benefit. The State would have to shoulder the responsibility for increasing the tax while the cities would perhaps cut back on property and franchise taxes. Another aspect of this problem was related to consolidation of county and city government. They hoped that this would provide more efficient administration. More about this later, but there was a hesitancy on the part of the legislature to commit tax resources to a level of government which they felt needed reform.

All of these factors combined to produce quite a bit of opposition to increasing the sales tax. An estimate by one of the senators during the early part of the session concerning the sales tax was that perhaps three senators would vote for it at that time. The senators said they realized that the cities had problems but the feeling was that alternative solutions must be found. They began looking for a combination of methods to solve the financial crisis of the cities.

FAILURE OF PRIMARY STRATEGY

The above section summarizes the results obtained from the initial efforts of the various groups pushing for the $\frac{1}{2}\%$ sales tax. As mentioned above, the senators had several meetings with the city commissioners in which they listened to their case and clarified certain points. They approached the city commissioners with several alternatives such as increasing the mill levy or having the city charge for garbage collection. Most of these met with a cold reception and the commissioners seemed committed to an uncompromising position in relation to the sales tax. They told the legislators that if they did not get the sales tax, they would have to be back year after year requesting further stop-gap measures such as the property tax and charging for garbage. They pointed out that sales tax revenue increases in relation to financial growth as well as extracting revenue from those who use the city to do their shopping but pay no other taxes to the city. They also emphasized that tourists would be helping increase revenue as they purchased goods and services here in Utah.

After the controversy over the availability of Omnibus funds was resolved, the cities said that these funds were not enough to be effective

while the legislators viewed them as a major portion of a package of alternatives they were preparing to meet the needs of the cities. As the proponents of the $\frac{1}{2}\%$ sales tax met this barrier, they apparently decided to go for broke. They continually maintained their position that the sales tax was the only solution to their problem.

The lobbyists projected a very pessimistic attitude about the prospects for the sales tax, but that is all they could talk about. This did not seem to impress the legislators much, and they did not pursue the alternatives that they had proposed because of the stubbornness of the lobbyists.

At about this time, for some unexplained reason, ABLE ran a full page advertisement on the back of the two major Salt Lake papers. This ad pictured various types of unlawful activities such as home burglaries, rapes, murders, and arson, using recent occurrences to emphasize them and said, in effect, "If we had more policemen on the streets, these things would not have happened." The murder which the advertisement made reference to was the result of a scuffle among a group of boys at a supermarket. A gun was pulled, and a fellow was shot and killed. The arson cases were the recent burning of several churchhouses in the Salt Lake area. The implication was clear--these things would not have happened if we had a $\frac{1}{2}\%$ sales tax to finance law enforcement so that we could put more policemen on the streets.

The general feeling of the legislators after the appearance of the article was that ABLE was making use of scare tactics to bring the legislature into line because of overwhelming public reaction. At the bottom of the advertisement, they placed a coupon addressed to Richard Howe, Speaker of the House of Representatives. People were encouraged to cut this out

and send it to him to show their support for the sales tax. Speaker Howe was not particularly impressed with the pile of coupons he received in the mail.

In reference to the advertisement in the paper, the other two groups voicing support for the $\frac{1}{2}\%$ sales tax, the policemen and the cities, refused to take responsibility for the article. They actually stated that it was unfortunate that it had been run. The policeman's lobbyist said that it was an insult to his profession. It seemed, for the time being, that ABLE had committed a faux pas. If anything, the legislators felt that their intelligence had been insulted.

The cities, despite the reverses, still had a strong case. They could show that they were in serious financial trouble and needed help. As they continued to push their case, certain differences in philosophy began to come clear. The legislators seemed willing to give the cities temporary help instead of solving their continuing problems right now.

DISAGREEMENT ON LONG-RANGE PLANNING

There were several factors that entered into the rationale behind the philosophy held by both sides. One question-mark which has not previously been mentioned was the hope held by some individuals that President Nixon would get his revenue-sharing program through Congress with the result that cities such as Salt Lake and Ogden would receive considerable amounts of federal aid. Although the prospects were not terribly promising, quite a few legislators felt that before any long-range program of State assistance to cities was formulated, they should see what the federal government was going to do. They wanted to give short-range help to the cities in lieu of any help from sales tax.

