

HB0377S01 compared with HB0377

~~{deleted text}~~ shows text that was in HB0377 but was deleted in HB0377S01.

inserted text shows text that was not in HB0377 but was inserted into HB0377S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Senator J. Stuart Adams proposes the following substitute bill:

TRANSPORTATION FUNDING MODIFICATIONS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brad L. Dee

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions relating to transportation funding.

Highlighted Provisions:

This bill:

- ▶ reduces the bonding authority for certain bonds used to provide funding for projects prioritized through the Critical Highway Needs Fund;
- ▶ provides that a portion of certain bond proceeds shall be provided to the Department of Transportation to pay ~~{for, or}~~ the costs of certain highway construction or reconstruction projects and to pay the costs of certain transportation infrastructure improvements;
- ▶ provides that a portion of certain bond proceeds shall be provided to the Department of Transportation to provide funds ~~{ to, a municipality, county, or political~~

HB0377S01 compared with HB0377

~~subdivision~~ to pay the costs of the following in a county of the first class:

- right-of-way acquisition, construction, reconstruction, renovations, or improvements to certain highways;
- certain environmental impact studies; and
- certain public transit studies;
- ▶ provides that a portion of certain bond proceeds and funds available in the Transportation Investment Fund of 2005 shall be provided to the Transportation Infrastructure Loan Fund to make funds available for transportation infrastructure loans and transportation infrastructure assistance;
- ▶ repeals provisions requiring the Department of Transportation to manage the cash flow and construction timing for certain highway projects;
- ▶ provides that a portion of the ~~revenues~~ revenue in the County of the First Class State Highway Projects Fund shall be transferred to the legislative body of a county of the first class to be used for certain purposes;
- ▶ provides that for fiscal year ~~2013-14~~ 2013-14 only, a portion of the revenues in the Transportation Investment Fund of 2005 shall be transferred to the County of the First Class State Highway Projects Fund; and
- ▶ ~~+~~ makes technical corrections.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on July 1, 2013.

Utah Code Sections Affected:

AMENDS:

63B-16-101, as last amended by Laws of Utah 2008, Chapter 124

63B-16-102, as last amended by Laws of Utah 2009, Chapter 275

63B-18-401, as last amended by Laws of Utah 2012, Chapter 400

63B-18-402, as enacted by Laws of Utah 2009, Chapter 275

72-2-121, as last amended by Laws of Utah 2012, Chapters 131 and 400

72-2-121.3, as last amended by Laws of Utah 2012, Chapter 400

72-2-124, as last amended by Laws of Utah 2012, Chapters 207, 397, and 400

HB0377S01 compared with HB0377

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

Section 1. Section **63B-16-101** is amended to read:

63B-16-101. Highway bonds -- Maximum amount -- Use of proceeds for highway projects.

(1) (a) The total amount of bonds issued under this section may not exceed [~~\$1,200,000,000~~] \$1,145,000,000.

(b) When the Department of Transportation certifies to the commission that the requirements of Subsection 72-2-125(4)(e) have been met and certifies the amount of bond proceeds that it needs to provide funding for projects on the project list for the next fiscal year, the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.

(2) (a) Proceeds from the issuance of bonds shall be provided to the Department of Transportation to pay all or part of the costs of state highway construction or reconstruction projects that are included in the project list established and prioritized in accordance with Subsection 72-2-125(4).

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

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

(4) The Department of Transportation may enter into agreements related to projects before the receipt of proceeds of bonds issued under this chapter.

Section 2. Section **63B-16-102** is amended to read:

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

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

(b) When the Department of Transportation certifies to the commission the amount of

HB0377S01 compared with HB0377

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

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

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

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

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

(3) (a) Thirty million dollars of the bond proceeds issued under this section shall be provided to the Department of Transportation and funds under Subsection 72-2-121(4)~~(c)~~ shall be used by the Department of Transportation 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 highways described in Subsection (3)(b).

