

**MINUTES OF THE  
HOUSE POLITICAL SUBDIVISIONS  
STANDING COMMITTEE  
Room 450 Utah State Capitol  
2 February 2010**

MEMBERS PRESENT:     Rep. Fred R Hunsaker, Chair  
                          Rep. R. Curt Webb, Vice Chair  
                          Rep. Laura Black  
                          Rep. Rebecca Chavez-Houck  
                          Rep. Jack R. Draxler  
                          Rep. James A. Dunnigan  
                          Rep. Becky Edwards  
                          Rep. Janice M. Fisher  
                          Rep. Richard Greenwood  
                          Rep. Marie H. Poulson

MEMBERS ABSENT:     Rep. Kerry W. Gibson  
                          Rep. Curtis Oda

STAFF PRESENT:       Joseph Wade, Policy Analyst  
                          Becky Lawyer, Committee Secretary

**Note:**    A list of visitors and a copy of handouts are filed with the committee minutes.

Rep. Hunsaker called the meeting to order at 3:38 p.m.

MOTION: Rep. Black moved to approve the minutes from meetings held on Jan. 26, Jan. 28, and Feb. 1, 2010. The motion passed unanimously.

Rep. Hunsaker relinquished the chair to Rep. Webb at 3:41 p.m.

**H.B. 205       Impact Fee Amendments** (*Rep. S. Sandstrom*)

H.B. 205 was not considered.

**1st Sub. H.B. 94       Uniform Fiscal Procedures Act Amendments for Towns, Cities, and Counties Amendments** (*Rep. F. Hunsaker*)

Note: 1st Sub. H.B. 94 was adopted by the committee at its January 28th meeting. The substitute bill was also amended.

Rep. Hunsaker, assisted by Austin Johnson, State Auditor, introduced the bill and explained it to the committee. Questions from the committee were discussed.

MOTION: Rep. Greenwood moved to amend 1st Sub HB 94 as follows:

1. *Page 1, Line 16 through Page 2, Line 26:*

- 16           ▶ requires a town council to give public notice and hold a hearing before amending  
                  a  
17 budget or allocating or transferring funds between {~~an~~} a utility enterprise fund and  
                  another  
18 fund;  
19           ▶ requires the governing body of a city to give public notice and hold a hearing before  
20 allocating or transferring funds between {~~an~~} a utility enterprise fund and another  
                  fund;  
21           ▶ requires the governing body of a county to give public notice and hold a hearing  
22 before amending a budgetary fund or increasing a budget appropriation of any  
23 budgetary fund;  
24           ▶ requires the governing body of a county to give public notice and hold a hearing  
25 before allocating or transferring funds between {~~an~~} a utility enterprise fund and  
                  another fund;  
26 and

2. *Page 3, Lines 72 through 76:*

- 72           (4) (a) [~~If within any enterprise utility fund, allocations or transfers~~] {~~If~~} Except  
                  as provided in Subsection (4)(d), if a town council  
73 includes in a tentative budget, or an amendment to a budget, allocations or transfers from  
                  {~~an~~} a utility  
74 enterprise fund to another fund that are not reasonable allocations of costs between [~~funds are~~  
75 ~~included in a tentative budget,~~] the utility enterprise fund and the other fund, the  
                  governing body  
76 shall:

3. *Page 3, Lines 80 through 87:*

- 80           (iii) subject to Subsection (4)(c), mail the notice to each utility enterprise fund  
                  customer at  
81 least seven days before the day of the hearing.  
82           (b) The purpose portion of the written notice shall identify:  
83           (i) the utility enterprise [~~utility~~] fund from which money is being allocated or

transferred;

84 (ii) the amount being allocated or transferred; and

85 (iii) the fund to which the money is being allocated or transferred.

