

SB0242S03 compared with SB0242S01

~~{Omitted text}~~ shows text that was in SB0242S01 but was omitted in SB0242S03

inserted text shows text that was not in SB0242S01 but was inserted into SB0242S03

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1

Transportation Amendments
2026 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Wayne A. Harper
House Sponsor: Kay J. Christofferson



2

3 **LONG TITLE**

4 **General Description:**

5 This bill amends provisions related to transportation, including road usage charge, towing
6 dispatch, and local option sales tax use.

7 **Highlighted Provisions:**

8 This bill:

9 ▶ allows a political subdivision to prohibit a mobile business from operating on a street or
sidewalk that is temporarily closed for certain events;

9 ▶ requires commercial electric vehicles with a gross weight of 6,001 pounds or more to pay a road
usage charge with a higher road usage charge cap;

11 ▶ exempts buses operating on the bus's planned route to temporarily cross lane lines to stop at a bus
stop;

13 ▶ exempts the Department of Transportation from certain requirements related to receiving a
conveyance of real property;

15 ▶ provides a sales tax exemption for construction materials purchased by the Department of
Transportation for certain public transit capital development projects;

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- 17 ▶ ~~{phases out}~~ amends certain allowed uses of local option sales taxes for transportation ~~{to direct~~
the revenue to the Transit Transportation Investment Fund} ;
- 20 ▶ increases bonding authorization related to commuter rail expansion;
- 19 ▶ defines the Utah trail network;
- 20 ▶ delegates certain authority to the executive director of the Department of Transportation during a
natural disaster;
- 22 ▶ requires local governments that receive funds from the County of the First Class Highway
Projects Fund to report on the expenditure of funds and the progress of projects;
- 24 ▶ allows the Transportation Commission to prioritize the use of Transit Transportation Investment
Fund revenue for corridor preservation purposes and provides parameters for the use of the revenue;
- 29 ▶ amends certain allocations of revenue from the County of the First Class Highway Projects
Fund;
- 27 ▶ allows certain rail road transportation funds to be used to repair tracks and rail infrastructure
located on state lands;
- 29 ▶ allows the Department of Transportation to waive sovereign immunity for public transit projects;
- 31 ▶ amends the definition of "state transportation purposes";
- 32 ▶ amends provisions related to the ability to charge towing dispatch service fees and pass through a
reasonable towing dispatch service fee;
- 38 ▶ amends towing provisions related to release of a vehicle to the owner and information
entered into the database of a towing dispatch vendor;
- 34 ▶ repeals the study required by the Department of Transportation and Salt Lake City regarding
highway reduction strategies;
- 36 ▶ codifies certain requirements based on the findings and results of the study on highway reduction
strategies; and
- 38 ▶ makes technical and conforming changes.

45 Money Appropriated in this Bill:

46 None

47 Other Special Clauses:

48 This bill provides a special effective date.

49 Utah Code Sections Affected:

50 AMENDS:

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- 51 **11-56-106 (Effective 05/06/26), as last amended by Laws of Utah 2023, Chapter 450**
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- 52 **41-1a-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 294
- 53 **41-1a-1206 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapters 215, 279
- 55 **41-6a-710 (Effective 05/06/26) (Partially Repealed 07/01/27)**, as last amended by Laws of Utah 2025, Chapter 527
- 57 **41-6a-1406 (Effective 05/06/26) (Partially Repealed 07/01/29), as last amended by Laws of Utah 2025, Chapter 378**
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- 59 **53-1-106.2 (Effective 05/06/26)**, as repealed and reenacted by Laws of Utah 2023, Chapter 219
- 61 **57-1-48 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 399
- 62 **59-12-104 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 17
- 64 **59-12-2220 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15
- 66 **63B-31-101 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 452**
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- 67 **63I-1-272 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 391
- 68 **72-1-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 373
- 69 **72-1-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2023, Chapters 22, 219
- 70 **72-1-207 (Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 144
- 71 **72-1-213.1 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 452
- 72 **72-1-217 (Effective 05/06/26) (Partially Repealed 07/01/29)**, as last amended by Laws of Utah 2025, Chapter 452
- 74 **72-2-110 (Effective 05/06/26)**, as last amended by Laws of Utah 2018, Second Special Session, Chapter 8
- 76 **72-2-121 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 17
- 78 **72-2-124 (Effective 05/06/26) (Superseded 07/01/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15
- 80 **72-2-124 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15
- 82 **72-2-131 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 531
- 83 **72-2-201 (Effective 05/06/26)**, as last amended by Laws of Utah 2023, Chapter 16

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84 **72-2-301 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 501

85 **72-2-302 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 502**

86 **72-5-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2023, Chapter 22

87 **72-6-120 (Effective 05/06/26)**, as last amended by Laws of Utah 2018, Chapter 424

88 **72-9-102 (Effective 05/06/26), as last amended by Laws of Utah 2024, Chapter 457**

89 **72-9-602 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 378**

90 **72-9-603 (Effective 05/06/26), as last amended by Laws of Utah 2025, Chapter 378**

91 **72-9-604 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 378

92 **72-19-401 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025, Chapter 512

94 ENACTS:

95 **72-1-219 (Effective 05/06/26)**, Utah Code Annotated 1953

96 **72-20-101 (Effective 05/06/26)**, Utah Code Annotated 1953

97 **72-20-102 (Effective 05/06/26)**, Utah Code Annotated 1953

98

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

100 **Section 1. Section 11-56-106 is amended to read:**

101 **11-56-106. Mobile business operation.**

102 (1) [—A] Except as provided in Subsection (2), a political subdivision may not:

103 [(1)] (a) entirely or constructively prohibit mobile businesses in a zone in which a food establishment is
a permitted or conditional use;

105 [(2)] (b) prohibit the operation of a food truck within a given distance of a restaurant;

106 [(3)] (c) restrict the total number of days a mobile business may operate within the political subdivision
during a calendar year;

108 [(4)] (d) require a mobile business to:

109 [(a)] (i) provide to the political subdivision:

110 [(i)] (A) a site plan for each location in which a mobile business operates in the public right of way, if
the political subdivision permits mobile businesses in the public right of way; or

113 [(ii)] (B) the date, time, or duration that a mobile business will operate within the political subdivision;
or

115 [(b)] (ii) obtain and pay for a land use permit for each location and time during which a mobile business
operates; or

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- 117 [~~(5)~~] (e) if a mobile business has the consent of a private property owner to operate on the private
property:
- 119 [~~(a)~~] (i) limit the number of days the mobile business may operate on the private property;
- 121 [~~(b)~~] (ii) require that the mobile business provide to the political subdivision or keep on file in the
mobile business the private property owner's written consent; or
- 123 [~~(c)~~] (iii) require a site plan for the operation of the mobile business on the private property where the
mobile business operates in the same location for less than 10 hours per week.
- 126 (2) A political subdivision may prohibit a mobile business on a street or the sidewalk abutting a street
that is temporarily closed by the political subdivision for a temporary mass gathering or other
special event.

129 Section 2. Section **41-1a-202** is amended to read:

130 **41-1a-202. Definitions -- Vehicles exempt from registration -- Registration of vehicles after
establishing residency.**

- 89 (1) As used in this section:
- 90 (a) "Designated agent" means the same as that term is defined in Section 41-12a-803.
- 91 (b) "Domicile" means the place:
- 92 (i) where an individual has a fixed permanent home and principal establishment;
- 93 (ii) to which the individual if absent, intends to return; and
- 94 (iii) in which the individual and his family voluntarily reside, not for a special or temporary purpose,
but with the intention of making a permanent home.
- 96 (c)
- (i) "Resident" means any of the following:
- 97 (A) an individual who:
- 98 (I) has established a domicile in this state;
- 99 (II) regardless of domicile, remains in this state for an aggregate period of six months or more during
any calendar year;
- 101 (III) engages in a trade, profession, or occupation in this state or who accepts employment in other than
seasonal work in this state and who does not commute into the state;
- 104 (IV) declares himself to be a resident of this state for the purpose of obtaining a driver license or motor
vehicle registration; or

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- (V) declares himself a resident of Utah to obtain privileges not ordinarily extended to nonresidents, including going to school, or placing children in school without paying nonresident tuition or fees; or
- 109 (B) any individual, partnership, limited liability company, firm, corporation, association, or other entity that:
- 111 (I) maintains a main office, branch office, or warehouse facility in this state and that bases and operates a motor vehicle in this state; or
- 113 (II) operates a motor vehicle in intrastate transportation for other than seasonal work.
- 115 (ii) "Resident" does not include any of the following:
- 116 (A) a member of the military temporarily stationed in Utah;
- 117 (B) an out-of-state student, as classified by the institution of higher education, enrolled with the equivalent of seven or more quarter hours, regardless of whether the student engages in a trade, profession, or occupation in this state or accepts employment in this state; and
- 121 (C) an individual domiciled in another state or a foreign country that:
- 122 (I) is engaged in public, charitable, educational, or religious services for a government agency or an organization that qualifies for tax-exempt status under Internal Revenue Code Section 501(c)(3);
- 125 (II) is not compensated for services rendered other than expense reimbursements; and
- 127 (III) is temporarily in Utah for a period not to exceed 24 months.
- 128 (iii) Notwithstanding Subsections (1)(c)(i) and (ii), "resident" includes the owner of a vehicle equipped with an automated driving system as defined in Section 41-26-102.1 if the vehicle is physically present in the state for more than 30 consecutive days in a calendar year.
- 132 (2)
- (a) Registration under this chapter is not required for any:
- 133 (i) vehicle registered in another state and owned by a nonresident of the state or operating under a temporary registration permit issued by the division or a dealer authorized by this chapter, driven or moved upon a highway in conformance with the provisions of this chapter relating to manufacturers, transporters, dealers, lien holders, or interstate vehicles;
- 138 (ii) vehicle driven or moved upon a highway only for the purpose of crossing the highway from one property to another;
- 140 (iii) implement of husbandry, whether of a type otherwise subject to registration or not, that is only incidentally operated or moved upon a highway;

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- 142 (iv) special mobile equipment;
- 143 (v) vehicle owned or leased by the federal government;
- 144 (vi) motor vehicle not designed, used, or maintained for the transportation of passengers for hire or
for the transportation of property if the motor vehicle is registered in another state and is owned
and operated by a nonresident of this state;
- 147 (vii) vehicle or combination of vehicles designed, used, or maintained for the transportation of
persons for hire or for the transportation of property if the vehicle or combination of vehicles
is registered in another state and is owned and operated by a nonresident of this state and if the
vehicle or combination of vehicles has a gross laden weight of 26,000 pounds or less;
- 152 (viii) trailer of 750 pounds or less unladen weight and not designed, used, and maintained for hire
for the transportation of property or person;
- 154 (ix) single-axle trailer unless that trailer is:
- 155 (A) a commercial vehicle;
- 156 (B) a trailer designed, used, and maintained for hire for the transportation of property or person; or
- 158 (C) a travel trailer, camping trailer, or fifth wheel trailer of 750 pounds or more laden weight;
- 160 (x) manufactured home or mobile home;
- 161 (xi) off-highway vehicle currently registered under Section 41-22-3 if the off-highway vehicle is:
- 163 (A) being towed;
- 164 (B) operated on a street or highway designated as open to off-highway vehicle use; or
- 166 (C) operated in the manner prescribed in Subsections 41-22-10.3(1) through (3);
- 167 (xii) off-highway implement of husbandry operated in the manner prescribed in Subsections
41-22-5.5(3) through (5);
- 169 (xiii) modular and prebuilt homes conforming to the uniform building code and presently regulated
by the United States Department of Housing and Urban Development that are not constructed
on a permanent chassis;
- 172 (xiv) electric assisted bicycle defined under Section 41-6a-102;
- 173 (xv) motor assisted scooter defined under Section 41-6a-102; or
- 174 (xvi) electric personal assistive mobility device defined under Section 41-6a-102.
- 175 (b) For purposes of an implement of husbandry as described in Subsection (2)(a)(iii), incidental
operation on a highway includes operation that is:
- 177 (i) transportation of raw agricultural materials or other agricultural related operations; and

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- 179 (ii) limited to 100 miles round trip on a highway.
180 (3)
(a) Unless otherwise exempted under Subsection (2), registration under this chapter is required for any motor vehicle, combination of vehicles, trailer, semitrailer, vintage vehicle, or restored-modified vehicle within 60 days of the owner establishing residency in this state.
- 184 (b)
(i) The commission may contract with a designated agent described in Chapter 12a, Part 8, Uninsured Motorist Identification Database Program, to determine the address for which a contract for owner's or operator's security pertaining to a certain vehicle or vessel is tied.
- 188 (ii) If the information provided by the designated agent under Subsection (3)(b)(i) indicates that the owner of a vehicle or vessel is a resident of this state, the commission may investigate to ensure compliance with this chapter, Chapter 22, Off-highway Vehicles, Title 59, Chapter 12, Sales and Use Tax Act, and Title 73, Chapter 18, State Boating Act.
- 193 (c) If the commission's investigation described in Subsection (3)(b)(ii) determines that the owner of the vehicle or vessel is not in compliance with this chapter, Chapter 22, Off-highway Vehicles, Title 59, Chapter 12, Sales and Use Tax Act, or Title 73, Chapter 18, State Boating Act, the commission:
- 197 (i) may impose a penalty on the owner of the vehicle or vessel of \$150; and
198 (ii) shall provide notice of noncompliance to the owner of the vehicle or vessel and allow 60 days after the date on which the notice was issued for the owner of the vehicle or vessel to comply with the provisions identified in the commission's investigation described in Subsection (3)(b)(ii).
- 202 (d) If the owner of a vehicle or vessel fails to comply as directed within the time period described in Subsection (3)(c), the commission[~~created in Section 41-3-104~~] may impose on the owner of the vehicle or vessel a penalty equal to the greater of:
- 205 (i) if the commission finds there was an underpayment of tax under Title 59, Chapter 12, Sales and Use Tax Act, a penalty as provided in Subsection 59-1-401(7); or
207 (ii) \$500.
- 208 (e) Upon making a record of the commission's actions, and upon reasonable cause shown, the commission may waive, reduce, or compromise any penalty imposed under Subsection (3)(c) or (3)
(d).
- 211 (f)

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- (i) The commission shall deposit money from a penalty under Subsections (3)(c)(i) and (3)(d)(ii) for failure to properly register or title a vehicle or vessel [~~pursuant to~~] in accordance with this chapter, Chapter 22, Off-highway Vehicles, or Title 73, Chapter 18, State Boating Act, into the Uninsured Motorist Identification Restricted Account created in Section 41-12a-806.
- 216 (ii) The commission shall deposit money from a penalty under this Subsection (3)(d)(i) for failure to
pay a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act, into the General Fund.
- 219 (4) A motor vehicle that is registered under Section 41-3-306 is exempt from the registration
requirements of this part for the time period that the registration under Section 41-3-306 is valid.
- 222 (5) A vehicle that has been issued a nonrepairable certificate may not be registered under this chapter.
267 Section 3. Section **41-1a-1206** is amended to read:
268 **41-1a-1206. Registration fees -- Fees by gross laden weight.**
- 226 (1) Except as provided in Subsections (2) and (3), at the time application is made for registration or
renewal of registration of a vehicle or combination of vehicles under this chapter, a registration fee
shall be paid to the division as follows:
- 229 (a) \$46.00 for each motorcycle;
- 230 (b) \$44 for each motor vehicle of 14,000 pounds or less gross laden weight, excluding motorcycles;
- 232 (c) unless the semitrailer or trailer is exempt from registration under Section 41-1a-202 or is registered
under Section 41-1a-301:
- 234 (i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or
- 235 (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less gross unladen
weight;
- 237 (d)
- (i) \$53 for each farm truck over 14,000 pounds, but not exceeding 16,000 pounds gross laden weight;
plus
- 239 (ii) \$9 for each 2,000 pounds over 16,000 pounds gross laden weight;
- 240 (e)
- (i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm trucks, over 14,000
pounds, but not exceeding 16,000 pounds gross laden weight; plus
- 243 (ii) \$19 for each 2,000 pounds over 16,000 pounds gross laden weight;
- 244 (f)

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- (i) \$69.50 for each park model recreational vehicle over 14,000 pounds, but not exceeding 16,000 pounds gross laden weight; plus
- 246 (ii) \$19 for each 2,000 pounds over 16,000 pounds gross laden weight;
- 247 (g) \$45 for each vintage vehicle that has a model year of 1983 or newer;
- 248 (h) in addition to the fee described in Subsection (1)(b):
- 249 (i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:
- 250 (A) each electric motor vehicle;[-and]
- 251 (B) each electric vehicle with a gross combined weight rating of 6,001 pounds or more that is a commercial vehicle; and
- 253 [~~(B)~~] (C) [~~Each~~] each motor vehicle not described in this Subsection (1)(h) that is fueled exclusively by a source other than motor fuel, diesel fuel, natural gas, or propane;
- 256 (ii) \$21.75 for each hybrid electric motor vehicle; and
- 257 (iii) \$56.50 for each plug-in hybrid electric motor vehicle;
- 258 (i) in addition to the fee described in Subsection (1)(g), for a vintage vehicle that has a model year of 1983 or newer, 50 cents; and
- 260 (j) \$28.50 for each roadable aircraft.
- 261 (2)
- (a) At the time application is made for registration or renewal of registration of a vehicle under this chapter for a six-month registration period under Section 41-1a-215.5, a registration fee shall be paid to the division as follows:
- 264 (i) \$34.50 for each motorcycle; and
- 265 (ii) \$33.50 for each motor vehicle of 14,000 pounds or less gross laden weight, excluding motorcycles.
- 267 (b) In addition to the fee described in Subsection (2)(a)(ii), for registration or renewal of registration of a vehicle under this chapter for a six-month registration period under Section 41-1a-215.5 a registration fee shall be paid to the division as follows:
- 270 (i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:
- 271 (A) each electric motor vehicle;[-and]
- 272 (B) each electric vehicle with a gross combined weight rating of 6,001 pounds or more that is a commercial vehicle; and
- 274

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~~[(B)]~~ (C) each motor vehicle not described in this Subsection (2)(b) that is fueled exclusively by a source other than motor fuel, diesel fuel, natural gas, or propane;

277 (ii) \$16.50 for each hybrid electric motor vehicle; and

278 (iii) \$43.50 for each plug-in hybrid electric motor vehicle.

279 (3)

(a) Beginning on January 1, 2024, at the time of registration:

280 (i) in addition to the amounts described in Subsections (1)(a), (1)(b), (1)(c)(i), (1)(c)(ii), (1)(d)(i),
(1)(e)(i), (1)(f)(i), (1)(g), (1)(h), (4)(a), and (7), the individual shall also pay an additional \$7 as
part of the registration fee; and

283 (ii) in addition to the amounts described in Subsection (2)(a), the individual shall also pay an
additional \$5 as part of the registration fee.

285 (b)

(i) Beginning on January 1, 2019, the commission shall, on January 1, annually adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i), (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (1)(j), (2)(a), (3)(a), (4)(a), and (7), by taking the registration fee rate for the previous year and adding an amount equal to the greater of:

290 (A) an amount calculated by multiplying the registration fee of the previous year by the actual
percentage change during the previous fiscal year in the Consumer Price Index; and

293 (B) 0.

294 (ii) Beginning on January 1, 2024, the commission shall, on January 1, annually adjust the registration fees described in Subsections (1)(h)(ii) and (iii) and (2)(b)(ii) and (iii) by taking the registration fee rate for the previous year and adding an amount equal to the greater of:

298 (A) an amount calculated by multiplying the registration fee of the previous year by the actual
percentage change during the previous fiscal year in the Consumer Price Index; and

301 (B) 0.

302 (c) The amounts calculated as described in Subsection (3)(b) shall be rounded up to the nearest 25
cents.

304 (4)

(a) The initial registration fee for a vintage vehicle that has a model year of 1982 or older is \$40.

306 (b) A vintage vehicle that has a model year of 1982 or older is exempt from the renewal of registration fees under Subsection (1).

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- 308 (c) A vehicle with a Purple Heart special group license plate issued on or before December 31, 2023,
or issued in accordance with Part 16, Sponsored Special Group License Plates, is exempt from the
registration fees under Subsection (1).
- 311 (d) A camper is exempt from the registration fees under Subsection (1).
- 312 (5) If a motor vehicle is operated in combination with a semitrailer or trailer, each motor vehicle shall
register for the total gross laden weight of all units of the combination if the total gross laden weight
of the combination exceeds 14,000 pounds.
- 315 (6)
- (a) Registration fee categories under this section are based on the gross laden weight declared in the
licensee's application for registration.
- 317 (b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part of 2,000 pounds is
a full unit.
- 319 (7) The owner of a trailer described in Section 41-1a-228 may, as an alternative to registering under
Subsection (1)(c), apply for and obtain a special registration and license plate, as provided in
Section 41-1a-228, for a fee of \$130.
- 322 (8) For a vehicle registered for a 24-month period as provided in Section 41-1a-215.5, the fee amounts
are double the amounts due for a 12-month registration of the same vehicle.
- 324 (9) Except as provided in Section 41-6a-1642, a truck may not be registered as a farm truck unless:
- 326 (a) the truck meets the definition of a farm truck under Section 41-1a-102; and
- 327 (b)
- (i) the truck has a gross vehicle weight rating of more than 14,000 pounds; or
- 328 (ii) the truck has a gross vehicle weight rating of 14,000 pounds or less and the owner submits to the
division a certificate of emissions inspection or a waiver in compliance with Section 41-6a-1642.
- 331 (10) A violation of Subsection (9) is an infraction that shall be punished by a fine of not less than \$200.
- 333 (11) A motor vehicle registered as a street-legal all-terrain vehicle is:
- 334 (a) subject to the registration and other fees described in Section 41-22-9; and
- 335 (b) not required to pay an additional registration fee under this section.
- 336 (12) Trucks used exclusively to pump cement, bore wells, or perform crane services with a crane lift
capacity of five or more tons, are exempt from 50% of the amount of the fees required for those
vehicles under this section.
- 382 Section 4. Section **41-6a-710** is amended to read:

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383 **41-6a-710. Roadway divided into marked lanes -- Provisions -- Traffic-control devices.**

On a roadway divided into two or more clearly marked lanes for traffic the following provisions apply and any violation of this section is an infraction:

344 (1)

(a) Except as provided in Subsection (1)(c), a person operating a vehicle:

345 (i) shall keep the vehicle as nearly as practical entirely within a single lane; and

346 (ii) may not move the vehicle from the lane until the operator has reasonably determined the movement can be made safely.

348 (b) A determination under Subsection (1)(a)(ii) is reasonable if a reasonable person acting under the same conditions and having regard for actual and potential hazards then existing would determine that the movement could be made safely.

351 (c) Subsection (1)(a) does not apply to:

352 (i) an individual operating a motorcycle engaging in lane filtering as described in Section 41-6a-704[-] ;

354 (ii) a school bus that temporarily impedes a parking or bike lane while operating along the school bus's planned route and schedule; or

356 (iii) a public transit vehicle, as defined in Section 17B-2a-802, that temporarily impedes a parking or bike lane while operating along the public transit vehicle's planned route and schedule.

359 (2)

(a) On a roadway divided into three or more lanes and providing for two-way movement of traffic, a person operating a vehicle may not drive in the center lane except:

362 (i) when overtaking and passing another vehicle traveling in the same direction, and when the center lane is:

364 (A) clear of traffic within a safe distance; and

365 (B) not a two-way left turn lane;

366 (ii) in preparation of making or completing a left turn in compliance with Section 41-6a-801; or

368 (iii) where the center lane is allocated exclusively to traffic moving in the same direction that the vehicle is proceeding as indicated by traffic-control devices.

370 (b) Notwithstanding Subsection (2)(a)(i) and in accordance with Subsection (1)(a), a person operating a vehicle may drive in a center lane that is a two-way left turn lane if:

373 (i) the center lane is:

374 (A) on a roadway divided into three or more lanes that provides for two-way movement of traffic; and

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- 376 (B) clear of traffic within a safe distance;
- 377 (ii) there is only one lane of travel in the direction the person operating the vehicle is traveling; and
- 379 (iii) the person operating the vehicle is overtaking and passing a bicycle or moped that is moving at less than the reasonable speed of traffic that is present.
- 381 (3)
- (a) A highway authority may erect traffic-control devices directing specified traffic to use a designated lane or designating those lanes to be used by traffic moving in a particular direction regardless of the center of the roadway.
- 384 (b) An operator of a vehicle shall obey the directions of a traffic-control device erected under Subsection (3)(a).
- 386 (4)
- (a) A person operating a motor vehicle may not drive within a bicycle lane except:
- 387 (i) to cross a bicycle lane when turning into an intersection, street, alley, driveway, or other parking area;
- 389 (ii) when responding to striping, traffic control devices, or emergency conditions; or
- 390 (iii) while operating:
- 391 (A) an authorized emergency vehicle;
- 392 (B) a snow removal vehicle;
- 393 (C) a vehicle providing municipal-type services, as defined in Section 19-3-303;
- 394 (D) a school bus or transit vehicle, as defined in Section 17B-2a-802, [~~to load or unload passengers~~] along the school bus's or transit vehicle's planned route and schedule; or
- 397 (E) a vehicle used by a postal service, as defined in Section 76-6-1001.
- 398 (b) A person operating a motor vehicle within a bicycle lane as described in Subsection (4)(a)(i) shall yield the right of way to all bicycle traffic within the lane.

443 Section 5. Section 41-6a-1406 is amended to read:

444 **41-6a-1406. Removal and impoundment of vehicles -- Reporting and notification requirements -- Administrative impound fee -- Refunds -- Possessory lien -- Rulemaking.**

- 447 (1) If a vehicle, vessel, or outboard motor is impounded as provided under Section 41-1a-1101, 41-6a-210, 41-6a-527, 41-6a-1405, 41-6a-1408, or 73-18-20.1 by an order of a peace officer or by an order of a person acting on behalf of a law enforcement agency or highway authority, the impoundment of the vehicle, vessel, or outboard motor shall be at the expense of the owner.

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- 452 (2) The vehicle, vessel, or outboard motor under Subsection (1) shall be impounded to a state impound
yard.
- 454 (3) The peace officer may move a vehicle, vessel, or outboard motor or cause it to be removed by a tow
truck motor carrier that meets standards established:
- 456 (a) under Title 72, Chapter 9, Motor Carrier Safety Act; and
- 457 (b) by the department under Subsection (11).
- 458 (4)
- (a) A report described in this Subsection (4) is required for a vehicle, vessel, or outboard motor that is
impounded as described in Subsection (1).
- 460 (b) Before noon on the next business day after the date of the removal of the vehicle, vessel, or outboard
motor, a report of the impoundment shall be sent to the Motor Vehicle Division, in an electronic
format approved by the Motor Vehicle Division, by:
- 464 (i) the peace officer or agency by whom the peace officer is employed; and
- 465 (ii) the tow truck operator or the tow truck motor carrier by whom the tow truck operator is employed.
- 467 (c) The report shall be in a form specified by the Motor Vehicle Division and shall include:
- 469 (i) the operator's name, if known;
- 470 (ii) a description of the vehicle, vessel, or outboard motor;
- 471 (iii) the vehicle identification number or vessel or outboard motor identification number;
- 473 (iv) the case number designated by the peace officer, law enforcement agency number, or government
entity;
- 475 (v) the license number, temporary permit number, or other identification number issued by a state
agency;
- 477 (vi) the date, time, and place of impoundment;
- 478 (vii) the reason for removal or impoundment;
- 479 (viii) the name of the tow truck motor carrier who removed the vehicle, vessel, or outboard motor; and
- 481 (ix) the place where the vehicle, vessel, or outboard motor is stored.
- 482 (d)
- (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the State Tax
Commission shall make rules to establish proper format and information required on the form
described in this Subsection (4).

