

**TRANSPORTATION CORRIDOR PRESERVATION
REVOLVING LOAN FUND AMENDMENTS**

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Peter C. Knudson

House Sponsor: R. Curt Webb

LONG TITLE

Committee Note:

The Transportation Interim Committee recommended this bill.

General Description:

This bill amends provisions relating to the Transportation Corridor Preservation Revolving Loan Fund.

Highlighted Provisions:

This bill:

- ▶ renames the Transportation Corridor Preservation Revolving Loan Fund as the Marda Dillree Corridor Preservation Fund; and
- ▶ makes conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-12-1201, as last amended by Laws of Utah 2011, Chapter 309

63B-7-503, as last amended by Laws of Utah 2008, Chapter 382

72-2-117, as last amended by Laws of Utah 2011, Chapters 303 and 342



28 72-5-111, as last amended by Laws of Utah 2008, Chapter 3

29 72-5-403, as last amended by Laws of Utah 2008, Chapter 279



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

32 Section 1. Section 59-12-1201 is amended to read:

33 **59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration,**
34 **collection, and enforcement of tax -- Administrative charge -- Deposits.**

35 (1) (a) Except as provided in Subsection (3), there is imposed a tax of 2.5% on all
36 short-term leases and rentals of motor vehicles not exceeding 30 days.

37 (b) The tax imposed in this section is in addition to all other state, county, or municipal
38 fees and taxes imposed on rentals of motor vehicles.

39 (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax
40 imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

41 (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall
42 take effect on the first day of the first billing period:

43 (A) that begins after the effective date of the tax rate increase; and

44 (B) if the billing period for the transaction begins before the effective date of a tax rate
45 increase imposed under Subsection (1).

46 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax
47 rate decrease shall take effect on the first day of the last billing period:

48 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;
49 and

50 (B) if the billing period for the transaction begins before the effective date of the repeal
51 of the tax or the tax rate decrease imposed under Subsection (1).

52 (3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

53 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

54 (b) the motor vehicle is rented as a personal household goods moving van; or

55 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily
56 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an
57 insurance agreement.

58 (4) (a) (i) The tax authorized under this section shall be administered, collected, and

59 enforced in accordance with:

60 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,
61 Tax Collection; and

62 (B) Chapter 1, General Taxation Policies.

63 (ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to
64 Subsections 59-12-103(4) through (12) or Section 59-12-107.1 or 59-12-123.

65 (b) The commission shall retain and deposit an administrative charge in accordance
66 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

67 (c) Except as provided under Subsection (4)(b), all revenue received by the
68 commission under this section shall be deposited daily with the state treasurer and credited
69 monthly to the [~~Transportation~~] Marda Dillree Corridor Preservation [~~Revolving Loan~~] Fund
70 under Section 72-2-117.

71 Section 2. Section **63B-7-503** is amended to read:

72 **63B-7-503. Highway revenue bond authorization.**

73 It is the intent of the Legislature that:

74 (1) the State Building Ownership Authority, under the authority of Title 63B, Chapter
75 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations to provide
76 up to \$10,000,000 for the acquisition of real property or any interests in real property for state,
77 county, or municipal transportation corridors as provided in Section 72-2-117; and

78 (2) revenues of the [~~Transportation~~] Marda Dillree Corridor Preservation [~~Revolving~~
79 ~~Loan~~] Fund be used as the primary revenue source for the repayment of any obligation created
80 under authority of this section.

81 Section 3. Section **72-2-117** is amended to read:

82 **72-2-117. Marda Dillree Corridor Preservation Fund -- Distribution --**

83 **Repayment -- Rulemaking.**

84 (1) There is created the [~~Transportation~~] Marda Dillree Corridor Preservation
85 [~~Revolving Loan~~] Fund within the Transportation Fund.

