

**DISPOSITION OF REGISTRATION FEE**

**REVENUES**

2009 FIRST SPECIAL SESSION

STATE OF UTAH

**Chief Sponsor: Sheldon L. Killpack**

House Sponsor: Kevin S. Garn

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**LONG TITLE**

**General Description:**

This bill modifies the Motor Vehicle Act and the Transportation Code by amending provisions relating to the disposition of certain motor vehicle registration fee revenue.

**Highlighted Provisions:**

This bill:

- ▶ provides that a portion of certain registration fees shall be deposited in the Transportation Investment Fund of 2005; and
- ▶ makes technical changes.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill takes effect on July 1, 2009.

**Utah Code Sections Affected:**

AMENDS:

**41-1a-1201 (Effective 07/01/09)**, as last amended by Laws of Utah 2009, Chapter 241

**72-2-124 (Effective 07/01/09)**, as last amended by Laws of Utah 2009, Chapter 241

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

Section 1. Section **41-1a-1201 (Effective 07/01/09)** is amended to read:



28 **41-1a-1201 (Effective 07/01/09). Disposition of fees.**

29 (1) All fees received and collected under this part shall be transmitted daily to the state  
30 treasurer.

31 (2) Except as provided in Subsections (3), (4), (6), and (7) and Sections 41-1a-422,  
32 41-1a-1220, and 41-1a-1221, all fees collected under this part shall be deposited in the  
33 Transportation Fund.

34 (3) (a) Funds generated under Subsections 41-1a-1211(1)(b)(i), (6)(b)(i), and (7) and  
35 Section 41-1a-1212 may be used by the commission as a dedicated credit to cover the costs  
36 incurred in issuing license plates under Part 4, License Plates and Registration Indicia.

37 (b) Fees for statehood centennial license plates shall be collected and deposited in the  
38 Transportation Fund, less production and administrative costs incurred by the commission.

39 (4) All funds available to the commission for purchase and distribution of license  
40 plates and decals are nonlapsing.

41 (5) Except as provided in Subsection (3) and Section 41-1a-1205, the expenses of the  
42 commission in enforcing and administering this part shall be provided for by legislative  
43 appropriation from the revenues of the Transportation Fund.

44 (6) (a) Except as provided in Subsection (6)(b), the following portions of the  
45 registration fees imposed under Section 41-1a-1206 for each vehicle shall be deposited in the  
46 Centennial Highway Fund Restricted Account created under Section 72-2-118:

47 (i) \$10 of the registration fees imposed under Subsections 41-1a-1206(1)(a), (1)(b), (2),  
48 and (5);

49 (ii) \$1 of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i),  
50 (1)(c)(ii), and (1)(d)(ii);

51 (iii) \$2 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii);

52 (iv) \$3 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i); and

53 (v) \$4.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(i).

54 (b) When the highway general obligation bonds have been paid off and the highway  
55 projects completed that are intended to be paid from revenues deposited in the Centennial  
56 Highway Fund Restricted Account as determined by the Executive Appropriations Committee  
57 under Subsection 72-2-118(6)(d), the portions of the registration fees deposited under  
58 Subsection (6)(a) for each vehicle shall be deposited in the Transportation Investment Fund of

59 2005 created by Section 72-2-124.

60 (7) The following portions of the registration fees imposed under Section 41-1a-1206  
61 for each vehicle shall be deposited in the Transportation Investment Fund of 2005 created by  
62 Section 72-2-124:

63 [~~(7)~~] (a) [~~Twenty dollars~~] \$20 of each registration fee collected under Subsections  
64 41-1a-1206 (1)(a), (1)(b), (1)(c), (1)(d)(i), (1)(e)(i), (2)(a), and (5) [~~shall be deposited in the~~  
65 ~~Transportation Investment Fund of 2005 created by Section 72-2-124.~~]; and

66 (b) 50 cents of each registration fee collected under Subsection 41-1a-1206(1)(e)(ii).

67 Section 2. Section **72-2-124 (Effective 07/01/09)** is amended to read:

68 **72-2-124 (Effective 07/01/09). Transportation Investment Fund of 2005.**

69 (1) There is created a special revenue fund entitled the Transportation Investment Fund  
70 of 2005.

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

72 (a) any voluntary contributions received for the maintenance, construction,  
73 reconstruction, or renovation of state and federal highways;

74 (b) appropriations made to the fund by the Legislature; [~~and~~]

75 (c) the sales and use tax revenues deposited into the fund in accordance with Section  
76 59-12-103[~~-~~]; and

77 (d) registration fees designated under Subsection 41-1a-1201(7).

78 (3) When the highway general obligation bonds have been paid off and the highway  
79 projects completed that are intended to be paid from revenues deposited in the Centennial  
80 Highway Fund Restricted Account as determined by the Executive Appropriations Committee  
81 under Subsection 72-2-118(6)(d), the fund shall also consist of monies generated from the  
82 following sources:

83 (a) registration fees designated under Subsection 41-1a-1201(6)(a); and

84 (b) the sales and use tax amounts provided for in Section 59-12-103.

85 (4) (a) The fund shall earn interest.

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

87 (5) (a) Except as provided in Subsection (5)(b), the executive director may use fund  
88 monies only to pay:

89 (i) the costs of maintenance, construction, reconstruction, or renovation to state and

90 federal highways prioritized by the Transportation Commission through the prioritization  
91 process for new transportation capacity projects adopted under Section 72-1-304;  
92 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway  
93 projects described in Subsection 63B-18-401(2); and  
94 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401.  
95 (b) The executive director may use fund monies to exchange for an equal or greater  
96 amount of federal transportation funds to be used as provided in Subsection (5)(a).  
97 (6) (a) Before bonds authorized by Section 63B-18-401 may be issued in any fiscal  
98 year, the department and the commission shall appear before the Executive Appropriations  
99 Committee of the Legislature and present the amount of bond proceeds that the department  
100 needs to provide funding for the projects identified in Subsection 63B-18-401(2) for the next  
101 fiscal year.  
102 (b) The Executive Appropriations Committee of the Legislature shall review and  
103 comment on the amount of bond proceeds needed to fund the projects.  
104 (7) The Division of Finance shall, from monies deposited into the fund, transfer the  
105 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by  
106 Section 63B-18-401 in the current fiscal year to the appropriate debt service or sinking fund.  
107 Section 3. **Effective date.**  
108 This bill takes effect on July 1, 2009.

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**Legislative Review Note**  
**as of 5-15-09 11:28 AM**

**Office of Legislative Research and General Counsel**

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**S.B. 1003 - Disposition of Registration Fee Revenues**

**Fiscal Note**

2009 General Session  
State of Utah

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**State Impact**

Enactment of this bill enables the tiered commercial motor vehicle fee increase of \$0.50 to flow to the Transportation Investment Fund of 2005 instead of to the Transportation Fund. The expected revenue from this registration fee is \$602,700 in FY 2010 and \$602,700 in FY 2011.

	<u>2009</u> <u>Approp.</u>	<u>2010</u> <u>Approp.</u>	<u>2011</u> <u>Approp.</u>	<u>2009</u> <u>Revenue</u>	<u>2010</u> <u>Revenue</u>	<u>2011</u> <u>Revenue</u>
Transportation Fund	\$0	\$0	\$0	\$0	(\$602,700)	(\$602,700)
Transportation Fund Restricted	\$0	\$0	\$0	\$0	\$602,700	\$602,700
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.