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Vehicle Tax and Fee Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Norman K Thurston

Senate Sponsor:

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LONG TITLE

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General Description:

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This bill reclassifies certain taxes and fees and reorganizes vehicle tax and fee provisions.

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Highlighted Provisions:

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This bill:

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- ▶ reclassifies certain taxes and fees related to vehicles and vehicle registration, designating service fees, regulatory fees, and vehicle taxes;
- ▶ reorganizes code related to the imposition of vehicle taxes and fees;
- ▶ reorganizes the distribution of revenue related to vehicle taxes and fees;
- ▶ creates a new restricted account for deposits from vehicle regulatory fees and funding for the Motor Vehicle Division;
- ▶ removes the option for a six-month registration;
- ▶ removes the annual adjustment of certain vehicle taxes and fees due to inflation; and
- ▶ makes technical and conforming changes.

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Money Appropriated in this Bill:

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None

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Other Special Clauses:

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This bill provides a special effective date.

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Utah Code Sections Affected:

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AMENDS:

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26B-1-318 (Effective 01/01/27) (Repealed 07/01/29), as last amended by Laws of Utah 2025, Chapter 126

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31A-6a-101 (Effective 01/01/27), as last amended by Laws of Utah 2020, Chapter 32

16

41-1a-119 (Effective 01/01/27), as last amended by Laws of Utah 2008, Chapter 382

17

41-1a-122 (Effective 01/01/27), as last amended by Laws of Utah 2024, Chapter 251

18

41-1a-203 (Effective 01/01/27), as last amended by Laws of Utah 2025, Chapter 279

19

41-1a-208 (Effective 01/01/27), as last amended by Laws of Utah 2006, Chapter 164

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41-1a-213 (Effective 01/01/27), as last amended by Laws of Utah 2023, Chapter 456

31 **41-1a-215 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 285
32 **41-1a-215.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
33 **41-1a-216 (Effective 01/01/27)**, as last amended by Laws of Utah 2021, Chapter 135
34 **41-1a-230 (Effective 01/01/27)**, as last amended by Laws of Utah 2003, Chapter 126
35 **41-1a-230.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 328
36 **41-1a-230.7 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapters 310,
37 328
38 **41-1a-301 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 234
39 **41-1a-402 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
40 **41-1a-410 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 251
41 **41-1a-1202 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 1992,
42 Chapter 1
43 **41-1a-1203 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 1992,
44 Chapter 1
45 **41-1a-1204 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
46 **41-1a-1207 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 234
47 **41-1a-1209 (Effective 01/01/27)**, as last amended by Laws of Utah 2008, Chapter 210
48 **41-1a-1219 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
49 **41-1a-1221 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
50 **41-1a-1222 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
51 **41-1a-1223 (Effective 01/01/27)**, as last amended by Laws of Utah 2020, Chapter 83
52 **41-1a-1301 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 302
53 **41-1a-1603 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 247
54 **41-3-302 (Effective 01/01/27)**, as last amended by Laws of Utah 2008, Chapter 382
55 **41-6a-208 (Effective 01/01/27)**, as last amended by Laws of Utah 2019, Chapter 294
56 **41-6a-1642 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
57 Session, Chapter 5
58 **41-12a-806 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 294
59 **41-22-3 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
60 **41-22-8 (Effective 01/01/27) (Partially Repealed 07/01/29)**, as last amended by Laws of
61 Utah 2025, Chapter 279
62 **41-22-9 (Effective 01/01/27)**, as last amended by Laws of Utah 2008, Chapter 36
63 **41-22-19 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
64 **41-22-33 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279

65 **41-22-34 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
66 **41-27-201 (Effective 01/01/27)**, as enacted by Laws of Utah 2024, Chapter 459
67 **53-3-905 (Effective 01/01/27)**, as last amended by Laws of Utah 2012, Chapter 397
68 **53-8-214 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 271
69 **53G-10-503 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 55
70 **59-2-405.1 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279
71 **59-2-405.2 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapters 279,
72 336
73 **59-12-103 [(Effective 07/01/26)] (Effective 01/01/27)**, as last amended by Laws of Utah
74 2025, Chapter 285
75 **72-1-213.1 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 452
76 **72-1-213.2 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapters 22,
77 490
78 **72-2-117.5 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 373
79 **72-2-121 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
80 Session, Chapter 17
81 **72-2-124 [(Effective 07/01/26)] (Effective 01/01/27)**, as last amended by Laws of Utah
82 2025, First Special Session, Chapter 15
83 **72-2-133 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, First Special
84 Session, Chapter 17
85 **72-10-112 (Effective 01/01/27)**, as last amended by Laws of Utah 2018, Chapter 436
86 **73-18-7 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 336
87 **73-18-25.3 (Effective 01/01/27)**, as enacted by Laws of Utah 2023, Chapter 244

88 ENACTS:

89 **41-1a-124 (Effective 01/01/27)**, Utah Code Annotated 1953

90 REPEALS AND REENACTS:

91 **41-1a-1201 (Effective 01/01/27) (Partially Repealed 07/01/29)**, as last amended by Laws
92 of Utah 2025, Chapter 279

93 **41-1a-1206 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapters 215,
94 279

95 **41-1a-1211 (Effective 01/01/27)**, as last amended by Laws of Utah 2024, Chapter 251

96 **41-1a-1218 (Effective 01/01/27)**, as last amended by Laws of Utah 2025, Chapter 279

97 REPEALS:

98 **41-1a-123 (Effective 01/01/27)**, as enacted by Laws of Utah 2023, Chapter 212

99 **41-1a-1205 (Effective 01/01/27)**, as renumbered and amended by Laws of Utah 1992,
100 Chapter 1

101 **41-1a-1208 (Effective 01/01/27)**, as repealed and reenacted by Laws of Utah 1993,
102 Chapter 222

103 **41-1a-1210 (Effective 01/01/27)**, as repealed and reenacted by Laws of Utah 1993,
104 Chapter 222

105 **41-1a-1212 (Effective 01/01/27)**, as last amended by Laws of Utah 2023, Chapter 33

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

108 Section 1. Section **26B-1-318** is amended to read:

109 **26B-1-318 (Effective 01/01/27) (Repealed 07/01/29). Brain and Spinal Cord
110 Injury Fund.**

111 (1) As used in this section:

112 (a) "Advisory committee" means the Brain and Spinal Cord Injury Advisory Committee
113 created in Section 26B-1-417.

114 (b) "Nervous system research" means research conducted by a qualified charitable clinic
115 that is:

116 (i) designed to improve, enhance, accelerate, or advance the clinical outcomes of:
117 (A) an individual affected by a spinal cord injury, a brain injury, or a stroke; or
118 (B) a child with a neurological condition or syndrome;
119 (ii) approved by an institutional review board; and
120 (iii) designed to be completed in a 12-month period.

121 (c) "Qualified charitable clinic" means a professional medical clinic that:

122 (i) provides therapeutic services;
123 (ii) employs licensed therapy clinicians;
124 (iii) has at least five years experience operating a post-acute care rehabilitation clinic
125 in the state; and
126 (iv) has obtained tax-exempt status under Internal Revenue Code, 26 U.S.C. Sec.
127 501(c)(3).

128 (d) "Research grant" means a grant that can only be used for nervous system research.

129 (e)(i) "Therapeutic services" means:

130 (A) rehabilitation services to individuals who have a spinal cord or brain injury
131 that tends to be non-progressive or non-deteriorating and require post-acute
132 care; or

133 (B) rehabilitation services for children with neurological conditions and who
134 require post-acute care.

135 (ii) "Therapeutic services" include:
136 (A) physical, occupational, and speech therapy; and
137 (B) other services as determined by the department, in consultation with the
138 advisory committee, through rule made in accordance with Title 63G, Chapter 3,
139 Utah Administrative Rulemaking Act.

140 (2) There is created an expendable special revenue fund known as the "Brain and Spinal
141 Cord Injury Fund."

142 (3) The fund shall consist of:

143 (a) gifts, grants, donations, or any other conveyance of money that may be made to the
144 fund from private sources; and
145 (b) additional amounts as appropriated by the Legislature;
146 (c) a portion of the impound fee as designated in Section 41-6a-1406; and
147 (d) the fees collected by the Motor Vehicle Division [~~under Subseetions 41-1a-1201(8)~~
148 ~~and 41-22-8(3)] and deposited into the fund as described in Section 41-1a-1201 and~~
149 ~~Subsection 41-22-8(3).~~

150 (4) The fund shall be administered by the executive director, in consultation with the
151 advisory committee.

152 (5) Fund money may be used to:

153 (a) educate the general public and professionals regarding understanding, treatment, and
154 prevention of brain injury;
155 (b) provide access to evaluations and coordinate short-term care to assist an individual in
156 identifying services or support needs, resources, and benefits for which the individual
157 may be eligible;
158 (c) develop and support an information and referral system for persons with a brain
159 injury and their families;
160 (d) provide grants to persons or organizations to provide the services described in
161 Subsections (5)(a), (b), and (c);
162 (e) assist one or more qualified charitable clinics to provide therapeutic services;
163 (f) purchase equipment for use in the qualified charitable clinic; and
164 (g) provide research grants to qualified charitable clinics in accordance with Subsection
165 (7).

166 (6) Each year, approximately no less than:

167 (a) 40% of the fund shall be used for programs and services described in Subsections
168 (5)(a) through (d);
169 (b) 25% of the fund shall be used to assist adults with brain or spinal cord injuries under
170 Subsections (5)(e) and (f); and
171 (c) 10 % of the fund shall be used to assist children with neurological conditions under
172 Subsections (5)(e) and (f).

173 (7)(a) Each year, if money remains in the fund after the money has been allocated in
174 accordance with Subsection (6), the advisory committee may award up to \$100,000
175 in research grants divided among one or more qualified charitable clinics.
176 (b) A qualified charitable clinic that accepts a research grant shall agree to the
177 requirements in Subsection (7)(c) before receiving the grant.
178 (c) A qualified charitable clinic that accepts a research grant:
179 (i) shall report the results of the nervous system research to the advisory committee;
180 (ii) shall provide the committee an itemized list of expenditures for research grant
181 money;
182 (iii) shall return any unspent research grant money to the fund;
183 (iv) subject to Subsection (7)(c)(v), may collaborate with another entity for
184 performing the nervous system research;
185 (v) may not use research grant money to pay another entity to conduct the project; and
186 (vi) may not use research grant money to pay for administrative costs not directly
187 associated with the research project.

188 (8) An individual who receives services either paid for from the fund, or through an
189 organization under contract with the fund, shall:
190 (a) be a resident of Utah;
191 (b) have been diagnosed by a qualified professional as having a brain injury, spinal cord
192 injury, or other neurological condition which results in impairment of cognitive or
193 physical function; and
194 (c) have a need that can be met within the requirements of this section.
195 (9) The fund may not duplicate any services or support mechanisms being provided to an
196 individual by any other government or private agency.
197 (10) All actual and necessary operating expenses for the Brain and Spinal Cord Injury
198 Advisory Committee created in Section 26B-1-417 and staff shall be paid by the fund.
199 Section 2. Section **31A-6a-101** is amended to read:
200 **31A-6a-101 (Effective 01/01/27). Definitions.**

201 As used in this chapter:

202 (1) "Home warranty service contract" means a service contract that requires a person to
203 repair or replace a component, system, or appliance of a home or make indemnification
204 to the contract holder for the repair or replacement of a component, system, or appliance
205 of the home:
206 (a) upon mechanical or operational failure of the component, system, or appliance;
207 (b) for a predetermined fee; and
208 (c) if:
209 (i) the person is not the builder, seller, or lessor of the home that is the subject of the
210 contract; and
211 (ii) the failure described in Subsection (1)(a) occurs within a specified period of time.
212 (2)(a) "Incidental cost" means a cost, incurred by a warranty holder in relation to a
213 vehicle protection product warranty, that is in addition to the cost of purchasing the
214 warranty.
215 (b) "Incidental cost" includes an insurance policy deductible, a rental vehicle charge, the
216 difference between the actual value of the stolen vehicle at the time of theft and the
217 cost of a replacement vehicle, sales tax, a ~~registration fee~~ vehicle tax, a transaction
218 fee, a mechanical inspection fee, or damage a theft causes to a vehicle.
219 (3) "Mechanical breakdown insurance" means a policy, contract, or agreement issued by an
220 insurance company that has complied with either Chapter 5, Domestic Stock and Mutual
221 Insurance Corporations, or Chapter 14, Foreign Insurers, that undertakes to perform or
222 provide repair or replacement service on goods or property, or indemnification for repair
223 or replacement service, for the operational or structural failure of the goods or property
224 due to a defect in materials, workmanship, or normal wear and tear.
225 (4) "Nonmanufacturers' parts" means replacement parts not made for or by the original
226 manufacturer of the goods commonly referred to as "after market parts."
227 (5)(a) "Road hazard" means a hazard that is encountered while driving a motor vehicle.
228 (b) "Road hazard" includes potholes, rocks, wood debris, metal parts, glass, plastic,
229 curbs, or composite scraps.
230 (6)(a) "Service contract" means a contract or agreement to perform or reimburse for the
231 repair or maintenance of goods or property, for their operational or structural failure
232 due to a defect in materials, workmanship, normal wear and tear, power surge or
233 interruption, or accidental damage from handling, with or without additional
234 provision for incidental payment of indemnity under limited circumstances, including

235 towing, providing a rental car, providing emergency road service, and covering food
236 spoilage.

237 (b) "Service contract" does not include:

238 (i) mechanical breakdown insurance; or
239 (ii) a prepaid contract of limited duration that provides for scheduled maintenance
240 only, regardless of whether the contract is executed before, on, or after May 9,
241 2017.

242 (c) "Service contract" includes any contract or agreement to perform or reimburse the
243 service contract holder for any one or more of the following services:

244 (i) the repair or replacement of tires, wheels, or both on a motor vehicle damaged as a
245 result of coming into contact with a road hazard;
246 (ii) the removal of dents, dings, or creases on a motor vehicle that can be repaired
247 using the process of paintless dent removal without affecting the existing paint
248 finish and without replacing vehicle body panels, sanding, bonding, or painting;
249 (iii) the repair of chips or cracks in or the replacement of a motor vehicle windshield
250 as a result of damage caused by a road hazard, that is primary to the coverage
251 offered by the motor vehicle owner's motor vehicle insurance policy; or
252 (iv) the replacement of a motor vehicle key or key-fob if the key or key-fob becomes
253 inoperable, lost, or stolen, except that the replacement of lost or stolen property is
254 limited to only the replacement of a lost or stolen motor vehicle key or key-fob.

255 (7) "Service contract holder" or "contract holder" means a person who purchases a service
256 contract.

257 (8) "Service contract provider" means a person who issues, makes, provides, administers,
258 sells or offers to sell a service contract, or who is contractually obligated to provide
259 service under a service contract.

260 (9) "Service contract reimbursement policy" or "reimbursement insurance policy" means a
261 policy of insurance providing coverage for all obligations and liabilities incurred by the
262 service contract provider or warrantor under the terms of the service contract or vehicle
263 protection product warranty issued by the provider or warrantor.

264 (10)(a) "Vehicle protection product" means a device or system that is:

265 (i) installed on or applied to a motor vehicle; and

266 (ii) designed to:

267 (A) prevent the theft of the vehicle; or

268 (B) if the vehicle is stolen, aid in the recovery of the vehicle.

269 (b) "Vehicle protection product" includes:

- 270 (i) a vehicle protection product warranty;
- 271 (ii) an alarm system;
- 272 (iii) a body part marking product;
- 273 (iv) a steering lock;
- 274 (v) a window etch product;
- 275 (vi) a pedal and ignition lock;
- 276 (vii) a fuel and ignition kill switch; and
- 277 (viii) an electronic, radio, or satellite tracking device.

278 (11) "Vehicle protection product warranty" means a written agreement by a warrantor that
279 provides that if the vehicle protection product fails to prevent the theft of the motor
280 vehicle, or aid in the recovery of the motor vehicle within a time period specified in the
281 warranty, not exceeding 30 days after the day on which the motor vehicle is reported
282 stolen, the warrantor will reimburse the warranty holder for incidental costs specified in
283 the warranty, not exceeding \$5,000, or in a specified fixed amount not exceeding \$5,000.

284 (12) "Vehicle service contract" means a service contract for the repair or maintenance of a
285 vehicle:

- 286 (a) for operational or structural failure because of a defect in materials, workmanship,
287 normal wear and tear, or accidental damage from handling; and
- 288 (b) with or without additional provision for incidental payment of indemnity under
289 limited circumstances, including towing, providing a rental car, or providing
290 emergency road service.

291 (13) "Warrantor" means a person who is contractually obligated to the warranty holder
292 under the terms of a vehicle protection product warranty.

293 (14) "Warranty holder" means the person who purchases a vehicle protection product, any
294 authorized transferee or assignee of the purchaser, or any other person legally assuming
295 the purchaser's rights under the vehicle protection product warranty.

296 Section 3. Section **41-1a-119** is amended to read:

41-1a-119 (Effective 01/01/27). Emergency procedures for collection of fees.

297 (1) If the commission finds that the owner or operator of a vehicle who is liable for the
298 payment of any [registration-] vehicle tax or fee required by this chapter plans to depart
299 quickly from the state, to remove the owner or operator's property from the state, to
300 conceal the owner or operator's person or property, or do any other act tending to
301 prejudice or render wholly or partially ineffectual proceedings to collect the [registration]

303 vehicle taxes or fees, the commission shall follow the emergency procedures set forth in
304 Title 63G, Chapter 4, Administrative Procedures Act, and declare that the [registration]
305 vehicle taxes or fees are immediately due and payable.

306 (2) When the commission issues [its] an emergency order, the [registration] vehicle taxes or
307 fees are immediately due and payable after notice is given to the owner or operator of
308 the vehicle.

309 Section 4. Section **41-1a-122** is amended to read:

310 **41-1a-122 (Effective 01/01/27). License Plate Restricted Account.**

311 (1) As used in this section, "account" means the License Plate Restricted Account created
312 by this section.

313 (2) There is created within the General Fund a restricted account known as the License
314 Plate Restricted Account.

315 (3)(a) The account shall be funded from the fees described in:

316 (i) [Subsection 41-1a-1201(3)] Section 41-1a-1201;

317 (ii) Subsection 41-1a-1604(2)(c); and

318 (iii) other fees as provided in this chapter.

319 (b) The fees described in Subsection (3)(a) shall be paid to the division, which shall
320 deposit them [~~in~~] into the account.

321 (4) The Legislature shall appropriate the funds in the account to the commission to cover
322 the costs of:

323 (a) issuing license plates and decals;

324 (b) processing applications for personalized license plates;

325 (c) centrally distributing license plates; and

326 (d) contracting with a vendor to design license plates.

327 (5)(a) For fiscal year 2024-25, the commission may expend up to \$100,000 for design
328 and redesign of license plates.

329 (b) Beginning with the 2025-26 fiscal year, and each fiscal year thereafter, the
330 commission may expend up to \$50,000 for the design and redesign of license plates.

331 (6) In accordance with Section 63J-1-602.1, appropriations made to the division from the
332 account are nonlapsing.

333 Section 5. Section **41-1a-124** is enacted to read:

334 **41-1a-124 (Effective 01/01/27). Motor Vehicle Division Restricted Account --**

335 **Creation.**

336 (1) There is created within the General Fund a restricted account known as the Motor

337 Vehicle Division Restricted Account.

338 (2) The account shall be funded from the deposits into the account as described in Section
339 41-1a-1201.

340 (3) The Legislature may appropriate the funds in the account to the commission to cover the
341 costs of the division.

342 (4) In accordance with Section 63J-1-602.1, appropriations made to the commission from
343 the account are nonlapsing.

344 Section 6. Section **41-1a-203** is amended to read:

345 **41-1a-203 (Effective 01/01/27). Prerequisites for registration, transfer of**
346 **ownership, or registration renewal.**

347 (1)(a) Except as provided in Subsections (1)(b) and (1)(c), the division shall mail a
348 notification to the owner of a vehicle at least 30 days before the date the vehicle's
349 registration is due to expire.

350 (b)(i) The division shall provide a process for a vehicle owner to choose to receive
351 electronic notification of the pending expiration of a vehicle's registration.
352 (ii) If a vehicle owner chooses electronic notification, the division shall notify by
353 email the owner of a vehicle at least 30 days before the date the vehicle's
354 registration is due to expire.

355 (c) If at the time the owner renews the vehicle registration, the previous registration
356 period has been expired at least 270 days, the division is not required to comply with
357 the notification requirement described in Subsection (1)(a) for the next registration
358 period.

359 (d) An individual may elect to receive notification through both electronic means and
360 the mail.

361 (2) Except as otherwise provided, before registration of a vehicle, an owner shall:
362 (a) obtain an identification number inspection under Section 41-1a-204;
363 (b) obtain a certificate of emissions inspection, if required in the current year, as
364 provided under Section 41-6a-1642;
365 (c) pay property taxes, the in lieu fee, or receive a property tax clearance under Section
366 41-1a-206 or 41-1a-207;
367 (d) pay the automobile driver education tax required by Section 41-1a-208;
368 (e) pay the applicable [registration] vehicle tax or fee under Part 12, Fee and Tax
369 Requirements;
370 (f) pay the uninsured motorist identification fee under Section 41-1a-1218, if applicable;

371 (g) pay the motor carrier fee under Section 41-1a-1219, if applicable;
372 (h) pay any applicable local emissions compliance fee under Section 41-1a-1223;
373 (i) pay the taxes applicable under Title 59, Chapter 12, Sales and Use Tax Act; and
374 (j) for a roadable aircraft, provide proof of registration of the roadable aircraft as an
375 aircraft under Section 72-10-109.

376 (3) In addition to the requirements in Subsection (1), an owner of a vehicle that has not
377 been previously registered or that is currently registered under a previous owner's name
378 shall apply for a valid certificate of title in the owner's name before registration.

379 (4) The division may not issue a new registration, transfer of ownership, or registration
380 renewal under Section 73-18-7 for a vessel or outboard motor that is subject to this
381 chapter unless a certificate of title has been or is in the process of being issued in the
382 same owner's name.

383 (5) The division may not issue a new registration, transfer of ownership, or registration
384 renewal under Section 41-22-3 for an off-highway vehicle that is subject to this chapter
385 unless a certificate of title has been or is in the process of being issued in the same
386 owner's name.

387 (6) The division may not issue a registration renewal for a motor vehicle if the division has
388 received a hold request for the motor vehicle for which a registration renewal has been
389 requested as described in:
390 (a) Section 72-1-213.1; or
391 (b) Section 72-6-118.

392 Section 7. Section **41-1a-208** is amended to read:

393 **41-1a-208 (Effective 01/01/27). Payment of automobile driver education tax
394 prerequisite to registration of motor vehicle.**

395 (1) The collection and payment of the automobile driver education tax is a prerequisite to
396 the registration of any motor vehicle.

397 (2) Except as provided under Subsection (3), the automobile driver education tax accrues
398 and is collectible upon each motor vehicle, subject to the same exemptions, and payable
399 in the same manner and time as [motor vehicle registration fees under Section
400 41-1a-1206] a vehicle tax described in Section 41-1a-1206.

401 (3) The automobile driver education tax:
402 (a) shall be paid in full at the time the motor vehicle is registered; and
403 (b) is not collectible or payable upon the transfers of registration, issuance, reissuance of
404 certificates of registration, titles, or plates contemplated by Sections 41-1a-301,

405 41-1a-1207, [41-1a-1210,] and 41-1a-1211.

406 Section 8. Section **41-1a-213** is amended to read:

407 **41-1a-213 (Effective 01/01/27). Contents of registration cards.**

408 (1) As used in this section:

409 (a) "Health care professional" means the same as that term is defined in Section 53-3-207.