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

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

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

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

HB0377S01 compared with HB0377

- (ii) \$2,000,000 to West Valley City for 7200 West;
- (iii) \$4,000,000 to West Jordan City for 7800 South and Airport Road intersection and highway improvements;
- (iv) \$6,250,000 to Sandy City for 1300 East, 9000 South to 11400 South, and State Street to Interstate 15;
- (v) \$1,500,000 to Riverton City for right-of-way acquisition between Mountain View Corridor and Bangerter Highway north of 13400 South;
- (vi) \$3,500,000 for highway, access, and other improvements for the new commuter rail station in the south end of Salt Lake County;
- (vii) \$11,000,000 to Draper City for the costs of highway improvements in the Salt Lake County portion of Draper City;
- (viii) \$1,000,000 to Murray City for highway improvements between Cottonwood Street and 4500 South;
- (ix) \$1,000,000 to Cottonwood Heights for Fort Union Boulevard between 1300 East and Highland Drive;
- (x) \$1,000,000 to Midvale City for State Street between 7200 South and 9000 South; and
- (xi) \$250,000 to Salt Lake County for 2300 East.

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

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

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

Section ~~23~~³. Section **63B-18-401** is amended to read:

63B-18-401. Highway bonds -- Maximum amount -- Use of proceeds for highway projects.

(1) (a) The total amount of bonds issued under this section may not exceed \$2,077,000,000.

HB0377S01 compared with HB0377

(b) [~~Subject to the restriction in Subsection (8) and when~~] When the Department of Transportation certifies to the commission that the requirements of Subsection 72-2-124~~(6)~~(5) have been met and certifies the amount of bond proceeds that it needs to provide funding for the projects described in Subsection (2) for the next fiscal year, the commission may issue and sell general obligation bonds in an amount equal to the certified amount plus costs of issuance.

(2) Except as provided in Subsections (3) and (4), proceeds from the issuance of bonds shall be provided to the Department of Transportation to pay all or part of the costs of the following state highway construction or reconstruction projects:

- (a) Interstate 15 reconstruction in Utah County;
- (b) the Mountain View Corridor;
- (c) the Southern Parkway; and
- (d) state and federal highways prioritized by the Transportation Commission through:
 - (i) the prioritization process for new transportation capacity projects adopted under Section 72-1-304; or
 - (ii) the state highway construction program.

(3) (a) [~~Subject to the restrictions and requirements in Subsection (8), \$70,000,000 of~~] Except as provided in Subsection (5), the bond proceeds issued under this section shall be provided to the Department of Transportation.

(b) The Department of Transportation shall use bond proceeds and the funds provided to it under Section 72-2-124 to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to the following highways:

- (i) \$35 million to add highway capacity on I-15 south of the Spanish Fork Main Street interchange to Payson;
- (ii) \$28 million for improvements to Riverdale Road in Ogden;
- (iii) \$1 million for intersection improvements on S.R. 36 at South Mountain Road;
- (iv) \$2 million for capacity enhancements on S.R. 248 between Sidewinder Drive and Richardson Flat Road;
- (v) \$12 million for Vineyard Connector from 800 North Geneva Road to Lake Shore Road;
- (vi) \$7 million for 2600 South interchange modifications in Woods Cross;

HB0377S01 compared with HB0377

(vii) \$9 million for reconfiguring the 1100 South interchange on I-15 in Box Elder County;

(viii) \$18 million for the Provo west-side connector; ~~and~~

(ix) \$8 million for interchange modifications on I-15 in the Layton area~~[-]~~;

(x) \$3,000,000 for an energy corridor study and environmental review for improvements in the Uintah Basin;

(xi) \$2,000,000 for highway improvements to Harrison Boulevard in Ogden City;

(xii) \$2,500,000 to be provided to Tooele City for roads around the Utah State University campus to create improved access to an institution of higher education;

(xiii) \$3,000,000 to be provided to the Office of Tourism within the Governor's Office of Economic Development for transportation infrastructure improvements associated with annual tourism events that have:

(A) a significant economic development impact within the state; and

(B) significant needs for congestion mitigation;

(xiv) \$4,500,000 to be provided to the Governor's Office of Economic Development for transportation infrastructure acquisitions and improvements that have a significant economic development impact within the state;

(xv) \$125,000,000 to pay all or part of the costs of state and federal highway construction or reconstruction projects prioritized by the Transportation Commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304; and

(xvi) \$10,000,000 ~~to~~for the Transportation Fund to pay all or part of the costs of state and federal highway construction or reconstruction projects as prioritized by the Transportation Commission.