485

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- (ii) The State Tax Commission shall ensure that the form described in this Subsection (4) is provided in an electronic format.
- 487 (e) Until the tow truck operator or tow truck motor carrier reports the removal as required under this Subsection (4), a tow truck motor carrier or impound yard may not:
- 490 (i) collect any fee associated with the removal; and
- 491 (ii) begin charging storage fees.
- 492 (5)
- (a) A report described in this Subsection (5) is required for any vehicle, vessel, or outboard motor that is removed, except for:
- 494 (i) a vehicle, vessel, or outboard motor that is impounded for a reason described in Subsection (1);
- or
- 496 (ii) a vehicle, vessel, or outboard motor for which a removal is performed in accordance with Section 72-9-603.
- 498 (b) For a removal described in Subsection (5)(a), the relevant law enforcement officer shall provide documentation to the tow truck operator or tow truck motor carrier that includes:
- 501 (i) the name and badge number of the peace officer;
- 502 (ii) the name and originating agency identifier of the law enforcement agency; and
- 503 (iii) the case number designated by the law enforcement officer or law enforcement agency.
- 505 (c) For a removal described in Subsection (5)(a), before noon on the next business day following the date of the removal of the vehicle, vessel, or outboard motor, the tow truck operator or tow truck motor carrier shall send to the Motor Vehicle Division in an electronic format approved by the Motor Vehicle Division:
- 509 (i) the report described in Subsection (4); or
- 510 (ii) the report described in Subsection (5)(d).
- 511 (d) For a removal described in Subsection (5)(a), if the tow truck operator or tow truck motor carrier does not provide the report described in Subsection (4), the tow truck operator or tow truck motor carrier shall provide a report to the Motor Vehicle Division that includes:
- 515 (i) the name and badge number of the relevant peace officer;
- 516 (ii) the name and originating agency identifier of the law enforcement agency;
- 517 (iii) the law enforcement agency case number;
- 518

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- (iv) subject to Subsection (5)(e), the vehicle identification number and the license number, temporary permit number, or other identification number issued by a state agency;
- 521 (v) the date and time of the removal of the vehicle, vessel, or outboard motor; and
- 522 (vi) the reason for the removal of the vehicle, vessel, or outboard motor.
- 523 (e) If either the vehicle identification number or the license number, temporary permit number, or other identification number issued by a state agency is not available, the report shall include:
- 526 (i) as much information as is available from both the vehicle identification number and the license plate number of the vehicle, vessel, or outboard motor; and
- 528 (ii) a description of the vehicle, vessel, or outboard motor, including the color, make, model, and model year of the vehicle, vessel, or outboard motor.
- 530 (f) Until the tow truck operator or tow truck motor carrier reports the removal as required under this Subsection (5), a tow truck motor carrier may not:
- 532 (i) collect any fee associated with the removal; or
- 533 (ii) begin charging storage fees.
- 534 (g) A vehicle, vessel, or outboard motor removed under this Subsection (5) shall be removed to:
- 536 (i) a state impound yard; or
- 537 (ii) a location that has been requested by the registered owner at the time of removal, if payment is made to the tow truck motor carrier or tow truck operator at the time of removal.
- 540 (h) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the State Tax Commission may make rules to establish proper format and information required on the form described in Subsection (5)(d), including submission in an electronic format.
- 544 (6)
- (a) Except as provided in Subsection (6)(d) and upon receipt of a report described in Subsection (4) or (5), the Motor Vehicle Division shall give notice, in the manner described in Section 41-1a-114, to the following parties with an interest in the vehicle, vessel, or outboard motor, as applicable:
- 548 (i) the registered owner;
- 549 (ii) any lien holder; or
- 550 (iii) a dealer, as defined in Section 41-1a-102, if the vehicle, vessel, or outboard motor is currently operating under a temporary permit issued by the dealer, as described in Section 41-3-302.
- 553 (b) The notice shall:
- 554

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- (i) state the date, time, and place of removal, the name, if applicable, of the person operating the vehicle, vessel, or outboard motor at the time of removal, the reason for removal, and the place where the vehicle, vessel, or outboard motor is stored;
- 557 (ii) state that the registered owner is responsible for payment of towing, impound, and storage fees charged against the vehicle, vessel, or outboard motor;
- 559 (iii) state the conditions that must be satisfied before the vehicle, vessel, or outboard motor is released; and
- 561 (iv) inform the parties described in Subsection (6)(a) of the division's intent to sell the vehicle, vessel, or outboard motor, if, within 30 days after the day of the removal or impoundment under this section, one of the parties fails to make a claim for release of the vehicle, vessel, or outboard motor.
- 565 (c) Except as provided in Subsection (6)(d) and if the vehicle, vessel, or outboard motor is not registered in this state, the Motor Vehicle Division shall make a reasonable effort to notify the parties described in Subsection (6)(a) of the removal and the place where the vehicle, vessel, or outboard motor is stored.
- 569 (d) The Motor Vehicle Division is not required to give notice under this Subsection (6) if a report was received by a tow truck operator or tow truck motor carrier reporting a tow truck service in accordance with Subsection 72-9-603(1)(a)(i).
- 572 (e)
- (i) The Motor Vehicle Division shall disclose the information in the report described in Subsection (4) and Subsection 72-9-603(1)(a)(i) to a designated agent as defined in Section 41-12a-802 regarding a tow that was initiated:
- 575 (A) by law enforcement; or
- 576 (B) without the vehicle owner's consent.
- 577 (ii) The Motor Vehicle Division may rely on the information provided by the tow truck operator or tow truck motor carrier to determine if a tow meets the criteria described in Subsections (6)(e)(i)(A) and (B).
- 580 (iii) The designated agent may disclose information received regarding a tow described in Subsections (6)(e)(i)(A) and (B) to the vehicle owner and to the vehicle owner's verified insurance company.
- 583 (iv) The designated agent may not disclose information to a vehicle owner's insurance company if the tow does not meet the criteria described in Subsections (6)(e)(i)(A) and (B).
- 586 (7)

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- (a) The vehicle, vessel, or outboard motor impounded or removed to a state impound yard as described in this section shall be released after a party described in Subsection (6)(a) or (7)(f):
- 589 (i) makes a claim for release of the vehicle, vessel, or outboard motor at any office of the State Tax
Commission;
- 591 (ii) presents identification sufficient to prove ownership of the impounded or removed vehicle,
vessel, or outboard motor;
- 593 (iii) completes the registration, if needed, and pays the appropriate fees;
- 594 (iv) if the impoundment was made under Section 41-6a-527 or Subsection 41-1a-1101(3), pays:
- 596 (A) an administrative impound fee of \$425; and
- 597 (B) in addition to the administrative fee described in Subsection (7)(a)(iv)(A), an administrative testing
fee of \$30; and
- 599 (v) pays all towing and storage fees to the place where the vehicle, vessel, or outboard motor is
stored.
- 601 (b)
- (i) Twenty-nine dollars of the administrative impound fee assessed under Subsection (7)(a)(iv)(A) shall
be dedicated credits to the Motor Vehicle Division.
- 603 (ii) One-hundred and forty-seven dollars of the administrative impound fee assessed under Subsection
(7)(a)(iv)(A) shall be deposited into the Department of Public Safety Restricted Account created in
Section 53-3-106.
- 606 (iii) Twenty dollars of the administrative impound fee assessed under Subsection (7)(a)(iv)(A) shall be
deposited into the Brain and Spinal Cord Injury Fund created in Section 26B-1-318.
- 609 (iv) After the distributions described in Subsections (7)(b)(i) through (iii), the remainder of the
administrative impound fee assessed under Subsection (7)(a)(iv)(A) shall be deposited into the
General Fund.
- 612 (v) The administrative testing fee described in Subsection (7)(a)(iv)(B) shall be deposited into the State
Laboratory Drug Testing Account created in Section 26B-1-304.
- 615 (c) The administrative impound fee and the administrative testing fee assessed under Subsection (7)(a)
(iv) shall be waived or refunded by the State Tax Commission if the registered owner, lien holder, or
owner's agent presents written evidence to the State Tax Commission that:
- 619 (i) the Driver License Division determined that the arrested person's driver license should not be
suspended or revoked under Section 53-3-223 or 41-6a-521 as shown by a letter or other report from

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- the Driver License Division presented within 180 days after the day on which the Driver License Division mailed the final notification; or
- 624 (ii) the vehicle was stolen at the time of the impoundment as shown by a copy of the stolen vehicle report presented within 180 days after the day of the impoundment.
- 626 (d) A tow truck operator, a tow truck motor carrier, and an impound yard shall accept payment by cash and debit or credit card for a removal or impoundment under Subsection (1) or any service rendered, performed, or supplied in connection with a removal or impoundment under Subsection (1).
- 630 (e) The owner of an impounded vehicle may not be charged a fee for the storage of the impounded vehicle, vessel, or outboard motor if:
- 632 (i) the vehicle, vessel, or outboard motor is being held as evidence; and
- 633 (ii) the vehicle, vessel, or outboard motor is not being released to a party described in Subsection (6)(a), even if the party satisfies the requirements to release the vehicle, vessel, or outboard motor under this Subsection (7).
- 636 (f) In addition to the parties described in Subsection (6)(a), the vehicle, vessel, or outboard motor impounded or removed to a state impound yard as described in this section shall be released to an individual that is not described in Subsection (6)(a) if the individual:
- 640 (i)
- (A) satisfies the requirements of Subsections (7)(a)(i) and (7)(a)(iii) through (v);
- 641 (B) presents the individual's driver license or other government-issued identification; and
- 643 (C) demonstrates that the individual has authority granted by a person described in Subsection (6)(a) to obtain and operate the vehicle; or
- 645 (ii) is a tow truck operator or tow truck motor carrier that:
- 646 (A) demonstrates that the tow truck operator or tow truck motor carrier has authority granted by a person described in Subsection (6)(a) to obtain and operate the vehicle, vessel, or outboard motor;
- 649 (B) provides [~~a towing~~] the driver's tow truck operator certificate issued by the Department of Transportation [~~pursuant to~~] in accordance with Section 72-9-602;
- 651 (C) pays all towing and storage fees; and
- 652 (D) obtains or presents an impound release for the vehicle, vessel, or outboard motor [~~pursuant to~~] in accordance with Subsection (7)(a).
- 654 (8)

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- (a) For an impounded or a removed vehicle, vessel, or outboard motor not claimed by a party described in Subsection (6)(a) or (7)(f) within the time prescribed by Section 41-1a-1103, the Motor Vehicle Division shall issue a certificate of sale for the impounded or removed vehicle, vessel, or outboard motor as described in Section 41-1a-1103.
- 659 (b) The date of impoundment or removal is considered the date of seizure for computing the time period provided under Section 41-1a-1103.
- 661 (9) A party described in Subsection (6)(a) that pays all fees and charges incurred in the impoundment or removal of the owner's vehicle, vessel, or outboard motor has a cause of action for all the fees and charges, together with damages, court costs, and attorney fees, against the operator of the vehicle, vessel, or outboard motor whose actions caused the removal or impoundment.
- 666 (10)
- (a) As used in this Subsection (10), "life essential item" means the same as that term is defined in Subsection 72-9-603(13).
- 668 (b) Towing, impound fees, and storage fees are a possessory lien on the vehicle, vessel, or outboard motor.
- 670 (c) Towing fees are a possessory lien on the vehicle, vessel, or outboard motor and any nonlife essential items contained in the vehicle, vessel, or outboard motor.
- 672 (d) Except for a vehicle, vessel, or outboard motor being held as evidence, a tow truck operator, a tow truck motor carrier, or an impound yard shall allow a person described in Subsection (6)(a) or an individual described in Subsection (7)(f)(i) to take possession of any life essential item within the vehicle, vessel, or outboard motor during normal business hours regardless of whether the towing, impound fees, or storage fees have been paid.
- 678 (e) Except for a vehicle, vessel, or outboard motor being held as evidence, upon payment of the towing fee, a tow truck operator, a tow truck motor carrier, or an impound yard shall allow a person described in Subsection (6)(a) or an individual described in Subsection (7)(f)(i) to enter the vehicle, vessel, or outboard motor during normal business hours and remove personal property not attached to the vehicle, vessel, or outboard motor.
- 684 (11)
- (a) If the tow truck motor carrier, tow truck operator, or state impound yard fails to release the vehicle, vessel, or outboard motor in accordance with Subsection (7), the individual acting on behalf of the

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tow truck motor carrier, tow truck operator, or state impound yard may be charged with a violation described in Section 41-1a-1314.

688 (b) Subsection (11)(a) may be enforced by:

689 (i) a local law enforcement agency;

690 (ii) Utah Highway Patrol; or

691 (iii) the Motor Vehicle Enforcement Division created in Section 41-3-104.

692 [(11)] (12) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department shall make rules setting the performance standards for towing companies to be used by the department.

695 [(12)] (13)

(a) The Motor Vehicle Division may specify that a report required under Subsection (4) be submitted in electronic form utilizing a database for submission, storage, and retrieval of the information.

698 (b)

(i) Unless otherwise provided by statute, the Motor Vehicle Division or the administrator of the database may adopt a schedule of fees assessed for utilizing the database.

701 (ii) The fees under this Subsection [(12)(b)] (13)(b) shall:

702 (A) be reasonable and fair; and

703 (B) reflect the cost of administering the database.

704 Section 6. Section **53-1-106.2** is amended to read:

705 **53-1-106.2. Towing dispatch program.**

402 (1) As used in this section, "towing dispatch vendor" means a vendor that provides a product or technology capable of increasing efficiency, effectiveness, and transparency in the dispatching of towing providers and management of towing rotations.

405 (2) An interlocal agency established [~~pursuant to~~] under Title 11, Chapter 13, Interlocal Cooperation Act, a special service district established [~~pursuant to~~] under Title 17D, Chapter 1, Special Service District Act, a political subdivision, or a state agency may enter into a contract with a [~~vendor that provides a product or technology capable of increasing efficiency, effectiveness, and transparency in the dispatching of towing providers and management of towing rotations.~~] towing dispatch vendor.

411 [(2)] (3) [~~The~~] A product or technology [described in Subsection (1)] provided by a towing dispatch vendor shall comply with the following requirements and capabilities:

413

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- (a) decreasing delays associated with requesting and dispatching a tow truck motor carrier from an established tow rotation;
- 415 (b) increasing information, transparency, and data collection associated with tow rotation operations[; including dispatching, response time, completion, clearance, and storage]; and
- 418 (c) increasing responder and traffic safety by reducing secondary crashes, responder time on scene, and the impacts of traffic accidents on traffic flow and safety.
- 420 (4) A product or technology provided by a towing dispatch vendor may not require a tow truck operator to manipulate a wireless communication device in a manner that violates Section 41-6a-1716.
- 423 (5)
- (a) A towing entity may require a tow truck motor carrier{-} or tow truck operator to enter the following into a database controlled by the towing dispatch vendor:
- 425 (i) information about the vehicle, vessel, or outboard motor that is the subject of the tow; and
- 427 {(ii) {information about the owner of the vehicle, vessel, or outboard motor that is the subject of the tow; and} }
- 429 (iii){(ii)} other information about the circumstances and timing of the towing operation.
- 430 (b) {If a} A towing {dispatch vendor that receives from a towing entity,-} entity may not require a tow truck motor carrier{-} or tow truck operator {any personal or other} to enter personally identifiable information about the owner {of} into a {vehicle that is the subject of the towing dispatch service,-} database controlled by the towing dispatch vendor {may not}.
- 434 (i){(c)} {share the personal} If a towing dispatch vendor that receives from a towing entity, tow truck motor carrier, or tow truck operator any personally identifiable information {with a third party;} or other information about the owner of a vehicle that is the subject of the towing dispatch service, the towing dispatch vendor:
- 435 (ii){(i)} {sell the personal information to a third party;} may not:
- 436 (iii){(A)} {use} share the information {for any purpose other than dispatching for the tow or removal; or} with a third party;
- 438 (iv){(B)} {retain} sell the information {longer than the administrative need} to {execute the towing dispatch service;} a third party;
- 440 {(3)}{(6)} use the information for any purpose other than dispatching for the tow or removal; or
- 744 (D) retain the information longer than the administrative need; and
- 745 (ii) shall delete any personally identifiable information.

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746 ~~(3)~~ (6) A vendor selected to provide towing dispatch management services as described in this section
may not also provide towing, storage, impounding, or other services related to the operation of a
towing provider.

749 Section 7. Section **57-1-48** is amended to read:

750 **57-1-48. Conveyance by deed to a public entity.**

445 (1) [A] Subject to Subsection (5), a grantor may convey real property by deed to a public entity, and a
public entity may accept real property conveyed by deed from a grantor, as described in this section.

448 (2) Real property conveyed to a public entity shall be conveyed by:

449 (a) if the conveyance is between two public entities, recording a deed conveying real property;

451 (b) if there is no purchaser for a property offered at a tax sale, complying with the procedure described
in Section 59-2-1351.3; and

453 (c) if the grantor is not a public entity:

454 (i) recording a deed conveying real property along with a public entity affidavit that complies with
Subsection (4); or

456 (ii) recording a deed that has been notarized and signed by:

457 (A) the grantor of the property; and

458 (B) an authorized representative of the public entity.

459 (3) A conveyance of real property by deed that is recorded in a county recorder's office after ~~[July 1,~~
2025] May 6, 2026, is voidable by the public entity intended to receive the real property until the
earlier of the day on which:

462 (a) a public entity affidavit approving the transfer is recorded; or

463 (b) the deed conveying the real property is signed by an authorized employee or officer of the public
entity.

465 (4) A public entity affidavit shall be in substantially the following form:

466 "PUBLIC ENTITY AFFIDAVIT

467 I, _____(insert name), being of legal age and authorized by _____ (name of public
entity), hereafter "public entity," being first duly sworn, depose and state as follows:

469 The public entity consents to the conveyance of real property by deed from _____ (name of
grantor(s)). By signing this Public Entity Affidavit, the public entity accepts the ownership of the
real property described in the attached legal description.

472

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The public entity does not guarantee or provide an opinion as to the proper form or validity of any conveyance document related to the real property described in the attached legal description.

475 This Public Entity Affidavit is intended to evidence that the public entity consents to _____
476 (name of grantor(s)) conveying the real property described in the attached legal description to the
477 public entity."

478 (5) As used in this section, "public entity" does not include the Department of Transportation.

786 Section 8. Section **59-12-104** is amended to read:

787 **59-12-104. Exemptions.**

Exemptions from the taxes imposed by this chapter are as follows:

483 (1) sales of aviation fuel, motor fuel, and special fuel subject to a Utah state excise tax under Chapter
484 13, Motor and Special Fuel Tax Act;

485 (2) subject to Section 59-12-104.6, sales to the state, [its] the state's institutions, and [its] the state's
486 political subdivisions[;] , however, this exemption does not apply to sales of:

487 (a) construction materials except:

488 (i) construction materials purchased by or on behalf of institutions of the public education system as
489 defined in Utah Constitution, Article X, Section 2, provided the construction materials are clearly
490 identified and segregated and installed or converted to real property which is owned by institutions
491 of the public education system;[~~and~~]

492 (ii) construction materials purchased by the state, its institutions, or its political subdivisions which
493 are installed or converted to real property by employees of the state, its institutions, or its political
494 subdivisions; [~~or~~] and

495 (iii) construction materials purchased by or on behalf of the Department of Transportation as part of a
496 fixed guideway capital development project for which the department has oversight and supervision
497 as described in Section 72-1-203; or

498 (b) tangible personal property in connection with the construction, operation, maintenance, repair, or
499 replacement of a project, as defined in Section 11-13-103, or facilities providing additional project
500 capacity, as defined in Section 11-13-103;

502 (3)

(a) sales of an item described in Subsection (3)(b) from a vending machine if:

503 (i) the proceeds of each sale do not exceed \$1; and

504

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(ii) the seller or operator of the vending machine reports an amount equal to 150% of the cost of the item described in Subsection (3)(b) as goods consumed; and

506 (b) Subsection (3)(a) applies to:

507 (i) food and food ingredients; or

508 (ii) prepared food;

509 (4)

(a) sales of the following to a commercial airline carrier for in-flight consumption:

510 (i) alcoholic beverages;

511 (ii) food and food ingredients; or

512 (iii) prepared food;

513 (b) sales of tangible personal property or a product transferred electronically:

514 (i) to a passenger;

515 (ii) by a commercial airline carrier; and

516 (iii) during a flight for in-flight consumption or in-flight use by the passenger; or

517 (c) services related to Subsection (4)(a) or (b);

518 (5) sales of parts and equipment for installation in an aircraft operated by a common carrier in interstate or foreign commerce;

520 (6) sales of commercials, motion picture films, prerecorded audio program tapes or records, and prerecorded video tapes by a producer, distributor, or studio to a motion picture exhibitor, distributor, or commercial television or radio broadcaster;

523 (7)

(a) except as provided in Subsection (85) and subject to Subsection (7)(b), sales of cleaning or washing of tangible personal property if the cleaning or washing of the tangible personal property is not assisted cleaning or washing of tangible personal property;

527 (b) if a seller that sells at the same business location assisted cleaning or washing of tangible personal property and cleaning or washing of tangible personal property that is not assisted cleaning or washing of tangible personal property, the exemption described in Subsection (7)(a) applies if the seller separately accounts for the sales of the assisted cleaning or washing of the tangible personal property; and

532 (c) for purposes of Subsection (7)(b) and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules:

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- 534 (i) governing the circumstances under which sales are at the same business location; and
536 (ii) establishing the procedures and requirements for a seller to separately account for sales of assisted
cleaning or washing of tangible personal property;
- 538 (8) sales made to or by religious or charitable institutions in the conduct of their regular religious or
charitable functions and activities, if the requirements of Section 59-12-104.1 are fulfilled;
- 541 (9) sales of a vehicle of a type required to be registered under the motor vehicle laws of this state if:
543 (a) the sale is not from the vehicle's lessor to the vehicle's lessee;
544 (b) the vehicle is not registered in this state; and
545 (c)
(i) the vehicle is not used in this state; or
546 (ii) the vehicle is used in this state:
547 (A) if the vehicle is not used to conduct business, for a time period that does not exceed the longer of:
549 (I) 30 days in any calendar year; or
550 (II) the time period necessary to transport the vehicle to the borders of this state; or
552 (B) if the vehicle is used to conduct business, for the time period necessary to transport the vehicle to
the borders of this state;
- 554 (10)
(a) amounts paid for an item described in Subsection (10)(b) if:
555 (i) the item is intended for human use; and
556 (ii)
(A) a prescription was issued for the item; or
557 (B) the item was purchased by a hospital or other medical facility; and
558 (b)
(i) Subsection (10)(a) applies to:
559 (A) a drug;
560 (B) a syringe; or
561 (C) a stoma supply; and
562 (ii) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission
may by rule define the terms:
564 (A) "syringe"; or
565 (B) "stoma supply";

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- 566 (11) purchases or leases exempt under Section 19-12-201;
- 567 (12)
- (a) sales of an item described in Subsection (12)(c) served by:
- 568 (i) the following if the item described in Subsection (12)(c) is not available to the general public:
- 570 (A) a church; or
- 571 (B) a charitable institution; or
- 572 (ii) an institution of higher education if:
- 573 (A) the item described in Subsection (12)(c) is not available to the general public; or
- 575 (B) the item described in Subsection (12)(c) is prepaid as part of a student meal plan offered by the institution of higher education;
- 577 (b) sales of an item described in Subsection (12)(c) provided for a patient by:
- 578 (i) a medical facility; or
- 579 (ii) a nursing facility; and
- 580 (c) Subsections (12)(a) and (b) apply to:
- 581 (i) food and food ingredients;
- 582 (ii) prepared food; or
- 583 (iii) alcoholic beverages;
- 584 (13)
- (a) except as provided in Subsection (13)(b), the sale of tangible personal property or a product transferred electronically by a person:
- 586 (i) regardless of the number of transactions involving the sale of that tangible personal property or product transferred electronically by that person; and
- 588 (ii) not regularly engaged in the business of selling that type of tangible personal property or product transferred electronically;
- 590 (b) this Subsection (13) does not apply if:
- 591 (i) the sale is one of a series of sales of a character to indicate that the person is regularly engaged in the business of selling that type of tangible personal property or product transferred electronically;
- 594 (ii) the person holds that person out as regularly engaged in the business of selling that type of tangible personal property or product transferred electronically;
- 596 (iii) the person sells an item of tangible personal property or product transferred electronically that the person purchased as a sale that is exempt under Subsection (25); or

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- 599 (iv) the sale is of a vehicle or vessel required to be titled or registered under the laws of this state in
which case the tax is based upon:
- 601 (A) the bill of sale, lease agreement, or other written evidence of value of the vehicle or vessel being
sold; or
- 603 (B) in the absence of a bill of sale, lease agreement, or other written evidence of value, the fair market
value of the vehicle or vessel being sold at the time of the sale as determined by the commission;
and
- 606 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission
shall make rules establishing the circumstances under which:
- 608 (i) a person is regularly engaged in the business of selling a type of tangible personal property or
product transferred electronically;
- 610 (ii) a sale of tangible personal property or a product transferred electronically is one of a series of sales
of a character to indicate that a person is regularly engaged in the business of selling that type of
tangible personal property or product transferred electronically; or
- 614 (iii) a person holds that person out as regularly engaged in the business of selling a type of tangible
personal property or product transferred electronically;
- 616 (14) amounts paid or charged for a purchase or lease of machinery, equipment, normal operating repair
or replacement parts, or materials, except for office equipment or office supplies, by:
- 619 (a) a manufacturing facility that:
- 620 (i) is located in the state; and
- 621 (ii) uses or consumes the machinery, equipment, normal operating repair or replacement parts, or
materials:
- 623 (A) in the manufacturing process to manufacture an item sold as tangible personal property, as the
commission may define that phrase in accordance with Title 63G, Chapter 3, Utah Administrative
Rulemaking Act; or
- 626 (B) for a scrap recycler, to process an item sold as tangible personal property, as the commission may
define that phrase in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
- 629 (b) an establishment, as the commission defines that term in accordance with Title 63G, Chapter 3, Utah
Administrative Rulemaking Act, that:
- 631 (i) is described in NAICS Subsector 212, Mining (except Oil and Gas), or NAICS Code 213113,
Support Activities for Coal Mining, 213114, Support Activities for Metal Mining, or 213115,

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Support Activities for Nonmetallic Minerals (except Fuels) Mining, of the 2002 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget;

- 636 (ii) is located in the state; and
- 637 (iii) uses or consumes the machinery, equipment, normal operating repair or replacement parts, or materials in:
- 639 (A) the production process to produce an item sold as tangible personal property, as the commission may define that phrase in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
- 642 (B) research and development, as the commission may define that phrase in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
- 644 (C) transporting, storing, or managing tailings, overburden, or similar waste materials produced from mining;
- 646 (D) developing or maintaining a road, tunnel, excavation, or similar feature used in mining; or
- 648 (E) preventing, controlling, or reducing dust or other pollutants from mining; or
- 649 (c) an establishment, as the commission defines that term in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that:
- 651 (i) is described in NAICS Code 518112, Web Search Portals, of the 2002 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget;
- 654 (ii) is located in the state; and
- 655 (iii) uses or consumes the machinery, equipment, normal operating repair or replacement parts, or materials in the operation of the web search portal;
- 657 (15)
- (a) sales of the following if the requirements of Subsection (15)(b) are met:
- 658 (i) tooling;
- 659 (ii) special tooling;
- 660 (iii) support equipment;
- 661 (iv) special test equipment; or
- 662 (v) parts used in the repairs or renovations of tooling or equipment described in Subsections (15)(a) (i) through (iv); and

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- 664 (b) sales of tooling, equipment, or parts described in Subsection (15)(a) are exempt if:
- 665 (i) the tooling, equipment, or parts are used or consumed exclusively in the performance of any
aerospace or electronics industry contract with the United States government or any subcontract
under that contract; and
- 668 (ii) under the terms of the contract or subcontract described in Subsection (15)(b)(i), title to the tooling,
equipment, or parts is vested in the United States government as evidenced by:
- 671 (A) a government identification tag placed on the tooling, equipment, or parts; or
- 672 (B) listing on a government-approved property record if placing a government identification tag on the
tooling, equipment, or parts is impractical;
- 674 (16) sales of newspapers or newspaper subscriptions;
- 675 (17)
- (a) except as provided in Subsection (17)(b), tangible personal property or a product transferred
electronically traded in as full or part payment of the purchase price, except that for purposes of
calculating sales or use tax upon vehicles not sold by a vehicle dealer, trade-ins are limited to other
vehicles only, and the tax is based upon:
- 679 (i) the bill of sale or other written evidence of value of the vehicle being sold and the vehicle being
traded in; or
- 681 (ii) in the absence of a bill of sale or other written evidence of value, the then existing fair
market value of the vehicle being sold and the vehicle being traded in, as determined by the
commission; and
- 684 (b) Subsection (17)(a) does not apply to the following items of tangible personal property or products
transferred electronically traded in as full or part payment of the purchase price:
- 687 (i) money;
- 688 (ii) electricity;
- 689 (iii) water;
- 690 (iv) gas; or
- 691 (v) steam;
- 692 (18)
- (a)

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- (i) except as provided in Subsection (18)(b), sales of tangible personal property or a product transferred electronically used or consumed primarily and directly in farming operations, regardless of whether the tangible personal property or product transferred electronically:
- 696 (A) becomes part of real estate; or
697 (B) is installed by a farmer, contractor, or subcontractor; or
698 (ii) sales of parts used in the repairs or renovations of tangible personal property or a product transferred electronically if the tangible personal property or product transferred electronically is exempt under Subsection (18)(a)(i); and
- 701 (b) amounts paid or charged for the following are subject to the taxes imposed by this chapter:
703 (i)
(A) subject to Subsection (18)(b)(i)(B), machinery, equipment, materials, or supplies if used in a manner that is incidental to farming; and
705 (B) tangible personal property that is considered to be used in a manner that is incidental to farming includes:
707 (I) hand tools; or
708 (II) maintenance and janitorial equipment and supplies;
709 (ii)
(A) subject to Subsection (18)(b)(ii)(B), tangible personal property or a product transferred electronically if the tangible personal property or product transferred electronically is used in an activity other than farming; and
712 (B) tangible personal property or a product transferred electronically that is considered to be used in an activity other than farming includes:
714 (I) office equipment and supplies; or
715 (II) equipment and supplies used in:
716 (Aa) the sale or distribution of farm products;
717 (Bb) research; or
718 (Cc) transportation; or
719 (iii) a vehicle required to be registered by the laws of this state during the period ending two years after the date of the vehicle's purchase;
- 721 (19) sales of hay;
722

