# TRANSPORTATION FUNDING REVISIONS 

2023 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Wayne A. Harper
House Sponsor: Ashlee Matthews

## LONG TITLE

## Committee Note:

The Transportation Interim Committee recommended this bill.
Legislative Vote: 14 voting for 0 voting against 4 absent

## General Description:

This bill repeals certain restricted accounts that are outdated or no longer needed.

## Highlighted Provisions:

This bill:

- repeals the following outdated and no longer necessary accounts:
- the Impacted Communities Transportation Development Restricted Account;
and
- the Motorcycle Safety Awareness Support Restricted Account; and
- makes technical changes.


## Money Appropriated in this Bill:

None
Other Special Clauses:
None

## Utah Code Sections Affected:

AMENDS:
41-1a-422, as last amended by Laws of Utah 2022, Chapters 19, 48, 68, 255, 259, 335, 451 , and 456

59-21-2, as last amended by Laws of Utah 2022, Chapter 68

## REPEALS:

72-2-128, as enacted by Laws of Utah 2016, Chapter 184
72-2-130, as enacted by Laws of Utah 2019, Chapter 38

Be it enacted by the Legislature of the state of Utah:
Section 1. Section 41-1a-422 is amended to read:
41-1a-422. Support special group license plates -- Contributor -- Voluntary contribution collection procedures.
(1) As used in this section:
(a) (i) except as provided in Subsection (1)(a)(ii), "contributor" means a person who has donated or in whose name at least $\$ 25$ has been donated to:
(A) a scholastic scholarship fund of a single named institution;
(B) the Department of Veterans and Military Affairs for veterans programs;
(C) the Division of Wildlife Resources for the Wildlife Resources Account created in Section 23-14-13, for conservation of wildlife and the enhancement, preservation, protection, access, and management of wildlife habitat;
(D) the Department of Agriculture and Food for the benefit of conservation districts;
(E) the Division of Outdoor Recreation for the benefit of snowmobile programs;
(F) the Guardian Ad Litem Services Account and the Children's Museum of Utah, with the donation evenly divided between the two;
(G) the Boy Scouts of America for the benefit of a Utah Boy Scouts of America council as specified by the contributor;
(H) No More Homeless Pets in Utah for distribution to organizations or individuals that provide spay and neuter programs that subsidize the sterilization of domestic animals;
(I) the Utah Alliance of Boys and Girls Clubs, Inc. to provide and enhance youth development programs;
(J) the Utah Association of Public School Foundations to support public education;
(K) the Utah Housing Opportunity Restricted Account created in Section 61-2-204 to assist people who have severe housing needs;
(L) the Public Safety Honoring Heroes Restricted Account created in Section 53-1-118
to support the families of fallen Utah Highway Patrol troopers and other Department of Public Safety employees;
(M) the Division of Outdoor Recreation for distribution to organizations that provide support for Zion National Park;
(N) the Firefighter Support Restricted Account created in Section 53-7-109 to support firefighter organizations;
(O) the Share the Road Bicycle Support Restricted Account created in Section 72-2-127 to support bicycle operation and safety awareness programs;
(P) the Cancer Research Restricted Account created in Section 26-21a-302 to support cancer research programs;
(Q) Autism Awareness Restricted Account created in Section 53F-9-401 to support autism awareness programs;
(R) Humanitarian Service and Educational and Cultural Exchange Restricted Account created in Section 9-17-102 to support humanitarian service and educational and cultural programs;
(S) Upon renewal of a prostate cancer support special group license plate, to the Cancer Research Restricted Account created in Section 26-21a-302 to support cancer research programs;
(T) the Choose Life Adoption Support Restricted Account created in Section 80-2-502 to support programs that promote adoption;
(U) the National Professional Men's Basketball Team Support of Women and Children Issues Restricted Account created in Section 26B-1-302;
(V) the Utah Law Enforcement Memorial Support Restricted Account created in Section 53-1-120;
(W) the Children with Cancer Support Restricted Account created in Section 26-21a-304 for programs that provide assistance to children with cancer;
(X) the National Professional Men's Soccer Team Support of Building Communities Restricted Account created in Section 9-19-102;
(Y) the Children with Heart Disease Support Restricted Account created in Section 26-58-102;
(Z) the Utah Intracurricular Student Organization Support for Agricultural Education
and Leadership Restricted Account created in Section 4-42-102;
(AA) the Division of Wildlife Resources for the Support for State-Owned Shooting Ranges Restricted Account created in Section 23-14-13.5, for the creation of new, and operation and maintenance of existing, state-owned firearm shooting ranges;
(BB) the Utah State Historical Society to further the mission and purpose of the Utah State Historical Society;
[(CC) the Motoreyele Safety Awareness Support Restrieted Aceount ereated in Seetion 72-2-130; ]
[(DD)] (CC) clean air support causes, with half of the donation deposited into the Clean Air Support Restricted Account created in Section 19-1-109, and half of the donation deposited into the Clean Air Fund created in Section 59-10-1319;
[(EE)] (DD) the Latino Community Support Restricted Account created in Section 13-1-16;
[(FF)] (EE) the Allyson Gamble Organ Donation Contribution Fund created in Section 26-18b-101;
