

SB0151S05 compared with SB0151S02

~~{Omitted text}~~ shows text that was in SB0151S02 but was omitted in SB0151S05

inserted text shows text that was not in SB0151S02 but was inserted into SB0151S05

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1 Public Safety Funding Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Candice B. Pierucci

2

3 LONG TITLE

4 General Description:

5 This bill modifies provisions related to funding for public safety employees.

6 Highlighted Provisions:

7 This bill:

8 ~~▸ {changes the amount of revenue transferred to the Utah State Retirement Office (office)~~
~~from the insurance premiums tax and used to pay for certain firefighter retirement programs;}~~

11 ~~▸ {clarifies and amends the purposes for which the office must use the revenue;}~~

12 ~~▸ {directs the office to inform the Executive Appropriations Committee when the Legislature~~
~~can further reduce the amount of insurance premiums tax revenue the office receives;}~~

14 ~~▸ provides {that the Division of Finance will annually transfer a specified amount of insurance~~
~~premiums tax revenue}~~ for legislative appropriations into the Motor Vehicle Safety Impact Restricted
Account ~~{to be used to hire new Highway Patrol troopers}~~ ;

17 ~~▸ {allows}~~ modifies the permissible uses of money in the Transportation Investment Fund of 2005
to ~~{be used to pay for Highway Patrol troopers;}~~ include the operation of a state highway, including

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enforcement of state motor vehicle and traffic laws, if the state highway was constructed, reconstructed, or renovated using money from the fund; and

- ▶ {~~repeals obsolete language; and~~}
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

- ▶ This bill appropriates {~~\$5,000,000~~} \$2,000,000 in operating and capital budgets for fiscal year 2027,
including:
 - (\$3,000,000) from General Fund; and
 - \$5,000,000 from various sources as detailed in this bill.
- ▶ This bill appropriates \$3,000,000 in restricted fund and account transfers for fiscal year 2027,
all of which is from the General Fund.

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

- ~~{49-11-901.5, as enacted by Laws of Utah 2011, Chapters 290, 439}~~
- 53-8-214 , as last amended by Laws of Utah 2025, Chapter 271
- ~~{59-9-101, as last amended by Laws of Utah 2025, First Special Session, Chapter 9}~~
- 72-2-124 , as last amended by Laws of Utah 2025, First Special Session, Chapter 15

REPEALS:

- ~~{49-11-902, as last amended by Laws of Utah 2011, Chapters 290, 439}~~
- ~~{49-11-903, as last amended by Laws of Utah 2022, Chapter 451}~~

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

~~{Section 1. Section 49-11-901.5 is amended to read: }~~

49-11-901.5. Premium tax revenues -- Distribution.

(1)

[(a) In] Beginning fiscal year 2027 and in accordance with this section, there shall be paid to the office:

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~~[(i)] (a) [50% of] the first \$4,000,000 collected from~~ the annual tax levied, assessed, and collected under Title 59, Chapter 9, Taxation of Admitted Insurers, upon premiums for property insurance, as defined under Section 31A-1-301, and as applied to fire and allied lines insurance collected by insurance companies within the state; and

45 ~~[(ii)] (b) [10% of all money assessed and] the first \$1,000,000~~ collected under Title 59, Chapter 9, Taxation of Admitted Insurers, upon premiums for life insurance, as defined in Section 31A-1-301, within the state.

48 ~~[(b) Payments to the fund shall be made annually until the service liability under this part is liquidated, after which the tax revenue provided in this Subsection (1) ceases.]~~

50 ~~[(2) The office shall distribute the premium tax revenue paid under Subsection (1) as follows:]~~

52 ~~[(a) an amount determined by the office to fully fund the long-term disability program provided for firefighters under Section 49-23-601;]~~

54 ~~[(b) an amount determined by the office to the Firefighters' Retirement Trust Fund created under Section 49-16-104 equal to the amount when calculated as a percentage of the certified contribution rate for members in Divisions A and B, as defined under Section 49-16-301, that is the percentage of the certified contribution rate paid to the Firefighters' Retirement Trust Fund on July 1, 2004; and]~~