410 (b) "Invisible condition" means the same as that term is defined in Section 53-3-207.

411 (c) "Invisible condition identification decal" means the decal created by the division that
412 incorporates the invisible condition identification symbol.

413 (d) "Invisible condition identification symbol" means the same as that term is defined in
414 Section 53-3-207.

415 (2) The registration card shall be delivered to the owner and shall contain:

416 (a) the date issued;

417 (b) the name of the owner;

418 (c) a description of the vehicle registered including the year, the make, the identification
419 number, and the license plate assigned to the vehicle;

420 (d) the expiration date; and

421 (e) other information as determined by the commission.

422 (3) If a vehicle is leased for a period in excess of 45 days, the registration shall contain:

423 (a) the owner's name; and

424 (b) the name of the lessee.

425 (4) On all vehicles registered under Subsections [41-1a-1206(1)(d) and (1)(e)]

426 41-1a-1206(3)(e) and (f), the registration card shall also contain the gross laden weight
427 as given in the application for registration.

428 (5)(a) Except as provided in Subsection (5)(b), a new registration card issued by the
429 commission on or after November 1, 2013, may not display the address of the owner
430 or the lessee on the registration card.

431 (b) A new registration card issued by the commission under one of the following
432 provisions shall display the address of the owner or the lessee on the registration
433 card:

434 (i) Section 41-1a-301 for a vehicle; or

435 (ii) Section 73-18-7 for a vessel.

436 (6)(a) Except as provided in Subsection (6)(d)(ii), the division shall include on a vehicle
437 owner's vehicle registration database record in the division's vehicle registration
438 database an invisible condition identification symbol if:

439 (i)(A) the vehicle owner or an individual who is a regular driver of or passenger in
440 the vehicle owner's vehicle has an invisible condition; or
441 (B) an individual with an invisible condition resides at the vehicle driver's
442 residence; and
443 (ii) the vehicle owner submits to the commission a request on a form prescribed by
444 the commission.

445 (b) A vehicle owner shall include in a request described in Subsection (6)(a):
446 (i) if the request is for an individual other than the vehicle owner, a declaration that
447 the individual is:
448 (A) a regular driver of or passenger in the vehicle; or
449 (B) a resident at the vehicle driver's residence;
450 (ii) written verification from a health care professional that the vehicle owner or other
451 individual described in Subsection (6)(a)(i) has an invisible condition; and
452 (iii) a waiver of liability signed by the individual with the invisible condition or the
453 individual's legal representative for the release of any medical information to:
454 (A) the commission;
455 (B) any person who has access to the individual's medical information as recorded
456 on the vehicle owner's vehicle registration database record or the Utah
457 Criminal Justice Information System; and
458 (C) any other person who may view or receive notice of the individual's medical
459 information by seeing the vehicle owner's vehicle registration database record
460 or the individual's information in the Utah Criminal Justice Information System.

461 (c) As part of the form described in Subsection (6)(a) and (b), the commission shall
462 advise the individual signing the waiver of liability that by submitting the signed
463 waiver, the individual consents to the release of the individual with an invisible
464 condition's medical information to any person described in Subsections (6)(b)(iii)(A)
465 through (C), even if the person is otherwise ineligible to access the individual with an
466 invisible condition's medical information under state or federal law.

467 (d)(i) The division:
468 (A) may not charge a fee to include an invisible condition identification symbol
469 on a vehicle owner's vehicle registration database record; and
470 (B) shall confirm with the Division of Professional Licensing that the health care
471 professional described in Subsection (6)(b)(ii) holds a current state license.
472 (ii) If the division is unable to confirm that the health care professional described in

473 Subsection (6)(b)(ii) holds a current state license, the division shall deny the
474 request described in Subsection (6)(a).

475 (e) The inclusion of an invisible condition identification symbol on a vehicle owner's
476 vehicle registration database record in accordance with this section does not confer
477 any legal rights or privileges on the vehicle owner or the individual with an invisible
478 condition, including parking privileges for individuals with disabilities under Section
479 41-1a-414.

480 (7)(a) For each individual who qualifies under this section to include an invisible
481 condition identification symbol in a vehicle owner's vehicle registration database
482 record, the division shall:

- 483 (i) include in the division's vehicle registration database a brief description of the
484 nature of the individual's invisible condition linked to the vehicle owner's vehicle
485 registration database record; and
- 486 (ii) provide an invisible condition identification decal that may be affixed to the
487 vehicle owner's vehicle, and instructions on where the invisible condition
488 identification decal may be placed on the vehicle, which the vehicle owner may
489 affix to the vehicle at the vehicle owner's discretion.

490 (b) The division shall provide the brief description described in Subsection (7)(a)(i) to
491 the Utah Criminal Justice Information System.

492 (c) Except as provided in Subsection (7)(b), the division may not release the information
493 described in Subsection (7)(a)(i).

494 (8) Within 30 days after the day on which the division receives a vehicle owner's written
495 request, the division shall:

- 496 (a) remove the invisible condition identification symbol and brief description described
497 in Subsection (7) from a vehicle owner's vehicle registration database record in the
498 division's vehicle registration database; and
- 499 (b) provide the updated vehicle registration database record to the Utah Criminal Justice
500 Information System.

501 (9) As provided in Section 63G-2-302, the information described in Subsection (6)(a) is a
502 private record for purposes of Title 63G, Chapter 2, Government Records Access and
503 Management Act.

504 Section 9. Section **41-1a-215** is amended to read:

41-1a-215 (Effective 01/01/27). Staggered registration dates -- Exceptions.

505 (1)(a) Except as provided under Subsections (2) and (3), every vehicle registration,

507 every registration card, and every registration plate issued under this chapter for the
508 first registration of the vehicle in this state, continues in effect for a period of 12
509 months beginning with the first day of the calendar month of registration and does
510 not expire until the last day of the same month in the following year.

511 (b) If the last day of the registration period falls on a day in which the appropriate state
512 or county offices are not open for business, the registration of the vehicle is extended
513 to midnight of the next business day.

514 (2) The provisions of Subsection (1) do not apply to the following:

515 (a) registration issued to government vehicles under Section 41-1a-221;

516 (b) registration issued to apportioned vehicles under Section 41-1a-301;

517 (c) multiyear registration issued under Section 41-1a-222;

518 (d) lifetime trailer registration issued under Section 41-1a-1206;

519 (e) partial year registration issued under Section 41-1a-1207; or

520 [(f) a six-month registration issued under Section 41-1a-215.5; or]

521 [(g)] (f) plates issued to a dealer, dismantler, manufacturer, remanufacturer, and
522 transporter under Chapter 3, Part 5, Special Dealer License Plates.

523 (3)(a) Upon application of the owner or lessee of a fleet of commercial vehicles not
524 apportioned under Section 41-1a-301 and required to be registered in this state, the
525 State Tax Commission may permit the vehicles to be registered for a registration
526 period commencing on the first day of March, June, September, or December of any
527 year and expiring on the last day of March, June, September, or December in the
528 following year.

529 (b) Upon application of the owner or lessee of a fleet of commercial vehicles
530 apportioned under Section 41-1a-301 and required to be registered in this state, the
531 State Tax Commission may permit the vehicles to be registered for a registration
532 period commencing on the first day of January, April, July, or October of any year
533 and expiring on the last day of March, June, September, or December in the
534 following year.

535 (c)(i) Upon application of the owner or lessee of a fleet of personal vehicles required
536 to be registered in this state, the State Tax Commission may permit the vehicles to
537 be registered for a registration period commencing on the first day of February,
538 May, August, or November of any year and expiring on the last day of February,
539 May, August, or November of the following year.

540 (ii) If the registration period for a personal vehicle is adjusted under Subsection

541 (3)(c)(i), the [registration fees] vehicle taxes or fees for the adjustment are:

542 (A) 25% of the regular [registration fees] vehicle tax or fees under Part 12, Fee and
Tax Requirements, if the adjustment is for not more than three months;

543 (B) 50% of the regular [registration fees] vehicle tax or fees under Part 12, Fee and
Tax Requirements, if the adjustment is in excess of three months but not more
544 than six months;

545 (C) 75% of the regular [registration fees] vehicle tax or fees under Part 12, Fee and
Tax Requirements, if the adjustment is in excess of six months but not more
546 than nine months; and

547 (D) 100% of the regular [registration fees] vehicle tax or fees under Part 12, Fee and
Tax Requirements, if the adjustment is in excess of nine months but not
548 more than 12 months.

549 (4) When the expiration of a registration plate is extended by affixing a registration decal to
550 it, the expiration of the decal governs the expiration date of the plate.

551 Section 10. Section **41-1a-215.5** is amended to read:

552 **41-1a-215.5 (Effective 01/01/27). Alternative term registration.**

553 [(1) ~~Subject to the requirements of this section, a person may register a motorcycle or motor~~
554 ~~vehicle of 14,000 pounds or less gross laden weight for a six-month period that begins~~
555 ~~on the first day of the calendar month of registration and expires on the last day of the~~
556 ~~sixth month of registration.]~~

557 [(2)] (1)(a) A person may register the following types of vehicles for a 24-month period
558 that begins the first day of the calendar month of registration and expires on the last
559 day of the 24th month of registration:

560 (i) a trailer;
561 (ii) an electric motor vehicle;
562 (iii) an off-highway vehicle as described in Section 41-22-3; or
563 (iv) a street-legal all-terrain vehicle as described in Section 41-6a-1509 and Section
564 41-22-3.

565 (b) An interstate apportioned vehicle registered in accordance with Section 41-1a-301 is
566 not eligible for a 24-month registration.

567 (c) To register a vehicle for a 24-month period as provided in this Subsection [(2)] (1),
568 the person is required to pay double the amount of any tax or fee that would be due
569 for the same vehicle registered for a 12-month period.

570 [(3)] (2) If the last day of the registration period falls on a day in which the appropriate state

575 or county offices are not open for business, the registration of the vehicle is extended to
576 midnight of the next business day.

577 [(4)] (3) A registration under this section is subject to this chapter.

578 Section 11. Section **41-1a-216** is amended to read:

579 **41-1a-216 (Effective 01/01/27). Renewal of registration.**

580 (1) The division may receive applications for registration renewal and issue new
581 registration cards at any time prior to the expiration of the registration, subject to the
582 availability of renewal materials.

583 (2)(a) Except as provided in [Subsections (2)(e) and] Subsection (3), the new registration
584 shall retain the same expiration month as recorded on the original registration even if
585 the registration has expired.

586 (b) [Except as provided in Subsection (2)(e), the] The year of registration expiration shall
587 be changed to reflect the renewed registration period.

588 [(e) If the application for renewal of registration is for a six-month registration period
589 under Section 41-1a-215.5, the new registration shall be for a six-month registration
590 period that begins with the first day of the calendar month following the last day of
591 the expiration month of the previous registration period as recorded on the original
592 registration even if the registration has expired.]

593 (3) Subsection (2) does not apply if the owner can verify to the satisfaction of the division
594 that the vehicle registration was not renewed [prior to its] before the vehicle registration's
595 expiration due to the fact that the vehicle was in storage, inoperable, or otherwise out of
596 service.

597 (4) If the registration renewal application is an application generated by the division
598 through its automated system, the owner need not surrender the last registration card or
599 duplicate.

600 (5) A vehicle with an "EX" or "UHP" license plate, owned by an entity described in Section
601 41-1a-407, is exempt from registration renewal requirements.

602 (6) The division shall establish a process by which an individual may request automatic
603 renewal of registration.

604 (7) An individual may request automatic renewal of registration as provided by the division.

605 (8) If the vehicle is subject to an emissions inspection as described in Section 41-6a-1642
606 for the year for which a vehicle automatic registration is requested, the automatic
607 renewal is not effective until the vehicle has passed an emissions inspection as required
608 in Section 41-6a-1642.

609 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
610 commission may make rules establishing procedures for an individual to apply for and
611 the division to administer automatic renewal of registration and automatic payment of
612 fees as required in this chapter and relevant taxes.

613 Section 12. Section **41-1a-230** is amended to read:

614 **41-1a-230 (Effective 01/01/27). Registration checkoff for vision screening.**

615 (1) A person who applies for a motor vehicle registration or registration renewal may
616 designate a voluntary contribution for vision screening of \$2.

617 (2) This contribution shall be:

618 (a) collected by the division;
619 (b) treated as a voluntary contribution to Friends For Sight to provide blindness
620 prevention education, screening, and treatment and not as a [motor vehicle
621 registration fee] vehicle tax; and
622 (c) transferred to Friends For Sight at least monthly, less actual administrative costs
623 associated with collecting and transferring the contributions.

624 Section 13. Section **41-1a-230.5** is amended to read:

625 **41-1a-230.5 (Effective 01/01/27). Registration checkoff for promoting and
626 supporting organ donation.**

627 (1) A person who applies for a motor vehicle registration or registration renewal may
628 designate a voluntary contribution of \$2 for the purpose of promoting and supporting
629 organ donation.

630 (2) This contribution shall be:

631 (a) collected by the division;
632 (b) treated as a voluntary contribution to the Allyson Gamble Organ Donation
633 Contribution Fund created in Section 26B-1-312 and not as a [motor vehicle
634 registration fee] vehicle tax; and
635 (c) transferred to the Allyson Gamble Organ Donation Contribution Fund created in
636 Section 26B-1-312 at least monthly, less actual administrative costs associated with
637 collecting and transferring the contributions.

638 Section 14. Section **41-1a-230.7** is amended to read:

639 **41-1a-230.7 (Effective 01/01/27). Registration checkoff for supporting emergency
640 medical services and search and rescue operations.**

641 (1) A person who applies for a motor vehicle registration or registration renewal may
642 designate a voluntary contribution of \$3 for the purpose of supporting:

643 (a) the Emergency Medical Services Grant Program; and
644 (b) the Search and Rescue Financial Assistance Program.

645 (2) This contribution shall be:
646 (a) collected by the division;
647 (b) treated as a voluntary contribution and not as a motor vehicle or off-highway vehicle [
648 ~~registration fee~~] tax; and
649 (c) distributed equally to the Emergency Medical Services System Account created in
650 Section 53-2d-108 and the Search and Rescue Financial Assistance Program created
651 in Section 53-2a-1102 at least monthly, less actual administrative costs associated
652 with collecting and transferring the contributions.

653 (3) In addition to the administrative costs deducted under Subsection (2)(c), the division
654 may deduct the first \$1,000 collected to cover costs incurred to change the registration
655 form.

656 Section 15. Section **41-1a-301** is amended to read:

657 **41-1a-301 (Effective 01/01/27). Apportioned registration and licensing of
658 interstate vehicles.**

659 (1) For purposes of this section, "registrant" means an owner or operator of one or more
660 commercial vehicles operating in two or more jurisdictions applying for apportioned
661 registration and licensing of a commercial vehicle.

662 (2)(a) An owner or operator of a fleet of commercial vehicles based in this state and
663 operating in two or more jurisdictions may register commercial vehicles for operation
664 under the International Registration Plan or the Uniform Vehicle Registration
665 Proration and Reciprocity Agreement by filing an application with the division.
666 (b) The application shall include information that identifies the vehicle owner, the
667 vehicle, the miles traveled in each jurisdiction, and other information pertinent to the
668 registration of apportioned vehicles.
669 (c) The division may not grant apportioned registration for vehicles operated exclusively
670 in this state.

671 (3)(a) If no operations were conducted during the preceding year, in computing fees due:
672 (i) the application shall contain a statement of the proposed operations; and
673 (ii) the division shall determine fees based on average per vehicle distance
674 requirements under the International Registration Plan.
675 (b) At renewal, the registrant shall use the actual mileage from the preceding year in
676 computing fees due each jurisdiction.

677 (4) The division shall determine the [registration fee] vehicle tax and other fees for
678 apportioned vehicles as follows:
679 (a) divide the in-jurisdiction miles by the total miles generated during the preceding year;
680 (b) total the fees for each vehicle based on the taxes and fees prescribed in [Section
681 41-1a-1206] Part 12, Fee and Tax Requirements; and
682 (c) multiply the sum obtained under Subsection (4)(b) by the quotient obtained under
683 Subsection (4)(a).

684 (5) The registrant may list trailers or semitrailers of apportioned fleets separately as "trailer
685 fleets" on the application, with the fees paid according to the total distance those trailers
686 were towed in all jurisdictions during the preceding year mileage reporting period.

687 (6)(a)(i) When the registrant has paid the proper fees and cleared the property tax or
688 in lieu fee under Section 41-1a-206 or 41-1a-207, the division shall issue a
689 registration card and license plate for each unit listed on the application.
690 (ii) The owner or operator shall carry an original registration in each vehicle at all
691 times.
692 (b) The owner or operator may carry original registration cards for trailers or semitrailers
693 in the power unit.
694 (c)(i) In lieu of a permanent registration card or license plate, the division may issue
695 one temporary permit authorizing operation of new or unlicensed vehicles until
696 the permanent registration is completed.
697 (ii) Once a temporary permit is issued:
698 (A) neither the registrant nor the division may cancel the registration process; and
699 (B) the division shall complete registration and the registrant shall pay the [fees]
700 taxes, fees, and any property tax or in lieu fee due for the vehicle for which the
701 permit was issued.
702 (iii) The division may not issue temporary permits for renewals.
703 (d)(i) The division shall issue one distinctive license plate for apportioned vehicles.
704 (ii) The owner or operator shall display the plate on the front of an apportioned truck
705 tractor or power unit or on the rear of any other apportioned vehicle.
706 (iii)(A) The division shall issue distinctive decals or a distinctive license plate
707 displaying the word "apportioned" or the abbreviation "APP" for each
708 apportioned vehicle.
709 (B) A registrant of an apportioned vehicle is not required to display a registration
710 decal.

711 (iv) At the request of a registrant of an apportioned vehicle, the division may issue a
712 second license plate, for a total of two, to display on both the front and rear of the
713 apportioned vehicle.

714 (e) The division shall charge a nonrefundable administrative fee, determined by the
715 commission [pursuant to] in accordance with Section 63J-1-504, for each temporary
716 permit, registration, or both.

717 (7) Vehicles that are apportionally registered are fully registered for intrastate and interstate
718 movements, providing the registrant has secured proper interstate and intrastate
719 authority.

720 (8)(a) The division shall register vehicles added to an apportioned fleet after the
721 beginning of the registration year by applying the quotient under Subsection (4)(a)
722 for the original application to the fees due for the remainder of the registration year.

723 (b)(i) The owner shall maintain and submit complete annual mileage for each vehicle
724 in each jurisdiction, showing all miles operated by the lessor and lessee.

725 (ii) The fiscal mileage reporting period begins July 1, and continues through June 30
726 of the year immediately preceding the calendar year in which the registration year
727 begins.

728 (c)(i) An owner-operator, who is a lessor, may register the vehicle in the name of the
729 owner-operator.

730 (ii) The identification plates and registration card shall be the property of the lessor
731 and may reflect both the owner-operator's name and that of the carrier as lessee.

732 (iii) The division shall allocate the fees according to the operational records of the
733 owner-operator.

734 (d)(i) At the option of the lessor, the lessee may register a leased vehicle.

735 (ii) If a lessee is the registrant of a leased vehicle, both the lessor's and lessee's name
736 shall appear on the registration.

737 (iii) The division shall allocate the fees according to the records of the carrier.

738 (9)(a) When the division has accepted an application for apportioned registration, the
739 registrant shall preserve the records on which the application is based for a period of
740 three years after the close of the registration year.

741 (b) Upon request for audit as to accuracy of computations, payments, and assessments
742 for deficiencies, or allowances for credits, the registrant shall provide the records to
743 the division.

744 (c) The division may not make an assessment for deficiency or claim for credit for any

745 period for which records are no longer required.

746 (d) The division may assess interest in the amount prescribed by Section 59-1-402 from
747 the date due until paid on deficiencies found due after audit.

748 (e) Registrants with deficiencies are subject to the penalties under Section 59-1-401.

749 (f) The division may enter into agreements with other International Registration Plan
750 jurisdictions for joint audits.

751 (10)(a) Except as provided in Subsection (10)(b), the division shall deposit all state fees
752 collected under this section ~~[in]~~ into the Transportation Fund.

753 (b) The commission may use the following fees as a dedicated credit to cover the costs
754 of electronic credentialing as provided in Section 41-1a-303:

755 (i) \$5 of each temporary registration permit fee paid under Subsection (13)(a)(i) for a
756 single unit; and

757 (ii) \$10 of each temporary registration permit fee paid under Subsection (13)(a)(ii)
758 for multiple units.

759 (11) If registration is for less than a full year, the division shall assess fees for apportioned
760 registration according to Section 41-1a-1207.

761 (a)(i) If the registrant is replacing a vehicle for one withdrawn from the fleet and the
762 new vehicle is of the same weight category as the replaced vehicle, the registrant
763 shall file a supplemental application.

764 (ii) If the registrant is replacing a vehicle for one withdrawn from the fleet and the
765 new vehicle is heavier than the replaced vehicle, the division shall assess
766 additional ~~[registration fees]~~ vehicle taxes or other fees described in Part 12, Fee
767 and Tax Requirements.

768 (iii) If the registrant is replacing a vehicle for one withdrawn from the fleet, the
769 division shall issue a new registration card.

770 (b) If a vehicle is withdrawn from an apportioned fleet during the period for which it is
771 registered, the registrant shall notify the division and surrender the registration card
772 and license plate of the withdrawn vehicle.

773 (12)(a) An out-of-state carrier with an apportionally registered vehicle who has not
774 presented a certificate of property tax or in lieu fee as required by Section 41-1a-206
775 or 41-1a-207, shall pay, at the time of registration, a proportional part of an equalized
776 highway use tax computed as follows:

777 (i) Multiply the number of vehicles or combination vehicles registered in each weight
778 class by the equivalent tax figure from the following tables:

779	Vehicle or Combination Registered Weight	Age of Vehicle	Equivalent Tax
780	14,000 pounds or less	12 or more years	\$10
781	14,000 pounds or less	9 or more years but less than 12 years	\$50
782	14,000 pounds or less	6 or more years but less than 9 years	\$80
783	14,000 pounds or less	3 or more years but less than 6 years	\$110
784	14,000 pounds or less	Less than 3 years	\$150
785	Vehicle or Combination Registered Weight	Equivalent Tax	
786	14,001 - 18,000 pounds		\$150
787	18,001 - 34,000 pounds		200
788	34,001 - 48,000 pounds		300
789	48,001 - 64,000 pounds		450
790	64,001 pounds and over		600

791 (ii) Multiply the equivalent tax value for the total fleet determined under Subsection
 792 (12)(a)(i) by the fraction computed under Subsection (4) for the apportioned fleet
 793 for the registration year.

794 (b) For registration described in Subsection (12)(a), the division shall assess fees as
 795 provided in Section 41-1a-1207.

796 (13)(a) Commercial vehicles meeting the registration requirements of another
 797 jurisdiction may, as an alternative to full or apportioned registration, secure a
 798 temporary registration permit for a period not to exceed 96 hours or until they leave
 799 the state, whichever is less, for a fee of:

800 (i) \$25 for a single unit; and
 801 (ii) \$50 for multiple units.

802 (b) A state temporary permit or [registration fee] vehicle tax is not required from
 803 nonresident owners or operators of vehicles or combination of vehicles having a
 804 gross laden weight of 26,000 pounds or less for each single unit or combination.

805 (14) The division may not register a park model recreational vehicle under this section.

806 (15) A violation of this section is an infraction.

