

Senate Revenue and Taxation Committee

3/4/2025

Bill: 2nd Substitute HB 513 – Utah Commission for Earthquake Preparedness

Sponsor: Representative Thomas W. Peterson

Floor Sponsor: Senator Todd Weiler

UASD Position: Support; UASD Amended

This Bill creates the Utah Commission for Earthquake Preparedness.

Discussion: Representative Peterson presented the Bill, which creates the Utah Commission on Earthquake Preparedness. The 2nd substitute modifies the Commission by adding the Office of Energy Development to the Commission, as recommended by Representative Albrecht. The Committee adopted the 2nd substitute. The sponsor emphasized that the Wasatch Fault is overdue for another major earthquake. The Commission's role is to enhance preparedness, mitigate risks, and coordinate professionals from various fields to develop strategies for responding to and reducing the impact of an earthquake.

Senator Brammer asked why the sponsor believes these efforts are not already being handled by the Executive Branch. The sponsor explained that the Commission ensures that professionals, particularly those with expertise in infrastructure, are actively involved in discussions and decision-making. While supportive of the Bill's intent, Senator Brammer expressed concerns that it may be redundant, as many of its objectives are already being addressed by the Governor's Office.

Yeas: 1

Nays: 4

N/V: 2

Outcome: 2nd Substitute HB 513 failed to pass out of the Committee.

Bill: 3rd Substitute HB 295 – Municipal Services Fees and Political Subdivision Lien Amendments

Sponsor: Representative Paul A. Cutler

Floor Sponsor: Senator Wayne A. Harper

UASD Position: Tracking

This Bill authorizes municipalities to place a political subdivision lien on property for certain past due services.

Discussion: Representative Cutler presented the Bill, which establishes a process for collecting payments from homeowners who fail to pay their utility fees and lowers the lien rates for special service districts. The sponsor collaborated with the Property Rights Coalition, the Utah League of Cities and Towns, and the Utah Association of Special Districts to refine the legislation. The Committee adopted a provision limiting the municipal services eligible for a lien to storm drain infrastructure, sewer, water, and utility-related services.

The Bill authorizes municipalities that set fee schedules for these services—whether directly or through a third-party contractor—to bill customers accordingly. It also grants municipalities the authority to place a political subdivision lien on properties with unpaid service fees.

Additionally, it modifies how special districts charge interest and costs on overdue fees. Special districts were granted lien authority by the Legislature years ago, and the tool has proven effective in securing payments without disrupting essential services like water or sewer.

Representative Cutler noted that approximately 90% of liens result in payment through property tax collections. The Bill also aligns interest rates with other property tax liens by capping them at 8% for municipalities and special districts.

Millcreek City Manager Mike Winder, who presented alongside the sponsor, shared examples of challenges municipalities face when they lack lien authority.

Senator Harper asked for clarification on the fees and interest rates. The sponsor explained how liens would be applied and paid through property taxes. Currently, special districts can charge up to 18%, but the Bill reduces the maximum allowable rate to 8%.

Senator McCay expressed concerns about using utility fees to secure assets. In response, Mike Winder compared the issue to credit card debt, which does not impact the public good, whereas unpaid utility bills affect entire communities because others must compensate for delinquent payments. He also stressed the need for an enforcement mechanism, as some individuals have exploited the current system. The Utah League of Cities and Towns spoke in support of the Bill.

Yeas: 5

Nays: 0

N/V: 2

Outcome: 3rd Substitute HB 295 passed out of the Committee with a favorable recommendation.

Bill: 2nd Substitute HB 320 – Municipal Ordinance Amendments

Sponsor: Representative Lisa Shephard

Floor Sponsor: Senator Wayne A. Harper

UASD Position: Support

This Bill amends provisions relating to the imposition of a civil penalty for a municipal ordinance violation.

Discussion: Representative Shephard presented the Bill, which grants municipalities the authority to impose escalating fines on renters for repeated housing violations. The Bill allows a municipality to levy a civil fine exceeding the maximum for a class B misdemeanor under specific conditions. This applies to violations related to occupancy regulations, off-street parking requirements, or the operation of a rental dwelling or short-term rental. The increased fine is only applicable if the municipality has previously fined the individual for the same violation at least three times within the past 12 months. The fine must not exceed \$5,000. The Utah League of Cities and Towns spoke in support of the Bill.

Senator Brammer asked how much a renter or property owner would be charged for violations beyond the fifth offense. The sponsor stated she was unsure but speculated that fines could reach \$5,000 for violations beyond the fifth. Senator Brammer expressed concerns that the timeframe for violations does not effectively support the \$5,000 fine. After discussion, the Committee decided to hold the Bill.

Yeas: 2

Nays: 4

N/V: 1

Outcome: 2nd Substitute HB 320 was held by the Committee.