59 ~~[(c) any remaining amount in accordance with Section 49-11-902.]~~

60 ~~(2)~~

~~(a) The office shall use the revenue described in Subsection (1) to fund:~~

61 ~~(i) the long term disability program provided for firefighters under Section 49-23-601, until the program is fully funded; and~~

63 ~~(ii) the Firefighters' Retirement Trust Fund created in Section 49-16-104 until the actuarial funded ratio of the Firefighters' Retirement System created in Section 49-16-103 reaches and can be maintained at 110%, as determined by the board's actuary using assumptions adopted by the board.~~

67 ~~(b) The office shall annually determine the amount distributed for each purpose under Subsection (2)(a), including, for the distribution under Subsection (2)(a)(i), the apportionment between Division A and B as defined in Section 49-16-301.~~

70 ~~(3) The office shall inform the Executive Appropriations Committee when the office:~~

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(a) determines that the amounts described in Subsection (1) exceed the amount needed for the purposes described in Subsection (2)(a); and

(b) recommends the Legislature reduce one or both of the amounts described in Subsection (1).

Section 1. Section 53-8-214 is amended to read:

53-8-214. Creation of the Motor Vehicle Safety Impact Restricted Account.

(1) There is created a restricted account within the General Fund known as the Motor Vehicle Safety Impact Restricted Account.

(2) The account includes:

(a) deposits made to the restricted account from registration fees as described in Subsection 41-1a-1201(7);

(b) deposits into the account as described in Section 41-1a-1211;

~~{(c) amounts transferred in accordance with Subsection 59-9-101(10);}~~

~~{(c)} {(d)}~~ donations or deposits made to the account; ~~and~~

(d) appropriations from the Legislature; and

~~{(d)}~~ (e) any interest earned on the account.

(3)

~~{(a)} {(b) Upon {(c)} Subject to Subsection (3)(b), upon}~~ appropriation, the division may use funds in the account to improve motor vehicle safety, mitigate impacts, and enforce safety provisions, including the following:

~~{(a)} {(i)}~~ hiring new Highway Patrol troopers;

~~{(b)} {(ii)}~~ payment of overtime for Highway Patrol troopers; and

~~{(c)} {(iii)}~~ acquisition of equipment to improve motor vehicle safety impacts and enforcement.

~~{(b) The division may not use money transferred into the account in accordance with Subsection 59-9-101(10) for a purpose other than the purpose described in Subsection (3)(a)(i).}~~

(4) The division shall annually report to the Criminal Justice Appropriations Subcommittee to justify expenditures and use of funds in the account.

~~{Section 3. Section 59-9-101 is amended to read: }~~

59-9-101. Tax basis -- Rates -- Exemptions -- Rate reductions.

(1)

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(a) Except as provided in Subsection (1)(b), (1)(d), or (5), an admitted insurer shall pay to the commission on or before March 31 in each year, a tax of 2.25% of the total premiums received by admitted insurer during the preceding calendar year from insurance covering property or risks located in this state.

(b) This Subsection (1) does not apply to:

(i) workers' compensation insurance, assessed under Subsection (2);

(ii) title insurance premiums taxed under Subsection (3);

(iii) annuity considerations;

(iv) insurance premiums paid by an institution within the state system of higher education as specified in Section 53H-1-102; and

(v) ocean marine insurance.

(c) The taxable premium under this Subsection (1) shall be reduced by:

(i) the premiums returned or credited to policyholders on direct business subject to tax in this state;

(ii) the premiums received for reinsurance of property or risks located in this state; and

(iii) the dividends, including premium reduction benefits maturing within the year:

(A) paid or credited to policyholders in this state; or

(B) applied in abatement or reduction of premiums due during the preceding calendar year.

(d)

(i) For purposes of this Subsection (1)(d):

(A) "Utah variable life insurance premium" means an insurance premium paid:

(I) by:

(Aa) a corporation; or

(Bb) a trust established or funded by a corporation; and

(II) for variable life insurance covering risks located within the state.

(B) "Variable life insurance" means an insurance policy that provides for life insurance, the amount or duration of which varies according to the investment experience of one or more separate accounts that are established and maintained by the insurer pursuant to Title 31A, Insurance Code.