Another aspect which has been briefly mentioned is that of consolidation of county government and city government into one unit. Certain other pieces of legislation came out of the 39th Session, which makes this proposal more feasible. The State Constitution states that all counties in the State must have the same form of government. It also requires second-class cities to have school districts independent from the county. These and other constitutional requirements have made it very difficult for the vastly different counties throughout the State to adequately govern themselves. Through amendments which have been proposed by the legislature, these restrictions can be removed although the amendments must be approved by the electorate in 1972. It is the feeling among most of the legislators and the city and county commissioners that a municipal-type government covering the whole county would more effectively serve the people of Salt Lake County. As pointed out, however, this cannot be done for at least two years, and then it would be quite a while before all the bugs could be ironed out. In the meantime, the state officials favor waiting to make changes in the ways of financing local governments until after consolidation, while the city officials say they need long-range financial assistance. The prevailing attitude among many legislators is that until consolidation takes place, too much money will be wasted.

By this time two bills had been introduced in the House in respect to the $\frac{1}{2}\%$ sales tax. Representative Allan Mecham introduced H. B. 225, entitled Local Option Sales Tax, and this is the one that was supported by ABLE and the other groups. Another proposal came from the Governor's office and tied the increase in sales tax to the consolidation of municipal services. It enabled the county to levy an increased sales tax as soon as they combined certain municipal services presently administered by both the county and the cities.

One reason that the Governor's bill was geared to consolidation was the attitude of the legislators. The hope here was that a certain amount of consolidation could take place before approval of the constitutional amendments, and this would lessen the time necessary to work out problems after it was approved. A move in this direction, it was felt, would justify giving the cities the $\frac{1}{2}\%$ sales tax.

A concern which was voiced about proposals to earmark the sales tax increase solely for law enforcement was that the law enforcement would simply not be able to absorb the additional revenue. An estimate on the amount of revenue that would be brought in across the State from an increase in the sales tax of $\frac{1}{2}\%$ was \$12 million. At the present time, all of the law enforcement agencies in the State are spending approximately \$24 million. The question was this, "Can these law enforcement agencies make efficient use of a 50% increase in their budgets?" The legislators, generally, did not have this confidence. They felt that they might be able to use a smaller amount, but that severe problems would result if all the money went to law enforcement.

The natural answer to this concern was that the money would go to the cities and only part of it would be spent on law enforcement. This still bothered some of the legislators because they felt that if the cities were given the revenue from the sales tax, they would use the leeway they would get in their budgets to reduce or eliminate other less popular taxes. For example, Salt Lake City now levies a 4% franchise tax which has been challenged in the courts and they would like to reduce this tax. They would have been able to do this had they received the sales tax revenue. In the past, smaller cities throughout the State have reduced their mill levies in proportion to the amount of money they have received

from the State for various projects rather than increasing services. The legislators felt that they would not like to take the blame for reducing taxes while the local government officials were gaining support for reducing local taxes.

There was a basic difference in philosophy among the people involved. The local government officials wanted to secure for the cities some type of effective tax resource that would be useful over a long period of time. Sales tax is this type of tax. The State officers on the other hand were very wary about giving away a profitable State resource to local governments, which they pictured as inefficient and in a period of transition. They were looking to the future needs of the State and they were wondering where additional revenue for the State was going to come in the future. Perhaps their attitudes had something to do with the political liabilities inherent with increasing taxes among their constituencies, but whatever the cause, these forces were pretty strong. Another feeling was that each government level felt that they were efficiently using their money and they were distrustful about how the other level was using theirs.

After all of the various proposals had been aired and the legislators had a fairly good idea of the issues involved, it seemed that most of them started taking a serious look at alternatives to the sales tax increase. Perhaps it was an inherent feeling that they individually did not want to support such a proposal, or maybe it was a concern that something should be done, but they knew that the sales tax would never go; at any rate, several different avenues to get more revenue for the cities were explored. The fact was this, the preliminaries were over, the die had been cast, and the ball was now in the legislature's court.

