

# HB0162S05 compared with HB0162S03

{Omitted text} shows text that was in HB0162S03 but was omitted in HB0162S05  
inserted text shows text that was not in HB0162S03 but was inserted into HB0162S05

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## Transportation Funding Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Rex P. Shipp

Senate Sponsor:

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### LONG TITLE

#### General Description:

This bill limits certain uses of local option sales and use taxes for transportation.

#### Highlighted Provisions:

This bill:

amends provisions related to the allowed uses of certain local option sales and uses taxes for public safety purposes to:

- allow funds to be used for {public safety} infrastructure and buildings; and
- prohibit the use of funds for salaries, vehicles, {salaries,} or operations and maintenance;

and

{provides that a county may only expend sales and use tax revenue on transportation projects recommended by the relevant council of governments; and}

makes technical changes.

#### Money Appropriated in this Bill:

None

This bill provides a special effective date.

HB0162S03

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18 AMENDS:

19 **59-12-2216** , as last amended by Laws of Utah 2024, Chapter 501 , as last amended by Laws of  
20 Utah 2024, Chapter 501

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

22 Section 1. Section **59-12-2216** is amended to read:

23 **59-12-2216. County option sales and use tax for a fixed guideway, to fund a system for  
24 public transit, or for highways -- Base -- Rate -- Allocation and expenditure of revenues.**

28 (1) Subject to the other provisions of this part, a county legislative body may impose a sales and use tax  
of up to .30% on the transactions described in Subsection 59-12-103(1) within the county, including  
the cities and towns within the county.

31 (2)

. (a) Subject to Subsection (3), before obtaining voter approval in accordance with Section 59-12-2208,  
a county legislative body shall adopt a resolution specifying the percentage of revenues the  
county will receive from the sales and use tax under this section that will be allocated to fund uses  
described in Section 59-12-2212.2.

35 (b) A county legislative body of a county of the third through sixth class that imposes a sales and  
use tax as described in Subsection (1) on or after January 1, 2024, shall specify the percentage  
of revenues the county will receive from the sales and use tax under this section that will be  
allocated to fund uses described in Section 59-12-2212.2 or for public safety purposes as provided in  
Subsection (3)(b).

40 (3)

. (a) Except as provided in Subsection (2)(b), a county legislative body shall in the resolution described  
in Subsection (2) allocate 100% of the revenues the county will receive from the sales and use tax  
under this section for one or more of the purposes described in Section 59-12-2212.2.

44 (b) ~~[In]~~ Subject to Subsection (3)(c), in addition to the purposes described in Section 59-12-2212.2,  
a county legislative body of a county of the third through sixth class that imposes a sales and use  
tax as authorized in this section on or after January 1, 2024, may allocate revenues to public safety  
purposes.

48 (c) For any funds distributed for public safety purposes as allowed in Subsection (3)(b), a county  
legislative body of a county of the third through sixth class:

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- 50 (i) may use the funds for public safety infrastructure, including jails or other buildings; and
- 52 (ii) may not use the funds for:
- 53 (A) operations or maintenance of public safety entities;
- 54 (B) public safety or law enforcement vehiclesor equipment; or
- 55 (C) except as provided in Subsection (3)(d), salaries of public safety or law enforcement personnel.
- 56 ~~{(d) {Revenue used for public safety purposes as provided in Subsection (3)(c) may not be used to~~  
~~supplant existing appropriations that a county budgeted for public safety infrastructure, operations,~~  
~~maintenance, vehicles, personnel, or salaries related to public safety as of:} }~~
- 60 ~~{(i) (d) {January 1, 2026, if the } A county of the third through sixth class that has {enacted} used or~~  
~~budgeted the funds generated by a sales and use tax imposed under this section to pay for salaries of~~  
~~public safety or law enforcement personnel on or before January 1, {2026;} 2025, may continue to~~  
~~use the funds to pay for salaries of public safety or law enforcement personnel.~~
- 62 ~~{(ii) {the date a sales and use tax imposed under this section becomes effective if the county has not~~  
~~enacted a sales and use tax under this section on or before January 1, 2026.} }~~
- 65 ~~{(4) {A county legislative body may not expend revenue collected within a county from a tax under this~~  
~~section for a purpose described in Section 59-12-2212.2 unless the purpose is recommended by:} }~~
- 68 ~~{(a) {for a county that is part of a metropolitan planning organization, the metropolitan planning~~  
~~organization of which the county is a part; or} }~~
- 70 ~~{(b) {for a county that is not part of a metropolitan planning organization, the council of governments~~  
~~of which the county is a part.} }~~
- 72 ~~{(4){} {(5)} }~~ Notwithstanding Section 59-12-2208, the opinion question required by Section  
59-12-2208 shall state the allocations the county legislative body makes in accordance with this  
section.
- 75 ~~{(5){} {(6)} }~~ The revenues collected from a sales and use tax under this section shall be:
- 76 (a) allocated in accordance with the allocations specified in the resolution under Subsection (2); and
- 78 (b) expended as provided in this section.
- 79 ~~{(6){} {(7)} }~~ If a county legislative body allocates revenues collected from a sales and use tax  
under this section for a state highway project, before beginning the state highway project within the  
county, the county legislative body shall:
- 82 (a) obtain approval from the Transportation Commission to complete the project; and
- 83

