

1 **Transit and Transportation Governance Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

House Sponsor: Kay J. Christofferson

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3 **LONG TITLE**

4 **General Description:**

5 This bill amends provisions related to the governance of public transit districts.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ amends and reallocates the roles of the board of trustees, executive director, and local
- 9 advisory ~~§~~ → **[board-] council** ← ~~§~~ of a large public transit district;
- 10 ▶ requires all fixed guideway capital development projects of a large public transit district
- 11 to be under the supervision of the Department of Transportation, regardless of whether
- 12 the project includes state funding;
- 13 ▶ modifies provisions related to public transit planning;
- 14 ▶ requires a large public transit district to provide a report regarding contracting for reduced
- 15 fares;
- 16 ▶ amends levels of contracts of a large public transit district that require approval of the
- 17 board of trustees; and
- 18 ▶ makes technical changes.

19 **Money Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 None

23 **Utah Code Sections Affected:**

24 AMENDS:

- 25 **17B-2a-802**, as last amended by Laws of Utah 2024, Chapter 498
- 26 **17B-2a-808.1**, as last amended by Laws of Utah 2024, Chapter 498
- 27 **17B-2a-808.2**, as last amended by Laws of Utah 2024, Chapter 517
- 28 **17B-2a-810**, as last amended by Laws of Utah 2018, Chapter 424
- 29 **17B-2a-811.1**, as enacted by Laws of Utah 2018, Chapter 424
- 30 **72-1-203**, as last amended by Laws of Utah 2024, Chapter 517

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

Section 1. Section **17B-2a-802** is amended to read:

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

As used in this part:

- (1) "Affordable housing" means housing occupied or reserved for occupancy by households that meet certain gross household income requirements based on the area median income for households of the same size.
  - (a) "Affordable housing" may include housing occupied or reserved for occupancy by households that meet specific area median income targets or ranges of area median income targets.
  - (b) "Affordable housing" does not include housing occupied or reserved for occupancy by households with gross household incomes that are more than 60% of the area median income for households of the same size.
- (2) "Appointing entity" means the person, county, unincorporated area of a county, or municipality appointing a member to a public transit district board of trustees.
- (3)(a) "Chief executive officer" means a person appointed by the board of trustees of a small public transit district to serve as chief executive officer.
  - (b) "Chief executive officer" shall enjoy all the rights, duties, and responsibilities defined in Sections 17B-2a-810 and 17B-2a-811 and includes all rights, duties, and responsibilities assigned to the general manager but prescribed by the board of trustees to be fulfilled by the chief executive officer.
- (4) "Confidential employee" means a person who, in the regular course of the person's duties:
  - (a) assists in and acts in a confidential capacity in relation to other persons who formulate, determine, and effectuate management policies regarding labor relations;  
or
  - (b) has authorized access to information relating to effectuating or reviewing the employer's collective bargaining policies.
- (5) "Council of governments" means a decision-making body in each county composed of membership including the county governing body and the mayors of each municipality in the county.
- (6) "Department" means the Department of Transportation created in Section 72-1-201.
- (7) "Executive director" means a person appointed by the board of trustees of a large public