(ii) Notwithstanding Subsection (1)(a), beginning on January 1, 2006, the tax on that portion of the total premiums subject to a tax under Subsection (1)(a) that is a Utah variable life insurance premium shall be calculated as follows:

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- 133 (A) 2.25% of the first \$100,000 of Utah variable life insurance premiums:
134 (I) paid for each variable life insurance policy; and
135 (II) received by the admitted insurer in the preceding calendar year; and
136 (B) .08% of the Utah variable life insurance premiums that exceed \$100,000:
137 (I) paid for the policy described in Subsection (1)(d)(ii)(A); and
138 (II) received by the admitted insurer in the preceding calendar year.
139 (2)
- (a) An admitted insurer writing workers' compensation insurance in this state shall pay to the tax commission, on or before March 31 in each year, a premium assessment on the basis of the total workers' compensation premium income received by the insurer from workers' compensation insurance in this state during the preceding calendar year as follows:
- 144 (i) on or before December 31, 2010, an amount of equal to or greater than 1%, but equal to or less than 5.75% of the total workers' compensation premium income described in this Subsection (2);
- 147 (ii) on and after January 1, 2011, but on or before December 31, 2022, an amount of equal to or greater than 1%, but equal to or less than 4.25% of the total workers' compensation premium income described in this Subsection (2); and
- 150 (iii) on and after January 1, 2023, an amount equal to 1.25% of the total workers' compensation premium income described in this Subsection (2).
- 152 (b) Total workers' compensation premium income means the net written premium as calculated before any premium reduction for any insured employer's deductible, retention, or reimbursement amounts and also those amounts equivalent to premiums as provided in Section 34A-2-202.
- 156 (c) The percentage of premium assessment applicable for a calendar year shall be determined by the Labor Commission under Subsection (2)(d). The total premium income shall be reduced in the same manner as provided in Subsections (1)(c)(i) and (1)(c)(ii), but not as provided in Subsection (1)(c)(iii). The commission shall promptly remit from the premium assessment collected under this Subsection (2):
- 161 (i) income to the state treasurer for credit to the Employers' Reinsurance Fund created under Subsection 34A-2-702(1) as follows:
- 163 (A) on or before December 31, 2009, an amount of up to 5% of the total workers' compensation premium income;

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- 165 (B) on and after January 1, 2010, but on or before December 31, 2010, an amount of up to 4.5% of the
total workers' compensation premium income;
- 167 (C) on and after January 1, 2011, but on or before December 31, 2022, an amount of up to 3% of the
total workers' compensation premium income; and
- 169 (D) on and after January 1, 2023, 0% of the total workers' compensation premium income;
- 171 (ii) an amount equal to .25% of the total workers' compensation premium income to the state treasurer
for credit to the Workplace Safety Account created by Section 34A-2-701;
- 174 (iii) an amount of up to .5% and any remaining assessed percentage of the total workers' compensation
premium income to the state treasurer for credit to the Uninsured Employers' Fund created under
Section 34A-2-704; and
- 177 (iv) beginning on January 1, 2010, .5% of the total workers' compensation premium income to the state
treasurer for credit to the Industrial Accident Restricted Account created in Section 34A-2-705.
- 180 (d)
- (i) The Labor Commission shall determine the amount of the premium assessment for each year
on or before each October 15 of the preceding year. The Labor Commission shall make
this determination following a public hearing. The determination shall be based upon the
recommendations of a qualified actuary.
- 184 (ii) The actuary shall recommend a premium assessment rate sufficient to provide payments of benefits
and expenses from the Employers' Reinsurance Fund and to project a funded condition with assets
greater than liabilities by no later than June 30, 2025.
- 188 (iii) The actuary shall recommend a premium assessment rate sufficient to provide payments of benefits
and expenses from the Uninsured Employers' Fund and to maintain it at a funded condition with
assets equal to or greater than liabilities.
- 191 (iv) At the end of each fiscal year the minimum approximate assets in the Employers' Reinsurance Fund
shall be \$5,000,000 which amount shall be adjusted each year beginning in 1990 by multiplying by
the ratio that the total workers' compensation premium income for the preceding calendar year bears
to the total workers' compensation premium income for the calendar year 1988.
- 196 (v) The requirements of Subsection (2)(d)(iv) cease when the future annual disbursements from the
Employers' Reinsurance Fund are projected to be less than the calculations of the corresponding
future minimum required assets. The Labor Commission shall, after a public hearing, determine

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if the future annual disbursements are less than the corresponding future minimum required assets from projections provided by the actuary.

