

**Kay J. Christofferson** proposes the following substitute bill:

**Transportation Modifications**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Kay J. Christofferson**

Senate Sponsor: Wayne A. Harper

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**LONG TITLE**

**General Description:**

This bill repeals the clean vehicle program, amends distribution frequency for class B and class C road funding, and amends provisions related to local corridor preservation fund administration.

**Highlighted Provisions:**

This bill:

- ▶ amends provisions related to local jurisdiction over real property as pertaining to commuter rail property;
- ▶ repeals the clean vehicle program;
- ▶ amends certain duties of the Department of Transportation;
- ▶ amends rates related to the road usage charge program;
- ▶ enacts provisions related to privileged information pertaining to rail road safety responsibilities and coordination;
- ▶ provides flexibility in distribution frequency of class B and class C road funding;
- ▶ directs local corridor preservation funds to go directly to the relevant local government instead of passing through the Transportation Fund;
- ▶ modifies certain uses for local corridor preservation funds; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**10-20-305**, as renumbered and amended by Laws of Utah 2025, First Special Session,

29 Chapter 15  
 30 **17-79-306**, as renumbered and amended by Laws of Utah 2025, First Special Session,  
 31 Chapter 14  
 32 **41-6a-702**, as last amended by Laws of Utah 2020, Chapter 74  
 33 **72-1-201**, as last amended by Laws of Utah 2025, Chapters 393, 452  
 34 **72-1-213.1**, as last amended by Laws of Utah 2025, Chapter 452  
 35 **72-2-107**, as last amended by Laws of Utah 2023, Chapter 22  
 36 **72-2-117.5**, as last amended by Laws of Utah 2025, Chapter 373

37 ENACTS:

38 **72-1-219**, Utah Code Annotated 1953

39 REPEALS:

40 **72-6-121**, as last amended by Laws of Utah 2024, Chapter 517

41

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

43 Section 1. Section **10-20-305** is amended to read:

44 **10-20-305 . State and federal property.**

45 (1) As used in this section:

46 (a) "Commuter rail" means the same as that term is defined in Section 63N-3-602.

47 (b)(i) "Commuter rail facility" means a parking facility or maintenance facility  
 48 related to commuter rail.

49 (ii) "Commuter rail facility" does not include the rail or a station platform.

50 (2) Unless otherwise provided by law, nothing contained in this chapter or Chapter 21,  
 51 Municipalities and Housing Supply, may be construed as giving a municipality  
 52 jurisdiction over:

53 (a) real property or an interest in real property owned by the state or the United States[-];  
 54 or

55 (b) except as provided by Subsection (3), over other real property necessary for the  
 56 construction of a commuter rail project for which the Department of Transportation  
 57 has oversight and supervision.

58 (3) Upon completion of a commuter rail project described in Subsection (2), including any  
 59 performance of work related to warranties and latent defects, a municipality retains the  
 60 jurisdiction and land use authority provided by law over the completed commuter rail  
 61 facilities.

62 Section 2. Section **17-79-306** is amended to read:

63 **17-79-306 . State and federal property.**

64 (1) As used in this section:

65 (a) "Commuter rail" means the same as that term is defined in Section 63N-3-602.

66 (b)(i) "Commuter rail facility" means a parking facility or maintenance facility  
67 related to commuter rail.

68 (ii) "Commuter rail facility" does not include the rail or a station platform.

69 (2) Unless otherwise provided by law, nothing contained in this chapter or Chapter 80,  
70 Counties and Housing Supply, may be construed as giving a county jurisdiction over:

71 (a) real property or an interest in real property owned by the state or the United States[-] ;  
72 or

73 (b) except as provided by Subsection (3), over other real property necessary for the  
74 construction of a commuter rail project for which the Department of Transportation  
75 has oversight and supervision.

76 (3) Upon completion of a commuter rail project described in Subsection (2), including any  
77 performance of work related to warranties and latent defects, a county retains the  
78 jurisdiction and land use authority provided by law over the completed commuter rail  
79 facilities.

80 Section 3. Section **41-6a-702** is amended to read:

81 **41-6a-702 . Left lane restrictions -- Exceptions -- Other lane restrictions --**

82 **Penalties.**

83 (1) As used in this section and Section 41-6a-704, "general purpose lane" means a highway  
84 lane open to vehicular traffic but does not include a designated:

85 (a) high occupancy vehicle (HOV) lane; or

86 (b) auxiliary lane that begins as a freeway on-ramp and ends as part of the next freeway  
87 off-ramp.

88 (2) On a freeway or section of a freeway which has three or more general purpose lanes in  
89 the same direction, a person may not operate a vehicle in the left most general purpose  
90 lane if the person's vehicle or combination of vehicles has a gross vehicle weight rating  
91 of 18,001 or more pounds.

92 (3) Subsection (2) does not apply to a person operating a vehicle who is:

93 (a) preparing to turn left or taking a different highway split or an exit on the left;

94 (b) responding to emergency conditions;

95 (c) avoiding actual or potential traffic moving onto the highway from an acceleration or  
96 merging lane; or

97 (d) following direction signs that direct use of a designated lane.