86 (2) The fund shall be funded from the following sources:

87 (a) motor vehicle rental tax imposed under Section 59-12-1201;

88 (b) appropriations made to the fund by the Legislature;

89 (c) contributions from other public and private sources for deposit into the fund;

- 90 (d) interest earnings on cash balances;
- 91 (e) all money collected for repayments and interest on fund money;
- 92 (f) all money collected from rents and sales of real property acquired with fund money;

93 and

- 94 (g) proceeds from general obligation bonds, revenue bonds, or other obligations as
- 95 authorized by Title 63B, Bonds.

96 (3) (a) The commission shall authorize the expenditure of fund money to allow the

97 department to acquire real property or any interests in real property for state, county, and

98 municipal transportation corridors subject to:

- 99 (i) money available in the fund;
- 100 (ii) rules made under Subsection (6); and
- 101 (iii) Subsection (8).

102 (b) Fund money may be used to pay interest on debts incurred in accordance with this

103 section.

104 (4) Administrative costs for transportation corridor preservation shall be paid from the

105 fund.

106 (5) The department:

107 (a) may apply to the commission under this section for money from the

108 [~~Transportation~~] Marda Dillree Corridor Preservation [~~Revolving Loan~~] Fund for a specified

109 transportation corridor project, including for county and municipal projects; and

110 (b) shall repay the fund money authorized for the project to the fund as required under

111 Subsection (6).

112 (6) The commission shall:

113 (a) administer the [~~Transportation~~] Marda Dillree Corridor Preservation [~~Revolving~~

114 ~~Loan~~] Fund to:

- 115 (i) preserve transportation corridors;
- 116 (ii) promote long-term statewide transportation planning;
- 117 (iii) save on acquisition costs; and
- 118 (iv) promote the best interests of the state in a manner which minimizes impact on
- 119 prime agricultural land;

120 (b) prioritize fund money based on considerations, including:

- 121 (i) areas with rapidly expanding population;
- 122 (ii) the willingness of local governments to complete studies and impact statements
123 that meet department standards;
- 124 (iii) the preservation of corridors by the use of local planning and zoning processes;
- 125 (iv) the availability of other public and private matching funds for a project; and
- 126 (v) the cost-effectiveness of the preservation projects;
- 127 (c) designate high priority corridor preservation projects in cooperation with a
128 metropolitan planning organization;
- 129 (d) administer the program for the purposes provided in this section;
- 130 (e) prioritize fund money in accordance with this section; and
- 131 (f) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
132 Rulemaking Act, establishing:
- 133 (i) the procedures for the awarding of fund money;
- 134 (ii) the procedures for the department to apply for transportation corridor preservation
135 money for projects; and
- 136 (iii) repayment conditions of the money to the fund from the specified project funds.
- 137 (7) (a) The proceeds from any bonds or other obligations secured by revenues of the
138 [~~Transportation~~] Marda Dillree Corridor Preservation [~~Revolving Loan~~] Fund shall be used for:
- 139 (i) the acquisition of real property in hardship cases; and
- 140 (ii) any of the purposes authorized for funds in the [~~Transportation~~] Marda Dillree
141 Corridor Preservation [~~Revolving Loan~~] Fund under this section.
- 142 (b) The commission shall pledge the necessary part of the revenues of the
143 [~~Transportation~~] Marda Dillree Corridor Preservation [~~Revolving Loan~~] Fund to the payment
144 of principal of and interest on the bonds or other obligations.
- 145 (8) (a) The department may not apply for money under this section unless the highway
146 authority has an access management policy or ordinance in effect that meets the requirements
147 under Subsection (8)(b).
- 148 (b) The access management policy or ordinance shall:
- 149 (i) be for the purpose of balancing the need for reasonable access to land uses with the
150 need to preserve the smooth flow of traffic on the highway system in terms of safety, capacity,
151 and speed; and

- 152 (ii) include provisions:
- 153 (A) limiting the number of conflict points at driveway locations;
- 154 (B) separating conflict areas;
- 155 (C) reducing the interference of through traffic;
- 156 (D) spacing at-grade signalized intersections; and
- 157 (E) providing for adequate on-site circulation and storage.