[(GG)] (FF) public education on behalf of the Kiwanis International clubs, with the amount of the donation required to cover the costs of issuing, ordering, or reordering Kiwanis support special group plates, as determined by the State Tax Commission, deposited into the Kiwanis Education Support Fund created in Section 53F-9-403, and all remaining donation amounts deposited into the Uniform School Fund;
$[(\mathrm{HH})](\mathrm{GG})$ the Governor's Suicide Prevention Fund created in Section 62A-15-1103 to support the Live On suicide prevention campaign administered by the Division of Integrated Healthcare; or
$[(\mathrm{H})](\mathrm{HH})$ the State Park Fees Restricted Account created in Section 79-4-402 to support the Division of State Parks' dark sky initiative.
(ii) (A) For a veterans special group license plate described in Subsection (4) or 41-1a-421(1)(a)(v), "contributor" means a person who has donated or in whose name at least a $\$ 25$ donation at the time of application and $\$ 10$ annual donation thereafter has been made.
(B) For a Utah Housing Opportunity special group license plate, "contributor" means a person who:
(I) has donated or in whose name at least $\$ 30$ has been donated at the time of
application and annually after the time of application; and
(II) is a member of a trade organization for real estate licensees that has more than 15,000 Utah members.
(C) For an Honoring Heroes special group license plate, "contributor" means a person who has donated or in whose name at least $\$ 35$ has been donated at the time of application and annually thereafter.
(D) For a firefighter support special group license plate, "contributor" means a person who:
(I) has donated or in whose name at least $\$ 15$ has been donated at the time of application and annually after the time of application; and
(II) is a currently employed, volunteer, or retired firefighter.
(E) For a cancer research special group license plate, "contributor" means a person who has donated or in whose name at least $\$ 35$ has been donated at the time of application and annually after the time of application.
(F) For a Utah Law Enforcement Memorial Support special group license plate, "contributor" means a person who has donated or in whose name at least $\$ 35$ has been donated at the time of application and annually thereafter.
(b) "Institution" means a state institution of higher education as defined under Section 53B-3-102 or a private institution of higher education in the state accredited by a regional or national accrediting agency recognized by the United States Department of Education.
(2) (a) An applicant for original or renewal collegiate special group license plates under Subsection (1)(a)(i) must be a contributor to the institution named in the application and present the original contribution verification form under Subsection (2)(b) or make a contribution to the division at the time of application under Subsection (3).
(b) An institution with a support special group license plate shall issue to a contributor a verification form designed by the commission containing:
(i) the name of the contributor;
(ii) the institution to which a donation was made;
(iii) the date of the donation; and
(iv) an attestation that the donation was for a scholastic scholarship.
(c) The state auditor may audit each institution to verify that the money collected by the
institutions from contributors is used for scholastic scholarships.
(d) After an applicant has been issued collegiate license plates or renewal decals, the commission shall charge the institution whose plate was issued, a fee determined in accordance with Section 63J-1-504 for management and administrative expenses incurred in issuing and renewing the collegiate license plates.
(e) If the contribution is made at the time of application, the contribution shall be collected, treated, and deposited as provided under Subsection (3).
(3) (a) (i) Except as provided in Subsection (3)(a)(ii), an applicant for original or renewal support special group license plates under this section must be a contributor to the sponsoring organization associated with the license plate.
(ii) An applicant for a historical special group license plate is not required to make a donation to the Utah State Historical Society if the historical special group license plate is for a vintage vehicle that has a model year of 1980 or older.
(b) This contribution shall be:
(i) unless collected by the named institution under Subsection (2), collected by the division;
(ii) considered a voluntary contribution for the funding of the activities specified under this section and not a motor vehicle registration fee;
(iii) deposited into the appropriate account less actual administrative costs associated with issuing the license plates; and
(iv) for a firefighter special group license plate, deposited into the appropriate account less:
(A) the costs of reordering firefighter special group license plate decals; and
(B) the costs of replacing recognition special group license plates with new license plates under Subsection 41-1 a-1211(13).
(c) The donation described in Subsection (1)(a) must be made in the 12 months before registration or renewal of registration.
(d) The donation described in Subsection (1)(a) shall be a one-time donation made to the division when issuing original:
(i) snowmobile license plates; or
(ii) conservation license plates.
(4) Veterans license plates shall display one of the symbols representing the Army, Navy, Air Force, Marines, Coast Guard, or American Legion.

