

TRANSPORTATION GOVERNANCE AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

LONG TITLE**General Description:**

This bill modifies governance of certain public transit districts, amends provisions related to registration fees, modifies taxes related to transportation, modifies the governance of the Department of Transportation, and makes other changes.

Highlighted Provisions:

This bill:

- ▶ amends and enacts provisions to allow local jurisdictions to share property tax revenue for transportation capital development projects;
- ▶ defines "large public transit district" and "small public transit district";
- ▶ modifies the makeup of the board of trustees of a large public transit district by:
 - reducing membership from 16 to three;
 - vesting nomination responsibilities in executives of local governments and appointment responsibilities in the governor; and
 - defining responsibilities of the members of the board of trustees;
- ▶ creates a local advisory board for a large public transit district and defines the membership and duties of a local advisory board;
- ▶ requires a large public transit district to transition retirement benefits to fall under the provisions and oversight provided in the Utah State Retirement and Insurance Benefit Act;
- ▶ exempts certain meetings of members of the board of trustees of a large public transit district from the Open and Public Meetings Act;
- ▶ defines "diesel fuel," "electric vehicle," "hybrid electric vehicle," "motor fuel," and "natural gas";
- ▶ modifies provisions imposing registration fees on motor vehicles based on the type of motor vehicle and fuel used to propel the vehicle;
- ▶ creates the "Public Transit Capital Development Fund" within the Transportation Investment Fund of 2005;

- 33 ▶ increases the tax on hotel room stays and other accommodations and allocates the
 34 increased revenue to the Public Transit Capital Development Fund;
- 35 ▶ imposes a deadline for a local government to impose certain local option sales and
 36 use taxes, after which the state imposes the portion of authorized local option sales
 37 and use taxes still unimposed by the local government;
- 38 ▶ modifies governance of the Department of Transportation, including:
- 39 • requiring a second deputy director;
 - 40 • describing the qualifications for each deputy; and
 - 41 • describing the responsibilities of each deputy director;
- 42 ▶ creates the Planning and Investment Division within the Department of
 43 Transportation;
- 44 ▶ modifies requirements for the Department of Transportation to develop statewide
 45 strategic initiatives for coordinating and planning multimodal transportation;
- 46 ▶ requires the Department of Transportation to study a road user charge and
 47 implement a demonstration program;
- 48 ▶ requires the Transportation Commission to include public transit projects in the
 49 prioritization process to allocate funds;
- 50 ▶ modifies criteria for the Transportation Commission to consider while prioritizing
 51 transportation and public transit projects;
- 52 ▶ allows corridor preservation funds to be used for public transit district corridors;
 53 and
- 54 ▶ requires the Department of Transportation to assume responsibilities for review and
 55 approval of projects under the requirements of the National Environmental Policy
 56 Act of 1969.

57 **Money Appropriated in this Bill:**

58 None

59 **Other Special Clauses:**

60 This bill provides a special effective date.

61 **Utah Code Sections Affected:**

62 AMENDS:

63 **11-13-103**, as last amended by Laws of Utah 2016, Chapter 382

64 **11-13-202**, as last amended by Laws of Utah 2009, Chapter 218
65 **11-13-206**, as last amended by Laws of Utah 2015, Chapter 265
66 **11-13-207**, as last amended by Laws of Utah 2015, Chapter 265
67 **17B-1-301**, as last amended by Laws of Utah 2014, Chapter 362
68 **17B-1-702**, as renumbered and amended by Laws of Utah 2007, Chapter 329
69 **17B-1-703**, as renumbered and amended by Laws of Utah 2007, Chapter 329
70 **17B-2a-802**, as last amended by Laws of Utah 2016, Chapter 387
71 **17B-2a-804**, as last amended by Laws of Utah 2017, Chapters 181 and 427
72 **17B-2a-807**, as last amended by Laws of Utah 2017, Chapter 70
73 **17B-2a-808**, as last amended by Laws of Utah 2010, Chapter 281
74 **17B-2a-810**, as last amended by Laws of Utah 2016, Chapter 56
75 **17B-2a-811**, as last amended by Laws of Utah 2010, Chapter 281
76 **17B-2a-826**, as enacted by Laws of Utah 2017, Chapter 427
77 **41-1a-102**, as last amended by Laws of Utah 2016, Chapter 40
78 **41-1a-1201**, as last amended by Laws of Utah 2017, Chapters 261 and 406
79 **41-1a-1206**, as last amended by Laws of Utah 2017, Chapters 261, 406 and last
80 amended by Coordination Clause, Laws of Utah 2017, Chapter 261
81 **52-4-103**, as last amended by Laws of Utah 2017, Chapters 196, 277, and 441
82 **59-12-2002**, as enacted by Laws of Utah 2008, Chapter 286
83 **59-12-2003**, as last amended by Laws of Utah 2017, Chapter 422
84 **59-12-2213**, as last amended by Laws of Utah 2011, Chapter 223
85 **59-12-2214**, as last amended by Laws of Utah 2015, Chapter 421
86 **59-12-2215**, as enacted by Laws of Utah 2010, Chapter 263
87 **59-12-2216**, as enacted by Laws of Utah 2010, Chapter 263
88 **59-12-2217**, as last amended by Laws of Utah 2017, Chapter 240
89 **59-12-2218**, as last amended by Laws of Utah 2017, Chapter 240
90 **59-12-2219**, as last amended by Laws of Utah 2016, Chapter 373
91 **59-28-103**, as enacted by Laws of Utah 2017, Chapter 166
92 **63G-6a-1402**, as last amended by Laws of Utah 2017, Chapter 348
93 **72-1-102**, as last amended by Laws of Utah 2001, Chapter 372

94 **72-1-203**, as last amended by Laws of Utah 2006, Chapter 139
 95 **72-1-204**, as last amended by Laws of Utah 2017, Chapter 97
 96 **72-1-211**, as last amended by Laws of Utah 2008, Chapter 382
 97 **72-1-213**, as enacted by Laws of Utah 2015, Chapter 275
 98 **72-1-303**, as last amended by Laws of Utah 2011, Chapter 256
 99 **72-1-304**, as last amended by Laws of Utah 2008, Chapter 382
 100 **72-1-305**, as last amended by Laws of Utah 2009, Chapter 364
 101 **72-2-117.5**, as last amended by Laws of Utah 2017, Chapter 240
 102 **72-2-124**, as last amended by Laws of Utah 2017, Chapter 436
 103 **72-5-401**, as last amended by Laws of Utah 2005, Chapter 254
 104 **72-6-120**, as last amended by Laws of Utah 2015, Chapter 144

105 ENACTS:

106 **11-13-227**, Utah Code Annotated 1953
 107 **17B-2a-807.1**, Utah Code Annotated 1953
 108 **17B-2a-808.1**, Utah Code Annotated 1953
 109 **17B-2a-808.2**, Utah Code Annotated 1953
 110 **17B-2a-811.1**, Utah Code Annotated 1953
 111 **59-12-2003.1**, Utah Code Annotated 1953

112 REPEALS:

113 **17B-2a-807.5**, as enacted by Laws of Utah 2009, Chapter 364

114

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

116 Section 1. Section **11-13-103** is amended to read:

117 **11-13-103. Definitions.**

118 As used in this chapter:

119 (1) (a) "Additional project capacity" means electric generating capacity provided by a
 120 generating unit that first produces electricity on or after May 6, 2002, and that is constructed or
 121 installed at or adjacent to the site of a project that first produced electricity before May 6, 2002,
 122 regardless of whether:

123 (i) the owners of the new generating unit are the same as or different from the owner of
 124 the project; and

125 (ii) the purchasers of electricity from the new generating unit are the same as or
126 different from the purchasers of electricity from the project.

127 (b) "Additional project capacity" does not mean or include replacement project
128 capacity.

129 (2) "Board" means the Permanent Community Impact Fund Board created by Section
130 35A-8-304, and its successors.

131 (3) "Candidate" means one or more of:

132 (a) the state;

133 (b) a county, municipality, school district, local district, special service district, or other
134 political subdivision of the state; and

135 (c) a prosecution district.

136 (4) "Commercial project entity" means a project entity, defined in Subsection (18),
137 that:

138 (a) has no taxing authority; and

139 (b) is not supported in whole or in part by and does not expend or disburse tax
140 revenues.

141 (5) "Direct impacts" means an increase in the need for public facilities or services that
142 is attributable to the project or facilities providing additional project capacity, except impacts
143 resulting from the construction or operation of a facility that is:

144 (a) owned by an owner other than the owner of the project or of the facilities providing
145 additional project capacity; and

146 (b) used to furnish fuel, construction, or operation materials for use in the project.

147 (6) "Electric interlocal entity" means an interlocal entity described in Subsection
148 11-13-203(3).

149 (7) "Energy services interlocal entity" means an interlocal entity that is described in
150 Subsection 11-13-203(4).

151 (8) (a) "Estimated electric requirements," when used with respect to a qualified energy
152 services interlocal entity, includes any of the following that meets the requirements of
153 Subsection (8)(b):

154 (i) generation capacity;

155 (ii) generation output; or

156 (iii) an electric energy production facility.

157 (b) An item listed in Subsection (8)(a) is included in "estimated electric requirements"
158 if it is needed by the qualified energy services interlocal entity to perform the qualified energy
159 services interlocal entity's contractual or legal obligations to any of its members.

160 (9) (a) "Facilities providing replacement project capacity" means facilities that have
161 been, are being, or are proposed to be constructed, reconstructed, converted, repowered,
162 acquired, leased, used, or installed to provide replacement project capacity.

163 (b) "Facilities providing replacement project capacity" includes facilities that have
164 been, are being, or are proposed to be constructed, reconstructed, converted, repowered,
165 acquired, leased, used, or installed:

166 (i) to support and facilitate the construction, reconstruction, conversion, repowering,
167 installation, financing, operation, management, or use of replacement project capacity; or

168 (ii) for the distribution of power generated from existing capacity or replacement
169 project capacity to facilities located on real property in which the project entity that owns the
170 project has an ownership, leasehold, right-of-way, or permitted interest.

171 (10) "Governing authority" means a governing board or joint administrator.

172 (11) (a) "Governing board" means the body established in reliance on the authority
173 provided under Subsection 11-13-206(1)(b) to govern an interlocal entity.

174 (b) "Governing board" includes a board of directors described in an agreement, as
175 amended, that creates a project entity.

176 (c) "Governing board" does not include a board as defined in Subsection (2).

177 (12) "Interlocal entity" means:

178 (a) a Utah interlocal entity, an electric interlocal entity, or an energy services interlocal
179 entity; or

180 (b) a separate legal or administrative entity created under Section 11-13-205.

181 (13) "Joint administrator" means an administrator or joint board described in Section
182 11-13-207 to administer a joint or cooperative undertaking.

183 (14) "Joint or cooperative undertaking" means an undertaking described in Section
184 11-13-207 that is not conducted by an interlocal entity.

185 (15) "Member" means a public agency that, with another public agency, creates an
186 interlocal entity under Section 11-13-203.

187 (16) "Out-of-state public agency" means a public agency as defined in Subsection
188 (19)(c), (d), or (e).

189 (17) (a) "Project":

190 (i) means an electric generation and transmission facility owned by a Utah interlocal
191 entity or an electric interlocal entity; and

192 (ii) includes fuel or fuel transportation facilities and water facilities owned by that Utah
193 interlocal entity or electric interlocal entity and required for the generation and transmission
194 facility.

195 (b) "Project" includes a project entity's ownership interest in:

196 (i) facilities that provide additional project capacity;

197 (ii) facilities providing replacement project capacity; and

198 (iii) additional generating, transmission, fuel, fuel transportation, water, or other
199 facilities added to a project.

200 (18) "Project entity" means a Utah interlocal entity or an electric interlocal entity that
201 owns a project as defined in this section.

202 (19) "Public agency" means:

203 (a) a city, town, county, school district, local district, special service district, an
204 interlocal entity, or other political subdivision of the state;

205 (b) the state or any department, division, or agency of the state;

206 (c) any agency of the United States;

207 (d) any political subdivision or agency of another state or the District of Columbia

208 including any interlocal cooperation or joint powers agency formed under the authority of the
209 law of the other state or the District of Columbia; or

210 (e) any Indian tribe, band, nation, or other organized group or community which is
211 recognized as eligible for the special programs and services provided by the United States to
212 Indians because of their status as Indians.

213 (20) "Qualified energy services interlocal entity" means an energy services interlocal
214 entity that at the time that the energy services interlocal entity acquires its interest in facilities
215 providing additional project capacity has at least five members that are Utah public agencies.

216 (21) "Replacement project capacity" means electric generating capacity or transmission
217 capacity that:

218 (a) replaces all or a portion of the existing electric generating or transmission capacity
219 of a project; and

220 (b) is provided by a facility that is on, adjacent to, in proximity to, or interconnected
221 with the site of a project, regardless of whether:

222 (i) the capacity replacing existing capacity is less than or exceeds the generating or
223 transmission capacity of the project existing before installation of the capacity replacing
224 existing capacity;

225 (ii) the capacity replacing existing capacity is owned by the project entity that is the
226 owner of the project, a segment established by the project entity, or a person with whom the
227 project entity or a segment established by the project entity has contracted; or

228 (iii) the facility that provides the capacity replacing existing capacity is constructed,
229 reconstructed, converted, repowered, acquired, leased, used, or installed before or after any
230 actual or anticipated reduction or modification to existing capacity of the project.

231 (22) "Transportation reinvestment zone" means an area created by two or more public
232 agencies by interlocal agreement to capture increased property tax revenue generated by a
233 transportation infrastructure project as described in Section 11-13-227.

234 [~~22~~] (23) "Utah interlocal entity":

235 (a) means an interlocal entity described in Subsection 11-13-203(2); and

236 (b) includes a separate legal or administrative entity created under Laws of Utah 1977,
237 Chapter 47, Section 3, as amended.

238 [~~23~~] (24) "Utah public agency" means a public agency under Subsection (19)(a) or
239 (b).

240 Section 2. Section **11-13-202** is amended to read:

241 **11-13-202. Agreements for joint or cooperative undertaking, for providing or**
242 **exchanging services, or for law enforcement services -- Effective date of agreement --**
243 **Public agencies may restrict their authority or exempt each other regarding permits and**
244 **fees.**

245 (1) Any two or more public agencies may enter into an agreement with one another
246 under this chapter:

247 (a) for joint or cooperative action;

248 (b) to provide services that they are each authorized by statute to provide;

249 (c) to exchange services that they are each authorized by statute to provide;
250 (d) for a public agency to provide law enforcement services to one or more other public
251 agencies, if the public agency providing law enforcement services under the interlocal
252 agreement is authorized by law to provide those services, or to provide joint or cooperative law
253 enforcement services between or among public agencies that are each authorized by law to
254 provide those services; ~~or~~

255 (e) to create a transportation reinvestment zone as defined in Section 11-13-103; or
256 ~~(e)~~ (f) to do anything else that they are each authorized by statute to do.

257 (2) An agreement under Subsection (1) does not take effect until it has been approved,
258 as provided in Section 11-13-202.5, by each public agency that is a party to it.

259 (3) (a) In an agreement under Subsection (1), a public agency that is a party to the
260 agreement may agree:

261 (i) to restrict its authority to issue permits to or assess fees from another public agency
262 that is a party to the agreement; and

263 (ii) to exempt another public agency that is a party to the agreement from permit or fee
264 requirements.

265 (b) A provision in an agreement under Subsection (1) whereby the parties agree as
266 provided in Subsection (3)(a) is subject to all remedies provided by law and in the agreement,
267 including injunction, mandamus, abatement, or other remedy to prevent, enjoin, abate, or
268 enforce the provision.

269 (4) An interlocal agreement between a county and one or more municipalities for law
270 enforcement service within an area that includes some or all of the unincorporated area of the
271 county shall require the law enforcement service provided under the agreement to be provided
272 by or under the direction of the county sheriff.

273 Section 3. Section **11-13-206** is amended to read:

274 **11-13-206. Requirements for agreements for joint or cooperative action.**

275 (1) Each agreement under Section 11-13-202, 11-13-203, ~~or~~ 11-13-205, or 11-13-227
276 shall specify:

277 (a) its duration;

278 (b) if the agreement creates an interlocal entity:

279 (i) the precise organization, composition, and nature of the interlocal entity;

- 280 (ii) the powers delegated to the interlocal entity;
- 281 (iii) the manner in which the interlocal entity is to be governed; and
- 282 (iv) subject to Subsection (2), the manner in which the members of its governing board
- 283 are to be appointed or selected;
- 284 (c) its purpose or purposes;
- 285 (d) the manner of financing the joint or cooperative action and of establishing and
- 286 maintaining a budget for it;
- 287 (e) the permissible method or methods to be employed in accomplishing the partial or
- 288 complete termination of the agreement and for disposing of property upon such partial or
- 289 complete termination;
- 290 (f) the process, conditions, and terms for withdrawal of a participating public agency
- 291 from the interlocal entity or the joint or cooperative undertaking;
- 292 (g) (i) whether voting is based upon one vote per member or weighted; and
- 293 (ii) if weighted voting is allowed, the basis upon which the vote weight will be
- 294 determined; and
- 295 (h) any other necessary and proper matters.

296 (2) Each agreement under Section 11-13-203 or 11-13-205 that creates an interlocal

297 entity shall require that Utah public agencies that are parties to the agreement have the right to

298 appoint or select members of the interlocal entity's governing board with a majority of the

299 voting power.

300 Section 4. Section **11-13-207** is amended to read:

301 **11-13-207. Additional requirements for agreement not establishing interlocal**

302 **entity.**

303 (1) If an agreement under Section 11-13-202 or 11-13-227 does not establish an

304 interlocal entity to conduct the joint or cooperative undertaking, the agreement shall, in

305 addition to the items specified in Section 11-13-206, provide for:

- 306 (a) the joint or cooperative undertaking to be administered by:
- 307 (i) an administrator; or
- 308 (ii) a joint board with representation from the public agencies that are parties to the
- 309 agreement;
- 310 (b) the manner of acquiring, holding, and disposing of real and personal property used

311 in the joint or cooperative undertaking;

312 (c) the functions to be performed by the joint or cooperative undertaking; and

313 (d) the powers of the joint administrator.

314 (2) The creation, operation, governance, and fiscal procedures of a joint or cooperative
315 undertaking are governed by this chapter.

316 Section 5. Section **11-13-227** is enacted to read:

317 **11-13-227. Transportation reinvestment zones.**

318 (1) Subject to the provisions of this part, any two or more public agencies may enter
319 into an agreement with one another to create a transportation reinvestment zone as described in
320 this section.

321 (2) To create a transportation reinvestment zone, two or more public agencies shall:

322 (a) define the transportation infrastructure need and proposed improvement;

323 (b) define the boundaries of the zone;

324 (c) establish a base year to calculate the increase of property tax revenue within the
325 zone;

326 (d) establish terms for sharing any increase in property tax revenue within the zone;

327 and

328 (e) before an agreement is approved as required in Section 11-13-202.5, hold a public
329 hearing regarding the details of the proposed transportation reinvestment zone.

330 (3) Any agreement to establish a transportation reinvestment zone is subject to the
331 requirements of Sections 11-13-202, 11-13-202.5, 11-13-206, and 11-13-207.

332 (4) Each public agency that is party to a agreement under this section shall annually
333 publish a report including a statement of the increased tax revenue and the expenditures made
334 in accordance with the agreement.

335 (5) If any surplus revenue remains in a tax revenue account created as part of a
336 transportation reinvestment zone agreement, the parties may use the surplus for other purposes
337 as determined by agreement of the parties.

338 Section 6. Section **17B-1-301** is amended to read:

339 **17B-1-301. Board of trustees duties and powers.**

340 (1) (a) Each local district shall be governed by a board of trustees which shall manage
341 and conduct the business and affairs of the district and shall determine all questions of district

342 policy.

343 (b) All powers of a local district are exercised through the board of trustees.

344 (2) The board of trustees may:

345 (a) fix the location of the local district's principal place of business and the location of
346 all offices and departments, if any;

347 (b) fix the times of meetings of the board of trustees;

348 (c) select and use an official district seal;

349 (d) subject to Subsections (3) and (4), employ employees and agents, or delegate to
350 district officers power to employ employees and agents, for the operation of the local district
351 and its properties and prescribe or delegate to district officers the power to prescribe the duties,
352 compensation, and terms and conditions of employment of those employees and agents;

353 (e) require district officers and employees charged with the handling of district funds to
354 provide surety bonds in an amount set by the board or provide a blanket surety bond to cover
355 officers and employees;

356 (f) contract for or employ professionals to perform work or services for the local
357 district that cannot satisfactorily be performed by the officers or employees of the district;

358 (g) through counsel, prosecute on behalf of or defend the local district in all court
359 actions or other proceedings in which the district is a party or is otherwise involved;

360 (h) adopt bylaws for the orderly functioning of the board;

361 (i) adopt and enforce rules and regulations for the orderly operation of the local district
362 or for carrying out the district's purposes;

363 (j) prescribe a system of civil service for district employees;

364 (k) on behalf of the local district, enter into contracts that the board considers to be for
365 the benefit of the district;

366 (l) acquire, construct or cause to be constructed, operate, occupy, control, and use
367 buildings, works, or other facilities for carrying out the purposes of the local district;

368 (m) on behalf of the local district, acquire, use, hold, manage, occupy, and possess
369 property necessary to carry out the purposes of the district, dispose of property when the board
370 considers it appropriate, and institute and maintain in the name of the district any action or
371 proceeding to enforce, maintain, protect, or preserve rights or privileges associated with district
372 property;

- 373 (n) delegate to a district officer the exercise of a district duty; and
- 374 (o) exercise all powers and perform all functions in the operation of the local district
- 375 and its properties as are ordinarily exercised by the governing body of a political subdivision of
- 376 the state and as are necessary to accomplish the purposes of the district.
- 377 (3) (a) As used in this Subsection (3), "interim vacancy period" means:
- 378 (i) if any member of the local district board is elected, the period of time that:
- 379 (A) begins on the day on which an election is held to elect a local district board
- 380 member; and
- 381 (B) ends on the day on which the local district board member-elect begins the
- 382 member's term; or
- 383 (ii) if any member of the local district board is appointed, the period of time that:
- 384 (A) begins on the day on which an appointing authority posts a notice of vacancy in
- 385 accordance with Section 17B-1-304; and
- 386 (B) ends on the day on which the person who is appointed by the local district board to
- 387 fill the vacancy begins the person's term.
- 388 (b) (i) The local district may not hire during an interim vacancy period a manager, a
- 389 chief executive officer, a chief administrative officer, an executive director, or a similar
- 390 position to perform executive and administrative duties or functions.
- 391 (ii) Notwithstanding Subsection (3)(b)(i):
- 392 (A) the local district may hire an interim manager, a chief executive officer, a chief
- 393 administrative officer, an executive director, or a similar position during an interim vacancy
- 394 period; and
- 395 (B) the interim manager's, chief executive officer's, chief administrative officer's, or
- 396 similar position's employment shall terminate once a new manager, chief executive officer,
- 397 chief administrative officer, or similar position is hired by the new local district board after the
- 398 interim vacancy period has ended.
- 399 (c) Subsection (3)(b) does not apply if:
- 400 (i) all the elected local district board members who held office on the day of the
- 401 election for the local district board members, whose term of office was vacant for the election
- 402 are re-elected to the local district board; and
- 403 (ii) all the appointed local district board members who were appointed whose term of

404 appointment was expiring are re-appointed to the local district board.

405 (4) A local district board that hires an interim manager, a chief executive officer, a
406 chief administrative officer, an executive director, or a similar position in accordance with this
407 section may not, on or after May 10, 2011, enter into an employment contract that contains an
408 automatic renewal provision with the interim manager, chief executive officer, chief
409 administrative officer, executive director, or similar position.

410 Section 7. Section **17B-1-702** is amended to read:

411 **17B-1-702. Local districts to submit budgets.**

412 (1) (a) Except as provided in Subsection (1)(b), within 30 days after it is approved by
413 the board, and at least 30 days before the board adopts a final budget, the board of each local
414 district with an annual budget of \$50,000 or more shall send a copy of its tentative budget and
415 notice of the time and place for its budget hearing to:

416 (i) each of its constituent entities that has in writing requested a copy; and

417 (ii) to each of its customer agencies that has in writing requested a copy.

418 (b) Within 30 days after it is approved by the board, and at least 30 days before the
419 board adopts a final budget, the board of trustees of a large public transit district [~~servicing a~~
420 ~~population of more than 200,000 people~~] as defined in Section 17B-2a-802 shall send a copy of
421 its tentative budget and notice of the time and place for its budget hearing to:

422 (i) each of its constituent entities;

423 (ii) each of its customer agencies that has in writing requested a copy;

424 (iii) the governor; and

425 (iv) the Legislature.

426 (c) The local district shall include with the tentative budget a signature sheet that
427 includes:

428 (i) language that the constituent entity or customer agency received the tentative budget
429 and has no objection to it; and

430 (ii) a place for the chairperson or other designee of the constituent entity or customer
431 agency to sign.

432 (2) Each constituent entity and each customer agency that receives the tentative budget
433 shall review the tentative budget submitted by the district and either:

434 (a) sign the signature sheet and return it to the district; or

435 (b) attend the budget hearing or other meeting scheduled by the district to discuss the
436 objections to the proposed budget.

437 (3) (a) If any constituent entity or customer agency that received the tentative budget
438 has not returned the signature sheet to the local district within 15 calendar days after the
439 tentative budget was mailed, the local district shall send a written notice of the budget hearing
440 to each constituent entity or customer agency that did not return a signature sheet and invite
441 them to attend that hearing.

442 (b) If requested to do so by any constituent entity or customer agency, the local district
443 shall schedule a meeting to discuss the budget with the constituent entities and customer
444 agencies.

445 (c) At the budget hearing, the local district board shall:

446 (i) explain its budget and answer any questions about it;

447 (ii) specifically address any questions or objections raised by the constituent entity,
448 customer agency, or those attending the meeting; and

449 (iii) seek to resolve the objections.

450 (4) Nothing in this part prevents a local district board from approving or implementing
451 a budget over any or all constituent entity's or customer agency's protests, objections, or failure
452 to respond.

453 Section 8. Section **17B-1-703** is amended to read:

454 **17B-1-703. Local districts to submit audit reports.**

455 (1) (a) Except as provided in Subsection (1)(b), within 30 days after it is presented to
456 the board, the board of each local district with an annual budget of \$50,000 or more shall send
457 a copy of any audit report to:

458 (i) each of its constituent entities that has in writing requested a copy; and

459 (ii) each of its customer agencies that has in writing requested a copy.