- 65 transit district to serve as executive director.
- 66 (8) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 67 (9) "Fixed guideway capital development" means the same as that term is defined in  
68 Section 72-1-102.
- 69 (10)(a) "General manager" means a person appointed by the board of trustees of a small  
70 public transit district to serve as general manager.
- 71 (b) "General manager" shall enjoy all the rights, duties, and responsibilities defined in  
72 Sections 17B-2a-810 and 17B-2a-811 prescribed by the board of trustees of a small  
73 public transit district.
- 74 (11) "Large public transit district" means a public transit district that provides public transit  
75 to an area that includes:
- 76 (a) more than 65% of the population of the state based on the most recent official census  
77 or census estimate of the United States Census Bureau; and
- 78 (b) two or more counties.
- 79 (12) "Local advisory council" means the local advisory council created in accordance with  
80 Section 17B-2a-808.2.
- 81 ~~[(12)]~~ (13)(a) "Locally elected public official" means a person who holds an elected  
82 position with a county or municipality.
- 83 (b) "Locally elected public official" does not include a person who holds an elected  
84 position if the elected position is not with a county or municipality.
- 85 ~~[(13)]~~ (14) "Managerial employee" means a person who is:
- 86 (a) engaged in executive and management functions; and
- 87 (b) charged with the responsibility of directing, overseeing, or implementing the  
88 effectuation of management policies and practices.
- 89 ~~[(14)]~~ (15) "Metropolitan planning organization" means the same as that term is defined in  
90 Section 72-1-208.5.
- 91 ~~[(15)]~~ (16) "Multicounty district" means a public transit district located in more than one  
92 county.
- 93 ~~[(16)]~~ (17) "Operator" means a public entity or other person engaged in the transportation of  
94 passengers for hire.
- 95 ~~[(17)]~~ (18)(a) "Public transit" means regular, continuing, shared-ride, surface  
96 transportation services that are open to the general public or open to a segment of the  
97 general public defined by age, disability, or low income.
- 98 (b) "Public transit" does not include transportation services provided by:

- 99 (i) chartered bus;
- 100 (ii) sightseeing bus;
- 101 (iii) taxi;
- 102 (iv) school bus service;
- 103 (v) courtesy shuttle service for patrons of one or more specific establishments; or
- 104 (vi) intra-terminal or intra-facility shuttle services.
- 105 ~~[(18)]~~ (19) "Public transit district" means a special district that provides public transit
- 106 services.
- 107 ~~[(19)]~~ (20) "Public transit innovation grant" means the same as that term is defined in
- 108 Section 72-2-401.
- 109 ~~[(20)]~~ (21) "Small public transit district" means any public transit district that is not a large
- 110 public transit district.
- 111 ~~[(21)]~~ (22) "Station area plan" means a plan developed and adopted by a municipality in
- 112 accordance with Section 10-9a-403.1.
- 113 ~~[(22)]~~ (23)(a) "Supervisor" means a person who has authority, in the interest of the
- 114 employer, to:
- 115 (i) hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or
- 116 discipline other employees; or
- 117 (ii) adjust another employee's grievance or recommend action to adjust another
- 118 employee's grievance.
- 119 (b) "Supervisor" does not include a person whose exercise of the authority described in
- 120 Subsection ~~[(22)(a)]~~ (23)(a):
- 121 (i) is of a merely routine or clerical nature; and
- 122 (ii) does not require the person to use independent judgment.
- 123 ~~[(23)]~~ (24) "Transit facility" means a transit vehicle, transit station, depot, passenger loading
- 124 or unloading zone, parking lot, or other facility:
- 125 (a) leased by or operated by or on behalf of a public transit district; and
- 126 (b) related to the public transit services provided by the district, including:
- 127 (i) railway or other right-of-way;
- 128 (ii) railway line; and
- 129 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled
- 130 by a transit vehicle.
- 131 ~~[(24)]~~ (25) "Transit vehicle" means a passenger bus, coach, railcar, van, or other vehicle
- 132 operated as public transportation by a public transit district.

133 ~~[(25)]~~ (26) "Transit-oriented development" means a mixed use residential or commercial  
 134 area that is designed to maximize access to public transit and includes the development  
 135 of land owned by a large public transit district.

136 ~~[(26)]~~ (27) "Transit-supportive development" means a mixed use residential or commercial  
 137 area that is designed to maximize access to public transit and does not include the  
 138 development of land owned by a large public transit district.