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- (20) exclusive sale during the harvest season of seasonal crops, seedling plants, or garden, farm, or other agricultural produce if the seasonal crops are, seedling plants are, or garden, farm, or other agricultural produce is sold by:
- 725 (a) the producer of the seasonal crops, seedling plants, or garden, farm, or other agricultural produce;
- 727 (b) an employee of the producer described in Subsection (20)(a); or
- 728 (c) a member of the immediate family of the producer described in Subsection (20)(a);
- 729 (21) purchases made using a coupon as defined in 7 U.S.C. Sec. 2012 that is issued under the Food Stamp Program, 7 U.S.C. Sec. 2011 et seq.;
- 731 (22) sales of nonreturnable containers, nonreturnable labels, nonreturnable bags, nonreturnable shipping cases, and nonreturnable casings to a manufacturer, processor, wholesaler, or retailer for use in packaging tangible personal property to be sold by that manufacturer, processor, wholesaler, or retailer;
- 735 (23) a product stored in the state for resale;
- 736 (24)
- (a) purchases of a product if:
- 737 (i) the product is:
- 738 (A) purchased outside of this state;
- 739 (B) brought into this state:
- 740 (I) at any time after the purchase described in Subsection (24)(a)(i)(A); and
- 741 (II) by a nonresident person who is not living or working in this state at the time of the purchase;
- 743 (C) used for the personal use or enjoyment of the nonresident person described in Subsection (24)(a)(i)(B)(II) while that nonresident person is within the state; and
- 746 (D) not used in conducting business in this state; and
- 747 (ii) for:
- 748 (A) a product other than a boat described in Subsection (24)(a)(ii)(B), the first use of the product for a purpose for which the product is designed occurs outside of this state;
- 751 (B) a boat, the boat is registered outside of this state; or
- 752 (C) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered outside of this state;
- 754 (b) the exemption provided for in Subsection (24)(a) does not apply to:
- 755 (i) a lease or rental of a product; or

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- 756 (ii) a sale of a vehicle exempt under Subsection (33); and
757 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for purposes of
Subsection (24)(a), the commission may by rule define what constitutes the following:
- 760 (i) conducting business in this state if that phrase has the same meaning in this Subsection (24) as in
Subsection (63);
762 (ii) the first use of a product if that phrase has the same meaning in this Subsection (24) as in
Subsection (63); or
764 (iii) a purpose for which a product is designed if that phrase has the same meaning in this Subsection
(24) as in Subsection (63);
766 (25) a product purchased for resale in the regular course of business, either in the product's original
form or as an ingredient or component part of a manufactured or compounded product;
769 (26) a product upon which a sales or use tax was paid to some other state, or one of another state's
subdivisions, except that the state shall be paid any difference between the tax paid and the tax
imposed by this part and Part 2, Local Sales and Use Tax Act, and no adjustment is allowed if the
tax paid was greater than the tax imposed by this part and Part 2, Local Sales and Use Tax Act;
774 (27) any sale of a service described in Subsections 59-12-103(1)(b), (c), and (d) to a person for use in
compounding a service taxable under the subsections;
776 (28) purchases made in accordance with the special supplemental nutrition program for women, infants,
and children established in 42 U.S.C. Sec. 1786;
778 (29) sales or leases of rolls, rollers, refractory brick, electric motors, or other replacement parts used
in the furnaces, mills, or ovens of a steel mill described in SIC Code 3312 of the 1987 Standard
Industrial Classification Manual of the federal Executive Office of the President, Office of
Management and Budget;
782 (30) sales of a boat of a type required to be registered under Title 73, Chapter 18, State Boating Act, a
boat trailer, or an outboard motor if the boat, boat trailer, or outboard motor is:
785 (a) not registered in this state; and
786 (b)
(i) not used in this state; or
787 (ii) used in this state:
788 (A) if the boat, boat trailer, or outboard motor is not used to conduct business, for a time period that
does not exceed the longer of:

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- 790 (I) 30 days in any calendar year; or
- 791 (II) the time period necessary to transport the boat, boat trailer, or outboard motor to the borders of this
state; or
- 793 (B) if the boat, boat trailer, or outboard motor is used to conduct business, for the time period necessary
to transport the boat, boat trailer, or outboard motor to the borders of this state;
- 796 (31) sales of aircraft manufactured in Utah;
- 797 (32) amounts paid for the purchase of telecommunications service for purposes of providing
telecommunications service;
- 799 (33) sales, leases, or uses of the following:
- 800 (a) a vehicle by an authorized carrier; or
- 801 (b) tangible personal property that is installed on a vehicle:
- 802 (i) sold or leased to or used by an authorized carrier; and
- 803 (ii) before the vehicle is placed in service for the first time;
- 804 (34)
- (a) 45% of the sales price of any new manufactured home; and
- 805 (b) 100% of the sales price of any used manufactured home;
- 806 (35) sales relating to schools and fundraising sales;
- 807 (36) sales or rentals of durable medical equipment if:
- 808 (a) a person presents a prescription for the durable medical equipment; and
- 809 (b) the durable medical equipment is used for home use only;
- 810 (37)
- (a) sales to a ski resort of electricity to operate a passenger ropeway as defined in Section 72-11-102;
and
- 812 (b) the commission shall by rule determine the method for calculating sales exempt under Subsection
(37)(a) that are not separately metered and accounted for in utility billings;
- 815 (38) sales to a ski resort of:
- 816 (a) snowmaking equipment;
- 817 (b) ski slope grooming equipment;
- 818 (c) passenger ropeways as defined in Section 72-11-102; or
- 819 (d) parts used in the repairs or renovations of equipment or passenger ropeways described in
Subsections (38)(a) through (c);

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- 821 (39) subject to Subsection 59-12-103(2)(j), sales of natural gas, electricity, heat, coal, fuel oil, or other
fuels for industrial use;
- 823 (40)
- (a) subject to Subsection (40)(b), sales or rentals of the right to use or operate for amusement,
entertainment, or recreation an unassisted amusement device as defined in Section 59-12-102;
- 826 (b) if a seller that sells or rents at the same business location the right to use or operate for amusement,
entertainment, or recreation one or more unassisted amusement devices and one or more assisted
amusement devices, the exemption described in Subsection (40)(a) applies if the seller separately
accounts for the sales or rentals of the right to use or operate for amusement, entertainment, or
recreation for the assisted amusement devices; and
- 832 (c) for purposes of Subsection (40)(b) and in accordance with Title 63G, Chapter 3, Utah
Administrative Rulemaking Act, the commission may make rules:
- 834 (i) governing the circumstances under which sales are at the same business location; and
- 836 (ii) establishing the procedures and requirements for a seller to separately account for the sales or
rentals of the right to use or operate for amusement, entertainment, or recreation for assisted
amusement devices;
- 839 (41)
- (a) sales of photocopies by:
- 840 (i) a governmental entity; or
- 841 (ii) an entity within the state system of public education, including:
- 842 (A) a school; or
- 843 (B) the State Board of Education; or
- 844 (b) sales of publications by a governmental entity;
- 845 (42) amounts paid for admission to an athletic event at an institution of higher education that is subject
to the provisions of Title IX of the Education Amendments of 1972, 20 U.S.C. Sec. 1681 et seq.;
- 848 (43)
- (a) sales made to or by:
- 849 (i) an area agency on aging; or
- 850 (ii) a senior citizen center owned by a county, city, or town; or
- 851 (b) sales made by a senior citizen center that contracts with an area agency on aging;
- 852

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- (44) sales or leases of semiconductor fabricating, processing, research, or development materials regardless of whether the semiconductor fabricating, processing, research, or development materials:
- 855 (a) actually come into contact with a semiconductor; or
- 856 (b) ultimately become incorporated into real property;
- 857 (45) an amount paid by or charged to a purchaser for accommodations and services described in Subsection 59-12-103(1)(i) to the extent the amount is exempt under Section 59-12-104.2;
- 860 (46) the lease or use of a vehicle issued a temporary sports event registration certificate in accordance with Section 41-3-306 for the event period specified on the temporary sports event registration certificate;
- 863 (47)
- (a) sales or uses of electricity, if the sales or uses are made under a retail tariff adopted by the Public Service Commission only for purchase of electricity produced from a new alternative energy source built after January 1, 2016, as designated in the tariff by the Public Service Commission; and
- 867 (b) for a residential use customer only, the exemption under Subsection (47)(a) applies only to the portion of the tariff rate a customer pays under the tariff described in Subsection (47)(a) that exceeds the tariff rate under the tariff described in Subsection (47)(a) that the customer would have paid absent the tariff;
- 871 (48) sales or rentals of mobility enhancing equipment if a person presents a prescription for the mobility enhancing equipment;
- 873 (49) sales of water in a:
- 874 (a) pipe;
- 875 (b) conduit;
- 876 (c) ditch; or
- 877 (d) reservoir;
- 878 (50) sales of currency or coins that constitute legal tender of a state, the United States, or a foreign nation;
- 880 (51)
- (a) sales of an item described in Subsection (51)(b) if the item:
- 881 (i) does not constitute legal tender of a state, the United States, or a foreign nation; and
- 883 (ii) has a gold, silver, or platinum content of 50% or more; and

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- 884 (b) Subsection (51)(a) applies to a gold, silver, or platinum:
885 (i) ingot;
886 (ii) bar;
887 (iii) medallion; or
888 (iv) decorative coin;
889 (52) amounts paid on a sale-leaseback transaction;
890 (53) sales of a prosthetic device:
891 (a) for use on or in a human; and
892 (b)
893 (i) for which a prescription is required; or
894 (ii) if the prosthetic device is purchased by a hospital or other medical facility;
894 (54)
(a) except as provided in Subsection (54)(b), purchases, leases, or rentals of machinery or equipment by
an establishment described in Subsection (54)(c) if the machinery or equipment is primarily used in
the production or postproduction of the following media for commercial distribution:
898 (i) a motion picture;
899 (ii) a television program;
900 (iii) a movie made for television;
901 (iv) a music video;
902 (v) a commercial;
903 (vi) a documentary; or
904 (vii) a medium similar to Subsections (54)(a)(i) through (vi) as determined by the commission by
administrative rule made in accordance with Subsection (54)(d);
906 (b) purchases, leases, or rentals of machinery or equipment by an establishment described in Subsection
(54)(c) that is used for the production or postproduction of the following are subject to the taxes
imposed by this chapter:
909 (i) a live musical performance;
910 (ii) a live news program; or
911 (iii) a live sporting event;
912

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(c) the following establishments listed in the 1997 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget, apply to Subsections (54)(a) and (b):

915 (i) NAICS Code 512110; or

916 (ii) NAICS Code 51219; and

917 (d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule:

919 (i) prescribe what constitutes a medium similar to Subsections (54)(a)(i) through (vi); or

921 (ii) define:

922 (A) "commercial distribution";

923 (B) "live musical performance";

924 (C) "live news program"; or

925 (D) "live sporting event";

926 (55)

(a) leases of seven or more years or purchases made on or after July 1, 2004, but on or before June 30, 2027, of tangible personal property that:

928 (i) is leased or purchased for or by a facility that:

929 (A) is an alternative energy electricity production facility;

930 (B) is located in the state; and

931 (C)

(I) becomes operational on or after July 1, 2004; or

932 (II) has its generation capacity increased by one or more megawatts on or after July 1, 2004, as a result of the use of the tangible personal property;

934 (ii) has an economic life of five or more years; and

935 (iii) is used to make the facility or the increase in capacity of the facility described in Subsection (55)(a)(i) operational up to the point of interconnection with an existing transmission grid including:

938 (A) a wind turbine;

939 (B) generating equipment;

940 (C) a control and monitoring system;

941 (D) a power line;

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- 942 (E) substation equipment;
- 943 (F) lighting;
- 944 (G) fencing;
- 945 (H) pipes; or
- 946 (I) other equipment used for locating a power line or pole; and
- 947 (b) this Subsection (55) does not apply to:
- 948 (i) tangible personal property used in construction of:
- 949 (A) a new alternative energy electricity production facility; or
- 950 (B) the increase in the capacity of an alternative energy electricity production facility;
- 952 (ii) contracted services required for construction and routine maintenance activities; and
- 954 (iii) unless the tangible personal property is used or acquired for an increase in capacity of the facility described in Subsection (55)(a)(i)(C)(II), tangible personal property used or acquired after:
- 957 (A) the alternative energy electricity production facility described in Subsection (55)(a)(i) is operational as described in Subsection (55)(a)(iii); or
- 959 (B) the increased capacity described in Subsection (55)(a)(i) is operational as described in Subsection (55)(a)(iii);
- 961 (56)
- (a) leases of seven or more years or purchases made on or after July 1, 2004, but on or before June 30, 2027, of tangible personal property that:
- 963 (i) is leased or purchased for or by a facility that:
- 964 (A) is a waste energy production facility;
- 965 (B) is located in the state; and
- 966 (C)
- (I) becomes operational on or after July 1, 2004; or
- 967 (II) has its generation capacity increased by one or more megawatts on or after July 1, 2004, as a result of the use of the tangible personal property;
- 969 (ii) has an economic life of five or more years; and
- 970 (iii) is used to make the facility or the increase in capacity of the facility described in Subsection (56)(a)(i) operational up to the point of interconnection with an existing transmission grid including:
- 973 (A) generating equipment;

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- 974 (B) a control and monitoring system;
- 975 (C) a power line;
- 976 (D) substation equipment;
- 977 (E) lighting;
- 978 (F) fencing;
- 979 (G) pipes; or
- 980 (H) other equipment used for locating a power line or pole; and
- 981 (b) this Subsection (56) does not apply to:
- 982 (i) tangible personal property used in construction of:
- 983 (A) a new waste energy facility; or
- 984 (B) the increase in the capacity of a waste energy facility;
- 985 (ii) contracted services required for construction and routine maintenance activities; and
- 987 (iii) unless the tangible personal property is used or acquired for an increase in capacity described in Subsection (56)(a)(i)(C)(II), tangible personal property used or acquired after:
- 990 (A) the waste energy facility described in Subsection (56)(a)(i) is operational as described in Subsection (56)(a)(iii); or
- 992 (B) the increased capacity described in Subsection (56)(a)(i) is operational as described in Subsection (56)(a)(iii);
- 994 (57)
- (a) leases of five or more years or purchases made on or after July 1, 2004, but on or before June 30, 2027, of tangible personal property that:
- 996 (i) is leased or purchased for or by a facility that:
- 997 (A) is located in the state;
- 998 (B) produces fuel from alternative energy, including:
- 999 (I) methanol; or
- 1000 (II) ethanol; and
- 1001 (C)
- (I) becomes operational on or after July 1, 2004; or
- 1002 (II) has its capacity to produce fuel increase by 25% or more on or after July 1, 2004, as a result of the installation of the tangible personal property;
- 1004 (ii) has an economic life of five or more years; and

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- 1005 (iii) is installed on the facility described in Subsection (57)(a)(i);
- 1006 (b) this Subsection (57) does not apply to:
- 1007 (i) tangible personal property used in construction of:
- 1008 (A) a new facility described in Subsection (57)(a)(i); or
- 1009 (B) the increase in capacity of the facility described in Subsection (57)(a)(i);
- 1010 (ii) contracted services required for construction and routine maintenance activities; and
- 1012 (iii) unless the tangible personal property is used or acquired for an increase in capacity described in Subsection (57)(a)(i)(C)(II), tangible personal property used or acquired after:
- 1015 (A) the facility described in Subsection (57)(a)(i) is operational; or
- 1016 (B) the increased capacity described in Subsection (57)(a)(i) is operational;
- 1017 (58)
- (a) subject to Subsection (58)(b), sales of tangible personal property or a product transferred electronically to a person within this state if that tangible personal property or product transferred electronically is subsequently shipped outside the state and incorporated [~~pursuant to~~] in accordance with contract into and becomes a part of real property located outside of this state; and
- 1022 (b) the exemption under Subsection (58)(a) is not allowed to the extent that the other state or political entity to which the tangible personal property is shipped imposes a sales, use, gross receipts, or other similar transaction excise tax on the transaction against which the other state or political entity allows a credit for sales and use taxes imposed by this chapter;
- 1027 (59) purchases:
- 1028 (a) of one or more of the following items in printed or electronic format:
- 1029 (i) a list containing information that includes one or more:
- 1030 (A) names; or
- 1031 (B) addresses; or
- 1032 (ii) a database containing information that includes one or more:
- 1033 (A) names; or
- 1034 (B) addresses; and
- 1035 (b) used to send direct mail;
- 1036 (60) redemptions or repurchases of a product by a person if that product was:
- 1037 (a) delivered to a pawnbroker as part of a pawn transaction; and
- 1038

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(b) redeemed or repurchased within the time period established in a written agreement between the person and the pawnbroker for redeeming or repurchasing the product;

1040 (61)

(a) purchases or leases of an item described in Subsection (61)(b) if the item:

1041 (i) is purchased or leased by, or on behalf of, a telecommunications service provider; and

1043 (ii) has a useful economic life of one or more years; and

1044 (b) the following apply to Subsection (61)(a):

1045 (i) telecommunications enabling or facilitating equipment, machinery, or software;

1046 (ii) telecommunications equipment, machinery, or software required for 911 service;

1047 (iii) telecommunications maintenance or repair equipment, machinery, or software;

1048 (iv) telecommunications switching or routing equipment, machinery, or software; or

1049 (v) telecommunications transmission equipment, machinery, or software;

1050 (62)

(a) beginning on July 1, 2006, and ending on June 30, 2027, purchases of tangible personal property or a product transferred electronically that are used in the research and development of alternative energy technology; and

1053 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may, for purposes of Subsection (62)(a), make rules defining what constitutes purchases of tangible personal property or a product transferred electronically that are used in the research and development of alternative energy technology;

1058 (63)

(a) purchases of tangible personal property or a product transferred electronically if:

1059 (i) the tangible personal property or product transferred electronically is:

1060 (A) purchased outside of this state;

1061 (B) brought into this state at any time after the purchase described in Subsection (63)(a)(i)(A); and

1063 (C) used in conducting business in this state; and

1064 (ii) for:

1065 (A) tangible personal property or a product transferred electronically other than the tangible personal property described in Subsection (63)(a)(ii)(B), the first use of the property for a purpose for which the property is designed occurs outside of this state; or

1069

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- (B) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered outside of this state and not required to be registered in this state under Section 41-1a-202 or 73-18-9 based on residency;
- 1072 (b) the exemption provided for in Subsection (63)(a) does not apply to:
- 1073 (i) a lease or rental of tangible personal property or a product transferred electronically; or
- 1075 (ii) a sale of a vehicle exempt under Subsection (33); and
- 1076 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for purposes of Subsection (63)(a), the commission may by rule define what constitutes the following:
- 1079 (i) conducting business in this state if that phrase has the same meaning in this Subsection (63) as in Subsection (24);
- 1081 (ii) the first use of tangible personal property or a product transferred electronically if that phrase has the same meaning in this Subsection (63) as in Subsection (24); or
- 1083 (iii) a purpose for which tangible personal property or a product transferred electronically is designed if that phrase has the same meaning in this Subsection (63) as in Subsection (24);
- 1086 (64) sales of disposable home medical equipment or supplies if:
- 1087 (a) a person presents a prescription for the disposable home medical equipment or supplies;
- 1089 (b) the disposable home medical equipment or supplies are used exclusively by the person to whom the prescription described in Subsection (64)(a) is issued; and
- 1091 (c) the disposable home medical equipment and supplies are listed as eligible for payment under:
- 1093 (i) Title XVIII, federal Social Security Act; or
- 1094 (ii) the state plan for medical assistance under Title XIX, federal Social Security Act;
- 1095 (65) sales:
- 1096 (a) to a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit District Act; or
- 1098 (b) of tangible personal property to a subcontractor of a public transit district, if the tangible personal property is:
- 1100 (i) clearly identified; and
- 1101 (ii) installed or converted to real property owned by the public transit district;
- 1102 (66) sales of construction materials:
- 1103 (a) purchased on or after July 1, 2010;
- 1104 (b) purchased by, on behalf of, or for the benefit of an international airport:
- 1105 (i) located within a county of the first class; and

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- 1106 (ii) that has a United States customs office on its premises; and
1107 (c) if the construction materials are:
1108 (i) clearly identified;
1109 (ii) segregated; and
1110 (iii) installed or converted to real property:
1111 (A) owned or operated by the international airport described in Subsection (66)(b); and
1113 (B) located at the international airport described in Subsection (66)(b);
1114 (67) sales of construction materials:
1115 (a) purchased on or after July 1, 2008;
1116 (b) purchased by, on behalf of, or for the benefit of a new airport:
1117 (i) located within a county of the second or third class, as classified in Section 17-60-104; and
1119 (ii) that is owned or operated by a city in which an airline as defined in Section 59-2-102 is
headquartered; and
1121 (c) if the construction materials are:
1122 (i) clearly identified;
1123 (ii) segregated; and
1124 (iii) installed or converted to real property:
1125 (A) owned or operated by the new airport described in Subsection (67)(b);
1126 (B) located at the new airport described in Subsection (67)(b); and
1127 (C) as part of the construction of the new airport described in Subsection (67)(b);
1128 (68) except for the tax imposed by Subsection 59-12-103(2)(d), sales of fuel to a common carrier that is
a railroad for use in a locomotive engine;
1130 (69) purchases and sales described in Section 63H-4-111;
1131 (70)
(a) sales of tangible personal property to an aircraft maintenance, repair, and overhaul provider for use
in the maintenance, repair, overhaul, or refurbishment in this state of a fixed wing turbine powered
aircraft if that fixed wing turbine powered aircraft's registration lists a state or country other than
this state as the location of registry of the fixed wing turbine powered aircraft; or
1136 (b) sales of tangible personal property by an aircraft maintenance, repair, and overhaul provider in
connection with the maintenance, repair, overhaul, or refurbishment in this state of a fixed wing

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turbine powered aircraft if that fixed wing turbine powered aircraft's registration lists a state or country other than this state as the location of registry of the fixed wing turbine powered aircraft;

- 1141 (71) subject to Section 59-12-104.4, sales of a textbook for a higher education course:
- 1142 (a) to a person admitted to an institution of higher education; and
- 1143 (b) by a seller, other than a bookstore owned by an institution of higher education, if 51% or more of that seller's sales revenue for the previous calendar quarter are sales of a textbook for a higher education course;
- 1146 (72) a license fee or tax a municipality imposes in accordance with Subsection 10-1-203(5) on a purchaser from a business for which the municipality provides an enhanced level of municipal services;
- 1149 (73) amounts paid or charged for construction materials used in the construction of a new or expanding life science research and development facility in the state, if the construction materials are:
- 1152 (a) clearly identified;
- 1153 (b) segregated; and
- 1154 (c) installed or converted to real property;
- 1155 (74) amounts paid or charged for:
- 1156 (a) a purchase or lease of machinery and equipment that:
- 1157 (i) are used in performing qualified research:
- 1158 (A) as defined in Section 41(d), Internal Revenue Code; and
- 1159 (B) in the state; and
- 1160 (ii) have an economic life of three or more years; and
- 1161 (b) normal operating repair or replacement parts:
- 1162 (i) for the machinery and equipment described in Subsection (74)(a); and
- 1163 (ii) that have an economic life of three or more years;
- 1164 (75) a sale or lease of tangible personal property used in the preparation of prepared food if:
- 1165 (a) for a sale:
- 1166 (i) the ownership of the seller and the ownership of the purchaser are identical; and
- 1167 (ii) the seller or the purchaser paid a tax under this chapter on the purchase of that tangible personal property [~~prior to~~] before making the sale; or
- 1169 (b) for a lease:
- 1170 (i) the ownership of the lessor and the ownership of the lessee are identical; and

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- 1171 (ii) the lessor or the lessee paid a tax under this chapter on the purchase of that tangible personal
property [~~prior to~~] before making the lease;
- 1173 (76)
- (a) purchases of machinery or equipment if:
- 1174 (i) the purchaser is an establishment described in NAICS Subsector 713, Amusement, Gambling,
and Recreation Industries, of the 2012 North American Industry Classification System of the
federal Executive Office of the President, Office of Management and Budget;
- 1178 (ii) the machinery or equipment:
- 1179 (A) has an economic life of three or more years; and
- 1180 (B) is used by one or more persons who pay admission or user fees described in Subsection
59-12-103(1)(f) to the purchaser of the machinery and equipment; and
- 1183 (iii) 51% or more of the purchaser's sales revenue for the previous calendar quarter is:
- 1184 (A) amounts paid or charged as admission or user fees described in Subsection 59-12-103(1)(f); and
- 1186 (B) subject to taxation under this chapter; and
- 1187 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission
may make rules for verifying that 51% of a purchaser's sales revenue for the previous calendar
quarter is:
- 1190 (i) amounts paid or charged as admission or user fees described in Subsection 59-12-103(1)(f); and
- 1192 (ii) subject to taxation under this chapter;
- 1193 (77) purchases of a short-term lodging consumable by a business that provides accommodations and
services described in Subsection 59-12-103(1)(i);
- 1195 (78) amounts paid or charged to access a database:
- 1196 (a) if the primary purpose for accessing the database is to view or retrieve information from the
database; and
- 1198 (b) not including amounts paid or charged for a:
- 1199 (i) digital audio work;
- 1200 (ii) digital audio-visual work; or
- 1201 (iii) digital book;
- 1202 (79) amounts paid or charged for a purchase or lease made by an electronic financial payment service,
of:
- 1204 (a) machinery and equipment that:

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- 1205 (i) are used in the operation of the electronic financial payment service; and
1206 (ii) have an economic life of three or more years; and
1207 (b) normal operating repair or replacement parts that:
1208 (i) are used in the operation of the electronic financial payment service; and
1209 (ii) have an economic life of three or more years;
1210 (80) sales of a fuel cell as defined in Section 54-15-102;
1211 (81) amounts paid or charged for a purchase or lease of tangible personal property or a product
transferred electronically if the tangible personal property or product transferred electronically:
1214 (a) is stored, used, or consumed in the state; and
1215 (b) is temporarily brought into the state from another state:
1216 (i) during a disaster period as defined in Section 53-2a-1202;
1217 (ii) by an out-of-state business as defined in Section 53-2a-1202;
1218 (iii) for a declared state disaster or emergency as defined in Section 53-2a-1202; and
1219 (iv) for disaster- or emergency-related work as defined in Section 53-2a-1202;
1220 (82) sales of goods and services at a morale, welfare, and recreation facility, as defined in Section
39A-7-102, made ~~pursuant to~~ in accordance with Title 39A, Chapter 7, Morale, Welfare, and
Recreation Program;
1223 (83) amounts paid or charged for a purchase or lease of molten magnesium;
1224 (84) amounts paid or charged for a purchase or lease made by a qualifying data center or an occupant of
a qualifying data center of machinery, equipment, or normal operating repair or replacement parts, if
the machinery, equipment, or normal operating repair or replacement parts:
1228 (a) are used in:
1229 (i) the operation of the qualifying data center; or
1230 (ii) the occupant's operations in the qualifying data center; and
1231 (b) have an economic life of one or more years;
1232 (85) sales of cleaning or washing of a vehicle, except for cleaning or washing of a vehicle that includes
cleaning or washing of the interior of the vehicle;
1234 (86) amounts paid or charged for a purchase or lease of machinery, equipment, normal operating repair
or replacement parts, catalysts, chemicals, reagents, solutions, or supplies used or consumed:
1237 (a) by a refiner who owns, leases, operates, controls, or supervises a refinery as defined in Section
79-6-701 located in the state;