DIFFERENT APPROACHES TO THE PROBLEM

As mentioned above, there were several approaches in trying to solve the problems of the cities. The increased sales tax approach had several proposals which attempted to eliminate certain objections which were made concerning them. The first bill to be introduced was H. B. 225. Basically, it increased the sales tax by $\frac{1}{2}\%$ on a county option basis. In other words, each individual county was authorized to increase its sales tax by this much in order to obtain added revenue. The money derived from this increase was not earmarked for any particular purpose but would be given back to the cities and counties levying the tax.

One of the objections to this approach was that perhaps the citizens of the county would not be as eager to pay an increased tax as the county government would be to levy it. An amendment was proposed to provide a referendum in each county in which the people themselves would have to approve the increased tax. Another objection was voiced by the law enforcement lobby as soon as the bill was introduced. The bill did not provide that any funds would be earmarked. The police representative remarked that the push for increasing the sales tax was being done in the name of law enforcement, yet there was no guarantee that the money would find its way into the police department. He pointed out that the Salt Lake City Commission had said that if it received the tax unearmarked it would rescind the sewer tax and the emergency utility tax. He concluded by saying that through it all the major police departments in the State were being sold down the river. Obviously, the cities were not pushing hard to get the money earmarked for law enforcement because they felt that they needed money for other areas as well. They maintained that they would

spend part of the increase for law enforcement, but they wanted the freedom to use it in areas where they felt the needs were the greatest.

The other major sales tax proposal which was introduced was the bill which came from the Governor's office. It was intended to be a compromise proposal hoping to take care of some of the objections that the legislators had as well as some that the law enforcement had. This bill never came out of sifting committee, perhaps because it was apparent as the end of the session approached that there was not enough support for it. The major provisions in this bill were that consolidation of certain services would be earmarked solely for law enforcement. The services covered in this bill were fire protection, solid waste disposal, planning and zoning, and health services. If consolidation could be achieved in a particular county on these services, then they were authorized to levy an additional $\frac{1}{2}\%$ sales tax.

The reason for requiring consolidation of services was to move the counties in the direction which most legislators hoped they would move as soon as the constitutional amendment was passed. This bill would move them in that direction so perhaps the legislature could feel a little more secure about the way the money would be spent. For one reason or another, this bill never really got off the ground. Quite a few people were wary about the provision earmarking the funds.

These bills were introduced in the House, while in the Senate a different approach was tried. The Republican leadership said that they sympathized with the problems of the cities, but they did not foresee passage of any $\frac{1}{2}\%$ sales tax. At one time they toyed with the idea that perhaps they could pass a $\frac{1}{2}\%$ increase but give $\frac{1}{4}\%$ to the cities and the other $\frac{1}{4}\%$ to the State. Even this did not receive enough consideration to ever be

introduced as a bill. As another alternative, they came up with what they liked to refer to as their "package proposal." There were several parts to this. S. B. 36 was passed early in the session and provided for the consolidation of city and county health departments. The county was authorized to levy two additional mills of property tax and it would assume the cost of the service. The net result was a saving of approximately \$800,000 for Salt Lake City. The State fund collection for B and C roads was speeded up which did not give direct assistance to the general fund, but did give a one-time addition to the road fund for the cities.

Some of the alternatives which were considered but never adopted included a speed-up of the sales tax to give the cities a one-time windfall of about \$750,000, a gross-receipts tax, earmarking the oleomargarine tax for the cities, collecting a fee for garbage collection and water supply, a tax on soda pop, and a tax on cigarettes. These proposals drew little support and never came out on the floor for debate.

Another bill which passed the Senate but did not get through the House was a bill which would have required the unincorporated areas in a county to pay for municipal services which they received which were not county-wide. For example, Salt Lake City residents pay for fire protection in the city, but their county levy goes to pay for fire protection which unincorporated areas receive for which they pay the same levy. This bill, S. B. 226 would have freed approximately \$750,000 for Salt Lake City which they could have reallocated.

The two bills which did pass, other than those mentioned above were bills which provided for an increase in the cost of car registration of \$5 and also for the elimination of the upper limit on property tax levies for first-class cities. The money from the increase in car registration goes back to the cities based on the number of vehicles registered in their

area. The second made it possible for the cities to levy additional property tax in order to meet their needs. Although the cities still felt like this was not enough, the legislators felt that they did quite a bit for the city problems.