98 (4)(a) A highway authority may designate a specific lane or lanes of travel for any type  
99 of vehicle on a highway or portion of a highway under its jurisdiction for the:

100 (i) safety of the public;

101 (ii) efficient maintenance of a highway; or

102 (iii) use of high occupancy vehicles.

103 (b) The lane designation under Subsection (4)(a) is effective when appropriate signs or  
104 roadway markings giving notice are erected on the highway or portion of the  
105 highway.

106 [~~(5)(a) Subject to Subsection (5)(b), the lane designation under Subsection (4)(a)(iii)~~  
107 ~~shall allow a vehicle with a clean fuel vehicle decal issued in accordance with~~  
108 ~~Section 72-6-121 to travel in lanes designated for the use of high occupancy vehicles~~  
109 ~~regardless of the number of occupants as permitted by federal law or federal~~  
110 ~~regulation.]~~

111 [~~(b)(i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking~~  
112 ~~Act, the Department of Transportation may make rules to allow a vehicle with a~~  
113 ~~clean fuel vehicle decal to travel in lanes designated for the use of high occupancy~~  
114 ~~vehicles regardless of the number of occupants as permitted by federal law or~~  
115 ~~federal regulation.]~~

116 [~~(ii) Except as provided in Subsection (5)(b)(iii), the Department of Transportation~~  
117 ~~may not issue more than 6,000 clean fuel vehicle decals under Section 72-6-121.]~~

118 [~~(iii) The Department of Transportation may, through rules made under Subsection~~  
119 ~~(5)(b)(i), increase the number of clean fuel vehicle decals issued in accordance~~  
120 ~~with Section 72-6-121 beyond the minimum described in Subsection (5)(b)(ii) if~~  
121 ~~the increased issuance will allow the Department of Transportation to continue to~~  
122 ~~meet its goals for operational management of the lane designated under~~  
123 ~~Subsection (4)(a)(iii).]~~

124 [~~(6) (5) A public transportation vehicle may operate in a lane designated under Subsection~~  
125 ~~(4)(a)(iii) regardless of the number of occupants as permitted by federal law and~~  
126 ~~regulation.~~

127 [~~(7) (6) A person who operates a vehicle in violation of Subsection (2) or in violation of the~~  
128 ~~restrictions made under Subsection (4) is guilty of an infraction.~~

129 Section 4. Section **72-1-201** is amended to read:

130 **72-1-201 . Creation of Department of Transportation -- Functions, powers,**

131 **duties, rights, and responsibilities.**

- 132 (1) There is created the Department of Transportation which shall:
- 133 (a) have the general responsibility for planning, research, design, construction,  
134 maintenance, security, and safety of state transportation systems;
- 135 (b) provide administration for state transportation systems and programs;
- 136 (c) implement the transportation policies of the state;
- 137 (d) plan, develop, construct, and maintain state transportation systems that are safe,  
138 reliable, environmentally sensitive, and serve the needs of the traveling public,  
139 commerce, and industry;
- 140 (e) establish standards and procedures regarding the technical details of administration  
141 of the state transportation systems as established by statute and administrative rule;
- 142 (f) advise the governor and the Legislature about state transportation systems needs;
- 143 (g) coordinate with utility companies for the reasonable, efficient, and cost-effective  
144 installation, maintenance, operation, relocation, and upgrade of utilities within state  
145 highway rights-of-way;
- 146 (h) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
147 make rules for the administration of the department, state transportation systems, and  
148 programs;
- 149 (i) jointly with the commission annually report to the Transportation Interim Committee,  
150 by November 30 of each year, as to the operation, maintenance, condition, mobility,  
151 safety needs, and wildlife and livestock mitigation for state transportation systems;
- 152 (j) ensure that any training or certification required of a public official or public  
153 employee, as those terms are defined in Section 63G-22-102, complies with Title  
154 63G, Chapter 22, State Training and Certification Requirements, if the training or  
155 certification is required:
- 156 (i) under this title;
- 157 (ii) by the department; or
- 158 (iii) by an agency or division within the department;
- 159 (k) study and make recommendations to the Legislature on potential managed lane use  
160 and implementation on selected transportation systems within the state;
- 161 (l) before July 1 of each year, coordinate with the Utah Highway Patrol Division created  
162 in Section 53-8-103 regarding:
- 163 (i) future highway projects that will add additional capacity to the state transportation  
164 system;