Section 2. Section 59-21-2 is amended to read:
59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus Account money -- Mineral Lease Account created -- Contents -- Appropriation of money from Mineral Lease Account.
(1) (a) There is created a restricted account within the General Fund known as the "Mineral Bonus Account."
(b) The Mineral Bonus Account consists of federal mineral lease bonus payments deposited pursuant to Subsection 59-21-1(3).
(c) The Legislature shall make appropriations from the Mineral Bonus Account in accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.
(d) The state treasurer shall:
(i) invest the money in the Mineral Bonus Account by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act; and
(ii) deposit all interest or other earnings derived from the account into the Mineral

## Bonus Account.

(e) The Division of Finance shall, beginning on July 1, 2017, annually deposit 30\% of mineral lease bonus payments deposited under Subsection (1)(b) from the previous fiscal year into the Wildland Fire Suppression Fund created in Section 65A-8-204, up to $\$ 2,000,000$ but not to exceed $20 \%$ of the amount expended in the previous fiscal year from the Wildland Fire Suppression Fund.
(2) (a) There is created a restricted account within the General Fund known as the "Mineral Lease Account."
(b) The Mineral Lease Account consists of federal mineral lease money deposited pursuant to Subsection 59-21-1(1).
(c) The Legislature shall make appropriations from the Mineral Lease Account as provided in Subsection 59-21-1(1) and this Subsection (2).
(d) [(i) Exeept as provided in Subsections (2)(d)(ii) and (iii), the] The Legislature shall annually appropriate $32.5 \%$ of all deposits made to the Mineral Lease Account to the Permanent Community Impact Fund established by Section 35A-8-303.
[(ii) For fiseal year 2016-17 only and from the amount required to be deposited under Subsection (2)(d)(i), the Legislature shall appropriate $\$ 26,000,000$ of the deposits made to the Mineral Lease Aceount to the Impacted Commmnities Transportation Development Restrieted Account established by Section 72-2-128.]
[(iii) For fiseal year 2017-18 only and from the amount required to be deposited under Subsection (2)(d)(i), the Legishature shall appropriate $\$ 27,000,000$ of the deposits made to the Mineral Lease Aeeount to the ImpaetedCommunities Transportation Development Restrieted Account established by Section 72-2-128-]
(e) The Legislature shall annually appropriate $2.25 \%$ of all deposits made to the Mineral Lease Account to the State Board of Education, to be used for education research and experimentation in the use of staff and facilities designed to improve the quality of education in Utah.
(f) The Legislature shall annually appropriate $2.25 \%$ of all deposits made to the Mineral Lease Account to the Utah Geological Survey, to be used for activities carried on by the survey having as a purpose the development and exploitation of natural resources in the state.
(g) The Legislature shall annually appropriate $2.25 \%$ of all deposits made to the Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used for activities carried on by the laboratory having as a purpose the development and exploitation of water resources in the state.
(h) (i) The Legislature shall annually appropriate to the Division of Finance $40 \%$ of all deposits made to the Mineral Lease Account to be distributed as provided in Subsection (2)(h)(ii) to:
(A) counties;
(B) special service districts established:
(I) by counties;
(II) under Title 17D, Chapter 1, Special Service District Act; and
(III) for the purpose of constructing, repairing, or maintaining roads; or
(C) special service districts established:
(I) by counties;
(II) under Title 17D, Chapter 1, Special Service District Act; and
(III) for other purposes authorized by statute.
(ii) The Division of Finance shall allocate the funds specified in Subsection (2)(h)(i):
(A) in amounts proportionate to the amount of mineral lease money generated by each county; and
(B) to a county or special service district established by a county under Title 17D, Chapter 1, Special Service District Act, as determined by the county legislative body.
(i) (i) The Legislature shall annually appropriate $5 \%$ of all deposits made to the Mineral Lease Account to the Department of Workforce Services to be distributed to:
(A) special service districts established:
(I) by counties;
(II) under Title 17D, Chapter 1, Special Service District Act; and
(III) for the purpose of constructing, repairing, or maintaining roads; or
(B) special service districts established:
(I) by counties;
(II) under Title 17D, Chapter 1, Special Service District Act; and
(III) for other purposes authorized by statute.
(ii) The Department of Workforce Services may distribute the amounts described in Subsection (2)(i)(i) only to special service districts established under Title 17D, Chapter 1, Special Service District Act, by counties:
(A) of the third, fourth, fifth, or sixth class;
(B) in which $4.5 \%$ or less of the mineral lease money within the state is generated; and
(C) that are significantly socially or economically impacted as provided in Subsection (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec. 181 et seq.
(iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C) shall be as a result of:
(A) the transportation within the county of hydrocarbons, including solid hydrocarbons as defined in Section 59-5-101;
(B) the employment of persons residing within the county in hydrocarbon extraction, including the extraction of solid hydrocarbons as defined in Section 59-5-101; or
