LOCAL TRANSPORTATION CORRIDOR PRESERVATION FUND AMENDMENTS

2013 GENERAL SESSION

STATE OF UTAH

LONG TITLE

General Description:

This bill modifies the Transportation Code by amending provisions relating to the Local Transportation Corridor Preservation Fund.

Highlighted Provisions:

This bill:

- provides that a county highway authority may use funds in the Local Transportation Corridor Preservation Fund for countywide transportation planning if the county's planning focus area is outside the boundaries of a metropolitan planning organization; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

72-2-117.5, as last amended by Laws of Utah 2011, Chapters 303 and 342

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **72-2-117.5** is amended to read:

72-2-117.5. Definitions -- Local Transportation Corridor Preservation Fund -- Disposition of fund money.

(1) As used in this section:

(a) "Council of governments" means a decision-making body in each county composed of the county governing body and the mayors of each municipality in the county.

32 (b) "Metropolitan planning organization" has the same meaning as defined in Section
33 72-1-208.5.
34 (2) There is created the Local Transportation Corridor Preservation Fund within the
35 Transportation Fund.
36 (3) The fund shall be funded from the following sources:
37 (a) a local option highway construction and transportation corridor preservation fee
38 imposed under Section 41-1a-1222;
39 (b) appropriations made to the fund by the Legislature;
40 (c) contributions from other public and private sources for deposit into the fund;
41 (d) all money collected from rents and sales of real property acquired with fund money;
42 (e) proceeds from general obligation bonds, revenue bonds, or other obligations issued
43 as authorized by Title 63B, Bonds;
44 (f) the portion of the sales and use tax described in Subsection 59-12-2217(2)(b) and
45 required by Subsection 59-12-2217(8)(a) to be deposited into the fund; and
46 (g) sales and use tax revenues deposited into the fund in accordance with Section
47 59-12-2218.
48 (4) (a) The fund shall earn interest.
49 (b) All interest earned on fund money shall be deposited into the fund.
50 (c) The State Tax Commission shall provide the department with sufficient data for the
51 department to allocate the revenues:
52 (i) provided under Subsection (3)(a) to each county imposing a local option highway
53 construction and transportation corridor preservation fee under Section 41-1a-1222;
54 (ii) provided under Subsection 59-12-2217(2)(b) to each county imposing a county
55 option sales and use tax for transportation; and
56 (iii) provided under Subsection (3)(g) to each county of the second class or city or town
57 within a county of the second class that imposes the sales and use tax authorized by Section
58 59-12-2218.
59 (d) (i) The department shall annually allocate the interest earned on fund money to each
60 county based on the proportionate amount of interest earned on each county's allocation of
61 funds under Subsection (4)(c) on an average monthly balance basis.
62 (ii) The initial annual allocation of fund interest shall include all interest earned on

63 fund money since the creation of the fund.
64 (e) The money allocated under Subsection (4)(c):
65 (i) shall be used for the purposes provided in this section for each county, city, or town;
66 and
67 (ii) are allocated to each county, city or town as provided in this section:
68 (A) with the condition that the state will not be charged for any asset purchased with
69 the money allocated under Subsections (4)(c) and (d); and
70 (B) are considered a local matching contribution for the purposes described under
71 Section 72-2-123 if used on a state highway.
72 (f) Administrative costs of the department to implement this section shall be paid from
73 the fund.
74 (5) (a) The department shall authorize the expenditure of fund money to allow a
75 highway authority to acquire real property or any interests in real property for state, county, and
76 municipal highway corridors subject to:
77 (i) money available in the fund to each county under Subsections (4)(c) and (d); and
78 (ii) the provisions of this section.
79 (b) Fund money may be used to pay interest on debts incurred in accordance with this
80 section.
81 (c) (i) (A) Fund money may be used to pay maintenance costs of properties acquired
82 under this section but limited to a total of 5% of the purchase price of the property.
83 (B) Any additional maintenance cost shall be paid from funds other than under this
84 section.
85 (C) Revenue generated by any property acquired under this section is excluded from
86 the limitations under this Subsection (5)(c)(i).
87 (ii) Fund money may be used to pay direct costs of acquisition of properties acquired
88 under this section.
89 (d) Fund money allocated under Subsections (4)(c) and (d) may be used by a county
90 highway authority for countywide transportation planning if:
91 (i) the [~~county is not included in~~] county's planning focus area is outside the boundaries
92 of a metropolitan planning organization;
93 (ii) the transportation planning is part of the county's continuing, cooperative, and

94 comprehensive process for transportation planning, corridor preservation, right-of-way
95 acquisition, and project programming;
96 (iii) no more than four years allocation every 20 years to each county is used for
97 transportation planning under this Subsection (5)(d); and
98 (iv) the county otherwise qualifies to use the fund money as provided under this
99 section.
100 (e) (i) Subject to Subsection (11), fund money allocated under Subsections (4)(c) and
101 (d) may be used by a county highway authority for transportation corridor planning that is part
102 of the corridor elements of an ongoing work program of transportation projects.
103 (ii) The transportation corridor planning under Subsection (5)(e)(i) shall be under the
104 direction of:
105 (A) the metropolitan planning organization if the county is within the boundaries of a
106 metropolitan planning organization; or
107 (B) the department if the county is not within the boundaries of a metropolitan
108 planning organization.
109 (6) (a) (i) The Local Transportation Corridor Preservation Fund shall be used to
110 preserve highway corridors, promote long-term statewide transportation planning, save on
111 acquisition costs, and promote the best interests of the state in a manner which minimizes
112 impact on prime agricultural land.
113 (ii) The Local Transportation Corridor Preservation Fund shall only be used to preserve
114 a highway corridor that is right-of-way:
115 (A) in a county of the first or second class for a:
116 (I) state highway;
117 (II) a principal arterial highway as defined in Section 72-4-102.5;
118 (III) a minor arterial highway as defined in Section 72-4-102.5; or
119 (IV) a collector highway in an urban area as defined in Section 72-4-102.5; or
120 (B) in a county of the third, fourth, fifth, or sixth class for a:
121 (I) state highway;
122 (II) a principal arterial highway as defined in Section 72-4-102.5;
123 (III) a minor arterial highway as defined in Section 72-4-102.5;
124 (IV) a major collector highway as defined in Section 72-4-102.5; or

