



FINAL LEGISLATIVE SUMMARY FOR 2025

As of the stroke of midnight on March 7th, the 2025 legislative session is in the books! This year saw a few themes emerge, with energy at the forefront:

- **Oil and Gas:** While there were many bills that have a nexus with our industry and we vigilantly watch for unintended consequences, there were two major bills directly impacting our industry. [SB234](#) will provide significant financial incentives for those producers developing infrastructure and emission reduction projects by allowing those who receive a High Cost Infrastructure Tax Credit to directly deduct this credit against their severance tax liability. [SB 207](#) has also been a major point of discussion, setting out a new “local impact mitigation tax” of \$0.05/bbl on all oil produced and \$0.0025/mcf on all gas produced from 2026-2029. The bill limits use of funds back to specific transportation infrastructure and has reporting obligations for those receiving the funding. Once signed by the Governor, the bill will be effective May 7th and will prohibit counties from imposing similar oil or gas mitigation fees. Both of these bills are worth a close read. [SB 159](#) also requires that Class VII landfills (those that take oil and gas wastes) install impervious liners in new facilities or in all facilities no later than July 1, 2030.
- **Power (or more commonly referred to as “Energy”):** Following the Governor’s announcement of [Operation Gigawatt](#), several bills focused on energy policy, some of the most controversial of which were debated and volleyed until the final days of session. The senate had internally competing views about how to balance the fine line of creating a regulatory structure that supports large loads (whether those be data centers or other large power users) to invest in our infrastructure and connect to the grid while also protecting existing ratepayers from costs that would be socialized from these new large loads, with two bills [SB227](#) and [SB132](#) duking it out until the 5th(!!) substitute of SB132 ultimately prevailed. We fully expect to see this conversation continue over the interim. Other big energy bills included [HB201](#) requiring full cost attribution for supplemental (non-baseload) resources in integrated resource plans and establishing requirements for calculating generation capacity that focus on baseload

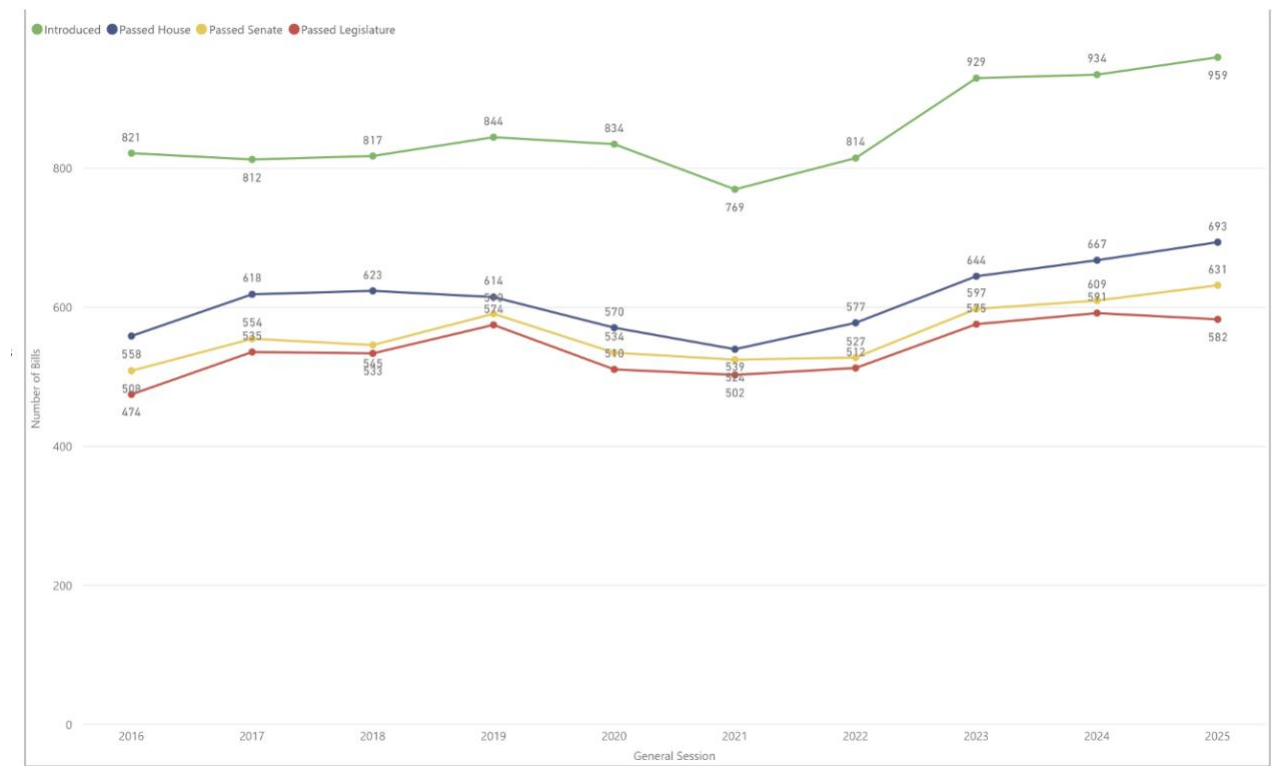
power delivery. [HB249](#) aims to expand nuclear power, creates the Nuclear Energy Consortium and the Utah Energy Council, establishes a process for designating energy development zones, and creates the Energy Development Investment Fund. [HB157](#) instructs the Office of Energy Development to develop and maintain energy education programs and curricula for grades K-12, provide professional development training for educators, develop energy related workforce development programs, and establishes the Energy Education and Workforce Development Advisory Group, which UPA has a seat on. [HB057](#) establishes additional protections for residential solar customers.