807 Section 16. Section **41-1a-402** is amended to read:

808 **41-1a-402 (Effective 01/01/27). Standard license plates -- Required colors,**
809 **numerals, and letters -- Expiration.**

810 (1)(a) Upon registering a vehicle, the division shall issue to the owner a standard license
811 plate described in Subsection (1)(b) unless the division issues to the owner:
812 (i) a special group license plate in accordance with Section 41-1a-418; or
813 (ii) an apportioned vehicle license plate in accordance with Section 41-1a-301.
814 (b) The division may offer up to four standard license plate options at one time, each
815 with a different design as follows:
816 (i) two designs that incorporate one or more elements that represent the state's
817 economy or geography;
818 (ii) one design that represents the state's values or culture; and
819 (iii) one design that commemorates a current event relevant to the state or a
820 significant anniversary of a historic event relevant to the state.
821 (c) The division shall offer:
822 (i) each design described in Subsection (1)(b)(i) or (ii) for at least a 10-year period;
823 and
824 (ii) each design described in Subsection (1)(b)(iii) for no more than a five-year period.
825 (d) The division may not offer more than four standard license plate designs at any one
826 time.
827 (2) Before the division may offer a design described in Subsection (1)(b), the division shall:
828 (a) consult with the Utah Department of Cultural and Community Engagement regarding
829 the proposed design;
830 (b) identify which current standard license plate design will be replaced by the proposed
831 design; and
832 (c) submit the proposed design to the commission.
833 (3)(a) If the commission receives a submission for a proposed design of a standard
834 license plate as described in Subsection (2)(c), or a sponsored special group license
835 plate as described in Section 41-1a-419 and Part 16, Sponsored Special Group
836 License Plates, the commission shall notify:
837 (i) the governor;
838 (ii) the speaker of the House of Representatives; and
839 (iii) the president of the Senate.
840 (b) After receiving a notification described in Subsection (3)(a):
841 (i) the governor shall appoint an individual to the license plate design review board

842 described in Subsection (3)(c);

843 (ii) the speaker of the House of Representatives shall appoint a member of the House
844 of Representatives to the license plate design review board described in
845 Subsection (3)(c); and

846 (iii) the president of the Senate shall appoint a member of the Senate to the license
847 plate design review board described in Subsection (3)(c).

848 (c)(i) The license plate design review board, comprised of the members appointed as
849 described in Subsection (3)(b), shall review proposed license plate designs.

850 (ii) The member of the license plate design review board appointed by the governor
851 shall serve as chair and convene the license plate design review board.

852 (iii) The license plate design review board shall:

853 (A) review each proposed license plate design; and

854 (B) vote whether to approve or reject the proposed license plate design.

855 (iv) If all three members of the license plate design review board are not present, the
856 license plate design review board may not consider or vote on a proposed license
857 plate design.

858 (v) The license plate design review board shall notify the commission and the
859 division regarding the results of the vote to approve each proposed license plate
860 design.

861 (d) The license plate design review board is not subject to Title 52, Chapter 4, Open and
862 Public Meetings Act.

863 (e) If the license plate design review board approves a proposed license plate design, the
864 division may begin the processes necessary for production and distribution of the
865 license plate.

866 (4)(a) Except as provided in Subsection (4)(b), the division may not order or produce a
867 standard license plate that is discontinued under this section.

868 (b) The division may issue a discontinued standard license plate until the division
869 exhausts the discontinued standard license plate's remaining stock.

870 (5)(a) Each license plate shall have displayed on it:

871 (i) the registration number assigned to the vehicle for which the license plate is issued;

872 (ii) the name of the state; and

873 (iii) unless exempted by Section 41-1a-301 or 41-1a-407, a registration decal
874 showing the date of expiration displayed in accordance with Subsection (8).

875 (b) No later than July 1, 2025, each license plate:

876 (i) shall have an embossed edge around the perimeter of the plate; and
877 (ii) may not have embossed registration numbers or characters.

878 (6) If registration is extended by affixing a registration decal to the license plate, the
879 expiration date of the registration decal governs the expiration date of the license plate.

880 (7)(a)(i) Except as provided under Subsection (7)(b), Subsection 41-1a-215(2), [
881 ~~Subseetion 41-1a-215.5(2)~~] Section 41-1a-215.5, and Section 41-1a-216, a license
882 plate shall be renewed annually.

883 (ii)(A) The division shall issue the vehicle owner a month registration decal and a
884 year registration decal upon the vehicle's first registration with the division.

885 (B) The division shall issue the vehicle owner only a year registration decal upon
886 subsequent renewals of registration to validate registration renewal.

887 (b) Beginning on January 1, 2025, the division shall issue one registration decal
888 displaying both the month and year.

889 (c) For a vehicle registered for a 24-month period as provided in Section 41-1a-215.5,
890 the division may issue two 12-month decals for the 24-month registration period.

891 (8)(a) Except as otherwise provided in Subsection (8)(b) and by rule:

892 (i) the month registration decal issued in accordance with Subsection (7) shall be
893 displayed on the license plate in the left position; and

894 (ii) the year registration decal issued in accordance with Subsection (7) shall be
895 displayed on the license plate in the right position.

896 (b) Beginning on January 1, 2025, the registration decal shall be displayed on the upper
897 right position.

898 (9) The current year registration decal issued in accordance with Subsection (7) shall be
899 placed over or in place of the previous year registration decal.

900 (10) If a license plate or registration decal is lost or destroyed, a replacement shall be issued
901 upon application and payment of the fees required under Section 41-1a-1211[or
902 41-1a-1212].

903 (11)(a) A violation of this section is an infraction.

904 (b) A court shall waive a fine for a violation under this section if:

905 (i) the registration for the vehicle was current at the time of the citation; and

906 (ii) the person to whom the citation was issued provides, within 21 business days,
907 evidence that the license plate and registration decal are properly displayed in
908 compliance with this section.

909 (12) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

910 division may make rules regarding the placement and positioning of registration decal
911 on a license plate issued by the division.

912 Section 17. Section **41-1a-410** is amended to read:

913 **41-1a-410 (Effective 01/01/27). Eligibility for personalized plates.**

914 (1) A person who is the registered owner of a vehicle not subject to registration under
915 Section 41-1a-301, registered with the division, or who applies for an original
916 registration of a vehicle not subject to registration under Section 41-1a-301, may upon
917 payment of the [fee] vehicle taxes and fees prescribed in Section 41-1a-1211 apply to the
918 division for a personalized license plate.

919 (2) Application shall be made in accordance with Section 41-1a-411.

920 (3) The personalized license plate shall be affixed to the vehicle for which registration is
921 sought in lieu of the regular license plate.

922 (4) A personalized license plate shall be issued only to the registered owner of the vehicle
923 on which they are to be displayed.

924 Section 18. Section **41-1a-1201** is repealed and reenacted to read:

925 **41-1a-1201 (Effective 01/01/27) (Partially Repealed 07/01/29). Disposition of**
926 **taxes and fees.**

927 (1) All taxes and fees collected under this part shall be transmitted daily to the state
928 treasurer.

929 (2) The following shall be deposited into the Transportation Fund:
930 (a) 25% of the vehicle weight tax; and
931 (b) \$1 from each license plate service fee described in Subsection 41-1a-1211(2).

932 (3) Sixty-five percent of the vehicle weight tax shall be deposited into the Transportation
933 Investment Fund of 2005 created in Section 72-2-124.

934 (4) The following shall be deposited into the following accounts within the General Fund:
935 (a) the vehicle regulatory fee described in Subsection 41-1a-1211(6) shall be deposited
936 into the Motor Vehicle Restricted Account created in Section 41-1a-124;
937 (b) \$1 into the Motor Vehicle Safety Impact Restricted Account created in Section
938 53-8-214; and
939 (c) 100% from the automobile driver education tax described in Section 41-1a-1204 as a
940 dedicated credit into the Automobile Driver Education Tax Account.

941 (5) Two dollars from the vehicle weight tax for each vehicle registered shall be deposited
942 into the Rural Transportation Infrastructure Fund created in Section 72-2-133.

943 (6) The following service fees shall be deposited into the Motor Vehicle Restricted Account

944 created in Section 41-1a-124:

945 (a) the duplicate registration fee described in Subsection 41-1a-1211(2)(h); and

946 (b) the fee for issuance of an original or duplicate certificate of title described in
947 Subsection 41-1a-1211(2)(i).

948 (7) The license plate service fees described in Subsections 41-1a-1211(2)(a) through (g)
949 shall be deposited into the License Plate Restricted Account created in Section 41-1a-122.

950 (8) The uninsured motorist identification regulatory fee described in Section 41-1a-1218
951 shall be deposited into the Uninsured Motorist Identification Restricted Account created
952 in Section 41-12a-806.

953 (9) The whole amount from a local emissions compliance tax as described in Section
954 41-1a-1223 shall be transferred to the county that imposed the tax.

955 Section 19. Section **41-1a-1202** is amended to read:

41-1a-1202 (Effective 01/01/27). Refused or rejected application -- Refunds.

If an application to the division is accompanied by any taxes and fees required by law and the application is refused or rejected, the taxes and fees shall be returned immediately to the applicant.

Section 20. Section **41-1a-1203** is amended to read:

41-1a-1203 (Effective 01/01/27). Application for refund.

If the division through error collects any tax or fee not required to be paid, the tax or fee shall be refunded to the person paying the tax or fee upon written application for a refund made within six months after date of the payment.

Section 21. Section **41-1a-1204** is amended to read:

41-1a-1204 (Effective 01/01/27). Automobile driver education tax -- Amount -- When paid -- Exception.

(1) Each year there is levied and shall be paid to the commission the automobile driver education [fee] tax as part of the vehicle tax described in Subsection 41-1a-1206(2).

(2)(a) Except as provided in Subsections (2)(b) and (c), the [fee] tax is \$2.50 upon each motor vehicle to be registered for a one-year registration period.

[(b) The fee is \$2.00 upon each motor vehicle to be registered under Section 41-1a-215.5 for a six-month registration period.]

(b) The tax is \$5.00 for a vehicle registered for a 24-month registration period as described in Section 41-1a-215.5.

(c) The following registrations are exempt from the [fee] tax in Subsection (2)(a) or (b):
(i) a motorcycle registration; and

(ii) a registration of a vehicle with a Purple Heart special group license plate issued:

(A) on or before December 31, 2023; or

(B) in accordance with Part 16, Sponsored Special Group License Plates.

(3) The necessary expenses of the commission incurred in the administration and collection of the tax shall be paid from the commission's legislative appropriation into the General Fund, which fund shall be reimbursed by a transfer for the expenses from the legislative appropriation of the Uniform School Fund.

[(3) 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.]

Section 22. Section **41-1a-1206** is repealed and reenacted to read:

41-1a-1206 (Effective 01/01/27). Vehicle Tax -- Taxed by weight -- Exemptions.

(1)(a) There is imposed on each vehicle registered in the state a vehicle tax.

(b) An applicant for vehicle registration or renewal of vehicle registration shall pay the vehicle tax to the division at the time of the application.

(2) The vehicle tax includes the following taxes:

(a) the vehicle weight tax described in Subsection (3);

(b) the automobile driver education tax described in Section 41-1a-1204;

(c) a local option highway construction and transportation corridor preservation tax, if imposed in accordance with Section 41-1a-1222; and

(d) a local emissions compliance tax, if imposed in accordance with Section 41-1a-1223.

(3)(a) The vehicle weight tax for a motor vehicle with a gross laden weight of 14,000 pounds or less, excluding a motorcycle, is \$40.60.

(b) The vehicle weight tax for a motorcycle is \$42.40.

(c) Unless a trailer is exempt from registration as described in Section 41-1a-202 or registered as described in Section 41-1a-228 or 41-1a-301, the vehicle weight tax for a trailer is:

(i) \$28.60 for each trailer with a shipping weight over 750 pounds; or

(ii) \$26.30 for each commercial trailer with a shipping weight of 750 pounds or less.

(d) The vehicle weight tax for a trailer registered in accordance with Section 41-1a-228 is \$130.

(e) The vehicle weight tax for a farm truck with a gross combined weight rating over 14,000 pounds but below 16,000 pounds is:

(i) \$48.90; plus

(ii) \$8.30 for each 2,000 pounds over 16,000 pounds gross combined weight rating.

1012 (f) The vehicle weight tax for a motor vehicle or combination of vehicles, excluding a
1013 farm truck, with a gross combined weight rating over 14,000 pounds but below
1014 16,000 pounds is:
1015 (i) \$64.10; plus
1016 (ii) \$17.50 for each 2,000 pounds over 16,000 pounds gross combined weight rating.

1017 (g) The vehicle weight tax for a park model recreational vehicle with a gross combined
1018 weight rating over 14,000 pounds but below 16,000 pounds is:
1019 (i) \$64.10; plus
1020 (ii) \$17.50 for each 2,000 pounds over 16,000 pounds gross combined weight rating.

1021 (h) The vehicle weight tax for an electric motor vehicle is:
1022 (i) the amount described in Subsection (3)(a); plus
1023 (ii) an amount equal to the road usage charge cap described in Section 72-1-213.1.

1024 (i) The vehicle weight tax for a motor vehicle that is fueled exclusively by a source other
1025 than motor fuel, diesel fuel, natural gas, or propane, is:
1026 (i) the amount described in Subsection (3)(a); plus
1027 (ii) an amount equal to the road usage charge cap described in Section 72-1-213.1.

1028 (j) The vehicle weight tax for a hybrid electric motor vehicle is:
1029 (i) the amount described in Subsection (3)(a); plus
1030 (ii) \$20.10.

1031 (k) The vehicle weight tax for a plug-in hybrid electric motor vehicle is:
1032 (i) the amount described in Subsection (3)(a); plus
1033 (ii) \$52.10.

1034 (l) The vehicle weight tax for a roadable aircraft is \$26.30.

1035 (m)(i) The vehicle weight tax for a vintage vehicle with a model year of 1983 or
1036 newer is \$41.50.

1037 (ii) The vehicle weight tax for a vintage vehicle with a model year of 1982 or older,
1038 the first time the vehicle is registered, is \$36.90.

1039 (iii) A vintage vehicle with a model year of 1982 or older is exempt from the vehicle
1040 weight tax at the time of registration renewal.

1041 (n) A street legal all-terrain vehicle:
1042 (i) is not subject to a vehicle weight tax under this section; and
1043 (ii) is required to pay a vehicle tax as provided in Section 41-22-9.

1044 (4) The vehicle weight tax for vehicle registered for a 24-month period as provided in
1045 Section 41-1a-215.5 is double the amount due for the same vehicle if registered for a

1046 12-month registration period.

1047 (5)(a) A vehicle with a Purple Heart special group license plate issued on or before
1048 December 31, 2023, or issued in accordance with Part 16, Sponsored Special Group
1049 License Plates, is exempt from the vehicle weight taxes described in Subsection (3).

1050 (b) A camper is exempt from the vehicle weight taxes described in Subsection (3).

1051 (c) A vehicle used exclusively to pump cement, bore wells, or perform crane services
1052 with a crane lift capacity of five or more tons, are exempt from 50% of the amount of
1053 the vehicle weight tax required for that vehicle under this section.

1054 (6)(a) Vehicle weight tax categories under this section are based on the gross combined
1055 weight rating declared in the application for registration.

1056 (b)(i) Gross combined weight rating is computed in units of 2,000 pounds.

1057 (ii) For purposes of computing gross combined weight rating under Subsection
1058 (6)(b)(i), a fractional part of 2,000 pounds is a full unit.

1059 Section 23. Section **41-1a-1207** is amended to read:

41-1a-1207 (Effective 01/01/27). Reduced fees for portion of year.

1061 If a motor vehicle exceeding 14,000 pounds gross laden weight is registered for less than
1062 a 12-month registration period, the [registration fees] vehicle taxes and fees are:

1063 (1) for not more than three months, 30% of the regular [registration fee] vehicle taxes or fees
1064 under this part;

1065 (2) for in excess of three months but not more than six months, 60% of the regular [
1066 registration fee] vehicle taxes or fees under this part;

1067 (3) for in excess of six months and not more than nine months, 90% of the regular [
1068 registration fee] vehicle taxes or fees under this part; and

1069 (4) for anything in excess of nine months but not more than 12 months, the entire [
1070 registration fee] vehicle taxes or fees under this part.

1071 Section 24. Section **41-1a-1209** is amended to read:

41-1a-1209 (Effective 01/01/27). Exemptions from registration fees.

1073 (1) A vehicle tax or fee may not be charged for the registration of ambulances, law
1074 enforcement vehicles, fire engines, and passenger cars and trucks owned and used by the
1075 United States government or by the state of Utah or any of its political subdivisions.

1076 (2) A vehicle tax or fee may not be charged municipal corporations for the issuance of any
1077 certificate of title or registration or a duplicate certificate of title or registration.

1078 Section 25. Section **41-1a-1211** is repealed and reenacted to read:

41-1a-1211 (Effective 01/01/27). Vehicle, license plate, and registration related

1080 **service fees -- Vehicle regulatory fee.**

1081 (1)(a) In accordance with Section 63J-1-504, the commission shall establish service fees
1082 as described in this section.

1083 (b) An applicant for vehicle registration or renewal of vehicle registration shall pay the
1084 service fees described in this section to the division at the time of the application for
1085 registration.

1086 (c) The commission shall annually establish and publish a fee schedule for service fees.

1087 (2) The commission shall establish the following service fees:

1088 (a) a license plate fee for the issuance of a new license plate under Part 4, License Plates
1089 and Registration Indicia;

1090 (b) a license plate fee for the replacement of any license plate;

1091 (c)(i) a fee for the original issuance of a personalized license plate; and

1092 (ii) a fee for the renewal of a personalized license plate;

1093 (d) a fee for the issuance of an original special group license plate;

1094 (e) a fee for the replacement of a registration decal required by Section 41-1a-401 or
1095 license plate registration decal required in Section 41-1a-402;

1096 (f) a fee for the replacement of the special group license plate symbol decal issued in
1097 accordance with Section 41-1a-418;

1098 (g) a fee for the issuance of registration decals for an original issue license plate as
1099 described in Section 41-1a-416;

1100 (h) a fee for the issuance of a duplicate registration; and

1101 (i) a fee for the issuance of an original or duplicate certificate of title.

1102 (3) An applicant is exempt from the fee under Subsection (2)(a) or (b) if the applicant:

1103 (a) was issued a clean fuel special group license plate in accordance with Section
1104 41-1a-418 prior to the effective date of rules made by the Department of
1105 Transportation under Subsection 41-6a-702(5)(b);

1106 (b) beginning on the effective date of rules made by the Department of Transportation
1107 authorized under Subsection 41-6a-702(5)(b), is no longer eligible for a clean fuel
1108 special group license plate under the rules made by the Department of
1109 Transportation; and

1110 (c) upon renewal or reissuance, is required to replace the clean fuel special group license
1111 plate with a new license plate.

1112 (4)(a) An applicant for a license plate issued under Section 41-1a-407 is not subject to
1113 the license plate fee under Subsection (2)(a).

1114 (b) An applicant is exempt from the license plate fee under Subsections (2)(a), (d), and
1115 (f) if the applicant presents official documentation that the individual is a recipient of
1116 the Purple Heart Award in one of the following forms:
1117 (i) official documentation issued by a recognized association representing peace
1118 officers who:
1119 (A) receive a salary from a federal, state, county, or municipal government or any
1120 other subdivision of the state; and
1121 (B) work in the state;
1122 (ii) a membership card in the Military Order of the Purple Heart; or
1123 (iii) an original or certificate in lieu of the applicant's military discharge form,
1124 DD-214, issued by the National Personnel Records Center.

1125 (5)(a) In accordance with Section 63J-1-504, the commission shall establish a vehicle
1126 regulatory fee as described in this Subsection (5) to cover the commission's costs in
1127 regulating vehicles in this state.
1128 (b) An applicant for vehicle registration or renewal of vehicle registration shall pay the
1129 vehicle regulatory fee described in this Subsection (5) to the division at the time of
1130 the application for registration.
1131 (c) The commission shall annually establish and publish a fee schedule for the vehicle
1132 regulatory fee.

1133 Section 26. Section **41-1a-1218** is repealed and reenacted to read:

1134 **41-1a-1218 (Effective 01/01/27). Uninsured motorist identification regulatory fee**
1135 **for tracking motor vehicle insurance -- Exemption.**

1136 (1) In accordance with Section 63J-1-504, the Department of Public Safety and the
1137 commission shall establish a vehicle regulatory fee to cover the costs of regulating and
1138 identifying uninsured motorists.
1139 (2) Except as provided in Subsection (3), at the time application is made for registration or
1140 renewal of registration, each motor vehicle, street-legal all-terrain vehicle, and
1141 motorboat shall pay the regulatory fee established by the commission as described in
1142 Subsection (1).
1143 (3) The following are exempt from the fee required under this section:
1144 (a) a commercial vehicle registered as part of a fleet under Section 41-1a-222 or Section
1145 41-1a-301;
1146 (b) a vehicle described in Section 41-1a-1209 or Subsection 41-1a-419(3) that is exempt
1147 from a vehicle tax or fee; and

1148 (c) a motor vehicle with a Purple Heart special group license plate issued:
1149 (i) on or before December 31, 2023; or
1150 (ii) in accordance with Part 16, Sponsored Special Group License Plates.

1151 Section 27. Section **41-1a-1219** is amended to read:

1152 **41-1a-1219 (Effective 01/01/27). Motor carrier fee.**

1153 (1) At the time application is made for registration or renewal of registration of a motor
1154 vehicle or combination of motor vehicles over 14,000 pounds gross laden weight, the
1155 applicant shall pay a motor carrier fee of \$6 for each motor vehicle or combination of
1156 motor vehicles.

1157 (2) This fee is in addition to the [registration fees] vehicle tax under Subsections[
1158 41-1a-1206(1)(d) and (e)] 41-1a-1206(3)(e) and (f).

1159 (3) For a vehicle registered for a 24-month period as provided in Section 41-1a-215.5, the
1160 fee amounts under this section are double the amounts due for the same vehicle
1161 registered for a 12-month period.

1162 Section 28. Section **41-1a-1221** is amended to read:

1163 **41-1a-1221 (Effective 01/01/27). Fees to cover the cost of electronic payments.**

1164 (1) As used in this section:
1165 (a) "Electronic payment" means use of any form of payment processed through
1166 electronic means, including credit cards, debit cards, and automatic clearinghouse
1167 transactions.
1168 (b) "Electronic payment fee" means the fee assessed to defray:
1169 (i) the charge, discount fee, or processing fee charged by credit card companies or
1170 processing agents to process an electronic payment; or
1171 (ii) costs associated with the purchase of equipment necessary for processing
1172 electronic payments.
1173 (2)(a) The Motor Vehicle Division may collect an electronic payment fee on all
1174 registrations and renewals of registration under Subsections [41-1a-1206(1)(a), (1)(b),
1175 (2)(a), (2)(b), and (4)] 41-1a-1206(3)(a), (3)(b), and (3)(m).
1176 (b) The fee described in Subsection (2)(a):
1177 (i) shall be imposed regardless of the method of payment for a particular transaction;
1178 and
1179 (ii) need not be separately identified from the fees imposed for registration and
1180 renewals of registration under Subsections [41-1a-1206(1)(a), (1)(b), (2)(a), (2)(b),
1181 and (4)] 41-1a-1206(3)(a), (3)(b), and (3)(m).

1182 (c) For a vehicle registered for a 24-month period as provided in Section 41-1a-215.5,
1183 the electronic fee amounts under this section are double the amounts due for the same
1184 vehicle registered for a 12-month period.

1185 (3) The division shall establish the fee according to the procedures and requirements of
1186 Section 63J-1-504.

1187 (4) A fee imposed under this section:

1188 (a) shall be deposited [~~in~~] into the Electronic Payment Fee Restricted Account created by
1189 Section 41-1a-121; and

1190 (b) is not subject to Subsection 63J-1-105(3) or (4).