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- 1239 (b) if the machinery, equipment, normal operating repair or replacement parts, catalysts, chemicals, reagents, solutions, or supplies are used or consumed in:
- 1241 (i) the production process to produce gasoline or diesel fuel, or at which blendstock is added to gasoline or diesel fuel;
- 1243 (ii) research and development;
- 1244 (iii) transporting, storing, or managing raw materials, work in process, finished products, and waste materials produced from refining gasoline or diesel fuel, or adding blendstock to gasoline or diesel fuel;
- 1247 (iv) developing or maintaining a road, tunnel, excavation, or similar feature used in refining; or
- 1249 (v) preventing, controlling, or reducing pollutants from refining; and
- 1250 (c) if the person holds a valid refiner tax exemption certification as defined in Section 79-6-701;
- 1252 (87) amounts paid to or charged by a proprietor for accommodations and services, as defined in Section 63H-1-205, if the proprietor is subject to the MIDA accommodations tax imposed under Section 63H-1-205;
- 1255 (88) amounts paid or charged for a purchase or lease of machinery, equipment, normal operating repair or replacement parts, or materials, except for office equipment or office supplies, by an establishment, as the commission defines that term in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that:
- 1259 (a) is described in NAICS Code 621511, Medical Laboratories, of the 2017 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget;
- 1262 (b) is located in this state; and
- 1263 (c) uses the machinery, equipment, normal operating repair or replacement parts, or materials in the operation of the establishment;
- 1265 (89) amounts paid or charged for an item exempt under Section 59-12-104.10;
- 1266 (90) sales of a note, leaf, foil, or film, if the item:
- 1267 (a) is used as currency;
- 1268 (b) does not constitute legal tender of a state, the United States, or a foreign nation; and
- 1269 (c) has a gold, silver, or platinum metallic content of 50% or more, exclusive of any transparent polymer holder, coating, or encasement;
- 1271

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- (91) amounts paid or charged for admission to an indoor skydiving, rock climbing, or surfing facility, if a trained instructor:
- 1273 (a) is present with the participant, in person or by video, for the duration of the activity; and
- 1275 (b) actively instructs the participant, including providing observation or feedback;
- 1276 (92) amounts paid or charged in connection with the construction, operation, maintenance, repair, or replacement of facilities owned by or constructed for:
- 1278 (a) a distribution electrical cooperative, as defined in Section 54-2-1; or
- 1279 (b) a wholesale electrical cooperative, as defined in Section 54-2-1;
- 1280 (93) amounts paid by the service provider for tangible personal property, other than machinery, equipment, parts, office supplies, electricity, gas, heat, steam, or other fuels, that:
- 1283 (a) is consumed in the performance of a service that is subject to tax under Subsection 59-12-103(1)(b), (f), (g), (h), (i), or (j);
- 1285 (b) has to be consumed for the service provider to provide the service described in Subsection (93)(a); and
- 1287 (c) will be consumed in the performance of the service described in Subsection (93)(a), to one or more customers, to the point that the tangible personal property disappears or cannot be used for any other purpose;
- 1290 (94) sales of rail rolling stock manufactured in Utah;
- 1291 (95) amounts paid or charged for sales of sand, gravel, rock aggregate, cement products, or construction materials between establishments, as the commission defines that term in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, if:
- 1294 (a) the establishments are related directly or indirectly through 100% common ownership or control; and
- 1296 (b) each establishment is described in one of the following subsectors of the 2022 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget:
- 1299 (i) NAICS Subsector 237, Heavy and Civil Engineering Construction; or
- 1300 (ii) NAICS Subsector 327, Nonmetallic Mineral Product Manufacturing;
- 1301 (96) sales of construction materials used for the construction of a qualified stadium, as defined in Section 11-70-101;
- 1303

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- (97) amounts paid or charged for sales of a cannabinoid product as that term is defined in Section 4-41-102;
- 1305 (98) amounts paid or charged by an operator of a qualifying energy storage manufacturing facility for:
- 1307 (a) a purchase of tangible personal property if the tangible personal property is incorporated into equipment or a device that stores and discharges energy at the qualifying energy storage manufacturing facility; and
- 1310 (b) a purchase or lease of machinery, equipment, or normal operating repair or replacement parts if the machinery, equipment, or normal operating repair or replacement parts are used exclusively in the operation of the qualifying energy storage manufacturing facility;
- 1314 (99) amounts paid or charged for sales of adaptive driving equipment if the adaptive driving equipment is not yet installed in a motor vehicle;
- 1316 (100) amounts paid or charged for sales of adaptive driving equipment if the adaptive driving equipment is installed in a motor vehicle by a previous owner and the requirements of Section 59-12-104.11 are met; and
- 1319 (101) sales of construction materials used for the construction, remodeling, or refurbishing of a major sporting event venue, as defined in Section 63N-3-1701, within an approved major sporting event venue zone.
- 1628 Section 9. Section **59-12-2220** is amended to read:
- 1629 **59-12-2220. County option sales and use tax to fund highways or a system for public transit -- Base -- Rate.**
- 1325 (1) Subject to the other provisions of this part and subject to the requirements of this section, the following counties may impose a sales and use tax under this section:
- 1327 (a) a county legislative body may impose the sales and use tax on the transactions described in Subsection 59-12-103(1) located within the county, including the cities and towns within the county if:
- 1330 (i) the entire boundary of a county is annexed into a large public transit district; and
- 1331 (ii) the maximum amount of sales and use tax authorizations allowed in accordance with Section 59-12-2203 and authorized under the following sections has been imposed:
- 1334 (A) Section 59-12-2213;
- 1335 (B) Section 59-12-2214;
- 1336 (C) Section 59-12-2215;

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- 1337 (D) Section 59-12-2216;
- 1338 (E) Section 59-12-2217;
- 1339 (F) Section 59-12-2218; and
- 1340 (G) Section 59-12-2219;
- 1341 (b) if the county is not annexed into a large public transit district, the county legislative body may impose the sales and use tax on the transactions described in Subsection 59-12-103(1) located within the county, including the cities and towns within the county if:
- 1345 (i) the county is an eligible political subdivision; or
- 1346 (ii) a city or town within the boundary of the county is an eligible political subdivision; or
- 1348 (c) a county legislative body of a county not described in Subsection (1)(a) or (1)(b) may impose the sales and use tax on the transactions described in Subsection 59-12-103(1) located within the county, including the cities and towns within the county.
- 1351 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a county legislative body that imposes a sales and use tax under this section may impose the tax at a rate of .2%.
- 1354 (3)
- (a) The commission shall distribute sales and use tax revenue collected under this section as determined by a county legislative body as described in Subsection (3)(b).
- 1356 (b) If a county legislative body imposes a sales and use tax as described in this section, the county legislative body may elect to impose a sales and use tax revenue distribution as described in Subsection (4), (5), (6), or (7), depending on the class of county, and presence and type of a public transit provider in the county.
- 1360 (4) Subject to Subsection (11), and after application of Subsection 59-12-2206(5), if a county legislative body imposes a sales and use tax as described in this section, and the entire boundary of the county is annexed into a large public transit district, and the county is a county of the first class, the commission shall distribute the sales and use tax revenue as follows:
- 1365 (a) .10% to a public transit district as described in Subsection (11);
- 1366 (b) .05% to the cities and towns as provided in Subsection (8); and
- 1367 (c) .05% to the county legislative body.
- 1368 (5) Subject to Subsection (11), if a county legislative body imposes a sales and use tax as described in this section and the entire boundary of the county is annexed into a large public transit district, and

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the county is a county not described in Subsection (4), the commission shall distribute the sales and use tax revenue as follows:

- 1372 (a) .10% to a public transit district as described in Subsection (11);
1373 (b) .05% to the cities and towns as provided in Subsection (8); and
1374 (c) .05% to the county legislative body.
1375 (6)
(a) Except as provided in Subsection (14)(c), if the entire boundary of a county that imposes a sales and use tax as described in this section is not annexed into a single public transit district, but a city or town within the county is annexed into a single public transit district, or if the city or town is an eligible political subdivision, the commission shall distribute the sales and use tax revenue collected within the county as provided in Subsection (6)(b) or (c).
1381 (b) For a city, town, or portion of the county described in Subsection (6)(a) that is annexed into the single public transit district, or an eligible political subdivision, the commission shall distribute the sales and use tax revenue collected within the portion of the county that is within a public transit district or eligible political subdivision as follows:
1386 (i) .05% to a public transit provider as described in Subsection (11);
1387 (ii) .075% to the cities and towns as provided in Subsection (8); and
1388 (iii) .075% to the county legislative body.
1389 (c) Except as provided in Subsection (14)(c), for a city, town, or portion of the county described in Subsection (6)(a) that is not annexed into a single public transit district or eligible political subdivision in the county, the commission shall distribute the sales and use tax revenue collected within that portion of the county as follows:
1393 (i) .08% to the cities and towns as provided in Subsection (8); and
1394 (ii) .12% to the county legislative body.
1395 (7) For a county without a public transit service that imposes a sales and use tax as described in this section, the commission shall distribute the sales and use tax revenue collected within the county as follows:
1398 (a) .08% to the cities and towns as provided in Subsection (8); and
1399 (b) .12% to the county legislative body.
1400 (8)

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(a) Subject to Subsections (8)(b) and (c), the commission shall make the distributions required by Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) as follows:

- 1402 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)
(a) within the counties that impose a tax under Subsections (4) through (7) shall be distributed to
the unincorporated areas, cities, and towns within those counties on the basis of the percentage
that the population of each unincorporated area, city, or town bears to the total population of all
of the counties that impose a tax under this section; and
- 1408 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)
(a) within the counties that impose a tax under Subsections (4) through (7) shall be distributed to
the unincorporated areas, cities, and towns within those counties on the basis of the location of
the transaction as determined under Sections 59-12-211 through 59-12-215.
- 1413 (b)
- (i) Population for purposes of this Subsection (8) shall be based on, to the extent not otherwise required
by federal law:
- 1415 (A) the most recent estimate from the Utah Population Committee created in Section 63C-20-103;
or
- 1417 (B) if the Utah Population Committee estimate is not available for each municipality and
unincorporated area, the adjusted sub-county population estimate provided by the Utah
Population Committee in accordance with Section 63C-20-104.
- 1421 (ii) If a needed population estimate is not available from the United States Census Bureau, population
figures shall be derived from an estimate from the Utah Population Estimates Committee created by
executive order of the governor.
- 1424 (c)
- (i) Beginning on January 1, 2024, if the Housing and Community Development Division within
the Department of Workforce Services determines that a city or town is ineligible for funds in
accordance with Subsection 10-21-202(6), beginning the first day of the calendar quarter after
receiving 90 days' notice, the commission shall distribute the distribution that city or town would
have received under Subsection (8)(a) to cities or towns to which Subsection 10-21-202(6) does not
apply.
- 1431 (ii) Beginning on January 1, 2024, if the Housing and Community Development Division within the
Department of Workforce Services determines that a county is ineligible for funds in accordance

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with Subsection 17-80-202(6), beginning the first day of the calendar quarter after receiving 90 days' notice, the commission shall distribute the distribution that county would have received under Subsection (8)(a) to counties to which Subsection 17-80-202(6) does not apply.

- 1437 (9) If a public transit service is organized after the date a county legislative body first imposes a tax under this section, a change in a distribution required by this section may not take effect until the first distribution the commission makes under this section after a 90-day period that begins on the date the commission receives written notice from the public transit provider that the public transit service has been organized.
- 1442 (10)
- (a) Except as provided in Subsections (10)(b) and (c), a county, city, or town that received distributions described in Subsections (4)(b), (4)(c), (5)(b), (5)(c), (6)(b)(ii), (6)(b)(iii), (6)(c), and (7) may only expend those funds for a purpose described in Section 59-12-2212.2.
- 1446 (b) If a county described in Subsection (1)(a) that is a county of the first class imposes the sales and use tax authorized in this section, the county may also use funds distributed in accordance with Subsection (4)(c) for public safety purposes.
- 1755 (c) If a county described in Subsection (1)(a) that is a county of the second class imposes the sales and use tax authorized in this section, the county may also use funds distributed in accordance with Subsection (5)(c) for public safety purposes.
- 1449 [(e)] (d) In addition to the purposes described in Subsections (10)(a) and (b), for a city relevant to a project area, as that term is defined in Section 63N-3-1401, an allowable use of revenue from a sales and use tax under this section includes the revitalization of a convention center owned by the county within a city of the first class and surrounding revitalization projects related to the convention center.
- 1454 (11)
- (a) Subject to Subsections (11)(b), (c), and (d), revenue designated for public transit as described in this section may be used for capital expenses and service delivery expenses of:
- 1457 (i) a public transit district;
- 1458 (ii) an eligible political subdivision; or
- 1459 (iii) another entity providing a service for public transit or a transit facility within the relevant county, as those terms are defined in Section 17B-2a-802.
- 1461 (b)

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(i)

(A) If a county of the first class imposes a sales and use tax described in this section, beginning on the date on which the county imposes the sales and use tax under this section, and for a three-year period after at least three counties described in Subsections (4) and (5) have imposed a tax under this section, or until June 30, 2030, whichever comes first, revenue designated for public transit within a county of the first class as described in Subsection (4)(a) shall be transferred to the County of the First Class Highway Projects Fund created in Section 72-2-121.

1469 (B) Revenue deposited into the County of the First Class Highway Projects Fund created in Section 72-2-121 as described in Subsection (11)(b)(i)(A) may be used for public transit innovation grants as provided in Title 72, Chapter 2, Part 4, Public Transit Innovation Grants.

1473 (ii) If a county of the first class imposes a sales and use tax described in this section, beginning on the day three years after the date on which at least three counties described in Subsections (4) and (5) have imposed a tax under this section, or beginning on July 1, 2030, whichever comes first, for revenue designated for public transit as described in Subsection (4)(a) ~~{;}~~ , the revenue shall be transferred to the county to be used for a purpose described in Subsection (11)(a).

1479 ~~{(A) 50% of the revenue from a sales and use tax imposed under this section in a county of the first class shall be transferred to the County of the First Class Highway Projects Fund created in Section 72-2-121}~~ to be used for a purpose described in Subsection (11)(a){; and}

1482 ~~{(B) 50% of the revenue from a sales and use tax imposed under this section in a county of the first class shall be transferred to the Transit Transportation Investment Fund}~~ Commuter Rail Subaccount {created in Subsection }~~[72-2-124(9)]~~ 72-2-124(13){;}

1485 (c)

~~{(i)}~~ If a county that is not a county of the first class for which the entire boundary of the county is annexed into a large public transit district imposes a sales and use tax described in this section, beginning on the date on which the county imposes the sales and use tax under this section ~~{, and for a three-year period following the date on which at least three counties described in Subsections (4) and (5) have imposed a tax under this section, or until June 30, 2030, whichever comes first,}~~ revenue designated for public transit as described in Subsection (5)(a) shall be transferred to the relevant county legislative body to be used for a purpose ~~[described in Subsection (11)(a)]~~ determined by the county legislative body.

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- {(ii) If a county that is not a county of the first class for which the entire boundary of the county is annexed into a large public transit district imposes a sales and use tax described in this section, beginning on the day three years after the date on which at least three counties described in Subsections (4) and (5) have imposed a tax under this section, or beginning on July 1, 2030, whichever comes first, for the revenue that is designated for public transit in Subsection (5)(a):}
- 1500 {(A) 50% shall be transferred to the Transit Transportation Investment Fund } Commuter Rail Subaccount{ created in Subsection } [72-2-124(9)] 72-2-124(13){; and}
- 1502 {(B) 50% shall be transferred to the relevant county legislative body to be used for a purpose described in Subsection (11)(a).}
- 1504 (d) Except as provided in Subsection [~~(13)(e)~~] (14)(c), for a county that imposes a sales and use tax under this section, for revenue designated for public transit as described in Subsection (6)(b)(i), the revenue shall be transferred to the relevant county legislative body to be used for a purpose described in Subsection (11)(a).
- 1508 (12) A large public transit district shall send notice to the commission at least 90 days before the earlier of:
- 1510 (a) the date that is three years after the date on which at least three counties described in Subsections (4) and (5) have imposed a tax under this section; or
- 1512 (b) June 30, 2030.
- 1513 (13) For a city described in Subsection (10)(c), during the bondable term of a revitalization project described in Subsection (10)(c), the city shall transfer at least 50%, and may transfer up to 100%, of any revenue the city receives from a distribution under Subsection (4)(b) to a convention center public infrastructure district created in accordance with Section 17D-4-202.1 for revitalization of a convention center owned by the county within a city of the first class and surrounding revitalization projects related to the convention center as permitted in Subsection (10)(c).
- 1520 (14)
- (a) Notwithstanding Section 59-12-2208, a county legislative body 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.
- 1523 (b) If a county passes an ordinance to impose a sales and use tax as described in this section, the sales and use tax shall take effect on the first day of the calendar quarter after a 90-day period that begins on the date the commission receives written notice from the county of the passage of the ordinance.

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- 1527 (c) A county that imposed the local option sales and use tax described in this section before January 1,
2023, may maintain that county's distribution allocation in place as of January 1, 2023.
- 1530 (15)
- (a) Revenue collected from a sales and use tax under this section may not be used to supplant existing
General Fund appropriations that a county, city, or town budgeted for transportation or public transit
as of the date the tax becomes effective for a county, city, or town.
- 1534 (b) The limitation under Subsection (15)(a) does not apply to a designated transportation or public
transit capital or reserve account a county, city, or town established before the date the tax becomes
effective.
- 1848 Section 10. Section 63B-31-101 is amended to read:
- 1849 **63B-31-101. General obligation bonds -- Maximum amount -- Use of proceeds for projects.**
- 1851 (1)
- (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued under this section
may not exceed \$264,000,000 for acquisition and construction proceeds, plus additional amounts as
provided in Subsection (1)(b).
- 1854 (b) When the Department of Transportation certifies to the commission the amount of bond proceeds
needed to provide funding for the projects described in this section, the commission may issue and
sell general obligation bonds in an amount equal to the certified amount, plus additional amounts
necessary to pay costs of issuance, to pay capitalized interest, and to fund any existing debt service
reserve requirements, not to exceed 1% of the certified amount.
- 1860 (c) The commission may not issue general obligation bonds authorized under this section if the issuance
of the general obligation bonds would result in the total current outstanding general obligation debt
of the state exceeding 50% of the limitation described in the Utah Constitution, Article XIV, Section
1.
- 1864 (2) Proceeds from the bonds issued under this section shall be provided to the Department of
Transportation to pay for, or to provide funds in accordance with this section to pay for, the costs of
right-of-way acquisition, construction, reconstruction, renovations, or improvements with respect to
projects described in this section.
- 1868 (3) It is the intent of the Legislature that as transportation projects are prioritized under Section
72-2-124, the Transportation Commission give consideration to projects beyond the normal
programming horizon.

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- 1871 (4)
- (a) [~~Two hundred thirty-two~~] Five-hundred thirty million dollars of the proceeds of bonds issued under this section shall be used to double track strategic sections of the FrontRunner commuter rail system, to be repaid from the Transit Transportation Investment Fund under Subsection 72-2-124(10).
- 1875 (b) The issuance of the bonds for the purpose described in Subsection (4)(a) is contingent upon the establishment of an agreement between the Department of Transportation and the Utah Transit Authority whereby the Utah Transit Authority agrees to pay \$5,000,000 per year for 15 years toward repayment of the bonds.
- 1879 (5)
- (a) Twenty-nine million dollars of the proceeds of bonds issued under this section shall be provided to the Department of Transportation to pass through to Brigham City to be used for a Forest Street rail bridge project in Brigham City.
- 1882 (b) Payments shall be made from the Rail Transportation Restricted Account created in Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(c), in the amount per year of the principal and interest payments due under the bonds issued under Subsection (5)(a) until those bonds have been repaid in full.
- 1886 (6)
- (a) Three million dollars of the proceeds of bonds issued under this section shall be provided to the Department of Transportation to pass through to the city of North Salt Lake for an environmental study for a grade separation at 1100 North in North Salt Lake.
- 1890 (b) Payments shall be made from the Rail Transportation Restricted Account created in Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(b), in the amount per year of the principal and interest payments due under the bonds issued under Subsection (6)(a) until those bonds have been repaid in full.
- 1894 (7) The costs under Subsection (2) may include the costs of studies necessary to make transportation infrastructure improvements, the costs of acquiring land, interests in land, and easements and rights-of-way, the costs of improving sites and making all improvements necessary, incidental, or convenient to the facilities, and the costs of interest estimated to accrue on these bonds during the period to be covered by construction of the projects plus a period of six months after the end of the

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construction period, interest estimated to accrue on any bond anticipation notes issued under the authority of this title, and all related engineering, architectural, and legal fees.

1902 (8) The commission or the state treasurer may make any statement of intent relating to a reimbursement that is necessary or desirable to comply with federal tax law.

1904 (9) The Department of Transportation may enter into agreements related to the projects described in Subsection (4) before the receipt of proceeds of bonds issued under this section.

1907 Section 11. Section **63I-1-272** is amended to read:

1908 **63I-1-272. Repeal dates: Title 72.**

1539 [(1) Subsection 72-1-217(4), regarding highway reduction strategies within Salt Lake City, is repealed July 1, 2029.]

1541 [(2)] (1) Section 72-2-134, Transportation Infrastructure General Fund Support Subfund, is repealed July 1, 2028.

1543 [(3)] (2) Title 72, Chapter 4, Part 3, Utah State Scenic Byway Program, is repealed January 2, 2030.

1545 [(4)] (3) Title 72, Chapter 10, Part 13, Spaceport Exploration Committee, is repealed July 1, 2027.

1917 Section 12. Section **72-1-102** is amended to read:

1918 **72-1-102. Definitions.**

As used in this title:

1550 (1) "Circulator alley" means a publicly owned passageway:

1551 (a) with a right-of-way width of 20 feet or greater;

1552 (b) located within a master planned community;

1553 (c) established by the city having jurisdictional authority as part of the street network for traffic circulation that may also be used for:

1555 (i) garbage collection;

1556 (ii) access to residential garages; or

1557 (iii) access rear entrances to a commercial establishment; and

1558 (d) constructed with a bituminous or concrete pavement surface.

1559 (2) "Commission" means the Transportation Commission created under Section 72-1-301.

1560 (3) "Construction" means the construction, reconstruction, replacement, and improvement of the highways, including the acquisition of rights-of-way and material sites.

1562 (4) "Department" means the Department of Transportation created in Section 72-1-201.

1563

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- 1565 (5) "Executive director" means the executive director of the department appointed under Section 72-1-202.
- 1567 (6) "Farm tractor" [~~has the meaning set forth~~] means the same as that term is defined in Section 41-1a-102.
- 1570 (7) "Federal aid primary highway" means that portion of connected main highways located within this state officially designated by the department and approved by the United States Secretary of Transportation under Title 23, Highways, U.S.C.
- 1571 (8) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 1574 (9)
- 1575 (a) "Fixed guideway capital development" means a project to construct or reconstruct a public transit fixed guideway facility that will add capacity to a fixed guideway public transit facility.
- 1576 (b) "Fixed guideway capital development" includes:
- 1577 (i) a project to strategically double track commuter rail lines; and
- 1578 (ii) a project to develop and construct public transit facilities and related infrastructure pertaining to the Point of the Mountain State Land Authority created in Section 11-59-201.
- 1579 (10) "Greenfield" means the same as that term is defined in Section 17C-1-102.
- 1580 (11) "Highway" means any public road, street, alley, lane, court, place, viaduct, tunnel, culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned to the public, or made []public in an action for the partition of real property, including the entire area within the right-of-way.
- 1584 (12) "Highway authority" means the department or the legislative, executive, or governing body of a county or municipality.
- 1586 (13) "Housing and transit reinvestment zone" means the same as that term is defined in Section 63N-3-602.
- 1588 (14) "Implement of husbandry" [~~has the meaning set forth~~] means the same as that term is defined in Section 41-1a-102.
- 1590 (15) "Interstate system" means any highway officially designated by the department and included as part of the national interstate and defense highways, as provided in the Federal Aid Highway Act of 1956 and any supplemental acts or amendments.
- 1593 (16) "Large public transit district" means the same as that term is defined in Section 17B-2a-802.
- 1595

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(17) "Limited-access facility" means a highway especially designated for through traffic, and over, from, or to which neither owners nor occupants of abutting lands nor other persons have any right or easement, or have only a limited right or easement of access, light, air, or view.

1599 (18) "Master planned community" means a land use development:

1600 (a) designated by the city as a master planned community; and

1601 (b) comprised of a single development agreement for a development larger than 500 acres.

1603 (19) "Motor vehicle" [~~has the same meaning set forth~~] means the same as that term is defined in Section 41-1a-102.

1605 (20) "Municipality" [~~has the same meaning set forth~~] means the same as that term is defined in Section 10-1-104.

1607 (21) "National highway systems highways" means that portion of connected main highways located within this state officially designated by the department and approved by the United States Secretary of Transportation under Title 23, Highways, U.S.C.

1610 (22)

(a) "Port-of-entry" means a fixed or temporary facility constructed, operated, and maintained by the department where drivers, vehicles, and vehicle loads are checked or inspected for compliance with state and federal laws as specified in Section 72-9-501.

1614 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.

1615 (23) "Port-of-entry agent" means a person employed at a port-of-entry to perform the duties specified in Section 72-9-501.

1617 (24) "Public transit" means the same as that term is defined in Section 17B-2a-802.

1618 (25) "Public transit facility" means a fixed guideway, transit vehicle, transit station, depot, passenger loading or unloading zone, parking lot, or other facility:

1620 (a) leased by or operated by or on behalf of a public transit district; and

1621 (b) related to the public transit services provided by the district, including:

1622 (i) railway or other right-of-way;

1623 (ii) railway line; and

1624 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled by a transit vehicle.

1626 (26) "Right-of-way" means real property or an interest in real property, usually in a strip, acquired for or devoted to state transportation purposes.

1628

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- (27) "Sealed" does not preclude acceptance of electronically sealed and submitted bids or proposals in addition to bids or proposals manually sealed and submitted.
- 1630 (28) "Semitrailer" ~~[has the meaning set forth]~~ means the same as that term is defined in Section 41-1a-102.
- 1632 (29) "SR" means state route and ~~[has the same meaning as state highway as]~~ means the same as the term "state highway" is defined in this section.
- 1634 (30) "State highway" means those highways designated as state highways in Title 72, Chapter 4, Designation of State Highways Act.
- 1636 (31) "State transportation purposes" ~~[has the meaning set forth]~~ means the same as that term is defined in Section 72-5-102.
- 1638 (32) "State transportation systems" means all streets, alleys, roads, highways, pathways, and thoroughfares of any kind, including connected structures, airports, aerial corridor infrastructure, spaceports, public transit facilities, and all other modes and forms of conveyance used by the public.
- 1642 (33) "Trailer" ~~[has the meaning set forth]~~ means the same as that term is defined in Section 41-1a-102.
- 1644 (34)
- (a) "Transportation corridor" means the path or proposed path of a transportation facility that exists or that may exist in the future.
- 1646 (b) "Transportation corridor" may include:
- 1647 (i) the land occupied or that may be occupied by a transportation facility; and
- 1648 (ii) any other land that may be needed for expanding, operating, or controlling access to the transportation facility.
- 1650 (35) "Transportation facility" means:
- 1651 (a) a highway; or
- 1652 (b) a fixed guideway.
- 1653 (36) "Transportation reinvestment zone" means a transportation reinvestment zone created ~~[pursuant to]~~ in accordance with Section 11-13-227.
- 1655 (37) "Truck tractor" ~~[has the meaning set forth]~~ means the same as that term is defined in Section 41-1a-102.
- 1657 (38) "UDOT" means the Utah Department of Transportation.
- 1658 (39)

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(a) "Utah trail network" means a system of paved or other hard-surface trails designated by the department that:

- 1660 (i) serves a regional transportation purpose; and
1661 (ii) is included in the department's Utah Trail Network master plan.

1662 (b) "Utah trail network" includes:

- 1663 (i) the full width of the trail surface and all land and structures necessary to support the trail; and
1665 (ii) trailheads and amenities designated by the department that are contiguous to or adjacent to the designated trail.

1667 [~~(39)~~] (40) "Vehicle" [has the same meaning set forth] means the same as that term is defined in Section 41-1a-102.

2039 Section 13. Section **72-1-202** is amended to read:

2040 **72-1-202. Executive director of department -- Appointment -- Qualifications -- Term -- Responsibility -- Power to bring suits -- Salary.**

1672 (1)

(a) The governor, with the advice and consent of the Senate, shall appoint an executive director to be the chief executive officer of the department.

1674 (b) The executive director shall be a registered professional engineer and qualified executive with technical and administrative experience and training appropriate for the position.

1677 (c) The executive director shall remain in office until a successor is appointed.

1678 (d) The executive director may be removed by the governor.