(C) a combination of Subsections (2)(i)(iii)(A) and (B).
(iv) For purposes of distributing the appropriations under this Subsection (2)(i) to special service districts established by counties under Title 17D, Chapter 1, Special Service District Act, the Department of Workforce Services shall:
(A) (I) allocate $50 \%$ of the appropriations equally among the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and
(II) allocate $50 \%$ of the appropriations based on the ratio that the population of each county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and
(B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the allocated revenues to special service districts established by the counties under Title 17D, Chapter 1, Special Service District Act, as determined by the executive director of the Department of Workforce Services after consulting with the county legislative bodies of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii).
(v) The executive director of the Department of Workforce Services:
(A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii) and (iii);
(B) shall distribute the appropriations under Subsection (2)(i)(i) to special service districts established by counties under Title 17D, Chapter 1, Special Service District Act, that meet the requirements of Subsections (2)(i)(ii) and (iii); and
(C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, may make rules:
(I) providing a procedure for making the distributions under this Subsection (2)(i) to special service districts; and
(II) defining the term "population" for purposes of Subsection (2)(i)(iv).
(j) (i) The Legislature shall annually make the following appropriations from the Mineral Lease Account:
(A) an amount equal to 52 cents multiplied by the number of acres of school or institutional trust lands, lands owned by the Division of State Parks or the Division of Outdoor Recreation, and lands owned by the Division of Wildlife Resources that are not under an in lieu of taxes contract, to each county in which those lands are located;
(B) to each county in which school or institutional trust lands are transferred to the
federal government after December 31, 1992, an amount equal to the number of transferred acres in the county multiplied by a payment per acre equal to the difference between 52 cents per acre and the per acre payment made to that county in the most recent payment under the federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal payment was equal to or exceeded the 52 cents per acre, in which case a payment under this Subsection (2)(j)(i)(B) may not be made for the transferred lands;
(C) to each county in which federal lands, which are entitlement lands under the federal in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to the number of transferred acres in the county multiplied by a payment per acre equal to the difference between the most recent per acre payment made under the federal payment in lieu of taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for the transferred land; and
(D) to a county of the fifth or sixth class, an amount equal to the product of:
(I) $\$ 1,000$; and
(II) the number of residences described in Subsection (2)(j)(iv) that are located within the county.
(ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the county legislative body, distribute the money or a portion of the money to:
(A) special service districts established by the county under Title 17D, Chapter 1, Special Service District Act;
(B) school districts; or
(C) public institutions of higher education.
(iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the Division of Finance shall increase or decrease the amounts per acre provided for in Subsections (2)(j)(i)(A) through (C) by the average annual change in the Consumer Price Index for all urban consumers published by the Department of Labor.
(B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average annual change in the Consumer Price Index for all urban consumers published by the Department of Labor.
(iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:
(A) owned by:
(I) the Division of State Parks;
(II) the Division of Outdoor Recreation; or
(III) the Division of Wildlife Resources;
(B) located on lands that are owned by:
(I) the Division of State Parks;
(II) the Division of Outdoor Recreation; or
(III) the Division of Wildlife Resources; and
(C) are not subject to taxation under:
(I) Chapter 2, Property Tax Act; or
(II) Chapter 4, Privilege Tax.
(k) The Legislature shall annually appropriate to the Permanent Community Impact Fund all deposits remaining in the Mineral Lease Account after making the appropriations provided for in Subsections (2)(d) through (j).
(3) (a) Each agency, board, institution of higher education, and political subdivision receiving money under this chapter shall provide the Legislature, through the Office of the Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual basis.
(b) The accounting required under Subsection (3)(a) shall:
(i) include actual expenditures for the prior fiscal year, budgeted expenditures for the current fiscal year, and planned expenditures for the following fiscal year; and
(ii) be reviewed by the Business, Economic Development, and Labor Appropriations Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1, Budgetary Procedures Act.

Section 3. Repealer.
This bill repeals:
Section 72-2-128, Impacted Communities Transportation Development Restricted

## Account.

Section 72-2-130, Motorcycle Safety Awareness Support Restricted Account.