139 Section 2. Section **17B-2a-808.1** is amended to read:

140 **17B-2a-808.1 . Large public transit district board of trustees powers and duties --**

141 **Adoption of ordinances, resolutions, or orders -- Effective date of ordinances.**

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

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

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

146 (b) ensure that the policies~~[, procedures, and management practices]~~ established by the  
 147 public transit district meet state and federal regulatory requirements and federal  
 148 grantee eligibility;

149 ~~[(c) create and ]~~approve an annual budget, including the issuance of bonds and other  
 150 financial instruments, after consultation with the local advisory council;

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

152 (e) in consultation with the local advisory council, approve contracts and overall  
 153 property acquisitions and dispositions for transit-oriented development;

154 ~~[(f) in consultation with constituent counties, municipalities, metropolitan planning  
 155 organizations, and the local advisory council:]~~

156 ~~[(i) develop and approve a strategic plan for development and operations on at least a  
 157 four-year basis; and]~~

158 ~~[(ii) create and pursue funding opportunities for transit capital and service initiatives  
 159 to meet anticipated growth within the public transit district;]~~

160 (f)(i) approve a strategic plan for development and operations proposed by the  
 161 executive director pursuant to Subsection 17B-2a-811.1(2)(j); and

162 (ii) in coordination with the executive director, create and pursue funding  
 163 opportunities for transit capital and service initiatives to meet anticipated growth  
 164 within the public transit district and in accordance with the strategic plan;

165 (g) create and annually report the public transit district's long-term financial plan to the [  
 166 State Bonding Commission] State Finance Review Commission created in Section

- 167            63C-25-201;
- 168            (h) annually report the public transit district's progress and expenditures related to state  
169            resources to the Executive Appropriations Committee and the Infrastructure and  
170            General Government Appropriations Subcommittee;
- 171            (i) annually report to the Transportation Interim Committee the public transit district's  
172            efforts to engage in public-private partnerships for public transit services;
- 173            (j) hire, set [~~salaries~~] salary, [~~and~~] develop performance targets and evaluations for[~~±~~] ,  
174            and supervise the executive director;  
175            [~~(i) the executive director; and~~]  
176            [~~(ii) all chief level officers;~~]
- 177            (k) [~~supervise and~~] regulate each transit facility that the public transit district owns and  
178            operates, including:  
179            (i) fix rates, [~~fares,~~] rentals, charges and any classifications of rates, [~~fares,~~] rentals,  
180            and charges;  
181            (ii) in consultation with the local advisory ~~§~~ → [board] council ← ~~§~~ , fix fares; and  
182            [~~(ii)~~] (iii) make [and enforce rules, regulations,] rules and approve contracts, practices,  
183            and schedules for or in connection with a transit facility that the district owns or  
184            controls;
- 185            (l) control the investment of all funds assigned to the district for investment, including  
186            funds:  
187            (i) held as part of a district's retirement system; and  
188            (ii) invested in accordance with the participating employees' designation or direction  
189            pursuant to an employee deferred compensation plan established and operated in  
190            compliance with Section 457 of the Internal Revenue Code;
- 191            [~~in consultation with the local advisory council created under Section 17B-2a-808.2,~~]  
192            invest all funds according to the procedures and requirements of Title 51, Chapter 7,  
193            State Money Management Act;
- 194            (n) if a custodian is appointed under Subsection (3)(d), pay the fees for the custodian's  
195            services from the interest earnings of the investment fund for which the custodian is  
196            appointed;
- 197            (o)(i) cause an annual audit of all public transit district books and accounts to be  
198            made by an independent certified public accountant;
- 199            (ii) as soon as practicable after the close of each fiscal year, submit to each of the  
200            councils of governments within the public transit district a financial report