1679 (2) In addition to the other functions, powers, duties, rights, and responsibilities prescribed in this chapter, the executive director shall:

1681 (a) have responsibility for the administrative supervision of the state transportation systems and the various operations of the department;

1683 (b) have the responsibility for the implementation of rules, priorities, and policies established by the department and the commission;

1685 (c) have the responsibility for the oversight and supervision of any transportation project for which state funds are expended;

1687 (d) have the authority to determine funding priorities during a natural disaster as described in Section 72-1-219;

1689

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~~[(d)]~~ (e) have full power to bring suit in courts of competent jurisdiction in the name of the department as the executive director considers reasonable and necessary for the proper attainment of the goals of this chapter;

1692 ~~[(e)]~~ (f) receive a salary, to be established by the governor within the salary range fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation, together with actual traveling expenses while away from the executive director's office on official business;

1696 ~~[(f)]~~ (g) purchase all equipment, services, and supplies necessary to achieve the department's functions, powers, duties, rights, and responsibilities delegated under Section 72-1-201;

1699 ~~[(g)]~~ (h) have the responsibility to determine whether a purchase from, contribution to, or other participation with a public entity or association of public entities in a pooled fund program to acquire, develop, or share information, data, reports, or other services related to the department's mission are procurement items under Title 63G, Chapter 6a, Utah Procurement Code;

1704 ~~[(h)]~~ (i) have responsibility for administrative supervision of the Comptroller Division, the Internal Audit Division, and the Communications Division; and

1706 ~~[(i)]~~ (j) appoint assistants, to serve at the discretion of the executive director, to administer the divisions of the department.

1708 (3) The executive director may employ other assistants and advisers as the executive director finds necessary and fix salaries in accordance with the salary standards adopted by the Division of Human Resource Management.

2081 Section 14. Section **72-1-207** is amended to read:

2082 **72-1-207. Department may sue and be sued -- Legal adviser of department -- Partial waiver of Eleventh Amendment immunity.**

1714 (1) The department may sue, and it may be sued only on written contracts made by it or under its authority.

1716 (2) The department may sue in the name of the state.

1717 (3) In all matters requiring legal advice in the performance of ~~[its]~~ the commission's or the department's duties and in the prosecution or defense of any action growing out of the performance of ~~[its]~~ the commission's or the department's duties, the attorney general is the legal adviser of the commission, and the department, and shall perform any and all legal services required by the commission and the department without other compensation than ~~[his]~~ the attorney general's salary.

1723

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(4) Upon request of the department, the attorney general shall aid in any investigation, hearing, or trial under the provisions of Chapter 9, Motor Carrier Safety Act, and institute and prosecute actions or proceedings for the enforcement of the provisions of the Constitution and statutes of this state or any rule or order of the department affecting motor carriers of persons and property.

1728

(5)

(a) The state waives its immunity under the 11th Amendment of the United States Constitution and consents to suit in a federal court for lawsuits arising out of the department's compliance, discharge, or enforcement of responsibilities assumed [~~pursuant to~~] in accordance with 23 U.S.C. Secs. 326 and 327.

1732

(b) The waiver of immunity under this Subsection (5) is valid only if:

1733

(i) the executive director or the executive director's designee executes a memorandum of understanding with the United States Department of Transportation accepting the jurisdiction of the federal courts as required by 23 U.S.C. Secs. 326(c) and 327(c);

1737

(ii) before execution of the memorandum of understanding under Subsection (5)(b)(i), the attorney general has issued an opinion letter to the executive director and the [~~administrator of the Federal Highway Administration~~] relevant administrator within the United States Department of Transportation that the memorandum of understanding and the waiver of immunity are valid and binding upon the state;

1742

(iii) the act or omission that is the subject of the lawsuit arises out of or relates to compliance, discharge, or enforcement of responsibilities assumed by the department [~~pursuant to~~] in accordance with 23 U.S.C. Secs. 326 and 327; and

1745

(iv) the memorandum of understanding is in effect when the act or omission that is the subject of the federal lawsuit occurred.

2117

Section 15. Section **72-1-213.1** is amended to read:

2118

72-1-213.1. Road usage charge program.

1749

(1) As used in this section:

1750

(a) "Account manager" means an entity under contract with the department to administer and manage the road usage charge program.

1752

(b) "Alternative fuel vehicle" means:

1753

(i) an electric motor vehicle as defined in Section 41-1a-102; or

1754

(ii) a motor vehicle powered exclusively by a fuel other than:

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- 1755 (A) motor fuel;
- 1756 (B) diesel fuel;
- 1757 (C) natural gas; or
- 1758 (D) propane.
- 1759 (c) "Payment period" means the interval during which an owner is required to report mileage and pay the appropriate road usage charge according to the terms of the program.
- 1762 (d) "Program" means the road usage charge program established and described in this section.
- 1764 (e) "Road usage charge cap" means the maximum fee charged to a participant in the program for a registration period.
- 1766 (f) "Road usage charge rate" means the per-mile usage fee charged to a participant in the program.
- 1768 (2) There is established a road usage charge program as described in this section.
- 1769 (3)
- (a) The department shall implement and oversee the administration of the program, which shall begin on January 1, 2020.
- 1771 (b) To implement and administer the program, the department may contract with an account manager.
- 1773 (4)
- (a) The owner or lessee of an alternative fuel vehicle may apply for enrollment of the alternative fuel vehicle in the program.
- 1775 (b) If an application for enrollment into the program is approved by the department, the owner or lessee of an alternative fuel vehicle may participate in the program in lieu of paying the fee described in Subsection 41-1a-1206(1)(h) or (2)(b).
- 1778 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and consistent with this section, the department:
- 1780 (a) shall make rules to establish:
- 1781 (i) processes and terms for enrollment into and withdrawal or removal from the program;
- 1783 (ii) payment periods and other payment methods and procedures for the program;
- 1784 (iii) standards for mileage reporting mechanisms for an owner or lessee of an alternative fuel vehicle to report mileage as part of participation in the program;
- 1786 (iv) standards for program functions for mileage recording, payment processing, account management, and other similar aspects of the program;
- 1788

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- (v) contractual terms between an owner or lessee of an alternative fuel vehicle owner and an account manager for participation in the program;
- 1790 (vi) contractual terms between the department and an account manager, including authority for an account manager to enforce the terms of the program;
- 1792 (vii) procedures to provide security and protection of personal information and data connected to the program, and penalties for account managers for violating privacy protection rules;
- 1795 (viii) penalty procedures for a program participant's failure to pay a road usage charge or tampering with a device necessary for the program; and
- 1797 (ix) department oversight of an account manager, including privacy protection of personal information and access and auditing capability of financial and other records related to administration of the program; and
- 1800 (b) may make rules to establish:
- 1801 (i) an enrollment cap for certain alternative fuel vehicle types to participate in the program;
- 1803 (ii) a process for collection of an unpaid road usage charge or penalty; or
- 1804 (iii) integration of the program with other similar programs, such as tolling.
- 1805 (6) Revenue generated by the road usage charge program and relevant penalties shall be deposited into the Road Usage Charge Program Special Revenue Fund.
- 1807 (7)
- (a) The department may:
- 1808 (i)
- (A) impose a penalty for failure to timely pay a road usage charge according to the terms of the program or tampering with a device necessary for the program; and
- 1811 (B) request that the Division of Motor Vehicles place a hold on the registration of the owner's or lessee's alternative fuel vehicle for failure to pay a road usage charge or penalty according to the terms of the program;
- 1814 (ii) send correspondence to the owner of an alternative fuel vehicle to inform the owner or lessee of:
- 1816 (A) the road usage charge program, implementation, and procedures;
- 1817 (B) an unpaid road usage charge and the amount of the road usage charge to be paid to the department;
- 1819 (C) the penalty for failure to pay a road usage charge within the time period described in Subsection (7) (a)(iii); and
- 1821

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- (D) a hold being placed on the owner's or lessee's registration for the alternative fuel vehicle, if the road usage charge and penalty are not paid within the time period described in Subsection (7)(a)(iii), which would prevent the renewal of the alternative fuel vehicle's registration; and
- 1825 (iii) require that the owner or lessee of the alternative fuel vehicle pay the road usage charge to the department within 30 days of the date when the department sends written notice of the road usage charge to the owner or lessee.
- 1828 (b) The department shall send the correspondence and notice described in Subsection (7)(a) to the owner of the alternative fuel vehicle according to the terms of the program.
- 1831 (8)
- (a) The Division of Motor Vehicles and the department shall share and provide access to information pertaining to an alternative fuel vehicle and participation in the program including:
- 1834 (i) registration and ownership information pertaining to an alternative fuel vehicle;
- 1835 (ii) information regarding the failure of an alternative fuel vehicle owner or lessee to pay a road usage charge or penalty imposed under this section within the time period described in Subsection (7)(a)(iii); and
- 1838 (iii) the status of a request for a hold on the registration of an alternative fuel vehicle.
- 1839 (b) If the department requests a hold on the registration in accordance with this section, the Division of Motor Vehicles may not renew the registration of a motor vehicle under Title 41, Chapter 1a, Part 2, Registration, until the department withdraws the hold request.
- 1843 (9) The owner of an alternative fuel vehicle may apply for enrollment in the program or withdraw from the program according to the terms established by the department [~~pursuant to~~] in accordance with rules made under Subsection (5).
- 1846 (10) If enrolled in the program, the owner or lessee of an alternative fuel vehicle shall:
- 1847 (a) report mileage driven as required by the department [~~pursuant to~~] in accordance with Subsection (5);
- 1849 (b) pay the road usage fee for each payment period in accordance with Subsection (5); and
- 1851 (c) comply with all other provisions of this section and other requirements of the program.
- 1853 (11) The department shall submit annually, on or before October 1, to the Transportation Interim Committee, an electronic report that:
- 1855 (a) states for the preceding fiscal year:
- 1856 (i) the amount of revenue collected from the program;
- 1857 (ii) the participation rate in the program; and

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- 1858 (iii) the department's costs to administer the program; and
1859 (b) provides for the current fiscal year, an estimate of:
1860 (i) the revenue that will be collected from the program;
1861 (ii) the participation rate in the program; and
1862 (iii) the department's costs to administer the program.
1863 (12)
1864 [~~(a) Beginning on January 1, 2023:~~
1865 [~~(i) the road usage charge rate is 1.0 cent per mile; and]~~
1866 [~~(ii) the road usage charge cap is:~~
1867 [~~(A) \$130.25 for an annual registration period; and]~~
1868 [~~(B) \$100.75 for a six-month registration period.]~~
1869 [~~(b) (a) Beginning on January 1, 2026:~~
1870 (i) the road usage charge rate is 1.25 cents per mile; and
1871 (ii) except as provided in Subsection (12)(c), the road usage charge cap is:
1872 (A) \$180 for an annual registration period; and
1873 (B) \$139 for a six-month registration period.
1874 [~~(c) (b) Beginning on January 1, 2032:~~
1875 (i) the road usage charge rate is 1.5 cents per mile, unless the commission establishes a different road
usage charge rate in accordance with Subsection (13); and
1876 (ii) except as provided in Subsection (12)(c), the road usage charge cap is:
1877 (A) \$240 for an annual registration period; and
1878 (B) \$185 for a six-month registration period.
1879 (c) Beginning on January 1, 2027, for an electric vehicle with a gross combined weight rating of 6,001
pounds or more that is a commercial vehicle, as defined in Section 41-1a-102, the road usage charge
cap is:
1880 (i) \$500 for an annual registration period; and
1881 (ii) \$385 for a six-month registration period.
1882 (d) Beginning in 2024, the department shall, on January 1, annually adjust the road usage charge rates
described in this Subsection (12) by taking the road usage charge rate for the previous year and
adding an amount equal to the greater of:
1887

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- (i) an amount calculated by multiplying the road usage charge rate of the previous year by the actual percentage change during the previous fiscal year in the Consumer Price Index as determined by the State Tax Commission; and
- 1890 (ii) 0.
- 1891 (e) Beginning in 2024, the State Tax Commission shall, on January 1, annually adjust the road usage charge caps described in this Subsection (12) by taking the road usage charge cap for the previous year and adding an amount equal to the greater of:
- 1894 (i) an amount calculated by multiplying the road usage charge cap of the previous year by the actual percentage change during the previous fiscal year in the Consumer Price Index; and
- 1897 (ii) 0.
- 1898 (f) The amounts calculated as described in Subsection (12)(d) shall be rounded up to the nearest .01 cent.
- 1900 (g) The amounts calculated as described in Subsection (12)(e) shall be rounded up to the nearest 25 cents.
- 1902 (h) On or before January 1 of each year, the department shall publish:
- 1903 (i) the adjusted road usage charge rate described in Subsection (12)(d); and
- 1904 (ii) adjusted road usage charge cap described in Subsection (12)(e).
- 1905 (13)
- (a) Beginning January 1, 2032, the commission may establish by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the road usage charge rate for each type of alternative fuel vehicle.
- 1908 (b)
- (i) Before making rules in accordance with Subsection (13)(a), the commission shall consult with the department regarding the road usage charge rate for each type of alternative fuel vehicle.
- 1911 (ii) The department shall cooperate with and make recommendations to the commission regarding the road usage charge rate for each type of alternative fuel vehicle.
- 2284 Section 16. Section **72-1-217** is amended to read:
- 2285 **72-1-217. Department of Transportation study items.**
- 1917 (1) The department shall carry out transportation studies described in this section as resources allow.
- 1919 (2)

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- (a) The department shall study items related to advanced air mobility as described in this Subsection (2).
- 1921 (b) The department shall study vertiport locations and infrastructure, including:
- 1922 (i) identification of suitable locations for vertiport infrastructure and parking infrastructure for vertiports in metropolitan areas;
- 1924 (ii) identification of commuter rail stations that may be suitable for vertiport placement; and
- 1926 (iii) identification of underutilized parking lots and parking structures for vertiport infrastructure placement.
- 1928 (c) The department shall study best practices and implementation of advanced air mobility technologies, including:
- 1930 (i) seeking input through community engagement;
- 1931 (ii) state and local regulations;
- 1932 (iii) unmanned aircraft system traffic management; and
- 1933 (iv) weather reporting and monitoring for advanced air mobility safety.
- 1934 (d) The department shall study unmanned aircraft traffic management infrastructure, including:
- 1936 (i) unmanned aircraft system traffic management development, implementation, procedures, policies, and infrastructure; and
- 1938 (ii) obtaining a full understanding of unmanned aircraft system traffic management, including:
- 1940 (A) designation of airspace for advanced air mobility;
- 1941 (B) creation of geographic categorical areas;
- 1942 (C) identifying the appropriate number and location of advanced air mobility sensors; and
- 1944 (D) other state specific details regarding unmanned aircraft system traffic management.
- 1946 (e) The department shall study the creation of an advanced air mobility sandbox, including:
- 1948 (i) potential locations for the sandbox testing area and desirable attributes of a suitable sandbox location;
- 1950 (ii) requirements to create a geographical advanced air mobility testing area and the parameters for the types of technology that may be utilized in the testing area; and
- 1952 (iii) testing and studying different types of advanced air mobility transportation of manned and unmanned aerial vehicles, including:
- 1954 (A) aerial vehicle size;
- 1955 (B) aerial vehicles that carry cargo, including medical cargo;

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- 1956 (C) commercial aerial vehicles; and
- 1957 (D) public transportation aerial vehicles.
- 1958 (f) On or before September 30, 2023, the department shall provide a report to the Transportation Interim Committee of the department's findings from the study items described in Subsections (2)(b) through (2)(e).
- 1961 (g) The department may only use existing funds to cover the expenses incurred from the study of items described in Subsections (2)(b) through (2)(e).
- 1963 (3)
- (a) The department and a large public transit district shall jointly study programs offered by government entities related to human services transportation, including:
- 1965 (i) coordinated mobility services;
- 1966 (ii) paratransit services;
- 1967 (iii) nonemergency medical transportation;
- 1968 (iv) youth transportation programs, excluding school bus transportation; and
- 1969 (v) other similar fare-based or fee-based programs provided or coordinated within the boundary of the large public transit district, including those involving the department, a large public transit district, local governments, or other government agencies and nonprofit entities that provide similar services.
- 1973 (b) The study shall evaluate strategies to consolidate the transportation services described in Subsection (3)(a) to improve efficiency and service.
- 1975 (c) The department and large public transit district shall:
- 1976 (i) provide a preliminary report on the study to the Transportation Interim Committee on or before November 1, 2025; and
- 1978 (ii) prepare and present recommendations to the Transportation Interim Committee on or before November 1, 2026, for the consolidation of the services described in Subsection (3)(a).
- 1981 [~~4~~]
- (a) ~~As used in this Subsection (4):~~
- 1982 [(i) "City" means Salt Lake City.]
- 1983 [(ii) "Highway reduction strategy" means any strategy that has the potential to permanently decrease the number of vehicles that can travel on an arterial or a collector highway per hour, including:]

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- 1986 [~~(A) reducing the number of motorized vehicle travel lanes on an arterial or collector highway;~~]
- 1988 [~~(B) narrowing existing motorized vehicle travel lanes on an arterial or collector highway; or]~~
- 1990 [~~(C) any other strategy that when implemented may increase congestion or impede traffic flow for motor vehicles driving on an arterial or collector highway.]~~
- 1992 [~~(iii) "Mobility and environmental impact analysis" means a study that assesses the impacts within the study area of implementing a highway reduction strategy on arterial or collector highways, including the impacts to other state and local highways, mobility, traffic flow, pedestrian and nonmotorized vehicle flow, the economy, public health, quality of life, air quality, maintenance, and operations.]~~
- 1997 [~~(iv) "Study area" means the area within Salt Lake City that is west of Foothill Drive, north of 2100 South, east of I-15, and south of 600 North.]~~
- 1999 [(b)
- (i) ~~Except as described in Subsection (4)(c), a city may not implement or begin a project as part of a highway reduction strategy on an arterial or a collector highway within the study area unless the project is part of a mobility plan approved by the department as described in this Subsection (4)(b).]~~
- 2003 [(ii) ~~For a mobility plan described under Subsection (4)(b)(i), the city shall:]~~
- 2004 [~~(A) assess the alternate routes for traffic and impacts on surrounding highways due to any lane reduction;~~]
- 2006 [~~(B) evaluate impacts to vehicle trip time;~~]
- 2007 [~~(C) evaluate impacts to air quality;~~]
- 2008 [~~(D) evaluate the cumulative multimodal and safety impact of the proposed highway reduction strategies, including the cumulative impact from previous highway reduction strategies implemented over the previous five years;~~]
- 2011 [~~(E) provide options to mitigate negative impacts to vehicle traffic, vehicle trip time, air quality, or adjacent travel routes;~~]
- 2013 [~~(F) in collaboration with the department, assess impacts to state highways;~~]
- 2014 [~~(G) proactively seek out and consult with relevant stakeholders, including business owners, commuters, and residents impacted by the mobility plan and each proposed project within the mobility plan;~~]
- 2017 [~~(H) present the plan in an open and public meeting, including public comment;~~]
- 2018

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- [~~(F) provide an open house or other event to allow public interaction and feedback regarding the impacts of the mobility plan;~~]
- 2020 [~~(J) present the plan to the membership of the city's chamber of commerce and other business groups; and]~~
- 2022 [~~(K) provide the plan to the department for the department's review.]~~
- 2023 [~~(iii)~~
- ~~(A) After the department receives a complete mobility plan as described in Subsection (4)(b)(ii), the department shall determine if the mobility plan and each project included in the mobility plan meet the requirements of this section and shall approve or reject the plan within two months of receiving the mobility plan.]~~
- 2028 [~~(B) As part of the mobility plan, the city shall demonstrate to the department the manners in which the city involved and received input from the business community, the public, and other stakeholders as required in Subsection (4)(b)(ii).]~~
- 2032 [~~(e)~~
- ~~(i) The city may begin or continue construction on an arterial or collector highway project related to any reduction strategy within the study area if the project has been advertised on or before February 25, 2025.]~~
- 2035 [~~(ii)~~
- ~~(A) For a project related to any highway reduction strategy that was programmed by the department on or before July 1, 2024, but has not been advertised on or before February 25, 2025, the department may conduct an expedited review of the project.]~~
- 2039 [~~(B) If the department approves a project after an expedited review as described in Subsection (4)(e)(ii) (A), the city may begin or continue construction on the project.]~~
- 2042 [~~(d) The department shall, in partnership with the city, conduct a mobility and environmental impact analysis to determine the impacts of highway reduction strategies within the study area that the city has implemented on or after July 1, 2015, or has plans to implement on or before July 1, 2035.]~~
- 2046 [~~(e) As part of the mobility and environmental impact analysis, the department shall:]~~
- 2047 [~~(i) assess the cumulative impact of each highway reduction strategy within the study area that the city has implemented or has plans to implement between July 1, 2015, and July 1, 2035; and]~~
- 2050 [~~(ii) consult with relevant stakeholders, including business owners, commuters, and residents impacted by the highway reduction strategy.]~~

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- 2052 [~~(f)~~ A city subject to a mobility and environmental impact analysis under this Subsection (4) shall provide to the department any information the department determines necessary for conducting the mobility and environmental impact analysis, including any plans that city has adopted or discussed with regards to a highway reduction strategy.]
- 2057 [~~(g)~~
- (i) ~~The department shall provide the mobility and environmental impact analysis to the Transportation Interim Committee on or before October 15, 2025.]~~
- 2059 [(ii) The city shall provide a response to the mobility and environmental impact analysis to the Transportation Interim Committee on or before November 1, 2025.]
- 2061 [~~(h)~~
- (i) ~~As provided in Section 63I-1-272, this Subsection (4) is subject to a sunset review by the Transportation Interim Committee during the 2028 interim.]~~
- 2063 [(ii) ~~The Transportation Interim Committee may also evaluate the mobility plan process described in this Subsection (4) during the 2027 interim.]~~
- 2435 Section 17. Section 17 is enacted to read:
- 2436 **72-1-219. Executive director authority during a natural disaster.**
- 2068 (1) As used in this section, "natural disaster" means the same as that term is defined in Section 63G-6a-803.
- 2070 (2) Subject to Subsection (3), the executive director may determine priorities and funding levels of projects and programs in the state transportation systems during and after a natural disaster.
- 2073 (3) The executive director may only determine priorities and funding levels of a project or program as described in Subsection (2) if:
- 2075 (a) the project or program is necessary to:
- 2076 (i) repair existing transportation infrastructure that was damaged during the natural disaster; or
- 2078 (ii) provide temporary transportation infrastructure or a program that facilitates a response to the natural disaster;
- 2080 (b)
- (i) the commission is unable to meet in a timely manner to approve the priority and funding level of the projects; and
- 2082 (ii) the executive director makes reasonable efforts to facilitate a meeting of the commission;
- 2084

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(c) as soon as practicable, the executive director notifies the governor, Legislature, and commission of a determination described under Subsection (2); and

2086 (d) the funding approved by the executive director for the project is less than \$10,000,000.

2088 (4) Following a determination described under Subsection (2), the executive director shall ensure that any priorities and funding approved by the executive director is placed on the agenda of the next commission meeting for consideration.

2091 (5) The executive director shall report, as requested by the governor, Legislature, or commission, regarding any action taken under Subsection (2).

2463 Section 18. Section **72-2-110** is amended to read:

2464 **72-2-110. Funds allocated to class B and class C roads -- Matching federal funds -- R.S. 2477 rights.**

A county or municipality may:

2097 (1) use funds which are allocated to class B and class C roads for matching federal funds for the construction of secondary roads now available or which may later become available in accordance with the provisions of law;[~~and~~]

2100 (2) use funds for construction of a park-and-ride facility; and

2101 [~~(2)~~] (3) use up to 30% of the class B and class C road funds allocated to the county or municipality to:

2103 (a) pay the costs of asserting, defending, or litigating local government rights under R.S. 2477 on class B, class C, or class D roads; or

2105 (b) maintain class D roads.

2476 Section 19. Section **72-2-121** is amended to read:

2477 **72-2-121. County of the First Class Highway Projects Fund.**

2108 (1) There is created a special revenue fund within the Transportation Fund known as the "County of the First Class Highway Projects Fund."

2110 (2) The fund consists of money generated from the following revenue sources:

2111 (a) any voluntary contributions received for new construction, major renovations, and improvements to highways within a county of the first class;

2113 (b) the portion of the sales and use tax described in Subsection 59-12-2214(3)(b) deposited into or transferred to the fund;

2115 (c) the portion of the sales and use tax described in Section 59-12-2217 deposited into or transferred to the fund;

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- 2117 (d) a portion of the local option highway construction and transportation corridor preservation fee imposed in a county of the first class under Section 41-1a-1222 deposited into or transferred to the fund; and
- 2120 (e) the portion of the sales and use tax transferred into the fund as described in Subsections 59-12-2220(4)(a) and 59-12-2220(11)(b).
- 2122 (3)
- (a) The fund shall earn interest.
- 2123 (b) All interest earned on fund money shall be deposited into the fund.
- 2124 (4) Subject to Subsection (11), the executive director shall use the fund money only:
- 2125 (a) to pay debt service and bond issuance costs for bonds issued under Sections 63B-16-102, 63B-18-402, and 63B-27-102;
- 2127 (b) for right-of-way acquisition, new construction, major renovations, and improvements to highways within a county of the first class and to pay any debt service and bond issuance costs related to those projects, including improvements to a highway located within a municipality in a county of the first class where the municipality is located within the boundaries of more than a single county;
- 2132 (c) for the construction, acquisition, use, maintenance, or operation of:
- 2133 (i) an active transportation facility for nonmotorized vehicles;
- 2134 (ii) multimodal transportation that connects an origin with a destination; or
- 2135 (iii) a facility that may include a:
- 2136 (A) pedestrian or nonmotorized vehicle trail;
- 2137 (B) nonmotorized vehicle storage facility;
- 2138 (C) pedestrian or vehicle bridge; or
- 2139 (D) vehicle parking lot or parking structure;
- 2140 (d) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount required in Subsection 72-2-121.3(4)(c) minus the amounts transferred in accordance with Subsection 72-2-124(4)(a)(v);
- 2143 (e) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond issuance costs for \$30,000,000 of the bonds issued under Section 63B-18-401 for the projects described in Subsection 63B-18-401(4)(a);
- 2146 (f) for a fiscal year beginning on or after July 1, 2013, and after the department has verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund, to transfer an amount

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equal to 50% of the revenue generated by the local option highway construction and transportation corridor preservation fee imposed under Section 41-1a-1222 in a county of the first class:

- 2151 (i) to the legislative body of a county of the first class; and
2152 (ii) to be used by a county of the first class for:
2153 (A) highway construction, reconstruction, or maintenance projects; or
2154 (B) the enforcement of state motor vehicle and traffic laws;
2155 (g) for a fiscal year beginning on or after July 1, 2015, after the department has verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and the transfer under Subsection (4)(e) has been made, to annually transfer an amount of the sales and use tax revenue imposed in a county of the first class and deposited into the fund in accordance with Subsection 59-12-2214(3)(b) equal to an amount needed to cover the debt to:
2161 (i) the appropriate debt service or sinking fund for the repayment of bonds issued under Section 63B-27-102; and
2163 (ii) the appropriate debt service or sinking fund for the repayment of bonds issued under Sections 63B-31-102 and 63B-31-103;
2165 (h) after the department has verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and after the transfer under Subsection (4)(d), the payment under Subsection (4)(e), and the transfer under Subsection (4)(g)(i) has been made, to annually transfer \$2,000,000 to a public transit district in a county of the first class to fund a system for public transit;
2170 (i) for a fiscal year beginning on or after July 1, 2018, after the department has verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and after the transfer under Subsection (4)(d), the payment under Subsection (4)(e), and the transfer under Subsection (4)(g)(i) has been made, through fiscal year 2027, to annually transfer 20%, and beginning with fiscal year 2028, and each year thereafter for 20 years, to annually transfer 33% of the amount deposited into the fund under Subsection (2)(b) to the legislative body of a county of the first class for the following purposes:
2178 (i) to fund parking facilities in a county of the first class that facilitate significant economic development and recreation and tourism within the state; and
2180 (ii) to be used for purposes allowed in Section 17-78-702;
2181

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(j) subject to Subsection (5), for a fiscal year beginning on or after July 1, 2021, and for 15 years thereafter, to annually transfer the following amounts to the following cities and the county of the first class for priority projects to mitigate congestion and improve transportation safety:

- 2185 (i) \$2,000,000 to Sandy;
- 2186 (ii) \$2,300,000 to Taylorsville;
- 2187 (iii) \$1,100,000 to Salt Lake City;
- 2188 (iv) \$1,100,000 to West Jordan;
- 2189 (v) \$1,100,000 to West Valley City;
- 2190 (vi) \$800,000 to Herriman;
- 2191 (vii) \$700,000 to Draper;
- 2192 (viii) \$700,000 to Riverton;
- 2193 (ix) \$700,000 to South Jordan;
- 2194 (x) \$500,000 to Bluffdale;
- 2195 (xi) \$500,000 to Midvale;
- 2196 (xii) \$500,000 to Millcreek;
- 2197 (xiii) \$500,000 to Murray;
- 2198 (xiv) \$400,000 to Cottonwood Heights; and
- 2199 (xv) \$300,000 to Holladay;
- 2200 (k) for the 2024-25, 2025-26, and 2026-27 fiscal years, and subject to revenue balances after the distributions under Subsection (4)(j), to reimburse the following municipalities for the amounts and projects indicated, as each project progresses and as revenue balances allow:
 - 2204 (i) \$3,200,000 to South Jordan for improvements to Bingham Rim Road from Grandville Avenue to Mountain View Corridor;
 - 2206 (ii) \$1,960,000 to Midvale for improvements to Center Street between State Street and 700 West;
 - 2208 (iii) \$3,500,000 to Salt Lake City for first and last mile public transit improvements throughout Salt Lake City;
 - 2210 (iv) \$1,500,000 to Cottonwood Heights for improvements to Fort Union Boulevard and 2300 East;
 - 2212 (v) \$3,450,000 to Draper for improvements to Bangerter Highway between 13800 South and I-15;
 - 2214 (vi) \$10,500,000 to Herriman to construct a road between U-111 and 13200 South;
 - 2215 (vii) \$3,000,000 to West Jordan for improvements to 1300 West;
 - 2216

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- (viii) \$1,050,000 to Riverton for improvements to the Welby Jacob Canal Trail between 11800 South and 13800 South;
- 2218 (ix) \$3,500,000 to Taylorsville for improvements to Bangerter Highway and 4700 South;
- 2220 (x) \$470,000 to the department for construction of a sound wall on Bangerter Highway at approximately 11200 South;
- 2222 (xi) \$1,250,000 to Murray for improvements to Murray Boulevard between 4800 South and 5300 South;
- 2224 (xii) \$1,840,000 to Magna for construction and improvements to 8400 West and 4100 South;
- 2226 (xiii) \$1,000,000 to South Jordan for construction of arterial roads connecting U-111 and Old Bingham Highway;
- 2228 (xiv) \$1,200,000 to Millcreek for reconstruction of and improvements to 2000 East between 3300 South and Atkin Avenue;
- 2230 (xv) \$1,230,000 to Holladay for improvements to Highland Drive between Van Winkle Expressway and Arbor Lane;
- 2232 (xvi) \$1,000,000 to Taylorsville for improvements to 4700 South at the I-215 interchange;
- 2234 (xvii) \$3,750,000 to West Valley City for improvements to 4000 West between 4100 South and 4700 South and improvements to 4700 South from 4000 West to Bangerter Highway;
- 2237 (xviii) ~~[\$1,700,000]~~ \$3,700,000 to South Jordan for improvements to Prosperity Road between Crimson View Drive and Copper Hawk Drive;
- 2239 (xix) \$2,300,000 to West Valley City for a road connecting U-111 at approximately 6200 South, then east and turning north and connecting to 5400 South;
- 2241 (xx) \$1,400,000 to Magna for improvements to 8000 West between 3500 South to 4100 South;
- 2243 (xxi) \$1,300,000 to Taylorsville for improvements on 4700 South between Redwood Road and 2700 West; and
- 2245 (xxii) \$3,000,000 to West Jordan for improvements to 1300 West between 6600 South and 7800 South; and
- 2617 (xxiii) \$2,000,000 to West Valley City for a highway widening project on 1300 West between 3300 South and 3900 South; and
- 2247 (l) for a fiscal year beginning on or after July 1, 2026, and for 15 years thereafter, to pay debt service and bond issuance costs for \$70,000,000 of the bonds issued under Section 63B-34-201 for the grants awarded under Part 5, Affordable Housing Infrastructure Grants.