1191 Section 29. Section **41-1a-1222** is amended to read:

1192 **41-1a-1222 (Effective 01/01/27). Local option highway construction and**
1193 **transportation corridor preservation tax -- Exemptions -- Deposit -- Transfer -- County**
1194 **ordinance -- Notice.**

1195 (1) As used in this section, "unincorporated" means the same as that term is defined in
1196 Section 10-1-104.

1197 (2)(a)(i) Except as provided in Subsection (2)(a)(ii), a county legislative body may
1198 impose a local option highway construction and transportation corridor
1199 preservation [fee] tax of up to \$10 on each motor vehicle registration within the
1200 county.

1201 (ii) A county legislative body may impose a local option highway construction and
1202 transportation corridor preservation [fee] tax of up to [\$7.75] \$20.00 on each motor
1203 vehicle registration for a [six-month] 24-month registration period under Section
1204 41-1a-215.5 within the county.

1205 (iii) A [fee] tax imposed under Subsection (2)(a)(i) or (ii) shall be set in whole dollar
1206 increments.

1207 (iv) A tax imposed as described in this section is part of the vehicle tax described in
1208 Subsection 41-1a-1206(2).

1209 (b)(i) If imposed under Subsection (2)(a), at the time application is made for
1210 registration or renewal of registration of a motor vehicle under this chapter, the
1211 applicant shall pay the local option highway construction and transportation
1212 corridor preservation [fee] tax established by the county legislative body.

1213 (ii) If imposed under Subsection (2)(a), at the time application is made for
1214 registration or renewal of registration of a vehicle under this chapter for a
1215 24-month period as provided in Section 41-1a-215.5, the applicant shall pay

1216 double the amount of the local option highway construction and transportation
1217 corridor preservation [fee] tax established by the county legislative body for the
1218 same vehicle registered for a 12-month period.

1219 (c) The following are exempt from the [fee] tax required under Subsection (2)(a):
1220 (i) a motor vehicle that is exempt from the registration [fee] tax under Section
1221 41-1a-1209 or Subsection 41-1a-419(3);
1222 (ii) a commercial vehicle with an apportioned registration under Section 41-1a-301;
1223 and
1224 (iii) a motor vehicle with a Purple Heart special group license plate issued:
1225 (A) on or before December 31, 2023; or
1226 (B) in accordance with Part 16, Sponsored Special Group License Plates.

1227 (3)(a) Except as provided in Subsection (3)(b), the revenue generated under this section
1228 shall be:

1229 (i) deposited [~~in~~] into the Local Highway and Transportation Corridor Preservation
1230 Fund created in Section 72-2-117.5;
1231 (ii) credited to the county from which it is generated; and
1232 (iii) used and distributed in accordance with Section 72-2-117.5.

1233 (b) The revenue generated by a [fee] tax imposed under this section in a county of the
1234 first class shall be deposited or transferred as follows:

1235 (i) 50% of the revenue shall be:
1236 (A) deposited [~~in~~] into the County of the First Class Highway Projects Fund
1237 created in Section 72-2-121; and
1238 (B) used in accordance with Section 72-2-121;
1239 (ii) 30% of the revenue shall be deposited, credited, and used as provided in
1240 Subsection (3)(a); and
1241 (iii) 20% of the revenue shall be transferred to the legislative body of a county of the
1242 first class.

1243 (4) Beginning in a fiscal year beginning on or after July 1, 2023, and for 15 years thereafter,
1244 the legislative body of the county of the first class shall annually transfer, from the
1245 revenue transferred to the legislative body of a county of the first class as described in
1246 Subsection (3)(b)(iii):
1247 (a) \$300,000 to Kearns; and
1248 (b) \$225,000 to Magna.

1249 (5) To impose or change the amount of a [fee] tax under this section, the county legislative

1250 body shall pass an ordinance:

1251 (a) approving the [fee] tax;

1252 (b) setting the amount of the [fee] tax; and

1253 (c) providing an effective date for the [fee] tax as provided in Subsection (6).

1254 (6)(a) If a county legislative body enacts, changes, or repeals a [fee] tax under this
1255 section, the enactment, change, or repeal shall take effect on July 1 if the commission
1256 receives notice meeting the requirements of Subsection (6)(b) from the county prior
1257 to April 1.

1258 (b) The notice described in Subsection (6)(a) shall:

1259 (i) state that the county will enact, change, or repeal a [fee] tax under this part;

1260 (ii) include a copy of the ordinance imposing the [fee] tax; and

1261 (iii) if the county enacts or changes the [fee] tax under this section, state the amount
1262 of the [fee] tax.

1263 Section 30. Section **41-1a-1223** is amended to read:

1264 **41-1a-1223 (Effective 01/01/27). Local emissions compliance tax -- Exemptions --
1265 Transfer -- County ordinance -- Notice.**

1266 (1)(a)(i) A county legislative body of a county that is required to utilize a motor
1267 vehicle emissions inspection and maintenance program or in which an emissions
1268 inspection and maintenance program is necessary to attain or maintain any
1269 national ambient air quality standard in accordance with Section 41-6a-1642 may
1270 impose a local emissions compliance fee of up to:

1271 (A) \$3 on each motor vehicle registration within the county for a motor vehicle
1272 registration under Section 41-1a-215; or

1273 (B) ~~\$2.25~~ \$6 on each motor vehicle registration within the county for a [
1274 ~~six-month~~] 24-month registration period under Section 41-1a-215.5.

1275 (ii) A [fee] tax imposed under Subsection (1)(a)(i) shall be set in whole dollar
1276 increments.

1277 (b) If imposed under Subsection (1)(a)(i), at the time application is made for registration
1278 or renewal of registration of a motor vehicle under this chapter, the applicant shall
1279 pay the local emissions compliance [fee] tax established by the county legislative
1280 body.

1281 (c) The following are exempt from the [fee] tax required under Subsection (1)(a)(i):

1282 (i) a motor vehicle that is exempt from the registration [fee] tax under Section
1283 41-1a-1209 or Subsection 41-1a-419(3);

1284 (ii) a commercial vehicle with an apportioned registration under Section 41-1a-301;

1285 and

1286 (iii) an electric motor vehicle.

1287 [§(2) The revenue generated from the fees collected under this section shall be transferred to
1288 the county that imposed the fee.]

1289 [§(3)] (2) To impose or change the amount of a [fee] tax under this section, the county
1290 legislative body shall pass an ordinance:

1291 (a) approving the [fee] tax;

1292 (b) setting the amount of the [fee] tax; and

1293 (c) providing an effective date for the [fee] tax as provided in Subsection [§(4)] (3).

1294 [§(4)] (3)(a) If a county legislative body enacts, changes, or repeals a [fee] tax under this
1295 section, the enactment, change, or repeal shall take effect on January 1 if the
1296 commission receives notice meeting the requirements of Subsection [§(4)(b)] (3)(b)
1297 from the county prior to October 1.

1298 (b) The notice described in Subsection [§(4)(a)] (3)(a) shall:

1299 (i) state that the county will enact, change, or repeal a [fee] tax under this section;

1300 (ii) include a copy of the ordinance imposing the [fee] tax; and

1301 (iii) if the county enacts or changes the [fee] tax under this section, state the amount
1302 of the [fee] tax.

1303 Section 31. Section **41-1a-1301** is amended to read:

1304 **41-1a-1301 (Effective 01/01/27). Unpaid fees and penalty -- Lien -- Seizure and
1305 sale.**

1306 (1)(a) Every [registration fee] vehicle tax, fee, and penalty not paid by the due date is a
1307 lien upon all:

1308 (i) the unexempt personal property of the owner or operator of the vehicle, vessel, or
1309 outboard motor; and

1310 (ii) interest or equity of the owner or operator in all personal property, including
1311 vehicles, vessels, or outboard motors used by the owner or operator in the conduct
1312 or operation of the owner's or operator's business.

1313 (b) The properties and vehicles, vessels, or outboard motors may be held under warrant,
1314 issued by the commission, and sold in accordance with the law applicable to personal
1315 property taxes.

1316 (2) Delinquency is a ground for the issuance of a writ of attachment against the owner or
1317 operator.

1318 Section 32. Section **41-1a-1603** is amended to read:

1319 **41-1a-1603 (Effective 01/01/27). Application requirements -- Fees --**

1320 **Contributions -- Rulemaking.**

1321 (1) An applicant for a sponsored special group license plate shall submit to the division:

1322 (a) in a form and manner that the division prescribes, a complete application;

1323 (b) payment of the fee for the issuance of the sponsored special group license plate

1324 established under Subsection (4)(a)(i);

1325 (c) the required contribution for the sponsored special group license plate, unless the

1326 applicant previously paid the required contribution as part of a preorder application

1327 described in Subsection (3); and

1328 (d) if the sponsoring organization elects to require verification as described in Section

1329 41-1a-1604, a verification form obtained from the sponsoring organization.

1330 (2) An applicant who owns a vehicle with the sponsoring organization's sponsored special

1331 group license plate shall submit to the division the required contribution to renew the

1332 sponsored special group license plate.

1333 (3)(a) An applicant who wishes to obtain a new type of sponsored special group license

1334 plate may preorder the new type of sponsored special group license plate by:

1335 (i) submitting to the sponsoring organization associated with the new type of

1336 sponsored special group license plate a complete preorder form created by the

1337 division; and

1338 (ii) making the required contribution to the sponsoring organization.

1339 (b) After the division approves the sponsoring organization's request for the new type of

1340 sponsored special group license plate under Section 41-1a-1604, an applicant who

1341 submitted a preorder in accordance with Subsection (3)(a) may apply for the

1342 sponsored special group license plate in accordance with Subsection (1).

1343 (4)(a) The division shall, in accordance with Section 63J-1-504, establish:

1344 (i) the fee to charge an applicant for the division's costs of issuing or renewing a

1345 sponsored special group license plate or symbol decal;

1346 (ii) the fee to charge a sponsoring organization for the division's costs of designing

1347 and administering a new type of sponsored special group license plate, in

1348 accordance with Subsection 41-1a-1604(2)(c); and

1349 (iii) subject to Subsections (4)(b) and (6), in an amount equal to at least \$25, the

1350 minimum annual contribution amount an applicant is required to make to obtain or

1351 renew the sponsoring organization's sponsored special group license plate.

1352 (b) A fee paid in accordance with Subsection (4)(a)(i) shall be deposited into the License
1353 Plate Restricted Account created in Section 41-1a-122.

1354 (c) A sponsoring organization may establish a required contribution amount for the
1355 sponsoring organization's sponsored special group license plate that is greater than
1356 the amount established by the division under Subsection (4)(a)(ii).

1357 (5) An applicant's contribution is a voluntary contribution for funding the sponsoring
1358 organization's activities and not a [motor vehicle registration fee] vehicle tax or fee.

1359 (6) Beginning on July 1, 2025, an applicant's voluntary contribution described in
1360 Subsection (4)(a)(iii) for the historical support special group license plate described in
1361 Section 41-1a-419 is \$25 which the division shall allocate as follows:

1362 (a) \$2 to the Utah State Historical Society as the sponsoring organization; and

1363 (b) \$23 into the Transportation Investment Fund of 2005, created in Section 72-2-124.

1364 (7) For a fiscal year beginning on July 1, 2025, only, the division shall transfer into the
1365 General Fund \$3,500,000 from the Sponsored Special Group License Plate Fund created
1366 in Section 41-1a-1610 from funds generated by the historical support special group
1367 license plate.

1368 (8) The division shall provide notice indicating the allocation of the voluntary contributions
1369 described in Subsection (6) for the historical support special group license plate as
1370 follows:

1371 (a) on or before July 1, 2025, on the division website; and

1372 (b) beginning on July 1, 2025, and until June 30, 2026, in any email notification of a
1373 registrant's pending vehicle registration expiration described in Section 41-1a-203.

1374 (9) An applicant for a historical support special group license plate for a vehicle that is a
1375 vintage vehicle is not required to make the voluntary contribution to obtain the historical
1376 support special group license plate.

1377 (10) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1378 commission may make rules to establish and administer the sponsored special group
1379 license plate program.

1380 Section 33. Section **41-3-302** is amended to read:

1381 **41-3-302 (Effective 01/01/27). Temporary permits -- Purchasers of motor
1382 vehicles -- Penalty for use after expiration -- Sale and rescission.**

1383 (1)(a)(i) A dealer or the division may issue a temporary permit.

1384 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1385 the administrator shall make rules for the issuance of a temporary permit under

1386 Subsection (1)(a)(i).

1387 (iii) The division shall furnish the forms for temporary permits issued by dealers
1388 under Subsection (1)(a)(i).

1389 (b) A dealer may issue a temporary permit to a bona fide purchaser of a motor vehicle
1390 for a period not to exceed 45 days on a motor vehicle sold to the purchaser by the
1391 dealer.

1392 (c) The dealer is responsible and liable for the [registration] vehicle taxes and fees or fee
1393 of each motor vehicle for which the permit is issued.

1394 (d) All issued temporary permits that are outstanding after 45 days from the date they
1395 are issued are delinquent and a penalty equal to the [registration fee] vehicle taxes and
1396 fees shall be collected from the issuing dealer.

1397 (2) If a temporary permit is issued by a dealer under this section and the sale of the motor
1398 vehicle is subsequently rescinded, the temporary permit may be voided and the issuing
1399 dealer is not liable for the [registration fee] vehicle tax or penalty.

1400 Section 34. Section **41-6a-208** is amended to read:

1401 **41-6a-208 (Effective 01/01/27). Regulatory powers of local highway authorities --**

1402 **Traffic-control device affecting state highway -- Necessity of erecting traffic-control
1403 devices.**

1404 (1) As used in this section:

1405 (a)(i) "Ground transportation vehicle" means a motor vehicle used for the
1406 transportation of persons, used in ride or shared ride, on demand, or for hire
1407 transportation of passengers or baggage over public highways.

1408 (ii) "Ground transportation vehicle" includes a:

1409 (A) shared ride vehicle;

1410 (B) bus;

1411 (C) courtesy vehicle;

1412 (D) hotel vehicle;

1413 (E) limousine;

1414 (F) minibus;

1415 (G) special transportation vehicle;

1416 (H) specialty vehicle;

1417 (I) taxicab;

1418 (J) van; or

1419 (K) trailer being towed by a ground transportation vehicle.

1420 (b) "Idle" means the operation of a vehicle engine while the vehicle is stationary or not
1421 in the act of performing work or its normal function.

1422 (2) The provisions of this chapter do not prevent a local highway authority for a highway
1423 under its jurisdiction and within the reasonable exercise of police power, from:
1424 (a) regulating or prohibiting stopping, standing, or parking;
1425 (b) regulating traffic by means of a peace officer or a traffic-control device;
1426 (c) regulating or prohibiting processions or assemblages on a highway;
1427 (d) designating particular highways or roadways for use by traffic moving in one
1428 direction under Section 41-6a-709;
1429 (e) establishing speed limits for vehicles in public parks, which supersede Section
1430 41-6a-603 regarding speed limits;
1431 (f) designating any highway as a through highway or designating any intersection or
1432 junction of roadways as a stop or yield intersection or junction;
1433 (g) restricting the use of a highway under Section 72-7-408;
1434 (h) requiring the registration and inspection of bicycles, including requiring a
1435 registration tax or fee;
1436 (i) regulating or prohibiting:
1437 (i) certain turn movements of a vehicle; or
1438 (ii) specified types of vehicles;
1439 (j) altering or establishing speed limits under Section 41-6a-603;
1440 (k) requiring written accident reports under Section 41-6a-403;
1441 (l) designating no-passing zones under Section 41-6a-708;
1442 (m) prohibiting or regulating the use of controlled-access highways by any class or kind
1443 of traffic under Section 41-6a-715;
1444 (n) prohibiting or regulating the use of heavily traveled streets by any class or kind of
1445 traffic found to be incompatible with the normal and safe movement of traffic;
1446 (o) establishing minimum speed limits under Subsection 41-6a-605(3);
1447 (p) prohibiting pedestrians from crossing a highway in a business district or any
1448 designated highway except in a crosswalk under Section 41-6a-1001;
1449 (q) restricting pedestrian crossings at unmarked crosswalks under Section 41-6a-1010;
1450 (r) regulating persons upon skates, coasters, sleds, skateboards, and other toy vehicles;
1451 (s) adopting and enforcing temporary or experimental ordinances as necessary to cover
1452 emergencies or special conditions;
1453 (t) prohibiting drivers of ambulances from exceeding maximum speed limits;

1454 (u) adopting other traffic ordinances as specifically authorized by this chapter; or
1455 (v) adopting an ordinance that requires a ground transportation vehicle to conform to
1456 state safety standards and reasonable annual appearance requirements, in consultation
1457 with a transportation advisory board of the local highway authority.

1458 (3) A local highway authority may not:

1459 (a) in accordance with Title 72, Chapter 3, Part 1, Highways in General, erect or
1460 maintain any official traffic-control device at any location which regulates the traffic
1461 on a highway not under the local highway authority's jurisdiction, unless written
1462 approval is obtained from the highway authority having jurisdiction over the highway;

1463 (b) prohibit or restrict the use of a cellular phone by the operator or passenger of a motor
1464 vehicle;

1465 (c) enact an ordinance that prohibits or restricts an owner or operator of a vehicle from
1466 causing or permitting the vehicle's engine to idle unless the ordinance:

1467 (i) is primarily educational;

1468 (ii) provides that a person must be issued at least one warning citation before
1469 imposing a fine;

1470 (iii) has the same fine structure as a parking violation;

1471 (iv) provides for the safety of law enforcement personnel who enforce the ordinance;
1472 and

1473 (v) provides that the ordinance may be enforced on:

1474 (A) public property; or

1475 (B) private property that is open to the general public unless the private property
1476 owner:

1477 (I) has a private business that has a drive-through service as a component of the
1478 private property owner's business operations and posts a sign provided by or
1479 acceptable to the local highway authority informing its customers and the
1480 public of the local highway authority's time limit for idling vehicle engines;
1481 or

1482 (II) adopts an idle reduction education policy approved by the local highway
1483 authority;

1484 (d) enact an ordinance that prohibits a vehicle from being licensed as a ground
1485 transportation vehicle:

1486 (i) if the vehicle to be licensed otherwise passes all state safety inspection
1487 requirements established by the Utah Highway Patrol Division in accordance with

Section 53-8-204; and

(ii)(A) based on the manufacture date of the vehicle; or

(B) based on the number of miles the vehicle has accumulated;

- (e) enact an ordinance, regulation, rule, fee, or criminal or civil fine pertaining to a registration violation under Section 41-1a-201 or a registration decal issued under Section 41-1a-402 that conflicts with or is more stringent than the registration requirements under Title 41, Motor Vehicles;

(f) enact an ordinance that:

(i) is inconsistent with the provisions of this chapter; or

(ii) prohibits the use of a bicycle on any public street or highway, except as allowed by Section 41-6a-714, unless the local highway authority has:

(A) documented that the local highway authority has reviewed the safety history of the highway and considered other reasonable alternatives, including signage and routes; and

(B) clearly marked a safe alternative route for the prohibited section of highway; or

(g) enact an ordinance, regulation, or rule that requires the owner or driver of a ground transportation vehicle to maintain liability insurance coverage in an amount that is greater than the minimum amount of liability coverage a transportation network company or transportation network driver is required to maintain under Subsection 13-51-108(1)(b).

(4) An ordinance enacted under Subsection (2)(d), (e), (f), (g), (i), (j), (l), (m), (n), or (q) is not effective until official traffic-control devices giving notice of the local traffic ordinances are erected upon or at the entrances to the highway or part of it affected as is appropriate.

(5) An ordinance enacted by a local highway authority that violates Subsection (3) is not effective.

Section 35. Section **41-6a-1642** is amended to read:

41-6a-1642 (Effective 01/01/27). Emissions inspection -- County program.

(1) The legislative body of each county required under federal law to utilize a motor vehicle emissions inspection and maintenance program or in which an emissions inspection and maintenance program is necessary to attain or maintain any national ambient air quality standard shall require:

(a) a certificate of emissions inspection, a waiver, or other evidence the motor vehicle is exempt from emissions inspection and maintenance program requirements be

1522 presented:

1523 (i) as a condition of registration or renewal of registration; and
1524 (ii) at other times as the county legislative body may require to enforce inspection
1525 requirements for individual motor vehicles, except that the county legislative body
1526 may not routinely require a certificate of emissions inspection, or waiver of the
1527 certificate, more often than required under Subsection (9); and

1528 (b) compliance with this section for a motor vehicle registered or principally operated in
1529 the county and owned by or being used by a department, division, instrumentality,
1530 agency, or employee of:
1531 (i) the federal government;
1532 (ii) the state and any of its agencies; or
1533 (iii) a political subdivision of the state, including school districts.

1534 (2)(a) A vehicle owner subject to Subsection (1) shall obtain a motor vehicle emissions
1535 inspection and maintenance program certificate of emissions inspection as described
1536 in Subsection (1), but the program may not deny vehicle registration based solely on
1537 the presence of a defeat device covered in the Volkswagen partial consent decrees or
1538 a United States Environmental Protection Agency-approved vehicle modification in
1539 the following vehicles:

1540 (i) a 2.0-liter diesel engine motor vehicle in which its lifetime nitrogen oxide
1541 emissions are mitigated in the state [pursuant to] in accordance with a partial
1542 consent decree, including:
1543 (A) Volkswagen Jetta, model years 2009, 2010, 2011, 2012, 2013, 2014, and 2015;
1544 (B) Volkswagen Jetta Sportwagen, model years 2009, 2010, 2011, 2012, 2013,
1545 and 2014;
1546 (C) Volkswagen Golf, model years 2010, 2011, 2012, 2013, 2014, and 2015;
1547 (D) Volkswagen Golf Sportwagen, model year 2015;
1548 (E) Volkswagen Passat, model years 2012, 2013, 2014, and 2015;
1549 (F) Volkswagen Beetle, model years 2013, 2014, and 2015;
1550 (G) Volkswagen Beetle Convertible, model years 2013, 2014, and 2015; and
1551 (H) Audi A3, model years 2010, 2011, 2012, 2013, and 2015; and
1552 (ii) a 3.0-liter diesel engine motor vehicle in which its lifetime nitrogen oxide
1553 emissions are mitigated in the state to a settlement, including:
1554 (A) Volkswagen Touareg, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015,
1555 and 2016;

1556 (B) Audi Q7, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015, and 2016;
1557 (C) Audi A6 Quattro, model years 2014, 2015, and 2016;
1558 (D) Audi A7 Quattro, model years 2014, 2015, and 2016;
1559 (E) Audi A8, model years 2014, 2015, and 2016;
1560 (F) Audi A8L, model years 2014, 2015, and 2016;
1561 (G) Audi Q5, model years 2014, 2015, and 2016; and
1562 (H) Porsche Cayenne Diesel, model years 2013, 2014, 2015, and 2016.

1563 (b)(i) An owner of a restored-modified vehicle subject to Subsection (1) shall obtain
1564 a motor vehicle emissions inspection and maintenance program certificate of
1565 emissions inspection as described in Subsection (1).

1566 (ii) A county emissions program may not refuse to perform an emissions inspection
1567 or indicate a failed emissions test of the vehicle based solely on a modification to
1568 the engine or component of the motor vehicle if:

1569 (A) the modification is not likely to result in the motor vehicle having increased
1570 emissions relative to the emissions of the motor vehicle before the
1571 modification; and

1572 (B) the motor vehicle modification is a change to an engine that is newer than the
1573 engine with which the motor vehicle was originally equipped, or the engine
1574 includes technology that increases the facility of the administration of an
1575 emissions test, such as an on-board diagnostics system.

1576 (iii) The first time an owner seeks to obtain an emissions inspection as a prerequisite
1577 to registration of a restored-modified vehicle:

1578 (A) the owner shall present the signed statement described in Subsection
1579 41-1a-226(4); and

1580 (B) the county emissions program shall perform the emissions test.