125 (V) a minor collector road as defined in Section 72-4-102.5.
126 (iii) The Local Transportation Corridor Preservation Fund may not be used for a
127 highway corridor that is primarily a recreational trail as defined under Section 79-5-102.
128 (b) (i) The department shall develop and implement a program to educate highway
129 authorities on the objectives, application process, use, and responsibilities of the Local
130 Transportation Corridor Preservation Fund as provided under this section to promote the most
131 efficient and effective use of fund money including priority use on designated high priority
132 corridor preservation projects.
133 (ii) The department shall develop a model transportation corridor property acquisition
134 policy or ordinance that meets federal requirements for the benefit of a highway authority to
135 acquire real property or any interests in real property under this section.
136 (c) The department shall authorize the expenditure of fund money after determining
137 that the expenditure is being made in accordance with this section from applications that are:
138 (i) made by a highway authority;
139 (ii) endorsed by the council of governments; and
140 (iii) for a right-of-way purchase for a highway authorized under Subsection (6)(a)(ii).
141 (7) (a) (i) A council of governments shall establish a council of governments
142 endorsement process which includes prioritization and application procedures for use of the
143 money allocated to each county under this section.
144 (ii) The endorsement process under Subsection (7)(a)(i) may include review or
145 endorsement of the preservation project by the:
146 (A) metropolitan planning organization if the county is within the boundaries of a
147 metropolitan planning organization; or
148 (B) the department if the county is not within the boundaries of a metropolitan
149 planning organization.
150 (b) All fund money shall be prioritized by each highway authority and council of
151 governments based on considerations, including:
152 (i) areas with rapidly expanding population;
153 (ii) the willingness of local governments to complete studies and impact statements
154 that meet department standards;
155 (iii) the preservation of corridors by the use of local planning and zoning processes;

156 (iv) the availability of other public and private matching funds for a project;
157 (v) the cost-effectiveness of the preservation projects;
158 (vi) long and short-term maintenance costs for property acquired; and
159 (vii) whether the transportation corridor is included as part of:
160 (A) the county and municipal master plan; and
161 (B) (I) the statewide long range plan; or
162 (II) the regional transportation plan of the area metropolitan planning organization if
163 one exists for the area.
164 (c) The council of governments shall:
165 (i) establish a priority list of highway corridor preservation projects within the county;
166 (ii) submit the list described in Subsection (7)(c)(i) to the county's legislative body for
167 approval; and
168 (iii) obtain approval of the list described in Subsection (7)(c)(i) from a majority of the
169 members of the county legislative body.
170 (d) A county's council of governments may only submit one priority list described in
171 Subsection (7)(c)(i) per calendar year.
172 (e) A county legislative body may only consider and approve one priority list described
173 in Subsection (7)(c)(i) per calendar year.
174 (8) (a) Unless otherwise provided by written agreement with another highway
175 authority, the highway authority that holds the deed to the property is responsible for
176 maintenance of the property.
177 (b) The transfer of ownership for property acquired under this section from one
178 highway authority to another shall include a recorded deed for the property and a written
179 agreement between the highway authorities.
180 (9) (a) The proceeds from any bonds or other obligations secured by revenues of the
181 Local Transportation Corridor Preservation Fund shall be used for the purposes authorized for
182 funds under this section.
183 (b) The highway authority shall pledge the necessary part of the revenues of the Local
184 Transportation Corridor Preservation Fund to the payment of principal and interest on the
185 bonds or other obligations.
186 (10) (a) A highway authority may not apply for money under this section to purchase a

187 right-of-way for a state highway unless the highway authority has:
188 (i) a transportation corridor property acquisition policy or ordinance in effect that
189 meets federal requirements for the acquisition of real property or any interests in real property
190 under this section; and
191 (ii) an access management policy or ordinance in effect that meets the requirements
192 under Subsection 72-2-117(8).
193 (b) The provisions of Subsection (10)(a)(i) do not apply if the highway authority has a
194 written agreement with the department for the acquisition of real property or any interests in
195 real property under this section.
196 (11) (a) The department shall, in expending or authorizing the expenditure of fund
197 money, ensure to the extent possible that the fund money allocated to a city or town in
198 accordance with Subsection (4) is expended:
199 (i) to fund a project or service as allowed by this section within the city or town to
200 which the fund money is allocated;
201 (ii) to pay debt service, principal, or interest on a bond or other obligation as allowed
202 by this section if that bond or other obligation is:
203 (A) secured by money allocated to the city or town; and
204 (B) issued to finance a project or service as allowed by this section within the city or
205 town to which the fund money is allocated;
206 (iii) to fund transportation planning as allowed by this section within the city or town
207 to which the fund money is allocated; or
208 (iv) for another purpose allowed by this section within the city or town to which the
209 fund money is allocated.
210 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
211 department may make rules to implement the requirements of Subsection (11)(a).