460 (b) Within 30 days after it is presented to the board, the board of a large public transit
461 district [~~servicing a population of more than 200,000 people~~] as defined in Section 17B-2a-802
462 shall send a copy of its annual audit report to:

463 (i) each of its constituent entities; and

464 (ii) each of its customer agencies that has in writing requested a copy.

465 (2) Each constituent entity and each customer agency that received the audit report

466 shall review the audit report submitted by the district and, if necessary, request a meeting with
467 the district board to discuss the audit report.

468 (3) At the meeting, the local district board shall:

469 (a) answer any questions about the audit report; and

470 (b) discuss their plans to implement suggestions made by the auditor.

471 Section 9. Section **17B-2a-802** is amended to read:

472 **17B-2a-802. Definitions.**

473 As used in this part:

474 (1) "Affordable housing" means housing occupied or reserved for occupancy by
475 households that meet certain gross household income requirements based on the area median
476 income for households of the same size.

477 (a) "Affordable housing" may include housing occupied or reserved for occupancy by
478 households that meet specific area median income targets or ranges of area median income
479 targets.

480 (b) "Affordable housing" does not include housing occupied or reserved for occupancy
481 by households with gross household incomes that are more than 60% of the area median
482 income for households of the same size.

483 (2) "Appointing entity" means the person, county, unincorporated area of a county, or
484 municipality appointing a member to a public transit district board of trustees.

485 (3) (a) "Chief executive officer" means a person appointed by the board of trustees of a
486 small public transit district to serve as chief executive officer.

487 (b) "Chief executive officer" shall enjoy all the rights, duties, and responsibilities
488 defined in Sections 17B-2a-810 and 17B-2a-811 and includes all rights, duties, and
489 responsibilities assigned to the general manager but prescribed by the board of trustees to be
490 fulfilled by the chief executive officer.

491 (4) "Council of governments" means a decision-making body in each county composed
492 of membership including the county governing body and the mayors of each municipality in the
493 county.

494 [~~(4)~~] (5) "Department" means the Department of Transportation created in Section
495 72-1-201.

496 (6) "Executive director" means a person appointed by the board of trustees of a large

497 public transit district to serve as executive director.

498 ~~[(5)]~~ (7) (a) "General manager" means a person appointed by the board of trustees of a
499 small public transit district to serve as general manager.

500 (b) "General manager" shall enjoy all the rights, duties, and responsibilities defined in
501 Sections 17B-2a-810 and 17B-2a-811 prescribed by the board of trustees of a small public
502 transit district.

503 ~~[(6)]~~ (8) (a) "Locally elected public official" means a person who holds an elected
504 position with a county or municipality.

505 (b) "Locally elected public official" does not include a person who holds an elected
506 position if the elected position is not with a county or municipality.

507 (9) "Large public transit district" means a public transit district that provides public
508 transit to an area that includes:

509 (a) more than 65% of the population of the state based on the most recent official
510 census or census estimate of the United States Bureau of the Census; and

511 (b) two or more counties.

512 ~~[(7)]~~ (10) "Metropolitan planning organization" means the same as that term is defined
513 in Section 72-1-208.5.

514 ~~[(8)]~~ (11) "Multicounty district" means a public transit district located in more than one
515 county.

516 ~~[(9)]~~ (12) "Operator" means a public entity or other person engaged in the
517 transportation of passengers for hire.

518 ~~[(10)]~~ (13) "Public transit" means the transportation of passengers only and their
519 incidental baggage by means other than:

520 (a) chartered bus;

521 (b) sightseeing bus; or

522 (c) taxi.

523 (14) "Public transit district" means a local district that provides public transit services.

524 (15) "Small public transit district" means any public transit district that is not a large
525 public transit district.

526 ~~[(11)]~~ (16) "Transit facility" means a transit vehicle, transit station, depot, passenger
527 loading or unloading zone, parking lot, or other facility:

- 528 (a) leased by or operated by or on behalf of a public transit district; and
529 (b) related to the public transit services provided by the district, including:
530 (i) railway or other right-of-way;
531 (ii) railway line; and
532 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled by
533 a transit vehicle.

534 ~~[(12)]~~ (17) "Transit-oriented development" means a mixed use residential or
535 commercial area that is designed to maximize access to public transit and includes the
536 development of land owned by a public transit district that serves a county of the first class.

537 ~~[(13)]~~ (18) "Transit-supportive development" means a mixed use residential or
538 commercial area that is designed to maximize access to public transit and does not include the
539 development of land owned by a public transit district.

540 ~~[(14)]~~ (19) "Transit vehicle" means a passenger bus, coach, railcar, van, or other
541 vehicle operated as public transportation by a public transit district.

542 Section 10. Section **17B-2a-804** is amended to read:

543 **17B-2a-804. Additional public transit district powers.**

544 (1) In addition to the powers conferred on a public transit district under Section
545 17B-1-103, a public transit district may:

546 (a) provide a public transit system for the transportation of passengers and their
547 incidental baggage;

548 (b) notwithstanding Subsection 17B-1-103(2)(g) and subject to Section 17B-2a-817,
549 levy and collect property taxes only for the purpose of paying:

550 (i) principal and interest of bonded indebtedness of the public transit district; or

551 (ii) a final judgment against the public transit district if:

552 (A) the amount of the judgment exceeds the amount of any collectable insurance or
553 indemnity policy; and

554 (B) the district is required by a final court order to levy a tax to pay the judgment;

555 (c) insure against:

556 (i) loss of revenues from damage to or destruction of some or all of a public transit
557 system from any cause;

558 (ii) public liability;

- 559 (iii) property damage; or
- 560 (iv) any other type of event, act, or omission;
- 561 (d) acquire, contract for, lease, construct, own, operate, control, or use:
- 562 (i) a right-of-way, rail line, monorail, bus line, station, platform, switchyard, terminal,
- 563 parking lot, or any other facility necessary or convenient for public transit service; or
- 564 (ii) any structure necessary for access by persons and vehicles;
- 565 (e) (i) hire, lease, or contract for the supplying or management of a facility, operation,
- 566 equipment, service, employee, or management staff of an operator; and
- 567 (ii) provide for a sublease or subcontract by the operator upon terms that are in the
- 568 public interest;
- 569 (f) operate feeder bus lines and other feeder or ridesharing services as necessary;
- 570 (g) accept a grant, contribution, or loan, directly through the sale of securities or
- 571 equipment trust certificates or otherwise, from the United States, or from a department,
- 572 instrumentality, or agency of the United States;
- 573 (h) study and plan transit facilities in accordance with any legislation passed by
- 574 Congress;
- 575 (i) cooperate with and enter into an agreement with the state or an agency of the state
- 576 or otherwise contract to finance to establish transit facilities and equipment or to study or plan
- 577 transit facilities;
- 578 (j) subject to Subsection 17B-2a-808.1(4), issue bonds as provided in and subject to
- 579 Chapter 1, Part 11, Local District Bonds, to carry out the purposes of the district;
- 580 (k) from bond proceeds or any other available funds, reimburse the state or an agency
- 581 of the state for an advance or contribution from the state or state agency;
- 582 (l) do anything necessary to avail itself of any aid, assistance, or cooperation available
- 583 under federal law, including complying with labor standards and making arrangements for
- 584 employees required by the United States or a department, instrumentality, or agency of the
- 585 United States;
- 586 (m) sell or lease property;
- 587 (n) except as provided in Subsection (2)(b), assist in or operate transit-oriented or
- 588 transit-supportive developments;
- 589 (o) establish, finance, participate as a limited partner or member in a development with

590 limited liabilities in accordance with Subsection (1)(p), construct, improve, maintain, or
591 operate transit facilities, equipment, and, in accordance with Subsection (3), transit-oriented
592 developments or transit-supportive developments; and

593 (p) subject to the restrictions and requirements in Subsections (2) and (3), assist in a
594 transit-oriented development or a transit-supportive development in connection with project
595 area development as defined in Section 17C-1-102 by:

596 (i) investing in a project as a limited partner or a member, with limited liabilities; or

597 (ii) subordinating an ownership interest in real property owned by the public transit
598 district.

599 (2) (a) A public transit district may only assist in the development of areas under
600 Subsection (1)(p):

601 (i) in the manner described in Subsection (1)(p)(i) or (ii); and

602 (ii) on no more than eight transit-oriented developments or transit-supportive
603 developments selected by the board of trustees.

604 (b) A public transit district may not invest in a transit-oriented development or
605 transit-supportive development as a limited partner or other limited liability entity under the
606 provisions of Subsection (1)(p)(i), unless the partners, developer, or other investor in the entity,
607 makes an equity contribution equal to no less than 25% of the appraised value of the property
608 to be contributed by the public transit district.

609 (c) (i) For transit-oriented development projects, a public transit district shall adopt
610 transit-oriented development policies and guidelines that include provisions on affordable
611 housing.

612 (ii) For transit-supportive development projects, a public transit district shall work with
613 the metropolitan planning organization and city and county governments where the project is
614 located to collaboratively seek to create joint plans for the areas within one-half mile of transit
615 stations, including plans for affordable housing.

616 (d) A current board member of a public transit district to which the board member is
617 appointed may not have any interest in the transactions engaged in by the public transit district
618 pursuant to Subsection (1)(p)(i) or (ii), except as may be required by the board member's
619 fiduciary duty as a board member.

620 (3) For any transit-oriented development or transit-supportive development authorized

621 in this section, the public transit district shall:

622 (a) perform a cost-benefit analysis of the monetary investment and expenditures of the
623 development, including effect on:

624 (i) service and ridership;

625 (ii) regional plans made by the metropolitan planning agency;

626 (iii) the local economy;

627 (iv) the environment and air quality;

628 (v) affordable housing; and

629 (vi) integration with other modes of transportation; and

630 (b) provide evidence to the public of a quantifiable positive return on investment,
631 including improvements to public transit service.

632 (4) A public transit district may be funded from any combination of federal, state,
633 local, or private funds.

634 (5) A public transit district may not acquire property by eminent domain.

635 Section 11. Section **17B-2a-807** is amended to read:

636 **17B-2a-807. Small public transit district board of trustees -- Appointment --**
637 **Apportionment -- Qualifications -- Quorum -- Compensation -- Terms.**

638 (1) (a) [~~If 200,000 people or fewer reside within the boundaries of a~~] For a small public
639 transit district, the board of trustees shall consist of members appointed by the legislative
640 bodies of each municipality, county, or unincorporated area within any county on the basis of
641 one member for each full unit of regularly scheduled passenger routes proposed to be served by
642 the district in each municipality or unincorporated area within any county in the following
643 calendar year.

644 (b) For purposes of determining membership under Subsection (1)(a), the number of
645 service miles comprising a unit shall be determined jointly by the legislative bodies of the
646 municipalities or counties comprising the district.

647 (c) The board of trustees of a public transit district under this [~~Subsection (1)]~~ section
648 may include a member that is a commissioner on the Transportation Commission created in
649 Section 72-1-301 and appointed as provided in Subsection [~~(11)]~~ (8), who shall serve as a
650 nonvoting, ex officio member.

651 (d) Members appointed under this [~~Subsection (1)]~~ section shall be appointed and

652 added to the board or omitted from the board at the time scheduled routes are changed, or as
 653 municipalities, counties, or unincorporated areas of counties annex to or withdraw from the
 654 district using the same appointment procedures.

655 (e) For purposes of appointing members under this ~~[Subsection (1)]~~ section,
 656 municipalities, counties, and unincorporated areas of counties in which regularly scheduled
 657 passenger routes proposed to be served by the district in the following calendar year is less than
 658 a full unit, as defined in Subsection (1)(b), may combine with any other similarly situated
 659 municipality or unincorporated area to form a whole unit and may appoint one member for
 660 each whole unit formed.

661 ~~[(2)(a) Subject to Section 17B-2a-807.5, if more than 200,000 people reside within the~~
 662 ~~boundaries of a public transit district, the board of trustees shall consist of:]~~

663 ~~[(i) 11 members:]~~

664 ~~[(A) appointed as described under this Subsection (2), or]~~

665 ~~[(B) retained in accordance with Section 17B-2a-807.5;]~~

666 ~~[(ii) three members appointed as described in Subsection (4);]~~

667 ~~[(iii) one voting member appointed as provided in Subsection (11); and]~~

668 ~~[(iv) one nonvoting member appointed as provided in Subsection (12).]~~

669 ~~[(b) Except as provided in Subsections (2)(c) and (d), the board shall apportion voting~~
 670 ~~members to each county within the district using an average of:]~~

671 ~~[(i) the proportion of population included in the district and residing within each~~
 672 ~~county, rounded to the nearest 1/11 of the total transit district population; and]~~

673 ~~[(ii) the cumulative proportion of transit sales and use tax collected from areas~~
 674 ~~included in the district and within each county, rounded to the nearest 1/11 of the total~~
 675 ~~cumulative transit sales and use tax collected for the transit district.]~~

676 ~~[(c) The board shall join an entire or partial county not apportioned a voting member~~
 677 ~~under this Subsection (2) with an adjacent county for representation. The combined~~
 678 ~~apportionment basis included in the district of both counties shall be used for the~~
 679 ~~apportionment.]~~

680 ~~[(d) (i) If rounding to the nearest 1/11 of the total public transit district apportionment~~
 681 ~~basis under Subsection (2)(b) results in an apportionment of more than 11 members, the county~~
 682 ~~or combination of counties with the smallest additional fraction of a whole member proportion~~

683 shall have one less member apportioned to it.]

684 ~~[(ii) If rounding to the nearest 1/11 of the total public transit district apportionment~~
685 ~~basis under Subsection (2)(b) results in an apportionment of less than 11 members, the county~~
686 ~~or combination of counties with the largest additional fraction of a whole member proportion~~
687 ~~shall have one more member apportioned to it.]~~

688 ~~[(c) If the population of a county is at least 750,000, the county executive, with the~~
689 ~~advice and consent of the county legislative body, shall appoint one voting member to~~
690 ~~represent the population of the county.]~~

691 ~~[(f) If a municipality's population is at least 160,000, the chief municipal executive,~~
692 ~~with the advice and consent of the municipal legislative body, shall appoint one voting member~~
693 ~~to represent the population within a municipality.]~~

694 ~~[(g) (i) The number of voting members appointed from a county and municipalities~~
695 ~~within a county under Subsections (2)(c) and (f) shall be subtracted from the county's total~~
696 ~~voting member apportionment under this Subsection (2).]~~

697 ~~[(ii) Notwithstanding Subsections (2)(f) and (10), no more than one voting member~~
698 ~~appointed by an appointing entity may be a locally elected public official.]~~

699 ~~[(h) If the entire county is within the district, the remaining voting members for the~~
700 ~~county shall represent the county or combination of counties, if Subsection (2)(c) applies, or~~
701 ~~the municipalities within the county.]~~

702 ~~[(i) If the entire county is not within the district, and the county is not joined with~~
703 ~~another county under Subsection (2)(c), the remaining voting members for the county shall~~
704 ~~represent a municipality or combination of municipalities.]~~

705 ~~[(j) (i) Except as provided under Subsections (2)(c) and (f), voting members~~
706 ~~representing counties, combinations of counties if Subsection (2)(c) applies, or municipalities~~
707 ~~within the county shall be designated and appointed by a simple majority of the chief~~
708 ~~executives of the municipalities within the county or combinations of counties if Subsection~~
709 ~~(2)(c) applies.]~~

710 ~~[(ii) The appointments shall be made by joint written agreement of the appointing~~
711 ~~municipalities, with the consent and approval of the county legislative body of the county that~~
712 ~~has at least 1/11 of the district's apportionment basis.]~~

713 ~~[(k) Voting members representing a municipality or combination of municipalities~~

714 shall be designated and appointed by the chief executive officer of the municipality or simple
715 majority of chief executive officers of municipalities with the consent of the legislative body of
716 the municipality or municipalities.]

717 ~~[(f) The appointment of members shall be made without regard to partisan political~~
718 ~~affiliation from among citizens in the community.]~~

719 ~~[(m) Each member shall be a bona fide resident of the municipality, county, or~~
720 ~~unincorporated area or areas which the member is to represent for at least six months before the~~
721 ~~date of appointment, and shall continue in that residency to remain qualified to serve as a~~
722 ~~member.]~~

723 ~~[(n) (i) All population figures used under this section shall be derived from the most~~
724 ~~recent official census or census estimate of the United States Bureau of the Census.]~~

725 ~~[(ii) If population estimates are not available from the United States Bureau of Census,~~
726 ~~population figures shall be derived from the estimate from the Utah Population Estimates~~
727 ~~Committee.]~~

728 ~~[(iii) All transit sales and use tax totals shall be obtained from the State Tax~~
729 ~~Commission.]~~

730 ~~[(o) (i) The board shall be apportioned as provided under this section in conjunction~~
731 ~~with the decennial United States Census Bureau report every 10 years.]~~

732 ~~[(ii) Within 120 days following the receipt of the population estimates under this~~
733 ~~Subsection (2)(o), the district shall reapportion representation on the board of trustees in~~
734 ~~accordance with this section.]~~

735 ~~[(iii) The board shall adopt by resolution a schedule reflecting the current and proposed~~
736 ~~apportionment.]~~

737 ~~[(iv) Upon adoption of the resolution, the board shall forward a copy of the resolution~~
738 ~~to each of its constituent entities as defined under Section 17B-1-701.]~~

739 ~~[(v) The appointing entities gaining a new board member shall appoint a new member~~
740 ~~within 30 days following receipt of the resolution.]~~

741 ~~[(vi) The appointing entities losing a board member shall inform the board of which~~
742 ~~member currently serving on the board will step down.]~~

743 ~~[(A) upon appointment of a new member under Subsection (2)(o)(v); or]~~

744 ~~[(B) in accordance with Section 17B-2a-807.5.]~~

745 ~~[(3)]~~ (2) Upon the completion of an annexation to a public transit district under
746 Chapter 1, Part 4, Annexation, the annexed area shall have a representative on the board of
747 trustees on the same basis as if the area had been included in the district as originally
748 organized.

749 ~~[(4) In addition to the voting members appointed in accordance with Subsection (2),~~
750 ~~the board shall consist of three voting members appointed as follows:]~~

751 ~~[(a) one member appointed by the speaker of the House of Representatives;]~~

752 ~~[(b) one member appointed by the president of the Senate; and]~~

753 ~~[(c) one member appointed by the governor.]~~

754 ~~[(5) Except as provided in Section 17B-2a-807.5, the terms of office of the members of~~
755 ~~the board shall be four years or until a successor is appointed, qualified, seated, and has taken~~
756 ~~the oath of office.]~~

757 ~~[(6)]~~ (3) (a) Vacancies for members shall be filled by the official appointing the
758 member creating the vacancy for the unexpired term, unless the official fails to fill the vacancy
759 within 90 days.

760 (b) If the appointing official under Subsection (1) does not fill the vacancy within 90
761 days, the board of trustees of the authority shall fill the vacancy.

762 ~~[(c) If the appointing official under Subsection (2) does not fill the vacancy within 90~~
763 ~~days, the governor, with the advice and consent of the Senate, shall fill the vacancy.]~~

764 ~~[(7)]~~ (4) (a) Each voting member may cast one vote on all questions, orders,
765 resolutions, and ordinances coming before the board of trustees.

766 (b) A majority of all voting members of the board of trustees are a quorum for the
767 transaction of business.

768 (c) The affirmative vote of a majority of all voting members present at any meeting at
769 which a quorum was initially present shall be necessary and, except as otherwise provided, is
770 sufficient to carry any order, resolution, ordinance, or proposition before the board of trustees.

771 ~~[(8)]~~ (5) Each public transit district shall pay to each member per diem and travel
772 expenses for meetings actually attended, in accordance with Section 11-55-103.

773 ~~[(9)]~~ (6) (a) Members of the initial board of trustees shall convene at the time and place
774 fixed by the chief executive officer of the entity initiating the proceedings.

775 (b) The board of trustees shall elect from its voting membership a chair, vice chair, and

776 secretary.

777 (c) The members elected under Subsection ~~[(9)]~~ (6)(b) shall serve for a period of two
778 years or until their successors shall be elected and qualified.

779 (d) On or after January 1, 2011, a locally elected public official is not eligible to serve
780 as the chair, vice chair, or secretary of the board of trustees.

781 ~~[(10)]~~ (7) (a) Except as otherwise authorized under ~~[Subsections (2)(g) and (10)(b) and~~
782 ~~Section 17B-2a-807.5]~~ Subsection (7)(b), at the time of a member's appointment or during a
783 member's tenure in office, a member may not hold any employment, except as an independent
784 contractor or locally elected public official, with a county or municipality within the district.

785 (b) A member appointed by a county or municipality may hold employment with the
786 county or municipality if the employment is disclosed in writing and the public transit district
787 board of trustees ratifies the appointment.

788 ~~[(11)]~~ (8) The Transportation Commission created in Section 72-1-301 ~~[: (a) for a~~
789 ~~public transit district serving a population of 200,000 people or fewer,]~~ may appoint a
790 commissioner of the Transportation Commission to serve on the board of trustees of a small
791 public transit district as a nonvoting, ex officio member ~~[: and]~~.

792 ~~[(b) for a public transit district serving a population of more than 200,000 people, shall~~
793 ~~appoint a commissioner of the Transportation Commission to serve on the board of trustees as~~
794 ~~a voting member.]~~

795 ~~[(12) (a) The board of trustees of a public transit district serving a population of more~~
796 ~~than 200,000 people shall include a nonvoting member who represents all municipalities and~~
797 ~~unincorporated areas within the district that are located within a county that is not annexed into~~
798 ~~the public transit district.]~~

799 ~~[(b) The nonvoting member representing the combination of municipalities and~~
800 ~~unincorporated areas described in Subsection (12)(a) shall be designated and appointed by a~~
801 ~~weighted vote of the majority of the chief executive officers of the municipalities described in~~
802 ~~Subsection (12)(a).]~~

803 ~~[(c) Each municipality's vote under Subsection (12)(b) shall be weighted using the~~
804 ~~proportion of the public transit district population that resides within that municipality and the~~
805 ~~adjacent unincorporated areas within the same county.]~~

806 ~~[(13)]~~ (9) (a) (i) Each member of the board of trustees of a public transit district is

807 subject to recall at any time by the legislative body of the county or municipality from which
808 the member is appointed.

809 (ii) Each recall of a board of trustees member shall be made in the same manner as the
810 original appointment.

811 (iii) The legislative body recalling a board of trustees member shall provide written
812 notice to the member being recalled.

813 (b) Upon providing written notice to the board of trustees, a member of the board may
814 resign from the board of trustees.

815 (c) [~~Except as provided in Section 17B-2a-807.5, if~~] If a board member is recalled or
816 resigns under this Subsection [(13)] (9), the vacancy shall be filled as provided in Subsection
817 [(6)] (3).

818 Section 12. Section **17B-2a-807.1** is enacted to read:

819 **17B-2a-807.1. Large public transit district board of trustees -- Appointment -- --**
820 **Quorum -- Compensation -- Terms.**

821 (1) (a) For a large public transit district, the board of trustees shall consist of three
822 members appointed as described in Subsection (1)(b).

823 (b) (i) The governor, with advice and consent of the Senate, shall appoint the members
824 of the board of trustees, making:

825 (A) one appointment from the nominees described in Subsection (1)(b)(ii);

826 (B) one appointment from the nominees described in Subsection (1)(b)(iii); and

827 (C) one appointment from the nominees described in Subsection (1)(b)(iv).

828 (ii) The chief executive officer of a county of the first class within a large public transit
829 district, with approval of the legislative body of the county, shall nominate one or more
830 individuals to the governor for appointment to the board of trustees.

831 (iii) (A) Subject to Subsection (1)(b)(iii)(B), the executive governing individuals or
832 bodies of a county or counties of the second class, with a population over 500,000, within a
833 large public transit district, shall nominate one or more individuals to the governor for
834 appointment to the board of trustees.

835 (B) To select individuals for nomination, the executive governing individuals or bodies
836 described in Subsection (1)(b)(iii)(A) shall consult with the executive governing individual or
837 body of a county of the third or smaller class within the large public transit district.

838 (iv) (A) Subject to Subsection (1)(b)(iv)(B), the executive governing individuals or
839 bodies of any county or counties of the second class, with a population of 500,000 or less,
840 within a large public transit district, shall jointly nominate one or more individuals to the
841 governor for appointment to the board of trustees.

842 (B) To select individuals for nomination, the executive governing individuals or bodies
843 described in Subsection (1)(b)(iv)(A) shall consult with the executive governing individual or
844 body of a county of the third or smaller class within the large public transit district different
845 from a third or smaller class county consulting with the county or counties described in
846 Subsection (1)(b)(iii).

847 (c) Each nominee shall be a qualified executive with technical and administrative
848 experience and training appropriate for the position.

849 (d) The board of trustees of a large public transit district shall be full-time employees
850 of the public transit district.

851 (e) The compensation package for the board of trustees shall be determined by the local
852 advisory board as described in Section 17B-2a-808.2.

853 (2) (a) Subject to Subsections (3) and (4), each member of the board of trustees of a
854 large public transit district shall serve for a term of three years.

855 (b) A member of the board of trustees may serve an unlimited number of terms.

856 (3) Each member of the board of trustees of a large public transit district shall serve at
857 the pleasure of the governor.

858 (4) The first time the board of trustees is appointed under this section, the governor
859 shall stagger the initial term of each of the members of the board of trustees as follows:

860 (a) one member of the board of trustees shall serve an initial term of two years;

861 (b) one member of the board of trustees shall serve an initial term of three years; and

862 (c) one member of the board of trustees shall serve an initial term of four years.

863 (5) The governor shall designate one member of the board of trustees as chair of the
864 board of trustees.

865 (6) (a) If a vacancy occurs, the nomination to replace the individual shall occur in the
866 same manner described in Subsection (1) for the member creating the vacancy.

867 (b) A replacement board member shall serve for the remainder of the unexpired term,
868 but may serve an unlimited number of terms as provided in Subsection (2)(b).

869 (c) If the nominating officials under Subsection (1) do not nominate to fill the vacancy
870 within 60 days, the governor shall appoint an individual to fill the vacancy.

871 (7) For any large public transit district in existence as of May 8, 2018:

872 (a) the individuals or bodies providing nominations as described in this section shall
873 provide the nominations to the governor as described in this section before July 31, 2018;

874 (b) the governor shall appoint the members of the board of trustees before August 31,
875 2018; and

876 (c) the new board shall assume control of the large public transit district on or before
877 November 1, 2018.

878 Section 13. Section **17B-2a-808** is amended to read:

879 **17B-2a-808. Small public transit district board of trustees powers and duties --**
880 **Adoption of ordinances, resolutions, or orders -- Effective date of ordinances.**

881 (1) The powers and duties of a board of trustees of a small public transit district stated
882 in this section are in addition to the powers and duties stated in Section 17B-1-301.