~~[(4)(a) Subject to the restrictions and requirements in Subsection (8), \$30,000,000 of the bond proceeds issued under this section shall be provided to the Department of Transportation.]~~

~~[(b)]~~ (4) (a) The Department of Transportation shall use bond proceeds and the funds under Section 72-2-121 to pay for, or to provide funds to, a municipality ~~or~~, county, or political subdivision to pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or improvements to the following highway or transit projects in

HB0377S01 compared with HB0377

Salt Lake County:

(i) \$4,000,000 to Taylorsville City for bus rapid transit planning on 4700 South;

(ii) ~~(\$3, \$4, \$500, 200,000~~ to Taylorsville City for highway improvements ~~to~~ on or surrounding 6200 South and pedestrian crossings and system connections;

~~[(ii) \$1,250,000]~~ (iii) \$2,250,000 to Herriman City for highway improvements to the Salt Lake Community College Road;

~~[(iii)]~~ (iv) \$5,300,000 to West Jordan City for highway improvements on 5600 West from 6200 South to 8600 South;

(v) \$4,000,000 to West Jordan City for highway improvements to 7800 South from 1300 West to S.R. 111;

~~[(iv) \$2,300,000]~~ (vi) \$7,300,000 to Sandy City for highway improvements on Monroe Street;

~~[(v)]~~ (vii) \$3,000,000 to Draper City for highway improvements to 13490 South from 200 West to 700 West;

(viii) \$5,000,000 to Draper City for highway improvements to Suncrest Road;

~~[(vi)]~~ (ix) \$1,200,000 to Murray City for highway improvements to 5900 South from State Street to 900 East;

(x) \$1,800,000 to Murray City for highway improvements to 1300 East;

~~[(vii) \$1,500,000]~~ (xi) \$3,000,000 to South Salt Lake City for intersection improvements on West Temple, Main Street, and State Street;

~~[(viii)]~~ (xii) \$2,000,000 to Salt Lake County for highway improvements to 5400 South from 5600 West to Mountain View Corridor;

~~[(ix)]~~ (xiii) \$3,000,000 to West Valley City for highway improvements to 6400 West from Parkway Boulevard to SR-201 Frontage Road;

(xiv) \$4, ~~\$000~~ 300,000 to West Valley City for highway improvements to 2400 South from 4800 West to 7200 West and pedestrian crossings;

~~[(x)]~~ (xv) \$4,000,000 to Salt Lake City for highway improvements to 700 South from 2800 West to 5600 West;

~~[(xi) \$1,250,000]~~ (xvi) \$2,750,000 to Riverton City for highway improvements to 4570 West from 12600 South to Riverton Boulevard; ~~[and]~~

~~[(xii) ~~[(xvii)]~~ ~~{} \$1,200,000]~~~~ (xvii) \$1,950,000 to Cottonwood Heights for

HB0377S01 compared with HB0377

improvements to Union Park Avenue from I-215 exit south to Creek Road and Wasatch Boulevard and Big Cottonwood Canyon[-];

(xviii) \$1,300,000 to Cottonwood Heights for highway improvements to Bengal ~~+~~ Boulevard;

(xix) \$1,500,000 to Midvale City for highway improvements to 7200 South from I-15 to 1000 West;

(xx) \$1,000,000 to Bluffdale City for an environmental impact study on Porter Rockwell Boulevard;

(xxi) \$2,900,000 to Utah Transit Authority for the following public transit studies:

(A) a circulator study; and

(B) a mountain transport study; and

(xxii) \$1,000,000 to South Jordan City for highway improvements to 2700 West.