1581 (iv) If a motor vehicle is registered as a restored-modified vehicle and the registration
1582 certificate is notated as described in Subsection 41-1a-226(4), a county emissions
1583 program may not refuse to perform an emissions test based solely on the
1584 restored-modified status of the motor vehicle.

1585 (3)(a) The legislative body of a county identified in Subsection (1), in consultation with
1586 the Air Quality Board created under Section 19-1-106, shall make regulations or
1587 ordinances regarding:

1588 (i) emissions standards;

1589 (ii) test procedures;

- (iii) inspections stations;
- (iv) repair requirements and dollar limits for correction of deficiencies; and
- (v) certificates of emissions inspections.

(b) In accordance with Subsection (3)(a), a county legislative body:

- (i) shall make regulations or ordinances to attain or maintain ambient air quality standards in the county, consistent with the state implementation plan and federal requirements;
- (ii) may allow for a phase-in of the program by geographical area; and
- (iii) shall comply with the analyzer design and certification requirements contained in the state implementation plan prepared under Title 19, Chapter 2, Air Conservation Act.

(c) The county legislative body and the Air Quality Board shall give preference to an inspection and maintenance program that:

- (i) is decentralized, to the extent the decentralized program will attain and maintain ambient air quality standards and meet federal requirements;
- (ii) is the most cost effective means to achieve and maintain the maximum benefit with regard to ambient air quality standards and to meet federal air quality requirements as related to vehicle emissions; and
- (iii) provides a reasonable phase-out period for replacement of air pollution emission testing equipment made obsolete by the program.

(d) The provisions of Subsection (3)(c)(iii) apply only to the extent the phase-out:

- (i) may be accomplished in accordance with applicable federal requirements; and
- (ii) does not otherwise interfere with the attainment and maintenance of ambient air quality standards.

The following vehicles are exempt from an emissions inspection program and the provisions of this section:

- (a) an implement of husbandry as defined in Section 41-1a-102;
- (b) a motor vehicle that:
 - (i) meets the definition of a farm truck under Section 41-1a-102; and
 - (ii) has a gross vehicle weight rating of 12,001 pounds or more;
- (c) a vintage vehicle as defined in Section 41-21-1:
 - (i) if the vintage vehicle has a model year of 1982 or older; or
 - (ii) for a vintage vehicle that has a model year of 1983 or newer, if the owner provides proof of vehicle insurance that is a type specific to a vehicle collector;

1624 (d) a custom vehicle as defined in Section 41-6a-1507;

1625 (e) a vehicle registered as a novel vehicle under Section 41-27-201;

1626 (f) to the extent allowed under the current federally approved state implementation plan,

1627 in accordance with the federal Clean Air Act, 42 U.S.C. Sec. 7401, et seq., a motor

1628 vehicle that is less than two years old on January 1 based on the age of the vehicle as

1629 determined by the model year identified by the manufacturer;

1630 (g) a pickup truck, as defined in Section 41-1a-102, with a gross vehicle weight rating of

1631 12,000 pounds or less, if the registered owner of the pickup truck provides a signed

1632 statement to the legislative body stating the truck is used:

1633 (i) by the owner or operator of a farm located on property that qualifies as land in

1634 agricultural use under Sections 59-2-502 and 59-2-503; and

1635 (ii) exclusively for the following purposes in operating the farm:

1636 (A) for the transportation of farm products, including livestock and its products,

1637 poultry and its products, floricultural and horticultural products; and

1638 (B) in the transportation of farm supplies, including tile, fence, and every other

1639 thing or commodity used in agricultural, floricultural, horticultural, livestock,

1640 and poultry production and maintenance;

1641 (h) a motorcycle as defined in Section 41-1a-102;

1642 (i) an electric motor vehicle as defined in Section 41-1a-102;

1643 (j) a motor vehicle with a model year of 1967 or older; and

1644 (k) a roadable aircraft as defined in Section 72-10-102.

1645 (5) The county shall issue to the registered owner who signs and submits a signed statement

1646 under Subsection (4)(g) a certificate of exemption from emissions inspection

1647 requirements for purposes of registering the exempt vehicle.

1648 (6) A legislative body of a county described in Subsection (1) may exempt from an

1649 emissions inspection program a diesel-powered motor vehicle with a:

1650 (a) gross vehicle weight rating of more than 14,000 pounds; or

1651 (b) model year of 1997 or older.

1652 (7) The legislative body of a county required under federal law to utilize a motor vehicle

1653 emissions inspection program shall require:

1654 (a) a computerized emissions inspection for a diesel-powered motor vehicle that has:

1655 (i) a model year of 2007 or newer;

1656 (ii) a gross vehicle weight rating of 14,000 pounds or less; and

1657 (iii) a model year that is five years old or older; and

1658 (b) a visual inspection of emissions equipment for a diesel-powered motor vehicle:
1659 (i) with a gross vehicle weight rating of 14,000 pounds or less;
1660 (ii) that has a model year of 1998 or newer; and
1661 (iii) that has a model year that is five years old or older.

1662 (8)(a) Subject to Subsection (8)(c), the legislative body of each county required under
1663 federal law to utilize a motor vehicle emissions inspection and maintenance program
1664 or in which an emissions inspection and maintenance program is necessary to attain
1665 or maintain any national ambient air quality standard may require each college or
1666 university located in a county subject to this section to require its students and
1667 employees who park a motor vehicle not registered in a county subject to this section
1668 to provide proof of compliance with an emissions inspection accepted by the county
1669 legislative body if the motor vehicle is parked on the college or university campus or
1670 property.

1671 (b) College or university parking areas that are metered or for which payment is required
1672 per use are not subject to the requirements of this Subsection (8).

1673 (c) The legislative body of a county shall make the reasons for implementing the
1674 provisions of this Subsection (8) part of the record at the time that the county
1675 legislative body takes its official action to implement the provisions of this
1676 Subsection (8).

1677 (9)(a) An emissions inspection station shall issue a certificate of emissions inspection for
1678 each motor vehicle that meets the inspection and maintenance program requirements
1679 established in regulations or ordinances made under Subsection (3).

1680 (b) The frequency of the emissions inspection shall be determined based on the age of
1681 the vehicle as determined by model year and shall be required annually subject to the
1682 provisions of Subsection (9)(c).

1683 (c)(i) To the extent allowed under the current federally approved state
1684 implementation plan, in accordance with the federal Clean Air Act, 42 U.S.C. Sec.
1685 7401 et seq., the legislative body of a county identified in Subsection (1) shall
1686 only require the emissions inspection every two years for each vehicle.

1687 (ii) The provisions of Subsection (9)(c)(i) apply only to a vehicle that is less than six
1688 years old on January 1.

1689 (iii) For a county required to implement a new vehicle emissions inspection and
1690 maintenance program on or after December 1, 2012, under Subsection (1), but for
1691 which no current federally approved state implementation plan exists, a vehicle

1692 shall be tested at a frequency determined by the county legislative body, in
1693 consultation with the Air Quality Board created under Section 19-1-106, that is
1694 necessary to comply with federal law or attain or maintain any national ambient
1695 air quality standard.

1696 (iv) If a county legislative body establishes or changes the frequency of a vehicle
1697 emissions inspection and maintenance program under Subsection (9)(c)(iii), the
1698 establishment or change shall take effect on January 1 if the State Tax
1699 Commission receives notice meeting the requirements of Subsection (9)(c)(v)
1700 from the county before October 1.

1701 (v) The notice described in Subsection (9)(c)(iv) shall:
1702 (A) state that the county will establish or change the frequency of the vehicle
1703 emissions inspection and maintenance program under this section;
1704 (B) include a copy of the ordinance establishing or changing the frequency; and
1705 (C) if the county establishes or changes the frequency under this section, state how
1706 frequently the emissions testing will be required.

1707 (d) If an emissions inspection is only required every two years for a vehicle under
1708 Subsection (9)(c), the inspection shall be required for the vehicle in:
1709 (i) odd-numbered years for vehicles with odd-numbered model years; or
1710 (ii) in even-numbered years for vehicles with even-numbered model years.

1711 (10)(a) Except as provided in Subsections (9)(b), (c), and (d), the emissions inspection
1712 required under this section may be made no more than two months before the
1713 renewal of registration.

1714 (b)(i) If the title of a used motor vehicle is being transferred, the owner may use an
1715 emissions inspection certificate issued for the motor vehicle during the previous
1716 11 months to satisfy the requirement under this section.
1717 (ii) If the transferor is a licensed and bonded used motor vehicle dealer, the owner
1718 may use an emissions inspection certificate issued for the motor vehicle in a
1719 licensed and bonded motor vehicle dealer's name during the previous 11 months to
1720 satisfy the requirement under this section.

1721 (c) If the title of a leased vehicle is being transferred to the lessee of the vehicle, the
1722 lessee may use an emissions inspection certificate issued during the previous 11
1723 months to satisfy the requirement under this section.

1724 (d) If the motor vehicle is part of a fleet of 101 or more vehicles, the owner may not use
1725 an emissions inspection made more than 11 months before the renewal of registration

1726 to satisfy the requirement under this section.

1727 [(e) If the application for renewal of registration is for a six-month registration period
1728 under Section 41-1a-215.5, the owner may use an emissions inspection certificate
1729 issued during the previous eight months to satisfy the requirement under this section.]

1730 (11)(a) A county identified in Subsection (1) shall collect information about and monitor
1731 the program.

1732 (b) A county identified in Subsection (1) shall supply this information to the
1733 Transportation Interim Committee to identify program needs, including funding
1734 needs.

1735 (12) If approved by the county legislative body, a county that had an established emissions
1736 inspection fee as of January 1, 2002, may increase the established fee that an emissions
1737 inspection station may charge by \$2.50 for each year that is exempted from emissions
1738 inspections under Subsection (9)(c) up to a \$7.50 increase.

1739 (13)(a) Except as provided in Subsection 41-1a-1223(1)(c), a county identified in
1740 Subsection (1) may impose a local emissions compliance fee on each motor vehicle
1741 registration within the county in accordance with the procedures and requirements of
1742 Section 41-1a-1223.

1743 (b) A county that imposes a local emissions compliance fee may use revenues generated
1744 from the fee for the establishment and enforcement of an emissions inspection and
1745 maintenance program in accordance with the requirements of this section.

1746 (c) A county that imposes a local emissions compliance fee may use revenues generated
1747 from the fee to promote programs to maintain a local, state, or national ambient air
1748 quality standard.

1749 (14)(a) If a county has reason to believe that a vehicle owner has provided an address as
1750 required in Section 41-1a-209 to register or attempt to register a motor vehicle in a
1751 county other than the county of the bona fide residence of the owner in order to avoid
1752 an emissions inspection required under this section, the county may investigate and
1753 gather evidence to determine whether the vehicle owner has used a false address or
1754 an address other than the vehicle owner's bona fide residence or place of business.

1755 (b) If a county conducts an investigation as described in Subsection (14)(a) and
1756 determines that the vehicle owner has used a false or improper address in an effort to
1757 avoid an emissions inspection as required in this section, the county may impose a
1758 civil penalty of \$1,000.

1759 (15) A county legislative body described in Subsection (1) may exempt a motor vehicle

1760 from an emissions inspection if:

1761 (a) the motor vehicle is 30 years old or older;

1762 (b) the county determines that the motor vehicle was driven less than 1,500 miles during

1763 the preceding 12-month period; and

1764 (c) the owner provides to the county legislative body a statement signed by the owner

1765 that states the motor vehicle:

1766 (i) is primarily a collector's item used for:

1767 (A) participation in club activities;

1768 (B) exhibitions;

1769 (C) tours; or

1770 (D) parades; or

1771 (ii) is only used for occasional transportation.

1772 Section 36. Section **41-12a-806** is amended to read:

1773 **41-12a-806 (Effective 01/01/27). Restricted account -- Creation -- Funding --**

1774 **Interest -- Purposes.**

1775 (1) There is created within the Transportation Fund a restricted account known as the

1776 "Uninsured Motorist Identification Restricted Account."

1777 (2) The account consists of money generated from the following revenue sources:

1778 (a) money received by the state under Subsection 41-1a-202(3);

1779 [~~(b) money received by the state under Section 41-1a-1218, the uninsured motorist~~

1780 ~~identification fee;~~]

1781 (b) money deposited into the account as described in Section 41-1a-1201;

1782 (c) money received by the state under Section 41-1a-1220, the registration reinstatement

1783 fee; and

1784 (d) appropriations made to the account by the Legislature.

1785 (3)(a) The account shall earn interest.

1786 (b) All interest earned on account money shall be deposited into the account.

1787 (4) The Legislature shall appropriate money from the account to:

1788 (a) the department to fund the contract with the designated agent;

1789 (b) the department to offset the costs to state and local law enforcement agencies of

1790 using the information for the purposes authorized under this part;

1791 (c) the State Tax Commission to:

1792 (i) offset the costs to the Motor Vehicle Division for revoking and reinstating vehicle

1793 registrations under Subsection 41-1a-110(2)(a)(ii); and

1794 (ii) cover the contract and other costs of the designated agent for address verification
1795 described in Subsection 41-1a-202(3); and
1796 (d) the department to reimburse a person for the costs of towing and storing the person's
1797 vehicle if:
1798 (i) the person's vehicle was impounded in accordance with Subsection 41-1a-1101(4);
1799 (ii) the impounded vehicle had owner's or operator's security in effect for the vehicle
1800 at the time of the impoundment;
1801 (iii) the database indicated that owner's or operator's security was not in effect for the
1802 impounded vehicle; and
1803 (iv) the department determines that the person's vehicle was wrongfully impounded.
1804 (5) The Legislature may appropriate not more than \$2,000,000 annually from the account to
1805 the Peace Officer Standards and Training Division, created under Section 53-6-103, for
1806 use in law enforcement training, including training on the use of the Uninsured Motorist
1807 Identification Database Program created under Part 8, Uninsured Motorist Identification
1808 Database Program.

1809 (6)(a) By following the procedures in Title 63G, Chapter 4, Administrative Procedures
1810 Act, the department shall hold a hearing to determine whether a person's vehicle was
1811 wrongfully impounded under Subsection 41-1a-1101(4).
1812 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1813 division shall make rules establishing procedures for a person to apply for a
1814 reimbursement under Subsection (4)(d).
1815 (c) A person is not eligible for a reimbursement under Subsection (4)(d) unless the
1816 person applies for the reimbursement within six months from the date that the motor
1817 vehicle was impounded.

1818 Section 37. Section **41-22-3** is amended to read:

1819 **41-22-3 (Effective 01/01/27). Registration of vehicles -- Application -- Issuance of
1820 sticker and card -- Proof of property tax payment -- Records.**

1821 (1)(a) Unless exempted under Section 41-22-9, a person may not operate or place and an
1822 owner may not give another person permission to operate or place any off-highway
1823 vehicle on any public land, trail, street, or highway in this state unless the
1824 off-highway vehicle is registered under this chapter for the current year.
1825 (b) Unless exempted under Section 41-22-9, a dealer may not sell an off-highway
1826 vehicle which can be used on any public land, trail, street, or highway in this state,
1827 unless the off-highway vehicle is registered or is in the process of being registered

1828 under this chapter for the current year.

1829 (c) Unless specifically provided in this chapter, the division shall administer license
1830 plates, decals, and registration of off-highway vehicles in accordance with Chapter 1a,
1831 Motor Vehicle Act.

1832 (2)(a) The owner of an off-highway vehicle subject to registration under this chapter
1833 shall apply to the Motor Vehicle Division for registration on forms approved by the
1834 Motor Vehicle Division.

1835 (b) An owner of an off-highway vehicle may apply for automatic registration renewal as
1836 described in Section 41-1a-216.

1837 (c) A person may register an off-highway vehicle or street-legal all-terrain vehicle for a
1838 24-month period as described in Section 41-1a-215.5.

1839 (3) Each application for registration of an off-highway vehicle shall be accompanied by:

1840 (a) evidence of ownership, a title, or a manufacturer's certificate of origin, and a bill of
1841 sale showing ownership, make, model, horsepower or displacement, and serial
1842 number;

1843 (b) the past registration card; or

1844 (c) the fee for a duplicate.

1845 (4)(a)(i) ~~[Beginning on January 1, 2023, except]~~ Except as provided in Subsection

1846 (4)(e), the first time an off-highway vehicle is registered, the Motor Vehicle

1847 Division shall issue one off-highway vehicle license plate, a registration decal,
1848 and a registration card.

1849 (ii) If an off-highway vehicle has been registered previously in this state but has not
1850 been issued an off-highway vehicle license plate, ~~[beginning on January 1, 2023,]~~
1851 upon application for registration renewal, the Motor Vehicle Division shall issue
1852 one off-highway vehicle license plate, a registration decal, and a registration card.

1853 (b) Upon each annual registration, the Motor Vehicle Division shall issue a registration
1854 decal and a registration card for each off-highway vehicle registered.

1855 (c) The off-highway vehicle license plate:

1856 (i) shall contain a unique five-digit number, using numbers, letters, or a combination
1857 of numbers and letters, to identify the off-highway vehicle for which it is issued;

1858 (ii) shall be affixed to the rear of the off-highway vehicle for which it is issued in a
1859 plainly visible and upright position as prescribed by rule of the division under
1860 Section 41-22-5.1;

1861 (iii) shall be maintained free of foreign materials and in a condition to be clearly

1862 legible;

1863 (iv) shall be a distinct tan color with black lettering to identify the license plate as an
1864 off-highway vehicle license plate;

1865 (v) shall have a location to attach the registration decal; and

1866 (vi) may not be a personalized license plate or a special group license plate.

1867 (d)(i) At all times, proof of registration shall be kept with the off-highway vehicle
1868 and shall be available for inspection by a law enforcement officer.

1869 (ii) An individual may show proof of registration by displaying:

1870 (A) a digital copy or photograph of the registration card on a mobile electronic
1871 device;

1872 (B) proof of registration on a mobile electronic device through a mobile
1873 application approved by the relevant state agency; or

1874 (C) an original registration card issued by the Motor Vehicle Division.

1875 (e) An off-highway vehicle that is an off-highway motorcycle or a snowmobile is:

1876 (i) not required to obtain or display an off-highway vehicle license plate; and

1877 (ii) required to obtain and display an off-highway vehicle registration sticker.

1878 (5)(a) Except as provided by Subsection (5)(c), an applicant for a registration card and
1879 registration decal shall provide the Motor Vehicle Division a certificate, described
1880 under Subsection (5)(b), from the county assessor of the county in which the
1881 off-highway vehicle has situs for taxation.

1882 (b) The certificate required under Subsection (5)(a) shall state one of the following:

1883 (i) the property tax on the off-highway vehicle for the current year has been paid;

1884 (ii) in the county assessor's opinion, the tax is a lien on real property sufficient to
1885 secure the payment of the tax; or

1886 (iii) the off-highway vehicle is exempt by law from payment of property tax for the
1887 current year.

1888 (c) An off-highway vehicle for which an off-highway implement of husbandry sticker
1889 has been issued in accordance with Section 41-22-5.5 is:

1890 (i) exempt from the requirement under this Subsection (5);

1891 (ii) not required to obtain or purchase an off-highway vehicle license plate; and

1892 (iii) required to obtain and display an off-highway vehicle registration sticker.

1893 (6)(a) All records of the division made or kept under this section shall be classified by
1894 the Motor Vehicle Division in the same manner as motor vehicle records are
1895 classified under Section 41-1a-116.

1896 (b) Division records are available for inspection in the same manner as motor vehicle
1897 records under Section 41-1a-116.

1898 (7) A violation of this section is an infraction.

1899 Section 38. Section **41-22-8** is amended to read:

1900 **41-22-8 (Effective 01/01/27) (Partially Repealed 07/01/29). Registration fees.**

1901 (1) Subject to Subsection (4), the division, after notifying the commission, shall establish
1902 the fees that shall be paid in accordance with this chapter, subject to the following:

1903 (a)(i) Except as provided in Subsection (1)(a)(ii) or (iii), the [fee] vehicle tax for each
1904 off-highway vehicle registration may not exceed \$35.

1905 (ii) The [fee] vehicle tax for each snowmobile registration may not exceed \$26.

1906 (iii) The [fee] vehicle tax for each street-legal all-terrain vehicle may not exceed \$72.

1907 [(b) The fee for each duplicate registration card may not exceed \$3.]

1908 [(c) The fee for each duplicate registration sticker may not exceed \$5.]

1909 (b) In accordance with Section 63J-1-504, the division shall establish service fees for
1910 obtaining a duplicate registration card and a duplicate registration sticker.

1911 (2) A fee may not be charged for an off-highway vehicle that is owned and operated by the
1912 United States Government, this state, or its political subdivisions.

1913 (3)(a) In addition to the taxes and fees under this section, Section 41-22-33, and Section
1914 41-22-34, the Motor Vehicle Division shall require a person to pay one dollar [to
1915 register] at the time of registration as a regulatory fee an off-highway vehicle under
1916 Section 41-22-3.

1917 (b) The Motor Vehicle Division shall deposit the [fees] regulatory fee the Motor Vehicle
1918 Division collects under Subsection (3)(a) into the Brain and Spinal Cord Injury Fund
1919 described in Section 26B-1-318.

1920 (4) For a vehicle registered for a 24-month period as provided in Section 41-1a-215.5, the
1921 vehicle tax and fee amounts are double the amounts due for the same vehicle registered
1922 for a 12-month period.

1923 Section 39. Section **41-22-9** is amended to read:

1924 **41-22-9 (Effective 01/01/27). Vehicles exempt from registration.**

1925 (1) The following off-highway vehicles are exempt from the registration requirements of
1926 this chapter:

1927 (a) vehicles that are currently registered for highway use, have a valid motor vehicle
1928 safety inspection sticker or certificate, and on which the required safety equipment
1929 has not been subsequently modified;

1930 (b) except as provided in Subsection (2), a street-legal all-terrain vehicle registered in
1931 accordance with Section 41-6a-1509;
1932 (c) off-highway vehicles that are owned by a nonresident and that are displaying a
1933 current annual off-highway vehicle user decal in accordance with Section 41-22-35;
1934 (d) off-highway vehicles sold by a dealer to a person who is not a resident of this state;
1935 (e) off-highway implements of husbandry operated in the manner prescribed by
1936 Subsections 41-22-5.5(3) through (5); and
1937 (f) new off-highway vehicles being transported to an off-highway vehicle dealership by
1938 the dealer, employee of the dealership, or agent for the dealership.

1939 (2) In addition to the registration requirements imposed under Section 41-6a-1509, a
1940 street-legal all-terrain vehicle is subject to the vehicle taxes and fees under Sections
1941 41-22-8, 41-22-33, 41-22-34, and 41-22-36.

1942 Section 40. Section **41-22-19** is amended to read:

1943 **41-22-19 (Effective 01/01/27). Off-highway Vehicle Account -- Deposit and use of
1944 funds -- Grants and matching funds.**

1945 (1)(a) Except as provided under Subsections (3) through (5) and Sections 41-22-34 and
1946 41-22-36, ~~[registration]~~ vehicle taxes and fees and related money collected by the
1947 Motor Vehicle Division or any agencies designated to act for the Motor Vehicle
1948 Division under this chapter shall be deposited as restricted revenue into the
1949 Off-highway Vehicle Account in the General Fund less the costs incurred by the
1950 Motor Vehicle Division for collecting off-highway vehicle ~~[registration]~~ taxes and
1951 fees.