883 (2) The board of trustees of each small public transit district shall:

884 (a) appoint and fix the salary of a general manager, a chief executive officer, or both, as
885 provided in Section 17B-2a-811;

886 (b) determine the transit facilities that the district should acquire or construct;

887 (c) supervise and regulate each transit facility that the district owns and operates,
888 including:

889 (i) fixing rates, fares, rentals, and charges and any classifications of rates, fares, rentals,
890 and charges; and

891 (ii) making and enforcing rules, regulations, contracts, practices, and schedules for or
892 in connection with a transit facility that the district owns or controls;

893 (d) control the investment of all funds assigned to the district for investment, including
894 funds:

895 (i) held as part of a district's retirement system; and

896 (ii) invested in accordance with the participating employees' designation or direction
897 pursuant to an employee deferred compensation plan established and operated in compliance
898 with Section 457 of the Internal Revenue Code;

899 (e) invest all funds according to the procedures and requirements of Title 51, Chapter

900 7, State Money Management Act;

901 (f) if a custodian is appointed under Subsection (3)(d), pay the fees for the custodian's

902 services from the interest earnings of the investment fund for which the custodian is appointed;

903 (g) (i) cause an annual audit of all district books and accounts to be made by an

904 independent certified public accountant;

905 (ii) as soon as practicable after the close of each fiscal year, submit to the chief

906 administrative officer and legislative body of each county and municipality with territory

907 within the district a financial report showing:

908 (A) the result of district operations during the preceding fiscal year; and

909 (B) the district's financial status on the final day of the fiscal year; and

910 (iii) supply copies of the report under Subsection (2)(g)(ii) to the general public upon

911 request in a quantity that the board considers appropriate;

912 (h) report at least annually to the Transportation Commission created in Section

913 72-1-301 the district's short-term and long-range public transit plans, including the transit

914 portions of applicable regional transportation plans adopted by a metropolitan planning

915 organization established under 23 U.S.C. Sec. 134;

916 (i) direct the internal auditor appointed under Section 17B-2a-810 to conduct audits

917 that the board of trustees determines to be the most critical to the success of the organization;

918 and

919 (j) hear audit reports for audits conducted in accordance with Subsection (2)(i).

920 (3) A board of trustees of a public transit district may:

921 (a) subject to Subsection (5), make and pass ordinances, resolutions, and orders that

922 are:

923 (i) not repugnant to the United States Constitution, the Utah Constitution, or the

924 provisions of this part; and

925 (ii) necessary for:

926 (A) the government and management of the affairs of the district;

927 (B) the execution of district powers; and

928 (C) carrying into effect the provisions of this part;

929 (b) provide by resolution, under terms and conditions the board considers fit, for the

930 payment of demands against the district without prior specific approval by the board, if the

931 payment is:

- 932 (i) for a purpose for which the expenditure has been previously approved by the board;
933 (ii) in an amount no greater than the amount authorized; and
934 (iii) approved by the general manager or other officer or deputy as the board prescribes;
935 (c) (i) hold public hearings and subpoena witnesses; and
936 (ii) appoint district officers to conduct a hearing and require the officers to make
937 findings and conclusions and report them to the board; and
938 (d) appoint a custodian for the funds and securities under its control, subject to
939 Subsection (2)(f).

940 (4) A member of the board of trustees of a public transit district or a hearing officer
941 designated by the board may administer oaths and affirmations in a district investigation or
942 proceeding.

943 (5) (a) The vote of the board of trustees on each ordinance shall be by roll call vote
944 with each affirmative and negative vote recorded.

945 (b) (i) Subject to Subsection (5)(b)(ii), the board of trustees may adopt a resolution or
946 order by voice vote.

947 (ii) The vote of the board of trustees on a resolution or order shall be by roll call vote if
948 a member of the board so demands.

949 (c) (i) Except as provided in Subsection (5)(c)(ii), the board of trustees of a public
950 transit district may not adopt an ordinance unless it is:

951 (A) introduced at least a day before the board of trustees adopts it; or

952 (B) mailed by registered mail, postage prepaid, to each member of the board of trustees
953 at least five days before the day upon which the ordinance is presented for adoption.

954 (ii) Subsection (5)(c)(i) does not apply if the ordinance is adopted by a unanimous vote
955 of all board members present at a meeting at which at least 3/4 of all board members are
956 present.

957 (d) Each ordinance adopted by a public transit district's board of trustees shall take
958 effect upon adoption, unless the ordinance provides otherwise.

959 Section 14. Section **17B-2a-808.1** is enacted to read:

960 **17B-2a-808.1. Large public transit district board of trustees powers and duties --**
961 **Adoption of ordinances, resolutions, or orders -- Effective date of ordinances.**

962 (1) The powers and duties of a board of trustees of a large public transit district stated
963 in this section are in addition to the powers and duties stated in Section 17B-1-301.

964 (2) The board of trustees of each large public transit district shall:

965 (a) hold public meetings and receive public comment;

966 (b) ensure that the policies, procedures, and management practices established by the
967 public transit district meet state and federal regulatory requirements and federal grantee
968 eligibility;

969 (c) create and approve an annual budget, including the issuance of bonds and other
970 financial instruments, after consultation with the local advisory board;

971 (d) approve any interlocal agreement with a local jurisdiction;

972 (e) in consultation with the local advisory board, approve contracts and overall
973 property acquisitions and dispositions for transit-oriented development;

974 (f) in consultation with constituent counties, municipalities, metropolitan planning
975 organizations, and the local advisory board;

976 (i) develop and approve a strategic plan for development and operations on at least a
977 four-year basis; and

978 (ii) create and pursue funding opportunities for transit capital and service initiatives to
979 meet anticipated growth within the public transit district;

980 (g) annually report the public transit district's long term financial plan to the State
981 Bonding Commission;

982 (h) annually report the public transit district's progress and expenditures related to state
983 resources to the Executive Appropriations Committee and the Infrastructure and General
984 Government Appropriations Subcommittee;

985 (i) (A) in partnership with the Department of Transportation, study and evaluate the
986 feasibility of a strategic transition of a large public transit district into a state entity; and

987 (B) in partnership with the Department of Transportation, before November 30 of each
988 year, report on the progress of the study to the Transportation Interim Committee and the
989 Infrastructure and General Government Appropriations Subcommittee;

990 (j) hire, set salaries, and develop performance targets and evaluations for the executive
991 director, general counsel, and chief internal auditor of the public transit district;

992 (k) supervise and regulate each transit facility that the public transit district owns and

993 operates, including:
994 (i) fix rates, fares, rentals, charges and any classifications of rates, fares, rentals, and
995 charges; and
996 (ii) make and enforce rules, regulations, contracts, practices, and schedules for or in
997 connection with a transit facility that the district owns or controls;
998 (l) subject to Subsection (4), control the investment of all funds assigned to the district
999 for investment, including funds:
1000 (i) held as part of a district's retirement system; and
1001 (ii) invested in accordance with the participating employees' designation or direction
1002 pursuant to an employee deferred compensation plan established and operated in compliance
1003 with Section 457 of the Internal Revenue Code;
1004 (m) in consultation with the local advisory board created under Section 17B-2a-808.2,
1005 invest all funds according to the procedures and requirements of Title 51, Chapter 7, State
1006 Money Management Act;
1007 (n) if a custodian is appointed under Subsection (3)(d), and subject to Subsection (4),
1008 pay the fees for the custodian's services from the interest earnings of the investment fund for
1009 which the custodian is appointed;
1010 (o) (i) cause an annual audit of all public transit district books and accounts to be made
1011 by an independent certified public accountant;
1012 (ii) as soon as practicable after the close of each fiscal year, submit to each of the
1013 councils of governments within the public transit district a financial report showing:
1014 (A) the result of district operations during the preceding fiscal year;
1015 (B) an accounting of the expenditures of all local sales tax revenues generated under
1016 Title 59, Chapter 12, Part 22, Local Option Sales and Use Taxes for Transportation Act; and
1017 (C) the district's financial status on the final day of the fiscal year; and
1018 (iii) supply copies of the report under Subsection (2)(g)(ii) to the general public upon
1019 request;
1020 (p) report at least annually to the Transportation Commission created in Section
1021 72-1-301, which report shall include:
1022 (i) the district's short-term and long-range public transit plans, including the portions of
1023 applicable regional transportation plans adopted by a metropolitan planning organization

1024 established under 23 U.S.C. Sec. 134; and
1025 (ii) any transit capital development projects that the board of trustees would like the
1026 Transportation Commission to consider;
1027 (q) direct the internal auditor appointed under Section 17B-2a-810 to conduct audits
1028 that the board of trustees determines, in consultation with the local advisory board created in
1029 Section 17B-2a-808.2, to be the most critical to the success of the organization;
1030 (r) together with the local advisory board created in Section 17B-2a-808.2, hear audit
1031 reports for audits conducted in accordance with Subsection (2)(o);
1032 (s) negotiate all contracts pertaining to reduced fares, and evaluate existing contracts,
1033 including review of:
1034 (i) how negotiations occurred;
1035 (ii) the rationale for providing a reduced fare; and
1036 (iii) identification and evaluation of cost shifts to offset operational costs incurred and
1037 impacted by each contract offering a reduced fare; and
1038 (t) in consultation with the local advisory board, develop and approve other board
1039 policies, ordinances, and bylaws.
1040 (3) A board of trustees of a large public transit district may:
1041 (a) subject to Subsection (5), make and pass ordinances, resolutions, and orders that
1042 are:
1043 (i) not repugnant to the United States Constitution, the Utah Constitution, or the
1044 provisions of this part; and
1045 (ii) necessary for:
1046 (A) the governance and management of the affairs of the district;
1047 (B) the execution of district powers; and
1048 (C) carrying into effect the provisions of this part;
1049 (b) provide by resolution, under terms and conditions the board considers fit, for the
1050 payment of demands against the district without prior specific approval by the board, if the
1051 payment is:
1052 (i) for a purpose for which the expenditure has been previously approved by the board;
1053 (ii) in an amount no greater than the amount authorized; and
1054 (iii) approved by the executive director or other officer or deputy as the board

1055 prescribes:

1056 (c) in consultation with the local advisory board created in Section 17B-2a-808.2:

1057 (i) hold public hearings and subpoena witnesses; and

1058 (ii) appoint district officers to conduct a hearing and require the officers to make
1059 findings and conclusions and report them to the board; and

1060 (d) appoint a custodian for the funds and securities under its control, subject to
1061 Subsection (2)(n).

1062 (4) On or before January 1, 2020, a large public transit district shall become a
1063 participating employer and have the retirement benefits of eligible employees and officials
1064 covered in applicable systems and plans administered under Title 49, Utah State Retirement
1065 and Insurance Benefit Act.

1066 (5) The board of trustees may not issue a bond unless the board of trustees has
1067 consulted and received approval from the State Bonding Commission created in Section
1068 63B-1-201.

1069 (6) A member of the board of trustees of a large public transit district or a hearing
1070 officer designated by the board may administer oaths and affirmations in a district investigation
1071 or proceeding.

1072 (7) (a) The vote of the board of trustees on each ordinance or resolution shall be by roll
1073 call vote with each affirmative and negative vote recorded.

1074 (b) The board of trustees of a large public transit district may not adopt an ordinance
1075 unless it is:

1076 (i) introduced at least a day before the board of trustees adopts it; or

1077 (ii) mailed by registered mail, postage prepaid, to each member of the board of trustees
1078 at least five days before the day upon which the ordinance is presented for adoption.

1079 (c) Each ordinance adopted by a large public transit district's board of trustees shall
1080 take effect upon adoption, unless the ordinance provides otherwise.

1081 Section 15. Section **17B-2a-808.2** is enacted to read:

1082 **17B-2a-808.2. Large public transit district local advisory board -- Powers and**
1083 **duties.**

1084 (1) A large public transit district shall create and consult with a local advisory board.

1085 (2) (a) The local advisory board shall have membership selected as described in

1086 Subsection (2)(b).

1087 (b) (i) The council of governments of a county of the first class within a large public
1088 transit district shall appoint three members to the local advisory board.

1089 (ii) The chief executive officer of a city that is the county seat within a county of the
1090 first class within a large public transit district shall appoint one member to the local advisory
1091 board.

1092 (iii) The council of governments of a county of the second class with a population of
1093 500,000 or more within a large public transit district shall appoint two members to the local
1094 advisory board.

1095 (iv) The council of governments of a county of the second class with a population
1096 under 500,000 within a large public transit district shall each appoint one member to the local
1097 advisory board.

1098 (v) The councils of governments of any counties of the third or smaller class or smaller
1099 within a large public transit district shall jointly appoint one member to the local advisory
1100 board.

1101 (c) The population numbers used to apportion appointment powers described in
1102 Subsection (2)(b) shall be based on the most recent official census or census estimate of the
1103 United States Bureau of the Census.

1104 (3) The public transit district local advisory board shall meet at least quarterly in a
1105 meeting open to the public for comment, to discuss the service, operations, and any concerns
1106 with the public transit district operations and functionality.

1107 (4) The duties of the local advisory board shall include:

1108 (a) setting the compensation packages of the board of trustees;

1109 (b) reviewing, approving, and recommending final adoption by the board of trustees of
1110 the large public transit district service plans at least every two and a half years;

1111 (c) reviewing, approving, and recommending final adoption by the board of trustees of
1112 project development plans, including funding, of all new capital development projects;

1113 (d) reviewing, approving, and recommending final adoption by board of trustees of any
1114 plan for a transit-oriented development where a large public transit district is involved;

1115 (e) at least annually, engaging with the safety and security team of the large public
1116 transit district to ensure coordination with local municipalities and counties;

1117 (f) assist with coordinated mobility and constituent services provided by the public
 1118 transit district;

1119 (g) represent and advocate the concerns of citizens within the public transit district to
 1120 the board of trustees; and

1121 (h) other duties described in Section 17B-2a-808.1.

1122 (5) The local advisory board shall meet at least quarterly with and consult with the
 1123 board of trustees and advise regarding the operation and management of the public transit
 1124 district.

1125 Section 16. Section **17B-2a-810** is amended to read:

1126 **17B-2a-810. Officers of a public transit district.**

1127 (1) (a) The officers of a public transit district shall consist of:

1128 (i) the members of the board of trustees;

1129 (ii) for a small public transit district, a chair and vice chair, appointed by the board of
 1130 trustees, subject to Subsection (1)(c);

1131 (iii) a secretary, appointed by the board of trustees;

1132 (iv) (A) for a small public transit district, a general manager, appointed by the board of
 1133 trustees as provided in Section 17B-2a-811, whose duties may be allocated by the board of
 1134 trustees, at the board of trustees' discretion, to a chief executive officer, or both; or

1135 (B) for a large public transit district, an executive director appointed by the board of
 1136 trustees as provided in Section 17B-2a-811.1;

1137 (v) for a small public transit district, a chief executive officer appointed by the board of
 1138 trustees, as provided in Section 17B-2a-811;

1139 (vi) a general counsel, appointed by the board of trustees, subject to Subsection (1)(d);

1140 (vii) a treasurer, appointed as provided in Section 17B-1-633;

1141 (viii) a comptroller, appointed by the board of trustees, subject to Subsection (1)(e);

1142 (ix) for a [~~public transit district with more than 200,000 people residing within the~~
 1143 ~~boundaries of the]~~ large public transit district, an internal auditor, appointed by the board of
 1144 trustees, subject to Subsection (1)(f); and

1145 (x) other officers, assistants, and deputies that the board of trustees considers
 1146 necessary.

1147 (b) The board of trustees of a small public transit district may, at its discretion, appoint

1148 a president, who shall also be considered an officer of a public transit district.

1149 (c) The district chair and vice chair of a small public transit district shall be members
1150 of the board of trustees.

1151 (d) The person appointed as general counsel shall:

1152 (i) be admitted to practice law in the state; and

1153 (ii) have been actively engaged in the practice of law for at least seven years next
1154 preceding the appointment.

1155 (e) The person appointed as comptroller shall have been actively engaged in the
1156 practice of accounting for at least seven years next preceding the appointment.

1157 (f) The person appointed as internal auditor shall be a licensed certified internal auditor
1158 or certified public accountant with at least five years experience in the auditing or public
1159 accounting profession, or the equivalent, prior to appointment.

1160 (2) (a) [~~The~~] For a small public transit district, the district's general manager or chief
1161 executive officer, as the board prescribes, or for a large public transit district, the executive
1162 director, shall appoint all officers and employees not specified in Subsection (1).

1163 (b) Each officer and employee appointed by the district's general manager or chief
1164 executive officer of a small public transit district, or the executive director of a large public
1165 transit district, serves at the pleasure of the appointing general manager [~~or~~], chief executive
1166 officer, or executive director.

1167 (3) The board of trustees shall by ordinance or resolution fix the compensation of all
1168 district officers and employees, except as otherwise provided in this part.

1169 (4) (a) Each officer appointed by the board of trustees or by the district's general
1170 manager [~~or~~], chief executive officer, or executive director shall take the oath of office
1171 specified in Utah Constitution, Article IV, Section 10.

1172 (b) Each oath under Subsection (4)(a) shall be subscribed and filed with the district
1173 secretary no later than 15 days after the commencement of the officer's term of office.

1174 Section 17. Section **17B-2a-811** is amended to read:

1175 **17B-2a-811. General manager or chief executive officer of a small public transit**
1176 **district.**

1177 (1) (a) The board of trustees of a small public transit district shall appoint a person as a
1178 general manager.

1179 (b) The board of trustees of a small public transit district may, at its discretion, appoint
1180 a person as a chief executive officer.

1181 (c) The board of trustees of a small public transit district shall allocate the
1182 responsibilities defined in Subsection (2) between the general manager and the chief executive
1183 officer, if the board of trustees appoints a chief executive officer.

1184 (d) The chief executive officer shall have the same rights allocated to the general
1185 manager under Subsections (3) and (4).

1186 (e) The appointment of a general manager, chief executive officer, or both, shall be by
1187 the affirmative vote of a majority of all members of the board of trustees.

1188 (f) The board's appointment of a person as general manager, chief executive officer, or
1189 both, shall be based on the person's qualifications, with special reference to the person's actual
1190 experience in or knowledge of accepted practices with respect to the duties of the office.

1191 (g) A person appointed as general manager or chief executive officer of a small public
1192 transit district is not required to be a resident of the state at the time of appointment.

1193 (2) A general manager or chief executive officer of a small public transit district shall
1194 have the following responsibilities as allocated by the board of trustees:

1195 (a) be a full-time officer and devote full time to the district's business;

1196 (b) ensure that all district ordinances are enforced;

1197 (c) prepare and submit to the board of trustees, as soon as practical but not less than 45
1198 days after the end of each fiscal year, a complete report on the district's finances and
1199 administrative activities for the preceding year;

1200 (d) keep the board of trustees advised as to the district's needs;

1201 (e) prepare or cause to be prepared all plans and specifications for the construction of
1202 district works;

1203 (f) cause to be installed and maintained a system of auditing and accounting that
1204 completely shows the district's financial condition at all times; and

1205 (g) attend meetings of the board of trustees.

1206 (3) A general manager of a small public transit district:

1207 (a) serves at the pleasure of the board of trustees;

1208 (b) holds office for an indefinite term;

1209 (c) may be removed by the board of trustees upon the adoption of a resolution by the

1210 affirmative vote of a majority of all members of the board, subject to Subsection (5);
1211 (d) has full charge of:
1212 (i) the acquisition, construction, maintenance, and operation of district facilities; and
1213 (ii) the administration of the district's business affairs;
1214 (e) is entitled to participate in the deliberations of the board of trustees as to any matter
1215 before the board; and
1216 (f) may not vote at a meeting of the board of trustees.
1217 (4) The board of trustees may not reduce the general manager's salary below the
1218 amount fixed at the time of original appointment unless:
1219 (a) the board adopts a resolution by a vote of a majority of all members; and
1220 (b) if the general manager demands in writing, the board gives the general manager the
1221 opportunity to be publicly heard at a meeting of the board before the final vote on the
1222 resolution reducing the general manager's salary.
1223 (5) (a) Before adopting a resolution providing for a general manager's removal as
1224 provided in Subsection (3)(c), the board shall, if the manager makes a written demand:
1225 (i) give the general manager a written statement of the reasons alleged for the general
1226 manager's removal; and
1227 (ii) allow the general manager to be publicly heard at a meeting of the board of
1228 trustees.
1229 (b) Notwithstanding Subsection (5)(a), the board of trustees of a public transit district
1230 may suspend a general manager from office pending and during a hearing under Subsection
1231 (5)(a)(ii).
1232 (6) The action of a board of trustees suspending or removing a general manager or
1233 reducing the general manager's salary is final.
1234 Section 18. Section **17B-2a-811.1** is enacted to read:
1235 **17B-2a-811.1. Executive director of a large public transit district.**
1236 (1) (a) The board of trustees of a large public transit district shall appoint a person as
1237 an executive director.
1238 (b) The appointment of an executive director shall be by the affirmative vote of a
1239 majority of the board of trustees.
1240 (c) The board's appointment of a person as executive director shall be based on the

1241 person's qualifications, with special reference to the person's actual experience in or knowledge
1242 of accepted practices with respect to the duties of the office.

1243 (d) A person appointed as executive director of a large public transit district is not
1244 required to be a resident of the state at the time of appointment.

1245 (2) An executive director of a large public transit district shall:

1246 (a) be a full-time officer and devote full time to the district's business;

1247 (b) serve at the pleasure of the board of trustees;

1248 (c) hold office for an indefinite term;

1249 (d) ensure that all district ordinances are enforced;

1250 (e) prepare and submit to the board of trustees, as soon as practical but not less than 45

1251 days after the end of each fiscal year, a complete report on the district's finances and

1252 administrative activities for the preceding year;

1253 (f) advise the board of trustees regarding the needs of the district;

1254 (g) in consultation with the board of trustees, prepare or cause to be prepared all plans

1255 and specifications for the construction of district works;

1256 (h) cause to be installed and maintained a system of auditing and accounting that

1257 completely shows the district's financial condition at all times;

1258 (i) attend meetings of the board of trustees;

1259 (j) in consultation with the board of trustees, have charge of:

1260 (i) the acquisition, construction, maintenance, and operation of district facilities; and

1261 (ii) the administration of the district's business affairs; and

1262 (k) be entitled to participate in the deliberations of the board of trustees as to any

1263 matter before the board.

1264 (3) The board of trustees may not remove the executive director or reduce the
1265 executive director's salary below the amount fixed at the time of original appointment unless:

1266 (a) the board adopts a resolution by a vote of a majority of all members; and

1267 (b) if the executive director demands in writing, the board gives the executive director

1268 the opportunity to be publicly heard at a meeting of the board before the final vote on the

1269 resolution removing the executive director or reducing the executive director's salary.

1270 (4) (a) Before adopting a resolution providing for the renewal of the executive director
1271 or a reduction in the executive director's salary as provided in Subsection (3), the board shall, if

1272 the executive director makes a written demand:

1273 (i) give the executive director a written statement of the reasons alleged for the removal

1274 or reduction in salary; and

1275 (ii) allow the executive director to be publicly heard at a meeting of the board of

1276 trustees.

1277 (b) Notwithstanding Subsection (4)(a), the board of trustees of a public transit district

1278 may suspend an executive director from office pending and during a hearing under Subsection

1279 (4)(a)(ii).

1280 (5) The action of a board of trustees suspending or removing an executive director or

1281 reducing the executive director's salary is final.

1282 Section 19. Section **17B-2a-826** is amended to read:

1283 **17B-2a-826. Public transit district office of constituent services and office of**

1284 **coordinated mobility.**

1285 (1) (a) The board of trustees of a large public transit district [~~servicing a population over~~
1286 ~~200,000 people~~] shall create and employ an office of constituent services.

1287 (b) The duties of the office of constituent services described in Subsection (1)(a) shall
1288 include:

1289 (i) establishing a central call number to hear and respond to complaints, requests,
1290 comments, concerns, and other communications from customers and citizens within the
1291 district;

1292 (ii) keeping a log of the complaints, comments, concerns, and other communications
1293 from customers and citizens within the district; and

1294 (iii) reporting complaints, comments, concerns, and other communications to
1295 management and to the [~~citizens'~~] local advisory board created in [~~Subsection (2)~~] Section
1296 17B-2a-801.2.

1297 [~~(2) (a) A public transit district serving a population over 200,000 people shall create~~
1298 ~~and oversee a citizens' advisory board.~~]

1299 [~~(b) (i) The board of trustees of the public transit district shall select up to 12 members~~
1300 ~~for the public transit district citizens' advisory board with membership representing the~~
1301 ~~diversity of the public transit district area.~~]

1302 [~~(ii) The board of trustees shall ensure that each member of the citizens' advisory board~~

1303 regularly uses the public transit district services.]

1304 ~~[(c) The public transit district citizens' advisory board shall meet as needed or quarterly~~
 1305 ~~in a meeting open to the public for comment, to discuss the service, operations, and any~~
 1306 ~~concerns with the public transit district operations and functionality.]~~

1307 ~~[(d) The public transit district management shall meet at least quarterly with and~~
 1308 ~~consult with the citizens' advisory board and take into consideration the input of the citizens'~~
 1309 ~~advisory board in managing and operating the public transit district.]~~

1310 ~~[(3)]~~ (2) (a) A large public transit district ~~[serving a population over 200,000 people]~~
 1311 shall create and employ an office of coordinated mobility.

1312 (b) The duties of the office of coordinated mobility shall include:

1313 (i) establishing a central call number to facilitate human services transportation;

1314 (ii) coordinating all human services transportation needs within the public transit
 1315 district;

1316 (iii) receiving requests and other communications regarding human services
 1317 transportation;

1318 (iv) receiving requests and other communications regarding vans, buses, and other
 1319 vehicles available for use from the public transit district to maximize the utility of and
 1320 investment in those vehicles; and

1321 (v) supporting local efforts and applications for additional funding.

1322 Section 20. Section **41-1a-102** is amended to read:

1323 **41-1a-102. Definitions.**

1324 As used in this chapter:

1325 (1) "Actual miles" means the actual distance a vehicle has traveled while in operation.

1326 (2) "Actual weight" means the actual unladen weight of a vehicle or combination of
 1327 vehicles as operated and certified to by a weighmaster.

1328 (3) "All-terrain type I vehicle" ~~[has the same meaning provided]~~ means the same as that
 1329 term is defined in Section 41-22-2.

1330 (4) "All-terrain type II vehicle" ~~[has the same meaning provided]~~ means the same as
 1331 that term is defined in Section 41-22-2.

1332 (5) "Amateur radio operator" means any person licensed by the Federal
 1333 Communications Commission to engage in private and experimental two-way radio operation

1334 on the amateur band radio frequencies.