- 202 (vi) At the end of each fiscal year the minimum approximate assets in the Uninsured Employers' Fund shall be \$2,000,000, which amount shall be adjusted each year beginning in 1990 by multiplying by the ratio that the total workers' compensation premium income for the preceding calendar year bears to the total workers' compensation premium income for the calendar year 1988.
- 207 (e) A premium assessment that is to be transferred into the General Fund may be collected on premiums received from Utah public agencies.
- 209 (3) An admitted insurer writing title insurance in this state shall pay to the commission, on or before March 31 in each year, a tax of .45% of the total premium received by either the insurer or by its agents during the preceding calendar year from title insurance concerning property located in this state. In calculating this tax, "premium" includes the charges made to an insured under or to an applicant for a policy or contract of title insurance for:
- 215 (a) the assumption by the title insurer of the risks assumed by the issuance of the policy or contract of title insurance; and
- 217 (b) abstracting title, title searching, examining title, or determining the insurability of title, and every other activity, exclusive of escrow, settlement, or closing charges, whether denominated premium or otherwise, made by a title insurer, an agent of a title insurer, a title insurance producer, or any of them.
- 221 (4) Beginning July 1, 1986, a former county mutual and a former mutual benefit association shall pay the premium tax or assessment due under this chapter. Premiums received after July 1, 1986, shall be considered in determining the tax or assessment.
- 224 (5) The following insurers are not subject to the premium tax on health care insurance that would otherwise be applicable under Subsection (1):
- 226 (a) an insurer licensed under Title 31A, Chapter 5, Domestic Stock and Mutual Insurance Corporations;
- 228 (b) an insurer licensed under Title 31A, Chapter 7, Nonprofit Health Service Insurance Corporations;
- 230 (c) an insurer licensed under Title 31A, Chapter 8, Health Maintenance Organizations and Limited Health Plans;
- 232 (d) an insurer licensed under Title 31A, Chapter 9, Insurance Fraternal;
- 233 (e) an insurer licensed under Title 31A, Chapter 11, Motor Clubs; and
- 234 (f) an insurer licensed under Title 31A, Chapter 14, Foreign Insurers.

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(6)

(a) As used in this Subsection (6):

(i) "Cancellation fee waiver" means the same as that term is defined in Section 31A-23a-902.

(ii) "Primary certificate holder" means an individual who elects and purchases travel insurance under a group policy.

(iii) "Primary policyholder" means an individual who elects and purchases individual travel insurance.

(iv) "Travel assistance service" means the same as that term is defined in Section 31A-23a-902.

(v) "Travel insurance" means the same as that term is defined in Section 31A-23a-902.

(b) A travel insurer shall:

(i) pay a premium tax required under Subsection (1) on a travel insurance premium that:

(A) an individual primary policyholder pays, if the policyholder is a resident of this state;

(B) a primary certificate holder pays, if the certificate holder is a resident of this state and elects coverage under a group travel insurance policy; or

(C) subject to any apportionment rules that apply to the insurer across multiple taxing jurisdictions or permit the insurer to allocate the premium on an apportioned basis in a reasonable and equitable manner across multiple jurisdictions, a blanket travel insurance policyholder pays for eligible blanket group members, if the policyholder is a resident in this state, has the policyholder's principal place of business in this state, or has the principal place of business of an affiliate or subsidiary that has purchased blanket travel insurance in this state;

(ii) document the state of residence or principal place of business of each policyholder and certificate holder; and

(iii) report as a premium only the amount allocable to travel insurance and not an amount received for:

(A) a cancellation fee waiver; or

(B) a travel assistance service.

(7) A captive insurer, as provided in Section 31A-3-304, that pays a fee imposed under Section 31A-3-304 is not subject to the premium tax under this section.

