

Senate Revenue and Taxation Committee

February 27th, 2025

Bill: 1st substitute SB 310 – Transportation Utility Fee Amendments

Sponsor: Senator Brady Brammer

Floor Sponsor:

UASD Position: Tracking

This Bill deals with a city's ability to impose a transportation utility fee.

Discussion: Senator Brammer presented the 1st substitute of the Bill, which was adopted by the Committee. He explained that the substitute clarifies terminology related to religious organizations. The sponsor noted that in recent years, cities have used transportation utility fees to fund road maintenance. This Bill introduces regulations to standardize that process while exempting religious organizations from these fees.

This Bill permits municipalities and counties to impose and collect a transportation utility fee under specific circumstances. It establishes notice and public hearing requirements for implementing the fee and mandates that rates vary based on user classifications, provided the classifications are reasonably justified. Additionally, the Bill requires municipalities and counties to exempt religious organizations from the fee. Any transportation utility fee that does not comply with statutory requirements must be modified or repealed by July 1, 2027.

Senator Fillmore expressed concerns about giving municipalities and counties the ability to impose transportation utility fees. Senator McCay asked how this Bill differs from a similar one sponsored by Representative Peterson. The sponsor stated that the primary distinction is the exemption for religious organizations. He also emphasized that this Bill is simpler and incorporates truth-in-taxation terminology. When questioned about the rationale for exempting religious organizations, the sponsor explained that such groups are typically tax-exempt due to their significant humanitarian contributions. He also warned that imposing these fees on religious organizations could lead to legal challenges, as it might be perceived as a tax.

The Utah League of Cities and Towns, along with Robert Paxton from Provo City, raised concerns about the fairness of exempting religious organizations, arguing that it would require other users to subsidize those who are exempt. A representative from Kaysville City spoke in support of the Bill. No further discussion followed.

Yeas: 3

Nays: 1

N/V: 3

Outcome: 1st substitute SB 310 passed out of the Committee with a favorable recommendation.

Bill: 1st substitute HB 370 – State Holiday Modifications

Sponsor: Representative Sandra Hollins

Floor Sponsor: Senator Kirk A. Cullimore

UASD Position: Tracking

This Bill modifies the day on which Juneteenth National Freedom Day is recognized in Utah.

Discussion: Senator Hollins explained that HB 370 ensures Juneteenth National Freedom Day, observed on June 19, is recognized in the same manner as other legal holidays in Utah. If June 19 falls on a Sunday, it will be observed on the following Monday; if it falls on a Saturday, it will be observed on the preceding Friday; and if it falls on a weekday, it will be observed on that day.

Senator McCay expressed concerns about the Bill, stating that holidays can be disruptive to the workweek and that adding another weekday holiday was difficult for him to support. Senator Brammer shared similar concerns. No further discussion followed.

Yeas: 1

Nays: 2

N/V: 4

Outcome: 1st substitute HB 370 failed to pass out of the Committee.