~~(c)~~ (b) (i) Before providing funds to a municipality or county under this Subsection (4), the Department of Transportation shall obtain from the municipality or county:

(A) a written certification signed by the county or city mayor or the mayor's designee certifying that the municipality or county will use the funds provided under this Subsection (4) solely for the projects described in Subsection (4)~~(d)~~(a); and

(B) other documents necessary to protect the state and the bondholders and to ensure that all legal requirements are met.

(ii) Except as provided in Subsection (4)~~(d)~~(c), by January 1 of each year, the municipality or county receiving funds described in this Subsection (4) shall submit to the Department of Transportation a statement of cash flow for the next fiscal year detailing the funds necessary to pay project costs for the projects described in Subsection (4)~~(b)~~(a).

(iii) ~~[Except as provided in Subsection (4)(a), after]~~ After receiving the statement required under Subsection (4)~~(c)~~(b)(ii) and after July 1, the Department of Transportation shall provide funds to the municipality or county necessary to pay project costs for the next fiscal year based upon the statement of cash flow submitted by the municipality or county.

(iv) Upon the financial close of each project described in Subsection (4)~~(b)~~(a), the municipality or county receiving funds under this Subsection (4) shall submit a statement to the Department of Transportation detailing the expenditure of funds received for each project.

~~(d)~~ (c) For calendar year 2012 only:

HB0377S01 compared with HB0377

(i) the municipality or county shall submit to the Department of Transportation a statement of cash flow as provided in Subsection (4)~~[(c)]~~(b)(ii) as soon as possible; and

(ii) the Department of Transportation shall provide funds to the municipality or county necessary to pay project costs based upon the statement of cash flow.

(5) Twenty million dollars of the bond proceeds issued under this section and funds available under Section 72-2-124 shall be provided to the Transportation Infrastructure Loan Fund created by Section 72-2-202 to make funds available for transportation infrastructure loans and transportation infrastructure assistance under Title 72, Chapter 2, Part 2, Transportation Infrastructure Loan Fund.

~~[(5)]~~ (6) The costs under Subsections (2), (3), and (4) may include the costs of studies necessary to make transportation infrastructure improvements, the cost of acquiring land, interests in land, easements and rights-of-way, improving sites, and making all improvements necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.

~~[(6)]~~ (7) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.

~~[(7)]~~ (8) The Department of Transportation may enter into agreements related to the projects described in Subsections (2), (3), and (4) before the receipt of proceeds of bonds issued under this section.

~~[(8)(a)]~~ (9) The Department of Transportation may enter into a new or amend an existing interlocal agreement related to the projects described in Subsections (3) and (4) to establish any necessary covenants or requirements not otherwise provided for by law.

~~[(b) For fiscal year 2012-13 only, the commission may not issue and sell general obligation bonds to pay all or part of the costs of the highway construction or reconstruction projects described in Subsections (3) and (4).]~~

~~[(c) The Department of Transportation is responsible for the management of the cash flow for all the highway construction or reconstruction projects and project phases described in Subsections (3) and (4) and shall determine when those projects will be constructed based on revenues available:]~~

HB0377S01 compared with HB0377

~~[(i) from the bonds issued under this section;]~~

~~[(ii) in the Transportation Investment Fund of 2005 created by Section 72-2-124; and]~~

~~[(iii) in the County of the First Class State Highways Fund created by Section 72-2-121.]~~

Section 4. Section 63B-18-402 is amended to read:

63B-18-402. Highway bonds -- Maximum amount -- Projects authorized.

(1) (a) The total amount of bonds issued under this section may not exceed \$39,895,000.

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

(2) (a) Proceeds from the bonds issued under this section shall be provided to the Department of Transportation and funds under Subsection 72-2-121(4)~~[(d)]~~ shall be used by the Department of Transportation 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 highways described in Subsection (2)(b).