1952 (b) The balance of the money may be used by the division:

1953 (i) for the construction, improvement, operation, acquisition, or maintenance of
1954 publicly owned or administered off-highway vehicle facilities, including public
1955 access facilities;

1956 (ii) for the mitigation of impacts associated with off-highway vehicle use;

1957 (iii) for the education of off-highway vehicle users;

1958 (iv) for off-highway vehicle access protection;

1959 (v) to support off-highway vehicle search and rescue activities and programs;

1960 (vi) to promote and encourage off-highway vehicle tourism;

1961 (vii) for other uses that further the policy set forth in Section 41-22-1;

1962 (viii) as grants or matching funds with a federal agency, state agency, political
1963 subdivision of the state, or organized user group for any of the uses described in

Subsections (1)(b)(i) through (vii); and

(ix) for the administration and enforcement of this chapter.

(2)(a) An agency or political subdivision requesting matching funds shall submit plans for proposed off-highway vehicle facilities to the division for review and approval.

(b) The division may award an upfront grant from the Off-highway Vehicle Account to cover the entire projected cost of a project or program to:

(i) a political subdivision of the state that:

(A) is a county of the third through sixth class; and

(B) submits a plan for a project or program consistent with a use described in Subsection (1)(b); and

(ii) an organized user group or agency that submits a plan for a project or program;

(A) located in a county of the third through sixth class; and

(B) consistent with a use described in Subsection (1)(b).

(c) In awarding a grant under Subsection (2)(b), the division may evaluate a grant application submitted on or after January 1, 2025.

(3)(a) One dollar and 50 cents of each annual [registration fee] vehicle tax collected under Subsection 41-22-8(1) and each off-highway vehicle user fee collected under Subsection 41-22-35(2) shall be deposited into the Land Grant Management Fund created under Section 53C-3-101.

(b) The Utah School and Institutional Trust Lands Administration shall use the money deposited under Subsection (3)(a) for costs associated with off-highway vehicle use of legally accessible lands within its jurisdiction as follows:

- (i) to improve recreational opportunities on trust lands by constructing, improving, maintaining, or perfecting access for off-highway vehicle trails; and
- (ii) to mitigate impacts associated with off-highway vehicle use.

(c) An unused balance of the money deposited under Subsection (3)(a) exceeding \$350,000 at the end of each fiscal year shall be deposited into the Off-highway Vehicle Account under Subsection (1).

(4) One dollar of each off-highway vehicle registration fee collected under Subsection 41-22-8(1) shall be deposited into the Utah Highway Patrol Aero Bureau Restricted Account created in Section 53-8-303.

(5)(a) The Motor Vehicle Division shall collect a fee for any new or replacement license plate issued under this chapter.

(b) The fee described in Subsection (5)(a) shall be an amount equal to the fee for a new

1998 or replacement license plate as established in accordance with Section 63J-1-504.

1999 (c) The Motor Vehicle Division shall deposit the fee described in Subsection (5)(a) into
2000 the License Plate Restricted Account created under Section 41-1a-122.

2001 (6) For a vehicle registered for a 24-month period as provided in Section 41-1a-215.5, the
2002 deposited amounts described in this section shall be double the amount for the same
2003 vehicle registered for a 12-month period.

2004 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2005 division, after notifying the commission, shall make rules as necessary to implement this
2006 section.

2007 Section 41. Section **41-22-33** is amended to read:

2008 **41-22-33 (Effective 01/01/27). Fees for safety and education program -- Penalty**
2009 **-- Unlawful acts.**

2010 (1) A fee set by the division, after notifying the commission, in accordance with Section
2011 63J-1-504 shall be added to the ~~registration fee~~ vehicle tax required to register an
2012 off-highway vehicle under Section 41-22-8 to help fund the off-highway vehicle safety
2013 and education program.

2014 (2) If the division modifies the fee under Subsection (1), the modification shall take effect
2015 on the first day of the calendar quarter after 90 days from the day on which the division
2016 provides the State Tax Commission:

2017 (a) notice from the division stating that the division will modify the fee; and
2018 (b) a copy of the fee modification.

2019 (3) The division shall require a person registering an off-highway vehicle or a street-legal
2020 all-terrain vehicle registered for a 24-month period as provided in Section 41-1a-215.5
2021 to pay double the amount of the fee described in Subsection (1) for the same vehicle
2022 registered for a 12-month period.

2023 Section 42. Section **41-22-34** is amended to read:

2024 **41-22-34 (Effective 01/01/27). Search and rescue fee -- Amount -- Deposition.**

2025 (1) In addition to the vehicle taxes and fees imposed under Sections 41-22-8 and 41-22-33, [
2026 ~~there is imposed a search and rescue fee of 50 cents on each off-highway vehicle~~] the
2027 division shall, in accordance with Section 63J-1-504, establish and collect a search and
2028 rescue regulatory fee on each off-highway vehicle required to be registered or renewed
2029 under Section 41-22-3.

2030 (2) The fees imposed under this section shall be collected in the same manner and by the
2031 same agency designated to collect the fees imposed under this chapter.

2032 (3) The fees collected under this section shall be deposited into the General Fund as
2033 dedicated credits for the Search and Rescue Financial Assistance Program created under
2034 Section 53-2a-1101.

2035 (4) The division shall require a person registering an off-highway vehicle or a street-legal
2036 all-terrain vehicle registered for a 24-month period as provided in Section 41-1a-215.5
2037 to pay double the amount of the fee described in Subsection (1) for the same vehicle
2038 registered for a 12-month period.

2039 Section 43. Section **41-27-201** is amended to read:

2040 **41-27-201 (Effective 01/01/27). Novel vehicle registration.**

2041 (1) An owner registering a vehicle shall provide the VIN, if applicable.

2042 (2) The division shall identify a vehicle category based on the VIN.

2043 (3) If the vehicle does not have a VIN, or if the division is unable to determine the vehicle
2044 category based on the VIN:
2045 (a) the owner shall provide the division with a description of the vehicle, including the
2046 vehicle's purpose; and
2047 (b) if the description of the vehicle fits with an existing category of vehicle, the vehicle
2048 shall be registered in accordance with that vehicle category.

2049 (4) The vehicle shall be registered as a novel vehicle if:
2050 (a) the vehicle is not expressly exempt from registration; and
2051 (b)(i) the vehicle does not fit within a vehicle category;
2052 (ii) the unique characteristics of the vehicle make it unclear whether the vehicle fits
2053 within a vehicle category; or
2054 (iii) a reasonable person would not consider the vehicle to be clearly included in an
2055 existing vehicle category.

2056 (5) A person registering a novel vehicle shall pay:
2057 (a) in accordance with Section 59-2-405, an annual \$1 fee in lieu of property tax; and
2058 (b) an annual \$1 ~~registration fee~~ vehicle tax, to be deposited into the Transportation
2059 Fund.

2060 (6) The division shall issue a registration sticker or license plate for a vehicle that is
2061 registered as a novel vehicle, as appropriate.

2062 (7) A vehicle registered as a street-legal novel vehicle is subject to the requirements
2063 described in Section 41-6a-1509.

2064 (8) The division may provide title to a novel vehicle.

2065 (9) Except as expressly provided in this chapter:

2066 (a) a novel vehicle that is not a watercraft is subject to the provisions applicable to an
2067 off-highway vehicle under Chapter 22, Off-Highway Vehicles; and
2068 (b) a novel vehicle that is a watercraft is subject to the provisions applicable to a
2069 motorboat under Title 73, Chapter 18, State Boating Act.

2070 Section 44. Section **53-3-905** is amended to read:

2071 **53-3-905 (Effective 01/01/27). Dedication of fees.**

2072 (1) The following shall be deposited as dedicated credits [in] into the Transportation Fund to
2073 be used by the division for the program:
2074 (a) \$5 of the annual [registration fee] vehicle tax imposed for each registered motorcycle
2075 under Subsection [41-1a-1206(1)(a);] 41-1a-1206(3)(b); and
2076 [(b) \$4 of the six-month registration fee imposed for each registered motorcycle under
2077 Subsection 41-1a-1206(2)(a); and]
2078 [(e)] (b) \$2.50 of the fee imposed under Section 53-3-105 for an original, renewal, or
2079 extension of a motorcycle endorsement.

2080 (2) Appropriations to the program are nonlapsing.

2081 (3) Appropriations may not be used for assistance to, advocacy of, or lobbying for any
2082 legislation unless the legislation would enhance or affect the financial status of the
2083 program or the program's continuation.

2084 Section 45. Section **53-8-214** is amended to read:

2085 **53-8-214 (Effective 01/01/27). Creation of the Motor Vehicle Safety Impact**

2086 **Restricted Account.**

2087 (1) There is created a restricted account within the General Fund known as the Motor
2088 Vehicle Safety Impact Restricted Account.

2089 (2) The account includes:

2090 (a) deposits made to the restricted account from [registration] vehicle taxes and fees as
2091 described in [Subseetion 41-1a-1201(7)] Section 41-1a-1201;
2092 (b) deposits into the account as described in Section 41-1a-1211;
2093 (c) donations or deposits made to the account; and
2094 (d) any interest earned on the account.

2095 (3) Upon appropriation, the division may use funds in the account to improve motor vehicle
2096 safety, mitigate impacts, and enforce safety provisions, including the following:

2097 (a) hiring new Highway Patrol troopers;
2098 (b) payment of overtime for Highway Patrol troopers; and
2099 (c) acquisition of equipment to improve motor vehicle safety impacts and enforcement.

2100 (4) The division shall annually report to the Criminal Justice Appropriations Subcommittee
2101 to justify expenditures and use of funds in the account.

2102 Section 46. Section **53G-10-503** is amended to read:

2103 **53G-10-503 (Effective 01/01/27). Driver education funding -- Reimbursement of**
2104 **a local education agency for driver education class expenses -- Limitations -- Excess**
2105 **funds -- Student fees.**

2106 (1)(a) Except as provided in Subsection (1)(b), a local education agency that provides
2107 driver education shall fund the program through:

2108 (i) funds provided from the Automobile Driver Education Tax Account in the
2109 Uniform School Fund as ~~[e]reated under Section 41-1a-1205]~~ described in Section
2110 41-1a-1201; and

2111 (ii) student fees collected by each school.

2112 (b) In determining the cost of driver education, a local education agency may exclude:

2113 (i) the full-time equivalent cost of a teacher for a driver education class taught during
2114 regular school hours; and

2115 (ii) classroom space and classroom maintenance.

2116 (c) A local education agency may use additional school funds beyond those allowed
2117 under Subsection (1)(b) to subsidize driver education.

2118 (2)(a) The state superintendent shall, prior to September 2nd following the school year
2119 during which it was expended, or may at earlier intervals during that school year,
2120 reimburse each local education agency that applied for reimbursement in accordance
2121 with this section.

2122 (b) A local education agency that maintains driver education classes that conform to this
2123 part and the rules prescribed by the state board may apply for reimbursement for the
2124 actual cost of providing the behind-the-wheel and observation training incidental to
2125 those classes.

2126 (3) Under the state board's supervision for driver education, a local education agency may:

2127 (a) employ personnel who are not licensed by the state board under Section 53E-6-201;
2128 or

2129 (b) contract with private parties or agencies licensed under Section 53-3-504 for the
2130 behind-the-wheel phase of the driver education program.

2131 (4) The reimbursement amount shall be paid ~~[out of]~~ from the Automobile Driver Education
2132 Tax Account in the Uniform School Fund and may not exceed:

2133 (a) \$150 per student who has completed driver education during the school year;

2134 (b) \$45 per student who has only completed the classroom portion in the school during
2135 the school year; or
2136 (c) \$105 per student who has only completed the behind-the-wheel and observation
2137 portion in the school during the school year.

2138 (5) If the amount of money in the account at the end of a school year is less than the total of
2139 the reimbursable costs, the state superintendent shall allocate the money to each local
2140 education agency in the same proportion that the local education agency's reimbursable
2141 costs bear to the total reimbursable costs of all local education agencies.

2142 (6) If the amount of money in the account at the end of any school year is more than the
2143 total of the reimbursement costs provided under Subsection (4), the state superintendent
2144 may allocate the excess funds to local education agencies:
2145 (a) to reimburse each local education agency that applies for reimbursement of the cost
2146 of a fee waived under Section 53G-7-504 for driver education; and
2147 (b) to aid in the procurement of equipment and facilities which reduce the cost of
2148 behind-the-wheel instruction.

2149 (7)(a) A local school board shall, in accordance with Chapter 7, Part 5, Student Fees,
2150 establish the student fee for driver education for the local education agency.
2151 (b) Student fees shall be reasonably associated with the costs of driver education that are
2152 not otherwise covered by reimbursements and allocations made under this section.

2153 Section 47. Section **59-2-405.1** is amended to read:

**59-2-405.1 (Effective 01/01/27). Uniform fee on certain vehicles with a gross
2155 vehicle weight rating of 14,000 pounds or less -- Distribution of revenues -- Appeals.**

2156 (1) The property described in Subsection (2) is exempt from ad valorem property taxes [
2157 ~~pursuant to~~] in accordance with Utah Constitution Article XIII, Section 2, Subsection (6).

2158 (2)(a) Except as provided in Subsection (2)(b), there is levied as provided in this part a
2159 statewide uniform fee in lieu of the ad valorem tax on:
2160 (i) motor vehicles as defined in Section 41-1a-102 that:
2161 (A) are required to be registered with the state; and
2162 (B) have a gross vehicle weight rating of 14,000 pounds or less; and
2163 (ii) state-assessed commercial vehicles required to be registered with the state that
2164 have a gross vehicle weight rating of 14,000 pounds or less.

2165 (b) The following tangible personal property is exempt from the statewide uniform fee
2166 imposed by this section:
2167 (i) aircraft;

2168 (ii) tangible personal property subject to a uniform fee imposed by:
 2169 (A) Section 59-2-405;
 2170 (B) Section 59-2-405.2; or
 2171 (C) Section 59-2-405.3; and
 2172 (iii) tangible personal property that is exempt from state or county ad valorem
 2173 property taxes under the laws of this state or of the federal government.

2174 (3)(a) Except as provided in [Subsections (3)(b) and (e)] Subsection (3)(b), beginning on
 2175 January 1, 1999, the uniform fee for purposes of this section is as follows:

Age of Vehicle	Uniform Fee
12 or more years	\$10
9 or more years but less than 12 years	\$50
6 or more years but less than 9 years	\$80
3 or more years but less than 6 years	\$110
Less than 3 years	\$150

2182 [(b) For registrations under Section 41-1a-215.5, the uniform fee for purposes of this
 2183 section is as follows:]

[Age of Vehicle]	Uniform Fee
12 or more years	\$7.75
9 or more years but less than 12 years	\$38.50
6 or more years but less than 9 years	\$61.50
3 or more years but less than 6 years	\$84.75
Less than 3 years	\$115.50]

2190 [(e)] (b) Notwithstanding [Subsections (3)(a) and (b)] Subsection (3)(a), beginning on
 2191 September 1, 2001, for a motor vehicle issued a temporary sports event registration
 2192 certificate in accordance with Section 41-3-306, the uniform fee for purposes of this
 2193 section is \$5 for the event period specified on the temporary sports event registration
 2194 certificate regardless of the age of the motor vehicle.

2195 [(d)] (c)(i) Subject to Subsection [(3)(d)(ii)] (3)(c)(ii), for a vehicle registered for a
 2196 24-month period as provided in Section 41-1a-215.5, the uniform statewide fee
 2197 amounts imposed by this section are double the amounts due for the same vehicle
 2198 registered for a 12-month period.

2199 (ii) For a vehicle registered for a 24-month period as provided in Section 41-1a-215.5,
2200 if the 24-month term extends from one age bracket to another age bracket as
2201 described in this section, the person shall pay the sum of:
2202 (A) the uniform statewide fee amount for the first year corresponding to the age
2203 bracket applicable for the first 12 months of the registration period; and
2204 (B) the uniform statewide fee amount for the second year corresponding to the age
2205 bracket applicable for the second 12 months of the registration period.

2206 (4) Notwithstanding Section 59-2-407, property subject to the uniform fee that is brought
2207 into the state and is required to be registered in Utah shall, as a condition of registration,
2208 be subject to the uniform fee unless all property taxes or uniform fees imposed by the
2209 state of origin have been paid for the current calendar year.

2210 (5)(a) The revenues collected in each county from the uniform fee shall be distributed by
2211 the county to each taxing entity in which the property described in Subsection (2) is
2212 located in the same proportion in which revenue collected from ad valorem real
2213 property tax is distributed.

2214 (b) Each taxing entity shall distribute the revenues received under Subsection (5)(a) in
2215 the same proportion in which revenue collected from ad valorem real property tax is
2216 distributed.

2217 Section 48. Section **59-2-405.2** is amended to read:

2218 **59-2-405.2 (Effective 01/01/27). Definitions -- Uniform statewide fee on certain**
2219 **tangible personal property -- Distribution of revenues -- Rulemaking authority --**
2220 **Determining the length of a vessel.**

2221 (1) As used in this section:

2222 (a)(i) Except as provided in Subsection (1)(a)(ii), "all-terrain vehicle" means a motor
2223 vehicle that:

2224 (A) is an[:]all-terrain type I vehicle, an all-terrain type II vehicle, or an all-terrain
2225 type III vehicle, as those terms are defined in Section 41-22-2;
2226 [~~(I) all-terrain type I vehicle as defined in Section 41-22-2;~~]
2227 [~~(II) all-terrain type II vehicle as defined in Section 41-22-2;~~ or]
2228 [~~(III) all-terrain type III vehicle as defined in Section 41-22-2;~~]

2229 (B) is required to be registered in accordance with Title 41, Chapter 22,
2230 Off-highway Vehicles; and

2231 (C) has[:]
2232 [~~(I) an engine with more than 150 cubic centimeters displacement[;~~],

2233 [({H})] a motor that produces more than five horsepower[{:}], or

2234 [({H})] an electric motor; and

2235 (ii) notwithstanding Subsection (1)(a)(i), "all-terrain vehicle" does not include a
2236 snowmobile.

2237 (b) "Camper" means a camper:

2238 (i) as defined in Section 41-1a-102; and

2239 (ii) that is required to be registered in accordance with Title 41, Chapter 1a, Part 2,
2240 Registration.

2241 (c)(i) "Canoe" means a vessel that:

2242 (A) is long and narrow;

2243 (B) has curved sides; and

2244 (C) is tapered[{:}]

2245 [({H})] to two pointed ends[{:}] or

2246 [({H})] to one pointed end and is blunt on the other end; and

2247 (ii) "canoe" includes:

2248 (A) a collapsible inflatable canoe;

2249 (B) a kayak;

2250 (C) a racing shell;

2251 (D) a rowing scull; or

2252 (E) notwithstanding the definition of vessel in Subsection (1)(cc), a canoe with an
2253 outboard motor.

2254 (d) "Dealer" means the same as that term is defined in Section 41-1a-102.

2255 (e) "Jon boat" means a vessel that:

2256 (i) has a square bow; and

2257 (ii) has a flat bottom.

2258 (f) "Motor vehicle" means the same as that term is defined in Section 41-22-2.

2259 (g) "Other motorcycle" means a motor vehicle that:

2260 (i) is:

2261 (A) a motorcycle as defined in Section 41-1a-102; and

2262 (B) designed primarily for use and operation over unimproved terrain;

2263 (ii) is required to be registered in accordance with Title 41, Chapter 1a, Part 2,
2264 Registration; and

2265 (iii) has:

2266 (A) an engine with more than 150 cubic centimeters displacement; or

2267 (B) a motor that produces more than five horsepower.

2268 (h)(i) "Other trailer" means a portable vehicle without motive power that is primarily
2269 used:

2270 (A) to transport tangible personal property; and

2271 (B) for a purpose other than a commercial purpose; and

2272 (ii) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
2273 for purposes of Subsection (1)(h)(i)(B), the commission may by rule define what
2274 constitutes a purpose other than a commercial purpose.

2275 (i) "Outboard motor" means the same as that term is defined in Section 41-1a-102.

2276 (j) "Park model recreational vehicle" means the same as that term is defined in Section
2277 41-1a-102.

2278 (k) "Personal watercraft" means a personal watercraft:

2279 (i) as defined in Section 73-18-2; and

2280 (ii) that is required to be registered in accordance with Title 73, Chapter 18, State
2281 Boating Act.

2282 (l)(i) "Pontoon" means a vessel that:

2283 (A) is[:]

2284 [(H)] supported by one or more floats[:] and

2285 [(H)] propelled by either inboard or outboard power; and

2286 (B) is not[:]

2287 [(H)] a houseboat[:] or

2288 [(H)] a collapsible inflatable vessel; and

2289 (ii) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
2290 the commission may by rule define the term "houseboat."

2291 (m) "Qualifying adjustment, exemption, or reduction" means an adjustment, exemption,
2292 or reduction:

2293 (i) of all or a portion of a qualifying payment;

2294 (ii) granted by a county during the refund period; and

2295 (iii) received by a qualifying person.

2296 (n)(i) "Qualifying payment" means the payment made:

2297 (A) of a uniform statewide fee in accordance with this section[:]

2298 [(H)] by a qualifying person[:],

2299 [(H)] to a county[:], and

2300 [(H)] during the refund period; and

2301 (B) on an item of qualifying tangible personal property; and
2302 (ii) if a qualifying person received a qualifying adjustment, exemption, or reduction
2303 for an item of qualifying tangible personal property, the qualifying payment for
2304 that qualifying tangible personal property is equal to the difference between:
2305 (A) the payment described in this Subsection (1)(n) for that item of qualifying
2306 tangible personal property; and
2307 (B) the amount of the qualifying adjustment, exemption, or reduction.

2308 (o) "Qualifying person" means a person that paid a uniform statewide fee:
2309 (i) during the refund period;
2310 (ii) in accordance with this section; and
2311 (iii) on an item of qualifying tangible personal property.

2312 (p) "Qualifying tangible personal property" means a:
2313 (i) qualifying vehicle; or
2314 (ii) qualifying watercraft.

2315 (q) "Qualifying vehicle" means:
2316 (i) an all-terrain vehicle with an engine displacement that is 100 or more cubic
2317 centimeters but 150 or less cubic centimeters;
2318 (ii) an other motorcycle with an engine displacement that is 100 or more cubic
2319 centimeters but 150 or less cubic centimeters;
2320 (iii) a small motor vehicle with an engine displacement that is 100 or more cubic
2321 centimeters but 150 or less cubic centimeters;
2322 (iv) a snowmobile with an engine displacement that is 100 or more cubic centimeters
2323 but 150 or less cubic centimeters; or
2324 (v) a street motorcycle with an engine displacement that is 100 or more cubic
2325 centimeters but 150 or less cubic centimeters.

2326 (r) "Qualifying watercraft" means a:
2327 (i) canoe;
2328 (ii) collapsible inflatable vessel;
2329 (iii) jon boat;
2330 (iv) pontoon;
2331 (v) sailboat; or
2332 (vi) utility boat.

2333 (s) "Refund period" means the time period:
2334 (i) beginning on January 1, 2006; and

- (ii) ending on December 29, 2006.
- (t) "Sailboat" means a sailboat as defined in Section 73-18-2.
- (u)(i) "Small motor vehicle" means a motor vehicle that:
 - (A) is required to be registered in accordance with Title 41, Motor Vehicles; and
 - (B) has[:]
 - [H] an engine with 150 or less cubic centimeters displacement[;] or
 - [H] a motor that produces five or less horsepower; and
- (ii) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule develop a process for an owner of a motor vehicle to certify whether the motor vehicle has:
 - (A) an engine with 150 or less cubic centimeters displacement; or
 - (B) a motor that produces five or less horsepower.
- (v) "Snowmobile" means a motor vehicle that:
 - (i) is a snowmobile as defined in Section 41-22-2;
 - (ii) is required to be registered in accordance with Title 41, Chapter 22, Off-highway Vehicles; and
 - (iii) has:
 - (A) an engine with more than 150 cubic centimeters displacement; or
 - (B) a motor that produces more than five horsepower.
- (w) "Street-legal all-terrain vehicle" means the same as that term is defined in Section 41-6a-102.
- (x) "Street motorcycle" means a motor vehicle that:
 - (i) is:
 - (A) a motorcycle as defined in Section 41-1a-102; and
 - (B) designed primarily for use and operation on highways;
 - (ii) is required to be registered in accordance with Title 41, Chapter 1a, Part 2, Registration; and
 - (iii) has:
 - (A) an engine with more than 150 cubic centimeters displacement; or
 - (B) a motor that produces more than five horsepower.
- (y) "Tangible personal property owner" means a person that owns an item of qualifying tangible personal property.
- (z) "Tent trailer" means a portable vehicle without motive power that:
 - (i) is constructed with collapsible side walls that:

2369 (A) fold for towing by a motor vehicle; and
2370 (B) unfold at a campsite;

2371 (ii) is designed as a temporary dwelling for travel, recreational, or vacation use;

2372 (iii) is required to be registered in accordance with Title 41, Chapter 1a, Part 2,
2373 Registration; and

2374 (iv) does not require a special highway movement permit when drawn by a
2375 self-propelled motor vehicle.