The final approach which was a possibility was that the legislature should do nothing and let the cities solve their problems in their own ways. Some people felt that the cities had adequate resources to take care of their problems. When the cities said they wanted the sales tax or else, some of the legislators told them they would get nothing.

CONSOLIDATION OF POSITIONS

Much of what transpired as the session progressed has already been mentioned, but I will try to summarize the basic positions of the legislators and the lobbyists as the final days approached. After much discussion, a definite commitment on how much money was available from Omnibus Crime funds was received from the Law Enforcement Planning Agency. This made that part of the picture much clearer than it was initially. Some of the legislators were disappointed that it did not promise more, but now they knew that they would have to look elsewhere in order to come up with enough money.

From the point of view of this paper, perhaps it has sounded like this issue was the only one bothering the legislators. This, of course, was not true. The major project of the legislature is to come up with a balanced budget including the right amount of money for all the programs which they approve. This appropriations bill becomes the main issue of the Session as it draws to a close. Other items have to take a back seat as the legislators meet in their appropriations subcommittee meetings trying to cut budgets and come up with adequate revenue.

After the mine occupation tax failed, which would have brought in approximately \$4 million, the legislators had to decide whether to cut back programs proposed in the Governor's budget or to find additional sources of revenue. This situation added impetus to the argument that the State as well as the cities has limited resources and that the sales tax should be reserved for the use of the State, if not now at least in the future.

Another thing which has previously been alluded to served to take away some of the impetus for the sales tax increase. This was the fragmentation of the lobby efforts. Instead of pushing for some type of a compromise measure and combining efforts, the lobbyists for the different interests continually worked at cross-purposes. I have already mentioned the antagonism between the various proponents and the differing opinions about the way the money should be used. Because of the increased pressure upon the legislators from other quarters, the lobbying became even more ineffective.

LACK OF COMPREHENSIVE PLANNING

Perhaps the concerns of the individual groups who were for the sales tax increase were so divergent that they could not find a common ground on which to work. However, there is a possibility that they would have been more successful had they been able to work together. Some of the things which bothered the legislators about the effort included the following items. Most of the legislators disliked the use of emotionalism to create popular support for the measures. The survey published early in the session was structured to get an emotional response. After all, who doesn't want to protect lives and property? The advertisement by

ABLE about midway through the Session was almost totally disregarded because they felt that the responses that were triggered were not legitimate expressions of opinion. Most politicians are little impressed by the receipt of hundreds of identical letters. The send-in-a-coupon program sounded a bit too much like some corn flakes contest.

Another thing that bothered them was the lack of a comprehensive plan to make use of the money once it was obtained. The cities simply said that they would use it to make up their projected deficit in the budget. However, all cities in the state were not in quite the same trouble as Salt Lake. They also were going to use this revenue to cut back on existing taxes, and this certainly did not impress the legislators. Their constituents have an aversion to tax raises no matter what part of the state they live in.

The policeman's unions were going to use the money to increase salaries and benefits for present officers and also for the hiring of new ones. They did mention that some of the money should be used for the courts, but they were not overly concerned about this aspect. They kept citing figures about the increasing crime rate and the need for more officers, but their prime concern was bringing the financial lot of the policemen up to what they felt was an acceptable standard. They even accused the cities of selling them down the river because they were going to use the money for programs other than law enforcement.

The ABLE program had a prime goal and that was to get enough money to put more policemen on the street. They equated decreases in crime with the addition of policemen on the streets. They pointed to the increase in home robberies in recent years and the increasing crime rate as direct results of lack of police. They did not have a logical answer to the

question about what would happen to the criminals once they were captured if the court system and the detention and correction system were not upgraded to deal with increased arrests and convictions. To many of the legislators it seemed as if the ABLE people were depending upon a simplistic answer to solve the problem of crime.

