



28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **59-12-2214**, as enacted by Laws of Utah 2010, Chapter 263

33 **72-2-121**, as last amended by Laws of Utah 2013, Chapter 389

34 **72-2-124**, as last amended by Laws of Utah 2013, Chapters 389 and 400

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

37 Section 1. Section **59-12-2214** is amended to read:

38 **59-12-2214. County, city, or town option sales and use tax to fund a system for**  
39 **public transit, to fund an airport facility, or to be deposited into the County of the First**  
40 **Class State Highway Projects Fund -- Base -- Rate -- Voter approval exception.**

41 (1) Subject to the other provisions of this part, a county, city, or town may impose a  
42 sales and use tax of .25% on the transactions described in Subsection **59-12-103**(1) located  
43 within the county, city, or town.

44 (2) Subject to Subsection (3), a county, city, or town that imposes a sales and use tax  
45 under this section shall expend the revenues collected from the sales and use tax:

46 (a) to fund a system for public transit;

47 (b) to fund a project or service related to an airport facility for the portion of the project  
48 or service that is performed within the county, city, or town within which the sales and use tax  
49 is imposed:

50 (i) for a county that imposes the sales and use tax, if the airport facility is part of the  
51 regional transportation plan of the area metropolitan planning organization if a metropolitan  
52 planning organization exists for the area; or

53 (ii) for a city or town that imposes the sales and use tax, if:

54 (A) that city or town is located within a county of the second class;

55 (B) that city or town owns or operates the airport facility; and

56 (C) an airline is headquartered in that city or town; or

57 (c) for a combination of Subsections (2)(a) and (b).

58 (3) A county of the first class that imposes a sales and use tax under this section shall

59 expend the revenues collected from the sales and use tax as follows:

60 (a) 80% of the revenues collected from the sales and use tax shall be expended to fund  
61 a system for public transit; [~~and~~]

62 (b) [~~20%~~] 12% of the revenues collected from the sales and use shall be deposited into  
63 the County of the First Class State Highway Projects Fund created by Section 72-2-121[~~-~~]; and

64 (c) 8% of the revenues collected from the sales and use shall be expended by the  
65 county for the purposes described in Subsection (2).

66 (4) Notwithstanding Section 59-12-2208, a county, city, or town legislative body is not  
67 required to submit an opinion question to the county's, city's, or town's registered voters in  
68 accordance with Section 59-12-2208 to impose a sales and use tax under this section if:

69 (a) the county, city, or town imposes the sales and use tax under this section on or after  
70 July 1, 2010, but on or before July 1, 2011;

71 (b) on July 1, 2010, the county, city, or town imposes a sales and use tax under:

72 (i) Section 59-12-2213; or

73 (ii) Section 59-12-2215; and

74 (c) the county, city, or town obtained voter approval to impose the sales and use tax  
75 under:

76 (i) Section 59-12-2213; or

77 (ii) Section 59-12-2215.

78 Section 2. Section 72-2-121 is amended to read:

79 **72-2-121. County of the First Class State Highway Projects Fund.**

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

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

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

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

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

89 (d) a portion of the local option highway construction and transportation corridor

90 preservation fee imposed in a county of the first class under Section 41-1a-1222 deposited in or  
91 transferred to the fund.

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

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

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

95 (a) to pay debt service and bond issuance costs for bonds issued under Sections  
96 63B-16-102 and 63B-18-402;

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

100 (c) for fiscal year 2012-13 only, to pay for or to provide funds to a municipality or  
101 county to pay for a portion of right-of-way acquisition, construction, reconstruction,  
102 renovations, and improvements to highways described in Subsections 72-2-121.4(7), (8), and  
103 (9);

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

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

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

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

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

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

118 (B) the enforcement of state motor vehicle and traffic laws[-]; and

119 (g) for fiscal year 2015 only, and after the department has verified that the amount  
120 required under Subsection 72-2-121.3(4)(c) is available in the fund, to transfer an amount equal

121 to the remainder of the revenue available in the fund for the 2015 fiscal year:

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

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

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

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

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

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

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

134 Section 3. Section 72-2-124 is amended to read:

135 **72-2-124. Transportation Investment Fund of 2005.**

136 (1) There is created a capital projects fund entitled the Transportation Investment Fund  
137 of 2005.

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

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

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

142 (c) the sales and use tax revenues deposited into the fund in accordance with Section  
143 59-12-103; and

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

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

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

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

149 (i) the costs of maintenance, construction, reconstruction, or renovation to state and  
150 federal highways prioritized by the Transportation Commission through the prioritization  
151 process for new transportation capacity projects adopted under Section 72-1-304;

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

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

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

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

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

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

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

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

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

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

180 (7) (a) Notwithstanding Subsection (4)(a)(i), the department may not program funds  
181 available under this section for costs of maintenance, construction, reconstruction, or  
182 renovation to state and federal highways after fiscal year 2018.

183           (b) Notwithstanding Section [72-1-304](#) and Subsection (4)(a)(i), the commission may  
184 not prioritize projects through the prioritization process for new transportation capacity projects  
185 adopted under Section [72-1-304](#) using funds available under this section after fiscal year 2018.

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**Legislative Review Note**  
as of 2-25-15 1:01 PM

**Office of Legislative Research and General Counsel**