- 201 showing:
- 202 (A) the result of district operations during the preceding fiscal year;
- 203 (B) an accounting of the expenditures of all local sales and use tax revenues
- 204 generated under Title 59, Chapter 12, Part 22, Local Option Sales and Use
- 205 Taxes for Transportation Act;
- 206 (C) the district's financial status on the final day of the fiscal year; and
- 207 (D) the district's progress and efforts to improve efficiency relative to the previous
- 208 fiscal year; and
- 209 (iii) supply copies of the report under Subsection (2)(o)(ii) to the general public upon
- 210 request;
- 211 (p) report at least annually to the Transportation Commission created in Section 72-1-301,
- 212 which report shall include:
- 213 (i) the district's short-term and long-range public transit plans, including the portions
- 214 of applicable regional transportation plans adopted by a metropolitan planning
- 215 organization established under 23 U.S.C. Sec. 134; and
- 216 (ii) any ~~[transit]~~ fixed guideway capital development projects that the board of
- 217 trustees would like the Transportation Commission to consider;
- 218 (q)(i) direct the internal auditor appointed under Section 17B-2a-810 to conduct
- 219 audits that the board of trustees determines, in consultation with the local advisory
- 220 council created in Section 17B-2a-808.2, to be the most critical to the success of
- 221 the organization; and
- 222 if requested by the executive director and approved by the local advisory council,
- 223 direct the internal auditor appointed under Section 17B-2a-810 to conduct an audit
- 224 of an internal issue of the large public transit district;
- 225 (r) ~~[together with the local advisory council created in Section 17B-2a-808.2,]~~hear audit
- 226 reports for audits conducted in accordance with Subsection (2)(o);
- 227 (s) review and approve all contracts pertaining to reduced fares, and evaluate existing
- 228 contracts, including review of:
- 229 (i) how negotiations occurred;
- 230 (ii) the rationale for providing a reduced fare; and
- 231 (iii) identification and evaluation of cost shifts to offset operational costs incurred
- 232 and impacted by each contract offering a reduced fare;
- 233 (t) ~~[in consultation with the local advisory council,]~~develop and approve other board
- 234 policies, ordinances, and bylaws;

- 235 (u) review and approve any:
- 236 (i) contract or expense exceeding ~~[\$200,000]~~ \$250,000; or
- 237 (ii) proposed change order to an existing contract if the change order:
- 238 (A) increases the total contract value to ~~[\$200,000]~~ \$250,000 or more;
- 239 (B) increases a contract of or expense of ~~[\$200,000]~~ \$250,000 or more by ~~[15%]~~
- 240 25% or more; or
- 241 (C) has a total change order value of ~~[\$200,000]~~ \$250,000 or more;~~[-and]~~
- 242 (v) coordinate with political subdivisions within the large public transit district and the
- 243 department to coordinate public transit services provided by the large public transit
- 244 district with pilot services related to public transit innovation grants[-] ; and
- 245 (w) at least annually, engage with the safety and security team of the large public transit
- 246 district to ensure coordination with local municipalities and counties.
- 247 (3) A board of trustees of a large public transit district may:
- 248 (a) subject to Subsection (4), make and pass ordinances, resolutions, and orders that are:
- 249 (i) not repugnant to the United States Constitution, the Utah Constitution, or the
- 250 provisions of this part; and
- 251 (ii) necessary for:
- 252 (A) the governance~~[-and management]~~ of the affairs of the district; and
- 253 ~~[(B) the execution of district powers; and]~~
- 254 ~~[(C)] (B)~~ carrying into effect the provisions of this part;
- 255 (b) provide by resolution, under terms and conditions the board considers fit, for the
- 256 payment of demands against the district without prior specific approval by the board,
- 257 if the payment is:
- 258 (i) for a purpose for which the expenditure has been previously approved by the
- 259 board;
- 260 (ii) in an amount no greater than the amount authorized; and
- 261 (iii) approved by the executive director or other officer or deputy as the board
- 262 prescribes;
- 263 (c) in consultation with the local advisory council created in Section 17B-2a-808.2:
- 264 (i) hold public hearings and subpoena witnesses; and
- 265 (ii) appoint district officers to conduct a hearing and require the officers to make
- 266 findings and conclusions and report them to the board; and
- 267 (d) appoint a custodian for the funds and securities under its control, subject to
- 268 Subsection (2)(n).