86 (c) The town council:

87 (i) may print the written notice required under Subsection (4)(a)(ii) on the  
utility enterprise

4. *Page 3, Line 82 through Page 4, Line 88:*

82 (b) The purpose portion of the written notice shall identify:

83 (i) the utility enterprise [~~utility~~] fund from which money is being allocated or  
transferred;

84 (ii) the amount being allocated or transferred; and

85 (iii) the fund to which the money is being allocated or transferred.

86 (c) The town council:

87 (i) may print the written notice required under Subsection (4)(a)(ii) on the  
utility enterprise

88 fund customer's bill; and

5. *Page 4, Lines 89 through 90:*

89 (ii) shall include the written notice required under Subsection (4)(a)(ii) as separate

90 notification mailed or transmitted with the utility enterprise fund customer's bill.

**(d) The notice and hearing requirements in this Subsection (4) are not required  
for an allocation or a transfer included in an original budget or in a subsequent budget  
amendment previously approved by the town council for the current fiscal year.**

6. *Page 6, Lines 168 through 170:*

168 (e)(i) ~~{if}~~ **Except as provided in Subsection (3)(e)(iv), if** the governing body  
includes in a tentative budget or an amendment to a budget

169 allocations or transfers from ~~{an}~~ **a utility** enterprise fund to another fund that are  
not reasonable

170 allocations of costs between [~~funds are included in a tentative budget;~~] the utility  
enterprise fund and

7. *Page 6, Line 175:*

175 (C) subject to Subsection (3)(e)(iii), mail the written notice to each utility enterprise

fund

8. *Page 6, Line 179:*

179 (A) the utility enterprise [~~utility~~] fund from which money is being transferred;

9. *Page 7, Line 183:*

183 (A) may print the written notice required under Subsection (3)(e)(i) on the utility  
enterprise

10. *Page 7, Lines 185 through 186:*

185 (B) shall include the written notice required under Subsection (3)(e)(i) as a separate  
186 notification mailed or transmitted with the utility enterprise fund customer's bill.

**(iv) The notice and hearing requirements in this Subsection (3)(e) are not required for an allocation or a transfer included in an original budget or in a subsequent budget amendment previously approved by the governing body for the current fiscal year.**

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11. *Page 9, Lines 266 through 268:*

266 (e)(i) ~~{ff}~~ **Except as provided in Subsection (3)(e)(iv), if** a governing body  
includes in a tentative budget, or an amendment to a budget,  
267 allocations or transfers between ~~{an}~~ **a utility** enterprise fund and another fund that  
are not reasonable  
268 allocations of costs between [~~funds are included in a tentative budget,~~] the  
utility enterprise fund and

12. *Page 9, Line 273:*

273 (C) subject to Subsection (3)(e)(iii), mail the notice to each utility enterprise fund  
customer at

13. *Page 10, Line 277:*

277 (A) the utility enterprise [~~utility~~] fund from which money is being transferred;

14. *Page 10, Line 281:*

281 (A) may print the written notice required under Subsection (3)(e)(i) on the  
utility enterprise

15. Page 10, Lines 283 through 284:

283 (B) shall include the written notice required under Subsection (3)(e)(i) as a separate  
284 notification mailed or transmitted with the utility enterprise fund customer's bill.

**(iv) The notice and hearing requirements in this Subsection (3)(e) are not required for an allocation or a transfer included in an original budget or in a subsequent budget amendment previously approved by the governing body for the current fiscal year.**

The motion to amend passed unanimously with Rep. Dunnigan absent for the vote.

Derek Monson, representing the Sutherland Institute, spoke for the bill.

Lincoln Shurtz, Utah League of Cities and Towns, spoke for the bill.

Jackie Evans, Taxpayers Association, spoke for the bill.

MOTION: Rep. Greenwood moved to pass 1st Sub H.B. 94 favorably as amended. The motion passed unanimously with Rep. Dunnigan absent for the vote.

MOTION: Rep. Fisher moved to adjourn. The motion passed unanimously with Rep. Dunnigan absent for the vote.

Rep. Webb adjourned the meeting at 3:58 p.m.

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Rep. Fred R Hunsaker, Chair