- 165 (ii) potential changes in law enforcement responsibilities due to future highway  
166 projects; and
- 167 (iii) incident management services on state highways;
- 168 (m) provide public transit services, in consultation with any relevant public transit  
169 provider; [~~and~~]
- 170 (n) implement a public service campaign as described in Section 72-2-135, in  
171 coordination with relevant stakeholders including permitted landfills and transfer  
172 stations, to generate public awareness regarding the importance of proper  
173 transportation and disposal of waste and maintaining clean roads and highways[-] ; and
- 174 (o) in coordination with a large public transit district, provide for leasing and other  
175 services that generate revenue in connection with public transit facilities and services  
176 that serve the Cottonwood Canyons area of Salt Lake County.
- 177 (2) For a proposed transportation project that includes a gondola in the Cottonwood  
178 Canyons area of Salt Lake County for which the department has completed an  
179 environmental impact statement, the department may only construct the project in the  
180 phasing sequence as provided in the record of decision associated with the  
181 environmental impact statement.
- 182 (3)(a) The department shall exercise reasonable care in designing, constructing, and  
183 maintaining a state highway in a reasonably safe condition for travel.
- 184 (b) Nothing in this section shall be construed as:
- 185 (i) creating a private right of action; or
- 186 (ii) expanding or changing the department's common law duty as described in  
187 Subsection (3)(a) for liability purposes.
- 188 Section 5. Section **72-1-213.1** is amended to read:
- 189 **72-1-213.1 . Road usage charge program.**
- 190 (1) As used in this section:
- 191 (a) "Account manager" means an entity under contract with the department to administer  
192 and manage the road usage charge program.
- 193 (b) "Alternative fuel vehicle" means:
- 194 (i) an electric motor vehicle as defined in Section 41-1a-102; or
- 195 (ii) a motor vehicle powered exclusively by a fuel other than:
- 196 (A) motor fuel;
- 197 (B) diesel fuel;
- 198 (C) natural gas; or

- 199 (D) propane.
- 200 (c) "Payment period" means the interval during which an owner is required to report  
201 mileage and pay the appropriate road usage charge according to the terms of the  
202 program.
- 203 (d) "Program" means the road usage charge program established and described in this  
204 section.
- 205 (e) "Road usage charge cap" means the maximum fee charged to a participant in the  
206 program for a registration period.
- 207 (f) "Road usage charge rate" means the per-mile usage fee charged to a participant in the  
208 program.
- 209 (2) There is established a road usage charge program as described in this section.
- 210 (3)(a) The department shall implement and oversee the administration of the program,  
211 which shall begin on January 1, 2020.
- 212 (b) To implement and administer the program, the department may contract with an  
213 account manager.
- 214 (4)(a) The owner or lessee of an alternative fuel vehicle may apply for enrollment of the  
215 alternative fuel vehicle in the program.
- 216 (b) If an application for enrollment into the program is approved by the department, the  
217 owner or lessee of an alternative fuel vehicle may participate in the program in lieu of  
218 paying the fee described in Subsection 41-1a-1206(1)(h) or (2)(b).
- 219 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and  
220 consistent with this section, the department:
- 221 (a) shall make rules to establish:
- 222 (i) processes and terms for enrollment into and withdrawal or removal from the  
223 program;
- 224 (ii) payment periods and other payment methods and procedures for the program;
- 225 (iii) standards for mileage reporting mechanisms for an owner or lessee of an  
226 alternative fuel vehicle to report mileage as part of participation in the program;
- 227 (iv) standards for program functions for mileage recording, payment processing,  
228 account management, and other similar aspects of the program;
- 229 (v) contractual terms between an owner or lessee of an alternative fuel vehicle owner  
230 and an account manager for participation in the program;
- 231 (vi) contractual terms between the department and an account manager, including  
232 authority for an account manager to enforce the terms of the program;

- 233 (vii) procedures to provide security and protection of personal information and data  
234 connected to the program, and penalties for account managers for violating  
235 privacy protection rules;
- 236 (viii) penalty procedures for a program participant's failure to pay a road usage  
237 charge or tampering with a device necessary for the program; and
- 238 (ix) department oversight of an account manager, including privacy protection of  
239 personal information and access and auditing capability of financial and other  
240 records related to administration of the program; and
- 241 (b) may make rules to establish:
- 242 (i) an enrollment cap for certain alternative fuel vehicle types to participate in the  
243 program;
- 244 (ii) a process for collection of an unpaid road usage charge or penalty; or
- 245 (iii) integration of the program with other similar programs, such as tolling.
- 246 (6) Revenue generated by the road usage charge program and relevant penalties shall be  
247 deposited into the Road Usage Charge Program Special Revenue Fund.
- 248 (7)(a) The department may:
- 249 (i)(A) impose a penalty for failure to timely pay a road usage charge according to  
250 the terms of the program or tampering with a device necessary for the program;  
251 and
- 252 (B) request that the Division of Motor Vehicles place a hold on the registration of  
253 the owner's or lessee's alternative fuel vehicle for failure to pay a road usage  
254 charge or penalty according to the terms of the program;
- 255 (ii) send correspondence to the owner of an alternative fuel vehicle to inform the  
256 owner or lessee of:
- 257 (A) the road usage charge program, implementation, and procedures;
- 258 (B) an unpaid road usage charge and the amount of the road usage charge to be  
259 paid to the department;
- 260 (C) the penalty for failure to pay a road usage charge within the time period  
261 described in Subsection (7)(a)(iii); and
- 262 (D) a hold being placed on the owner's or lessee's registration for the alternative  
263 fuel vehicle, if the road usage charge and penalty are not paid within the time  
264 period described in Subsection (7)(a)(iii), which would prevent the renewal of  
265 the alternative fuel vehicle's registration; and
- 266 (iii) require that the owner or lessee of the alternative fuel vehicle pay the road usage