- 269 (4) The board of trustees may not issue a bond unless the board of trustees has consulted  
 270 and received approval from the State Finance Review Commission created in Section  
 271 63C-25-201.
- 272 (5) A member of the board of trustees of a large public transit district or a hearing officer  
 273 designated by the board may administer oaths and affirmations in a district investigation  
 274 or proceeding.
- 275 (6)(a) The vote of the board of trustees on each ordinance or resolution shall be by roll  
 276 call vote with each affirmative and negative vote recorded.
- 277 (b) The board of trustees of a large public transit district may not adopt an ordinance  
 278 unless it is introduced at least 24 hours before the board of trustees adopts it.
- 279 (c) Each ordinance adopted by a large public transit district's board of trustees shall take  
 280 effect upon adoption, unless the ordinance provides otherwise.
- 281 (7)(a) The board of trustees shall provide a report to each city and town within the  
 282 boundary of the large public transit district, that shall provide an accounting of:
- 283 (i) the amount of revenue from local option sales and use taxes under this part that  
 284 was collected within each respective county, city, or town and allocated to the  
 285 large public transit district as provided in this part;
- 286 (ii) how much revenue described in Subsection (7)(a)(i) was allocated to provide  
 287 public transit services utilized by residents of each city and town; and
- 288 (iii) how the revenue described in Subsection [~~(7)(b)~~] (7)(a)(i) was spent to provide  
 289 public transit services utilized by residents of each respective city and town.
- 290 (b) The board of trustees shall provide the report described in Subsection (7)(a):
- 291 (i) on or before January 1, 2025; and
- 292 (ii) at least every two years thereafter.
- 293 (c) To provide the report described in this Subsection (7), a board of trustees may  
 294 coordinate with the Department of Transportation to report on relevant public transit  
 295 capital development projects administered by the Department of Transportation.
- 296 Section 3. Section **17B-2a-808.2** is amended to read:
- 297 **17B-2a-808.2 . Large public transit district local advisory council -- Powers and**  
 298 **duties.**
- 299 (1) A large public transit district shall create and consult with a local advisory council.
- 300 (2)(a)(i) For a large public transit district in existence as of January 1, 2019, the local  
 301 advisory council shall have membership selected as described in Subsection (2)(b).
- 302 (ii)(A) For a large public transit district created after January 1, 2019, the political

303 subdivision or subdivisions forming the large public transit district shall submit  
304 to the Legislature for approval a proposal for the appointments to the local  
305 advisory council of the large public transit district similar to the appointment  
306 process described in Subsection (2)(b).

307 (B) Upon approval of the Legislature, each nominating individual or body shall  
308 appoint individuals to the local advisory council.

309 (b)(i) The council of governments of Salt Lake County shall appoint three members  
310 to the local advisory council.

311 (ii) The mayor of Salt Lake City shall appoint one member to the local advisory  
312 council.

313 (iii) The council of governments of Utah County shall appoint two members to the  
314 local advisory council.

315 (iv) The council of governments of Davis County and Weber County shall each  
316 appoint one member to the local advisory council.

317 (v) The councils of governments of Box Elder County and Tooele County shall  
318 jointly appoint one member to the local advisory council.

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

322 (4)(a) The duties of the local advisory council shall include:

323 (i) setting the compensation packages of the board of trustees, which salary, except as  
324 provided in Subsection (4)(b), may not exceed \$150,000 for a newly appointed  
325 board member, plus additional retirement and other standard benefits;

326 (ii) ~~[reviewing, approving, and recommending final adoption by]~~ consulting with the  
327 board of trustees of the large public transit district regarding service plans and  
328 routes at least every two and one-half years;

329 (iii) except for a fixed guideway capital development project under the authority of  
330 the Department of Transportation as described in Section 72-1-203, ~~[reviewing,~~  
331 ~~approving, and recommending final adoption by]~~ consulting with the board of  
332 trustees of project development plans, including funding, of all new capital  
333 development projects;