158 (c) The department shall develop a model access management policy or ordinance that
159 meets the requirements of this Subsection (8) for the benefit of a county or municipality under
160 this section.

161 (9) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
162 the commission shall make rules establishing a corridor preservation advisory council.

163 (b) The corridor preservation advisory council shall:

164 (i) assist with and help coordinate the corridor preservation efforts of the department
165 and local governments;

166 (ii) provide recommendations and priorities concerning corridor preservation and the
167 use of fund money to the department and to the commission; and

168 (iii) include members designated by each metropolitan planning organization in the
169 state to represent local governments that are involved with corridor preservation through
170 official maps and planning.

171 Section 4. Section **72-5-111** is amended to read:

172 **72-5-111. Disposal of real property.**

173 (1) (a) If the department determines that any real property or interest in real property,
174 acquired for a highway purpose, is no longer necessary for the purpose, the department may
175 lease, sell, exchange, or otherwise dispose of the real property or interest in the real property.

176 (b) (i) Real property may be sold at private or public sale.

177 (ii) Except as provided in Subsection (1)(c) related to exchanges, proceeds of any sale
178 shall be deposited with the state treasurer and credited to the Transportation Fund.

179 (c) If approved by the commission, real property or an interest in real property may be
180 exchanged by the department for other real property or interest in real property, including
181 improvements, for highway purposes.

182 (2) (a) In the disposition of real property at any private sale, first consideration shall be

183 given to the original grantor or the original grantor's heirs.

184 (b) Notwithstanding the provisions of Section 78B-6-521, if no portion of a parcel of
185 real property acquired by the department is used for transportation purposes, then the original
186 grantor or the grantor's heirs shall be given the opportunity to repurchase the parcel of real
187 property at the department's original purchase price from the grantor.

188 (c) In accordance with Section 72-5-404, this Subsection (2) does not apply to property
189 rights acquired in proposed transportation corridors using funds from the [~~Transportation~~]
190 Marda Dillree Corridor Preservation [~~Revolving Loan~~] Fund created in Section 72-2-117.

191 (3) (a) Any sale, exchange, or disposal of real property or interest in real property made
192 by the department under this section, is exempt from the mineral reservation provisions of Title
193 65A, Chapter 6, Mineral Leases.

194 (b) Any deed made and delivered by the department under this section without specific
195 reservations in the deed is a conveyance of all the state's right, title, and interest in the real
196 property or interest in the real property.

197 Section 5. Section **72-5-403** is amended to read:

198 **72-5-403. Transportation corridor preservation powers.**

199 (1) The department, counties, and municipalities may:

200 (a) act in cooperation with one another and other government entities to promote
201 planning for and enhance the preservation of transportation corridors and to more effectively
202 use the money available in the [~~Transportation~~] Marda Dillree Corridor Preservation
203 [~~Revolving Loan~~] Fund created in Section 72-2-117;

204 (b) undertake transportation corridor planning, review, and preservation processes; and

205 (c) acquire fee simple rights and other rights of less than fee simple, including
206 easement and development rights, or the rights to limit development, including rights in
207 alternative transportation corridors, and to make these acquisitions up to a projected 30 years in
208 advance of using those rights in actual transportation facility construction.

209 (2) In addition to the powers described under Subsection (1), counties and
210 municipalities may:

211 (a) limit development for transportation corridor preservation by land use regulation
212 and by official maps; and

213 (b) by ordinance prescribe procedures for approving limited development in

214 transportation corridors until the time transportation facility construction begins.

215 (3) (a) The department shall identify and the commission shall approve transportation
216 corridors as high priority transportation corridors for transportation corridor preservation.

217 (b) The department shall notify a county or municipality if the county or municipality
218 has land within its boundaries that is located within the boundaries of a high priority
219 transportation corridor.

220 (c) The department may, on a voluntary basis, acquire private property rights within the
221 boundaries of a high priority transportation corridor for which a notification has been received
222 in accordance with Section 10-9a-509 or 17-27a-508.

Legislative Review Note
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Office of Legislative Research and General Counsel