All of these points emphasize the fact that most legislators are fairly sophisticated. They have had enough experience to realize that more money alone simply does not solve many problems. Other things must be done besides handing out blank checks. They realize the necessity for adequate financing of any program which they want to succeed, but they realize that the resources of the state are limited and some justification must be made before money should be appropriated. Also the legislators felt that pressure tactics and emotionalism were being exploited and some of them resented this. Many of them seemed more amenable to well-organized and logical presentations. This is not to say that the lobbyists did not make good presentations, but some of the bad events overshadowed them.

CRUSH OF IMPENDING ISSUES

The last two weeks of a session of the legislature are very hectic indeed. Although continuing efforts have been made to get more work done earlier in the session, it seems that the pressure of the impending close is needed to bring about the compromises necessary for passage of important legislation. At approximately the 45th day all of the bills which have not been acted upon are put into sifting committee. After this time, only bills which have fairly substantial support are reported out. Many bills die an inglorious death at this time.

One of the issues which was deemed important, but about which very little consensus had been reached was the $\frac{1}{2}\%$ sales tax. H.B. 225 was considered on the House floor, but even with extensive amendments, it failed. It seemed that a combination of concern with other pressing matters and a rejection of the methods of the lobbyists made the legislators a bit hesitant about approving the measure.

The legislators had asked for alternatives to consider, but the proponents did not change a note of the tune they were singing at the beginning of the session. They seemed willing to go for all or nothing. To many of the legislators who were at that time involved in coming up with compromises in other areas to achieve enough support to pass certain measures, this attitude seemed a bit amateurish. The name of the game at the end of a session seems to be compromise, and yet the supporters of the sales tax increase were still adamant.

As this attitude became apparent some of the concern that had earlier been expressed turned to apathy. Certainly most of the legislators had enough to do without trying to push something which appeared to be a dead issue unless it was revived by some new choices. The legislators came up with quite a few alternatives, but they could not get support from the groups they were trying to help. As the progress in this direction came to a standstill, several other pieces of major legislation such as the income tax revisions, the controlled substances act, justice of the peace reorganization, education appropriations, and joint resolutions on constitutional amendments moved towards passage as effective compromises were reached. A good deal of bargaining was going on which pointed up the philosophy that it was better to pass a slightly watered-down version of a bill than not to pass it at all.

It was not until the very last minute that some of the proponents for the sales tax increase realized that this might be a valid approach. By then, it was too late.

RESULTS

The net result of the whole effort for the increased sales tax was either good or bad depending on whether or not the adoption of increased sales tax was the crucial issue. Some people felt that the real issues were whether or not the policemen got money for pay increases, whether enough money was made available for increasing manpower, whether some of the problems of double-taxation were solved. If this was the case, then something was done. If the point was whether or not the sales tax should be increased by $\frac{1}{2}\%$ then the net result was nil.

There was no sales tax increase, county-option, referendum or otherwise. The prospects were fairly good at one point for splitting the $\frac{1}{2}\%$ between the cities and the state but this fell by the wayside. On the other hand, several significant pieces of legislation were passed in relation to the problems of the cities. Admittedly some of the measures were short-range in their effect, such as the increased car registration fees. It did give the cities more money, though. Another bill of this nature was the bill which made a statewide limit on property tax of 35 mills instead of distinguishing between the size of cities. First-class cities had previously been limited to 18.5 mills. While very few of the legislators felt that the property tax levies should go much higher, at least the mechanism had been given to the cities to increase it if they had to.

Some of the bills which had long-range implications were these: health department consolidation, SJR 1, and SB 92 dealing with optional.

forms of county government, establishment of a single prosecutor system, upgrading the justice of the peace system, adding juvenile and district court judges, and strengthening the bail and parole systems. All of these will affect the issues which were mentioned at the first of this section. Another thing which resulted was better communication between some of the urban police departments and the Law Enforcement Planning Agency in making maximum use of Federal funds which are available for law enforcement.

It appears that almost everyone who is intimately involved with city and county government in the urban areas of the state feel that some type of consolidation is necessary. The bills which were passed during this session were the first logical steps in enabling the counties to determine the type of government which would best serve the people in that county. If these measures pass every county in the state will not have to have the same form. The single prosecutor concept changes the situation which now exists in the state which makes the county prosecutor responsible for initial investigation into a case and the requirement that further prosecution is carried out by the district attorney. These bills eliminate the office of district attorney and give all of the responsibilities to the county attorney. The rest of the measures mentioned are aimed at upgrading and strengthening the court and corrections systems in the state.