(8) An insurer issuing multiple policies to an insured may not artificially allocate the premiums among the policies for purposes of reducing the aggregate premium tax or assessment applicable to the policies.

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(9) The retaliatory provisions of Title 31A, Chapter 3, Department Funding, Fees, and Taxes, apply to the tax or assessment imposed under this chapter.

(10)

(a) As used in this Subsection (10):

(i) "Diverted revenue" means revenue collected from taxes levied under this section that is not paid into or does not remain in the General Fund because of a statutory provision requiring the revenue to be paid or distributed as provided in that statutory provision.

(ii) "Net revenue" means the total revenue collected from taxes levied under this section, excluding diverted revenue.

(b) Beginning fiscal year 2027, the Division of Finance shall annually transfer an amount of net revenue equal to \$3,000,000 into the the Motor Vehicle Safety Impact Restricted Account created in Section 53-8-214.

Section 2. Section **72-2-124** is amended to read:

72-2-124. Transportation Investment Fund of 2005.

(1) There is created a capital projects fund entitled the Transportation Investment Fund of 2005.

(2) The fund consists of money generated from the following sources:

(a) any voluntary contributions received for the maintenance, construction, reconstruction, or renovation of state and federal highways;

(b) appropriations made to the fund by the Legislature;

(c) registration fees designated under Section 41-1a-1201;

(d) the sales and use tax revenues deposited into the fund in accordance with Section 59-12-103;

(e) revenues transferred to the fund in accordance with Section 72-2-106;

(f) revenues transferred into the fund in accordance with Subsection 72-2-121(4)(l); and

(g) revenue from bond proceeds described in Section 63B-34-201.

(3)

(a) The fund shall earn interest.

(b) All interest earned on fund money shall be deposited into the fund.

(4)

(a) Except as provided in Subsection (4)(b), the executive director may only use fund money to pay:

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- (i) the costs of maintenance, construction, reconstruction, or renovation to state and federal highways prioritized by the Transportation Commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;
- (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway projects described in Subsections 63B-18-401(2), (3), and (4);
- (iii) subject to Subsection (9), costs of corridor preservation, as that term is defined in Section 72-5-401;
- (iv) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401 minus the costs paid from the County of the First Class Highway Projects Fund in accordance with Subsection 72-2-121(4)(e);
- (v) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;
- (vi) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101 for projects prioritized in accordance with Section 72-2-125;
- (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described in Section 72-2-121;
- (viii) if a political subdivision provides a contribution equal to or greater than 40% of the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved nonmotorized transportation for projects that:
 - (A) mitigate traffic congestion on the state highway system;
 - (B) are part of an active transportation plan approved by the department; and
 - (C) are prioritized by the commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;
- (ix) \$705,000,000 for the costs of right-of-way acquisition, construction, reconstruction, or renovation of or improvement to the following projects:
 - (A) the connector road between Main Street and 1600 North in the city of Vineyard;
 - (B) Geneva Road from University Parkway to 1800 South;
 - (C) the SR-97 interchange at 5600 South on I-15;

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- 335 (D) subject to Subsection ~~[(4)(c)]~~ (4)(d), two lanes on U-111 from Herriman Parkway to South Jordan
Parkway;
- 337 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
- 338 (F) improvements to 1600 North in Orem from 1200 West to State Street;
- 339 (G) widening I-15 between mileposts 6 and 8;
- 340 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
- 341 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in Spanish Fork
Canyon;
- 343 (J) I-15 northbound between mileposts 43 and 56;
- 344 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43 and 45.1;
- 346 (L) east Zion SR-9 improvements;
- 347 (M) Toquerville Parkway;
- 348 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
- 349 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds, for construction of an
interchange on Bangerter Highway at 13400 South; and
- 351 (P) an environmental impact study for Kimball Junction in Summit County;
- 352 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project costs based
upon a statement of cash flow that the local jurisdiction where the project is located provides to
the department demonstrating the need for money for the project, for the following projects in
the following amounts:
- 356 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 357 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 358 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 359 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40 between mile
markers 7 and 10;
- 361 (xi) \$13,000,000 as pass-through funds to Spanish Fork for the costs of right-of-way acquisition,
construction, reconstruction, or renovation to connect Fingerhut Road over the railroad and to
U.S. Highway 6;
- 364 (xii) for a fiscal year beginning on July 1, 2025, only, as pass-through funds from revenue deposited
into the fund in accordance with Section 59-12-103, for the following projects:
- 367

