

Representative Wayne A. Harper proposes the following substitute bill:

TRANSPORTATION FUNDING REVISIONS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

Senate Sponsor: Michael G. Waddoups

LONG TITLE

General Description:

This bill modifies provisions relating to the use of monies in the County of the First Class State Highway Projects Fund.

Highlighted Provisions:

This bill:

- ▶ provides that \$30,000,000 of certain bond proceeds previously authorized shall be used to pay for or to provide funds to a municipality or county to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to certain highways within Salt Lake County;

- ▶ requires that, for the fiscal year 2008-2009 only, the Executive Director of the Department of Transportation shall use monies in the County of the First Class State Highway Projects Fund to pay for or to provide a municipality or county funds to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to certain highways within Salt Lake County; and

- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:



26 This bill takes effect on July 1, 2008.

27 **Utah Code Sections Affected:**

28 AMENDS:

29 **63B-16-102**, as enacted by Laws of Utah 2007, Chapter 201

30 **72-2-121**, as last amended by Laws of Utah 2007, Chapter 201



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

32 Section 1. Section **63B-16-102** is amended to read:

33 **63B-16-102. Highway bonds -- Maximum amount -- Projects authorized.**

34 (1) (a) The total amount of bonds issued under this section may not exceed
35 \$100,000,000.

36 (b) When the Department of Transportation certifies to the commission the amount of
37 bond proceeds that it needs to provide funding for the highway construction project described
38 in Subsection (2) for the next fiscal year, the commission may issue and sell general obligation
39 bonds in an amount equal to the certified amount plus costs of issuance.

40 (2) (a) As used in this Subsection (2), "Mountain View Corridor" means the land area
41 of Salt Lake County running from Interstate 80 south between SR-154 and SR-111 to 12600
42 South and then south and southeasterly to the northern portion of Utah County west of SR-15.

43 (b) [~~Proceeds~~] Except as provided in Subsection (3), proceeds from the issuance of
44 bonds shall be provided to the Department of Transportation to pay for the costs of acquiring
45 rights-of-way and constructing a highway construction project within the Mountain View
46 Corridor.

47 (c) The Department of Transportation shall use bond proceeds to pay for the portion of
48 the highway construction project described in Subsection (2) that is located in Salt Lake
49 County.

50 (d) The costs under this Subsection (2) may include the cost of acquiring land, interests
51 in land, easements and rights-of-way, improving sites, and making all improvements necessary,
52 incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the
53 period to be covered by construction of the projects plus a period of six months after the end of
54 the construction period, interest estimated to accrue on any bond anticipation notes issued
55 under the authority of this title, and all related engineering, architectural, and legal fees.
56

57 (3) (a) \$30,000,000 of the bond proceeds issued under this section shall be provided to
 58 the Department of Transportation and funds under Subsection 72-2-121(4)(c) shall be used by
 59 the Department of Transportation to pay for or to provide funds to a municipality or county to
 60 pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or
 61 improvements to highways described in Subsection (3)(b).

62 (b) Bond proceeds described under Subsection (3)(a) and funds under Subsection
 63 72-2-121(4)(c) shall be used to pay the amounts described in this Subsection (3)(b) for the
 64 following highways in Salt Lake County:

65 (i) \$6,500,000 to Taylorsville City for 6200 South and Redwood Road intersection,
 66 interchange, and highway improvements;

67 (ii) \$3,000,000 to West Valley City for 7200 West;

68 (iii) \$4,000,000 to West Jordan City for 7800 South and Airport Road intersection and
 69 highway improvements;

70 (iv) \$6,500,000 to Sandy City for 1300 East, 9000 South to 11400 South, and State
 71 Street to Interstate 15;

72 (v) \$1,500,000 to Riverton City for right-of-way acquisition between Mountain View
 73 Corridor and Bangerter Highway north of 13400 South;

74 (vi) \$3,500,000 for highway and bridge construction and reconstruction on 14600
 75 South;

76 (vii) \$11,000,000 to Draper City for the costs of highway improvements in the Salt
 77 Lake County portion of Draper City;

78 (viii) \$1,000,000 to Murray City for highway and intersection improvements for 6400
 79 South and Cottonwood Street; and

80 (ix) \$1,000,000 to Cottonwood Heights for Fort Union Boulevard between 1300 East
 81 and Highland Drive.

82 ~~[(3)]~~ (4) The commission or the state treasurer may make any statement of intent
 83 relating to a reimbursement that is necessary or desirable to comply with federal tax law.

84 ~~[(4)]~~ (5) The Department of Transportation may enter into agreements related to the
 85 project before the receipt of proceeds of bonds issued under this chapter.

86 Section 2. Section **72-2-121** is amended to read:

87 **72-2-121. County of the First Class State Highway Projects Fund.**

88 (1) There is created a special revenue fund entitled the County of the First Class State
89 Highway Projects Fund.

90 (2) The fund consists of monies generated from the following revenue sources:

91 (a) any voluntary contributions received for new construction, major renovations, and
92 improvements to state highways within a county of the first class;

93 (b) the portion of the sales and use tax described in Subsection 59-12-502(5)(a)[(ii)]
94 deposited in or transferred to the fund;

95 (c) the portion of the sales and use tax described in Subsection 59-12-1703(4)(a)(ii)
96 and required by Subsection 59-12-1703(7)(b)(ii) to be deposited in or transferred to the fund;
97 and

98 (d) a portion of the local option transportation corridor preservation fee imposed in a
99 county of the first class under Section 41-1a-1222 deposited in or transferred to the fund.

100 (3) (a) The fund shall earn interest.

101 (b) All interest earned on fund monies shall be deposited into the fund.

102 (4) The executive director [~~may~~] shall use fund monies only:

103 (a) to pay debt service and bond issuance costs for bonds issued under Section
104 63B-16-102; [~~and~~]

105 (b) for right-of-way acquisition, new construction, major renovations, and
106 improvements to state highways within a county of the first class and to pay any debt service
107 and bond issuance costs related to those projects[-]; and

108 (c) for fiscal year 2008-09 only, to pay for or to provide funds to a municipality or
109 county to pay for right-of-way acquisition, construction, reconstruction, renovations, and
110 improvements to highways described in Subsection 63B-16-102(3).

111 (5) The revenues described in Subsections (2)(b), (c), and (d) that are deposited in the
112 fund and bond proceeds from bonds issued under Section 63B-16-102 are considered a local
113 matching contribution for the purposes described under Section 72-2-123.

114 (6) The additional administrative costs of the department to administer this fund shall
115 be paid from the monies in the fund.

116 Section 3. **Effective date.**

117 This bill takes effect on July 1, 2008.

H.B. 242 1st Sub. (Buff) - Transportation Funding Revisions

**Revised
Fiscal Note**

2008 General Session
State of Utah

State Impact

This bill redirects the \$30,000,000 remaining bonding authority from Mountain View Corridor right of way purchases to various local government transportation projects. The bill further directs approximately \$8,000,000 in FY 09 of revenues collected from sales taxes to be used for right of way acquisition, construction, reconstruction, renovations, and improvements to various local government projects. Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses. Local governments will receive \$30,000,000 of bond proceeds and \$8,000,000 of sales taxes for local highway projects.