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(b) enter into an interlocal agreement established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act, with the Department of Transportation to complete the project.

86 ~~{(7){}}~~ ~~{(8){}}~~

. (a) If after a county legislative body imposes a sales and use tax under this section the county legislative body seeks to change an allocation specified in the resolution under Subsection (2), the county legislative body may change the allocation by:

90 (i) adopting a resolution specifying the percentage of revenues the county will receive from the sales and use tax under this section that will be allocated to fund one or more of the items described in Section 59-12-2212.2\_or Subsection (2)(b);~~[-{f} and]~~

94 (ii) obtaining approval to change the allocation of the sales and use tax by a majority of all of the members of the county legislative body; and

96 (iii) subject to Subsection ~~{(8)(a){}}~~ ~~{(9)(a)}~~:

97 (A) in accordance with Section 59-12-2208, submitting an opinion question to the county's registered voters voting on changing the allocation so that each registered voter has the opportunity to express the registered voter's opinion on whether the allocation should be changed; and

101 (B) in accordance with Section 59-12-2208, obtaining approval to change the allocation from a majority of the county's registered voters voting on changing the allocation.

104 (b) A county of the third through sixth class that imposes a sales and use tax as authorized in this section on or after January 1, 2024, that seeks to change the allocation of the revenues is not required to submit the opinion question to the county's registered voters.

108 ~~{(8){}}~~ ~~{(9){}}~~

. (a) Notwithstanding Section 59-12-2208, the opinion question required by Subsection ~~[(7)(e)(i)]~~ ~~{(8)(a)(iii)}~~ ~~(7)(a)(iii)~~ shall state the allocations specified in the resolution adopted in accordance with Subsection ~~{(7)(a)}~~ ~~{(8)(a)(i)}~~ ~~(i)~~ and approved by the county legislative body in accordance with Subsection ~~[(7)(b)]~~ ~~{(8)(a)(ii)}~~ ~~(7)(a)(ii)~~.

112 (b) Notwithstanding Section 59-12-2208, a county legislative body of a county of the third through sixth class that imposes a sales and use tax under this section on or after January 1, 2024, may, but is not required to, submit an opinion question to the county's registered voters in accordance with Section 59-12-2208 to impose a sales and use tax under this section.

117 ~~{(9){}}~~ ~~{(10){}}~~ Revenues collected from a sales and use tax under this section that a county allocates for a state highway within the county shall be:

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- 119 (a) deposited into the Highway Projects Within Counties Fund created by Section 72-2-121.1; and  
121 (b) expended as provided in Section 72-2-121.1.  
122 ~~{(10)}~~ ~~{(11)}~~.
- . (a) Notwithstanding Section 59-12-2206 and subject to Subsection ~~{(10)(b)}~~ ~~{(11)(b)}~~, revenues collected from a sales and use tax under this section that a county allocates for a project, debt service, or bond issuance cost relating to a highway that is a principal arterial highway or minor arterial highway that is included in a metropolitan planning organization's regional transportation plan, but is not a state highway, shall be transferred to the Department of Transportation if the transfer of the revenues is required under an interlocal agreement:
- 129 (i) entered into on or before January 1, 2010; and  
130 (ii) established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.
- 131 (b) The Department of Transportation shall expend the revenues described in Subsection ~~{(10)(a)}~~ ~~{(11)(a)}~~ as provided in the interlocal agreement described in Subsection ~~{(10)(a)}~~ ~~{(11)(a)}~~.

120 Section 2. **Effective date.**

This bill takes effect on January 1, 2026.

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