- 267 charge to the department within 30 days of the date when the department sends  
268 written notice of the road usage charge to the owner or lessee.
- 269 (b) The department shall send the correspondence and notice described in Subsection  
270 (7)(a) to the owner of the alternative fuel vehicle according to the terms of the  
271 program.
- 272 (8)(a) The Division of Motor Vehicles and the department shall share and provide access  
273 to information pertaining to an alternative fuel vehicle and participation in the  
274 program including:
- 275 (i) registration and ownership information pertaining to an alternative fuel vehicle;
  - 276 (ii) information regarding the failure of an alternative fuel vehicle owner or lessee to  
277 pay a road usage charge or penalty imposed under this section within the time  
278 period described in Subsection (7)(a)(iii); and
  - 279 (iii) the status of a request for a hold on the registration of an alternative fuel vehicle.
- 280 (b) If the department requests a hold on the registration in accordance with this section,  
281 the Division of Motor Vehicles may not renew the registration of a motor vehicle  
282 under Title 41, Chapter 1a, Part 2, Registration, until the department withdraws the  
283 hold request.
- 284 (9) The owner of an alternative fuel vehicle may [~~apply for enrollment~~] enroll in the  
285 program or withdraw from the program according to the terms established by the  
286 department [~~pursuant to~~] in accordance with rules made under Subsection (5).
- 287 (10) If enrolled in the program, the owner or lessee of an alternative fuel vehicle shall:
- 288 (a) report mileage driven as required by the department [~~pursuant to~~] in accordance with  
289 Subsection (5);
  - 290 (b) pay the road usage fee for each payment period in accordance with Subsection (5);  
291 and
  - 292 (c) comply with all other provisions of this section and other requirements of the  
293 program.
- 294 (11) The department shall submit annually, on or before October 1, to the Transportation  
295 Interim Committee, an electronic report that:
- 296 (a) states for the preceding fiscal year:
    - 297 (i) the amount of revenue collected from the program;
    - 298 (ii) the participation rate in the program; and
    - 299 (iii) the department's costs to administer the program; and
  - 300 (b) provides for the current fiscal year, an estimate of:

- 301 (i) the revenue that will be collected from the program;
- 302 (ii) the participation rate in the program; and
- 303 (iii) the department's costs to administer the program.
- 304 (12)[(a) ~~Beginning on January 1, 2023:~~]
- 305 [~~(i) the road usage charge rate is 1.0 cent per mile; and~~]
- 306 [~~(ii) the road usage charge cap is:~~]
- 307 [~~(A) \$130.25 for an annual registration period; and~~]
- 308 [~~(B) \$100.75 for a six-month registration period.~~]
- 309 [(b)] (a) Beginning on January 1, 2026:
- 310 (i) the road usage charge rate is 1.25 cents per mile; and
- 311 (ii) the road usage charge cap is:
- 312 (A) \$180 for an annual registration period; and
- 313 (B) \$139 for a six-month registration period.
- 314 [(c)] (b) Beginning on January 1, [2032] 2027:
- 315 (i) the road usage charge rate is 1.5 cents per mile, unless the commission establishes
- 316 a different road usage charge rate in accordance with Subsection (13); and
- 317 (ii) the road usage charge cap is:
- 318 (A) [~~\$240~~] \$280 for an annual registration period; and
- 319 (B) [~~\$185~~] \$216 for a six-month registration period.
- 320 [(d)] (c) Beginning in [2024] 2028, the department shall, on January 1, annually adjust the
- 321 road usage charge rates described in this Subsection (12) by taking the road usage
- 322 charge rate for the previous year and adding an amount equal to the greater of:
- 323 (i) an amount calculated by multiplying the road usage charge rate of the previous
- 324 year by the actual percentage change during the previous fiscal year in the
- 325 Consumer Price Index as determined by the State Tax Commission; and
- 326 (ii) 0.
- 327 [(e)] (d) Beginning in [2024] 2028, the State Tax Commission shall, on January 1,
- 328 annually adjust the road usage charge caps described in this Subsection (12) by
- 329 taking the road usage charge cap for the previous year and adding an amount equal to
- 330 the greater of:
- 331 (i) an amount calculated by multiplying the road usage charge cap of the previous
- 332 year by the actual percentage change during the previous fiscal year in the
- 333 Consumer Price Index; and
- 334 (ii) 0.