1335 (6) "Autocycle" means the same as that term is defined in Section 53-3-102.

1336 (7) "Branded title" means a title certificate that is labeled:

1337 (a) rebuilt and restored to operation;

1338 (b) flooded and restored to operation; or

1339 (c) not restored to operation.

1340 (8) "Camper" means any structure designed, used, and maintained primarily to be
1341 mounted on or affixed to a motor vehicle that contains a floor and is designed to provide a
1342 mobile dwelling, sleeping place, commercial space, or facilities for human habitation or for
1343 camping.

1344 (9) "Certificate of title" means a document issued by a jurisdiction to establish a record
1345 of ownership between an identified owner and the described vehicle, vessel, or outboard motor.

1346 (10) "Certified scale weigh ticket" means a weigh ticket that has been issued by a
1347 weighmaster.

1348 (11) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or
1349 maintained for the transportation of persons or property that operates:

1350 (a) as a carrier for hire, compensation, or profit; or

1351 (b) as a carrier to transport the vehicle owner's goods or property in furtherance of the
1352 owner's commercial enterprise.

1353 (12) "Commission" means the State Tax Commission.

1354 (13) "Dealer" means a person engaged or licensed to engage in the business of buying,
1355 selling, or exchanging new or used vehicles, vessels, or outboard motors either outright or on
1356 conditional sale, bailment, lease, chattel mortgage, or otherwise or who has an established
1357 place of business for the sale, lease, trade, or display of vehicles, vessels, or outboard motors.

1358 (14) "Diesel fuel" means the same as that term is defined in Section 59-13-102.

1359 [~~14~~] (15) "Division" means the Motor Vehicle Division of the commission, created in
1360 Section 41-1a-106.

1361 (16) "Electric vehicle" means a motor vehicle that is powered solely by an electric
1362 motor drawing current from a rechargeable energy storage system.

1363 [~~15~~] (17) "Essential parts" means all integral and body parts of a vehicle of a type
1364 required to be registered in this state, the removal, alteration, or substitution of which would

1365 tend to conceal the identity of the vehicle or substantially alter its appearance, model, type, or
1366 mode of operation.

1367 ~~[(16)]~~ (18) "Farm tractor" means every motor vehicle designed and used primarily as a
1368 farm implement for drawing plows, mowing machines, and other implements of husbandry.

1369 ~~[(17)]~~ (19) (a) "Farm truck" means a truck used by the owner or operator of a farm
1370 solely for his own use in the transportation of:

1371 (i) farm products, including livestock and its products, poultry and its products,
1372 floricultural and horticultural products;

1373 (ii) farm supplies, including tile, fence, and every other thing or commodity used in
1374 agricultural, floricultural, horticultural, livestock, and poultry production; and

1375 (iii) livestock, poultry, and other animals and things used for breeding, feeding, or
1376 other purposes connected with the operation of a farm.

1377 (b) "Farm truck" does not include the operation of trucks by commercial processors of
1378 agricultural products.

1379 ~~[(18)]~~ (20) "Fleet" means one or more commercial vehicles.

1380 ~~[(19)]~~ (21) "Foreign vehicle" means a vehicle of a type required to be registered,
1381 brought into this state from another state, territory, or country other than in the ordinary course
1382 of business by or through a manufacturer or dealer, and not registered in this state.

1383 ~~[(20)]~~ (22) "Gross laden weight" means the actual weight of a vehicle or combination
1384 of vehicles, equipped for operation, to which shall be added the maximum load to be carried.

1385 ~~[(21)]~~ (23) "Highway" or "street" means the entire width between property lines of
1386 every way or place of whatever nature when any part of it is open to the public, as a matter of
1387 right, for purposes of vehicular traffic.

1388 (24) "Hybrid electric vehicle" means a motor vehicle that draws propulsion energy
1389 from onboard sources of stored energy that are both:

1390 (a) an internal combustion engine or heat engine using consumable fuel; and

1391 (b) a rechargeable energy storage system where energy for the storage system comes
1392 solely from sources onboard the vehicle.

1393 ~~[(22)]~~ (25) (a) "Identification number" means the identifying number assigned by the
1394 manufacturer or by the division for the purpose of identifying the vehicle, vessel, or outboard
1395 motor.

1396 (b) "Identification number" includes a vehicle identification number, state assigned
1397 identification number, hull identification number, and motor serial number.

1398 ~~[(23)]~~ (26) "Implement of husbandry" means every vehicle designed or adapted and
1399 used exclusively for an agricultural operation and only incidentally operated or moved upon the
1400 highways.

1401 ~~[(24)]~~ (27) (a) "In-state miles" means the total number of miles operated in this state
1402 during the preceding year by fleet power units.

1403 (b) If fleets are composed entirely of trailers or semitrailers, "in-state miles" means the
1404 total number of miles that those vehicles were towed on Utah highways during the preceding
1405 year.

1406 ~~[(25)]~~ (28) "Interstate vehicle" means any commercial vehicle operated in more than
1407 one state, province, territory, or possession of the United States or foreign country.

1408 ~~[(26)]~~ (29) "Jurisdiction" means a state, district, province, political subdivision,
1409 territory, or possession of the United States or any foreign country.

1410 ~~[(27)]~~ (30) "Lienholder" means a person with a security interest in particular property.

1411 ~~[(28)]~~ (31) "Manufactured home" means a transportable factory built housing unit
1412 constructed on or after June 15, 1976, according to the Federal Home Construction and Safety
1413 Standards Act of 1974 (HUD Code), in one or more sections, which, in the traveling mode, is
1414 eight body feet or more in width or 40 body feet or more in length, or when erected on site, is
1415 400 or more square feet, and which is built on a permanent chassis and designed to be used as a
1416 dwelling with or without a permanent foundation when connected to the required utilities, and
1417 includes the plumbing, heating, air-conditioning, and electrical systems.

1418 ~~[(29)]~~ (32) "Manufacturer" means a person engaged in the business of constructing,
1419 manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or
1420 outboard motors for the purpose of sale or trade.

1421 ~~[(30)]~~ (33) "Mobile home" means a transportable factory built housing unit built prior
1422 to June 15, 1976, in accordance with a state mobile home code which existed prior to the
1423 Federal Manufactured Housing and Safety Standards Act (HUD Code).

1424 ~~[(31)]~~ (34) "Motorboat" ~~[has the same meaning as provided]~~ means the same as that
1425 term is defined in Section 73-18-2.

1426 ~~[(32)]~~ (35) "Motorcycle" means:

1427 (a) a motor vehicle having a saddle for the use of the rider and designed to travel on not
1428 more than three wheels in contact with the ground; or

1429 (b) an autocycle.

1430 (36) "Motor fuel" means the same as that term is defined in Section 59-13-102.

1431 ~~[(33)]~~ (37) (a) "Motor vehicle" means a self-propelled vehicle intended primarily for
1432 use and operation on the highways.

1433 (b) "Motor vehicle" does not include an off-highway vehicle.

1434 (38) "Natural gas" means a fuel of which the primary constituent is methane.

1435 ~~[(34)]~~ (39) (a) "Nonresident" means a person who is not a resident of this state as
1436 defined by Section 41-1a-202, and who does not engage in intrastate business within this state
1437 and does not operate in that business any motor vehicle, trailer, or semitrailer within this state.

1438 (b) A person who engages in intrastate business within this state and operates in that
1439 business any motor vehicle, trailer, or semitrailer in this state or who, even though engaging in
1440 interstate commerce, maintains any vehicle in this state as the home station of that vehicle is
1441 considered a resident of this state, insofar as that vehicle is concerned in administering this
1442 chapter.

1443 ~~[(35)]~~ (40) "Odometer" means a device for measuring and recording the actual distance
1444 a vehicle travels while in operation, but does not include any auxiliary odometer designed to be
1445 periodically reset.

1446 ~~[(36)]~~ (41) "Off-highway implement of husbandry" ~~[has the same meaning as~~
1447 ~~provided]~~ means the same as that term is defined in Section 41-22-2.

1448 ~~[(37)]~~ (42) "Off-highway vehicle" ~~[has the same meaning as provided]~~ means the same
1449 as that term is defined in Section 41-22-2.

1450 ~~[(38)]~~ (43) "Operate" means to drive or be in actual physical control of a vehicle or to
1451 navigate a vessel.

1452 ~~[(39)]~~ (44) "Outboard motor" means a detachable self-contained propulsion unit,
1453 excluding fuel supply, used to propel a vessel.

1454 ~~[(40)]~~ (45) (a) "Owner" means a person, other than a lienholder, holding title to a
1455 vehicle, vessel, or outboard motor whether or not the vehicle, vessel, or outboard motor is
1456 subject to a security interest.

1457 (b) If a vehicle is the subject of an agreement for the conditional sale or installment

1458 sale or mortgage of the vehicle with the right of purchase upon performance of the conditions
1459 stated in the agreement and with an immediate right of possession vested in the conditional
1460 vendee or mortgagor, or if the vehicle is the subject of a security agreement, then the
1461 conditional vendee, mortgagor, or debtor is considered the owner for the purposes of this
1462 chapter.

1463 (c) If a vehicle is the subject of an agreement to lease, the lessor is considered the
1464 owner until the lessee exercises his option to purchase the vehicle.

1465 [~~(41)~~] (46) "Park model recreational vehicle" means a unit that:

1466 (a) is designed and marketed as temporary living quarters for recreational, camping,
1467 travel, or seasonal use;

1468 (b) is not permanently affixed to real property for use as a permanent dwelling;

1469 (c) requires a special highway movement permit for transit; and

1470 (d) is built on a single chassis mounted on wheels with a gross trailer area not
1471 exceeding 400 square feet in the setup mode.

1472 [~~(42)~~] (47) "Personalized license plate" means a license plate that has displayed on it a
1473 combination of letters, numbers, or both as requested by the owner of the vehicle and assigned
1474 to the vehicle by the division.

1475 [~~(43)~~] (48) (a) "Pickup truck" means a two-axle motor vehicle with motive power
1476 manufactured, remanufactured, or materially altered to provide an open cargo area.

1477 (b) "Pickup truck" includes motor vehicles with the open cargo area covered with a
1478 camper, camper shell, tarp, removable top, or similar structure.

1479 [~~(44)~~] (49) "Pneumatic tire" means every tire in which compressed air is designed to
1480 support the load.

1481 [~~(45)~~] (50) "Preceding year" means a period of 12 consecutive months fixed by the
1482 division that is within 16 months immediately preceding the commencement of the registration
1483 or license year in which proportional registration is sought. The division in fixing the period
1484 shall conform it to the terms, conditions, and requirements of any applicable agreement or
1485 arrangement for the proportional registration of vehicles.

1486 [~~(46)~~] (51) "Public garage" means every building or other place where vehicles or
1487 vessels are kept and stored and where a charge is made for the storage and keeping of vehicles
1488 and vessels.

1489 ~~[(47)]~~ (52) "Receipt of surrender of ownership documents" means the receipt of
1490 surrender of ownership documents described in Section 41-1a-503.

1491 ~~[(48)]~~ (53) "Reconstructed vehicle" means every vehicle of a type required to be
1492 registered in this state that is materially altered from its original construction by the removal,
1493 addition, or substitution of essential parts, new or used.

1494 ~~[(49)]~~ (54) "Recreational vehicle" ~~[has the same meaning as provided]~~ means the same
1495 as that term is defined in Section 13-14-102.

1496 ~~[(50)]~~ (55) "Registration" means a document issued by a jurisdiction that allows
1497 operation of a vehicle or vessel on the highways or waters of this state for the time period for
1498 which the registration is valid and that is evidence of compliance with the registration
1499 requirements of the jurisdiction.

1500 ~~[(51)]~~ (56) (a) "Registration year" means a 12 consecutive month period commencing
1501 with the completion of all applicable registration criteria.

1502 (b) For administration of a multistate agreement for proportional registration the
1503 division may prescribe a different 12-month period.

1504 ~~[(52)]~~ (57) "Repair or replacement" means the restoration of vehicles, vessels, or
1505 outboard motors to a sound working condition by substituting any inoperative part of the
1506 vehicle, vessel, or outboard motor, or by correcting the inoperative part.

1507 ~~[(53)]~~ (58) "Replica vehicle" means:

1508 (a) a street rod that meets the requirements under Subsection 41-21-1(3)(a)(i)(B); or

1509 (b) a custom vehicle that meets the requirements under Subsection

1510 41-6a-1507(1)(a)(i)(B).

1511 ~~[(54)]~~ (59) "Road tractor" means every motor vehicle designed and used for drawing
1512 other vehicles and constructed so it does not carry any load either independently or any part of
1513 the weight of a vehicle or load that is drawn.

1514 ~~[(55)]~~ (60) "Sailboat" means the same as that term is defined in Section 73-18-2.

1515 ~~[(56)]~~ (61) "Security interest" means an interest that is reserved or created by a security
1516 agreement to secure the payment or performance of an obligation and that is valid against third
1517 parties.

1518 ~~[(57)]~~ (62) "Semitrailer" means every vehicle without motive power designed for
1519 carrying persons or property and for being drawn by a motor vehicle and constructed so that

1520 some part of its weight and its load rests or is carried by another vehicle.

1521 ~~[(58)]~~ (63) "Special group license plate" means a type of license plate designed for a
1522 particular group of people or a license plate authorized and issued by the division in accordance
1523 with Section 41-1a-418.

1524 ~~[(59)]~~ (64) (a) "Special interest vehicle" means a vehicle used for general
1525 transportation purposes and that is:

1526 (i) 20 years or older from the current year; or

1527 (ii) a make or model of motor vehicle recognized by the division director as having
1528 unique interest or historic value.

1529 (b) In making a determination under Subsection ~~[(59)]~~ (64)(a), the division director
1530 shall give special consideration to:

1531 (i) a make of motor vehicle that is no longer manufactured;

1532 (ii) a make or model of motor vehicle produced in limited or token quantities;

1533 (iii) a make or model of motor vehicle produced as an experimental vehicle or one
1534 designed exclusively for educational purposes or museum display; or

1535 (iv) a motor vehicle of any age or make that has not been substantially altered or
1536 modified from original specifications of the manufacturer and because of its significance is
1537 being collected, preserved, restored, maintained, or operated by a collector or hobbyist as a
1538 leisure pursuit.

1539 ~~[(60)]~~ (65) (a) "Special mobile equipment" means every vehicle:

1540 (i) not designed or used primarily for the transportation of persons or property;

1541 (ii) not designed to operate in traffic; and

1542 (iii) only incidentally operated or moved over the highways.

1543 (b) "Special mobile equipment" includes:

1544 (i) farm tractors;

1545 (ii) off-road motorized construction or maintenance equipment including backhoes,
1546 bulldozers, compactors, graders, loaders, road rollers, tractors, and trenchers; and

1547 (iii) ditch-digging apparatus.

1548 (c) "Special mobile equipment" does not include a commercial vehicle as defined
1549 under Section 72-9-102.

1550 ~~[(61)]~~ (66) "Specially constructed vehicle" means every vehicle of a type required to be

1551 registered in this state, not originally constructed under a distinctive name, make, model, or
1552 type by a generally recognized manufacturer of vehicles, and not materially altered from its
1553 original construction.

1554 ~~[(62)]~~ (67) "Title" means the right to or ownership of a vehicle, vessel, or outboard
1555 motor.

1556 ~~[(63)]~~ (68) (a) "Total fleet miles" means the total number of miles operated in all
1557 jurisdictions during the preceding year by power units.

1558 (b) If fleets are composed entirely of trailers or semitrailers, "total fleet miles" means
1559 the number of miles that those vehicles were towed on the highways of all jurisdictions during
1560 the preceding year.

1561 ~~[(64)]~~ (69) "Trailer" means a vehicle without motive power designed for carrying
1562 persons or property and for being drawn by a motor vehicle and constructed so that no part of
1563 its weight rests upon the towing vehicle.

1564 ~~[(65)]~~ (70) "Transferee" means a person to whom the ownership of property is
1565 conveyed by sale, gift, or any other means except by the creation of a security interest.

1566 ~~[(66)]~~ (71) "Transferor" means a person who transfers his ownership in property by
1567 sale, gift, or any other means except by creation of a security interest.

1568 ~~[(67)]~~ (72) "Travel trailer," "camping trailer," or "fifth wheel trailer" means a portable
1569 vehicle without motive power, designed as a temporary dwelling for travel, recreational, or
1570 vacation use that does not require a special highway movement permit when drawn by a
1571 self-propelled motor vehicle.

1572 ~~[(68)]~~ (73) "Truck tractor" means a motor vehicle designed and used primarily for
1573 drawing other vehicles and not constructed to carry a load other than a part of the weight of the
1574 vehicle and load that is drawn.

1575 ~~[(69)]~~ (74) "Vehicle" includes a motor vehicle, trailer, semitrailer, off-highway vehicle,
1576 camper, park model recreational vehicle, manufactured home, and mobile home.

1577 ~~[(70)]~~ (75) "Vessel" means the same as that term is defined in Section 73-18-2.

1578 ~~[(71)]~~ (76) "Vintage vehicle" means the same as that term is defined in Section
1579 41-21-1.

1580 ~~[(72)]~~ (77) "Waters of this state" means the same as that term is defined in Section
1581 73-18-2.

1582 [~~(73)~~] (78) "Weighmaster" means a person, association of persons, or corporation
1583 permitted to weigh vehicles under this chapter.

1584 Section 21. Section **41-1a-1201** is amended to read:

1585 **41-1a-1201. Disposition of fees.**

1586 (1) All fees received and collected under this part shall be transmitted daily to the state
1587 treasurer.

1588 (2) Except as provided in Subsections (3), (6), (7), (8), and (9) and Sections 41-1a-422,
1589 41-1a-1220, 41-1a-1221, and 41-1a-1223 all fees collected under this part shall be deposited in
1590 the Transportation Fund.

1591 (3) Funds generated under Subsections 41-1a-1211(1)(b)(ii), (6)(b)(ii), and (7) and
1592 Section 41-1a-1212 may be used by the commission to cover the costs incurred in issuing
1593 license plates under Part 4, License Plates and Registration Indicia.

1594 (4) In accordance with Section 63J-1-602.2, all funds available to the commission for
1595 the purchase and distribution of license plates and decals are nonlapsing.

1596 (5) (a) Except as provided in Subsections (3) and (5)(b) and Section 41-1a-1205, the
1597 expenses of the commission in enforcing and administering this part shall be provided for by
1598 legislative appropriation from the revenues of the Transportation Fund.

1599 (b) Three dollars of the registration fees imposed under Subsections 41-1a-1206(2)(a)
1600 and (b) for each vehicle registered for a six-month registration period under Section
1601 41-1a-215.5 may be used by the commission to cover the costs incurred in enforcing and
1602 administering this part.

1603 (6) (a) The following portions of the registration fees imposed under Section
1604 41-1a-1206 for each vehicle shall be deposited in the Transportation Investment Fund of 2005
1605 created under Section 72-2-124:

1606 (i) \$30 of the registration fees imposed under Subsections 41-1a-1206(1)(a), (1)(b)~~;~~;(i)
1607 through (viii), (1)(f), (3), and (6);

1608 (ii) \$21 of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i) and
1609 (1)(c)(ii);

1610 (iii) \$2.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii);

1611 (iv) \$23 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i);

1612 (v) \$24.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(i); and

1613 (vi) \$1 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(ii).

1614 (b) The following portions of the registration fees collected for each vehicle registered
1615 for a six-month registration period under Section 41-1a-215.5 shall be deposited in the
1616 Transportation Investment Fund of 2005 created by Section 72-2-124:

1617 (i) \$23.25 of ~~[each]~~ the registration fee collected under Subsection 41-1a-1206(2)(a);
1618 and

1619 (ii) \$23 of ~~[each]~~ the registration fee ~~[collected under Subsection]~~ imposed under
1620 Subsections 41-1a-1206(2)(b)(i) through (viii).

1621 (7) (a) Ninety-four cents of each registration fee imposed under Subsections
1622 41-1a-1206(1)(a) and (b) for each vehicle shall be deposited in the Public Safety Restricted
1623 Account created in Section 53-3-106.

1624 (b) Seventy-one cents of each registration fee imposed under Subsections
1625 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under
1626 Section 41-1a-215.5 shall be deposited in the Public Safety Restricted Account created in
1627 Section 53-3-106.

1628 (8) (a) One dollar of each registration fee imposed under Subsections 41-1a-1206(1)(a)
1629 and (b) for each vehicle shall be deposited into the Motor Vehicle Safety Impact Restricted
1630 Account created in Section 53-8-214.

1631 (b) One dollar of each registration fee imposed under Subsections 41-1a-1206(2)(a)
1632 and (b) for each vehicle registered for a six-month registration period under Section
1633 41-1a-215.5 shall be deposited into the Motor Vehicle Safety Impact Restricted Account
1634 created in Section 53-8-214.

1635 (9) Fifty cents of each registration fee imposed under Subsection 41-1a-1206(1)(a) for
1636 each motorcycle shall be deposited in the Spinal Cord and Brain Injury Rehabilitation Fund
1637 created in Section 26-54-102.

1638 Section 22. Section **41-1a-1206** is amended to read:

1639 **41-1a-1206. Registration fees -- Fees by gross laden weight.**

1640 (1) Except as provided in Subsections (2) and ~~[(3);]~~ (4), and subject to Subsection (3),
1641 at the time application is made for registration or renewal of registration of a vehicle or
1642 combination of vehicles under this chapter, a registration fee shall be paid to the division as
1643 follows:

- 1644 (a) \$46.00 for each motorcycle;
- 1645 (b) [~~\$44~~] for each motor vehicle of 12,000 pounds or less gross laden weight, excluding
- 1646 motorcycles[?];
- 1647 (i) \$44 for each motor vehicle fueled by motor fuel;
- 1648 (ii) \$44 for each motor vehicle fueled by diesel fuel;
- 1649 (iii) \$44 for each motor vehicle registered under Section 41-1a-301;
- 1650 (iv) \$44 for each motor vehicle fueled by natural gas;
- 1651 (v) \$200 for each electric motor vehicle;
- 1652 (vi) \$75 for each hybrid electric motor vehicle;
- 1653 (vii) \$44 for each motor vehicle fueled by propane; and
- 1654 (viii) \$200 for each motor vehicle not described in Subsections (1)(b)(i) through (vii);
- 1655 (c) unless the semitrailer or trailer is exempt from registration under Section 41-1a-202
- 1656 or is registered under Section 41-1a-301:
- 1657 (i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or
- 1658 (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less
- 1659 gross unladen weight;
- 1660 (d) (i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds
- 1661 gross laden weight; plus
- 1662 (ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 1663 (e) (i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm
- 1664 trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; plus
- 1665 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;
- 1666 (f) (i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not
- 1667 exceeding 14,000 pounds gross laden weight; plus
- 1668 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight; and
- 1669 (g) \$45 for each vintage vehicle that is less than 40 years old.
- 1670 (2) At the time application is made for registration or renewal of registration of a
- 1671 vehicle under this chapter for a six-month registration period under Section 41-1a-215.5, a
- 1672 registration fee shall be paid to the division as follows:
- 1673 (a) \$34.50 for each motorcycle; and
- 1674 (b) [~~\$33.50~~] for each motor vehicle of 12,000 pounds or less gross laden weight,

1675 excluding motorcycles[-]:

1676 (i) \$33.50 for each motor vehicle fueled by motor fuel;

1677 (ii) \$33.50 for each motor vehicle fueled by diesel fuel;

1678 (iii) \$33.50 for each motor vehicle registered under Section 41-1a-301;

1679 (iv) \$33.50 for each motor vehicle fueled by natural gas;

1680 (v) \$152.50 for each electric motor vehicle;

1681 (vi) \$57.00 for each hybrid electric motor vehicle;

1682 (vii) \$33.50 for each motor vehicle fueled by propane; and

1683 (viii) \$152.50 for each motor vehicle not described in Subsections (2)(b)(i) through

1684 (vii).

1685 (3) Beginning on January 1, 2019, the commission shall, on January 1, annually adjust

1686 the registration fee for each motor vehicle of 12,000 pounds or less gross laden weight,

1687 excluding motorcycles, by taking the registration fee rate for the previous year and adding an

1688 amount equal to the greater of:

1689 (a) an amount calculated by multiplying the registration fee of the previous year by the

1690 actual percentage change during the previous year in the Consumer Price Index; and

1691 (b) 0.

1692 [~~3~~] (4) (a) The initial registration fee for a vintage vehicle that is 40 years old or older

1693 is \$40.

1694 (b) A vintage vehicle that is 40 years old or older is exempt from the renewal of

1695 registration fees under Subsection (1).

1696 (c) A vehicle with a Purple Heart special group license plate issued in accordance with

1697 Section 41-1a-421 is exempt from the registration fees under Subsection (1).

1698 (d) A camper is exempt from the registration fees under Subsection (1).

1699 [~~4~~] (5) If a motor vehicle is operated in combination with a semitrailer or trailer, each

1700 motor vehicle shall register for the total gross laden weight of all units of the combination if the

1701 total gross laden weight of the combination exceeds 12,000 pounds.

1702 [~~5~~] (6) (a) Registration fee categories under this section are based on the gross laden

1703 weight declared in the licensee's application for registration.

1704 (b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part

1705 of 2,000 pounds is a full unit.

1706 ~~[(6)]~~ (7) The owner of a commercial trailer or commercial semitrailer may, as an
1707 alternative to registering under Subsection (1)(c), apply for and obtain a special registration and
1708 license plate for a fee of \$130.

1709 ~~[(7)]~~ (8) Except as provided in Section 41-6a-1642, a truck may not be registered as a
1710 farm truck unless:

1711 (a) the truck meets the definition of a farm truck under Section 41-1a-102; and

1712 (b) (i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or

1713 (ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner
1714 submits to the division a certificate of emissions inspection or a waiver in compliance with
1715 Section 41-6a-1642.

1716 ~~[(8)]~~ (9) A violation of Subsection ~~[(7)]~~ (8) is an infraction that shall be punished by a
1717 fine of not less than \$200.

1718 ~~[(9)]~~ (10) Trucks used exclusively to pump cement, bore wells, or perform crane
1719 services with a crane lift capacity of five or more tons, are exempt from 50% of the amount of
1720 the fees required for those vehicles under this section.

1721 Section 23. Section **52-4-103** is amended to read:

1722 **52-4-103. Definitions.**

1723 As used in this chapter:

1724 (1) "Anchor location" means the physical location from which:

1725 (a) an electronic meeting originates; or

1726 (b) the participants are connected.

1727 (2) "Capitol hill complex" means the grounds and buildings within the area bounded by
1728 300 North Street, Columbus Street, 500 North Street, and East Capitol Boulevard in Salt Lake
1729 City.