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- 2251 (5)
- (a) If revenue in the fund is insufficient to satisfy all of the transfers described in Subsection (4)(j), the executive director shall proportionately reduce the amounts transferred as described in Subsection (4)(j).
- 2254 (b) A local government may not use revenue described in Subsection (4)(j) to supplant existing class B or class C road funds that a local government has budgeted for transportation projects.
- 2257 (6) The revenues described in Subsections (2)(b), (c), and (d) that are deposited into the fund and bond proceeds from bonds issued under Sections 63B-16-102, 63B-18-402, and 63B-27-102 are considered a local matching contribution for the purposes described under Section 72-2-123.
- 2261 (7) The department may expend up to \$3,000,000 of revenue deposited into the account as described in Subsection 59-12-2220(11)(b) for public transit innovation grants, as provided in Part 4, Public Transit Innovation Grants.
- 2264 (8) The additional administrative costs of the department to administer this fund shall be paid from money in the fund.
- 2266 (9) Subject to Subsection (11), and notwithstanding any statutory or other restrictions on the use or expenditure of the revenue sources deposited into this fund, the Department of Transportation may use the money in this fund for any of the purposes detailed in Subsection (4).
- 2270 (10) Subject to Subsection (11), any revenue deposited into the fund as described in Subsection (2) (e) shall be used to provide funding or loans for public transit projects, operations, and supporting infrastructure in the county of the first class.
- 2273 (11) For the first three years after a county of the first class imposes a sales and use tax authorized in Section 59-12-2220, revenue deposited into the fund as described in Subsection (2)(e) shall be allocated as follows:
- 2276 (a) 10% to the department [~~to construct~~] for an express bus facility on 5600 West; and
- 2277 (b) 90% into the County of the First Class Infrastructure Bank Fund created in Section 72-2-302.
- 2279 (12) A local government that receives an allocation from the fund shall annually provide to the Transportation and Infrastructure Appropriations Subcommittee a report that accounts for the money received, how the money has been spent, and the status of each project for which money was allocated to the local government.
- 2655 Section 20. Section **72-2-124** is amended to read:
- 2656 **72-2-124. Transportation Investment Fund of 2005.**

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- 2286 (1) There is created a capital projects fund entitled the Transportation Investment Fund of 2005.
- 2288 (2) The fund consists of money generated from the following sources:
- 2289 (a) any voluntary contributions received for the maintenance, construction, reconstruction, or renovation of state and federal highways;
- 2291 (b) appropriations made to the fund by the Legislature;
- 2292 (c) registration fees designated under Section 41-1a-1201;
- 2293 (d) the sales and use tax revenues deposited into the fund in accordance with Section 59-12-103;
- 2295 (e) revenues transferred to the fund in accordance with Section 72-2-106;
- 2296 (f) revenues transferred into the fund in accordance with Subsection 72-2-121(4)(l); and
- 2297 (g) revenue from bond proceeds described in Section 63B-34-101.
- 2298 (3)
- (a) The fund shall earn interest.
- 2299 (b) All interest earned on fund money shall be deposited into the fund.
- 2300 (4)
- (a) Except as provided in Subsection (4)(b), the executive director may only use fund money to pay:
- 2302 (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;
- 2306 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway projects described in Subsections 63B-18-401(2), (3), and (4);
- 2308 (iii) subject to Subsection (9), costs of corridor preservation, as that term is defined in Section 72-5-401;
- 2310 (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);
- 2313 (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;
- 2318 (vi) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101 for projects prioritized in accordance with Section 72-2-125;

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- 2320 (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;
- 2323 (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:
- 2326 (A) mitigate traffic congestion on the state highway system;
- 2327 (B) are part of an active transportation plan approved by the department; and
- 2328 (C) are prioritized by the commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;
- 2330 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction, reconstruction, or renovation of or improvement to the following projects:
- 2332 (A) the connector road between Main Street and 1600 North in the city of Vineyard;
- 2334 (B) Geneva Road from University Parkway to 1800 South;
- 2335 (C) the SR-97 interchange at 5600 South on I-15;
- 2336 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to South Jordan Parkway;
- 2338 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
- 2339 (F) improvements to 1600 North in Orem from 1200 West to State Street;
- 2340 (G) widening I-15 between mileposts 6 and 8;
- 2341 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
- 2342 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in Spanish Fork Canyon;
- 2344 (J) I-15 northbound between mileposts 43 and 56;
- 2345 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43 and 45.1;
- 2347 (L) east Zion SR-9 improvements;
- 2348 (M) Toquerville Parkway;
- 2349 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
- 2350 (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
- 2352 (P) an environmental impact study for Kimball Junction in Summit County;
- 2353

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(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:

- 2357 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 2358 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 2359 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 2360 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40 between mile markers 7 and 10;
- 2362 (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;
- 2365 (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:
- 2368 (A) \$3,000,000 for the department to perform an environmental study for the I-15 Salem and Benjamin project; and
- 2370 (B) \$2,000,000, as pass-through funds, to Kane County for the Coral Pink Sand Dunes Road project; and
- 2372 (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.
- 2375 (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).
- 2377 (c)
- (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.
- 2381 (ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the project as described in Subsection (4)(c)(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.

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- 2385 (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.
- 2393 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive director:
- 2395 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access facility or interchange connecting limited-access facilities;
- 2397 (ii) may not program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;
- 2399 (iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and
- 2401 (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.
- 2404 (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.
- 2407 (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.
- 2415 (b) Within the boundaries of the unincorporated area of a county described in Subsection (6)(a), the executive director:
- 2417

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- (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;
- 2420 (ii) may not program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;
- 2422 (iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and
- 2424 (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.
- 2427 (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.
- 2430 (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.
- 2436 (b) The Executive Appropriations Committee of the Legislature shall review and comment on the amount of bond proceeds needed to fund the projects.
- 2438 (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.
- 2442 (9) The executive director may only use money in the fund for corridor preservation as described in Subsection (4)(a)(iii):
- 2444 (a) if the project has been prioritized by the commission, including the use of fund money for corridor preservation; or
- 2446 (b) for a project that has not been prioritized by the commission, if the commission:
- 2447 (i) approves the use of fund money for the corridor preservation; and
- 2448 (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.
- 2450 (10)

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- (a) There is created in the Transportation Investment Fund of 2005 the Transit Transportation Investment Fund.
- 2452 (b) The fund shall be funded by:
- 2453 (i) contributions deposited into the fund in accordance with Section 59-12-103;
- 2454 (ii) appropriations into the account by the Legislature;
- 2455 (iii) deposits of sales and use tax increment related to a housing and transit reinvestment zone as described in Section 63N-3-610;
- 2457 (iv) transfers of local option sales and use tax revenue as described in Subsection 59-12-2220(11)(b) or (c);
- 2459 (v) private contributions; and
- 2460 (vi) donations or grants from public or private entities.
- 2461 (c)
- (i) The fund shall earn interest.
- 2462 (ii) All interest earned on fund money shall be deposited into the fund.
- 2463 (d) [~~Subject to Subsection (10)(e), the~~] The commission may prioritize money from the fund:
- 2465 (i) subject to Subsection (10)(e), 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;
- 2469 (ii) to the department for oversight of a fixed guideway capital development project for which the department has responsibility;~~[-or]~~
- 2471 (iii) up to \$500,000 per year, to be used for a public transit study~~[-]~~ ; or
- 2472 (iv) subject to Subsection (10)(k), to the department for corridor preservation, as that term is defined in Section 72-5-401.
- 2474 (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.
- 2479 (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:

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- 2482 (A) the loan is approved by the commission as required in Part 2, State Infrastructure Bank Fund; and
- 2484 (B) the proposed capital project has been prioritized by the commission [~~pursuant to~~] in accordance with Section 72-1-303.
- 2486 (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.
- 2490 (g) For any revenue transferred into the fund in accordance with Subsection 59-12-2220(11)(b):
- 2492 (i) the commission may prioritize money from the fund for public transit projects, operations, or maintenance within the county of the first class; and
- 2494 (ii) Subsection (10)(e) does not apply.
- 2495 (h) For any revenue transferred into the fund in accordance with Subsection 59-12-2220(11)(c):
- 2497 (i) the commission may prioritize public transit projects, operations, or maintenance in the county from which the revenue was generated; and
- 2499 (ii) Subsection (10)(e) does not apply.
- 2500 (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.
- 2504 (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.
- 2508 (k) The executive director may only use money in the fund for corridor preservation as described in Subsection (10)(d)(iv):
- 2510 (i) if the project has been prioritized by the commission, including the use of fund money for corridor preservation; or
- 2512 (ii) for a project that has not been prioritized by the commission, if the commission:
- 2513 (A) approves the use of fund money for the corridor preservation; and
- 2514 (B) determines 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.
- 2516 (11)

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- (a) There is created in the Transportation Investment Fund of 2005 the Cottonwood Canyons Transportation Investment Fund.
- 2518 (b) The fund shall be funded by:
- 2519 (i) money deposited into the fund in accordance with Section 59-12-103;
- 2520 (ii) appropriations into the account by the Legislature;
- 2521 (iii) private contributions; and
- 2522 (iv) donations or grants from public or private entities.
- 2523 (c)
- (i) The fund shall earn interest.
- 2524 (ii) All interest earned on fund money shall be deposited into the fund.
- 2525 (d) The Legislature may appropriate money from the fund for public transit or transportation projects in the Cottonwood Canyons of Salt Lake County.
- 2527 (e) The department may use up to 2% of the revenue deposited into the account under Subsection 59-12-103(7)(b) to contract with local governments as necessary for public safety enforcement related to the Cottonwood Canyons of Salt Lake County.
- 2530 (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.
- 2534 (12)
- (a) There is created in the Transportation Investment Fund of 2005 the Active Transportation Investment Fund.
- 2536 (b) The fund shall be funded by:
- 2537 (i) money deposited into the fund in accordance with Section 59-12-103;
- 2538 (ii) appropriations into the account by the Legislature; and
- 2539 (iii) donations or grants from public or private entities.
- 2540 (c)
- (i) The fund shall earn interest.
- 2541 (ii) All interest earned on fund money shall be deposited into the fund.
- 2542 (d) The executive director may only use fund money to pay the costs needed for:
- 2543

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- [~~(i) the planning, design, construction, maintenance, reconstruction, or renovation of paved pedestrian or paved nonmotorized trail projects that:~~]
- 2545 [~~(A) are prioritized by the commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;~~]
- 2547 [~~(B) serve a regional purpose; and]~~
- 2548 [~~(C) are part of an active transportation plan approved by the department or the plan described in Subsection (12)(d)(ii);]~~
- 2550 [~~(ii) the development of a plan for a statewide network of paved pedestrian or paved nonmotorized trails that serve a regional purpose; and]~~
- 2552 (i) the planning, design, construction, maintenance, reconstruction, or renovation of Utah trail network projects as prioritized by the commission using the prioritization process described in Section 72-1-304;
- 2555 (ii) the development of a plan for the Utah trail network;
- 2556 (iii) the preservation of future Utah trail network corridor; and
- 2557 [~~(iii)~~] (iv) the administration of the fund, including staff and overhead costs.
- 2558 (13)
- (a) As used in this Subsection (13), "commuter rail" means the same as that term is defined in Section 63N-3-602.
- 2560 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail Subaccount.
- 2562 (c) The subaccount shall be funded by:
- 2563 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;
- 2564 (ii) appropriations into the subaccount by the Legislature;
- 2565 (iii) private contributions; and
- 2566 (iv) donations or grants from public or private entities.
- 2567 (d)
- (i) The subaccount shall earn interest.
- 2568 (ii) All interest earned on money in the subaccount shall be deposited into the subaccount.
- 2570 (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.

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- 2575 (f) Appropriations made in accordance with this section are nonlapsing in accordance with Section
63J-1-602.1.
- 2949 Section 21. Section **72-2-124** is amended to read:
- 2950 **72-2-124. Transportation Investment Fund of 2005.**
- 2579 (1) There is created a capital projects fund entitled the Transportation Investment Fund of 2005.
- 2581 (2) The fund consists of money generated from the following sources:
- 2582 (a) any voluntary contributions received for the maintenance, construction, reconstruction, or
renovation of state and federal highways;
- 2584 (b) appropriations made to the fund by the Legislature;
- 2585 (c) registration fees designated under Section 41-1a-1201;
- 2586 (d) the sales and use tax revenues deposited into the fund in accordance with Section 59-12-103;
- 2588 (e) revenues transferred to the fund in accordance with Section 72-2-106;
- 2589 (f) revenues transferred into the fund in accordance with Subsection 72-2-121(4)(l); and
- 2590 (g) revenue from bond proceeds described in Section 63B-34-201.
- 2591 (3)
- (a) The fund shall earn interest.
- 2592 (b) All interest earned on fund money shall be deposited into the fund.
- 2593 (4)
- (a) Except as provided in Subsection (4)(b), the executive director may only use fund money to pay:
- 2595 (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;
- 2599 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway projects
described in Subsections 63B-18-401(2), (3), and (4);
- 2601 (iii) subject to Subsection (9), costs of corridor preservation, as that term is defined in Section
72-5-401;
- 2603 (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);
- 2606 (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

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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;

- 2611 (vi) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101 for projects
prioritized in accordance with Section 72-2-125;
- 2613 (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;
- 2616 (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:
- 2619 (A) mitigate traffic congestion on the state highway system;
- 2620 (B) are part of an active transportation plan approved by the department; and
- 2621 (C) are prioritized by the commission through the prioritization process for new transportation capacity
projects adopted under Section 72-1-304;
- 2623 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction, reconstruction, or
renovation of or improvement to the following projects:
- 2625 (A) the connector road between Main Street and 1600 North in the city of Vineyard;
- 2627 (B) Geneva Road from University Parkway to 1800 South;
- 2628 (C) the SR-97 interchange at 5600 South on I-15;
- 2629 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to South Jordan Parkway;
- 2631 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
- 2632 (F) improvements to 1600 North in Orem from 1200 West to State Street;
- 2633 (G) widening I-15 between mileposts 6 and 8;
- 2634 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
- 2635 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in Spanish Fork
Canyon;
- 2637 (J) I-15 northbound between mileposts 43 and 56;
- 2638 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43 and 45.1;
- 2640 (L) east Zion SR-9 improvements;
- 2641 (M) Toquerville Parkway;
- 2642 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;

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- 2643 (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
- 2645 (P) an environmental impact study for Kimball Junction in Summit County;
- 2646 (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:
- 2650 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 2651 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 2652 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 2653 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40 between mile
markers 7 and 10;
- 2655 (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;
- 2658 (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:
- 2661 (A) \$3,000,000 for the department to perform an environmental study for the I-15 Salem and Benjamin
project; and
- 2663 (B) \$2,000,000, as pass-through funds, to Kane County for the Coral Pink Sand Dunes Road project;
and
- 2665 (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.
- 2668 (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).
- 2670 (c)
- (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.

2674

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(ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the project as described in Subsection (4)(c)(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.

2678

(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.

2686

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

2688

(i) may program fund money in accordance with Subsection (4)(a) for a limited-access facility or interchange connecting limited-access facilities;

2690

(ii) may not program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;

2692

(iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and

2694

(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.

2697

(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.

2700

(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

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Development Division within the Department of Workforce Services that ineligibility under this Subsection (6) no longer applies to the county.

- 2708 (b) Within the boundaries of the unincorporated area of a county described in Subsection (6)(a), the executive director:
- 2710 (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;
- 2713 (ii) may not program fund money for the construction, reconstruction, or renovation of an interchange on a limited-access facility;
- 2715 (iii) may program Transit Transportation Investment Fund money for a multi-community fixed guideway public transportation project; and
- 2717 (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.
- 2720 (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.
- 2723 (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.
- 2729 (b) The Executive Appropriations Committee of the Legislature shall review and comment on the amount of bond proceeds needed to fund the projects.
- 2731 (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.
- 2735 (9) The executive director may only use money in the fund for corridor preservation as described in Subsection (4)(a)(iii):
- 2737 (a) if the project has been prioritized by the commission, including the use of fund money for corridor preservation; or
- 2739 (b) for a project that has not been prioritized by the commission, if the commission:

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- 2740 (i) approves the use of fund money for the corridor preservation; and
- 2741 (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.
- 2743 (10)
- (a) There is created in the Transportation Investment Fund of 2005 the Transit Transportation Investment Fund.
- 2745 (b) The fund shall be funded by:
- 2746 (i) contributions deposited into the fund in accordance with Section 59-12-103;
- 2747 (ii) appropriations into the account by the Legislature;
- 2748 (iii) deposits of sales and use tax increment related to a housing and transit reinvestment zone as described in Section 63N-3-610;
- 2750 (iv) transfers of local option sales and use tax revenue as described in Subsection 59-12-2220(11)(b) or (c);
- 2752 (v) private contributions; and
- 2753 (vi) donations or grants from public or private entities.
- 2754 (c)
- (i) The fund shall earn interest.
- 2755 (ii) All interest earned on fund money shall be deposited into the fund.
- 2756 (d) [~~Subject to Subsection (10)(e), the~~] The commission may prioritize money from the fund:
- 2758 (i) subject to Subsection (10)(e), 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;
- 2762 (ii) to the department for oversight of a fixed guideway capital development project for which the department has responsibility; or
- 2764 (iii) up to \$500,000 per year, to be used for a public transit study[-] ; or
- 2765 (iv) subject to Subsection (10)(k), to the department for corridor preservation, as that term is defined in Section 72-5-401.
- 2767 (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

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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.

- 2772 (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:
- 2775 (A) the loan is approved by the commission as required in Part 2, State Infrastructure Bank Fund; and
2777 (B) the proposed capital project has been prioritized by the commission [~~pursuant to~~] in accordance
with Section 72-1-303.
- 2779 (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.
- 2783 (g) For any revenue transferred into the fund in accordance with Subsection 59-12-2220(11)(b):
2785 (i) the commission may prioritize money from the fund for public transit projects, operations, or
maintenance within the county of the first class; and
- 2787 (ii) Subsection (10)(e) does not apply.
- 2788 (h) For any revenue transferred into the fund in accordance with Subsection 59-12-2220(11)(c):
2790 (i) the commission may prioritize public transit projects, operations, or maintenance in the county from
which the revenue was generated; and
- 2792 (ii) Subsection (10)(e) does not apply.
- 2793 (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.
- 2797 (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.
- 2801 (k) The executive director may only use money in the fund for corridor preservation as described in
Subsection (10)(d)(iv):
- 2803 (i) if the project has been prioritized by the commission, including the use of fund money for corridor
preservation; or
- 2805 (ii) for a project that has not been prioritized by the commission, if the commission:

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- 2806 (A) approves the use of fund money for the corridor preservation; and
- 2807 (B) determines 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.
- 2809 (I)
- (i) The commission may, beginning July 1, 2026, prioritize up to \$3,000,000 from the fund to provide
bus-replacement funding to one or more public transit providers that:
- 2812 (A) have not received funding from the Transit Transportation Investment Fund for a new project
described in Subsection (10)(e)(i) within the previous 36 months; and
- 2815 (B) are located in a county of the third, fourth, fifth, or sixth class.
- 2816 (ii) To be eligible for bus-replacement funding under this Subsection (10)(I), the public transit provider
shall provide a local match as follows:
- 2818 (A) a 50% local match if the county and municipality in which the public transit provider is located has
imposed a total of five of the optional sales and use taxes described in Section 59-12-2203;
- 2821 (B) a 60% local match if the county and municipality in which the public transit provider is located has
imposed a total of four of the optional sales and use taxes described in Section 59-12-2203; or
- 2824 (C) a 70% local match if the county and municipality in which the public transit provider is located
has imposed a total of three or fewer of the optional sales and use taxes described in Section
59-12-2203.
- 2827 (iii) The department shall determine a process and deadlines for receiving applications for the bus-
replacement funding.
- 2829 (iv) Under this Subsection (10)(I), if total applications for bus-replacement funding exceed \$3,000,000,
the commission shall establish a process to prioritize the award of funding.
- 2832 (11)
- (a) There is created in the Transportation Investment Fund of 2005 the Cottonwood Canyons
Transportation Investment Fund.
- 2834 (b) The fund shall be funded by:
- 2835 (i) money deposited into the fund in accordance with Section 59-12-103;
- 2836 (ii) appropriations into the account by the Legislature;
- 2837 (iii) private contributions; and
- 2838 (iv) donations or grants from public or private entities.
- 2839 (c)

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- (i) The fund shall earn interest.
- 2840 (ii) All interest earned on fund money shall be deposited into the fund.
- 2841 (d) The Legislature may appropriate money from the fund for public transit or transportation projects in the Cottonwood Canyons of Salt Lake County.
- 2843 (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.
- 2846 (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.
- 2850 (12)
- (a) There is created in the Transportation Investment Fund of 2005 the Active Transportation Investment Fund.
- 2852 (b) The fund shall be funded by:
- 2853 (i) money deposited into the fund in accordance with Section 59-12-103;
- 2854 (ii) appropriations into the account by the Legislature; and
- 2855 (iii) donations or grants from public or private entities.
- 2856 (c)
- (i) The fund shall earn interest.
- 2857 (ii) All interest earned on fund money shall be deposited into the fund.
- 2858 (d) The executive director may only use fund money to pay the costs needed for:
- 2859 [~~(i) the planning, design, construction, maintenance, reconstruction, or renovation of paved pedestrian or paved nonmotorized trail projects that:~~]
- 2861 [~~(A) are prioritized by the commission through the prioritization process for new transportation capacity projects adopted under Section 72-1-304;~~]
- 2863 [~~(B) serve a regional purpose; and~~]
- 2864 [~~(C) are part of an active transportation plan approved by the department or the plan described in Subsection (12)(d)(ii);~~]
- 2866 [~~(ii) the development of a plan for a statewide network of paved pedestrian or paved nonmotorized trails that serve a regional purpose; and~~]

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- 2868 (i) the planning, design, construction, maintenance, reconstruction, or renovation of Utah trail network projects as prioritized by the commission using the prioritization process described in Section 72-1-304;
- 2871 (ii) the development of a plan for the Utah trail network;
- 2872 (iii) the preservation of future Utah trail network corridor; and
- 2873 [~~(iii)~~] (iv) the administration of the fund, including staff and overhead costs.
- 2874 (13)
- (a) As used in this Subsection (13), "commuter rail" means the same as that term is defined in Section 63N-3-602.
- 2876 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail Subaccount.
- 2878 (c) The subaccount shall be funded by:
- 2879 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;
- 2880 (ii) appropriations into the subaccount by the Legislature;
- 2881 (iii) private contributions; and
- 2882 (iv) donations or grants from public or private entities.
- 2883 (d)
- (i) The subaccount shall earn interest.
- 2884 (ii) All interest earned on money in the subaccount shall be deposited into the subaccount.
- 2886 (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.
- 2891 (f) Appropriations made in accordance with this section are nonlapsing in accordance with Section 63J-1-602.1.
- 3265 Section 22. Section **72-2-131** is amended to read:
- 3266 **72-2-131. Rail Transportation Subaccount -- Grants for railroad crossing safety.**
- 2896 (1) As used in this section, "eligible entity" means:
- 2897 (a) a public entity, as defined in Section 72-2-301; or
- 2898 (b) a private entity that is exempt from federal income taxation under Section 501(c)(3), Internal Revenue Code.
- 2900

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- (2) There is created in the Transit Transportation Investment Fund, created in Section 72-2-124, the Rail Transportation Subaccount.
- 2902 (3) The subaccount shall be funded by:
- 2903 (a) appropriations to the subaccount by the Legislature;
- 2904 (b) private contributions;
- 2905 (c) donations or grants from public or private entities; and
- 2906 (d) interest earned on money in the account.
- 2907 (4) Upon appropriation, the department shall:
- 2908 (a) use an amount equal to 10% of the money deposited into the subaccount to provide grants in accordance with Subsection (5);
- 2910 (b) use an amount equal to 10% of the money deposited into the subaccount to pay:
- 2911 (i) the costs of performing environmental impact studies in connection with construction, reconstruction, or renovation projects related to railroad crossings on class A, class B, or class C roads; or
- 2914 (ii) the appropriate debt service or sinking fund for the repayment of bonds issued under Subsection 63B-31-101(6); and
- 2916 (c) use the remaining money deposited into the subaccount to pay:
- 2917 (i) the costs of construction, reconstruction, or renovation projects related to:
- 2918 (A) railroad crossings on class A, class B, or class C roads; or
- 2919 (B) railroad infrastructure owned by the state that has been damaged or impacted by erosion {on-land owned by the state};
- 2921 (ii) debt service related to a project described in Subsection (4)(b);
- 2922 (iii) the appropriate debt service or sinking fund for the repayment of bonds issued under Subsection 63B-31-101(5); or
- 2924 (iv) ongoing maintenance costs of at-grade crossings between rail lines and public highways.
- 2926 (5)
- (a) The department may award grants to one or more eligible entities to be used for the purpose of improving safety at railroad crossings on class A, class B, or class C roads.
- 2929 (b) An eligible entity may use grant money for any expense related to improving safety at railroad crossings on class A, class B, or class C roads, including:
- 2931 (i) signage; and

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- 2932 (ii) safety enhancements to a railroad crossing.
- 2933 (c) The department shall prioritize, in the following order, grants to applicants that propose projects impacting railroad crossings that:
- 2935 (i) have demonstrated safety concerns, including emergency services access; and
- 2936 (ii) have high levels of vehicular and pedestrian traffic.
- 3309 Section 23. Section **72-2-201** is amended to read:
- 3310 **72-2-201. Definitions.**
- As used in this part:
- 2940 (1) "Fund" means the State Infrastructure Bank Fund created under Section 72-2-202.
- 2941 (2) "Infrastructure assistance" means any use of fund money, except an infrastructure loan, to provide financial assistance for transportation projects or publicly owned infrastructure projects, including:
- 2944 (a) capital reserves and other security for bond or debt instrument financing; or
- 2945 (b) any letters of credit, lines of credit, bond insurance, or loan guarantees obtained by a public entity to finance transportation projects.
- 2947 (3) "Infrastructure loan" means a loan of fund money to finance a transportation project or publicly owned infrastructure project.
- 2949 (4) "Public entity" means a state agency, county, municipality, [-]special district, special service district, an intergovernmental entity organized under state law, an independent entity as defined in Section 63E-1-102, or the military installation development authority created in Section 63H-1-201.
- 2953 (5) "Publicly owned infrastructure project" means a project to improve sewer or water infrastructure that is owned by a public entity.
- 2955 (6) "Transportation project":
- 2956 (a) means a project:
- 2957 (i) to improve a state or local highway;
- 2958 (ii) to improve a public transportation facility or nonmotorized transportation facility;
- 2959 (iii) to construct or improve parking facilities;
- 2960 (iv) that is subject to a transportation reinvestment zone agreement [~~pursuant to~~] in accordance with Section 11-13-227 if the state is party to the agreement; or
- 2962 (v) that is part of a housing and transit reinvestment zone created [~~pursuant to~~] in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;
- 2965

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(b) includes the costs of acquisition, construction, reconstruction, rehabilitation, equipping, and fixturing; and

2967 (c) may only include a project if the project is part of:

2968 (i) the statewide long range plan;

2969 (ii) a regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; or

2971 (iii) a local government general plan or economic development initiative.