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(A) \$3,000,000 for the department to perform an environmental study for the I-15 Salem and Benjamin project; and

(B) \$2,000,000, as pass-through funds, to Kane County for the Coral Pink Sand Dunes Road project; and

(xiii) for a fiscal year beginning on July 1, 2025, up to \$300,000,000 for the costs of right-of-way acquisition and construction for improvements on SR-89 in a county of the first class.

(b) The executive director may use fund money to exchange for an equal or greater amount of federal transportation funds to be used as provided in Subsection (4)(a).

(c) Subject to legislative appropriation, ~~{the Department of Public Safety may use}~~ money in the fund ~~{to pay}~~ may be used for ~~{Highway Patrol troopers}~~ the operation of a state highway, including enforcement of state motor vehicle and traffic laws, if the state highway was constructed, reconstructed, or renovated using money from the fund.

~~[(e)]~~ (d)

(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may not commence until a right-of-way not owned by a federal agency that is required for the realignment and extension of U-111, as described in the department's 2023 environmental study related to the project, is dedicated to the department.

(ii) Notwithstanding Subsection ~~[(4)(c)(i)]~~ (4)(d)(i), if a right-of-way is not dedicated for the project as described in Subsection ~~[(4)(c)(i)]~~ (4)(d)(i) on or before October 1, 2024, the department may proceed with the project, except that the project will be limited to two lanes on U-111 from Herriman Parkway to 11800 South.

(5)

(a) Except as provided in Subsection (5)(b), if the department receives a notice of ineligibility for a municipality as described in Subsection 10-21-202(8), the executive director may not program fund money to a project prioritized by the commission under Section 72-1-304, including fund money from the Transit Transportation Investment Fund, within the boundaries of the municipality until the department receives notification from the Housing and Community Development Division within the Department of Workforce Services that ineligibility under this Subsection (5) no longer applies to the municipality.

(b) Within the boundaries of a municipality described in Subsection (5)(a), the executive director:

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- (i) may program fund money in accordance with Subsection (4)(a) for a limited-access facility or interchange connecting limited-access facilities;
- 399 (ii) may not program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;
- 401 (iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and
- 403 (iv) may not program Transit Transportation Investment Fund money for the construction, reconstruction, or renovation of a station that is part of a fixed guideway public transportation project.
- 406 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive director before July 1, 2022, for projects prioritized by the commission under Section 72-1-304.
- 409 (6)
- (a) Except as provided in Subsection (6)(b), if the department receives a notice of ineligibility for a county as described in Subsection 17-80-202(8), the executive director may not program fund money to a project prioritized by the commission under Section 72-1-304, including fund money from the Transit Transportation Investment Fund, within the boundaries of the unincorporated area of the county until the department receives notification from the Housing and Community Development Division within the Department of Workforce Services that ineligibility under this Subsection (6) no longer applies to the county.
- 417 (b) Within the boundaries of the unincorporated area of a county described in Subsection (6)(a), the executive director:
- 419 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access facility to a project prioritized by the commission under Section 72-1-304;
- 422 (ii) may not program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;
- 424 (iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and
- 426 (iv) may not program Transit Transportation Investment Fund money for the construction, reconstruction, or renovation of a station that is part of a fixed guideway public transportation project.

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(c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive director before July 1, 2022, for projects prioritized by the commission under Section 72-1-304.

(7)

(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in any fiscal year, the department and the commission shall appear before the Executive Appropriations Committee of the Legislature and present the amount of bond proceeds that the department needs to provide funding for the projects identified in Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current or next fiscal year.

(b) The Executive Appropriations Committee of the Legislature shall review and comment on the amount of bond proceeds needed to fund the projects.

(8) The Division of Finance shall, from money deposited into the fund, transfer the amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or sinking fund.