1730 (3) (a) "Convening" means the calling together of a public body by a person authorized
1731 to do so for the express purpose of discussing or acting upon a subject over which that public
1732 body has jurisdiction or advisory power.

1733 (b) "Convening" does not include the initiation of a routine conversation between
1734 members of a three-member public body if the members involved in the conversation do not,
1735 during the conversation, take a tentative or final vote on the matter that is the subject of the
1736 conversation.

1737 (4) "Electronic meeting" means a public meeting convened or conducted by means of a
1738 conference using electronic communications.

1739 (5) "Electronic message" means a communication transmitted electronically, including:

1740 (a) electronic mail;

1741 (b) instant messaging;

1742 (c) electronic chat;

1743 (d) text messaging as defined in Section 76-4-401; or

1744 (e) any other method that conveys a message or facilitates communication

1745 electronically.

1746 (6) (a) "Meeting" means the convening of a public body or a specified body, with a
1747 quorum present, including a workshop or an executive session, whether in person or by means
1748 of electronic communications, for the purpose of discussing, receiving comments from the
1749 public about, or acting upon a matter over which the public body or specific body has
1750 jurisdiction or advisory power.

1751 (b) "Meeting" does not mean:

1752 (i) a chance gathering or social gathering; ~~or~~

1753 (ii) a convening of the State Tax Commission to consider a confidential tax matter in
1754 accordance with Section 59-1-405~~[-];~~ or

1755 (iii) a convening of a three-member board of trustees of a large public transit district as
1756 defined in Section 17B-2a-802 if:

1757 (A) the board members do not, during the conversation, take a tentative or final vote on
1758 the matter that is the subject of the conversation; or

1759 (B) the conversation pertains only to day-to-day management and operation of the
1760 public transit district.

1761 (c) "Meeting" does not mean the convening of a public body that has both legislative
1762 and executive responsibilities if:

1763 (i) no public funds are appropriated for expenditure during the time the public body is
1764 convened; and

1765 (ii) the public body is convened solely for the discussion or implementation of
1766 administrative or operational matters:

1767 (A) for which no formal action by the public body is required; or

1768 (B) that would not come before the public body for discussion or action.

1769 (7) "Monitor" means to hear or observe, live, by audio or video equipment, all of the
1770 public statements of each member of the public body who is participating in a meeting.

1771 (8) "Participate" means the ability to communicate with all of the members of a public
1772 body, either verbally or electronically, so that each member of the public body can hear or
1773 observe the communication.

1774 (9) (a) "Public body" means:

1775 (i) any administrative, advisory, executive, or legislative body of the state or its
1776 political subdivisions that:

1777 (A) is created by the Utah Constitution, statute, rule, ordinance, or resolution;

1778 (B) consists of two or more persons;

1779 (C) expends, disburses, or is supported in whole or in part by tax revenue; and

1780 (D) is vested with the authority to make decisions regarding the public's business; or

1781 (ii) any administrative, advisory, executive, or policymaking body of an association, as
1782 defined in Section 53A-1-1601, that:

1783 (A) consists of two or more persons;

1784 (B) expends, disburses, or is supported in whole or in part by dues paid by a public
1785 school or whose employees participate in a benefit or program described in Title 49, Utah State
1786 Retirement and Insurance Benefit Act; and

1787 (C) is vested with authority to make decisions regarding the participation of a public
1788 school or student in an interscholastic activity as defined in Section 53A-1-1601.

1789 (b) "Public body" includes:

1790 (i) as defined in Section 11-13-103, an interlocal entity or joint or cooperative
1791 undertaking; and

1792 (ii) as defined in Section 11-13a-102, a governmental nonprofit corporation.

1793 (c) "Public body" does not include:

1794 (i) a political party, a political group, or a political caucus;

1795 (ii) a conference committee, a rules committee, or a sifting committee of the
1796 Legislature;

1797 (iii) a school community council or charter trust land council as defined in Section
1798 53A-1a-108.1; or

1799 (iv) the Economic Development Legislative Liaison Committee created in Section
1800 36-30-201.

1801 (10) "Public statement" means a statement made in the ordinary course of business of
1802 the public body with the intent that all other members of the public body receive it.

1803 (11) (a) "Quorum" means a simple majority of the membership of a public body, unless
1804 otherwise defined by applicable law.

1805 (b) "Quorum" does not include a meeting of two elected officials by themselves when
1806 no action, either formal or informal, is taken on a subject over which these elected officials
1807 have advisory power.

1808 (12) "Recording" means an audio, or an audio and video, record of the proceedings of a
1809 meeting that can be used to review the proceedings of the meeting.

1810 (13) "Specified body":

1811 (a) means an administrative, advisory, executive, or legislative body that:

1812 (i) is not a public body;

1813 (ii) consists of three or more members; and

1814 (iii) includes at least one member who is:

1815 (A) a legislator; and

1816 (B) officially appointed to the body by the president of the Senate, speaker of the
1817 House of Representatives, or governor; and

1818 (b) does not include a body listed in Subsection (9)(c)(ii).

1819 (14) "Transmit" means to send, convey, or communicate an electronic message by
1820 electronic means.

1821 Section 24. Section **59-12-2002** is amended to read:

1822 **59-12-2002. Definitions.**

1823 As used in this part[, "~~public transit district~~" means a ~~public transit district organized~~
1824 ~~under Title 17B, Chapter 2a, Part 8, Public Transit District Act.~~];

1825 (1) "Large public transit district" means the same as that term is defined in Section
1826 17B-2a-802.

1827 (2) "Public transit district" means the same as that term is defined in Section
1828 17B-2a-802.

1829 Section 25. Section **59-12-2003** is amended to read:

1830 **59-12-2003. Imposition -- Base -- Rate -- Revenue distributed to certain public**
1831 **transit districts.**

1832 (1) Subject to the other provisions of this section and except as provided in Subsection
1833 (2) or (4), beginning on July 1, 2008, the state shall impose a tax under this [part] section on
1834 the transactions described in Subsection 59-12-103(1) within a city, town, or the
1835 unincorporated area of a county of the first or second class if, on January 1, 2008, there is a
1836 public transit district within any portion of that county of the first or second class.

1837 (2) The state may not impose a tax under this [part] section within a county of the first
1838 or second class if within all of the cities, towns, and the unincorporated area of the county of
1839 the first or second class there is imposed a sales and use tax of:

- 1840 (a) .30% under Section 59-12-2213;
1841 (b) .30% under Section 59-12-2215; or
1842 (c) .30% under Section 59-12-2216.

1843 (3) (a) Subject to Subsection (3)(b), if the state imposes a tax under this [part] section,
1844 the tax rate imposed within a city, town, or the unincorporated area of a county of the first or
1845 second class is a percentage equal to the difference between:

- 1846 (i) .30%; and
1847 (ii) (A) for a city within the county of the first or second class, the highest tax rate
1848 imposed within that city under:

- 1849 (I) Section 59-12-2213;
1850 (II) Section 59-12-2215; or
1851 (III) Section 59-12-2216;

1852 (B) for a town within the county of the first or second class, the highest tax rate
1853 imposed within that town under:

- 1854 (I) Section 59-12-2213;
1855 (II) Section 59-12-2215; or
1856 (III) Section 59-12-2216; or

1857 (C) for the unincorporated area of the county of the first or second class, the highest tax
1858 rate imposed within that unincorporated area under:

- 1859 (I) Section 59-12-2213;
1860 (II) Section 59-12-2215; or

1861 (III) Section 59-12-2216.

1862 (b) For purposes of Subsection (3)(a), if for a city, town, or the unincorporated area of
1863 a county of the first or second class, the highest tax rate imposed under Section 59-12-2213,
1864 59-12-2215, or 59-12-2216 within that city, town, or unincorporated area of the county of the
1865 first or second class is .30%, the state may not impose a tax under this [part] section within that
1866 city, town, or unincorporated area.

1867 (4) (a) The state may not impose a tax under this [part] section on:

1868 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1869 are exempt from taxation under Section 59-12-104; or

1870 (ii) except as provided in Subsection (4)(b), amounts paid or charged for food and food
1871 ingredients.

1872 (b) The state shall impose a tax under this [part] section on the purchase price or sales
1873 price for amounts paid or charged for food and food ingredients if the food and food
1874 ingredients are sold as part of a bundled transaction attributable to food and ingredients and
1875 tangible personal property other than food and food ingredients.

1876 (5) For purposes of Subsection (1), the location of a transaction shall be determined in
1877 accordance with Sections 59-12-211 through 59-12-215.

1878 (6) The commission shall distribute the revenues the state collects from the sales and
1879 use tax under this [part] section, after subtracting amounts a seller retains in accordance with
1880 Section 59-12-108, to the public transit districts within the cities, towns, and unincorporated
1881 areas:

1882 (a) within which the state imposes a tax under this [part] section; and

1883 (b) in proportion to the revenues collected from the sales and use tax under this [part]
1884 section within each city, town, and unincorporated area within which the state imposes a tax
1885 under this [part] section.

1886 Section 26. Section **59-12-2003.1** is enacted to read:

1887 **59-12-2003.1. Additional large public transit district imposition -- Base -- Rate --**
1888 **Revenue deposited into the Transportation Investment Fund of 2005.**

1889 (1) Subject to the other provisions of this section and except as provided in Subsection
1890 (2) or (4), beginning on July 1, 2022, there is imposed a tax under this section on the
1891 transactions described in Subsection 59-12-103(1) within a city, town, or the unincorporated

1892 area of a county of the first, second, or third class if, on January 1, 2022, there is a large public
1893 transit district within any portion of that county of the first, second, or third class.

1894 (2) The state may not impose a tax under this section within a county of the first,
1895 second, or third class if within all of the cities, towns, and the unincorporated area of the
1896 county of the first, second, or third class the total of all the sales and use tax rates imposed
1897 under Sections 59-12-2003, 59-12-2213, 59-12-2214, 59-12-2215, 59-12-2216, 59-12-2217,
1898 59-12-2218, and 59-12-2219 within each of the cities, towns, and the unincorporated area of
1899 the county of the first, second, or third class is 1.05%.

1900 (3) (a) Subject to Subsection (3)(b), if the state imposes a tax under this section, the tax
1901 rate imposed within a city, town, or the unincorporated area of a county of the first, second, or
1902 third class is a percentage equal to the difference between:

1903 (i) 1.05%; and

1904 (ii) (A) for a city within the county of the first, second, or third class, the total of all the
1905 sales and use tax rates imposed within that city under:

1906 (I) Section 59-12-2003;

1907 (II) Section 59-12-2213;

1908 (III) Section 59-12-2214;

1909 (IV) Section 59-12-2215;

1910 (V) Section 59-12-2216;

1911 (VI) Section 59-12-2217;

1912 (VII) Section 59-12-2218; and

1913 (VIII) Section 59-12-2219; and

1914 (B) for a town within the county of the first, second, or third class, the total of all the
1915 sales and use tax rates imposed within that town under:

1916 (I) Section 59-12-2003;

1917 (II) Section 59-12-2213;

1918 (III) Section 59-12-2214;

1919 (IV) Section 59-12-2215;

1920 (V) Section 59-12-2216;

1921 (VI) Section 59-12-2217;

1922 (VII) Section 59-12-2218; and

1923 (VIII) Section 59-12-2219;

1924 (C) for the unincorporated area of the county of the first, second, or third class, the
1925 total of all the sales and use tax rates imposed within that unincorporated area under:

1926 (I) Section 59-12-2003;

1927 (II) Section 59-12-2213;

1928 (III) Section 59-12-2214;

1929 (IV) Section 59-12-2215;

1930 (V) Section 59-12-2216;

1931 (VI) Section 59-12-2217;

1932 (VII) Section 59-12-2218; and

1933 (VIII) Section 59-12-2219.

1934 (b) For purposes of Subsection (3)(a), if for a city, town, or the unincorporated area of
1935 a county of the first, second, or third class, the total of all the sales and use tax rates imposed
1936 under Sections 59-12-2003, 59-12-2213, 59-12-2214, 59-12-2215, 59-12-2216, 59-12-2217,
1937 59-12-2218, and 59-12-2219 within that city, town, or unincorporated area of the county of the
1938 first, second, or third class is 1.05%, the state may not impose a tax under this section within
1939 that city, town, or unincorporated area.

1940 (4) (a) The state may not impose a tax under this section on:

1941 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1942 are exempt from taxation under Section 59-12-104; or

1943 (ii) except as provided in Subsection (4)(b), amounts paid or charged for food and food
1944 ingredients.

1945 (b) The state shall impose a tax under this section on the purchase price or sales price
1946 for amounts paid or charged for food and food ingredients if the food and food ingredients are
1947 sold as part of a bundled transaction attributable to food and food ingredients and tangible
1948 personal property other than food and food ingredients.

1949 (5) For purposes of Subsection (1), the location of a transaction shall be determined in
1950 accordance with Sections 59-12-211 through 59-12-215.

1951 (6) The commission shall deposit the revenues the state collects from the sales and use
1952 tax under this section, after subtracting amounts a seller retains in accordance with Section
1953 59-12-108, into the Transportation Investment Fund of 2005 created in Section 72-2-124.

1954 Section 27. Section **59-12-2213** is amended to read:

1955 **59-12-2213. County, city, or town option sales and use tax to fund a system for**
1956 **public transit -- Base -- Rate.**

1957 (1) Subject to the other provisions of this part, but no later than June 30, 2022, a
1958 county, city, or town may impose a sales and use tax under this section of up to:

1959 (a) for a county, city, or town other than a county, city, or town described in Subsection
1960 (1)(b), .25% on the transactions described in Subsection 59-12-103(1) located within the
1961 county, city, or town to fund a system for public transit; or

1962 (b) for a county, city, or town within which a tax is not imposed under Section
1963 59-12-2216, .30% on the transactions described in Subsection 59-12-103(1) located within the
1964 county, city, or town, to fund a system for public transit.

1965 (2) Notwithstanding Section 59-12-2208, a county, city, or town legislative body is not
1966 required to submit an opinion question to the county's, city's, or town's registered voters in
1967 accordance with Section 59-12-2208 to impose a sales and use tax under this section if the
1968 county, city, or town imposes the sales and use tax under Section 59-12-2216 on or before July
1969 1, 2011.

1970 Section 28. Section **59-12-2214** is amended to read:

1971 **59-12-2214. County, city, or town option sales and use tax to fund a system for**
1972 **public transit, an airport facility, a water conservation project, or to be deposited into the**
1973 **County of the First Class Highway Projects Fund -- Base -- Rate -- Voter approval**
1974 **exception.**

1975 (1) Subject to the other provisions of this part, but no later than June 30, 2022, a
1976 county, city, or town may impose a sales and use tax of .25% on the transactions described in
1977 Subsection 59-12-103(1) located within the county, city, or town.

1978 (2) Subject to Subsection (3), a county, city, or town that imposes a sales and use tax
1979 under this section shall expend the revenues collected from the sales and use tax:

1980 (a) to fund a system for public transit;

1981 (b) to fund a project or service related to an airport facility for the portion of the project
1982 or service that is performed within the county, city, or town within which the sales and use tax
1983 is imposed:

1984 (i) for a county that imposes the sales and use tax, if the airport facility is part of the

1985 regional transportation plan of the area metropolitan planning organization if a metropolitan
 1986 planning organization exists for the area; or

1987 (ii) for a city or town that imposes the sales and use tax, if:

1988 (A) that city or town is located within a county of the second class;

1989 (B) that city or town owns or operates the airport facility; and

1990 (C) an airline is headquartered in that city or town; or

1991 (c) for a combination of Subsections (2)(a) and (b).

1992 (3) A county of the first class that imposes a sales and use tax under this section shall
 1993 expend the revenues collected from the sales and use tax as follows:

1994 (a) 80% of the revenues collected from the sales and use tax shall be expended to fund
 1995 a system for public transit; and

1996 (b) 20% of the revenues collected from the sales and use tax shall be deposited into the
 1997 County of the First Class Highway Projects Fund created by Section 72-2-121.

1998 (4) Notwithstanding Section 59-12-2208, a county, city, or town legislative body is not
 1999 required to submit an opinion question to the county's, city's, or town's registered voters in
 2000 accordance with Section 59-12-2208 to impose a sales and use tax under this section if:

2001 (a) the county, city, or town imposes the sales and use tax under this section on or after
 2002 July 1, 2010, but on or before July 1, 2011;

2003 (b) on July 1, 2010, the county, city, or town imposes a sales and use tax under:

2004 (i) Section 59-12-2213; or

2005 (ii) Section 59-12-2215; and

2006 (c) the county, city, or town obtained voter approval to impose the sales and use tax
 2007 under:

2008 (i) Section 59-12-2213; or

2009 (ii) Section 59-12-2215.

2010 Section 29. Section **59-12-2215** is amended to read:

2011 **59-12-2215. City or town option sales and use tax for highways or to fund a**
 2012 **system for public transit -- Base -- Rate.**

2013 (1) Subject to the other provisions of this part, but no later than June 30, 2022, a city or
 2014 town may impose a sales and use tax of up to .30% on the transactions described in Subsection
 2015 59-12-103(1) located within the city or town.

2016 (2) A city or town imposing a sales and use tax under this section shall expend the
 2017 revenues collected from the sales and use tax:

2018 (a) for the construction and maintenance of highways under the jurisdiction of the city
 2019 or town imposing the tax;

2020 (b) to fund a system for public transit; or

2021 (c) for a combination of Subsections (2)(a) and (b).

2022 Section 30. Section **59-12-2216** is amended to read:

2023 **59-12-2216. County option sales and use tax for a fixed guideway, to fund a**
 2024 **system for public transit, or for highways -- Base -- Rate -- Allocation and expenditure of**
 2025 **revenues.**

2026 (1) Subject to the other provisions of this part, but no later than June 30, 2022, a county
 2027 legislative body may impose a sales and use tax of up to .30% on the transactions described in
 2028 Subsection 59-12-103(1) within the county, including the cities and towns within the county.

2029 (2) Subject to Subsection (3), before obtaining voter approval in accordance with
 2030 Section 59-12-2208, a county legislative body shall adopt a resolution specifying the
 2031 percentage of revenues the county will receive from the sales and use tax under this section that
 2032 will be allocated to fund one or more of the following:

2033 (a) a project or service relating to a fixed guideway for the portion of the project or
 2034 service that is performed within the county;

2035 (b) a project or service relating to a system for public transit, except for a fixed
 2036 guideway, for the portion of the project or service that is performed within the county;

2037 (c) the following relating to a state highway within the county:

2038 (i) a project within the county if the project:

2039 (A) begins on or after the day on which a county legislative body imposes a tax under
 2040 this section; and

2041 (B) involves an environmental study, an improvement, new construction, or a
 2042 renovation;

2043 (ii) debt service on a project described in Subsection (2)(c)(i); or

2044 (iii) bond issuance costs related to a project described in Subsection (2)(c)(i); or

2045 (d) a project, debt service, or bond issuance cost described in Subsection (2)(c) relating
 2046 to a highway that is:

2047 (i) a principal arterial highway or minor arterial highway;
2048 (ii) included in a metropolitan planning organization's regional transportation plan; and
2049 (iii) not a state highway.

2050 (3) A county legislative body shall in the resolution described in Subsection (2)
2051 allocate 100% of the revenues the county will receive from the sales and use tax under this
2052 section for one or more of the purposes described in Subsection (2).

2053 (4) Notwithstanding Section 59-12-2208, the opinion question required by Section
2054 59-12-2208 shall state the allocations the county legislative body makes in accordance with this
2055 section.

2056 (5) The revenues collected from a sales and use tax under this section shall be:
2057 (a) allocated in accordance with the allocations specified in the resolution under
2058 Subsection (2); and
2059 (b) expended as provided in this section.

2060 (6) If a county legislative body allocates revenues collected from a sales and use tax
2061 under this section for a state highway project described in Subsection (2)(c)(i), before
2062 beginning the state highway project within the county, the county legislative body shall:
2063 (a) obtain approval from the Transportation Commission to complete the project; and
2064 (b) enter into an interlocal agreement established in accordance with Title 11, Chapter
2065 13, Interlocal Cooperation Act, with the Department of Transportation to complete the project.

2066 (7) If after a county legislative body imposes a sales and use tax under this section the
2067 county legislative body seeks to change an allocation specified in the resolution under
2068 Subsection (2), the county legislative body may change the allocation by:
2069 (a) adopting a resolution in accordance with Subsection (2) specifying the percentage
2070 of revenues the county will receive from the sales and use tax under this section that will be
2071 allocated to fund one or more of the items described in Subsection (2);
2072 (b) obtaining approval to change the allocation of the sales and use tax by a majority of
2073 all of the members of the county legislative body; and
2074 (c) subject to Subsection (8):
2075 (i) in accordance with Section 59-12-2208, submitting an opinion question to the
2076 county's registered voters voting on changing the allocation so that each registered voter has the
2077 opportunity to express the registered voter's opinion on whether the allocation should be

2078 changed; and

2079 (ii) in accordance with Section 59-12-2208, obtaining approval to change the allocation
2080 from a majority of the county's registered voters voting on changing the allocation.

2081 (8) Notwithstanding Section 59-12-2208, the opinion question required by Subsection
2082 (7)(c)(i) shall state the allocations specified in the resolution adopted in accordance with
2083 Subsection (7)(a) and approved by the county legislative body in accordance with Subsection
2084 (7)(b).

2085 (9) Revenues collected from a sales and use tax under this section that a county
2086 allocates for a purpose described in Subsection (2)(c) shall be:

2087 (a) deposited into the Highway Projects Within Counties Fund created by Section
2088 72-2-121.1; and

2089 (b) expended as provided in Section 72-2-121.1.

2090 (10) (a) Notwithstanding Section 59-12-2206 and subject to Subsection (10)(b),
2091 revenues collected from a sales and use tax under this section that a county allocates for a
2092 purpose described in Subsection (2)(d) shall be transferred to the Department of Transportation
2093 if the transfer of the revenues is required under an interlocal agreement:

2094 (i) entered into on or before January 1, 2010; and

2095 (ii) established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.

2096 (b) The Department of Transportation shall expend the revenues described in
2097 Subsection (10)(a) as provided in the interlocal agreement described in Subsection (10)(a).

2098 Section 31. Section **59-12-2217** is amended to read:

2099 **59-12-2217. County option sales and use tax for transportation -- Base -- Rate --**
2100 **Written prioritization process -- Approval by county legislative body.**

2101 (1) Subject to the other provisions of this part, but no later than June 30, 2022, a county
2102 legislative body may impose a sales and use tax of up to .25% on the transactions described in
2103 Subsection 59-12-103(1) within the county, including the cities and towns within the county.

2104 (2) Subject to Subsections (3) through (8) and Section 59-12-2207, the revenues
2105 collected from a sales and use tax under this section may only be expended for:

2106 (a) a project or service:

2107 (i) relating to a regionally significant transportation facility for the portion of the
2108 project or service that is performed within the county;

- 2109 (ii) for new capacity or congestion mitigation if the project or service is performed
2110 within a county:
- 2111 (A) of the first or second class; or
2112 (B) if that county is part of an area metropolitan planning organization; and
2113 (iii) that is on a priority list:
- 2114 (A) created by the county's council of governments in accordance with Subsection (7);
2115 and
2116 (B) approved by the county legislative body in accordance with Subsection (7);
2117 (b) corridor preservation for a project or service described in Subsection (2)(a) as
2118 provided in Subsection (8); or
2119 (c) debt service or bond issuance costs related to a project or service described in
2120 Subsection (2)(a)(i) or (ii).
- 2121 (3) If a project or service described in Subsection (2) is for:
- 2122 (a) a principal arterial highway or a minor arterial highway in a county of the first or
2123 second class or a collector road in a county of the second class, that project or service shall be
2124 part of the:
- 2125 (i) county and municipal master plan; and
2126 (ii) (A) statewide long-range plan; or
2127 (B) regional transportation plan of the area metropolitan planning organization if a
2128 metropolitan planning organization exists for the area; or
2129 (b) a fixed guideway or an airport, that project or service shall be part of the regional
2130 transportation plan of the area metropolitan planning organization if a metropolitan planning
2131 organization exists for the area.
- 2132 (4) In a county of the first or second class, a regionally significant transportation
2133 facility project or service described in Subsection (2)(a)(i) shall have a funded year priority
2134 designation on a Statewide Transportation Improvement Program and Transportation
2135 Improvement Program if the project or service described in Subsection (2)(a)(i) is:
- 2136 (a) a principal arterial highway;
2137 (b) a minor arterial highway;
2138 (c) a collector road in a county of the second class; or
2139 (d) a major collector highway in a rural area.

2140 (5) Of the revenues collected from a sales and use tax imposed under this section
2141 within a county of the first or second class, 25% or more shall be expended for the purpose
2142 described in Subsection (2)(b).

2143 (6) (a) As provided in this Subsection (6), a council of governments shall:

2144 (i) develop a written prioritization process for the prioritization of projects to be funded
2145 by revenues collected from a sales and use tax under this section;

2146 (ii) create a priority list of regionally significant transportation facility projects or
2147 services described in Subsection (2)(a)(i) in accordance with Subsection (7); and

2148 (iii) present the priority list to the county legislative body for approval in accordance
2149 with Subsection (7).

2150 (b) The written prioritization process described in Subsection (6)(a)(i) shall include:

2151 (i) a definition of the type of projects to which the written prioritization process
2152 applies;

2153 (ii) subject to Subsection (6)(c), the specification of a weighted criteria system that the
2154 council of governments will use to rank proposed projects and how that weighted criteria
2155 system will be used to determine which proposed projects will be prioritized;

2156 (iii) the specification of data that is necessary to apply the weighted criteria system;

2157 (iv) application procedures for a project to be considered for prioritization by the
2158 council of governments; and

2159 (v) any other provision the council of governments considers appropriate.

2160 (c) The weighted criteria system described in Subsection (6)(b)(ii) shall include the
2161 following:

2162 (i) the cost effectiveness of a project;

2163 (ii) the degree to which a project will mitigate regional congestion;

2164 (iii) the compliance requirements of applicable federal laws or regulations;

2165 (iv) the economic impact of a project;

2166 (v) the degree to which a project will require tax revenues to fund maintenance and
2167 operation expenses; and

2168 (vi) any other provision the council of governments considers appropriate.

2169 (d) A council of governments of a county of the first or second class shall submit the
2170 written prioritization process described in Subsection (6)(a)(i) to the Executive Appropriations

2171 Committee for approval prior to taking final action on:

2172 (i) the written prioritization process; or

2173 (ii) any proposed amendment to the written prioritization process.

2174 (7) (a) A council of governments shall use the weighted criteria system adopted in the
2175 written prioritization process developed in accordance with Subsection (6) to create a priority
2176 list of regionally significant transportation facility projects or services for which revenues
2177 collected from a sales and use tax under this section may be expended.