(b) Bond proceeds described under Subsection (2)(a) and funds under Subsection 72-2-121(4)~~[(d)]~~ shall be used to pay the amounts described in this Subsection (2)(b) for the following highway projects in Salt Lake County:

(i) \$15,000,000 to pay for projects in the following priority order:

(A) interchange improvements at 5400 South and Bangerter Highway;

(B) interchange improvements at 4700 South and Bangerter Highway;

(C) reversible lanes on 5400 South from Bangerter Highway going east, terminating at either Redwood Road or Interstate 15; and

(D) any remaining proceeds from the amount described in Subsection (2)(b)(i) not required for the projects described in Subsections (2)(b)(i)(A), (B), and (C), to pay for intersection and congestion mitigation projects identified by the Department of Transportation in the east-west transportation route improvement study;

(ii) \$20,000,000 to Salt Lake City for the viaduct on North Temple and 400 West; and

(iii) \$4,500,000 to Sandy City for the widening and improvement of 1300 East between

HB0377S01 compared with HB0377

9800 South to 11000 South.

(c) Prior to a municipality or county receiving funds described in this Subsection (2), the municipality or county shall sign and file a written certification with the Department of Transportation certifying that it will use the funds provided under this Subsection (2) solely for the projects described in Subsection (2)(b).

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

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

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

Section ~~33~~5. Section **72-2-121** is amended to read:

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

(1) There is created a special revenue fund within the Transportation Fund known as the "County of the First Class State Highway Projects Fund."

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

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

(b) the portion of the sales and use tax described in Subsection 59-12-2214(3)(b) deposited in or transferred to the fund;

(c) the portion of the sales and use tax described in Subsection 59-12-2217(2)(b) and required by Subsection 59-12-2217(8)(b) to be deposited in or transferred to the fund;

~~and~~

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

~~(e) for fiscal year 2013-14 only, the amount transferred to the fund in accordance with~~

HB0377S01 compared with HB0377

~~Subsection 72-2-124(4)(a)(vii):~~

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

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

(4) The executive director shall use the fund money only:

(a) to pay debt service and bond issuance costs for bonds issued under Sections 63B-16-102 and 63B-18-402;

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

(c) for fiscal year 2012-13 only, to pay for or to provide funds to a municipality or county to pay for a portion of right-of-way acquisition, construction, reconstruction, renovations, and improvements to highways described in Subsections 72-2-121.4~~(7)~~(7), (8), and (9);

(d) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount required in Subsection 72-2-121.3(4)(c) minus the amounts transferred in accordance with Subsection 72-2-124~~(5)~~(4)(a)(iv); ~~and~~

(e) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond issuance costs for \$30,000,000 of the bonds issued under Section 63B-18-401 for the projects described in Subsection 63B-18-401(4)~~(b)~~(a); and

(f) for a fiscal year beginning on or after July 1, 2013, and after the department has verified that the amount required under Subsection 72-2-121.3(4)(c)~~(f)(i)~~ is available in the fund, to transfer an amount equal to ~~30%~~50% of the revenue generated by the local option highway construction and transportation corridor preservation fee imposed under Section 41-1a-1222 in a county of the first class:

(i) to the legislative body of a county of the first class; and

(ii) to be used by a county of the first class for:

(A) highway construction, reconstruction, or maintenance projects; or

(B) the enforcement of state motor vehicle and traffic laws.

(5) The revenues described in Subsections (2)(b), (c), and (d) that are deposited in the fund and bond proceeds from bonds issued under Sections 63B-16-102 and 63B-18-402 are considered a local matching contribution for the purposes described under Section 72-2-123.

HB0377S01 compared with HB0377

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

(7) Notwithstanding any statutory or other restrictions on the use or expenditure of the revenue sources deposited into this fund, the Department of Transportation may use the money in this fund for any of the purposes detailed in Subsection (4).

Section 6. Section 72-2-121.3 is amended to read:

72-2-121.3. Special revenue fund -- 2010 Salt Lake County Revenue Bonds

Sinking Fund.

(1) There is created a special revenue fund within the County of the First Class State Highway Projects Fund entitled "2010 Salt Lake County Revenue Bond Sinking Fund."