(9) The executive director may only use money in the fund for corridor preservation as described in Subsection (4)(a)(iii):

(a) if the project has been prioritized by the commission, including the use of fund money for corridor preservation; or

(b) for a project that has not been prioritized by the commission, if the commission:

(i) approves the use of fund money for the corridor preservation; and

(ii) finds that the use of fund money for corridor preservation will not result in any delay to a project that has been prioritized by the commission.

(10)

(a) There is created in the Transportation Investment Fund of 2005 the Transit Transportation Investment Fund.

(b) The fund shall be funded by:

(i) contributions deposited into the fund in accordance with Section 59-12-103;

(ii) appropriations into the account by the Legislature;

(iii) deposits of sales and use tax increment related to a housing and transit reinvestment zone as described in Section 63N-3-610;

(iv) transfers of local option sales and use tax revenue as described in Subsection 59-12-2220(11)(b) or (c);

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- 461 (v) private contributions; and
- 462 (vi) donations or grants from public or private entities.
- 463 (c)
- (i) The fund shall earn interest.
- 464 (ii) All interest earned on fund money shall be deposited into the fund.
- 465 (d) Subject to Subsection (10)(e), the commission may prioritize money from the fund:
- 466 (i) for public transit capital development of new capacity projects and fixed guideway capital
development projects to be used as prioritized by the commission through the prioritization process
adopted under Section 72-1-304;
- 469 (ii) to the department for oversight of a fixed guideway capital development project for which the
department has responsibility; or
- 471 (iii) up to \$500,000 per year, to be used for a public transit study.
- 472 (e)
- (i) Subject to Subsections (10)(g), (h), and (i), the commission may only prioritize money from the
fund for a public transit capital development project or pedestrian or nonmotorized transportation
project that provides connection to the public transit system if the public transit district or political
subdivision provides funds of equal to or greater than 30% of the costs needed for the project.
- 477 (ii) A public transit district or political subdivision may use money derived from a loan granted
in accordance with Part 2, State Infrastructure Bank Fund, to provide all or part of the 30%
requirement described in Subsection (10)(e)(i) if:
- 480 (A) the loan is approved by the commission as required in Part 2, State Infrastructure Bank Fund; and
- 482 (B) the proposed capital project has been prioritized by the commission pursuant to Section 72-1-303.
- 484 (f) Before July 1, 2022, the department and a large public transit district shall enter into an agreement
for a large public transit district to pay the department \$5,000,000 per year for 15 years to be used
to facilitate the purchase of zero emissions or low emissions rail engines and trainsets for regional
public transit rail systems.
- 488 (g) For any revenue transferred into the fund in accordance with Subsection 59-12-2220(11)(b):
- 490 (i) the commission may prioritize money from the fund for public transit projects, operations, or
maintenance within the county of the first class; and
- 492 (ii) Subsection (10)(e) does not apply.
- 493 (h) For any revenue transferred into the fund in accordance with Subsection 59-12-2220(11)(c):

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- 495 (i) the commission may prioritize public transit projects, operations, or maintenance in the county from
which the revenue was generated; and
- 497 (ii) Subsection (10)(e) does not apply.
- 498 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for the project
described in Subsection (10)(e) does not apply to a public transit capital development project or
pedestrian or nonmotorized transportation project that the department proposes.
- 502 (j) In accordance with Part 4, Public Transit Innovation Grants, the commission may prioritize money
from the fund for public transit innovation grants, as defined in Section 72-2-401, for public transit
capital development projects requested by a political subdivision within a public transit district.
- 506 (11)
- (a) There is created in the Transportation Investment Fund of 2005 the Cottonwood Canyons
Transportation Investment Fund.
- 508 (b) The fund shall be funded by:
- 509 (i) money deposited into the fund in accordance with Section 59-12-103;
- 510 (ii) appropriations into the account by the Legislature;
- 511 (iii) private contributions; and
- 512 (iv) donations or grants from public or private entities.
- 513 (c)
- (i) The fund shall earn interest.
- 514 (ii) All interest earned on fund money shall be deposited into the fund.
- 515 (d) The Legislature may appropriate money from the fund for public transit or transportation projects in
the Cottonwood Canyons of Salt Lake County.
- 517 (e) The department may use up to 2% of the revenue deposited into the account under Subsection
59-12-103(4)(f) to contract with local governments as necessary for public safety enforcement
related to the Cottonwood Canyons of Salt Lake County.
- 520 (f) Beginning with fiscal year beginning on July 1, 2025, the department shall use any sales and use
tax growth over sales and use tax collections during the 2025 fiscal year to fund projects to provide
ingress and egress for a public transit hub, including construction of the public transit hub, in the
Big Cottonwood Canyon area.
- 524 (12)

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(a) There is created in the Transportation Investment Fund of 2005 the Active Transportation Investment Fund.

