

# Local Option Funding For Regionally Significant Transportation Infrastructure

2006S4-0005/37 – September 12, 2006 Draft

## Summary

Currently, counties have the authority to impose up to two out of three separate .25% local option sales and use taxes for transportation, for a total of up to .50% per county. This proposal would authorize a new .25% county option sales and use tax for transportation in all counties regardless of class size. The proposal sets out the requirements a county must meet before imposing the sales and use tax and provides how the revenues collected from the sales and use tax must be expended.

## Specific Provisions

The bill:

1. Beginning on January 1, 2007, prohibits all counties from levying a property tax or using uniform fees, or any tax or fee imposed in lieu of a property tax to fund a fixed guideway system. (see lines 48-54)
2. Enacts a new .25% county option sales and use tax for transportation available to all counties to impose in addition to the county option sales and use taxes already authorized under Utah Code Ann. §§ 59-12-501, 59-12-502, and 59-12-1503 (2006). (see lines 1154-1168)
3. Provides the following procedures and requirements a county must comply with before imposing the tax under this proposal:
  - a. requires the county legislative body to meet and vote to impose the tax;
  - b. requires the county legislative body to submit an opinion question to the voters at an election; and
  - c. requires that a majority of voters voting in the election have voted in favor of the imposition of the tax.(see lines 1169-1200)
4. Requires the following to occur if a county seeks to impose the sales and use tax before December 31, 2007: (see lines 1189-1196)
  - a. the county legislative body must:
    - i. meet within 5 days of the effective date of this bill to vote on whether the county should impose the .25% sales and use tax;
    - ii. submit an opinion question to the voters of the county regarding the tax; and
    - iii. direct the county clerk to place the opinion question on the ballot for the November 7, 2006 election; and
  - b. a majority of the voters voting in the November 7, 2006 election must approve the .25% sales and use tax.

(see lines 1197-1200)

5. Allows revenues to be expended for the following uses as prioritized by the council of governments (COG):
  - a. corridor preservation;
  - b. state roads of regional significance;
  - c. public transit (including light rail and commuter rail);
  - d. local roads of regional significance; and
  - e. airports.(see lines 1201-1221)
  
6. Requires the projects prioritized by the COG to:
  - a. be for new capacity or congestion management (if in a first or second class county);
  - b. be part of a county and municipal master plan;
  - c. be part of:
    - i. the statewide long range plan; or
    - ii. the regional transportation plan of the area metropolitan planning organization (MPO) if one exists for the area;
  - d. if the project is a road, have a first year priority designation on a Statewide Transportation Improvement Plan (STIP) or Transportation Improvement Plan (TIP)(see lines 1201-1230)
  
7. Provides that first and second class counties must expend at least 25% of the revenues collected from the new county option sales and use tax on corridor preservation for state transportation corridors. (see lines 1231-1233)
  
8. Requires a COG to develop a written prioritization process and present the prioritization process at a public meeting. The prioritization process must utilize weighted criteria. (see lines 1241-1246 and 1370-1401)
  
9. Creates the following annual process to determine how the funds will be expended:
  - a. The COG develops a project prioritization process utilizing weighted criteria (see #8);
  - b. The COG prioritizes projects for recommendation to the county;
  - c. The county votes on whether to approve or disapprove the COG's recommendations; and
  - d. If a county disapproves the recommendations, the funds remain for use in the next annual cycle.(see lines 1237-1250)
  
10. Defines the terms "regionally significant transportation facilities" and "fixed guideway." (see lines 291-293 and 1134-1149)