- 335           ~~[(f)]~~ (e) The amounts calculated as described in Subsection ~~[(12)(d)]~~ (12)(c) shall be  
 336           rounded up to the nearest .01 cent.
- 337           ~~[(g)]~~ (f) The amounts calculated as described in Subsection ~~[(12)(e)]~~ (12)(d) shall be  
 338           rounded up to the nearest 25 cents.
- 339           ~~[(h)]~~ (g) On or before January 1 of each year, the department shall publish:
- 340           (i) the adjusted road usage charge rate described in Subsection ~~[(12)(d)]~~ (12)(c); and  
 341           (ii) adjusted road usage charge cap described in Subsection ~~[(12)(e)]~~ (12)(d).
- 342 (13)(a) Beginning January 1, ~~[2032]~~ 2027, the commission may establish by rule made in  
 343           accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the road  
 344           usage charge rate for each type of alternative fuel vehicle.
- 345           (b)(i) Before making rules in accordance with Subsection (13)(a), the commission  
 346           shall consult with the department regarding the road usage charge rate for each  
 347           type of alternative fuel vehicle.
- 348           (ii) The department shall cooperate with and make recommendations to the  
 349           commission regarding the road usage charge rate for each type of alternative fuel  
 350           vehicle.

351           Section 6. Section **72-1-219** is enacted to read:

352           **72-1-219 . Discovery and admission as evidence of certain reports and surveys.**

- 353           (1) Subject to Subsection (2), and notwithstanding any other provision of law, the following  
 354           materials are privileged, are not subject to discovery or admissible in evidence in a  
 355           proceeding before a federal or state court, and may not be considered for any other  
 356           purpose in an action for damages arising from an occurrence at a location described in  
 357           the materials:
- 358           (a) a report;  
 359           (b) a survey;  
 360           (c) a schedule;  
 361           (d) a list; or  
 362           (e) data compiled or collected.
- 363           (2) The privilege described in Subsection (1) applies only if the materials were created or  
 364           collected:
- 365           (a) pursuant to 23 U.S.C. Sec. 409;  
 366           (b) under federal or state law for the purpose of identifying, evaluating, or planning the  
 367           safety enhancement of:  
 368           (i) a potential crash site;

- 369           (ii) a hazardous highway condition; or  
 370           (iii) a railway-highway crossing; or  
 371           (c) for the purpose of developing a highway or railway safety construction improvement  
 372           project, regardless of the funding source.

373           Section 7. Section **72-2-107** is amended to read:

374           **72-2-107 . Appropriation from Transportation Fund -- Apportionment for class**  
 375           **B and class C roads.**

376           (1) There is appropriated to the department from the Transportation Fund annually an  
 377           amount equal to 30% of an amount which the director of finance shall compute in the  
 378           following manner: The total revenue deposited into the Transportation Fund during the  
 379           fiscal year from state highway-user taxes and fees, minus those amounts appropriated or  
 380           transferred from the Transportation Fund during the same fiscal year to:

- 381           (a) the Department of Public Safety;  
 382           (b) the State Tax Commission;  
 383           (c) the Division of Finance;  
 384           (d) the Utah Travel Council;  
 385           (e) except as provided in Section 72-1-213.2, the road usage charge program created in  
 386           Section 72-1-213.1; and  
 387           (f) any other amounts appropriated or transferred for any other state agencies not a part  
 388           of the department.

389           (2)(a) Except as provided in Subsections (2)(b) and (c), all of the money appropriated in  
 390           Subsection (1) shall be apportioned among counties and municipalities for class B  
 391           and class C roads as provided in this title.

392           (b) The department shall annually transfer \$500,000 of the amount calculated under  
 393           Subsection (1) to the State Park Access Highways Improvement Program created in  
 394           Section 72-3-207.

395           (c) Administrative costs of the department to administer class B and class C roads shall  
 396           be paid from funds calculated under Subsection (1).

397           (3) ~~[Each quarter of every year]~~ At least quarterly the department shall make the necessary  
 398           accounting entries to transfer the money appropriated under this section for class B and  
 399           class C roads.

400           (4) The funds appropriated for class B and class C roads shall be expended under the  
 401           direction of the department as the Legislature shall provide.

402           Section 8. Section **72-2-117.5** is amended to read:

403 **72-2-117.5 . Definitions -- Local Highway and Transportation Corridor**  
 404 **Preservation Fund -- Disposition of fund money.**

405 (1) As used in this section:

406 (a) "Council of governments" means a decision-making body in each county composed  
 407 of membership including the county governing body and the mayors of each  
 408 municipality in the county.

409 (b) "Metropolitan planning organization" has the same meaning as defined in Section  
 410 72-1-208.5.

411 (2) There is created the Local Highway and Transportation Corridor Preservation Fund[  
 412 ~~within the Transportation Fund~~].

413 (3) The fund shall be funded from the following sources:

414 (a) a local option highway construction and transportation corridor preservation fee  
 415 imposed under Section 41-1a-1222;

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

417 (c) contributions from other public and private sources for deposit into the fund;

418 (d) all money collected from rents and sales of real property acquired with fund money;

419 (e) proceeds from general obligation bonds, revenue bonds, or other obligations issued  
 420 as authorized by Title 63B, Bonds; and

421 (f) sales and use tax revenues deposited into the fund in accordance with Title 59,  
 422 Chapter 12, Part 22, Local Option Sales and Use Taxes for Transportation Act.