334 (iv) ~~reviewing[, approving, and recommending final adoption by the board of trustees~~  
335 ~~of any plan]~~ plans for a transit-oriented development where a large public transit  
336 district is involved;

337 (v) consulting the executive director as the executive director creates the budget of  
 338 the large public transit district;

339 (vi) consulting with the board of trustees as the board of trustees fixes fares;

340 [~~(v) at least annually, engaging with the safety and security team of the large public~~  
 341 ~~transit district to ensure coordination with local municipalities and counties;]~~

342 [~~(vi)~~] (vii) assisting with coordinated mobility and constituent services provided by  
 343 the public transit district;

344 [~~(vii)~~] (viii) representing and advocating the concerns of citizens within the public  
 345 transit district to the board of trustees; and

346 [~~(viii)~~] (ix) other duties described in Section 17B-2a-808.1.

347 (b) The local advisory council may approve an increase in the compensation for  
 348 members of the board of trustees based on a cost-of-living adjustment at the same  
 349 rate as government employees of the state for the same year.

350 (5) The local advisory council shall meet at least quarterly with and consult with the board  
 351 of trustees and advise regarding the operation and management of the public transit  
 352 district.

353 Section 4. Section **17B-2a-810** is amended to read:

354 **17B-2a-810 . Officers of a public transit district.**

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

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

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

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

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

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

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

368 (vi) for a small public transit district, a general counsel, appointed by the board of  
 369 trustees, subject to Subsection (1)(d);

370 (vii) a treasurer, appointed as provided in Section 17B-1-633, except that the

- 371 treasurer of a large public transit district shall be appointed by the executive  
372 director;
- 373 (viii) a comptroller, appointed by the board of trustees, subject to Subsection (1)(e),  
374 except that the comptroller of a large public transit district shall be appointed by  
375 the executive director;
- 376 (ix) for a large public transit district, an internal auditor, appointed by the board of  
377 trustees, subject to Subsection (1)(f); and
- 378 (x) other officers, assistants, and deputies that the board of trustees considers  
379 necessary.
- 380 (b) The board of trustees of a small public transit district may, at its discretion, appoint a  
381 president, who shall also be considered an officer of a public transit district.
- 382 (c) The district chair and vice chair of a small public transit district shall be members of  
383 the board of trustees.
- 384 (d) The person appointed as general counsel for a small public transit district shall:  
385 (i) be admitted to practice law in the state; and  
386 (ii) have been actively engaged in the practice of law for at least seven years next  
387 preceding the appointment.
- 388 (e) The person appointed as comptroller shall have been actively engaged in the practice  
389 of accounting for at least seven years next preceding the appointment.
- 390 (f) The person appointed as internal auditor shall be a licensed certified internal auditor  
391 or certified public accountant with at least five years experience in the auditing or  
392 public accounting profession, or the equivalent, prior to appointment.
- 393 (2)(a) For a small public transit district, the district's general manager or chief executive  
394 officer, as the board prescribes, or for a large public transit district, the executive  
395 director, shall appoint all officers and employees not specified in Subsection (1).
- 396 (b) Each officer and employee appointed by the district's general manager or chief  
397 executive officer of a small public transit district, or the executive director of a large  
398 public transit district, serves at the pleasure of the appointing general manager, chief  
399 executive officer, or executive director.
- 400 (3) The board of trustees shall by ordinance or resolution fix the compensation of all district  
401 officers and employees, except as otherwise provided in this part.
- 402 (4)(a) Each officer appointed by the board of trustees or by the district's general  
403 manager, chief executive officer, or executive director shall take the oath of office  
404 specified in Utah Constitution, Article IV, Section 10.