3344 Section 24. Section **72-2-301** is amended to read:

3345 **72-2-301. Definitions.**

As used in this part:

2975 (1) "Fund" means the County of the First Class Infrastructure Bank Fund created under Section [72-2-402] 72-2-302.

2977 (2) "Infrastructure assistance" means any use of fund money, except an infrastructure loan, to provide financial assistance for transportation projects or publicly owned infrastructure projects, including:

2980 (a) capital reserves and other security for bond or debt instrument financing; or

2981 (b) any letters of credit, lines of credit, bond insurance, or loan guarantees obtained by a public entity to finance transportation projects.

2983 (3) "Infrastructure loan" means a loan of fund money to finance a transportation project or publicly owned infrastructure project.

2985 (4) "Public entity" means a county of the first class or any of the following located within a county of the first class:

2987 (a) a municipality;

2988 (b) an independent entity, as defined in Section 63E-1-102;

2989 [~~(b)~~] (c) a special district;

2990 [~~(c)~~] (d) a special service district; or

2991 [~~(d)~~] (e) an intergovernmental entity organized under state law.

2992 (5) "Publicly owned infrastructure project" means a project to improve sewer or water infrastructure that is owned by a public entity.

2994 (6)

(a) "Transportation project" means a project:

2995 [~~(a)~~] (i) to improve a state or local highway;

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- 2996 [(b)] (ii) to improve a public transportation facility or nonmotorized transportation facility;
- 2998 [(e)] (iii) to construct or improve parking facilities;
- 2999 [(d)] (iv) that is subject to a transportation reinvestment zone agreement [~~pursuant to~~] in accordance with Section 11-13-227 if the state is party to the agreement; or
- 3001 [(e)] (v) that is part of a housing and transit reinvestment zone created [~~pursuant to~~] in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.
- 3004 [(7)] (b) "Transportation project" includes the costs of acquisition, construction, reconstruction, rehabilitation, equipping, and fixturing.
- 3006 [(8)] (c) "Transportation project" may only include a project if the project is part of:
- 3007 [(a)] (i) the statewide long range plan;
- 3008 [(b)] (ii) a regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; or
- 3010 [(e)] (iii) a local government general plan or economic development initiative.
- 3383 Section 25. Section 72-2-302 is amended to read:
- 3384 **72-2-302. County of the First Class Infrastructure Bank Fund -- Creation -- Use of money.**
- 3386 (1) There is created a revolving loan fund entitled the County of the First Class Infrastructure Bank Fund.
- 3388 (2)
- 3389 (a) The fund consists of money generated from the following revenue sources:
- 3390 (i) deposits into the fund in accordance with Subsection 72-2-121(9);
- 3391 (ii) appropriations made to the fund by the Legislature;
- 3392 (iii) federal money and grants that are deposited into the fund;
- 3394 (iv) money transferred to the fund by the commission from other money available to the department;
- 3395 (v) state grants that are deposited into the fund;
- 3397 (vi) contributions or grants from any other private or public sources for deposit into the fund; and
- 3400 (vii) subject to Subsection (2)(b) and Section 72-2-306, all money collected from repayments of fund money used for infrastructure loans or infrastructure assistance.
- 3403 (b) When a loan from the fund is repaid, the department may request and the Legislature may transfer from the fund to the source from which the money originated an amount equal to the repaid loan.
- 3403 (3)

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- 3404 (a) The fund shall earn interest.
- 3405 (b) All interest earned on fund money shall be deposited into the fund.
- 3407 (4)
- 3408 (a) Except as provided in Subsection (4)(b), money in the fund shall be used by the department, as prioritized by the commission, only to:
- 3412 (i) provide infrastructure loans or infrastructure assistance; and
- 3414 (ii) pay the department for the costs of administering the fund, providing infrastructure loans or infrastructure assistance, monitoring transportation projects and publicly owned infrastructure projects, and obtaining repayments of infrastructure loans or infrastructure assistance.
- 3416 (b) Notwithstanding Subsection (4)(a), money in the fund shall be used by the department to provide funds in the following order of priority:
- 3418 (i) a \$20,000,000 loan to Draper for the renovation of existing water pipelines and the expansion of drinking water infrastructure;
- 3420 ~~[(ii) a \$5,000,000 loan to Herriman for the mitigation and replacement of impacted soils;]~~
- 3422 (ii) a \$30,000,000 grant to Bluffdale for the construction of multiple lane grade-separated rail crossing at 1000 West and 14600 South;
- 3424 (iii) a \$9,000,000 grant to the County of the First Class Highway Projects Fund created in Section 72-2-121;
- 3426 (iv) a \$4,000,000 grant to Metropolitan Water District of Salt Lake and Sandy for the Little Cottonwood Creek conduit connecting to the water treatment plant;
- 3428 (v) a \$2,000,000 grant to Draper for construction, expansion, and renovation of new and existing drinking water infrastructure;
- 3430 (vi) a \$2,000,000 grant to West Jordan for improvements to 6700 West between 9000 South and New Bingham Highway;
- 3432 (vii) a \$2,500,000 grant to Riverton for improvements to 2700 West between 13400 South and Bangerter Highway; ~~[and]~~
- 3434 (viii) a \$2,750,000 grant to Midvale for improvements to Center Street between State Street and Bingham Junction Boulevard; and
- 3436 (ix) a \$2,250,000 grant to Taylorsville for improvements to 5313 South to lift station and corresponding improvements between Bangerter Highway and 4015 West.

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~~[(viii) a \$30,000,000 grant to Bluffdale for construction of a multiple lane, grade-separated rail crossing at 1000 West and 14600 South.]~~

3436 (5)

(a) The department may establish separate accounts in the fund for infrastructure loans, infrastructure assistance, administrative and operating expenses, or any other purpose to implement this part.

3439 (b) Prioritization of infrastructure loans described in Subsection (5)(a) shall follow the same process as described in Section 72-2-303.

3441 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department may make rules governing how the fund and its accounts may be held by an escrow agent.

3444 (6) Fund money shall be invested by the state treasurer as provided in Title 51, Chapter 7, State Money Management Act, and the earnings from the investments shall be credited to the fund.

3447 Section 26. Section **72-5-102** is amended to read:

3448 **72-5-102. Definitions.**

As used in this part, "state transportation purposes" includes:

3014 (1) highway, public transit facility, and transportation rights-of-way, including those necessary within cities and towns;

3016 (2) the construction, reconstruction, relocation, improvement, maintenance, and mitigation from the effects of these activities on state highways and other transportation facilities, including parking facilities, under the control of the department;

3019 (3) limited access facilities, including rights of access, air, light, and view and frontage and service roads to highways;

3021 (4) adequate drainage in connection with any highway, cut, fill, or channel change and the maintenance of any highway, cut, fill, or channel change;

3023 (5) weighing stations, shops, offices, storage buildings and yards, and road maintenance or construction sites;

3025 (6) road material sites, sites for the manufacture of road materials, and access roads to the sites;

3027 (7) the maintenance of an unobstructed view of any portion of a highway to promote the safety of the traveling public;

3029 (8) the placement of traffic signals, directional signs, and other signs, fences, curbs, barriers, and obstructions for the convenience of the traveling public;

3031 (9) the construction and maintenance of storm sewers, sidewalks, and highway illumination;

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- 3032 (10) the construction and maintenance of livestock highways;
- 3033 (11) the construction and maintenance of roadside rest areas adjacent to or near any highway;~~and~~
- 3035 (12) the mitigation of impacts from transportation projects~~[-]~~ ; and
- 3036 (13) any other transportation purpose for which the department has responsibility under this title.
- 3474 Section 27. Section **72-6-120** is amended to read:
- 3475 **72-6-120. Department authorized to participate in federal program assuming responsibility**
- for environmental review of transportation projects -- Rulemaking authority.**
- 3042 (1) The department may:
- 3043 (a) assume responsibilities under 23 U.S.C. Sec. 326 for:
- 3044 (i) determining whether [~~state highway~~] transportation design and construction projects are categorically excluded from requirements for environmental assessments or environmental impact statements; and
- 3047 (ii) environmental review, consultation, or other actions required under federal law for categorically excluded projects;
- 3049 (b) assume responsibilities under 23 U.S.C. Sec. 327 with respect to one or more railroad, public transportation, highway, or multimodal projects within the state under the National Environmental Policy Act of 1969 for environmental review, consultation, or other action required under any federal environmental law pertaining to the review or approval of a specific [~~highway~~] transportation project;
- 3054 (c) enter one or more memoranda of understanding with the United States Department of Transportation related to [~~federal highway~~] transportation programs as provided in 23 U.S.C. Secs. 326 and 327 subject to the requirements of Subsection 72-1-207(5);
- 3057 (d) accept, receive, and administer grants, other money, or gifts from public and private agencies, including the federal government, for the purpose of carrying out the programs authorized under this section; and
- 3060 (e) cooperate with the federal government in implementing this section and any memorandum of understanding entered into under Subsection 72-1-207(5).
- 3062 (2) Notwithstanding any other provision of law, in implementing a program under this section that is approved by the United States Department of Transportation, the department is authorized to:
- 3065 (a) perform or conduct any of the activities described in a memorandum of understanding entered into under Subsection 72-1-207(5);

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- 3067 (b) take actions necessary to implement the program; and
3068 (c) adopt relevant federal environmental standards as the standards for this state for categorically
excluded projects.
- 3070 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department may
makes rules to implement the provisions of this section.

3508 Section 28. Section 72-9-102 is amended to read:

3509 **72-9-102. Definitions.**

As used in this chapter:

- 3511 (1)
- (a) "Commercial vehicle" includes:
- 3512 (i) an interstate commercial vehicle;
- 3513 (ii) an intrastate commercial vehicle; and
- 3514 (iii) a tow truck.
- 3515 (b) "Commercial vehicle" does not include the following vehicles for purposes of this chapter:
- 3517 (i) equipment owned and operated by the United States Department of Defense when driven by any
active duty military personnel and members of the reserves and national guard on active duty
including personnel on full-time national guard duty, personnel on part-time training, and national
guard military technicians and civilians who are required to wear military uniforms and are subject
to the code of military justice;
- 3523 (ii) firefighting and emergency vehicles, operated by emergency personnel, not including commercial
tow trucks;
- 3525 (iii) recreational vehicles that are driven solely as family or personal conveyances for noncommercial
purposes; or
- 3527 (iv) vehicles owned by the state or a local government.
- 3528 (2) "Interstate commercial vehicle" means a self-propelled or towed motor vehicle used on a highway in
interstate commerce to transport passengers or property if the vehicle:
- 3530 (a) has a gross vehicle weight rating or gross vehicle weight of 10,001 or more pounds, or gross
combination weight rating or gross combination weight of 10,001 or more pounds, whichever is
greater;
- 3533 (b) is designed or used to transport more than eight passengers, including the driver, for compensation;
- 3535

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- (c) is designed or used to transport more than 15 passengers, including the driver, and is not used to transport passengers for compensation; or
- 3537 (d)
- (i) is used to transport materials designated as hazardous in accordance with 49 U.S.C. Sec. 5103; and
- 3539 (ii) is required to be placarded in accordance with regulations under 49 C.F.R., Subtitle B, Chapter I, Subchapter C.
- 3541 (3) "Intrastate commercial vehicle" means a motor vehicle, vehicle, trailer, or semitrailer used or maintained for business, compensation, or profit to transport passengers or property on a highway only within the boundaries of this state if the commercial vehicle:
- 3544 (a)
- (i) has a manufacturer's gross vehicle weight rating or gross vehicle weight, or gross combination weight rating or gross combination weight of 26,001 or more pounds, whichever is greater, and is operated by an individual who is 18 years old or older; or
- 3548 (ii) has a manufacturer's gross vehicle weight rating or gross combination weight rating of 16,001 or more pounds and is operated by an individual who is under 18 years old;
- 3551 (b)
- (i) is designed to transport more than 15 passengers, including the driver; or
- 3552 (ii) is designed to transport more than 12 passengers, including the driver, and has a manufacturer's gross vehicle weight rating or gross combination weight rating of 13,000 or more pounds; or
- 3555 (c) is used in the transportation of hazardous materials and is required to be placarded in accordance with 49 C.F.R. Part 172, Subpart F.
- 3557 (4) "Motor carrier" means a person engaged in or transacting the business of transporting passengers, freight, merchandise, or other property by a commercial vehicle on a highway within this state and includes a tow truck business.
- 3560 (5) "Owner" as pertaining to a vehicle, vessel, or outboard motor, means the same as that term is defined in Section 41-1a-102.
- 3562 (6) "Property owner" means the owner or lessee of real property.
- 3563 (7) "State impound yard" means the same as that term is defined in Section 41-1a-102.
- 3564 (8) "Tow truck" means a motor vehicle constructed, designed, altered, or equipped primarily for the purpose of towing or removing damaged, disabled, abandoned, seized, or impounded vehicles

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from a highway or other place by means of a crane, hoist, tow bar, tow line, dolly, tilt bed, or other means.

- 3568 (9) "Tow truck motor carrier" means a motor carrier that is engaged in or transacting business for tow truck services.
- 3570 (10) "Tow truck operator" means an individual that performs operations related to a tow truck service as an employee or as an independent contractor on behalf of a tow truck motor carrier.
- 3573 (11) "Tow truck service" means the functions and any ancillary operations associated with recovering, removing, and towing a vehicle and its load from a highway or other place by means of a tow truck.
- 3576 (12) "Towing entity" means:
- 3577 (a) a political subdivision of this state;
- 3578 (b) a state agency;
- 3579 (c) an interlocal agency created under Title 11, Chapter 13, Interlocal Cooperation Act; or
- 3581 (d) a special service district created under Title 17D, Chapter 1, Special Service District Act.
- 3583 [(12)] (13) "Transportation" means the actual movement of property or passengers by motor vehicle, including loading, unloading, and any ancillary service provided by the motor carrier in connection with movement by motor vehicle, which is performed by or on behalf of the motor carrier, its employees or agents, or under the authority of the motor carrier, its employees or agents, or under the apparent authority and with the knowledge of the motor carrier.

3589 Section 29. Section 72-9-602 is amended to read:

3590 **72-9-602. Towing inspections, investigations, and certification -- Equipment requirements --
Consumer information.**

- 3592 (1)
- (a) The department shall inspect, investigate, and certify tow truck motor carriers, tow trucks, and tow truck operators to ensure compliance with this chapter and compliance with Sections 41-6a-1406 and 41-6a-1407.
- 3595 (b) The inspection, investigation, and certification shall be conducted [~~prior to~~] before any tow truck operation and at least every two years thereafter.
- 3597 (c)
- (i) The department shall issue an authorized towing certificate for each tow truck motor carrier, tow truck, and tow truck operator that complies with this part and rules made by the department in accordance with Subsection [~~(6)~~] (8).

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- 3600 (ii) The authorized towing certificate described in this section shall expire two years from the month of
issuance.
- 3602 (d) The department may charge a biennial fee established under Section 63J-1-504 to cover the cost of
the inspection, investigation, and certification required under this part.
- 3605 (2)
- (a) To qualify for an authorized towing certificate described in Subsection (1), a tow truck operator
shall:
- 3607 (i) submit to a fingerprint-based criminal background check, as described in Subsection (3); and
- 3609 (ii) obtain and maintain a valid medical examiner's certificate under 49 C.F.R. Sec. 391.45.
- 3611 (b) For each tow truck operator employed, a tow truck motor carrier shall:
- 3612 (i) maintain records of the updated background checks and a valid medical examiner's certificate, as
required under this section; and
- 3614 (ii) biennially, make the records described in Subsection (2)(b)(i) available to the department.
- 3616 (3)
- (a) Before a tow truck motor carrier may hire an individual as a tow truck operator and receive an
authorized towing certificate from the department as required in Subsection (2), the tow truck motor
carrier shall require the individual to submit to the Department of Public Safety:
- 3620 (i) a fingerprint card in a form acceptable to the Department of Public Safety; and
- 3621 (ii) consent to a state and regional fingerprint background check by the Bureau of Criminal
Identification.
- 3623 (b) The Bureau of Criminal Identification shall:
- 3624 (i) check the fingerprints submitted under this section against the applicable state and regional criminal
records databases;
- 3626 (ii) report the results of the background check to the requesting tow truck motor carrier;
- 3628 (iii) maintain a separate file of fingerprints submitted under this part for search by future submissions to
the local and regional criminal records databases, including latent prints; and
- 3631 (iv) establish a privacy risk mitigation strategy to ensure that the entity only receives notifications for
the individuals with whom the entity maintains an authorizing relationship.
- 3634 (c)

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- (i) Except for an individual hired as a tow truck operator before July 1, 2017, the department shall deny an individual's authorized towing certification, and the individual may not operate a tow truck in this state, if the individual has been convicted of any felony offense within the previous two years.
- 3638 (ii) The department may deny or revoke the authorized towing certification of a tow truck motor carrier that employs an individual who fails to comply with the background check required in this section.
- 3641 (4) The department shall make available to the public electronically accessible consumer protection information, including a list of all tow truck motor carriers that are currently certified by the department.
- 3644 (5) The department may deny a tow truck motor carrier's certification if the department has evidence that a tow truck motor carrier's tow truck operator fails to provide copies of the Utah Consumer Bill of Rights Regarding Towing to vehicle owners, as required under Section 72-9-603.
- 3648 (6)
- (a) If the department determines that a tow truck motor carrier has violated a provision of this part or an administrative rule made ~~[pursuant to]~~ in accordance with this part, the department may:
- 3651 (i) deny or revoke a tow truck motor carrier's certification under this part;
- 3652 (ii) impose a civil penalty up to \$2,000 for each violation; and
- 3653 (iii) require the removal of the tow truck motor carrier from a towing dispatch rotation as described in Section 72-9-604.
- 3655 (b) If the department requires the removal of a tow truck motor carrier from a towing dispatch rotation, contract, or request for proposal as described in Section 72-9-604, the department shall:
- 3658 (i) notify the Department of Public Safety and any relevant towing entity, as that term is defined in Section 72-9-604, of the removal; and
- 3660 (ii) notify the tow truck motor carrier of the removal.
- 3661 (c) A notice described in Subsection (6)(b) shall:
- 3662 (i) identify the tow truck motor carrier; and
- 3663 (ii) specify how long the tow truck motor carrier is required to be removed from the towing dispatch rotation.
- 3665 (7) The department may not certify a tow truck motor carrier under this part if the tow truck motor carrier does not have and maintain an internet website.
- 3667 [~~(7)~~] (8) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department shall make rules;

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- 3669 (a) governing the inspection, investigation, and certification procedures described in this section[-] ; and
3671 (b) to establish standards for the online presence requirements described in Subsection (7).

3673 Section 30. Section 72-9-603 is amended to read:

3674 **72-9-603. Towing notice requirements -- Cost responsibilities -- Abandoned vehicle title
restrictions -- Rules for maximum rates and certification.**

3677 (1) Except for a tow truck service that was ordered by a peace officer, a person acting on behalf of a law enforcement agency, or a highway authority, after performing a tow truck service that is being done without the vehicle, vessel, or outboard motor owner's knowledge, the tow truck operator or the tow truck motor carrier shall:

3681 (a) immediately upon arriving at the place of storage or impound of the vehicle, vessel, or outboard motor:

3683 (i) provide relevant information to the impound vehicle service system database administered by the Motor Vehicle Division, including:

3685 (A) the date and time of the removal of the vehicle, vessel, or outboard motor;

3686 (B) a description of the vehicle, vessel, or outboard motor; and

3687 (C) the vehicle identification number or vessel or outboard motor identification number; and

3689 (ii) contact the law enforcement agency having jurisdiction over the area where the vehicle, vessel, or outboard motor was picked up and notify the agency of the:

3691 (A) location of the vehicle, vessel, or outboard motor;

3692 (B) date, time, and location from which the vehicle, vessel, or outboard motor was removed;

3694 (C) reasons for the removal of the vehicle, vessel, or outboard motor;

3695 (D) person who requested the removal of the vehicle, vessel, or outboard motor; and

3697 (E) description, including the identification number, license number, or other identification number issued by a state agency, of the vehicle, vessel, or outboard motor;

3700 (b) except for a vehicle, vessel, or outboard motor that has been retrieved by the owner or operator, within two business days of performing the tow truck service under Subsection (1)(a), send a certified letter to the last-known address of each party described in Subsection 41-6a-1406(6)(a) with an interest in the vehicle, vessel, or outboard motor obtained from the Motor Vehicle Division or, if the person has actual knowledge of the party's address, to the current address, notifying the party of the:

3706 (i) location of the vehicle, vessel, or outboard motor;

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- 3707 (ii) date, time, and location from which the vehicle, vessel, or outboard motor was removed;
- 3709 (iii) reasons for the removal of the vehicle, vessel, or outboard motor;
- 3710 (iv) person who requested the removal of the vehicle, vessel, or outboard motor;
- 3711 (v) a description, including its identification number and license number or other identification number issued by a state agency; and
- 3713 (vi) costs and procedures to retrieve the vehicle, vessel, or outboard motor; and
- 3714 (c) upon initial contact with the owner or operator whose vehicle, vessel, or outboard motor was removed, provide the owner or operator with a copy of the Utah Consumer Bill of Rights Regarding Towing established by the department in Subsection (16)(e).
- 3718 (2) Until the tow truck operator or tow truck motor carrier reports the information required under Subsection (1)(a), a tow truck operator, tow truck motor carrier, or impound yard may not:
- 3721 (a) collect any fee associated with the removal; or
- 3722 (b) begin charging storage fees.
- 3723 (3)
- (a) Except as provided in Subsection (3)(b) or (9), a tow truck operator or tow truck motor carrier may not perform a tow truck service at the request or direction of a private property owner or the property owner's agent unless:
- 3726 (i) the owner or a lien holder of the vehicle, vessel, or outboard motor consents to the tow truck service; or
- 3728 (ii) the property owner erects signage that meets the requirements of:
- 3729 (A) Subsection (4)(b)(ii); and
- 3730 (B) Subsection (7) or (8).
- 3731 (b) Subsections (7) through (9) do not apply to the removal of a vehicle, vessel, or outboard motor:
- 3733 (i) from a location where parking is prohibited by law, including:
- 3734 (A) a designated fire lane;
- 3735 (B) within 15 feet of a fire hydrant, unless the vehicle is parked in a marked parking stall or space; or
- 3737 (C) a marked parking stall or space legally designated for disabled persons;
- 3738 (ii) from a location where it is reasonably apparent that the location is not open to parking;
- 3740 (iii) from a location where all public access points are controlled by:
- 3741 (A) a permanent gate, door, or similar feature allowing the vehicle to access the facility; or
- 3743 (B) a parking attendant;

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- 3744 (iv) from a location that materially interferes with access to private property;
- 3745 (v) from the property of a detached single-family dwelling or duplex; or
- 3746 (vi) pursuant to a legal repossession.
- 3747 (4)
- (a) A private property owner may, subject to the requirements of a local ordinance, enforce parking restrictions by:
- 3749 (i) authorizing a tow truck motor carrier to patrol and monitor the property and enforce parking restrictions on behalf of the property owner in accordance with Subsection (7);
- 3752 (ii) enforcing parking restrictions as needed by requesting a tow from a tow truck motor carrier on a case-by-case basis in accordance with Subsection (8); or
- 3754 (iii) requesting a tow from a tow truck motor carrier after providing 24-hour written notice in accordance with Subsection (9).
- 3756 (b)
- (i) Any agreement between a private property owner and tow truck motor carrier authorizing the tow truck motor carrier to patrol and monitor the property under Subsection (4)(a)(i) shall include specific terms and conditions for the tow truck motor carrier to remove a vehicle, vessel, or outboard motor from the property.
- 3760 (ii) In addition to the signage described in Subsection (7) or (8), a private property owner who allows public parking shall erect appropriate signage on the property indicating clear instructions for parking at the property.
- 3763 (iii) Where a single parking area includes abutting parcels of property owned by two or more private property owners who enforce different parking restrictions under Subsection (7) or (8), each property owner shall, in addition to the requirements under Subsection (7) or (8), erect signage as required by this section:
- 3767 (A) at each entrance to the property owner's parcel from another property owner's parcel; and
- 3769 (B) if there is no clearly defined entrance between one property owner's parcel and another property owner's parcel, at intervals of 40 feet or less along the line dividing the property owner's parcel from the other property owner's parcel.
- 3772 (iv) Where there is no clearly defined entrance to a parking area from a highway, the property owner shall erect signage as required by this section at intervals of 40 feet or less along any portion of a property line where a vehicle, vessel, or outboard motor may enter the parking area.

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- 3776 (5) Nothing in Subsection (3) or (4) restricts the ability of a private property owner from, subject to the provisions of this section, instituting and enforcing regulations for parking at the property.
- 3779 (6) In addition to any other powers provided by law, a political subdivision or state agency may:
- 3781 (a) enforce parking restrictions in accordance with Subsections (7) through (9) on property that is:
- 3783 (i) owned by the political subdivision or state agency;
- 3784 (ii) located outside of the public right-of-way; and
- 3785 (iii) open to public parking; and
- 3786 (b) request or direct a tow truck service in order to abate a public nuisance on private property over which the political subdivision or state agency has jurisdiction.
- 3788 (7) For private property where parking is enforced under Subsection (4)(a)(i), the property owner shall ensure that each entrance to the property has signs located on the property and clearly visible to the driver of a vehicle entering the property that substantially comply with the following, as determined by the department:
- 3792 (a) a top sign that is 24 inches tall by 18 inches wide and has:
- 3793 (i) a blue, reflective background with a 1/2 inch white border;
- 3794 (ii) two-inch, white letters at the top of the sign with the capitalized words "Lot is Patrolled";
- 3796 (iii) a white towing logo that is six inches tall and 16 inches wide that depicts an entire tow truck, a tow hook, and an entire vehicle being towed; and
- 3798 (iv) two-inch, white letters at the bottom of the sign with the capitalized words "Towing Enforced"; and
- 3800 (b) a bottom sign that is 24 inches tall by 18 inches wide with a 1/2 inch white, reflective border, and has:
- 3802 (i) a top half that is red background with white, reflective letters indicating:
- 3803 (A) who is authorized to park or restricted from parking at the property; and
- 3804 (B) any type of vehicle prohibited from parking at the property; and
- 3805 (ii) a bottom half that has a white, reflective background with red letters indicating:
- 3806 (A) the name and telephone number of the tow truck motor carrier that the property owner has authorized to patrol the property; and
- 3808 (B) the [~~Internet~~] internet web address "tow.utah.gov".
- 3809 (8)
- (a) For private property where parking is enforced under Subsection (4)(a)(ii)[:]
- 3810 [(†)] a tow truck motor carrier may not:

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- 3811 [(A)] (i) patrol and monitor the property;
- 3812 [(B)] (ii) perform a tow truck service without the written or verbal request of the property owner or the property owner's agent; or
- 3814 [(C)] (iii) act as the property owner's agent to request a tow truck service.
- 3815 (b) For private property where parking is enforced under Subsection (4)(a)(ii), the property owner shall ensure that each entrance to the property has a clearly visible sign located on the property that substantially follows the following format, as determined by the department:
- 3819 (i) the sign is 24 inches tall by 18 inches wide with a 1/2 inch white, reflective border, and has:
- 3821 (A) at the top of the sign, a blue background with a white, reflective towing logo that is at least four inches tall and 16 inches wide that depicts an entire tow truck, a tow hook, and an entire vehicle being towed;
- 3824 (B) immediately below the towing logo described in Subsection (8)(b)(i)(A), a blue background with white, reflective letters at least two inches tall with the capitalized words "Towing Enforced"; and
- 3827 (C) in the middle of the sign, a red background with white, reflective letters at least one inch tall indicating who is authorized to park or restricted from parking at the property, and any type of vehicle prohibited from parking at the property; and
- 3831 (ii) at the bottom of the sign, a white, reflective background with red letters at least one inch tall indicating:
- 3833 (A) either the name and telephone number of the property owner or the property owner's agent who is authorized to request a tow truck service, or the name and telephone number of the tow truck motor carrier that provides tow truck services for the property; and
- 3837 (B) the [~~Internet~~] internet web address "tow.utah.gov".
- 3838 (c) If a dispute arises regarding whether a sign required under this section substantially complies with the requirements of this section, the department shall determine whether the sign substantially complies.
- 3841 (9)
- (a) For private property without signage substantially meeting the requirements of Subsection (7) or (8), as determined by the department, the property owner may request a tow truck motor carrier to remove a vehicle, vessel, or outboard motor from the private property 24 hours after the property owner or the property owner's agent affixes a written notice to the vehicle, vessel, or outboard motor in accordance with this Subsection (9).

