

## House Political Subdivisions Committee

2/20/2025

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### **Bill: HB 454 – Local Government Fees Modifications**

Sponsor: Representative Karen M. Peterson

Floor Sponsor: TBD

### **UASD Position: Tracking**

This Bill modifies and enacts provisions related to municipal fees.

Discussion: HB 454 prohibits cities from charging broadband and public safety fees in general, but it still allows cities to charge 911 service fees. The Bill establishes a process for implementing and using the Transportation Utility Fee (“TUF”), largely modeled after Provo's current method. Each city will conduct a study to assess its impact on the transportation system. If the city decides to proceed, it will hold a public hearing to adopt the fee. The fee will be stored in a dedicated fund, and it will be subject to referendum and periodic audits. The fee will expire every 10 years.

Representative Dunnigan asked how residential fees differ from commercial fees. The sponsor explained that the fees will appear on utility bills, with commercial fees generally being slightly higher. The Bill includes specific language that bases fees on individual usage. The Utah League of Cities and Towns spoke in support of the Bill and helped clarify Representative Dunnigan’s question. The process outlined in the Bill requires that the study be publicly analyzed and voted on by the city. Representative Dunnigan also inquired about other potential fees. The sponsor stated she would get that information and provide it to him. Representative Dunnigan then asked about the maximum amount that could be charged. The sponsor clarified that the Bill sets a "reasonableness standard". The Utah Taxpayers Association expressed comfort with, and support for, the Bill.

Yeas: 8

Nays: 0

N/V: 2

**Outcome: HB 454 passed out of the Committee with a favorable recommendation.**

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