

TRANSPORTATION AMENDMENTS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

Senate Sponsor: Sheldon L. Killpack

LONG TITLE

General Description:

This bill modifies general obligation bond provisions and the Transportation Code by amending provisions relating to transportation funding.

Highlighted Provisions:

This bill:

▶ provides that a portion of certain general obligation bond proceeds previously authorized that were allocated for certain transportation projects:

- to Cottonwood Heights shall be provided to Murray City for improvements between Cottonwood Street and 4500 South; and

- for highway bridge construction and reconstruction on 14600 South shall be used for highway, access, and other improvements for the new commuter rail station at the south end of Salt Lake County;

▶ provides that the executive director shall use at least a certain portion of the fund monies in the County of the First Class State Highway Projects Fund to pay for:

- east-west transportation route improvements in a county of the first class; and
- state highway capacity improvement and congestion mitigation projects in a county of the first class; and

▶ makes technical changes.

Monies Appropriated in this Bill:

None



28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **63B-16-102**, as last amended by Laws of Utah 2008, Second Special Session, Chapter 4

33 **72-2-121**, as last amended by Laws of Utah 2008, Chapters 286 and 337



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

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

37 **63B-16-102. Highway bonds -- Maximum amount -- Projects authorized.**

38 (1) (a) The total amount of bonds issued under this section may not exceed
39 \$100,000,000.

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

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

47 (b) Except as provided in Subsection (3), proceeds from the issuance of bonds shall be
48 provided to the Department of Transportation to pay for the costs of acquiring rights-of-way
49 and constructing a highway construction project within the Mountain View Corridor.

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

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

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

64 (b) Bond proceeds described under Subsection (3)(a) and funds under Subsection
65 72-2-121(4)(c) shall be used to pay the amounts described in this Subsection (3)(b) for the
66 following highways in Salt Lake County:

67 (i) \$6,500,000 to Taylorsville City for:

68 (A) 6200 South and Redwood Road intersection, interchange, and highway
69 improvements; and

70 (B) an environmental study and preliminary engineering at 5400 South and Interstate
71 215;

72 (ii) \$2,000,000 to West Valley City for 7200 West;

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

75 (iv) \$6,250,000 to Sandy City for 1300 East, 9000 South to 11400 South, and State
76 Street to Interstate 15;

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

79 (vi) \$3,500,000 for highway ~~[and bridge construction and reconstruction on 14600~~
80 ~~South], access, and other improvements for the new commuter rail station in the south end of~~
81 Salt Lake County;

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

84 (viii) \$1,000,000 to Murray City for highway improvements for Cottonwood Street;

85 (ix) \$1,000,000 to ~~[Cottonwood Heights for Fort Union Boulevard between 1300 East~~
86 ~~and Highland Drive]~~ Murray City for improvements between Cottonwood Street and 4500
87 South;

88 (x) \$1,000,000 to Midvale City for State Street between 7200 South and 9000 South;

89 and

90 (xi) \$250,000 to Salt Lake County for 2300 East.

91 (c) Prior to a municipality or county receiving funds described in this Subsection (3),
92 the municipality or county shall sign and file a written certification with the department
93 certifying that it will use the funds provided under this Subsection (3) solely for the projects
94 described in Subsection (3)(b).

95 (4) The commission or the state treasurer may make any statement of intent relating to
96 a reimbursement that is necessary or desirable to comply with federal tax law.

97 (5) The Department of Transportation may enter into agreements related to the project
98 before the receipt of proceeds of bonds issued under this chapter.

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

100 **72-2-121. County of the First Class State Highway Projects Fund.**

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

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

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

106 (b) the portion of the sales and use tax described in Subsection 59-12-502(5)(a)
107 deposited in or transferred to the fund;

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

111 (d) a portion of the local option highway construction and transportation corridor
112 preservation fee imposed in a county of the first class under Section 41-1a-1222 deposited in or
113 transferred to the fund.

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

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

116 (4) The executive director shall use fund monies only:

117 (a) to pay debt service and bond issuance costs for bonds issued under Section
118 63B-16-102;

119 (b) for right-of-way acquisition, new construction, major renovations, and
120 improvements to state highways within a county of the first class and to pay any debt service

121 and bond issuance costs related to those projects; and

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

125 (5) (a) For fiscal years beginning with fiscal year 2009-10 and ending with fiscal year
126 2011-12, the executive director shall use at least 20% of fund monies available that are not
127 required to pay principal, interest, and issuance costs of bonds issued under Section
128 63B-16-102 to pay for:

129 (i) east-west transportation route improvements in a county of the first class; and

130 (ii) state highway capacity improvement and congestion mitigation projects in a county
131 of the first class.

132 (b) For a fiscal year beginning on or after July 1, 2012, the executive director shall use
133 at least 20% of fund monies to pay for:

134 (i) east-west transportation route improvements in a county of the first class; and

135 (ii) state highway capacity improvement and congestion mitigation projects in a county
136 of the first class.

137 [~~5~~] (6) The revenues described in Subsections (2)(b), (c), and (d) that are deposited in
138 the fund and bond proceeds from bonds issued under Section 63B-16-102 are considered a
139 local matching contribution for the purposes described under Section 72-2-123.

140 [~~6~~] (7) The additional administrative costs of the department to administer this fund
141 shall be paid from the monies in the fund.

Legislative Review Note
as of 2-26-09 5:17 PM

Office of Legislative Research and General Counsel

H.B. 185 - Transportation Amendments

Fiscal Note

2009 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill will redirect certain transportation funds which may benefit certain individuals, businesses, or local governments in a county of the first class.