(2) The fund consists of:

(a) money transferred into the fund from the County of the First Class State Highway Projects Fund in accordance with Subsection 72-2-121(4)~~(c)~~(d); and

(b) for a fiscal year beginning on or after July 1, 2013, money transferred into the fund from the Transportation Investment Fund of 2005 in accordance with Subsection 72-2-124~~(5)~~(4)(a)(iv).

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

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

(4) (a) The director of the Division of Finance may use fund money only as provided in this section.

(b) The director of the Division of Finance may not distribute any money from the fund under this section until the director has received a formal opinion from the attorney general that Salt Lake County has entered into a binding agreement with the state of Utah containing all of the terms required by Section 72-2-121.4.

(c) Except as provided in Subsection (4)(b), and until the bonds issued by Salt Lake County as provided in the interlocal agreement required by Section 72-2-121.4 are paid off, on July 1 of each year beginning July 1, 2011, the director of the Division of Finance shall transfer from the County of the First Class State Highway Projects Fund and the Transportation Investment Fund of 2005 to the 2010 Salt Lake County Revenue Bond Sinking Fund the amount certified by Salt Lake County that is necessary to pay:

(i) up to two times the debt service requirement necessary to pay debt service on the

HB0377S01 compared with HB0377

revenue bonds issued by Salt Lake County for that fiscal year; and

(ii) any additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(d) Except as provided in Subsection (4)(b), and until the bonds issued by Salt Lake County as provided in the interlocal agreement required by Section 72-2-121.4 are paid off, the director of the Division of Finance shall, upon request from Salt Lake County, transfer to Salt Lake County or its designee from the 2010 Salt Lake County Revenue Bond Sinking Fund the amount certified by Salt Lake County as necessary to pay:

(i) the debt service on the revenue bonds issued by Salt Lake County as provided in the interlocal agreement required by Section 72-2-121.4; and

(ii) any additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements.

(5) Any money remaining in the 2010 Salt Lake County Revenue Bond Sinking Fund at the end of the fiscal year lapses to the County of the First Class State Highway Projects Fund.

Section ~~(4)~~7. Section **72-2-124** is amended to read:

72-2-124. Transportation Investment Fund of 2005.

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

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

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

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

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

(d) registration fees designated under Section 41-1a-1201.

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

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

(4) (a) Except as provided in Subsection (4)(b), the executive director may use fund money only to pay:

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

HB0377S01 compared with HB0377

federal highways prioritized by the Transportation Commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;

(ii) the costs of maintenance, construction, reconstruction, or renovation to the highway projects described in Subsections 63B-18-401(2), (3), and (4);

(iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401 minus the costs paid from the County of the First Class State Highway Projects Fund in accordance with Subsection 72-2-121(4)~~(d)~~(e); and

(iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;

(v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101 for projects prioritized in accordance with Section 72-2-125; ~~and~~

(vi) all highway general obligation bonds that are intended to be paid from revenues in the Centennial Highway Fund Restricted Account created by Section 72-2-118; and

(vii) for fiscal year 2013-14 only, to transfer up to ~~\$14~~\$13,250,000 to the County of the First Class State Highway Projects Fund created in Section 72-2-121 to be used for the purposes described in Section 72-2-121.

(b) The executive director may use fund money to exchange for an equal or greater amount of federal transportation funds to be used as provided in Subsection (4)(a).

(5) (a) Before bonds authorized by Section 63B-18-401 may be issued in any fiscal year, the department and the commission shall appear before the Executive Appropriations Committee of the Legislature and present the amount of bond proceeds that the department needs to provide funding for the projects identified in ~~Subsection~~ Subsections 63B-18-401(2), (3), and (4) for the next fiscal year.

(b) The Executive Appropriations Committee of the Legislature shall review and comment on the amount of bond proceeds needed to fund the projects.

(6) The Division of Finance shall, from money deposited into the fund, transfer the amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by Section 63B-18-401 in the current fiscal year to the appropriate debt service or sinking fund.

Section ~~5~~8. **Effective date.**

HB0377S01 compared with HB0377

This bill takes effect on July 1, 2013.

†

Legislative Review Note

~~as of 2-26-13 3:26 PM~~

~~Office of Legislative Research and General Counsel}~~