

Senate Revenue and Taxation Committee

Prepared by the Utah Association of Special Districts

3/2/2026

Bill: SB 316 – Public Employee Attorney Fee Recovery Amendments

Sponsor: Senator Pitcher

Floor Sponsor:

UASD Position: Track

This Bill amends a provision of law relating to the recovery of reasonable attorney fees and court costs incurred by an officer or employee of a public entity, under certain circumstances, to defend against criminal charges brought against the officer or employee in relation to the officer's or employee's public employment.

Discussion: The sponsor, accompanied by criminal defense attorney Lindsey Jarvis, explained that the Bill creates a process under which a public official or an employee of a public entity may recover reasonable attorney fees and costs incurred in defending against criminal charges that arise out of the individual's official duties if those charges are dismissed. The Bill establishes a timeframe within which the prosecutor must file a motion to dismiss after determining that prosecution will not proceed. If the prosecutor does not file the motion to dismiss within the specified period, the public official or employee may petition the court for an award of attorney fees related to the criminal defense.

Senator McCay asked questions regarding how the dismissal process would operate and whether the Bill could apply in circumstances involving law enforcement officers, including an officer involved in a shooting. The sponsor clarified that the Bill applies only to criminal charges brought against a public official or public employee arising from the performance of official duties and that recovery of attorney fees is tied to dismissal of those charges under the procedures outlined in the Bill.

No members of the public testified in support of or in opposition to the Bill. Senator Brammer spoke in support of the legislation.

Yeas: 6

Nays: 0

N/V: 1

Outcome: SB 316 passed out of the Committee with a favorable recommendation.

Bill: SJR 18 – Proposal to Amend Utah Constitution – Legislative Duties

Sponsor: Senator McCay

Floor Sponsor:

UASD Position: TBD

This joint resolution of the Utah Legislature proposes to amend the Utah Constitution to modify provisions related to the annual general session.

Discussion: The sponsor explained that under current constitutional requirements, the General Legislative Session must consist of 45 consecutive calendar days. The Joint Resolution proposes amending the Utah Constitution to remove the requirement that those days be consecutive, allowing the Legislature to meet for a total of 45 days during a defined period with greater flexibility in scheduling. The sponsor stated that the intent of the Joint Resolution is to allow legislative work to be spread out over time and to encourage more work to occur throughout the year, rather than concentrating all activity into a continuous session.

Senator Brammer asked how the General Legislative Session could be structured under the proposal and how gaps between meeting days would function. The sponsor responded that the Joint Resolution would only change the constitutional requirement for consecutive days and that the Legislature would determine the specific scheduling framework at a later time through statute or internal rules. Senator Cullimore expressed openness to the discussion and noted that the proposal presents both advantages and disadvantages. Senator Harper discussed how some surrounding states operate with shorter or differently structured legislative sessions and commented on the perceived effectiveness of those models.

A member of the public spoke in opposition to the Joint Resolution. Following the discussion, the sponsor motioned to move to the next item on the agenda, and the Joint Resolution was held in Committee.

Yeas:
Nays:
N/V:

Outcome: SJR 18 was held in the Committee.

Bill: 1st substitute HB 514 – Utah Energy Council Amendments

Sponsor: Representative Walter

Floor Sponsor: Senator Millner

UASD Position: TBD

This Bill creates the Utah Energy Infrastructure Service District and modifies provisions relating to the Utah Energy Council.

Discussion: The sponsor explained that the Utah Energy Council was created by the Legislature in 2025 to provide statewide coordination and strategic direction on energy development and policy in Utah and that the Council works in coordination with the Governor's Office. The 1st substitute to the Bill modifies the membership structure of the Utah Energy Council by adding two additional members who are appointed by the Council and by establishing a co-chair position that is jointly selected by the Speaker of the House and the Senate President.

The sponsor further explained that the Bill authorizes the creation of a new type of special district, known as a Utah Energy Infrastructure Service District, for the purpose of supporting the financing of energy infrastructure projects. The Bill allows the District to provide financing and related support for energy infrastructure through the issuance of revenue bonds, which may not pledge the full faith and credit of the State of Utah. The sponsor stated that discussions on the Bill were ongoing with Rocky Mountain Power, electrical cooperatives, and other stakeholders.

Senator Brammer asked how the proposal would affect the ability of electrical cooperatives to issue bonds. The sponsor responded that the Bill is not intended to impair existing revenue streams or financing authority of electrical cooperatives. Senator McCay asked what types of revenue bonds are contemplated under the Bill. The sponsor explained that revenue bonds are commonly used to finance energy generation facilities, including coal and gas-fired facilities, and that power purchase agreements may serve as collateral for those bonds. Senator McCay also asked about the designation of these entities as centrally assessed and raised concerns regarding potential impacts on local governments. The sponsor responded that the entities would operate under a privilege tax framework and noted that constitutional requirements already require power companies to coordinate with local governments during construction and operation of facilities.