2178 (b) Before a council of governments may finalize a priority list or the funding level of a
2179 project, the council of governments shall conduct a public meeting on:

2180 (i) the written prioritization process; and

2181 (ii) the merits of the projects that are prioritized as part of the written prioritization
2182 process.

2183 (c) A council of governments shall make the weighted criteria system ranking for each
2184 project prioritized as part of the written prioritization process publicly available before the
2185 public meeting required by Subsection (7)(b) is held.

2186 (d) If a council of governments prioritizes a project over another project with a higher
2187 rank under the weighted criteria system, the council of governments shall:

2188 (i) identify the reasons for prioritizing the project over another project with a higher
2189 rank under the weighted criteria system at the public meeting required by Subsection (7)(b);
2190 and

2191 (ii) make the reasons described in Subsection (7)(d)(i) publicly available.

2192 (e) Subject to Subsections (7)(f) and (g), after a council of governments finalizes a
2193 priority list in accordance with this Subsection (7), the council of governments shall:

2194 (i) submit the priority list to the county legislative body for approval; and

2195 (ii) obtain approval of the priority list from a majority of the members of the county
2196 legislative body.

2197 (f) A council of governments may only submit one priority list per calendar year to the
2198 county legislative body.

2199 (g) A county legislative body may only consider and approve one priority list submitted
2200 under Subsection (7)(e) per calendar year.

2201 (8) (a) Except as provided in Subsection (8)(b), revenues collected from a sales and use

2202 tax under this section that a county allocates for a purpose described in Subsection (2)(b) shall
2203 be:

2204 (i) deposited in or transferred to the Local Highway and Transportation Corridor
2205 Preservation Fund created by Section 72-2-117.5; and

2206 (ii) expended as provided in Section 72-2-117.5.

2207 (b) In a county of the first class, revenues collected from a sales and use tax under this
2208 section that a county allocates for a purpose described in Subsection (2)(b) shall be:

2209 (i) deposited in or transferred to the County of the First Class Highway Projects Fund
2210 created by Section 72-2-121; and

2211 (ii) expended as provided in Section 72-2-121.

2212 Section 32. Section **59-12-2218** is amended to read:

2213 **59-12-2218. County, city, or town option sales and use tax for airports, highways,**
2214 **and systems for public transit -- Base -- Rate -- Administration of sales and use tax --**
2215 **Voter approval exception.**

2216 (1) Subject to the other provisions of this part, but no later than June 30, 2022, the
2217 following may impose a sales and use tax under this section:

2218 (a) if, on April 1, 2009, a county legislative body of a county of the second class
2219 imposes a sales and use tax under this section, the county legislative body of the county of the
2220 second class may impose the sales and use tax on the transactions:

2221 (i) described in Subsection 59-12-103(1); and

2222 (ii) within the county, including the cities and towns within the county; or

2223 (b) if, on April 1, 2009, a county legislative body of a county of the second class does
2224 not impose a sales and use tax under this section:

2225 (i) a city legislative body of a city within the county of the second class may impose a
2226 sales and use tax under this section on the transactions described in Subsection 59-12-103(1)
2227 within that city;

2228 (ii) a town legislative body of a town within the county of the second class may impose
2229 a sales and use tax under this section on the transactions described in Subsection 59-12-103(1)
2230 within that town; and

2231 (iii) the county legislative body of the county of the second class may impose a sales
2232 and use tax on the transactions described in Subsection 59-12-103(1):

2233 (A) within the county, including the cities and towns within the county, if on the date
2234 the county legislative body provides the notice described in Section 59-12-2209 to the
2235 commission stating that the county will enact a sales and use tax under this section, no city or
2236 town within that county imposes a sales and use tax under this section or has provided the
2237 notice described in Section 59-12-2209 to the commission stating that the city or town will
2238 enact a sales and use tax under this section; or

2239 (B) within the county, except for within a city or town within that county, if, on the
2240 date the county legislative body provides the notice described in Section 59-12-2209 to the
2241 commission stating that the county will enact a sales and use tax under this section, that city or
2242 town imposes a sales and use tax under this section or has provided the notice described in
2243 Section 59-12-2209 to the commission stating that the city or town will enact a sales and use
2244 tax under this section.

2245 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a
2246 county, city, or town legislative body that imposes a sales and use tax under this section may
2247 impose the tax at a rate of:

2248 (a) .10%; or

2249 (b) .25%.

2250 (3) A sales and use tax imposed at a rate described in Subsection (2)(a) shall be
2251 expended as determined by the county, city, or town legislative body as follows:

2252 (a) deposited as provided in Subsection (9)(b) into the County of the Second Class
2253 State Highway Projects Fund created by Section 72-2-121.2 and expended as provided in
2254 Section 72-2-121.2;

2255 (b) expended for a project or service relating to an airport facility for the portion of the
2256 project or service that is performed within the county, city, or town within which the tax is
2257 imposed:

2258 (i) for a county legislative body that imposes the sales and use tax, if that airport
2259 facility is part of the regional transportation plan of the area metropolitan planning organization
2260 if a metropolitan planning organization exists for the area; or

2261 (ii) for a city or town legislative body that imposes the sales and use tax, if:

2262 (A) that city or town owns or operates the airport facility; and

2263 (B) an airline is headquartered in that city or town; or

- 2264 (c) deposited or expended for a combination of Subsections (3)(a) and (b).
- 2265 (4) Subject to Subsections (5) through (7), a sales and use tax imposed at a rate
- 2266 described in Subsection (2)(b) shall be expended as determined by the county, city, or town
- 2267 legislative body as follows:
- 2268 (a) deposited as provided in Subsection (9)(b) into the County of the Second Class
- 2269 State Highway Projects Fund created by Section 72-2-121.2 and expended as provided in
- 2270 Section 72-2-121.2;
- 2271 (b) expended for:
- 2272 (i) a state highway designated under Title 72, Chapter 4, Part 1, State Highways;
- 2273 (ii) a local highway that is a principal arterial highway, minor arterial highway, major
- 2274 collector highway, or minor collector road; or
- 2275 (iii) a combination of Subsections (4)(b)(i) and (ii);
- 2276 (c) expended for a project or service relating to a system for public transit for the
- 2277 portion of the project or service that is performed within the county, city, or town within which
- 2278 the sales and use tax is imposed;
- 2279 (d) expended for a project or service relating to an airport facility for the portion of the
- 2280 project or service that is performed within the county, city, or town within which the sales and
- 2281 use tax is imposed:
- 2282 (i) for a county legislative body that imposes the sales and use tax, if that airport
- 2283 facility is part of the regional transportation plan of the area metropolitan planning organization
- 2284 if a metropolitan planning organization exists for the area; or
- 2285 (ii) for a city or town legislative body that imposes the sales and use tax, if:
- 2286 (A) that city or town owns or operates the airport facility; and
- 2287 (B) an airline is headquartered in that city or town;
- 2288 (e) expended for:
- 2289 (i) a class B road, as defined in Section 72-3-103;
- 2290 (ii) a class C road, as defined in Section 72-3-104; or
- 2291 (iii) a combination of Subsections (4)(e)(i) and (ii);
- 2292 (f) expended for traffic and pedestrian safety, including:
- 2293 (i) for a class B road, as defined in Section 72-3-103, or class C road, as defined in
- 2294 Section 72-3-104, for:

- 2295 (A) a sidewalk;
- 2296 (B) curb and gutter;
- 2297 (C) a safety feature;
- 2298 (D) a traffic sign;
- 2299 (E) a traffic signal;
- 2300 (F) street lighting; or
- 2301 (G) a combination of Subsections (4)(f)(i)(A) through (F);
- 2302 (ii) the construction of an active transportation facility that:
- 2303 (A) is for nonmotorized vehicles and multimodal transportation; and
- 2304 (B) connects an origin with a destination; or
- 2305 (iii) a combination of Subsections (4)(f)(i) and (ii); or
- 2306 (g) deposited or expended for a combination of Subsections (4)(a) through (f).
- 2307 (5) A county, city, or town legislative body may not expend revenue collected within a
- 2308 county, city, or town from a tax under this section for a purpose described in Subsections (4)(b)
- 2309 through (f) unless the purpose is recommended by:
- 2310 (a) for a county that is part of a metropolitan planning organization, the metropolitan
- 2311 planning organization of which the county is a part; or
- 2312 (b) for a county that is not part of a metropolitan planning organization, the council of
- 2313 governments of which the county is a part.
- 2314 (6) (a) (i) Except as provided in Subsection (6)(b), a county, city, or town that imposes
- 2315 a tax described in Subsection (2)(b) shall deposit the revenue collected from a tax rate of .05%
- 2316 as provided in Subsection (9)(b)(i) into the Local Highway and Transportation Corridor
- 2317 Preservation Fund created by Section 72-2-117.5.
- 2318 (ii) Revenue deposited in accordance with Subsection (6)(a)(i) shall be expended and
- 2319 distributed in accordance with Section 72-2-117.5.
- 2320 (b) A county, city, or town is not required to make the deposit required by Subsection
- 2321 (6)(a)(i) if the county, city, or town:
- 2322 (i) imposed a tax described in Subsection (2)(b) on July 1, 2010; or
- 2323 (ii) has continuously imposed a tax described in Subsection (2)(b):
- 2324 (A) beginning after July 1, 2010; and
- 2325 (B) for a five-year period.

2326 (7) (a) Subject to the other provisions of this Subsection (7), a city or town within
2327 which a sales and use tax is imposed at the tax rate described in Subsection (2)(b) may:
2328 (i) expend the revenues in accordance with Subsection (4); or
2329 (ii) expend the revenues in accordance with Subsections (7)(b) through (d) if:
2330 (A) that city or town owns or operates an airport facility; and
2331 (B) an airline is headquartered in that city or town.

2332 (b) (i) A city or town legislative body of a city or town within which a sales and use tax
2333 is imposed at the tax rate described in Subsection (2)(b) may expend the revenues collected
2334 from a tax rate of greater than .10% but not to exceed the revenues collected from a tax rate of
2335 .25% for a purpose described in Subsection (7)(b)(ii) if:
2336 (A) that city or town owns or operates an airport facility; and
2337 (B) an airline is headquartered in that city or town.

2338 (ii) A city or town described in Subsection (7)(b)(i) may expend the revenues collected
2339 from a tax rate of greater than .10% but not to exceed the revenues collected from a tax rate of
2340 .25% for:
2341 (A) a project or service relating to the airport facility; and
2342 (B) the portion of the project or service that is performed within the city or town
2343 imposing the sales and use tax.

2344 (c) If a city or town legislative body described in Subsection (7)(b)(i) determines to
2345 expend the revenues collected from a tax rate of greater than .10% but not to exceed the
2346 revenues collected from a tax rate of .25% for a project or service relating to an airport facility
2347 as allowed by Subsection (7)(b), any remaining revenue that is collected from the sales and use
2348 tax imposed at the tax rate described in Subsection (2)(b) that is not expended for the project or
2349 service relating to an airport facility as allowed by Subsection (7)(b) shall be expended as
2350 follows:
2351 (i) 75% of the remaining revenues shall be deposited as provided in Subsection (9)(c)
2352 into the County of the Second Class State Highway Projects Fund created by Section
2353 72-2-121.2 and expended as provided in Section 72-2-121.2; and
2354 (ii) 25% of the remaining revenues shall be deposited as provided in Subsection (9)(c)
2355 into the Local Highway and Transportation Corridor Preservation Fund created by Section
2356 72-2-117.5 and expended and distributed in accordance with Section 72-2-117.5.

2357 (d) A city or town legislative body that expends the revenues collected from a sales and
2358 use tax imposed at the tax rate described in Subsection (2)(b) in accordance with Subsections
2359 (7)(b) and (c):

2360 (i) shall, on or before the date the city or town legislative body provides the notice
2361 described in Section 59-12-2209 to the commission stating that the city or town will enact a
2362 sales and use tax under this section:

2363 (A) determine the tax rate, the percentage of which is greater than .10% but does not
2364 exceed .25%, the collections from which the city or town legislative body will expend for a
2365 project or service relating to an airport facility as allowed by Subsection (7)(b); and

2366 (B) notify the commission in writing of the tax rate the city or town legislative body
2367 determines in accordance with Subsection (7)(d)(i)(A);

2368 (ii) shall, on or before the April 1 immediately following the date the city or town
2369 legislative body provides the notice described in Subsection (7)(d)(i) to the commission:

2370 (A) determine the tax rate, the percentage of which is greater than .10% but does not
2371 exceed .25%, the collections from which the city or town legislative body will expend for a
2372 project or service relating to an airport facility as allowed by Subsection (7)(b); and

2373 (B) notify the commission in writing of the tax rate the city or town legislative body
2374 determines in accordance with Subsection (7)(d)(ii)(A);

2375 (iii) shall, on or before April 1 of each year after the April 1 described in Subsection
2376 (7)(d)(ii):

2377 (A) determine the tax rate, the percentage of which is greater than .10% but does not
2378 exceed .25%, the collections from which the city or town legislative body will expend for a
2379 project or service relating to an airport facility as allowed by Subsection (7)(b); and

2380 (B) notify the commission in writing of the tax rate the city or town legislative body
2381 determines in accordance with Subsection (7)(d)(iii)(A); and

2382 (iv) may not change the tax rate the city or town legislative body determines in
2383 accordance with Subsections (7)(d)(i) through (iii) more frequently than as prescribed by
2384 Subsections (7)(d)(i) through (iii).

2385 (8) Before a city or town legislative body may impose a sales and use tax under this
2386 section, the city or town legislative body shall provide a copy of the notice described in Section
2387 59-12-2209 that the city or town legislative body provides to the commission:

2388 (a) to the county legislative body within which the city or town is located; and
2389 (b) at the same time as the city or town legislative body provides the notice to the
2390 commission.

2391 (9) (a) Subject to Subsections (9)(b) through (e) and Section 59-12-2207, the
2392 commission shall transmit revenues collected within a county, city, or town from a tax under
2393 this part that will be expended for a purpose described in Subsection (3)(b) or Subsections
2394 (4)(b) through (f) to the county, city, or town legislative body in accordance with Section
2395 59-12-2206.

2396 (b) Except as provided in Subsection (9)(c) and subject to Section 59-12-2207, the
2397 commission shall deposit revenues collected within a county, city, or town from a sales and use
2398 tax under this section that:

2399 (i) are required to be expended for a purpose described in Subsection (6)(a) into the
2400 Local Transportation Corridor Preservation Fund created by Section 72-2-117.5; or

2401 (ii) a county, city, or town legislative body determines to expend for a purpose
2402 described in Subsection (3)(a) or (4)(a) into the County of the Second Class State Highway
2403 Projects Fund created by Section 72-2-121.2 if the county, city, or town legislative body
2404 provides written notice to the commission requesting the deposit.

2405 (c) Subject to Subsection (9)(d) or (e), if a city or town legislative body provides notice
2406 to the commission in accordance with Subsection (7)(d), the commission shall:

2407 (i) transmit the revenues collected from the tax rate stated on the notice to the city or
2408 town legislative body monthly by electronic funds transfer; and

2409 (ii) deposit any remaining revenues described in Subsection (7)(c) in accordance with
2410 Subsection (7)(c).

2411 (d) (i) If a city or town legislative body provides the notice described in Subsection
2412 (7)(d)(i) to the commission, the commission shall transmit or deposit the revenues collected
2413 from the sales and use tax:

2414 (A) in accordance with Subsection (9)(c);

2415 (B) beginning on the date the city or town legislative body enacts the sales and use tax;
2416 and

2417 (C) ending on the earlier of the June 30 immediately following the date the city or town
2418 legislative body provides the notice described in Subsection (7)(d)(ii) to the commission or the

2419 date the city or town legislative body repeals the sales and use tax.

2420 (ii) If a city or town legislative body provides the notice described in Subsection
2421 (7)(d)(ii) or (iii) to the commission, the commission shall transmit or deposit the revenues
2422 collected from the sales and use tax:

2423 (A) in accordance with Subsection (9)(c);

2424 (B) beginning on the July 1 immediately following the date the city or town legislative
2425 body provides the notice described in Subsection (7)(d)(ii) or (iii) to the commission; and

2426 (C) ending on the earlier of the June 30 of the year after the date the city or town
2427 legislative body provides the notice described in Subsection (7)(d)(ii) or (iii) to the commission
2428 or the date the city or town legislative body repeals the sales and use tax.

2429 (e) (i) If a city or town legislative body that is required to provide the notice described
2430 in Subsection (7)(d)(i) does not provide the notice described in Subsection (7)(d)(i) to the
2431 commission on or before the date required by Subsection (7)(d) for providing the notice, the
2432 commission shall transmit, transfer, or deposit the revenues collected from the sales and use
2433 tax within the city or town in accordance with Subsections (9)(a) and (b).

2434 (ii) If a city or town legislative body that is required to provide the notice described in
2435 Subsection (7)(d)(ii) or (iii) does not provide the notice described in Subsection (7)(d)(ii) or
2436 (iii) to the commission on or before the date required by Subsection (7)(d) for providing the
2437 notice, the commission shall transmit or deposit the revenues collected from the sales and use
2438 tax within the city or town in accordance with:

2439 (A) Subsection (9)(c); and

2440 (B) the most recent notice the commission received from the city or town legislative
2441 body under Subsection (7)(d).

2442 Section 33. Section **59-12-2219** is amended to read:

2443 **59-12-2219. County option sales and use tax for highways and public transit --**
2444 **Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant**
2445 **existing budgeted transportation revenue.**

2446 (1) As used in this section:

2447 (a) "Class B road" means the same as that term is defined in Section 72-3-103.

2448 (b) "Class C road" means the same as that term is defined in Section 72-3-104.

2449 (c) "Eligible political subdivision" means a political subdivision that:

- 2450 (i) (A) on May 12, 2015, provides public transit services; or
2451 (B) after May 12, 2015, provides written notice to the commission in accordance with
2452 Subsection (10)(b) that it intends to provide public transit service within a county;
- 2453 (ii) is not a public transit district; and
2454 (iii) is not annexed into a public transit district.
- 2455 (d) "Public transit district" means a public transit district organized under Title 17B,
2456 Chapter 2a, Part 8, Public Transit District Act.
- 2457 (2) Subject to the other provisions of this part, but no later than June 30, 2022, a county
2458 legislative body may impose a sales and use tax of .25% on the transactions described in
2459 Subsection 59-12-103(1) within the county, including the cities and towns within the county.
- 2460 (3) The commission shall distribute sales and use tax revenue collected under this
2461 section as provided in Subsections (4) through (10).
- 2462 (4) If the entire boundary of a county that imposes a sales and use tax under this section
2463 is annexed into a single public transit district, the commission shall distribute the sales and use
2464 tax revenue collected within the county as follows:
- 2465 (a) .10% shall be transferred to the public transit district in accordance with Section
2466 59-12-2206;
- 2467 (b) .10% shall be distributed as provided in Subsection (8); and
2468 (c) .05% shall be distributed to the county legislative body.
- 2469 (5) If the entire boundary of a county that imposes a sales and use tax under this section
2470 is not annexed into a single public transit district, but a city or town within the county is
2471 annexed into a single public transit district that also has a county of the first class annexed into
2472 the same public transit district, the commission shall distribute the sales and use tax revenue
2473 collected within the county as follows:
- 2474 (a) for a city or town within the county that is annexed into a single public transit
2475 district, the commission shall distribute the sales and use tax revenue collected within that city
2476 or town as follows:
- 2477 (i) .10% shall be transferred to the public transit district in accordance with Section
2478 59-12-2206;
- 2479 (ii) .10% shall be distributed as provided in Subsection (8); and
2480 (iii) .05% shall be distributed to the county legislative body;

2481 (b) for an eligible political subdivision within the county, the commission shall
2482 distribute the sales and use tax revenue collected within that eligible political subdivision as
2483 follows:

2484 (i) .10% shall be transferred to the eligible political subdivision in accordance with
2485 Section 59-12-2206;

2486 (ii) .10% shall be distributed as provided in Subsection (8); and

2487 (iii) .05% shall be distributed to the county legislative body; and

2488 (c) the commission shall distribute the sales and use tax revenue, except for the sales
2489 and use tax revenue described in Subsections (5)(a) and (b), as follows:

2490 (i) .10% shall be distributed as provided in Subsection (8); and

2491 (ii) .15% shall be distributed to the county legislative body.

2492 (6) For a county not described in Subsection (4) or (5), if the entire boundary of a
2493 county of the first or second class that imposes a sales and use tax under this section is not
2494 annexed into a single public transit district, or if there is not a public transit district within the
2495 county, the commission shall distribute the sales and use tax revenue collected within the
2496 county as follows:

2497 (a) for a city or town within the county that is annexed into a single public transit
2498 district, the commission shall distribute the sales and use tax revenue collected within that city
2499 or town as follows:

2500 (i) .10% shall be transferred to the public transit district in accordance with Section
2501 59-12-2206;

2502 (ii) .10% shall be distributed as provided in Subsection (8); and

2503 (iii) .05% shall be distributed to the county legislative body;

2504 (b) for an eligible political subdivision within the county, the commission shall
2505 distribute the sales and use tax revenue collected within that eligible political subdivision as
2506 follows:

2507 (i) .10% shall be transferred to the eligible political subdivision in accordance with
2508 Section 59-12-2206;

2509 (ii) .10% shall be distributed as provided in Subsection (8); and

2510 (iii) .05% shall be distributed to the county legislative body; and

2511 (c) the commission shall distribute the sales and use tax revenue, except for the sales

2512 and use tax revenue described in Subsections (6)(a) and (b), as follows:

2513 (i) .10% shall be distributed as provided in Subsection (8); and

2514 (ii) .15% shall be distributed to the county legislative body.

2515 (7) For a county not described in Subsection (4) or (5), if the entire boundary of a
2516 county of the third, fourth, fifth, or sixth class that imposes a sales and use tax under this
2517 section is not annexed into a single public transit district, or if there is not a public transit
2518 district within the county, the commission shall distribute the sales and use tax revenue
2519 collected within the county as follows:

2520 (a) for a city or town within the county that is annexed into a single public transit
2521 district, the commission shall distribute the sales and use tax revenue collected within that city
2522 or town as follows:

2523 (i) .10% shall be distributed as provided in Subsection (8);

2524 (ii) .10% shall be distributed as provided in Subsection (9); and

2525 (iii) .05% shall be distributed to the county legislative body;

2526 (b) for an eligible political subdivision within the county, the commission shall
2527 distribute the sales and use tax revenue collected within that eligible political subdivision as
2528 follows:

2529 (i) .10% shall be distributed as provided in Subsection (8);

2530 (ii) .10% shall be distributed as provided in Subsection (9); and

2531 (iii) .05% shall be distributed to the county legislative body; and

2532 (c) the commission shall distribute the sales and use tax revenue, except for the sales
2533 and use tax revenue described in Subsections (7)(a) and (b), as follows:

2534 (i) .10% shall be distributed as provided in Subsection (8); and

2535 (ii) .15% shall be distributed to the county legislative body.

2536 (8) (a) Subject to Subsection (8)(b), the commission shall make the distributions
2537 required by Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i),
2538 (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) as follows:

2539 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii),
2540 (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) within the
2541 counties that impose a tax under this section shall be distributed to the unincorporated areas,
2542 cities, and towns within those counties on the basis of the percentage that the population of

2543 each unincorporated area, city, or town bears to the total population of all of the counties that
2544 impose a tax under this section; and

2545 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii),
2546 (5)(c)(i), (6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), and (9)(d)(ii)(A) within the
2547 counties that impose a tax under this section shall be distributed to the unincorporated areas,
2548 cities, and towns within those counties on the basis of the location of the transaction as
2549 determined under Sections 59-12-211 through 59-12-215.

2550 (b) (i) Population for purposes of this Subsection (8) shall be determined on the basis
2551 of the most recent official census or census estimate of the United States Census Bureau.

2552 (ii) If a needed population estimate is not available from the United States Census
2553 Bureau, population figures shall be derived from an estimate from the Utah Population
2554 Estimates Committee created by executive order of the governor.

2555 (9) (a) (i) Subject to the requirements in Subsections (9)(b) and (c), a county legislative
2556 body:

2557 (A) for a county that obtained approval from a majority of the county's registered
2558 voters voting on the imposition of a sales and use tax under this section prior to May 10, 2016,
2559 may, in consultation with any cities, towns, or eligible political subdivisions within the county,
2560 and in compliance with the requirements for changing an allocation under Subsection (9)(e),
2561 allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) by adopting a resolution specifying
2562 the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a
2563 public transit district or an eligible political subdivision; or

2564 (B) for a county that obtains approval from a majority of the county's registered voters
2565 voting on the imposition of a sales and use tax under this section on or after May 10, 2016,
2566 shall, in consultation with any cities, towns, or eligible political subdivisions within the county,
2567 allocate the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) by adopting a resolution specifying
2568 the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a
2569 public transit district or an eligible political subdivision.

2570 (ii) If a county described in Subsection (9)(a)(i)(A) does not allocate the revenue under
2571 Subsection (7)(a)(ii) or (7)(b)(ii) in accordance with Subsection (9)(a)(i)(A), the commission
2572 shall distribute 100% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to:

2573 (A) a public transit district for a city or town within the county that is annexed into a

2574 single public transit district; or
2575 (B) an eligible political subdivision within the county.
2576 (b) If a county legislative body allocates the revenue as described in Subsection
2577 (9)(a)(i), the county legislative body shall allocate not less than 25% of the revenue under
2578 Subsection (7)(a)(ii) or (7)(b)(ii) to:
2579 (i) a public transit district for a city or town within the county that is annexed into a
2580 single public transit district; or
2581 (ii) an eligible political subdivision within the county.
2582 (c) Notwithstanding Section 59-12-2208, the opinion question required by Section
2583 59-12-2208 shall state the allocations the county legislative body makes in accordance with this
2584 Subsection (9).
2585 (d) The commission shall make the distributions required by Subsection (7)(a)(ii) or
2586 (7)(b)(ii) as follows:
2587 (i) the percentage specified by a county legislative body shall be distributed in
2588 accordance with a resolution adopted by a county legislative body under Subsection (9)(a) to an
2589 eligible political subdivision or a public transit district within the county; and
2590 (ii) except as provided in Subsection (9)(a)(ii), if a county legislative body allocates
2591 less than 100% of the revenue under Subsection (7)(a)(ii) or (7)(b)(ii) to a public transit district
2592 or an eligible political subdivision, the remainder of the revenue under Subsection (7)(a)(ii) or
2593 (7)(b)(ii) not allocated by a county legislative body through a resolution under Subsection
2594 (9)(a) shall be distributed as follows:
2595 (A) 50% of the revenue as provided in Subsection (8); and
2596 (B) 50% of the revenue to the county legislative body.
2597 (e) If a county legislative body seeks to change an allocation specified in a resolution
2598 under Subsection (9)(a), the county legislative body may change the allocation by:
2599 (i) adopting a resolution in accordance with Subsection (9)(a) specifying the percentage
2600 of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be allocated to a public transit
2601 district or an eligible political subdivision;
2602 (ii) obtaining approval to change the allocation of the sales and use tax by a majority of
2603 all the members of the county legislative body; and
2604 (iii) subject to Subsection (9)(f):

2605 (A) in accordance with Section 59-12-2208, submitting an opinion question to the
2606 county's registered voters voting on changing the allocation so that each registered voter has the
2607 opportunity to express the registered voter's opinion on whether the allocation should be
2608 changed; and

2609 (B) in accordance with Section 59-12-2208, obtaining approval to change the
2610 allocation from a majority of the county's registered voters voting on changing the allocation.