These are not all of the bills which were passed which have important consequences for the cities and law enforcement, but they are some of the more obvious. The legislature probably could have done more, but the same could be said about many other issues.

After the end of the session, an effort was made to determine the attitude of some of the main spokesmen for the sales tax in relation to the effectiveness of the legislature during the 39th session. The first

person contacted was the spokesman for ABLE. He was asked what was going to happen to ABLE now that the session had ended and the $\frac{1}{2}\%$ sales tax had not passed. He said that ABLE would continue to work for its passage during a special session of the legislature and in the budget session next year if this failed. He said, "Our main objective is to get more policemen on the streets, and once this is accomplished, then we will look to strengthen the whole law enforcement system."

He was asked what he thought of the recently completed session of the legislature and he replied that it would have to be termed a "do-nothing" legislature in terms of law enforcement. Reference was made to the various bills which had been passed in relationship to law enforcement and he said that the first objective was $\frac{1}{2}\%$ sales tax increase to put more policemen on the streets and when the legislature did not do this, they had failed.

Another proponent who was at the Capitol quite frequently was Commissioner Garn of Salt Lake City. When contacted, he said he could not believe that the legislature had done nothing to help the cities with their problems. He said simply that the bills which had passed were stop-gap measures and they would not solve the problems. When asked why he did not support S. B. 226 which would have helped eliminate double-taxation for city residents, he replied that he had, but that no one would listen to him. He continued to maintain that the sales tax increase was the only real answer.

CONCLUSION

What has been written in this paper has been a summary of the events that took place during the 39th session of the Utah Legislature in respect

to the $\frac{1}{2}\%$ sales tax increase proposal. As an assistant to a legislator, perhaps a certain amount of bias should be attributed to me. Let me state now my evaluation of the situation keeping in mind that fact.

My sympathy basically is with the cities and the problems they face in this point in history. I outlined them fairly well at the beginning, but to reiterate: They are in serious trouble because the problems that they have to face are increasing as the tax base they must use to combat them is leaving. One of the most serious problems they have to face is the crime problem which seems to be increasing at an alarming rate. Because of this, I sympathize with those people who represent the policemen's unions and with ABLE. They are all concerned with this particular part of the cities' problems. I agree, then, with the objectives of these groups. I disagree to some extent with their methods.

My criticism deals with functionality and with factuality. At least at this point in time, their approach did not prove to be functional. They did not get what they asked for from the legislature. They got some help in ways other than those they asked for, but even then they felt they did not get enough. I am suggesting that they would have gotten more than they got, although perhaps less than they asked for if they had done several things. First, the three major groups should have come up with some type of proposal which they could all have supported. Up until the very last day, the cities, the policemen and ABLE all tended to sabotage each other's efforts. Secondly, they should have been more willing to compromise, not only with each other but with the legislators themselves. The legislators would have been much more receptive to alternatives which received strong support from these various groups. Thirdly, each group individually should have come up with a comprehensive program for spending the money. Salt

Lake City prepared a fairly good resume¹, but the legislators did not like to see the city reducing taxes as the State increased theirs. Fourthly, the proponents should have seen the writing on the wall earlier, and having seen that the $\frac{1}{2}\%$ sales tax did not have a chance, they should have worked for a split with the State or some other alternative. Fifth, the lobbying appeared to be a bit amateurish. Most legislators seem to be impressed more with cold fact than emotionalism. Much of the campaign for the sales tax increase sounded like full-blown propaganda. Lastly, if the same lobbyists had helped certain legislators push bills like those concerned with consolidation and others which dealt with the legal system, which were, in fact, efforts attacking the same problems, then these legislators would have been more willing to carry the ball for more money in these areas. After all, these solutions are long-range programs designed to attack the problems of the system so that money will not be wasted.

If the lobbyists had been more flexible, if they had learned to cooperate, and if they had been able to compromise, I contend that they would have had greater success. If the objectives of the various groups are to be met, they are going to have to develop more expertise in lobbying. It would certainly facilitate the attainment of their legislative goals.