2376 (aa)(i) Except as provided in Subsection (1)(aa)(ii), "travel trailer" means a travel
2377 trailer:

2378 (A) as defined in Section 41-1a-102; and
2379 (B) that is required to be registered in accordance with Title 41, Chapter 1a, Part
2380 2, Registration; and

2381 (ii) notwithstanding Subsection (1)(aa)(i), "travel trailer" does not include:
2382 (A) a camper; or
2383 (B) a tent trailer.

2384 (bb)(i) "Utility boat" means a vessel that:

2385 (A) has[:]
2386 [(I)] two or three bench seating[:],
2387 [(II)] an outboard motor[:], and
2388 [(III)] a hull made of aluminum, fiberglass, or wood; and

2389 (B) does not have[:]
2390 [(I)] decking[:],
2391 [(II)] a permanent canopy[:], or
2392 [(III)] a floor other than the hull; and

2393 (ii) notwithstanding Subsection (1)(bb)(i), "utility boat" does not include a collapsible
2394 inflatable vessel.

2395 (cc) "Vessel" means a vessel:

2396 (i) as defined in Section 73-18-2, including an outboard motor of the vessel; and
2397 (ii) that is required to be registered in accordance with Title 73, Chapter 18, State
2398 Boating Act.

2399 (2)(a) In accordance with Utah Constitution Article XIII, Section 2, Subsection (6),
2400 beginning on January 1, 2006, the tangible personal property described in Subsection
2401 (2)(b) is:
2402 (i) exempt from the tax imposed by Section 59-2-103; and

(ii) in lieu of the tax imposed by Section 59-2-103, subject to uniform statewide fees as provided in this section.

(b) The following tangible personal property applies to Subsection (2)(a) if that tangible personal property is required to be registered with the state:

- (i) an all-terrain vehicle;
- (ii) a camper;
- (iii) an other motorcycle;
- (iv) an other trailer;
- (v) a personal watercraft;
- (vi) a small motor vehicle;
- (vii) a snowmobile;
- (viii) a street motorcycle;
- (ix) a tent trailer;
- (x) a travel trailer;
- (xi) a park model recreational vehicle; and
- (xii) a vessel if that vessel is less than 31 feet in length as determined under Subsection [(8)] (7).

(3) Except as provided in Subsection (4) and for purposes of this section, the uniform statewide fees are:

(a) for a snowmobile:

Age of Snowmobile	Uniform Statewide Fee
12 or more years	\$10
9 or more years but less than 12 years	\$20
6 or more years but less than 9 years	\$30
3 or more years but less than 6 years	\$35
Less than 3 years	\$45

(b) for an all-terrain vehicle that is not a street-legal all-terrain vehicle or another motorcycle:

Age of All-Terrain Vehicle or Other Motorcycle Uniform Statewide Fee	Uniform Statewide Fee
12 or more years	\$4
9 or more years but less than 12 years	\$8

2434	6 or more years but less than 9 years	\$12
2435	3 or more years but less than 6 years	\$14
2436	Less than 3 years	\$18

2437 (c) for a street-legal all-terrain vehicle:

Age of Street-Legal All-Terrain Vehicle	Uniform Statewide Fee
12 or more years	\$4
9 or more years but less than 12 years	\$14
6 or more years but less than 9 years	\$20
3 or more years but less than 6 years	\$28
Less than 3 years	\$38

2444 (d) for a camper or a tent trailer:

Age of Camper or Tent Trailer	Uniform Statewide Fee
12 or more years	\$10
9 or more years but less than 12 years	\$25
6 or more years but less than 9 years	\$35
3 or more years but less than 6 years	\$50
Less than 3 years	\$70

2451 (e) for an other trailer:

Age of Other Trailer	Uniform Statewide Fee
12 or more years	\$10
9 or more years but less than 12 years	\$15
6 or more years but less than 9 years	\$20
3 or more years but less than 6 years	\$25
Less than 3 years	\$30

2458 (f) for a personal watercraft:

Age of Personal Watercraft	Uniform Statewide Fee
12 or more years	\$5
9 or more years but less than 12 years	\$13
6 or more years but less than 9 years	\$18

2463	3 or more years but less than 6 years	\$23
2464	Less than 3 years	\$28
2465	(g) for a small motor vehicle:	
2466	Age of Small Motor Vehicle	Uniform Statewide Fee
2467	6 or more years	\$10
2468	3 or more years but less than 6 years	\$15
2469	Less than 3 years	\$25
2470	(h) for a street motorcycle:	
2471	Age of Street Motorcycle	Uniform Statewide Fee
2472	12 or more years	\$10
2473	9 or more years but less than 12 years	\$35
2474	6 or more years but less than 9 years	\$50
2475	3 or more years but less than 6 years	\$70
2476	Less than 3 years	\$95
2477	(i) for a travel trailer or park model recreational vehicle:	
2478	Age of Travel Trailer or Park Model Recreational Vehicle	Uniform Statewide Fee
2479	12 or more years	\$20
2480	9 or more years but less than 12 years	\$65
2481	6 or more years but less than 9 years	\$90
2482	3 or more years but less than 6 years	\$135
2483	Less than 3 years	\$175
2484	(j) \$5 regardless of the age of the vessel if the vessel is:	
2485	(i) less than 15 feet in length;	
2486	(ii) a canoe;	
2487	(iii) a jon boat; or	
2488	(iv) a utility boat;	
2489	(k) for a collapsible inflatable vessel, pontoon, or sailboat, regardless of age:	
2490	Length of Vessel	Uniform Statewide Fee
2491	15 feet or more in length but less than 19 feet in length	\$8

2492	19 feet or more in length but less than 23 feet in length	\$13
2493	23 feet or more in length but less than 27 feet in length	\$20
2494	27 feet or more in length but less than 31 feet in length	\$38

2495 (l) for a vessel, other than a canoe, collapsible inflatable vessel, jon boat, pontoon, sailboat, or utility boat, that is 15 feet or more in length but less than 19 feet in length:

2497	Age of Vessel	Uniform Statewide Fee
2498	12 or more years	\$13
2499	9 or more years but less than 12 years	\$33
2500	6 or more years but less than 9 years	\$40
2501	3 or more years but less than 6 years	\$55
2502	Less than 3 years	\$75

2503 (m) for a vessel, other than a canoe, collapsible inflatable vessel, jon boat, pontoon, sailboat, or utility boat, that is 19 feet or more in length but less than 23 feet in length:

2505	Age of Vessel	Uniform Statewide Fee
2506	12 or more years	\$25
2507	9 or more years but less than 12 years	\$60
2508	6 or more years but less than 9 years	\$88
2509	3 or more years but less than 6 years	\$110
2510	Less than 3 years	\$138

2511 (n) for a vessel, other than a canoe, collapsible inflatable vessel, jon boat, pontoon, sailboat, or utility boat, that is 23 feet or more in length but less than 27 feet in length:

2513	Age of Vessel	Uniform Statewide Fee
2514	12 or more years	\$50
2515	9 or more years but less than 12 years	\$90
2516	6 or more years but less than 9 years	\$120
2517	3 or more years but less than 6 years	\$155
2518	Less than 3 years	\$200

2519 (o) for a vessel, other than a canoe, collapsible inflatable vessel, jon boat, pontoon, sailboat, or utility boat, that is 27 feet or more in length but less than 31 feet in length:

	Age of Vessel	Uniform Statewide Fee
2521		
2522	12 or more years	\$60
2523	9 or more years but less than 12 years	\$125
2524	6 or more years but less than 9 years	\$175
2525	3 or more years but less than 6 years	\$250
2526	Less than 3 years	\$350

2527 [4) For registrations under Section 41-1a-215.5, the uniform fee for purposes of this
2528 section is as follows:]

2529 [(a) for a street motorcycle:]

	[Age of Street Motorcycle	Uniform Statewide Fee
2530		
2531	12 or more years	\$7.75
2532	9 or more years but less than 12 years	\$27
2533	6 or more years but less than 9 years	\$38.50
2534	3 or more years but less than 6 years	\$54
2535	Less than 3 years	\$73]

2536 [(b) for a small motor vehicle:]

	[Age of Small Motor Vehicle	Uniform Statewide Fee
2537		
2538	6 or more years	\$7.75
2539	3 or more years but less than 6 years	\$11.50
2540	Less than 3 years	\$19.25]

2541 [(5) (4) Notwithstanding Section 59-2-407, tangible personal property subject to the
2542 uniform statewide fees imposed by this section that is brought into the state shall, as a
2543 condition of registration, be subject to the uniform statewide fees unless all property
2544 taxes or uniform fees imposed by the state of origin have been paid for the current
2545 calendar year.

2546 [(6) (5)(a) Subject to Subsection [(6)(b)] (5)(b), for a vehicle registered for a 24-month
2547 period as provided in Section 41-1a-215.5, the uniform statewide fee amounts
2548 imposed by this section are double the amounts due for the same vehicle registered
2549 for a 12-month period.

2550 (b) For a vehicle registered for a 24-month period as provided in Section 41-1a-215.5, if
2551 the 24-month term extends from one age bracket to another age bracket as described

2552 in this section, the person shall pay the sum of:

2553 (i) the uniform statewide fee amount for the first year corresponding to the age
2554 bracket applicable for the first 12 months of the registration period; and
2555 (ii) the uniform statewide fee amount for the second year corresponding to the age
2556 bracket applicable for the second 12 months of the registration period.

2557 [6] (6)(a) The revenues collected in each county from the uniform statewide fees
2558 imposed by this section shall be distributed by the county to each taxing entity in
2559 which each item of tangible personal property subject to the uniform statewide fees is
2560 located in the same proportion in which revenues collected from the ad valorem
2561 property tax are distributed.

2562 (b) Each taxing entity described in Subsection [6](a) (6)(a) that receives revenues from
2563 the uniform statewide fees imposed by this section shall distribute the revenues in the
2564 same proportion in which revenues collected from the ad valorem property tax are
2565 distributed.

2566 [7] (7)(a) For purposes of the uniform statewide fee imposed by this section, the length
2567 of a vessel shall be determined as provided in this Subsection [8] (7).

2568 (b)(i) Except as provided in Subsection [8](b)(ii) (7)(b)(ii), the length of a vessel
2569 shall be measured as follows:

2570 (A) the length of a vessel shall be measured in a straight line; and
2571 (B) the length of a vessel is equal to the distance between the bow of the vessel
2572 and the stern of the vessel.

2573 (ii) Notwithstanding Subsection [8](b)(i) (7)(b)(i), the length of a vessel may not
2574 include the length of:

2575 (A) a swim deck;
2576 (B) a ladder;
2577 (C) an outboard motor; or
2578 (D) an appurtenance or attachment similar to Subsections [8](b)(ii)(A)]
2579 (7)(b)(ii)(A) through (C) as determined by the commission by rule.

2580 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
2581 the commission may by rule define what constitutes an appurtenance or
2582 attachment similar to Subsections [(8)(b)(ii)(A)] (7)(b)(ii)(A) through (C).

2583 (c) The length of a vessel:

2584 (i)(A) for a new vessel, is the length[:]
2585 [(4)] listed on the manufacturer's statement of origin if the length of the vessel

2586 measured under Subsection [(8)(b)] (7)(b) is equal to the length of the vessel
2587 listed on the manufacturer's statement of origin[:] or
2588 [(H)] listed on a form submitted to the commission by a dealer in accordance
2589 with Subsection [(8)(d)] (7)(d) if the length of the vessel measured under
2590 Subsection [(8)(b)] (7)(b) is not equal to the length of the vessel listed on the
2591 manufacturer's statement of origin; or
2592 (B) for a vessel other than a new vessel, is the length[:]
2593 [(H)] corresponding to the model number if the length of the vessel measured
2594 under Subsection [(8)(b)] (7)(b) is equal to the length of the vessel
2595 determined by reference to the model number[:] or
2596 [(H)] listed on a form submitted to the commission by an owner of the vessel in
2597 accordance with Subsection [(8)(d)] (7)(d) if the length of the vessel
2598 measured under Subsection [(8)(b)] (7)(b) is not equal to the length of the
2599 vessel determined by reference to the model number; and
2600 (ii)(A) is determined at the time of the[:]
2601 [(H)] first registration as defined in Section 41-1a-102 that occurs on or after
2602 January 1, 2006[:], or
2603 [(H)] first renewal of registration that occurs on or after January 1, 2006; and
2604 (B) may be determined after the time described in Subsection [(8)(e)(ii)(A)]
2605 (7)(c)(ii)(A) only if the commission requests that a dealer or an owner submit a
2606 form to the commission in accordance with Subsection [(8)(d)] (7)(d).
2607 (d)(i) A form under Subsection [(8)(e)] (7)(c) shall:
2608 (A) be developed by the commission;
2609 (B) be provided by the commission to[:]
2610 [(H)] a dealer[:] or
2611 [(H)] an owner of a vessel;
2612 (C) provide for the reporting of the length of a vessel;
2613 (D) be submitted to the commission at the time the length of the vessel is
2614 determined in accordance with Subsection [(8)(e)(ii)] (7)(c)(ii);
2615 (E) be signed by[:],
2616 [(H)] if the form is submitted by a dealer, that dealer[:], or
2617 [(H)] if the form is submitted by an owner of the vessel, an owner of the vessel;
2618 and
2619 (F) include a certification that the information set forth in the form is true.

2620 (ii) A certification made under Subsection [(8)(d)(i)(F)] (7)(d)(i)(F) is considered as if
2621 made under oath and subject to the same penalties as provided by law for perjury.

2622 (iii)(A) A dealer or an owner that submits a form to the commission under
2623 Subsection [(8)(e)] (7)(c) is considered to have given the dealer's or owner's
2624 consent to an audit or review by[:] the commission, the county assessor, or the
2625 commission and the county assessor.

2626 [(I) the commission;]

2627 [(II) the county assessor; or]

2628 [(III) the commission and the county assessor.]

2629 (B) The consent described in Subsection [(8)(d)(iii)(A)] (7)(d)(iii)(A) is a
2630 condition to the acceptance of any form.

2631 [(9)(a) A county that collected a qualifying payment from a qualifying person during
2632 the refund period shall issue a refund to the qualifying person as described in
2633 Subsection (9)(b) if:]

2634 [(i) the difference described in Subsection (9)(b) is \$1 or more; and]

2635 [(ii) the qualifying person submitted a form in accordance with Subsections (9)(c)
2636 and (d).]

2637 [(b) The refund amount shall be calculated as follows:]

2638 [(i) for a qualifying vehicle, the refund amount is equal to the difference between:]

2639 [(A) the qualifying payment the qualifying person paid on the qualifying vehicle
2640 during the refund period; and]

2641 [(B) the amount of the statewide uniform fee:]

2642 [(I) for that qualifying vehicle; and]

2643 [(II) that the qualifying person would have been required to pay:]

2644 [(Aa) during the refund period; and]

2645 [(Bb) in accordance with this section had Laws of Utah 2006, Fifth Special
2646 Session, Chapter 3, Section 1, been in effect during the refund period;
2647 and]

2648 [(ii) for a qualifying watercraft, the refund amount is equal to the difference between:]

2649 [(A) the qualifying payment the qualifying person paid on the qualifying
2650 watercraft during the refund period; and]

2651 [(B) the amount of the statewide uniform fee:]

2652 [(I) for that qualifying watercraft;]

2653 [(II) that the qualifying person would have been required to pay:]

2654 [({Aa}) during the refund period; and]
2655 [({Bb}) in accordance with this section had Laws of Utah 2006, Fifth Special
2656 Session, Chapter 3, Section 1, been in effect during the refund period.]

2657 [(e) Before the county issues a refund to the qualifying person in accordance with
2658 Subsection (9)(a) the qualifying person shall submit a form to the county to verify the
2659 qualifying person is entitled to the refund.]

2660 [(d)(i) A form under Subsection (9)(e) or (10) shall:]

2661 [({A}) be developed by the commission;]

2662 [({B}) be provided by the commission to the counties;]

2663 [({C}) be provided by the county to the qualifying person or tangible personal
2664 property owner;]

2665 [({D}) provide for the reporting of the following:]

2666 [({I}) for a qualifying vehicle:]

2667 [({Aa}) the type of qualifying vehicle; and]

2668 [({Bb}) the amount of cubic centimeters displacement;]

2669 [({II}) for a qualifying watercraft:]

2670 [({Aa}) the length of the qualifying watercraft;]

2671 [({Bb}) the age of the qualifying watercraft; and]

2672 [({Ce}) the type of qualifying watercraft;]

2673 [({E}) be signed by the qualifying person or tangible personal property owner; and]

2674 [({F}) include a certification that the information set forth in the form is true.]

2675 [(ii) A certification made under Subsection (9)(d)(i)(F) is considered as if made under
2676 oath and subject to the same penalties as provided by law for perjury.]

2677 [(iii)(A) A qualifying person or tangible personal property owner that submits a
2678 form to a county under Subsection (9)(e) or (10) is considered to have given
2679 the qualifying person's consent to an audit or review by:]

2680 [({I}) the commission;]

2681 [({II}) the county assessor; or]

2682 [({III}) the commission and the county assessor.]

2683 [({B}) The consent described in Subsection (9)(d)(iii)(A) is a condition to the
2684 acceptance of any form.]

2685 [(e) The county shall make changes to the commission's records with the information
2686 received by the county from the form submitted in accordance with Subsection (9)(e).]

2687 [(10) A county shall change its records regarding an item of qualifying tangible personal

2688 property if the tangible personal property owner submits a form to the county in
2689 accordance with Subsection (9)(d).]

2690 [(11)(a) For purposes of this Subsection (11), "owner of tangible personal property"
2691 means a person that was required to pay a uniform statewide fee:]

2692 [(i) during the refund period;]

2693 [(ii) in accordance with this section; and]

2694 [(iii) on an item of tangible personal property subject to the uniform statewide fees
2695 imposed by this section.]

2696 [(b) A county that collected revenues from uniform statewide fees imposed by this
2697 section during the refund period shall notify an owner of tangible personal property:]

2698 [(i) of the tangible personal property classification changes made to this section
2699 pursuant to Laws of Utah 2006, Fifth Special Session, Chapter 3, Section 1;]

2700 [(ii) that the owner of tangible personal property may obtain and file a form to
2701 modify the county's records regarding the owner's tangible personal property; and]

2702 [(iii) that the owner may be entitled to a refund pursuant to Subsection (9).]

2703 Section 49. Section **59-12-103** is amended to read:

2704 **59-12-103 [Effective 07/01/26] (Effective 01/01/27). Sales and use tax base --**

2705 **Rates -- Effective dates -- Use of sales and use tax revenue.**

2706 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales
2707 price for amounts paid or charged for the following transactions:

2708 (a) retail sales of tangible personal property made within the state;

2709 (b) amounts paid for:

2710 (i) telecommunications service, other than mobile telecommunications service, that
2711 originates and terminates within the boundaries of this state;

2712 (ii) mobile telecommunications service that originates and terminates within the
2713 boundaries of one state only to the extent permitted by the Mobile
2714 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

2715 (iii) an ancillary service associated with a:

2716 (A) telecommunications service described in Subsection (1)(b)(i); or

2717 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

2718 (c) sales of the following for commercial use:

2719 (i) gas;

2720 (ii) electricity;

2721 (iii) heat;

2722 (iv) coal;

2723 (v) fuel oil; or

2724 (vi) other fuels;

2725 (d) sales of the following for residential use:

2726 (i) gas;

2727 (ii) electricity;

2728 (iii) heat;

2729 (iv) coal;

2730 (v) fuel oil; or

2731 (vi) other fuels;

2732 (e) sales of prepared food;

2733 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
2734 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
2735 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
2736 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
2737 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling
2738 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
2739 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,
2740 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
2741 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
2742 activity;

2743 (g) amounts paid or charged for services for repairs or renovations of tangible personal
2744 property, unless Section 59-12-104 provides for an exemption from sales and use tax
2745 for:

2746 (i) the tangible personal property; and

2747 (ii) parts used in the repairs or renovations of the tangible personal property described
2748 in Subsection (1)(g)(i), regardless of whether:

2749 (A) any parts are actually used in the repairs or renovations of that tangible
2750 personal property; or

2751 (B) the particular parts used in the repairs or renovations of that tangible personal
2752 property are exempt from a tax under this chapter;

2753 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted
2754 cleaning or washing of tangible personal property;

2755 (i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer

court accommodations and services;

- (j) amounts paid or charged for laundry or dry cleaning services;
- (k) amounts paid or charged for leases or rentals of tangible personal property if within this state the tangible personal property is:
 - (i) stored;
 - (ii) used; or
 - (iii) otherwise consumed;
- (l) amounts paid or charged for tangible personal property if within this state the tangible personal property is:
 - (i) stored;
 - (ii) used; or
 - (iii) consumed;
- (m) amounts paid or charged for a sale:
 - (i)(A) of a product transferred electronically; or
 - (B) of a repair or renovation of a product transferred electronically; and
 - (ii) regardless of whether the sale provides:
 - (A) a right of permanent use of the product; or
 - (B) a right to use the product that is less than a permanent use, including a right:
 - (I) for a definite or specified length of time; and
 - (II) that terminates upon the occurrence of a condition; and
- (n) sales of leased tangible personal property from the lessor to the lessee made in the state.
- (a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax are imposed on a transaction described in Subsection (1) equal to the sum of:
 - (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
 - (A) 4.70%;
 - (B) the rate specified in Subsection (6)(a); and
 - (C) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
 - (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the transaction under this chapter other than this part.

2790 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
2791 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
2792 to the sum of:
2793 (i) a state tax imposed on the transaction at a tax rate of 2%; and
2794 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
2795 transaction under this chapter other than this part.

2796 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed
2797 on amounts paid or charged for food and food ingredients equal to the sum of:
2798 (i) a state tax imposed on the amounts paid or charged for food and food ingredients
2799 at a tax rate of 1.75%; and
2800 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
2801 amounts paid or charged for food and food ingredients under this chapter other
2802 than this part.

2803 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid
2804 or charged for fuel to a common carrier that is a railroad for use in a locomotive
2805 engine at a rate equal to the sum of the rates described in Subsections (2)(a)(i)(A) and
2806 (2)(a)(i)(B).