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

407 Section 5. Section **17B-2a-811.1** is amended to read:

408 **17B-2a-811.1 . Executive director of a large public transit district.**

409 (1)(a) The board of trustees of a large public transit district shall appoint a person as an  
 410 executive director.

411 (b) The appointment of an executive director shall be by the affirmative vote of a  
 412 majority of the board of trustees.

413 (c) The board's appointment of a person as executive director shall be based on the  
 414 person's qualifications, with special reference to the person's actual experience in or  
 415 knowledge of accepted practices with respect to the duties of the office.

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

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

419 (a) [be] serve as a full-time officer and devote full time to the district's business;

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

421 (c) hold office for an indefinite term;

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

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

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

427 (g) establish district administrative policies and procedures;

428 (h) ensure district compliance with state and federal requirements;

429 (i) in consultation with the local advisory council, create and present the budget of the  
 430 large public transit district to the board of trustees for approval;

431 (j)(i) at least as frequently as every four years, in consultation with the board of  
 432 trustees, the local advisory council, metropolitan planning organizations,  
 433 operations specialists of the large public transit district, and other relevant  
 434 stakeholders, develop a strategic plan for the district that aligns with relevant  
 435 transportation and public transit plans, including corresponding proposed projects  
 436 on time horizons of five, 10, and 20 years; and

437 (ii) present the strategic plan described in Subsection (2)(j)(i) to the board of trustees  
 438 for approval;

- 439 (k) at least as frequently as every five years, perform a cost-effectiveness and  
440 cost-benefit study for each mode of public transit and develop goals for the large  
441 public transit district to achieve an effective balance of cost-effective and  
442 cost-beneficial services;
- 443 ~~[(g)]~~ (l) subject to Section 72-1-203, in consultation with the board of trustees, prepare or  
444 cause to be prepared all plans and specifications for the construction of district works;
- 445 ~~[(h)]~~ (m) cause to be installed and maintained a system of auditing and accounting that  
446 completely shows the district's financial condition at all times;
- 447 ~~[(i)]~~ (n) attend meetings of the board of trustees;
- 448 ~~[(j)]~~ (o) [in consultation with the board of trustees,] notwithstanding Subsections  
449 17B-1-301(2)(l) and (m), have charge of:
- 450 (i) the acquisition, construction, maintenance, and operation of district facilities; and  
451 (ii) the administration of the district's business affairs; and
- 452 ~~[(k)]~~ (p) be entitled to participate in the deliberations of the board of trustees as to any  
453 matter before the board.
- 454 (3)(a) On or before October 31, 2025, and each year thereafter, the executive director  
455 shall prepare and provide a report to the Transportation Interim Committee regarding  
456 fare contracts and transit pass programs.
- 457 (b) The report described in Subsection (3)(a) shall include information about  
458 institutional contracts as well as reduced-fare, ticket-as-fare, or other fare event  
459 contracts, including:
- 460 (i) contribution levels from both the large public transit district and each relevant  
461 institution or party;
- 462 (ii) projected and observed benefits and costs and return on investment of the  
463 proposed contract, including increased ridership, traffic congestion reduction,  
464 operational and customer safety, and net financial gain of the large public transit  
465 district; and
- 466 (iii) other relevant data used to determine that the contract is in the public's  
467 transportation interest.
- 468 (4) The executive director shall hire and have supervisory authority over all executive  
469 officer positions not specifically reserved by the board of trustees.
- 470 ~~[(3)]~~ (5) The board of trustees may not remove the executive director or reduce the  
471 executive director's salary below the amount fixed at the time of original appointment  
472 unless:

- 473 (a) the board adopts a resolution by a vote of a majority of all members; and  
 474 (b) if the executive director demands in writing, the board gives the executive director  
 475 the opportunity to be publicly heard at a meeting of the board before the final vote on  
 476 the resolution removing the executive director or reducing the executive director's  
 477 salary.