(b) The fund shall be funded by:

(i) money deposited into the fund in accordance with Section 59-12-103;

(ii) appropriations into the account by the Legislature; and

(iii) donations or grants from public or private entities.

(c)

(i) The fund shall earn interest.

(ii) All interest earned on fund money shall be deposited into the fund.

(d) The executive director may only use fund money to pay the costs needed for:

(i) the planning, design, construction, maintenance, reconstruction, or renovation of paved pedestrian or paved nonmotorized trail projects that:

(A) are prioritized by the commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;

(B) serve a regional purpose; and

(C) are part of an active transportation plan approved by the department or the plan described in Subsection (12)(d)(ii);

(ii) the development of a plan for a statewide network of paved pedestrian or paved nonmotorized trails that serve a regional purpose; and

(iii) the administration of the fund, including staff and overhead costs.

(13)

(a) As used in this Subsection (13), "commuter rail" means the same as that term is defined in Section 63N-3-602.

(b) There is created in the Transit Transportation Investment Fund the Commuter Rail Subaccount.

(c) The subaccount shall be funded by:

(i) contributions deposited into the subaccount in accordance with Section 59-12-103;

(ii) appropriations into the subaccount by the Legislature;

(iii) private contributions; and

(iv) donations or grants from public or private entities.

(d)

(i) The subaccount shall earn interest.

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- (ii) All interest earned on money in the subaccount shall be deposited into the subaccount.
- (e) As prioritized by the commission through the prioritization process adopted under Section 72-1-304 or as directed by the Legislature, the department may only use money from the subaccount for projects that improve the state's commuter rail infrastructure, including the building or improvement of grade-separated crossings between commuter rail lines and public highways.
- (f) Appropriations made in accordance with this section are nonlapsing in accordance with Section 63J-1-602.1.

Section 3. **FY 2027 Appropriations.**

The following sums of money are appropriated for the fiscal year beginning July 1, 2026, and ending June 30, 2027. These are additions to amounts previously appropriated for fiscal year 2027.

Subsection 3(a). **Operating and Capital Budgets**

Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the Legislature appropriates the following sums of money from the funds or accounts indicated for the use and support of the government of the state of Utah.

ITEM 1 To Department of Public Safety - Programs & Operations

From Transportation Investment Fund of 2005	2,000,000
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From Motor Vehicle Safety Impact Restricted Account	3,000,000
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Schedule of Programs:

Highway Patrol - Field Operations	5,000,000
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The Legislature intends that the appropriations under this item be used to hire new Highway Patrol troopers for the enforcement of state motor vehicle and traffic laws.

ITEM 2 To Utah Valley University - Special Projects

From General Fund	(3,000,000)
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Schedule of Programs:

Fire and Rescue Training	(3,000,000)
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Subsection 3(b). **Restricted Fund and Account Transfers**

The Legislature authorizes the State Division of Finance to transfer the following amounts between the following funds or accounts as indicated. Expenditures and outlays from

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353 the funds to which the money is transferred must be authorized by an appropriation.

354 ITEM 3 To General Fund Restricted - Motor Vehicle Safety Impact Restricted Account

355 **From General Fund** **3,000,000**

356 Schedule of Programs:

357 **Motor Vehicle Safety Impact Restricted Account** **3,000,000**

358 Section 4. **Effective date.**

Effective Date.

This bill takes effect on July 1, 2026.

Section 8. **Repealer.**

This Bill Repeals:

564 Section **49-11-902, Premium tax revenues -- Formula -- Deposits.**

565 Section **49-11-903, State appropriation funding offset -- Proportionate share**

566 **determination and reporting.**

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