423 ~~(4)(a) The fund shall earn interest.]~~

424 ~~[(b) All interest earned on fund money shall be deposited into the fund.]~~

425 ~~[(c)] (a) The State Tax Commission shall allocate and distribute the revenues:~~

426 (i) provided under Subsection (3)(a) to each county imposing a local option highway  
 427 construction and transportation corridor preservation fee under Section 41-1a-1222;

428 (ii) provided under Subsection 59-12-2217(2) to each county imposing a county  
 429 option sales and use tax for transportation; and

430 (iii) provided under Subsection (3)(f) to each county of the second class or city or  
 431 town within a county of the second class that imposes the sales and use tax  
 432 authorized by Section 59-12-2218.

433 ~~[(d) The department shall distribute the funds allocated to each county, city, or town  
 434 under Subsection (4)(c) to each county, city, or town.]~~

435 ~~[(e)] (b) The money allocated and distributed under this Subsection (4):~~

436 (i) shall be used for the purposes provided in this section for each county, city, or

- 437 town;
- 438 (ii) is allocated to each county, city, or town as provided in this section with the  
439 condition that the state will not be charged for any asset purchased with the money  
440 allocated and distributed under this Subsection (4), unless there is a written  
441 agreement in place with the department prior to the purchase of the asset  
442 stipulating a reimbursement by the state to the county, city, or town of no more  
443 than the original purchase price paid by the county, city, or town; and
- 444 (iii) is considered a local matching contribution for the purposes described under  
445 Section 72-2-123 if used on a state highway.
- 446 ~~[(f) Administrative costs of the department to implement this section shall be paid from~~  
447 ~~the fund.]~~
- 448 (5)(a) A highway authority may acquire real property or any interests in real property for  
449 state, county, and municipal transportation corridors subject to:
- 450 (i) money available in the fund to each county under Subsection (4); and  
451 (ii) the provisions of this section.
- 452 (b) Fund money may be used to pay interest on debts incurred in accordance with this  
453 section.
- 454 (c)(i)(A) Fund money may be used to pay maintenance costs of properties  
455 acquired under this section but limited to a total of 5% of the purchase price of  
456 the property.
- 457 (B) Any additional maintenance cost shall be paid from funds other than under  
458 this section.
- 459 (C) Revenue generated by any property acquired under this section is excluded  
460 from the limitations under this Subsection (5)(c)(i).
- 461 (ii) Fund money may be used to pay direct costs of acquisition of properties acquired  
462 under this section.
- 463 (d) Fund money allocated and distributed under Subsection (4) may be used by a county  
464 highway authority for countywide transportation or public transit planning if:
- 465 (i) the county's planning focus area is outside the boundaries of a metropolitan  
466 planning organization;
- 467 (ii) the transportation planning is part of the county's continuing, cooperative, and  
468 comprehensive process for transportation or public transit planning, transportation  
469 corridor preservation, right-of-way acquisition, and project programming;
- 470 (iii) no more than four years allocation every 20 years to each county is used for

- 471 transportation planning under this Subsection (5)(d); and
- 472 (iv) the county otherwise qualifies to use the fund money as provided under this
- 473 section.
- 474 (e)(i) Subject to Subsection (11), fund money allocated and distributed under
- 475 Subsection (4) may be used by a county highway authority for transportation
- 476 corridor planning that is part of the transportation corridor elements of an ongoing
- 477 work program of transportation or public transit projects.
- 478 (ii) The transportation corridor planning under Subsection (5)(e)(i) shall be under the
- 479 direction of:
- 480 (A) the metropolitan planning organization if the county is within the boundaries
- 481 of a metropolitan planning organization; or
- 482 (B) the department if the county is not within the boundaries of a metropolitan
- 483 planning organization.
- 484 (f)(i) A county, city, or town that imposes a local option highway construction and
- 485 transportation corridor preservation fee under Section 41-1a-1222 may elect to
- 486 administer the funds allocated and distributed to that county, city, or town under
- 487 Subsection (4) as a revolving loan fund.
- 488 (ii) If a county, city, or town elects to administer the funds allocated and distributed
- 489 to that county, city, or town under Subsection (4) as a revolving loan fund, a local
- 490 highway authority shall repay the fund money authorized for the project to the
- 491 fund.
- 492 (iii) A county, city, or town that elects to administer the funds allocated and
- 493 distributed to that county, city, or town under Subsection (4) as a revolving loan
- 494 fund shall establish repayment conditions of the money to the fund from the
- 495 specified project funds.
- 496 (g)(i) Subject to the restrictions in Subsections (5)(g)(ii) and (iii), fund money may be
- 497 used by a county of the third, fourth, fifth, or sixth class or by a city or town
- 498 within a county of the third, fourth, fifth, or sixth class for:
- 499 (A) the construction, operation, or maintenance of a class B road or class C road;
- 500 or
- 501 (B) the restoration or repair of survey monuments associated with transportation
- 502 infrastructure.
- 503 (ii) A county, city, or town may not use more than 50% of the current balance of fund
- 504 money allocated to the county, city, or town for the purposes described in

505 Subsection (5)(g)(i).

506 (iii) A county, city, or town may not use more than 50% of the fund revenue  
507 collections allocated to a county, city, or town in the current fiscal year for the  
508 purposes described in Subsection (5)(g)(i).