- **Federalism:** There were numerous bills crafted to proactively assert the state's rights under federalism. [HB380](#) set the stage by stating the presumption that jurisdiction over subject matters not enumerated to the federal government in the United States Constitution remains with the state and that any presumption against state jurisdiction may be overcome only by federal demonstration of specific constitutional authorization. Other related bills included [HB464](#) establishing the state sovereignty fund, [HB474](#) described by the sponsor as the Utah REINS Act (following the lead from Senator Mike Lee), [HB488](#) bolstering the resources of Utah's federalism commission, [SCR3](#) reaffirming Utah's sovereignty under the principle of federalism and asserting the state's right to determine its own energy policies and [SJR 6](#) noting the significance of the Supreme Court's recent "Loper Bright" decision in helping to preserve federalism, and urging state agencies to review federal regulations in light of the Loper Bright decision.
- **Taxes:** Several bills aimed to continue Utah's multi-year effort to provide tax relief. [SB71](#) will expand eligibility for the Social Security tax credit by increasing the income thresholds from \$75,000 for households to \$90,000, falling short of Governor Cox's plan to totally eliminate tax on social security benefits, while other legislation sought to amend property tax relief programs, including the Circuit Breaker Homeowner Tax Credit and renter relief initiatives. The legislature also moved multiple bills removing or limiting tax incentives for renewable energy. [HB106](#) continued the state's five year march of reducing income taxes, with a rate drop from 4.55% to 4.50% which for an average Utah family is a return of about \$45.
- And as a hodge podge of other general interest items, Utah became the first US state to require app stores to verify user ages, the first state to ban fluoride in public water systems, and will now require voters to use the last four digits of their driver license or state ID for mail-in ballots, as well as requiring voters to opt-in to receiving mail in ballots by 2029. The governor has until March 27th to use his veto authority, but hasn't signaled any clear targets as of this writing.

This year, legislators show a bit more restraint, with "only" 1,377 bill requests, as compared to last year's record-breaking 1,487 bills, but with a record-breaking volume of bills numbered and introduced, 959, as compared to the 934 in the 2024 session. While 2025 saw record highs in

terms of bills introduced and passed through each house, the final days of the session saw significant delays in bills moving through the process, with the Senate and House more at odds with one another than in the recent past. Come the stroke of midnight on Friday March 7th, the legislature passed (only?!) 582 bills.

The Utah Legislature concluded its 2025 General Session with a budget of \$30.8 billion for fiscal year 2026 (compared to a similar \$29.4 billion budget the previous year), more details about what was funded and significant fiscal actions can be found [here](#). From a fiscal perspective, we were told that 2024 was a “socks and underwear Christmas” and 2025 was “re-washing the socks and underwear” (two gems from the Chair of Executive Appropriations!). It was a good year for UPA not to run any appropriation requests. However, though [HB378](#) we were able to secure substantial ongoing funding for the Species Mitigation Account (formerly know as ESMF) to bolster their work preventing listings under the ESA and providing for downlistings and delistings, which can be major roadblocks to a wide variety of infrastructure projects.



Through our cooperation with the Utah Mining Association, UPA held weekly legislative committee meetings where we tracked 159 bills and engaged with bill sponsors on nearly half of those. Of the 27 bills we took a position of support on, 24 passed. Of the 7 bills that we remained opposed to at the end of session, all 7 failed. You may note that we support many more bills than we oppose as we work hard to educate, advocate and cooperatively improve bills with the goal of always trying to address the policy challenge so that we can move a bill from oppose to neutral or support. To that end, we provided language for substitutes or amendments that were incorporated into more than 15 bills.

All things considered, this was another successful legislative session for UPA in progressing our key priorities and fending off what could have been bad policies. The resounding theme of the legislature is the need for more affordable and reliable (and mostly baseload) power, which has been an opportunity to education on the vital role of natural gas in meeting this energy need. The undercurrent of the state's willingness to assert its position under the principals of federalism continues to grow. As you can gather from our bill tracking stats, we haven't covered everything here, so if you have questions on a bill on our tracker, or any bill, don't hesitate to get in touch!

Now looking onward and upward, happy March (happy Women's History Month and St. Patrick's Day!) and most importantly, I hope to reconnect with many of you at our annual meeting at the beautiful Sundance Resort on March 17-18!

-Rikki Hrenko-Browning
March 10, 2025

To view the final bill tracker go [HERE](#).