

## House Revenue and Taxation Committee

2/7/2025

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### **Bill: 1<sup>st</sup> Substitute SB 80 – Drinking Water Amendments**

Sponsor: Senator Scott D. Sandall

Floor Sponsor: Representative Casey Snider

### **UASD Position: Tracking**

This Bill modifies the Safe Drinking Water Act to include a fee schedule.

Discussion: The 1st substitute was adopted by the Committee. The substitute includes a provision that requires the Department of Environmental Quality (“DEQ”) to report on the fee schedule to the Natural Resources, Agriculture, and Environment Interim Committee and to monitor the fees accordingly. The Legislature would have to give final approval for the recommended fee schedule. The Bill requires the DEQ to establish a fee schedule, outlining specific requirements related to the schedule. It grants the Department the authority to create financial incentives for compliance, with certain criteria, and provides for the collection of these fees. Retail water suppliers are required to collect the fee and remit it to DEQ to help pay for staffing for the Division of Water Quality (“Division”). The Bill includes an exemption for wholesale water suppliers. It states that the fees will be treated as dedicated credits. Senator Sandall said that retail water suppliers are tasked with collecting this fee because the DEQ does not have the authority to issue a fee. The sponsor indicated that this funding would help close gaps and keep Utah’s drinking water safe.

Representative Christofferson inquired whether the Division would be required to exhaust all available resources before implementing a fee. The timing of any proposed fee would be determined at the discretion of the Legislature. It was asked whether eliminating fluoride from retail drinking water would offset the fee charged by water retailers. The sponsor clarified that the cost of adding fluoride to water and the water quality fee are unrelated. The Division of Water Quality will oversee water safety testing, not the water suppliers.

Nathan Bracken, a water attorney, spoke on behalf of himself and Dale Pierson, from the Rural Water Users Association (“RWUA”), expressing gratitude for the sponsor’s efforts in developing the Bill. He emphasized the importance of funding the initiatives outlined in the Bill. Mr. Bracken requested that, when the Division determines the fee, careful consideration be given to consumption, as it can vary significantly across different systems. He noted that successful water conservation efforts by suppliers could reduce consumption, thereby impacting the Division’s steady revenue stream. The RWUA also suggested that the Bill include alternative revenue sources, in addition to consumption-based fees, for the reasons mentioned. It was noted that many water suppliers would likely pass this fee on to customers as a line item on invoices, a process easily managed by municipal systems. However, special districts are required to hold public hearings to impose fees. He requested that the sponsor consider exempting this specific fee from the public hearing requirement, as the governmental entity has no discretion in its adoption. A resident of Saratoga Springs voiced concerns about her high water bill. The Director of the Division of Drinking Water estimated that the fee would likely amount to approximately seventy-five cents per year per residential connection.

Yeas: 10  
Nays: 0  
N/V: 1

**Outcome: 1<sup>st</sup> Substitute SB 80 passed out of the Committee with a favorable recommendation.**

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**Bill: SB 95 – Truth in Taxation Amendments**

Sponsor: Senator Heidi Balderree

Floor Sponsor: Representative Colin W. Jack

**UASD Position: Tracking**

This Bill addresses the public hearing requirements for increasing the property tax rate.

Discussion: SB 95 requires that a quorum of the legislative body be present during all Truth in Taxation hearings. Representative Shephard expressed concern about members of the legislative body having conflict that make it impossible to attend the public hearing. Senator Balderree said that one solution to that problem is that the legislative body may attend electronically. Representative Strong asked about appointed, rather than elected, board members approving property taxes. A representative from the Utah Taxpayer Association presented with the sponsor. He said that some special districts have appointed board members who are elected municipal or county officials. The Utah League of Cities and Towns, a Utah County Commissioner, and two members of the public spoke in support of the Bill.

Yeas: 10  
Nays: 0  
N/V: 1

**Outcome: SB 95 passed out of the Committee with a favorable recommendation.**

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**Bill: HB 378 – Department of Natural Resources Funding Amendments**

Sponsor: Representative Casey Snider

Floor Sponsor:

**UASD Position: Tracking**

This Bill addresses revenue and expenditures related to funding of state accounts within the Department of Natural Resources.

Discussion: The Bill was not presented.

Yeas:  
Nays:  
N/V:

**Outcome: HB 378 was not heard in Committee on February 7, 2025.**

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