Rocky Mountain Power spoke in support of the Bill and stated that the company would continue working with the sponsor as the legislation moves forward.

Yeas: 5

Nays: 0

N/V: 2

Outcome: 1st substitute HB 514 passed out of the Committee with a favorable recommendation.

Bill: HB 489 – Water Infrastructure Amendments

Sponsor: Representative T. Peterson

Floor Sponsor: Senator Musselman

UASD Position: Oppose and amend

This Bill addresses use of retention and detention basins.

Discussion: The sponsor explained that the Bill modifies storm water management requirements for cities located within the Great Salt Lake drainage area by prioritizing detention basins and other low impact development practices over retention basins for long-term storm water management. The sponsor stated that the intent of the Bill is to ensure that stormwater continues to move through the system and ultimately reach the Great Salt Lake, rather than being permanently retained on site, while still maintaining appropriate flood control and drainage capacity.

Senator Brammer questioned whether reducing the use of retention basins in residential areas could increase flood risk. The sponsor responded that stormwater systems are engineered to manage peak flows and that detention basins are designed to release water in a controlled manner

without compromising flood protection. Senator McCay asked about broader efforts to retain water and whether counties had raised concerns about the proposal. The sponsor explained that stakeholder feedback resulted in language changes that provide additional flexibility and address concerns raised during discussions with affected entities.

Soren Simonsen, representing the Jordan River Commission, expressed concerns about potential water quality impacts, noting that retention basins play a role in capturing debris and pollutants before stormwater enters waterways such as the Jordan River. Senator Brammer asked about existing water quality challenges and the function of retention basins in mitigating those concerns. Mr. Simonsen explained that retention basins can reduce pollutant loading.

The Utah Home Builders Association spoke in support of the Bill. The Utah League of Cities and Towns expressed neutrality. Candice Hasenyager, Director of the Division of Water Quality, spoke in support of the Bill. Senator Escamilla asked about potential impacts to the Jordan River, and Ms. Hasenyager explained that the Bill focuses on stormwater outfalls and allows for stormwater treatment processes in which certain pollutants may settle out before reaching receiving waters.

Yeas: 5

Nays: 0

N/V: 2

Outcome: HB 489 passed out of the Committee with a favorable recommendation.

Bill: 1st substitute HB 575 – Fuel Tax and Supply Amendments

Sponsor: Representative Roberts

Floor Sponsor: Senator Brammer

UASD Position: Track

This Bill reduces the motor fuel tax rate, requires reporting related to refining operations, and enacts provisions related to pipeline permitting.

Discussion: The sponsor explained that the Bill provides a temporary reduction of six cents per gallon in the state motor fuel tax beginning in July. The Bill also makes changes intended to reduce regulatory and permitting barriers related to midstream pipeline development and reflects a policy goal of increasing in-state fuel production through coordination with industry stakeholders.

Senator McCay asked about the provision that results in an increase in the per-gallon rate beginning in January 2027. The sponsor explained that Utah's motor fuel tax rate is tied to rack prices, which are recalculated annually, and projected that the rate would adjust to approximately 34 cents per gallon in January 2027. The sponsor stated that the six-cent reduction is intended as a temporary bridge until a ten percent reduction in the tax rate takes effect the following year under the existing statutory formula.

Senator McCay raised concerns about volatility in the fuel tax rate and the potential reduction in state revenue, estimating a loss of approximately \$40 million. The sponsor responded that fluctuations are inherent in the rack-price-based structure and noted that Utah currently has the highest motor fuel tax rate in the intermountain region. The sponsor characterized the motor fuel tax as regressive and stated that the temporary reduction is intended to provide relief to middle-class residents.

Senator McCay also noted that Utah's higher fuel tax rates are tied to broader shifts toward consumption-based tax policy. The sponsor further explained that Sinclair plans to increase fuel supply to Utah and that other producers are planning increases of approximately 12 percent, describing these efforts as part of a longer-term strategy to expand refinery output and stabilize supply. Senator Brammer spoke in support of the projected 2027 adjustment, stating that it could modestly reduce prices during peak summer demand and contribute to greater price stability at the pump.

Yeas: 1

Nays: 2

N/V: 4

Outcome: 1st substitute 575 failed to pass out of the Committee with a favorable recommendation.