509 (6)(a)(i) The Local Highway and Transportation Corridor Preservation Fund shall be  
510 used to preserve transportation corridors, promote long-term statewide  
511 transportation planning, save on acquisition costs, and promote the best interests  
512 of the state in a manner which minimizes impact on prime agricultural land.

513 ~~[(ii) The Local Highway and Transportation Corridor Preservation Fund shall only be  
514 used to preserve a transportation corridor that is right-of-way:]~~

515 ~~[(A) in a county of the first or second class for:]~~

516 ~~[(I) a state highway;]~~

517 ~~[(II) a principal arterial highway as defined in Section 72-4-102.5;]~~

518 ~~[(III) a minor arterial highway as defined in Section 72-4-102.5;]~~

519 ~~[(IV) a collector highway in an urban area as defined in Section 72-4-102.5; or]~~

520 ~~[(V) a transit facility as defined in Section 17B-2a-802; or]~~

521 ~~[(B) in a county of the third, fourth, fifth, or sixth class for:]~~

522 ~~[(I) a state highway;]~~

523 ~~[(II) a principal arterial highway as defined in Section 72-4-102.5;]~~

524 ~~[(III) a minor arterial highway as defined in Section 72-4-102.5;]~~

525 ~~[(IV) a major collector highway as defined in Section 72-4-102.5;]~~

526 ~~[(V) a minor collector road as defined in Section 72-4-102.5; or]~~

527 ~~[(VI) a transit facility as defined in Section 17B-2a-802.]~~

528 (ii) Subject to Subsection (6)(c), in a county of the first or second class, the Local  
529 Highway and Transportation Corridor Preservation Fund shall only be used to  
530 preserve a transportation corridor that is right-of-way for:

531 (A) a state highway;

532 (B) a principal arterial highway as defined in Section 72-4-102.5;

533 (C) a minor arterial highway as defined in Section 72-4-102.5;

534 (D) a collector highway in an urban area as defined in Section 72-4-102.5;

535 (E) a transit facility as defined in Section 17B-2a-802; or

536 (F) regionally significant active transportation facilities identified in the regional  
537 transportation plan.

538 (iii) In a county of the third, fourth, fifth, or sixth class, the Local Highway and

539 Transportation Corridor Preservation Fund shall only be used to preserve a  
540 transportation corridor that is right-of-way for:

541 (A) a state highway;

542 (B) a principal arterial highway as defined in Section 72-4-102.5;

543 (C) a minor arterial highway as defined in Section 72-4-102.5;

544 (D) a major collector highway as defined in Section 72-4-102.5;

545 (E) a minor collector road as defined in Section 72-4-102.5; or

546 (F) a transit facility as defined in Section 17B-2a-802.

547 [(iii)] (iv) The Local Highway and Transportation Corridor Preservation Fund may  
548 not be used for a transportation corridor that is primarily a recreational trail as  
549 defined under Section 79-5-102.

550 (b) A highway authority shall authorize the expenditure of fund money after determining  
551 that the expenditure is being made in accordance with this section from applications  
552 that are:

553 (i) endorsed by the council of governments; and

554 (ii) for a right-of-way purchase for a transportation corridor authorized under  
555 Subsection (6)(a)(ii) or (iii).

556 (c)(i) In addition to the uses described in Subsections (6)(a) and (6)(b), subject to  
557 Subsection (6)(c)(ii), if a county legislative body makes a determination that there  
558 are no regionally significant corridor preservation acquisitions identified in the  
559 regional transportation plan for locally owned transportation facilities that are  
560 needed over the next 20 years, the following additional allowed uses of the locally  
561 imposed corridor preservation fund are permitted:

562 (A) development and construction of class A, class B, class C, and class D roads;

563 (B) traffic and pedestrian safety infrastructure;

564 (C) streets, alleys, roads, highways, and thoroughfares of any kind, including  
565 connected structures;

566 (D) active transportation facilities that are for nonmotorized vehicles and  
567 multimodal transportation;

568 (E) other modes and forms of conveyance used by the public, including parking  
569 structures; and

570 (F) transportation and other related capital facility construction, debt service or  
571 bond issuance costs, operations, and maintenance.

572 (ii)(A) A county legislative body and the associated metropolitan planning

573 organization shall review the regional transportation plan not less than every  
574 four years to confirm that no new regionally significant corridor preservation  
575 acquisitions have been identified as needed.