2611 (f) Notwithstanding Section 59-12-2208, the opinion question required by Subsection
2612 (9)(e)(iii)(A) shall state the allocations specified in the resolution adopted in accordance with
2613 Subsection (9)(e) and approved by the county legislative body in accordance with Subsection
2614 (9)(e)(ii).

2615 (g) (i) If a county makes an allocation by adopting a resolution under Subsection (9)(a)
2616 or changes an allocation by adopting a resolution under Subsection (9)(e), the allocation shall
2617 take effect on the first distribution the commission makes under this section after a 90-day
2618 period that begins on the date the commission receives written notice meeting the requirements
2619 of Subsection (9)(g)(ii) from the county.

2620 (ii) The notice described in Subsection (9)(g)(i) shall state:

2621 (A) that the county will make or change the percentage of an allocation under
2622 Subsection (9)(a) or (e); and

2623 (B) the percentage of revenue under Subsection (7)(a)(ii) or (7)(b)(ii) that will be
2624 allocated to a public transit district or an eligible political subdivision.

2625 (10) (a) If a public transit district is organized after the date a county legislative body
2626 first imposes a tax under this section, a change in a distribution required by this section may
2627 not take effect until the first distribution the commission makes under this section after a
2628 90-day period that begins on the date the commission receives written notice from the public
2629 transit district of the organization of the public transit district.

2630 (b) If an eligible political subdivision intends to provide public transit service within a
2631 county after the date a county legislative body first imposes a tax under this section, a change
2632 in a distribution required by this section may not take effect until the first distribution the
2633 commission makes under this section after a 90-day period that begins on the date the
2634 commission receives written notice from the eligible political subdivision stating that the
2635 eligible political subdivision intends to provide public transit service within the county.

2636 (11) A county, city, or town may expend revenue collected from a tax under this
 2637 section, except for revenue the commission distributes in accordance with Subsection (4)(a),
 2638 (5)(a)(i), (5)(b)(i), or (9)(d)(i) for:

2639 (a) a class B road;

2640 (b) a class C road;

2641 (c) traffic and pedestrian safety, including for a class B road or class C road, for:

2642 (i) a sidewalk;

2643 (ii) curb and gutter;

2644 (iii) a safety feature;

2645 (iv) a traffic sign;

2646 (v) a traffic signal;

2647 (vi) street lighting; or

2648 (vii) a combination of Subsections (11)(c)(i) through (vi);

2649 (d) the construction, maintenance, or operation of an active transportation facility that
 2650 is for nonmotorized vehicles and multimodal transportation and connects an origin with a
 2651 destination;

2652 (e) public transit system services; or

2653 (f) a combination of Subsections (11)(a) through (e).

2654 (12) A public transit district or an eligible political subdivision may expend revenue
 2655 the commission distributes in accordance with Subsection (4)(a), (5)(a)(i), (5)(b)(i), or (9)(d)(i)
 2656 for capital expenses and service delivery expenses of the public transit district or eligible
 2657 political subdivision.

2658 (13) (a) Revenue collected from a sales and use tax under this section may not be used
 2659 to supplant existing general fund appropriations that a county, city, or town has budgeted for
 2660 transportation as of the date the tax becomes effective for a county, city, or town.

2661 (b) The limitation under Subsection (13)(a) does not apply to a designated
 2662 transportation capital or reserve account a county, city, or town may have established prior to
 2663 the date the tax becomes effective.

2664 Section 34. Section **59-28-103** is amended to read:

2665 **59-28-103. Imposition -- Rate -- Revenue distribution.**

2666 (1) Subject to the other provisions of this chapter, the state shall impose a tax on the

2667 transactions described in Subsection 59-12-103(1)(i) at a rate of [~~.32%~~] 5%.

2668 (2) The tax imposed under this chapter is in addition to any other taxes imposed on the
2669 transactions described in Subsection 59-12-103(1)(i).

2670 (3) (a) (i) Subject to Subsection (3)(a)(ii), the commission shall deposit 6% of the
2671 revenue the state collects from the tax under this chapter into the Hospitality and Tourism
2672 Management Education Account created in Section 53A-15-207 to fund the Hospitality and
2673 Tourism Management Career and Technical Education Pilot Program created in Section
2674 53A-15-206.

2675 (ii) The commission may not deposit more than \$300,000 into the Hospitality and
2676 Tourism Management Education Account under Subsection (3)(a)(i) in a fiscal year.

2677 (b) Except for the amount deposited into the Hospitality and Tourism Management
2678 Education Account under Subsection (3)(a) and the administrative charge retained under
2679 Subsection 59-28-104(4), the commission shall deposit [~~any~~] the revenue the state collects
2680 from the tax under this chapter as follows:

2681 (i) an amount equal to the tax revenue generated by a .32% tax rate on the transactions
2682 described in Subsection 59-12-103(1)(i) into the Outdoor Recreation Infrastructure Account
2683 created in Section 63N-9-205 to fund the Outdoor Recreational Infrastructure Grant Program
2684 created in Section 63N-9-202[-]; and

2685 (ii) an amount equal to the tax revenue generated by a 4.68% tax rate on the
2686 transactions described in Subsection 59-12-103(1)(i) into the Public Transit Capital
2687 Development Fund created in Section 72-2-124.

2688 Section 35. Section **63G-6a-1402** is amended to read:

2689 **63G-6a-1402. Procurement of design-build transportation project contracts.**

2690 (1) As used in this section:

2691 (a) "Design-build transportation project contract" means the procurement of both the
2692 design and construction of a transportation project in a single contract with a company or
2693 combination of companies capable of providing the necessary engineering services and
2694 construction.

2695 (b) "Transportation agency" means:

2696 (i) the Department of Transportation;

2697 (ii) a county of the first or second class, as defined in Section 17-50-501;

- 2698 (iii) a municipality of the first class, as defined in Section 10-2-301;
- 2699 (iv) a large public transit district [~~that has more than 200,000 people residing within its~~
2700 ~~boundaries~~] as defined in Section 17B-2a-802; and
- 2701 (v) a public airport authority.
- 2702 (2) Except as provided in Subsection (3), a transportation agency may award a
2703 design-build transportation project contract for any transportation project that has an estimated
2704 cost of at least \$50,000,000 by following the requirements of this section.
- 2705 (3) (a) The Department of Transportation:
- 2706 (i) may award a design-build transportation project contract for any transportation
2707 project by following the requirements of this section; and
- 2708 (ii) shall make rules, in accordance with Title 63G, Chapter 3, Utah Administrative
2709 Rulemaking Act, establishing requirements for the procurement of its design-build
2710 transportation project contracts in addition to those required by this section.
- 2711 (b) A public transit district that has more than 200,000 people residing within its
2712 boundaries:
- 2713 (i) may award a design-build transportation project contract for any transportation
2714 project by following the requirements of this section; and
- 2715 (ii) shall pass ordinances or a resolution establishing requirements for the procurement
2716 of its design-build transportation project contracts in addition to those required by this section.
- 2717 (c) A design-build transportation project contract authorized under this Subsection (3)
2718 is not subject to the estimated cost threshold described in Subsection (2).
- 2719 (d) A design-build transportation project contract may include provision by the
2720 contractor of operations, maintenance, or financing.
- 2721 (4) (a) Before entering into a design-build transportation project contract, a
2722 transportation agency may issue a request for qualifications to prequalify potential contractors.
- 2723 (b) Public notice of the request for qualifications shall be given in accordance with
2724 board rules.
- 2725 (c) A transportation agency shall require, as part of the qualifications specified in the
2726 request for qualifications, that potential contractors at least demonstrate their:
- 2727 (i) construction experience;
- 2728 (ii) design experience;

2729 (iii) financial, manpower, and equipment resources available for the project; and
2730 (iv) experience in other design-build transportation projects with attributes similar to
2731 the project being procured.

2732 (d) The request for qualifications shall identify the number of eligible competing
2733 proposers that the transportation agency will select to submit a proposal, which may not be less
2734 than two.

2735 (5) The transportation agency shall:

2736 (a) evaluate the responses received from the request for qualifications;

2737 (b) select from their number those qualified to submit proposals; and

2738 (c) invite those respondents to submit proposals based upon the transportation agency's
2739 request for proposals.

2740 (6) If the transportation agency fails to receive at least two qualified eligible competing
2741 proposals, the transportation agency shall readvertise the project.

2742 (7) The transportation agency shall issue a request for proposals to those qualified
2743 respondents that:

2744 (a) includes a scope of work statement constituting an information for proposal that
2745 may include:

2746 (i) preliminary design concepts;

2747 (ii) design criteria, needs, and objectives;

2748 (iii) warranty and quality control requirements;

2749 (iv) applicable standards;

2750 (v) environmental documents;

2751 (vi) constraints;

2752 (vii) time expectations or limitations;

2753 (viii) incentives or disincentives; and

2754 (ix) other special considerations;

2755 (b) requires submitters to provide:

2756 (i) a sealed cost proposal;

2757 (ii) a critical path matrix schedule, including cash flow requirements;

2758 (iii) proposal security; and

2759 (iv) other items required by the department for the project; and

2760 (c) may include award of a stipulated fee to be paid to offerors who submit
2761 unsuccessful proposals.

2762 (8) The transportation agency shall:

2763 (a) evaluate the submissions received in response to the request for proposals from the
2764 prequalified offerors;

2765 (b) comply with rules relating to discussion of proposals, best and final offers, and
2766 evaluations of the proposals submitted; and

2767 (c) after considering price and other identified factors, award the contract to the
2768 responsible offeror whose responsive proposal is most advantageous to the transportation
2769 agency or the state.

2770 Section 36. Section **72-1-102** is amended to read:

2771 **72-1-102. Definitions.**

2772 As used in this title:

2773 (1) "Commission" means the Transportation Commission created under Section
2774 72-1-301.

2775 (2) "Construction" means the construction, reconstruction, replacement, and
2776 improvement of the highways, including the acquisition of rights-of-way and material sites.

2777 (3) "Department" means the Department of Transportation created in Section 72-1-201.

2778 (4) "Executive director" means the executive director of the department appointed
2779 under Section 72-1-202.

2780 (5) "Farm tractor" has the meaning set forth in Section 41-1a-102.

2781 (6) "Federal aid primary highway" means that portion of connected main highways
2782 located within this state officially designated by the department and approved by the United
2783 States Secretary of Transportation under Title 23, Highways, U.S.C.

2784 (7) "Highway" means any public road, street, alley, lane, court, place, viaduct, tunnel,
2785 culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned to the
2786 public, or made public in an action for the partition of real property, including the entire area
2787 within the right-of-way.

2788 (8) "Highway authority" means the department or the legislative, executive, or
2789 governing body of a county or municipality.

2790 (9) "Implement of husbandry" has the meaning set forth in Section 41-1a-102.

2791 (10) "Interstate system" means any highway officially designated by the department
2792 and included as part of the national interstate and defense highways, as provided in the Federal
2793 Aid Highway Act of 1956 and any supplemental acts or amendments.

2794 (11) "Limited-access facility" means a highway especially designated for through
2795 traffic, and over, from, or to which neither owners nor occupants of abutting lands nor other
2796 persons have any right or easement, or have only a limited right or easement of access, light,
2797 air, or view.

2798 (12) "Motor vehicle" has the same meaning set forth in Section 41-1a-102.

2799 (13) "Municipality" has the same meaning set forth in Section 10-1-104.

2800 (14) "National highway systems highways" means that portion of connected main
2801 highways located within this state officially designated by the department and approved by the
2802 United States Secretary of Transportation under Title 23, Highways, U.S.C.

2803 (15) (a) "Port-of-entry" means a fixed or temporary facility constructed, operated, and
2804 maintained by the department where drivers, vehicles, and vehicle loads are checked or
2805 inspected for compliance with state and federal laws as specified in Section 72-9-501.

2806 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.

2807 (16) "Port-of-entry agent" means a person employed at a port-of-entry to perform the
2808 duties specified in Section 72-9-501.

2809 (17) "Public transit facility" means a transit vehicle, transit station, depot, passenger
2810 loading or unloading zone, parking lot, or other facility:

2811 (a) leased by or operated by or on behalf of a public transit district; and

2812 (b) related to the public transit services provided by the district, including:

2813 (i) railway or other right-of-way;

2814 (ii) railway line; and

2815 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled by
2816 a transit vehicle.

2817 [~~(17)~~] (18) "Right-of-way" means real property or an interest in real property, usually
2818 in a strip, acquired for or devoted to a highway.

2819 [~~(18)~~] (19) "Sealed" does not preclude acceptance of electronically sealed and submitted
2820 bids or proposals in addition to bids or proposals manually sealed and submitted.

2821 [~~(19)~~] (20) "Semitrailer" has the meaning set forth in Section 41-1a-102.

2822 ~~[(20)]~~ (21) "SR" means state route and has the same meaning as state highway as
2823 defined in this section.

2824 ~~[(21)]~~ (22) "State highway" means those highways designated as state highways in
2825 Title 72, Chapter 4, Designation of State Highways Act.

2826 ~~[(22)]~~ (23) "State highway purposes" has the meaning set forth in Section 72-5-102.

2827 ~~[(23)]~~ (24) "State transportation systems" means all streets, alleys, roads, highways,
2828 and thoroughfares of any kind, including connected structures, airports, spaceports, public
2829 transit facilities, and all other modes and forms of conveyance used by the public.

2830 ~~[(24)]~~ (25) "Trailer" has the meaning set forth in Section 41-1a-102.

2831 ~~[(25)]~~ (26) "Truck tractor" has the meaning set forth in Section 41-1a-102.

2832 ~~[(26)]~~ (27) "UDOT" means the Utah Department of Transportation.

2833 ~~[(27)]~~ (28) "Vehicle" has the same meaning set forth in Section 41-1a-102.

2834 Section 37. Section **72-1-203** is amended to read:

2835 **72-1-203. Deputy director -- Appointment -- Qualifications -- Other assistants**
2836 **and advisers -- Salaries.**

2837 (1) The executive director shall appoint [~~a deputy director, who shall be a registered~~
2838 ~~professional engineer in the state and~~] two deputy directors, who shall serve at the discretion of
2839 the executive director.

2840 (2) (a) The deputy director of engineering and operations shall be a registered
2841 professional engineer in the state and is the chief engineer of the department. The deputy
2842 director of engineering and operations shall assist the executive director [~~and is responsible for~~]
2843 with areas of responsibility including:

2844 ~~[(a) program and project development; and]~~

2845 ~~[(b) operation and maintenance of the state transportation systems;]~~

2846 (i) project development;

2847 (ii) oversight of the management of the region offices described in Section 72-1-205;

2848 (iii) management of operations; and

2849 (iv) oversight of operations of motor carriers and ports.

2850 (b) The deputy director of planning and investment shall assist the executive director
2851 with areas of responsibility including:

2852 (i) oversight and coordination of planning, including:

2853 (A) development of statewide strategic initiatives for planning across all modes of
 2854 transportation;

2855 (B) coordination with metropolitan planning organizations and local governments; and

2856 (C) corridor and area planning;

2857 (i) asset management;

2858 (ii) programming and prioritization of transportation projects;

2859 (iv) fulfilling requirements for environmental studies and impact statements; and

2860 (v) resource investment, including identification and development of public-private
 2861 partnership opportunities.

2862 (3) The executive director may also appoint assistants to administer the divisions of the
 2863 department. These assistants shall serve at the discretion of the executive director.

2864 (4) In addition, the executive director may employ other assistants and advisers as the
 2865 executive director finds necessary and fix salaries in accordance with the salary standards
 2866 adopted by the Department of Human Resource Management.

2867 Section 38. Section **72-1-204** is amended to read:

2868 **72-1-204. Divisions enumerated -- Duties.**

2869 The divisions of the department are:

2870 (1) the Comptroller Division responsible for:

2871 (a) all financial aspects of the department, including budgeting, accounting, and
 2872 contracting;

2873 (b) providing all material data and documentation necessary for effective fiscal
 2874 planning and programming; and

2875 (c) procuring administrative supplies;

2876 (2) the Internal Audit Division responsible for:

2877 (a) conducting and verifying all internal audits and reviews within the department;

2878 (b) performing financial and compliance audits to determine the allowability and
 2879 reasonableness of proposals, accounting records, and final costs of consultants, contractors,
 2880 utility companies, and other entities used by the department; and

2881 (c) implementing audit procedures that meet or exceed generally accepted auditing
 2882 standards relating to revenues, expenditures, and funding;

2883 (3) the Communications Division responsible for:

- 2884 (a) developing, managing, and implementing the department's public hearing processes
2885 and programs;
- 2886 (b) responding to public complaints, requests, and input;
- 2887 (c) assisting the divisions and regions in the department's public involvement
2888 programs;
- 2889 (d) developing and managing internal department communications; and
- 2890 (e) managing and overseeing department media relations;
- 2891 (4) the Program Development Division responsible for:
- 2892 (a) developing transportation plans for state transportation systems;
- 2893 (b) collecting, processing, and storing transportation data to support department's
2894 engineering functions;
- 2895 (c) maintaining and operating the asset management systems;
- 2896 (d) designating state transportation systems qualifications;
- 2897 (e) developing a statewide transportation improvement program for approval by the
2898 commission;
- 2899 (f) providing cartographic services to the department;
- 2900 (g) assisting local governments in participating in federal-aid transportation programs;
- 2901 and
- 2902 (h) providing research services associated with transportation programs;
- 2903 (5) the Project Development Division responsible for:
- 2904 (a) developing statewide standards for project design and construction;
- 2905 (b) providing support for project development in the areas of design environment,
2906 right-of-way, materials testing, structures, value engineering, and construction; and
- 2907 (c) designing specialty projects; ~~and~~
- 2908 (6) the Operations Division responsible for:
- 2909 (a) maintaining the state transportation systems;
- 2910 (b) state transportation systems safety;
- 2911 (c) operating state ports-of-entry;
- 2912 (d) operating state motor carrier safety programs in accordance with this title and
2913 federal law;
- 2914 (e) aeronautical operations;

2915 (f) providing equipment for department engineering and maintenance functions; and

2916 (g) risk management[-]; and

2917 (7) the Planning and Investment Division responsible for:

2918 (a) creating and managing an intermodal terminal facility to promote economic
2919 development and investment;

2920 (b) promoting strategies to synergize development of an intermodal inland port; and

2921 (c) overseeing and coordinating public-private partnerships.

2922 Section 39. Section **72-1-211** is amended to read:

2923 **72-1-211. Department to develop strategic initiatives -- Report -- Rulemaking.**

2924 (1) (a) The executive director shall develop statewide strategic initiatives [for the
2925 department] across all modes of transportation.

2926 (b) To develop the strategic initiatives described in Subsection (1)(a), the executive
2927 director shall consult with the commission and relevant stakeholders, including:

2928 (i) metropolitan planning organizations;

2929 (ii) county and municipal governments;

2930 (iii) transit districts; and

2931 (iv) other transportation stakeholders.

2932 (c) To develop the strategic initiatives described in Subsection (1)(a), the executive
2933 director shall consider:

2934 (i) regional transportation plans developed by metropolitan planning organizations;

2935 (ii) local transportation plans developed by county and municipal governments;

2936 (iii) public transit plans developed by public transit districts; and

2937 (iv) other relevant transportation plans developed by other stakeholders.

2938 (d) To develop the strategic initiatives described in Subsection (1)(a), the executive
2939 director shall consider projected major centers of economic activity, population growth, and
2940 job centers.

2941 (2) (a) The strategic initiatives developed under Subsection (1) shall include
2942 consideration of the following factors:

2943 ~~(a)~~ (i) corridor preservation;

2944 (ii) congestion reduction;

2945 (iii) economic development and job creation;

- 2946 (iv) asset management;
 2947 (v) sustainability;
 2948 (vi) optimization of return on investment;
 2949 [~~(b)~~] (vii) development of new transportation capacity projects;
 2950 [~~(c)~~] (viii) long-term maintenance and operations of the transportation system;
 2951 [~~(d)~~] (ix) safety;
 2952 [~~(e)~~] (x) incident management; [and]
 2953 [~~(f)~~] (xi) homeland security[-];
 2954 (xii) mobility and access; and
 2955 (xiii) transportation related air quality.
 2956 (b) The strategic initiatives shall include an assessment of capacity needs and establish
 2957 goals for corridors that meet all of the following:
 2958 (i) high volume of travel and throughput;
 2959 (ii) connection of projected major centers of economic activity, population growth, and
 2960 future job centers;
 2961 (iii) major freight corridors; and
 2962 (iv) corridors accommodating multiple modes of travel.
 2963 (3) (a) The executive director or the executive director's designee shall report the
 2964 strategic initiatives of the department developed under Subsection (1) to the Transportation
 2965 Commission and, before December 1 of each year, the Transportation Interim Committee.
 2966 (b) The report required under Subsection (3)(a) shall include the measure that will be
 2967 used to determine whether the strategic initiatives have been achieved.
 2968 (4) After compliance with Subsection (3) and in accordance with Title 63G, Chapter 3,
 2969 Utah Administrative Rulemaking Act, the department shall make rules establishing the
 2970 strategic initiatives developed under this part.
 2971 (5) The executive director shall ensure that the strategic initiatives developed under
 2972 Subsection (1):
 2973 (a) are reviewed and updated as needed, but no less frequent than every four years; and
 2974 (b) cover at least a 20-year horizon.
 2975 Section 40. Section **72-1-213** is amended to read:
 2976 **72-1-213. Road usage charge study -- Recommendations.**

2977 (1) (a) The department shall ~~[(1) continue to]~~ study a road usage charge mileage-based
2978 revenue system, including a ~~[potential]~~ demonstration program, as an alternative to the motor
2979 and special tax ~~[, and]~~.

2980 ~~[(2) make recommendations to the Legislature and other policymaking bodies on the~~
2981 ~~potential use and future implementation of a road usage charge within the state.]~~

2982 (b) The demonstration program may consider:

2983 (i) the necessity of protecting all personally identifiable information used in reporting
2984 highway use;

2985 (ii) alternatives to recording and reporting highway use;

2986 (iii) alternatives to administration of a road usage charge program; and

2987 (iv) other factors as determined by the department.

2988 (2) (a) The department shall create a Road Usage Charge Advisory Committee to assist
2989 the department to conduct a road usage charge demonstration program.

2990 (b) The executive director shall appoint members of the committee, considering
2991 individuals with experience and expertise in the following areas:

2992 (i) telecommunications;

2993 (ii) data security and privacy;

2994 (iii) privacy rights advocacy organizations;

2995 (iv) transportation agencies with technical expertise;

2996 (v) national research;

2997 (vi) members of the Legislature;

2998 (vii) representatives from the State Tax Commission; and

2999 (viii) other relevant stakeholders as determined by the executive director.

3000 (c) The executive director or the executive director's designee shall serve as chair of the
3001 committee.

3002 (d) A member of the committee may not receive compensation or benefits for the
3003 member's service, but may receive per diem and travel expenses in accordance with:

3004 (i) Section 63A-3-106;

3005 (ii) Section 63A-3-107; and

3006 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
3007 63A-3-107.