478 ~~[(4)]~~ (6)(a) Before adopting a resolution providing for the removal of the executive  
 479 director or a reduction in the executive director's salary as provided in Subsection ~~[(3)]~~  
 480 (5), the board shall, if the executive director makes a written demand:

- 481 (i) give the executive director a written statement of the reasons alleged for the  
 482 removal or reduction in salary; and  
 483 (ii) allow the executive director to be publicly heard at a meeting of the board of  
 484 trustees.

485 (b) Notwithstanding Subsection ~~[(4)(a)]~~ (6)(a), the board of trustees of a public transit  
 486 district may suspend an executive director from office pending and during a hearing  
 487 under Subsection ~~[(4)(a)(ii)]~~ (6)(a)(ii).

488 ~~[(5)]~~ (7) The action of a board of trustees suspending or removing an executive director or  
 489 reducing the executive director's salary is final.

490 Section 6. Section **72-1-203** is amended to read:

491 **72-1-203 . Deputy director -- Appointment -- Qualifications -- Other assistants**  
 492 **and advisers -- Salaries.**

493 (1) The executive director shall appoint the following deputy directors, who shall serve at  
 494 the discretion of the executive director:

- 495 (a) the deputy director of engineering and operation, who shall be a registered  
 496 professional engineer in the state, and who shall be the chief engineer of the  
 497 department; and  
 498 (b) the deputy director of planning and investment.

499 (2) As assigned by the executive director, the deputy directors described in Subsection (1)  
 500 may assist the executive director with the following departmental responsibilities:

- 501 (a) project development, including statewide standards for project design and  
 502 construction, right-of-way, materials, testing, structures, and construction;  
 503 (b) oversight of the management of the region offices described in Section 72-1-205;  
 504 (c) operations and traffic management;  
 505 (d) oversight of operations of motor carriers and ports;  
 506 (e) transportation systems safety;

- 507 (f) aeronautical operations;
- 508 (g) equipment for department engineering and maintenance functions;
- 509 (h) oversight and coordination of planning, including:
- 510 (i) development of statewide strategic initiatives for planning across all modes of
- 511 transportation;
- 512 (ii) coordination with metropolitan planning organizations and local governments;
- 513 (iii) coordination with a large public transit district, including planning, project
- 514 development, outreach, programming, environmental studies and impact
- 515 statements, construction, and impacts on public transit operations; and
- 516 (iv) corridor and area planning;
- 517 (i) asset management;
- 518 (j) programming and prioritization of transportation projects;
- 519 (k) fulfilling requirements for environmental studies and impact statements;
- 520 (l) resource investment, including identification, development, and oversight of
- 521 public-private partnership opportunities;
- 522 (m) data analytics services to the department;
- 523 (n) corridor preservation;
- 524 (o) employee development;
- 525 (p) maintenance planning;
- 526 (q) oversight and facilitation of the negotiations and integration of public transit
- 527 providers described in Section 17B-2a-827;
- 528 (r) oversight and supervision of any fixed guideway capital development project within
- 529 the boundaries of a large public transit district[~~for which any state funds are~~
- 530 ~~expended~~], including those responsibilities described in Subsections (2)(a), (h), (j),
- 531 (k), and (l), and the implementation and enforcement of any federal grant obligations
- 532 associated with fixed guideway capital development project funding; and
- 533 (s) other departmental responsibilities as determined by the executive director.
- 534 (3) The executive director shall ensure that the same deputy director does not oversee or
- 535 supervise both the fixed guideway capital development responsibilities described in
- 536 Subsection (2)(r) and the department's fixed guideway rail safety responsibilities,
- 537 including the responsibilities described in Section 72-1-214.
- 538 (4) The executive director may delegate to a large public transit district certain projects or
- 539 acquisitions described in Subsection (2)(r) related to fixed guideway capital
- 540 development if the executive director determines that the large public transit district is



541 better positioned or equipped for that particular project or acquisition.

542 Section 7. **Effective Date.**

543 This bill takes effect on May 7, 2025.