576 (B) A county legislative body may not expend locally imposed corridor  
577 preservation funds for a use described in Subsection (6)(c)(i) unless the county  
578 legislative body determines and the relevant metropolitan planning  
579 organization concurs that no regionally significant corridor preservation needs  
580 exist in the next 20 years.

581 (7)(a)(i) A council of governments shall establish a council of governments

582 endorsement process which includes prioritization and application procedures for  
583 use of the money allocated to each county under this section.

584 (ii) The endorsement process under Subsection (7)(a)(i) may include review or  
585 endorsement of the preservation project by:

586 (A) the metropolitan planning organization if the county is within the boundaries  
587 of a metropolitan planning organization; or

588 (B) the department if the county is not within the boundaries of a metropolitan  
589 planning organization.

590 (b) All fund money shall be prioritized by each highway authority and council of  
591 governments based on considerations, including:

592 (i) areas with rapidly expanding population;

593 (ii) the willingness of local governments to complete studies and impact statements  
594 that meet department standards;

595 (iii) the preservation of transportation corridors by the use of local planning and  
596 zoning processes;

597 (iv) the availability of other public and private matching funds for a project;

598 (v) the cost-effectiveness of the preservation projects;

599 (vi) long and short-term maintenance costs for property acquired; and

600 (vii) whether the transportation corridor is included as part of:

601 (A) the county and municipal master plan; and

602 (B)(I) the statewide long range plan; or

603 (II) the regional transportation plan of the area metropolitan planning  
604 organization if one exists for the area.

605 (c) The council of governments shall:

606 (i) establish a priority list of transportation corridor preservation projects within the

- 607 county;
- 608 (ii) submit the list described in Subsection (7)(c)(i) to the county's legislative body
- 609 for approval; and
- 610 (iii) obtain approval of the list described in Subsection (7)(c)(i) from a majority of the
- 611 members of the county legislative body.
- 612 (d) A county's council of governments may only submit one priority list described in
- 613 Subsection (7)(c)(i) per calendar year.
- 614 (e) A county legislative body may only consider and approve one priority list described
- 615 in Subsection (7)(c)(i) per calendar year.
- 616 (8)(a) Unless otherwise provided by written agreement with another highway authority
- 617 or public transit district, the highway authority that holds the deed to the property is
- 618 responsible for maintenance of the property.
- 619 (b) The transfer of ownership for property acquired under this section from one highway
- 620 authority to another shall include a recorded deed for the property and a written
- 621 agreement between the highway authorities or public transit district.
- 622 (9)(a) The proceeds from any bonds or other obligations secured by revenues of the
- 623 Local Highway and Transportation Corridor Preservation Fund shall be used for the
- 624 purposes authorized for funds under this section.
- 625 (b) The highway authority shall pledge the necessary part of the revenues of the Local
- 626 Highway and Transportation Corridor Preservation Fund to the payment of principal
- 627 and interest on the bonds or other obligations.
- 628 (10)(a) A highway authority may not expend money under this section to purchase a
- 629 right-of-way for a state highway unless the highway authority has:
- 630 (i) a transportation corridor property acquisition policy or ordinance in effect that
- 631 meets department requirements for the acquisition of real property or any interests
- 632 in real property under this section; and
- 633 (ii) an access management policy or ordinance in effect that meets the requirements
- 634 under Subsection 72-2-117(8).
- 635 (b) The provisions of Subsection (10)(a)(i) do not apply if the highway authority has a
- 636 written agreement with the department for the department to acquire real property or
- 637 any interests in real property on behalf of the local highway authority under this
- 638 section.
- 639 (11) The county shall ensure, to the extent possible, that the fund money allocated and
- 640 distributed to a city or town in accordance with Subsection (4) is expended:

- 641 (a) to fund a project or service as allowed by this section within the city or town to
- 642 which the fund money is allocated;
- 643 (b) to pay debt service, principal, or interest on a bond or other obligation as allowed by
- 644 this section if that bond or other obligation is:
- 645 (i) secured by money allocated to the city or town; and
- 646 (ii) issued to finance a project or service as allowed by this section within the city or
- 647 town to which the fund money is allocated;
- 648 (c) to fund transportation planning as allowed by this section within the city or town to
- 649 which the fund money is allocated; or
- 650 (d) for another purpose allowed by this section within the city or town to which the fund
- 651 money is allocated.

652 (12) Notwithstanding any other provision in this section, any amounts within the fund  
653 allocated to a public transit district or for a public transit corridor may only be derived  
654 from the portion of the fund that does not include constitutionally restricted sources  
655 related to the operation of a motor vehicle on a public highway or proceeds from an  
656 excise tax on liquid motor fuel to propel a motor vehicle.

657 Section 9. **Repealer.**

658 This bill repeals:

659 Section **72-6-121, Clean fuel vehicle decal.**

660 Section 10. **Effective Date.**

661 This bill takes effect on May 6, 2026.