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- 3847 (b) The written notice described in Subsection (9)(a) shall:
- 3848 (i) indicate the exact time when the written notice is affixed to the vehicle, vessel, or outboard motor;
- 3850 (ii) warn the owner of the vehicle, vessel, or outboard motor that the vehicle, vessel, or outboard motor
will be towed from the property if it is not removed within 24 hours after the time indicated in
Subsection (9)(b)(i);
- 3853 (iii) be at least four inches tall and four inches wide; and
- 3854 (iv) be affixed to the vehicle, vessel, or outboard motor at a conspicuous location on the driver's side
window of the vehicle, vessel, or outboard motor.
- 3856 (c) A property owner may authorize a tow truck motor carrier to act as the property owner's agent
for purposes of affixing the written notice described in Subsection (9)(a) to a vehicle, vessel, or
outboard motor.
- 3859 (10) The department shall publish on the dep[artment-Internet] department's internet website the
signage requirements and written notice requirements and illustrated or photographed examples of
the signage and written notice requirements described in Subsections (7) through (9).
- 3863 (11) It is an affirmative defense to any claim, based on the lack of notice, that arises from the towing of
a vehicle, vessel, or outboard motor from private property that the property had signage meeting the
requirements of:
- 3866 (a) Subsection (4)(b)(ii); and
- 3867 (b) Subsection (7) or (8).
- 3868 (12) An individual described in Subsection 41-6a-1406(7)(f)(i) or a party described in Subsection
41-6a-1406(6)(a) with an interest in a vehicle, vessel, or outboard motor lawfully removed is only
responsible for paying:
- 3871 (a) the tow truck service and storage fees set in accordance with Subsection (16); and
- 3872 (b) the administrative impound fee set in Section 41-6a-1406, if applicable.
- 3873 (13)
- (a) As used in this Subsection (13), "life essential item" means:
- 3874 (i) prescription medication;
- 3875 (ii) medical equipment;
- 3876 (iii) shoes;
- 3877 (iv) coats;
- 3878 (v) food and water;

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- 3879 (vi) child safety seats;
- 3880 (vii) government-issued photo identification; and
- 3881 (viii) human remains.
- 3882 (b) The fees under Subsection (12) are a possessory lien on the vehicle, vessel, or outboard motor.
- 3884 (c) Towing fees are a possessory lien on the vehicle, vessel, or outboard motor and any nonlife essential items contained in the vehicle, vessel, or outboard motor.
- 3886 (d) Except for a vehicle, vessel, or outboard motor being held as evidence, a tow truck operator, a tow truck motor carrier, or an impound yard shall allow a party described in Subsection 41-6a-1406(6) (a) with an interest in the vehicle, vessel, or outboard motor or an individual described in Subsection 41-6a-1406(7)(f)(i) to take possession of any life essential item within the vehicle, vessel, or outboard motor during normal business hours regardless of whether the towing, impound fees, or storage fees have been paid.
- 3893 (e) Except for a vehicle, vessel, or outboard motor being held as evidence, upon payment of the towing fee, a tow truck operator, a tow truck motor carrier, or an impound yard shall allow a party described in Subsection 41-6a-1406(6)(a) with an interest in the vehicle, vessel, or outboard motor or an individual described in Subsection 41-6a-1406(7)(f)(i) to enter the vehicle, vessel, or outboard motor during normal business hours and remove personal property not attached to the vehicle, vessel, or outboard motor.
- 3900 (f) The tow truck operator or tow truck motor carrier shall securely store the vehicle, vessel, or outboard motor and items described in Subsection (13)(a) in an approved state impound yard until a party described in Subsection 41-6a-1406(6)(a) with an interest in the vehicle, vessel, or outboard motor:
- 3904 (i) pays the fees described in Subsection (12); and
- 3905 (ii) removes the vehicle, vessel, or outboard motor from the state impound yard.
- 3906 (14)
- (a) A vehicle, vessel, or outboard motor shall be considered abandoned if a party described in Subsection 41-6a-1406(6)(a) with an interest in the vehicle, vessel, or outboard motor or an individual described in Subsection 41-6a-1406(7)(f)(i) does not, within 30 days after notice has been sent under Subsection (1)(b):
- 3910 (i) pay the fees described in Subsection (12); and
- 3911 (ii) remove the vehicle, vessel, or outboard motor from the secure storage facility.
- 3912

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(b) A person may not request a transfer of title to an abandoned vehicle, vessel, or outboard motor until at least 30 days after notice has been sent under Subsection (1)(b).

3915 (15)

(a) A tow truck motor carrier or impound yard shall clearly and conspicuously post and disclose all its current fees, rates, and acceptable forms of payment for tow truck service and storage of a vehicle in accordance with rules established under Subsection (16).

3919 (b) A tow truck operator, a tow truck motor carrier, and an impound yard shall accept payment by cash and debit or credit card for a tow truck service under Subsection (1) or any service rendered, performed, or supplied in connection with a tow truck service under Subsection (1).

3923 (16) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department shall:

3925 (a) subject to the restriction in Subsection (17), set maximum rates that:

3926 (i) a tow truck motor carrier may charge for the tow truck service of a vehicle, vessel, or outboard motor that are transported in response to:

3928 (A) a peace officer dispatch call;

3929 (B) a motor vehicle division call; and

3930 (C) any other call or request where the owner of the vehicle, vessel, or outboard motor has not consented to the removal;

3932 (ii) an impound yard may charge for the storage of a vehicle, vessel, or outboard motor stored as a result of one of the conditions listed under Subsection (16)(a)(i); and

3935 (iii) an impound yard may charge for the after-hours release of a vehicle, vessel, or outboard motor stored as a result of one of the conditions described in Subsection (16)(a)(i);

3938 (b) establish authorized towing certification requirements, not in conflict with federal law, related to incident safety, clean-up, and hazardous material handling;

3940 (c) specify the form and content of the posting and disclosure of fees and rates charged and acceptable forms of payment by a tow truck motor carrier or impound yard;

3942 (d) set a maximum rate for an administrative fee that a tow truck motor carrier may charge for reporting the information required under Subsection (1)(a)(i) and providing notice of the removal to each party described in Subsection 41-6a-1406(6)(a) with an interest in the vehicle, vessel, or outboard motor as required in Subsection (1)(b);

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- (e) establish a Utah Consumer Bill of Rights Regarding Towing form that contains specific information regarding:
- 3949 (i) a vehicle owner's or operator's rights and responsibilities if the owner's vehicle is towed;
- 3951 (ii) identifies the maximum rates that a tow truck motor carrier may charge for the tow truck service of a vehicle, vessel, or outboard motor that is transported in response to a call or request where the owner of the vehicle, vessel, or outboard motor has not consented to the removal; and
- 3955 (iii) identifies the maximum rates that an impound yard may charge for the storage of vehicle, vessel, or outboard motor that is transported in response to a call or request where the owner of the vehicle, vessel, or outboard motor has not consented to the removal; and
- 3959 (f) set a maximum rate for an after-hours fee allowed under Subsection (19)(b).
- 3960 (17) An impound yard may not charge a fee for the storage of an impounded vehicle, vessel, or outboard motor if:
- 3962 (a) the vehicle, vessel, or outboard motor is being held as evidence; and
- 3963 (b) the vehicle, vessel, or outboard motor is not being released to a party described in Subsection 41-6a-1406(6)(a) or an individual described in Subsection 41-6a-1406(7)(f)(i), even if the party satisfies the requirements to release the vehicle, vessel, or outboard motor under Section 41-6a-1406.
- 3967 (18)
- (a)
- (i) A tow truck motor carrier may charge a rate up to the maximum rate set by the department in rules made under Subsection (16).
- 3969 (ii) In addition to the maximum rates established under Subsection (16) and when receiving payment by credit card or debit card, a tow truck operator, a tow truck motor carrier, or an impound yard may charge a card processing fee of 3% of the transaction total.
- 3973 (b) A tow truck motor carrier may not be required to maintain insurance coverage at a higher level than required in rules made ~~pursuant to~~ in accordance with Subsection (16).
- 3976 (19) When a tow truck motor carrier or impound lot is in possession of a vehicle, vessel, or outboard motor as a result of a tow service that was performed without the consent of the owner, and that was not ordered by a peace officer or a person acting on behalf of a law enforcement agency, the tow truck motor carrier or impound yard shall make personnel available:
- 3981 (a) by phone 24 hours a day, seven days a week; and

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- 3982 (b) to release the impounded vehicle, vessel, or outboard motor to the owner within one hour of when
the owner calls the tow truck motor carrier or impound yard.
- 3984 (20)
- (a) If the tow truck motor carrier, tow truck operator, or impound lot fails to release the vehicle, vessel,
or outboard motor in accordance with Subsection (19), the individual acting on behalf of the tow
truck motor carrier, tow truck operator, or impound lot may be charged with a violation described in
Section 41-1a-1314.
- 3988 (b) Subsection (20)(a) may be enforced by:
- 3989 (i) a local law enforcement agency;
- 3990 (ii) Utah Highway Patrol; or
- 3991 (iii) the Motor Vehicle Enforcement Division created in Section 41-3-104.
- 3992 [~~(20)~~] (21) A tow truck motor carrier or a tow truck operator may not:
- 3993 (a) share contact or other personal information of an owner of a vehicle, vessel, or outboard motor or a
party described in Subsection 41-6a-1406(6)(a) for which the tow truck motor carrier or tow truck
operator has performed a tow service; and
- 3996 (b) receive payment for referring a person for whom the tow truck motor carrier or tow truck operator
has performed a tow service to another service, including:
- 3998 (i) a lawyer referral service;
- 3999 (ii) a medical provider;
- 4000 (iii) a funding agency;
- 4001 (iv) a marketer for any service described in Subsections [~~(20)(b)(i)~~] (21)(b)(i) through (iii);
- 4003 (v) a marketer for any other service; or
- 4004 (vi) a third party vendor.
- 4005 Section 31. Section **72-9-604** is amended to read:
- 4006 **72-9-604. Preemption of local authorities -- Tow trucks.**
- 3074 (1) As used in this section:
- 3075 (a) "Abandoned" means a vehicle, vessel, or outboard motor for which a party described in Subsection
41-6a-1406(6)(a) with an interest in the vehicle, vessel, or outboard motor does not, within 30 days
after the day on which notice is issued that the vehicle, vessel, or outboard motor was towed by a
towing entity:
- 3079 (i) pay the relevant fees; and

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- 3080 (ii) remove the vehicle, vessel, or outboard motor from the secure storage facility.
- 3081 (b) "Towing dispatch vendor" means the same as that term is defined in Section 53-1-106.2.
- 3083 ~~[(b)]~~ ~~[(e)]~~ "Towing entity" means:
- 3084 [(i) a political subdivision of this state;
- 3085 [(ii) a state agency;
- 3086 [(iii) an interlocal agency created under Title 11, Chapter 13, Interlocal Cooperation Act; or
- 3088 [(iv) a special service district created under Title 17D, Chapter 1, Special Service District Act.]
- 3090 (2)
- (a) Notwithstanding any other provision of law, a political subdivision of this state may ~~[neither]~~ ~~[not]~~ ~~enact~~ ~~[nor]~~ not enact or ~~[or]~~ enforce any ordinance, regulation, or rule pertaining to a tow truck motor carrier, tow truck operator, or tow truck that:
- 3093 (i) conflicts with:
- 3094 (A) any provision of this part;
- 3095 (B) Section 41-6a-1401;
- 3096 (C) Section 41-6a-1407; or
- 3097 (D) rules made by the department under this part; or
- 3098 (ii) imposes a maximum rate that deviates from the maximum rates set in rules made by the department ~~[pursuant to]~~ in accordance with Subsection 72-9-603(16).
- 3100 (b) A county or municipal legislative governing body may not charge a fee for the storage of an impounded vehicle, vessel, or outboard motor if the county or municipality:
- 3103 (i) is holding the vehicle, vessel, or outboard motor as evidence; and
- 3104 (ii) will not release the vehicle, vessel, or outboard motor to the registered owner, lien holder, or the owner's agent even if the registered owner, lien holder, or the owner's agent satisfies the requirements to release the vehicle, vessel, or outboard motor under Section 41-6a-1406.
- 3108 (3) A tow truck motor carrier that has a county or municipal business license for a place of business located within that county or municipality may not be required to obtain another business license in order to perform a tow truck service in another county or municipality if there is not a business location in the other county or municipality.
- 3112 (4) A county or municipal legislative or governing body may not require a tow truck motor carrier, tow truck, or tow truck operator that has been issued a current, authorized towing certificate by the department, as described in Section 72-9-602, to obtain an additional towing certificate.

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- 3116 (5) A county or municipal legislative body may require an annual tow truck safety inspection in addition to the inspections required under Sections 53-8-205 and 72-9-602 if:
- 3119 (a) no fee is charged for the inspection; and
- 3120 (b) the inspection complies with federal motor carrier safety regulations.
- 3121 (6)
- (a) A tow truck shall be subject to only one annual safety inspection under Subsection (5)(b).
- 3123 (b) A county or municipality that requires ~~[the-]~~ an additional annual safety inspection shall accept the same inspection performed by another county or municipality.
- 3125 ~~(7)~~
- {(a)}
- (i) ~~If a towing entity uses a towing dispatch vendor described in Section 53-1-106.2, the towing entity may charge a fee to cover costs associated with the use of a dispatch vendor as described in Section 53-1-106.2.]~~
- 3128 ~~[(ii) Except as provided in Subsection (8), a fee described in Subsection (7)(a)(i) may not exceed the actual costs of the dispatch vendor contracted to provide the dispatch service.]~~
- 3131 ~~[(b)~~
- ~~(i) Except as provided in Subsection (7)(b)(ii), if a towing entity does not use a towing dispatch vendor described in Section 53-1-106.2, the towing entity may not charge a fee to cover costs associated with providing towing dispatch and rotation service.]~~
- 3135 ~~[(ii) A special service district created under Title 17D, Chapter 1, Special Service District Act, that charges a dispatch fee on or before January 1, 2023, may continue to charge a fee related to dispatch costs.]~~
- 3138 ~~[(iii) Except as provided in Subsection (8), a fee described in Subsection (7)(b)(ii) may not exceed an amount reasonably reflective to the actual costs of providing the towing dispatch and rotation service.]~~
- 3141 ~~[(e) A towing entity may not charge a fee described in Subsection (7)(a)(i) or (7)(b)(ii) unless the relevant governing body of the towing entity has approved the fee amount.]~~
- 4076 (7)
- 3143 (a) A towing entity may charge a fee to cover costs associated with dispatching for towing operations.
- 3145 (b) The fee described in Subsection (7)(a) may not exceed 50% of the administrative fee described in Subsection 72-9-603(16)(d).

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- 3147 ~~[(d)]~~ (c) In addition to fees set by the department in rules made in accordance with Subsection 72-9-603(16), a tow truck operator or a tow truck motor carrier may pass through a fee described in this Subsection (7) to owners, lien holders, or insurance providers of towed vehicles, vessels, or outboard motors.
- 3151 (8)
- (a) In addition to the fees described in Subsection (7), a tow truck operator or tow truck motor carrier may charge an additional fee to absorb unrecovered costs of abandoned vehicles related to the fees described in ~~[Subsections (7)(a)(i) and (7)(b)(ii)]~~ Subsection (7)(a).
- 3155 (b) ~~[Beginning May 3, 2023, and ending on June 30, 2025, a]~~ A tow truck operator or tow truck motor carrier may charge a fee described in Subsection (8)(a) in an amount not to exceed an amount greater than ~~[25% of the relevant]~~ 40% of the fee described in Subsection ~~[(7)(a)(i) or (7)(b)(ii)]~~ (7)(a).
- 3159 (e)
- (i) ~~Beginning January 1, 2025, and annually thereafter, the towing entity shall, based on data provided by the State Tax Commission, determine the percentage of vehicles, vessels, or outboard motors that were abandoned during the previous year by:]~~
- 3163 ~~[(A) determining the total number of vehicles, vessels, or outboard motors that were towed as part of a towing entity's towing rotation during the previous calendar year that were also abandoned; and]~~
- 3166 ~~[(B) dividing the number described in Subsection (8)(c)(i)(A) by the total number of vehicles, vessels, or outboard motors that were towed as part of the towing entity's towing rotation during the previous calendar year.]~~
- 3169 ~~[(ii) No later than March 31, 2025, and each year thereafter, the towing entity shall publish:]~~
- 3171 ~~[(A) the relevant fee amount described in Subsection (7)(a)(i) or (7)(b)(ii); and]~~
- 3172 ~~[(B) the percentage described in Subsection (8)(c)(i).]~~
- 3173 ~~[(iii) Beginning on July 1, 2025, and each year thereafter, a tow truck operator or a tow truck motor carrier may charge a fee authorized in Subsection (8)(a) in an amount equal to the percentage described in Subsection (8)(c)(i) multiplied by the relevant fee amount described in Subsection (7)(a)(i) or (7)(b)(ii).]~~
- 3177 ~~[(d)]~~ ~~{~~ ~~{(e)}~~ A tow truck operator or tow truck motor carrier shall list on a separate line on the towing invoice any fee described in this Subsection (8).

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- 4112 (c) A tow truck operator or tow truck motor carrier shall include on the towing invoice a separate line
3179 showing the combined total of the fees described in Subsection (7) and this Subsection (8).
- 3182 (9) A towing entity may not require a tow truck operator who has received an authorized towing
certificate from the department to submit additional criminal background check information for
inclusion of the tow truck motor carrier on a rotation.
- 3186 (10) If a tow truck motor carrier is dispatched as part of a towing rotation, the tow truck operator that
responds may not respond to the location in a tow truck that is owned by a tow truck motor carrier
that is different than the tow truck motor carrier that was dispatched.
- 3190 (11) If a towing entity receives a notice from the department as described in Subsection 72-9-602(6),
the towing entity shall remove the tow truck motor carrier from the towing entity's towing rotation,
contract, or request for proposal as provided in the notice from the department.
- 4129 (13)
- 3193 (13){(a)} A towing entity may require a tow truck motor carrier{-} or tow truck operator to enter the
following into a database controlled by the towing dispatch vendor:
- 3195 (a){(i)} information about the vehicle, vessel, or outboard motor that is the subject of the tow;and
3196 ~~{(b) {information about the owner of the vehicle, vessel, or outboard motor that is the subject of the~~
~~tow; and-}}~~
- 3198 (c){(ii)} other information about the circumstances and timing of the towing operation.
- 4134 (b) A towing entity may not require a tow truck motor carrier or tow truck operator to enter personally
identifiable information about the owner into a database controlled by the towing dispatch vendor.
- 3199 (14) If a towing dispatch vendor that receives from a towing entity, tow truck motor carrier, or tow
truck operator any ~~{personal-}~~ personally identifiable information or other information about the
owner of a vehicle that is the subject of the towing dispatch service, the towing dispatch vendor
~~{may not}~~ :
- 4141 (a) may not:
- 3202 (a){(i)} share the ~~{personal-}~~ information with a third party;
- 3203 (b){(ii)} sell the ~~{personal-}~~ information to a third party;
- 3204 (c){(iii)} use the information for any purpose other than dispatching for the tow or removal; or

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- 3205 (d){(iv)} retain the information longer than the administrative need {to execute the towing dispatch
3206 service.}; and
- 4147 (b) shall delete any personally identifiable information.
- 4148 Section 32. Section **72-19-401** is amended to read:
- 4149 **72-19-401. Creation of Broadband Equity Access and Deployment Grant Program.**
- 3210 (1) There is established a grant program known as the Broadband Equity Access and Deployment Grant
3211 Program that is administered by the broadband center in accordance with:
- 3212 (a) this part; and
- 3213 (b) the requirements of the National Telecommunications and Information Administration's Broadband
3214 Equity Access and Deployment Program, 47 U.S.C. Sec. 1702 et seq.
- 3217 (2) The broadband center shall:
- 3218 (a) prepare and submit the state's Broadband Equity Access and Deployment application, including
3219 the letter of intent, initial proposal, and final proposal to the National Telecommunications and
3220 Information Administration;
- 3221 (b) administer the Broadband Equity Access and Deployment Grant Program in accordance with this
3222 section and as approved by the National Telecommunications and Information Administration;
- 3223 (c) accept and process an application for subgranted funds; and
- 3224 (d) ensure that a subgrantee complies with the state's final proposal to the National Telecommunications
3225 and Information Administration.
- 3227 (3) The department, in coordination with the broadband center, may make rules in accordance with Title
3228 63G, Chapter 3, Utah Administrative Rulemaking Act, to administer the grant program.
- 3230 (4) The broadband center may approve an application for subgranted funds if:
- 3231 (a) the application meets the requirements of this section;
- 3232 (b) the application meets any rule made [~~pursuant to~~] in accordance with this section;
- 3233 (c) the application meets the requirements of the National Telecommunications and Information
3234 Administration's Broadband Equity Access and Deployment Program, 47 U.S.C. Sec. 1702 et seq.;
3235 and
- 3236 (d) the broadband center has informed the Transportation Commission about the application described
3237 in Subsection (2)(c).
- 3238

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- (5) After the broadband center completes a competitive application process for subgranted funds[~~but before the broadband center notifies the applicant of the award~~], the broadband center shall present to the Transportation Commission on the subgrant award.

4182 Section 33. Section **33** is enacted to read:

4184 **72-20-101. Definitions.**

20. Local Highway Mobility Plans

As used in this chapter:

3245 (1) "City" means Salt Lake City.

3246 (2) "Critical capacity routes map" means the map adopted by the city designating roadways within the study area by tiers to preserve motor vehicle capacity as described in the city's transportation plans.

3248 (3) "Highway reduction strategy" means a strategy that:

3249 (a) has the potential to permanently decrease the number of vehicles that can travel on an arterial or a collector highway per hour, including:

3251 (i) reducing the number of motorized vehicle travel lanes on an arterial or collector highway;

3253 (ii) narrowing existing motorized vehicle travel lanes on an arterial or collector highway; or

3255 (iii) any other strategy that when implemented may reasonably be expected to increase congestion or impede traffic flow for motor vehicles driving on an arterial or collector highway; or

3258 (b) has the potential to permanently reduce the availability of on-street parking.

3259 (4) "Study area" means the area within Salt Lake City that is west of Foothill Drive, east of Redwood Road, south of 600 North, and extends to the southern boundary of the city.

3261 (5) "Tier four road" means a low-volume, residential or similar road.

3262 (6) "Tier one road" means a regionally significant transportation facility.

3263 (7) "Tier three road" means a low-priority, low-volume street with minimal regional significance within the transportation network.

3265 (8) "Tier two road" means a corridor important to the transportation network but not designed or anticipated to carry as much motor vehicle volume as a tier one road.

3267 (9) "Traffic calming measures" means permanent physical or regulatory measures intended to reduce vehicle speeds or volumes on roadways.

4211 Section 34. Section **34** is enacted to read:

4212 **72-20-102. Adoption and codification of critical capacity routes map -- Agreement.**

3272 (1) On or before January 1, 2027, the city shall:

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- 3273 (a) enter into an agreement with the department that:
- 3274 (i) identifies and designates each road within the {city} study area as a tier one, tier two, tier three, or tier four road;
- 3276 (ii) designates regionally significant highways within the {city boundaries} study area as tier one roads for which, except as provided in Subsection (2)(a), the city may not implement a project that includes a highway reduction strategy;
- 3279 (iii) designates highways within the {city boundaries} study area as tier two roads for which the city may implement a project that includes a highway reduction strategy only after the city:
- 3282 (A) completes a thorough data collection and impact analysis;
- 3283 (B) completes a thorough community and business engagement campaign that includes engagement with key stakeholders; and
- 3285 (C) receives approval for the project by the department;
- 3286 (iv) designates highways within the {city boundaries} study area as tier three roads for which the city may implement a project that includes a highway reduction strategy as determined necessary by the city, consistent with the terms of the agreement; {and}
- 3289 (v) includes plans and timelines for the city to mitigate the impacts of traffic calming measures and highway reduction strategies previously implemented{, including on the following highways} on:
- 3292 (A) 300 West from 400 South to 900 South;
- 3293 (B) 200 South from 300 West to 300 East; and
- 3294 (C) 400 South from West Temple to Interstate 15; and
- 4236 (vi) the city will continually evaluate roads of all tiers within the study area for safety, efficiency, and effectiveness for all modes of transportation; and
- 3295 (b) adopt and codify a critical capacity routes map into the city's transportation plans and ordinances.
- 3297 (2)
- (a)
- (i) The agreement described in Subsection (1)(a) may allow for implementation of one or more safety improvements on a tier one {highway} road described in Subsection (1)(a)(ii), if the safety improvements are primarily intended to enhance the safety of all roadway users and do not materially reduce travel capacity or the number of motorized vehicle travel lanes.
- 3302 (ii) Before implementing a safety improvement under this Subsection (2), the city shall:
- 3304 (A) complete a thorough data collection and impact analysis;

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- 3305 (B) complete a thorough community and business engagement campaign that includes engagement with key stakeholders; and
- 3307 (C) receive approval for the project from the department.
- 3308 (b)
- (i) Where possible, the city shall maintain the width of a vehicle travel lane on a tier one road and tier two road within the study area at a width of at least 11 feet.
- 3310 (ii) The city may not implement a highway reduction strategy on a tier three road within the study area that permanently reduces the width of a highway lane below 10 feet.
- 3312 (iii) The department may reject a proposed highway reduction strategy on a tier one road or tier two road within the study area that, in the department's discretion, is not in the best interest of traffic management, flow, or safety.
- 3315 (c)
- (i) Before the city may reduce parking by three or more parking stalls on a block face of a tier one or tier two road within the study area, the city shall:
- 3317 (A) engage with the stakeholders in the immediate vicinity of the block face to assess potential impacts and alternatives; and
- 3319 (B) inform the department if the stakeholder engagement described in Subsection (2)(c)(i)(A) results in a determination to reduce parking by three or more stalls.
- 3321 (ii) In determining whether a strategy has the potential to permanently impact availability and accessibility to on-street parking:
- 3323 (A) a parking fee or hour restriction is not considered a permanent reduction of parking stalls on a block face; and
- 3325 (B) if a strategy that reduces on-street parking provides additional parking due to construction or access to a new parking structure, the proposed project is not considered a reduction in on-street parking if the aggregate availability of parking does not decrease.
- 3329 (iii) The city shall follow the requirements and guidelines of the agreement described in Subsection (1)
- (a) with regard to permanent parking reduction.
- 3331 (d) To develop the plan for mitigation described in Subsection (1)(a)(v), the city:
- 3332 (i) may engage and consult with stakeholders and the department to assess potential impacts and alternatives; and
- 3334 (ii) shall obtain approval from the department of the proposed plan for each highway.

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- 3335 (3)
- (a) On or before November 30, 2027, and annually thereafter, the city, in consultation with the department, shall provide a written report to the Transportation Interim Committee with an update on the agreement and the status of highway reduction strategies and projectswithin the study area.
- 3339 (b) On or before November 30, 2028, the Transportation Interim Committee shall review the reports required in Subsection (3)(a) and determine whether the report should continue.
- 3342 (4) The city may exercise the city's discretion with regard to any tier four road.
- 3343 (5) The city shall publish the critical capacity routes map on the city website.
- 3344 (6) The city mayor and the executive director shall sign and approve the agreement.

4289 Section 35. **Effective date.**

Effective Date.

- 3346 (1) Except as provided in Subsection (2), this bill takes effect May 6, 2026.
- 3347 (2) The actions affecting the following sections take effect on July 1, 2026:
- 3348 (a) Section 59-12-104 (Effective 07/01/26);
- 3349 (b) Section 59-12-2220 (Effective 07/01/26); and
- 3350 (c) Section 72-2-124 (Effective 07/01/26).

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