- 3008 (e) The department shall provide staff support to the committee.
- 3009 (3) (a) Beginning in 2019, and no later than September 30 of each year, the department
- 3010 shall prepare and submit a report of its findings based on the results of the road usage charge
- 3011 demonstration program to the:
- 3012 (i) Road Usage Charge Advisory Committee created under Subsection (2);
- 3013 (ii) Transportation Commission;
- 3014 (iii) Transportation Interim Committee of the Legislature; and
- 3015 (iv) Revenue and Taxation Interim Committee of the Legislature.
- 3016 (b) The report shall review the following issues:
- 3017 (i) cost;
- 3018 (ii) privacy, including recommendations regarding public and private access, including
- 3019 by law enforcement, to data collected and stored for purposes of the road usage charge to
- 3020 ensure individual privacy rights are protected;
- 3021 (iii) jurisdictional issues;
- 3022 (iv) feasibility;
- 3023 (v) complexity;
- 3024 (vi) acceptance;
- 3025 (vii) use of revenues;
- 3026 (viii) security and compliance, including a discussion of processes and security
- 3027 measures necessary to minimize fraud and tax evasion rates;
- 3028 (ix) data collection technology, including a discussion of the advantages and
- 3029 disadvantages of various types of data collection equipment and the privacy implications and
- 3030 considerations of the equipment;
- 3031 (x) potential for additional driver services;
- 3032 (xi) evaluation of necessary framework for an owner of an electric powered vehicle to
- 3033 either pay a higher registration fee or participate in a road user charge program; and
- 3034 (xii) implementation issues.
- 3035 (c) The report may make recommendations to the Legislature and other policymaking
- 3036 bodies on the potential use and future implementation of a road usage charge within the state.
- 3037 Section 41. Section **72-1-303** is amended to read:
- 3038 **72-1-303. Duties of commission.**

- 3039 (1) The commission has the following duties:
- 3040 (a) determining priorities and funding levels of projects in the state transportation
3041 systems and capital development of new public transit facilities for each fiscal year based on
3042 project lists compiled by the department;
- 3043 (b) determining additions and deletions to state highways under Chapter 4, Designation
3044 of State Highways Act;
- 3045 (c) holding public hearings and otherwise providing for public input in transportation
3046 matters;
- 3047 (d) making policies and rules in accordance with Title 63G, Chapter 3, Utah
3048 Administrative Rulemaking Act, necessary to perform the commission's duties described under
3049 this section;
- 3050 (e) in accordance with Section 63G-4-301, reviewing orders issued by the executive
3051 director in adjudicative proceedings held in accordance with Title 63G, Chapter 4,
3052 Administrative Procedures Act;
- 3053 (f) advising the department in state transportation systems policy;
- 3054 (g) approving settlement agreements of condemnation cases subject to Section
3055 63G-10-401;
- 3056 (h) in accordance with Section 17B-2a-807, appointing a commissioner to serve as a
3057 nonvoting, ex officio member or a voting member on the board of trustees of a public transit
3058 district;
- 3059 (i) in accordance with Section 17B-2a-808, reviewing, at least annually, the short-term
3060 and long-range public transit plans; and
- 3061 (j) reviewing administrative rules made, amended, or repealed by the department.
- 3062 (2) (a) For projects prioritized with funding provided under Sections 72-2-124 and
3063 72-2-125, the commission shall annually report to a committee designated by the Legislative
3064 Management Committee:
- 3065 (i) a prioritized list of the new transportation capacity projects in the state
3066 transportation system and the funding levels available for those projects; and
- 3067 (ii) the unfunded highway construction and maintenance needs within the state.
- 3068 (b) The committee designated by the Legislative Management Committee under
3069 Subsection (2)(a) shall:

- 3070 (i) review the list reported by the Transportation Commission; and
3071 (ii) make a recommendation to the Legislature on:
3072 (A) the amount of additional funding to allocate to transportation; and
3073 (B) the source of revenue for the additional funding allocation under Subsection
3074 (2)(b)(ii)(A).
- 3075 (3) The commission shall review and may approve plans for the construction of a
3076 highway facility over sovereign lakebed lands in accordance with Chapter 6, Part 3, Approval
3077 of Highway Facilities on Sovereign Lands Act.
- 3078 Section 42. Section **72-1-304** is amended to read:
- 3079 **72-1-304. Written project prioritization process for new transportation capacity**
3080 **projects -- Rulemaking.**
- 3081 (1) (a) The Transportation Commission, in consultation with the department and the
3082 metropolitan planning organizations as defined in Section 72-1-208.5, shall develop a written
3083 prioritization process for the prioritization of new transportation capacity projects that are or
3084 will be part of the state highway system under Chapter 4, Part 1, State Highways, or public
3085 transit projects that add capacity to the public transit systems within the state.
- 3086 (b) (i) A local government or district may nominate a project for prioritization.
3087 (ii) If a local government or district nominates a project for prioritization by the
3088 commission, the local government or district shall provide data and evidence to show that:
3089 (A) the project will advance the purposes and goals described in Section 72-1-211; and
3090 (B) the local government or district has an ongoing funding source for operations and
3091 maintenance of the proposed development.
- 3092 (2) The following shall be included in the written prioritization process under
3093 Subsection (1):
- 3094 (a) a description of how the strategic initiatives of the department adopted under
3095 Section 72-1-211 are advanced by the written prioritization process;
- 3096 (b) a definition of the type of projects to which the written prioritization process
3097 applies;
- 3098 (c) specification of a weighted criteria system that is used to rank proposed projects
3099 and how it will be used to determine which projects will be prioritized;
- 3100 (d) specification of the data that is necessary to apply the weighted ranking criteria;

3101 [and]

3102 (e) any other provisions the commission considers appropriate[-], which may include
3103 consideration of:

3104 (i) regional and statewide economic development impacts, including improved local
3105 access to:

3106 (A) employment;

3107 (B) recreation;

3108 (C) commerce; and

3109 (D) residential areas; and

3110 (ii) the extent to which local land use plans relevant to a project support and
3111 accomplish the strategic initiatives adopted under Section 72-1-211.

3112 (3) In developing the written prioritization process, the commission:

3113 (a) shall seek and consider public comment by holding public meetings at locations
3114 throughout the state; and

3115 (b) may not consider local matching dollars as provided under Section 72-2-123 unless
3116 the state provides an equal opportunity to raise local matching dollars for state highway
3117 improvements within each county.

3118 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3119 Transportation Commission, in consultation with the department, shall make rules establishing
3120 the written prioritization process under Subsection (1).

3121 (5) The commission shall submit the proposed rules under this section to a committee
3122 or task force designated by the Legislative Management Committee for review prior to taking
3123 final action on the proposed rules or any proposed amendment to the rules described in
3124 Subsection (4).

3125 Section 43. Section **72-1-305** is amended to read:

3126 **72-1-305. Project selection using the written prioritization process -- Public**
3127 **comment -- Report.**

3128 (1) Except as provided in Subsection (4), in determining priorities and funding levels
3129 of projects in the state transportation system under Subsection 72-1-303(1)(a) that are new
3130 transportation capacity projects, the commission shall use the weighted criteria system adopted
3131 in the written prioritization process under Section 72-1-304.

3132 (2) Prior to finalizing priorities and funding levels of projects in the state transportation
3133 system, the commission shall conduct public hearings at locations around the state and accept
3134 public comments on:

3135 (a) the written prioritization process;

3136 (b) the merits of new transportation capacity projects that will be prioritized under this
3137 section; and

3138 (c) the merits of new transportation capacity projects as recommended by a consensus
3139 of local elected officials participating in a metropolitan planning organization as defined in
3140 Section 72-1-208.5.

3141 (3) The commission shall make the weighted criteria system ranking for each project
3142 publicly available prior to the public hearings held under Subsection (2).

3143 (4) (a) If the commission prioritizes a project over another project with a higher rank
3144 under the weighted criteria system, the commission shall identify the change and accept public
3145 comment at a hearing held under this section on the merits of prioritizing the project above
3146 higher ranked projects.

3147 (b) The commission shall make the reasons for the prioritization under Subsection
3148 (4)(a) publicly available.

3149 (5) The executive director or the executive director's designee shall report annually to
3150 the governor and a committee designated by the Legislative Management Committee no later
3151 than the last day of October:

3152 (a) the projects prioritized under this section during the year prior to the report; and

3153 (b) the status and progress of all projects prioritized under this section.

3154 (6) (a) The department may not delay a new transportation or public transit capacity
3155 project that was funded by the Legislature in an appropriations act to a different fiscal year than
3156 programmed by the commission due to an unavoidable shortfall in revenues unless the project
3157 delays are prioritized and approved by the Transportation Commission.

3158 (b) The Transportation Commission shall prioritize and approve any new
3159 transportation or public transit capacity project delays for projects that were funded by the
3160 Legislature in an appropriations act due to an unavoidable shortfall in revenues.

3161 Section 44. Section **72-2-117.5** is amended to read:

3162 **72-2-117.5. Definitions -- Local Highway and Transportation Corridor**

3163 **Preservation Fund -- Disposition of fund money.**

3164 (1) As used in this section:

3165 (a) "Council of governments" means a decision-making body in each county composed
3166 of membership including the county governing body and the mayors of each municipality in the
3167 county.

3168 (b) "Metropolitan planning organization" has the same meaning as defined in Section
3169 72-1-208.5.

3170 (2) There is created the Local Highway and Transportation Corridor Preservation Fund
3171 within the Transportation Fund.

3172 (3) The fund shall be funded from the following sources:

3173 (a) a local option highway construction and transportation corridor preservation fee
3174 imposed under Section 41-1a-1222;

3175 (b) appropriations made to the fund by the Legislature;

3176 (c) contributions from other public and private sources for deposit into the fund;

3177 (d) all money collected from rents and sales of real property acquired with fund money;

3178 (e) proceeds from general obligation bonds, revenue bonds, or other obligations issued
3179 as authorized by Title 63B, Bonds;

3180 (f) the portion of the sales and use tax described in Subsection 59-12-2217(2)(b) and
3181 required by Subsection 59-12-2217(8)(a) to be deposited into the fund; and

3182 (g) sales and use tax revenues deposited into the fund in accordance with Section
3183 59-12-2218.

3184 (4) (a) The fund shall earn interest.

3185 (b) All interest earned on fund money shall be deposited into the fund.

3186 (c) The State Tax Commission shall allocate the revenues:

3187 (i) provided under Subsection (3)(a) to each county imposing a local option highway
3188 construction and transportation corridor preservation fee under Section 41-1a-1222;

3189 (ii) provided under Subsection 59-12-2217(2)(b) to each county imposing a county
3190 option sales and use tax for transportation; and

3191 (iii) provided under Subsection (3)(g) to each county of the second class or city or town
3192 within a county of the second class that imposes the sales and use tax authorized by Section
3193 59-12-2218.

3194 (d) The department shall distribute the funds allocated to each county, city, or town
3195 under Subsection (4)(c) to each county, city, or town.

3196 (e) The money allocated and distributed under this Subsection (4):

3197 (i) shall be used for the purposes provided in this section for each county, city, or town;

3198 (ii) is allocated to each county, city, or town as provided in this section with the
3199 condition that the state will not be charged for any asset purchased with the money allocated
3200 and distributed under this Subsection (4), unless there is a written agreement in place with the
3201 department prior to the purchase of the asset stipulating a reimbursement by the state to the
3202 county, city, or town of no more than the original purchase price paid by the county, city, or
3203 town; and

3204 (iii) is considered a local matching contribution for the purposes described under
3205 Section 72-2-123 if used on a state highway.

3206 (f) Administrative costs of the department to implement this section shall be paid from
3207 the fund.

3208 (5) (a) A highway authority may acquire real property or any interests in real property
3209 for state, county, and municipal highway or public transit corridors subject to:

3210 (i) money available in the fund to each county under Subsection (4); and

3211 (ii) the provisions of this section.

3212 (b) Fund money may be used to pay interest on debts incurred in accordance with this
3213 section.

3214 (c) (i) (A) Fund money may be used to pay maintenance costs of properties acquired
3215 under this section but limited to a total of 5% of the purchase price of the property.

3216 (B) Any additional maintenance cost shall be paid from funds other than under this
3217 section.

3218 (C) Revenue generated by any property acquired under this section is excluded from
3219 the limitations under this Subsection (5)(c)(i).

3220 (ii) Fund money may be used to pay direct costs of acquisition of properties acquired
3221 under this section.

3222 (d) Fund money allocated and distributed under Subsection (4) may be used by a
3223 county highway authority for countywide transportation or public transit planning if:

3224 (i) the county's planning focus area is outside the boundaries of a metropolitan

3225 planning organization;

3226 (ii) the transportation planning is part of the county's continuing, cooperative, and
3227 comprehensive process for transportation or public transit planning, corridor preservation,
3228 right-of-way acquisition, and project programming;

3229 (iii) no more than four years allocation every 20 years to each county is used for
3230 transportation planning under this Subsection (5)(d); and

3231 (iv) the county otherwise qualifies to use the fund money as provided under this
3232 section.

3233 (e) (i) Subject to Subsection (11), fund money allocated and distributed under
3234 Subsection (4) may be used by a county highway authority for transportation or public transit
3235 corridor planning that is part of the corridor elements of an ongoing work program of
3236 transportation or public transit projects.

3237 (ii) The transportation corridor planning under Subsection (5)(e)(i) shall be under the
3238 direction of:

3239 (A) the metropolitan planning organization if the county is within the boundaries of a
3240 metropolitan planning organization; or

3241 (B) the department if the county is not within the boundaries of a metropolitan
3242 planning organization.

3243 (f) (i) A county, city, or town that imposes a local option highway construction and
3244 transportation corridor preservation fee under Section 41-1a-1222 may elect to administer the
3245 funds allocated and distributed to that county, city, or town under Subsection (4) as a revolving
3246 loan fund.

3247 (ii) If a county, city, or town elects to administer the funds allocated and distributed to
3248 that county, city, or town under Subsection (4) as a revolving loan fund, a local highway
3249 authority shall repay the fund money authorized for the project to the fund.

3250 (iii) A county, city, or town that elects to administer the funds allocated and distributed
3251 to that county, city, or town under Subsection (4) as a revolving loan fund shall establish
3252 repayment conditions of the money to the fund from the specified project funds.

3253 (g) (i) Subject to the restrictions in Subsections (5)(g)(ii) and (iii), fund money may be
3254 used by a county of the third, fourth, fifth, or sixth class or by a city or town within a county of
3255 the third, fourth, fifth, or sixth class for:

3256 (A) the construction, operation, or maintenance of a class B road or class C road; or
3257 (B) the restoration or repair of survey monuments associated with transportation
3258 infrastructure.

3259 (ii) A county, city, or town may not use more than 50% of the current balance of fund
3260 money allocated to the county, city, or town for the purposes described in Subsection (5)(g)(i).

3261 (iii) A county, city, or town may not use more than 50% of the fund revenue collections
3262 allocated to a county, city, or town in the current fiscal year for the purposes described in
3263 Subsection (5)(g)(i).

3264 (6) (a) (i) The Local Highway and Transportation Corridor Preservation Fund shall be
3265 used to preserve highway and public transit corridors, promote long-term statewide
3266 transportation planning, save on acquisition costs, and promote the best interests of the state in
3267 a manner which minimizes impact on prime agricultural land.

3268 (ii) The Local Highway and Transportation Corridor Preservation Fund shall only be
3269 used to preserve a highway or public transit corridor that is right-of-way:

3270 (A) in a county of the first or second class for:

3271 (I) a state highway;

3272 (II) a principal arterial highway as defined in Section 72-4-102.5;

3273 (III) a minor arterial highway as defined in Section 72-4-102.5; [~~or~~]

3274 (IV) a collector highway in an urban area as defined in Section 72-4-102.5; or

3275 (V) a transit facility as defined in Section 17B-2a-802; or

3276 (B) in a county of the third, fourth, fifth, or sixth class for:

3277 (I) a state highway;

3278 (II) a principal arterial highway as defined in Section 72-4-102.5;

3279 (III) a minor arterial highway as defined in Section 72-4-102.5;

3280 (IV) a major collector highway as defined in Section 72-4-102.5; [~~or~~]

3281 (V) a minor collector road as defined in Section 72-4-102.5[~~;~~]; or

3282 (VI) a transit facility as defined in Section 17B-2a-802.

3283 (iii) The Local Highway and Transportation Corridor Preservation Fund may not be
3284 used for a highway corridor that is primarily a recreational trail as defined under Section
3285 79-5-102.

3286 (b) A highway authority shall authorize the expenditure of fund money after

3287 determining that the expenditure is being made in accordance with this section from
3288 applications that are:

- 3289 (i) endorsed by the council of governments; and
- 3290 (ii) for a right-of-way purchase for a highway or public transit corridor authorized
3291 under Subsection (6)(a)(ii).

3292 (7) (a) (i) A council of governments shall establish a council of governments
3293 endorsement process which includes prioritization and application procedures for use of the
3294 money allocated to each county under this section.

- 3295 (ii) The endorsement process under Subsection (7)(a)(i) may include review or
3296 endorsement of the preservation project by:
 - 3297 (A) the metropolitan planning organization if the county is within the boundaries of a
3298 metropolitan planning organization; or
 - 3299 (B) the department if the county is not within the boundaries of a metropolitan
3300 planning organization.

- 3301 (b) All fund money shall be prioritized by each highway authority and council of
3302 governments based on considerations, including:
 - 3303 (i) areas with rapidly expanding population;
 - 3304 (ii) the willingness of local governments to complete studies and impact statements
3305 that meet department standards;
 - 3306 (iii) the preservation of corridors by the use of local planning and zoning processes;
 - 3307 (iv) the availability of other public and private matching funds for a project;
 - 3308 (v) the cost-effectiveness of the preservation projects;
 - 3309 (vi) long and short-term maintenance costs for property acquired; and
 - 3310 (vii) whether the transportation or public transit corridor is included as part of:
 - 3311 (A) the county and municipal master plan; and
 - 3312 (B) (I) the statewide long range plan; or
 - 3313 (II) the regional transportation plan of the area metropolitan planning organization if
3314 one exists for the area.

- 3315 (c) The council of governments shall:
 - 3316 (i) establish a priority list of highway and public transit corridor preservation projects
3317 within the county;

3318 (ii) submit the list described in Subsection (7)(c)(i) to the county's legislative body for
3319 approval; and

3320 (iii) obtain approval of the list described in Subsection (7)(c)(i) from a majority of the
3321 members of the county legislative body.

3322 (d) A county's council of governments may only submit one priority list described in
3323 Subsection (7)(c)(i) per calendar year.

3324 (e) A county legislative body may only consider and approve one priority list described
3325 in Subsection (7)(c)(i) per calendar year.

3326 (8) (a) Unless otherwise provided by written agreement with another highway authority
3327 or public transit district, the highway authority that holds the deed to the property is responsible
3328 for maintenance of the property.

3329 (b) The transfer of ownership for property acquired under this section from one
3330 highway authority to another shall include a recorded deed for the property and a written
3331 agreement between the highway authorities or public transit district.

3332 (9) (a) The proceeds from any bonds or other obligations secured by revenues of the
3333 Local Highway and Transportation Corridor Preservation Fund shall be used for the purposes
3334 authorized for funds under this section.

3335 (b) The highway authority shall pledge the necessary part of the revenues of the Local
3336 Highway and Transportation Corridor Preservation Fund to the payment of principal and
3337 interest on the bonds or other obligations.

3338 (10) (a) A highway authority may not expend money under this section to purchase a
3339 right-of-way for a state highway unless the highway authority has:

3340 (i) a transportation corridor property acquisition policy or ordinance in effect that
3341 meets department requirements for the acquisition of real property or any interests in real
3342 property under this section; and

3343 (ii) an access management policy or ordinance in effect that meets the requirements
3344 under Subsection 72-2-117(8).

3345 (b) The provisions of Subsection (10)(a)(i) do not apply if the highway authority has a
3346 written agreement with the department for the department to acquire real property or any
3347 interests in real property on behalf of the local highway authority under this section.

3348 (11) The county shall ensure, to the extent possible, that the fund money allocated and

3349 distributed to a city or town in accordance with Subsection (4) is expended:

3350 (a) to fund a project or service as allowed by this section within the city or town to
3351 which the fund money is allocated;

3352 (b) to pay debt service, principal, or interest on a bond or other obligation as allowed
3353 by this section if that bond or other obligation is:

3354 (i) secured by money allocated to the city or town; and

3355 (ii) issued to finance a project or service as allowed by this section within the city or
3356 town to which the fund money is allocated;

3357 (c) to fund transportation planning as allowed by this section within the city or town to
3358 which the fund money is allocated; or

3359 (d) for another purpose allowed by this section within the city or town to which the
3360 fund money is allocated.

3361 (12) Notwithstanding any other provision in this section, any amounts within the fund
3362 allocated to a public transit district or for a public transit corridor may only be derived from the
3363 portion of the fund that does not include constitutionally restricted sources related to the
3364 operation of a motor vehicle or proceeds from an excise tax on liquid motor fuel to propel a
3365 motor vehicle.

3366 Section 45. Section **72-2-124** is amended to read:

3367 **72-2-124. Transportation Investment Fund of 2005.**

3368 (1) There is created a capital projects fund entitled the Transportation Investment Fund
3369 of 2005.

3370 (2) The fund consists of money generated from the following sources:

3371 (a) any voluntary contributions received for the maintenance, construction,
3372 reconstruction, or renovation of state and federal highways;

3373 (b) appropriations made to the fund by the Legislature;

3374 (c) registration fees designated under Section 41-1a-1201;

3375 ~~[(e)]~~ (d) the sales and use tax revenues deposited into the fund in accordance with
3376 Section 59-12-103; and

3377 ~~[(d) registration fees designated under Section 41-1a-1201, and]~~

3378 (e) revenues transferred to the fund in accordance with Section 72-2-106.

3379 (3) (a) The fund shall earn interest.

3380 (b) All interest earned on fund money shall be deposited into the fund.

3381 (4) (a) Except as provided in Subsection (4)(b), the executive director may use fund
3382 money only to pay:

3383 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
3384 federal highways prioritized by the Transportation Commission through the prioritization
3385 process for new transportation capacity projects adopted under Section 72-1-304;

3386 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
3387 projects described in Subsections 63B-18-401(2), (3), and (4);

3388 (iii) the costs of construction of public transit facilities prioritized by the commission
3389 through the prioritization process for new transportation capacity projects adopted under
3390 Section 72-1-304;

3391 [~~(iii)~~] (iv) principal, interest, and issuance costs of bonds authorized by Section
3392 63B-18-401 minus the costs paid from the County of the First Class Highway Projects Fund in
3393 accordance with Subsection 72-2-121(4)(f);

3394 [~~(iv)~~] (v) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
3395 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified
3396 by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the
3397 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;

3398 [~~(v)~~] (vi) principal, interest, and issuance costs of bonds authorized by Section
3399 63B-16-101 for projects prioritized in accordance with Section 72-2-125;

3400 [~~(vi)~~] (vii) all highway general obligation bonds that are intended to be paid from
3401 revenues in the Centennial Highway Fund created by Section 72-2-118; and

3402 [~~(vii)~~] (viii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the
3403 First Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes
3404 described in Section 72-2-121.

3405 (b) The executive director may use fund money to exchange for an equal or greater
3406 amount of federal transportation funds to be used as provided in Subsection (4)(a).

3407 (5) (a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued
3408 in any fiscal year, the department and the commission shall appear before the Executive
3409 Appropriations Committee of the Legislature and present the amount of bond proceeds that the
3410 department needs to provide funding for the projects identified in Subsections 63B-18-401(2),

3411 (3), and (4) or Subsection 63B-27-101(2) for the current or next fiscal year.

3412 (b) The Executive Appropriations Committee of the Legislature shall review and
3413 comment on the amount of bond proceeds needed to fund the projects.

3414 (6) The Division of Finance shall, from money deposited into the fund, transfer the
3415 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
3416 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or
3417 sinking fund.

3418 (7) (a) There is created in the Transportation Investment Fund of 2005 the Public
3419 Transit Capital Development Fund.

3420 (b) The fund shall be funded by:

3421 (i) contributions deposited into the fund in accordance with Section 59-28-103;

3422 (ii) appropriations into the account by the Legislature;

3423 (iii) private contributions; and

3424 (iv) donations or grants from public or private entities.

3425 (c) (i) The fund shall earn interest.

3426 (ii) All interest earned on fund money shall be deposited into the fund.

3427 (d) Subject to Subsection (7)(e), the Legislature may appropriate money from the fund
3428 for public transit capital development to be used as prioritized by the commission.

3429 (e) (i) The Legislature may only appropriate money from the fund for a public transit
3430 capital development project if the public transit district or political subdivision provides
3431 matching funds of equal to or greater than 35% of the funds needed for the project.

3432 (ii) A public transit district or political subdivision may use money derived from a loan
3433 granted pursuant to Title 72, Chapter 2, Part 2, Transportation Infrastructure Loan Fund, to
3434 provide all or part of the 35% match described in Subsection (7)(e) if:

3435 (A) the loan is approved by the commission as required in Title 72, Chapter 2, Part 2,
3436 Transportation Infrastructure Loan Fund; and

3437 (B) the proposed capital project has been prioritized by the commission pursuant to
3438 Section 72-1-303.

3439 Section 46. Section **72-5-401** is amended to read:

3440 **72-5-401. Definitions.**

3441 As used in this part:

3442 (1) "Corridor" means the path or proposed path of a transportation facility, including a
3443 public transit facility, that exists or that may exist in the future~~[. A corridor]~~, and may include
3444 the land occupied or to be occupied by a transportation facility, and any other land that may be
3445 needed for expanding a transportation facility or for controlling access to it.

3446 (2) "Corridor preservation" means planning or acquisition processes intended to:

3447 (a) protect or enhance the capacity of existing corridors; and

3448 (b) protect the availability of proposed corridors in advance of the need for and the
3449 actual commencement of the transportation facility construction.

3450 (3) "Development" means:

3451 (a) the subdividing of land;

3452 (b) the construction of improvements, expansions, or additions; or

3453 (c) any other action that will appreciably increase the value of and the future
3454 acquisition cost of land.

3455 (4) "Official map" means a map, drawn by government authorities and recorded in
3456 county recording offices that:

3457 (a) shows actual and proposed rights-of-way, centerline alignments, and setbacks for
3458 highways and other transportation facilities;

3459 (b) provides a basis for restricting development in designated rights-of-way or between
3460 designated setbacks to allow the government authorities time to purchase or otherwise reserve
3461 the land; and

3462 (c) for counties and municipalities may be adopted as an element of the general plan,
3463 pursuant to Title 17, Chapter 27a, Part 4, General Plan, or Title 10, Chapter 9a, Part 4, General
3464 Plan.

3465 (5) "Taking" means an act or regulation, either by exercise of eminent domain or other
3466 police power, whereby government puts private property to public use or restrains use of
3467 private property for public purposes, and that requires compensation to be paid to private
3468 property owners.

3469 Section 47. Section **72-6-120** is amended to read:

3470 **72-6-120. Department authorized to participate in federal program assuming**
3471 **responsibility for environmental review of highway projects -- Rulemaking authority.**

3472 (1) The department may:

- 3473 (a) assume responsibilities under 23 U.S.C. Sec. 326 for:
- 3474 (i) determining whether state highway design and construction projects are
- 3475 categorically excluded from requirements for environmental assessments or environmental
- 3476 impact statements; and
- 3477 (ii) environmental review, consultation, or other actions required under federal law for
- 3478 categorically excluded projects;
- 3479 (b) assume responsibilities under 23 U.S.C. Sec. 327 with respect to one or more
- 3480 railroad, public transportation, highway [projects], or multimodal projects within the state
- 3481 under the National Environmental Policy Act of 1969 for environmental review, consultation,
- 3482 or other action required under any federal environmental law pertaining to the review or
- 3483 approval of a specific highway project;
- 3484 (c) enter one or more memoranda of understanding with the United States Department
- 3485 of Transportation related to federal highway programs as provided in 23 U.S.C. Secs. 326 and
- 3486 327 subject to the requirements of Subsection 72-1-207(5);
- 3487 (d) accept, receive, and administer grants, other money, or gifts from public and private
- 3488 agencies, including the federal government, for the purpose of carrying out the programs
- 3489 authorized under this section; and
- 3490 (e) cooperate with the federal government in implementing this section and any
- 3491 memorandum of understanding entered into under Subsection 72-1-207(5).
- 3492 (2) Notwithstanding any other provision of law, in implementing a program under this
- 3493 section that is approved by the United States Department of Transportation, the department is
- 3494 authorized to:
- 3495 (a) perform or conduct any of the activities described in a memorandum of
- 3496 understanding entered into under Subsection 72-1-207(5);
- 3497 (b) take actions necessary to implement the program; and
- 3498 (c) adopt relevant federal environmental standards as the standards for this state for
- 3499 categorically excluded projects.
- 3500 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 3501 department may makes rules to implement the provisions of this section.
- 3502 Section 48. **Repealer.**
- 3503 This bill repeals:

3504 Section **17B-2a-807.5, Public transit district board of trustees -- Transitional**
3505 **provisions.**

3506 Section 49. **Effective date.**

3507 This bill takes effect on May 8, 2018, except that:

3508 (1) the amendments to Section 59-28-103 in this bill take effect on July 1, 2018; and

3509 (2) the amendments to Sections 41-1a-102, 41-1a-1201, and 41-1a-1206 in this bill

3510 take effect on January 1, 2019.