2807 (e)(i)(A) The rates described in Subsections (2)(a)(i)(A) and (2)(a)(i)(B) do not
2808 apply to car sharing, a car sharing program, a shared vehicle driver, or a shared
2809 vehicle owner, for a car sharing or shared vehicle transaction if a shared
2810 vehicle owner certifies to the commission, on a form prescribed by the
2811 commission, that the shared vehicle is an individual-owned shared vehicle.
2812 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
2813 required once during the time that the shared vehicle owner owns the shared
2814 vehicle.
2815 (C) The commission shall verify that a shared vehicle is an individual-owned
2816 shared vehicle by verifying that the applicable Utah taxes imposed under this
2817 chapter were paid on the purchase of the shared vehicle.
2818 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
2819 individual-owned shared vehicle shared through a car-sharing program even if
2820 non-certified shared vehicles are also available to be shared through the same
2821 car-sharing program.
2822 (ii) A tax imposed under Subsection (2)(a)(i)(C) or (2)(a)(ii) applies to car sharing.
2823 (iii)(A) A car-sharing program may rely in good faith on a shared vehicle owner's

2824 representation that the shared vehicle is an individual-owned shared vehicle
2825 certified with the commission as described in Subsection (2)(e)(i).

2826 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
2827 representation that the shared vehicle is an individual-owned shared vehicle
2828 certified with the commission as described in Subsection (2)(e)(i), the
2829 car-sharing program is not liable for any tax, penalty, fee, or other sanction
2830 imposed on the shared vehicle owner.

2831 (iv) If all shared vehicles shared through a car-sharing program are certified as
2832 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has
2833 no obligation to collect and remit the tax under Subsections (2)(a)(i)(A) and
2834 (2)(a)(i)(B) for that tax period.

2835 (v) A car-sharing program is not required to list or otherwise identify an
2836 individual-owned shared vehicle on a return or an attachment to a return.

2837 (vi) A car-sharing program shall:

2838 (A) retain tax information for each car-sharing program transaction; and
2839 (B) provide the information described in Subsection (2)(e)(vi)(A) to the
2840 commission at the commission's request.

2841 (f)(i) For a bundled transaction that is attributable to food and food ingredients and
2842 tangible personal property other than food and food ingredients, a state tax and a
2843 local tax is imposed on the entire bundled transaction equal to the sum of:

2844 (A) the tax rates described in Subsection (2)(a)(i); and
2845 (B) a local tax imposed on the entire bundled transaction at the sum of the tax
2846 rates described in Subsection (2)(a)(ii).

2847 (ii) If an optional computer software maintenance contract is a bundled transaction
2848 that consists of taxable and nontaxable products that are not separately itemized
2849 on an invoice or similar billing document, the purchase of the optional computer
2850 software maintenance contract is 40% taxable under this chapter and 60%
2851 nontaxable under this chapter.

2852 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
2853 transaction described in Subsection (2)(f)(i) or (ii):

2854 (A) if the sales price of the bundled transaction is attributable to tangible personal
2855 property, a product, or a service that is subject to taxation under this chapter
2856 and tangible personal property, a product, or service that is not subject to
2857 taxation under this chapter, the entire bundled transaction is subject to taxation

2858 under this chapter unless:

2859 (I) the seller is able to identify by reasonable and verifiable standards the
2860 tangible personal property, product, or service that is not subject to taxation
2861 under this chapter from the books and records the seller keeps in the seller's
2862 regular course of business; or

2863 (II) state or federal law provides otherwise; or

2864 (B) if the sales price of a bundled transaction is attributable to two or more items
2865 of tangible personal property, products, or services that are subject to taxation
2866 under this chapter at different rates, the entire bundled transaction is subject to
2867 taxation under this chapter at the higher tax rate unless:

2868 (I) the seller is able to identify by reasonable and verifiable standards the
2869 tangible personal property, product, or service that is subject to taxation
2870 under this chapter at the lower tax rate from the books and records the seller
2871 keeps in the seller's regular course of business; or

2872 (II) state or federal law provides otherwise.

2873 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
2874 seller's regular course of business includes books and records the seller keeps in
2875 the regular course of business for nontax purposes.

2876 (g)(i) Except as otherwise provided in this chapter and subject to Subsections

2877 (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible
2878 personal property, a product, or a service that is subject to taxation under this
2879 chapter, and the sale, lease, or rental of tangible personal property, other property,
2880 a product, or a service that is not subject to taxation under this chapter, the entire
2881 transaction is subject to taxation under this chapter unless the seller, at the time of
2882 the transaction:

2883 (A) separately states the portion of the transaction that is not subject to taxation
2884 under this chapter on an invoice, bill of sale, or similar document provided to
2885 the purchaser; or

2886 (B) is able to identify by reasonable and verifiable standards, from the books and
2887 records the seller keeps in the seller's regular course of business, the portion of
2888 the transaction that is not subject to taxation under this chapter.

2889 (ii) A purchaser and a seller may correct the taxability of a transaction if:

2890 (A) after the transaction occurs, the purchaser and the seller discover that the
2891 portion of the transaction that is not subject to taxation under this chapter was

2892 not separately stated on an invoice, bill of sale, or similar document provided
2893 to the purchaser because of an error or ignorance of the law; and

2894 (B) the seller is able to identify by reasonable and verifiable standards, from the
2895 books and records the seller keeps in the seller's regular course of business, the
2896 portion of the transaction that is not subject to taxation under this chapter.

2897 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller
2898 keeps in the seller's regular course of business includes books and records the
2899 seller keeps in the regular course of business for nontax purposes.

2900 (h)(i) If the sales price of a transaction is attributable to two or more items of tangible
2901 personal property, products, or services that are subject to taxation under this
2902 chapter at different rates, the entire purchase is subject to taxation under this
2903 chapter at the higher tax rate unless the seller, at the time of the transaction:

2904 (A) separately states the items subject to taxation under this chapter at each of the
2905 different rates on an invoice, bill of sale, or similar document provided to the
2906 purchaser; or

2907 (B) is able to identify by reasonable and verifiable standards the tangible personal
2908 property, product, or service that is subject to taxation under this chapter at the
2909 lower tax rate from the books and records the seller keeps in the seller's regular
2910 course of business.

2911 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
2912 seller's regular course of business includes books and records the seller keeps in
2913 the regular course of business for nontax purposes.

2914 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
2915 imposed under the following shall take effect on the first day of a calendar quarter:

- 2916 (i) Subsection (2)(a)(i)(A);
- 2917 (ii) Subsection (2)(a)(i)(B);
- 2918 (iii) Subsection (2)(b)(i);
- 2919 (iv) Subsection (2)(c)(i); or
- 2920 (v) Subsection (2)(f)(i)(A).

2921 (j)(i) A tax rate increase takes effect on the first day of the first billing period that
2922 begins on or after the effective date of the tax rate increase if the billing period for
2923 the transaction begins before the effective date of a tax rate increase imposed
2924 under:

2925 (A) Subsection (2)(a)(i)(A);

2926 (B) Subsection (2)(a)(i)(B);
2927 (C) Subsection (2)(b)(i);
2928 (D) Subsection (2)(c)(i); or
2929 (E) Subsection (2)(f)(i)(A).

2930 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
2931 statement for the billing period is rendered on or after the effective date of the
2932 repeal of the tax or the tax rate decrease imposed under:
2933 (A) Subsection (2)(a)(i)(A);
2934 (B) Subsection (2)(a)(i)(B);
2935 (C) Subsection (2)(b)(i);
2936 (D) Subsection (2)(c)(i); or
2937 (E) Subsection (2)(f)(i)(A).

2938 (k)(i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
2939 is computed on the basis of sales and use tax rates published in the catalogue, a
2940 tax rate repeal or change in a tax rate takes effect:
2941 (A) on the first day of a calendar quarter; and
2942 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate
2943 change.

2944 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
2945 (A) Subsection (2)(a)(i)(A);
2946 (B) Subsection (2)(a)(i)(B);
2947 (C) Subsection (2)(b)(i);
2948 (D) Subsection (2)(c)(i); or
2949 (E) Subsection (2)(f)(i)(A).

2950 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
2951 the commission may by rule define the term "catalogue sale."

2952 (l)(i) For a location described in Subsection (2)(l)(ii), the commission shall determine
2953 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel
2954 based on the predominant use of the gas, electricity, heat, coal, fuel oil, or other
2955 fuel at the location.
2956 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
2957 or other fuel is furnished through a single meter for two or more of the following
2958 uses:
2959 (A) a commercial use;

2960 (B) an industrial use; or

2961 (C) a residential use.

2962 (3)(a) The commission shall deposit the following state taxes into the General Fund:

2963 (i) the tax imposed by Subsection (2)(a)(i)(A);

2964 (ii) the tax imposed by Subsection (2)(b)(i);

2965 (iii) the tax imposed by Subsection (2)(c)(i);

2966 (iv) the tax imposed by Subsection (2)(d); and

2967 (v) the tax imposed by Subsection (2)(f)(i)(A).

2968 (b) The commission shall distribute the following local taxes to a county, city, or town
2969 as provided in this chapter:

2970 (i) the tax imposed by Subsection (2)(a)(ii);

2971 (ii) the tax imposed by Subsection (2)(b)(ii);

2972 (iii) the tax imposed by Subsection (2)(c)(ii); and

2973 (iv) the tax imposed by Subsection (2)(f)(i)(B).

2974 (4)(a) Notwithstanding Subsection (3)(a), for each fiscal year the commission shall make
2975 the deposits described in Subsections (4)(b) through (4)(h) from the revenue from the
2976 taxes imposed by:

2977 (i) Subsection (2)(a)(i)(A);

2978 (ii) Subsection (2)(b)(i);

2979 (iii) Subsection (2)(c)(i); and

2980 (iv) Subsection (2)(f)(i)(A).

2981 (b) The commission shall deposit 15% of the difference between 1.4543% of the
2982 revenue described in Subsection (4)(a) and the deposits made under Subsection (5)(b),
2983 into the Water Rights Restricted Account created in Section 73-2-1.6.

2984 (c) The commission shall deposit 85% of the difference between 1.4543% of the revenue
2985 described in Subsection (4)(a) and the deposits made under Subsection (5)(b), into
2986 the Water Resources Conservation and Development Fund created in Section
2987 73-10-24 for use by the Division of Water Resources for:

2988 (i) preconstruction costs:

2989 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,
2990 Chapter 26, Bear River Development Act; and

2991 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
2992 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

2993 (ii) the cost of employing a civil engineer to oversee any project authorized by Title

73, Chapter 26, Bear River Development Act;

- (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and
- (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and Subsection (5)(b)(iv)(B) after funding the uses specified in Subsections (4)(c)(i) through (iii).

(d) The commission shall deposit 1.4543% of the revenue described in Subsection (4)(a) into the Water Infrastructure Restricted Account created in Section 73-10g-103.

(e)(i) Subject to Subsection (4)(e)(ii), the commission shall deposit 26.24% of the revenue described in Subsection (4)(a) into the Transportation Investment Fund of 2005 created in Section 72-2-124.

(ii) The commission shall annually reduce the deposit described in Subsection (4)(e)(i) by the sum of:

(A) \$1,813,400;

(B) the earmark described in Subsection (5)(c); and

(C) an amount equal to 35% of the revenue generated in the current fiscal year by the portion of the tax imposed on motor and special fuel that is sold, used, or received in the state that exceeds 29.4 cents per gallon.

(iii) The amount described in Subsection (4)(e)(ii)(C) shall be annually deposited into the Transit Transportation Investment Fund created in Section 72-2-124.

(f) The commission shall deposit .44% of the revenue described in Subsection (4)(a) into the Cottonwood Canyons Transportation Investment Fund created in Section 72-2-124.

(g) The commission shall deposit 1% of the revenue described in Subsection (4)(a) into the Commuter Rail Subaccount created in Section 72-2-124.

(h) The commission shall deposit 1% of the revenue described in Subsection (4)(a) into the Outdoor Adventure Infrastructure Restricted Account created in Section 51-9-902 as follows:

(i) into the Outdoor Adventure Infrastructure Restricted Account created in Section 51-9-902, an amount equal to the amount that was deposited into the Outdoor Adventure Infrastructure Restricted Account in fiscal year 2025; and

(ii) for any amount exceeding the amount described in Subsection (4)(h)(i), 50% into the Outdoor Adventure Infrastructure Restricted Account and 50% to the Utah

3028 Fairpark Area Investment and Restoration District created in Section 11-70-201.

3029 (5)(a) Notwithstanding Subsection (3)(a), each fiscal year the commission shall make
3030 the deposits described in this Subsection (5).

3031 (b)(i)(A) The commission shall deposit \$500,000 to the Department of Natural
3032 Resources to be used for watershed rehabilitation or restoration.

3033 (B) At the end of each fiscal year, 100% of any unexpended amount described in
3034 Subsection (5)(b)(i)(A) shall lapse into the Water Resources Conservation and
3035 Development Fund created in Section 73-10-24.

3036 (ii) The commission shall deposit \$150,000 to the Division of Water Resources for
3037 cloud-seeding projects authorized by Title 73, Chapter 15, Modification of
3038 Weather.

3039 (iii) The commission shall deposit \$525,000 into the Division of Conservation
3040 created in Section 4-46-401 to implement water related programs.

3041 (iv) The commission shall deposit \$7,175,000 into the Water Resources Conservation
3042 and Development Fund created in Section 73-10-24 for use by the Division of
3043 Water Resources:

3044 (A) for the uses allowed of the Water Resources Conservation and Development
3045 Fund under Section 73-10-24;

3046 (B) to conduct hydrologic and geotechnical investigations by the Division of
3047 Water Resources in a cooperative effort with other state, federal, or local
3048 entities, for the purpose of quantifying surface and ground water resources and
3049 describing the hydrologic systems of an area in sufficient detail so as to enable
3050 local and state resource managers to plan for and accommodate growth in
3051 water use without jeopardizing the resource;

3052 (C) to fund state required dam safety improvements; and

3053 (D) to protect the state's interest in interstate water compact allocations, including
3054 the hiring of technical and legal staff.

3055 (v) The commission shall deposit \$3,587,500 into the Utah Wastewater Loan
3056 Program Subaccount created in Section 73-10c-5 for use by the Water Quality
3057 Board to fund wastewater projects.

3058 (vi) The commission shall deposit \$3,587,500 into the Drinking Water Loan Program
3059 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water
3060 to:

3061 (A) provide for the installation and repair of collection, treatment, storage, and

3062 distribution facilities for any public water system, as defined in Section
3063 19-4-102;

3064 (B) develop underground sources of water, including springs and wells; and
3065 (C) develop surface water sources.

3066 (vii) The commission shall deposit \$2,450,000 to the Division of Wildlife Resources
3067 to:

3068 (A) implement the measures described in Subsections 23A-3-214(3)(a) through
3069 (d) to protect sensitive plant and animal species; or
3070 (B) award grants, up to the amount authorized by the Legislature in an
3071 appropriations act, to political subdivisions of the state to implement the
3072 measures described in Subsections 23A-3-214(3)(a) through (d) to protect
3073 sensitive plant and animal species.

3074 (viii) Funds transferred to the Division of Wildlife Resources under Subsection
3075 (5)(b)(vii)(A) may not be used to assist the United States Fish and Wildlife
3076 Service or any other person to list or attempt to have listed a species as threatened
3077 or endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531, et
3078 seq.

3079 (ix) At the end of each fiscal year, any unexpended amounts described in Subsections
3080 (5)(b)(vii)(A) and (B) shall lapse:

3081 (A) 50% into the Water Resources Conservation and Development Fund created
3082 in Section 73-10-24;
3083 (B) 25% into the Utah Wastewater Loan Program Subaccount created in Section
3084 73-10c-5; and
3085 (C) 25% into the Drinking Water Loan Program Subaccount created in Section
3086 73-10c-5.

3087 (x) The commission shall allocate \$175,000 to the Division of Water Rights to cover
3088 the costs incurred in hiring legal and technical staff for the adjudication of water
3089 rights.

3090 (xi) At the end of each fiscal year, any unexpended amounts described in Subsection
3091 (5)(b)(x) shall lapse:

3092 (A) 50% into the Water Resources Conservation and Development Fund created
3093 in Section 73-10-24;
3094 (B) 25% into the Utah Wastewater Loan Program Subaccount created in Section
3095 73-10c-5; and

3096 (C) 25% into the Drinking Water Loan Program Subaccount created in Section
3097 73-10c-5.

3098 (c) The commission shall deposit \$45,000,000 into the Active Transportation Investment
3099 Fund created in Section 72-2-124.

3100 (d) The commission shall deposit \$533,750 into the Qualified Emergency Food
3101 Agencies Fund created by and expended in accordance with Section 35A-8-1009.

3102 (e) The commission shall deposit \$200,000 into the General Fund as a dedicated credit
3103 for the sole use of the Search and Rescue Financial Assistance Program created by
3104 and to be expended in accordance with Title 53, Chapter 2a, Part 11, Search and
3105 Rescue Act.

3106 (6)(a) The rate specified in this Subsection (6) is 0.15%.

3107 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
3108 on or after July 1, 2019, annually transfer the amount of revenue collected from the
3109 rate described in Subsection (6)(a) on the transactions that are subject to the sales and
3110 use tax under Subsection (2)(a)(i)(B) into the Medicaid ACA Fund created in Section
3111 26B-1-315.

3112 (7)(a) Notwithstanding Subsection (3)(a) and except as provided in Subsections (11),
3113 (12), and (13), and as described in Section 63N-3-610, beginning the first day of a
3114 calendar quarter one year after the sales and use tax boundary for a housing and
3115 transit reinvestment zone is established under Title 63N, Chapter 3, Part 6, Housing
3116 and Transit Reinvestment Zone Act, the commission, at least annually, shall transfer
3117 an amount equal to 15% of the sales and use tax increment from the sales and use tax
3118 imposed by Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions occurring within
3119 an established sales and use tax boundary, as defined in Section 63N-3-602, into the
3120 Transit Transportation Investment Fund created in Section 72-2-124.

3121 (b) Beginning no sooner than January 1, 2026, notwithstanding Subsection (3)(a), and
3122 except as provided in Subsections (11), (12), and (13), and as described in Section
3123 63N-3-610.1, beginning the first day of a calendar quarter after the year set in the
3124 proposal and after the sales and use tax boundary for a convention center
3125 reinvestment zone is established in a capital city under Title 63N, Chapter 3, Part 6,
3126 Housing and Transit Reinvestment Zone Act, the commission, at least annually, shall
3127 transfer an amount equal to 50% of the sales and use tax increment as defined in
3128 Section 63N-3-602 from the sales and use tax imposed by Subsection (2)(a)(i)(A) at a
3129 4.7% rate, on transactions occurring within an established sales and use tax boundary,

3130 as defined in Section 63N-3-602, to a convention center public infrastructure district
3131 created in accordance with Section 17D-4-202.1 and specified in the convention
3132 center reinvestment zone proposal submitted [pursuant to] in accordance with Title
3133 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.

3134 (8) Notwithstanding Subsection (3)(a) and except as provided in Subsections (11), (12), and
3135 (13), beginning October 1, 2024 the commission shall transfer to the Utah Fairpark Area
3136 Investment and Restoration District, created in Section 11-70-201, the revenue from the
3137 sales and use tax imposed by Subsection (2)(a)(i)(A), on transactions occurring within
3138 the district sales tax area, as defined in Section 11-70-101.

3139 (9)(a) As used in this Subsection (9):

3140 (i) "Additional land" means point of the mountain state land described in Subsection
3141 11-59-102(6)(b) that the point of the mountain authority acquires after the point of
3142 the mountain authority provides the commission a map under Subsection (9)(c).

3143 (ii) "Point of the mountain authority" means the Point of the Mountain State Land
3144 Authority, created in Section 11-59-201.

3145 (iii) "Point of the mountain state land" means the same as that term is defined in
3146 Section 11-59-102.

3147 (b) Notwithstanding Subsection (3)(a) and except as provided in Subsections (11), (12),
3148 and (13), the commission shall distribute to the point of the mountain authority 50%
3149 of the revenue from the sales and use tax imposed by Subsection (2)(a)(i)(A), on
3150 transactions occurring on the point of the mountain state land.

3151 (c) The distribution under Subsection (9)(b) shall begin the next calendar quarter that
3152 begins at least 90 days after the point of the mountain authority provides the
3153 commission a map that:

3154 (i) accurately describes the point of the mountain state land; and
3155 (ii) the point of the mountain authority certifies as accurate.

3156 (d) A distribution under Subsection (9)(b) with respect to additional land shall begin the
3157 next calendar quarter that begins at least 90 days after the point of the mountain
3158 authority provides the commission a map of point of the mountain state land that:

3159 (i) accurately describes the point of the mountain state land, including the additional
3160 land; and

3161 (ii) the point of the mountain authority certifies as accurate.

3162 (e)(i) Upon the payment in full of bonds secured by the sales and use tax revenue
3163 distributed to the point of the mountain authority under Subsection (9)(b), the

3164 point of the mountain authority shall immediately notify the commission in
3165 writing that the bonds are paid in full.

3166 (ii) The commission shall discontinue distributions of sales and use tax revenue under
3167 Subsection (9)(b) at the beginning of the calendar quarter that begins at least 90
3168 days after the date that the commission receives the written notice under
3169 Subsection (9)(e)(i).

3170 (10) Notwithstanding Subsection (3)(a), the amount of state sales tax revenues described in
3171 Section 63N-2-503.5 is deposited into the Convention Incentive Fund created in Section
3172 63N-2-503.5.

3173 (11)(a) As used in this Subsection (11):

3174 (i) "Applicable percentage" means:

3175 (A) for a housing and transit reinvestment zone created under Title 63N, Chapter
3176 3, Part 6, Housing and Transit Reinvestment Zone Act, 15% of the revenue
3177 from the sales and use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate
3178 for sales occurring within the qualified development zone described in
3179 Subsection (11)(a)(ii)(A);

3180 (B) for the Utah Fairpark Area Investment and Restoration District created in
3181 Section 11-70-201, the revenue from the sales and use tax imposed by
3182 Subsection (2)(a)(i)(A) at a 4.7% rate for sales occurring within the qualified
3183 development zone described in Subsection (11)(a)(ii)(B); and

3184 (C) for the Point of the Mountain State Land Authority created in Section
3185 11-59-201, 50% of the revenue from sales and use tax imposed by Subsection
3186 (2)(a)(i)(A) at a 4.7% rate for sales occurring within the qualified development
3187 zone described in Subsection (11)(a)(ii)(C).

3188 (ii) "Qualified development zone" means:

3189 (A) the sales and use tax boundary of a housing and transit reinvestment zone
3190 created under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment
3191 Act;

3192 (B) the district sales tax boundary as defined in Section 11-70-101 for the Utah
3193 Fairpark Area Investment and Restoration District, created in Section
3194 11-70-201; or

3195 (C) the sales and use tax boundary of point of the mountain state land, as defined
3196 in Section 11-59-102, under the Point of the Mountain State Land Authority
3197 created in Section 11-59-201.

3198 (iii) "Schedule J sale" means a sale reported on State Tax Commission Form
3199 TC-62M, Schedule J or a substantially similar form as designated by the
3200 commission.

3201 (b) Revenue generated from the applicable percentage by a Schedule J sale within a
3202 qualified development zone shall be deposited into the General Fund.

3203 (12)(a) As used in Subsections (12) and (13):

3204 (i) "Applicable percentage" means, for a convention center reinvestment zone created
3205 in a capital city under Title 63N, Chapter 3, Part 6, Housing and Transit
3206 Reinvestment Zone Act, an amount equal to 50% of the sales and use tax
3207 increment, as that term is defined in Section 63N-3-602, from the sales and use tax
3208 imposed by Subsection (2)(a)(i)(A) at a 4.7% rate for sales occurring within the
3209 qualified development zone described in Subsection (12)(a)(ii).

3210 (ii) "Qualified development zone" means the sales and use tax boundary of a
3211 convention center reinvestment zone created in a capital city under Title 63N,
3212 Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.

3213 (iii) "Qualifying construction materials" means construction materials that are:
3214 (A) delivered to a delivery outlet within a qualified development zone; and
3215 (B) intended to be permanently attached to real property within the qualified
3216 development zone.

3217 (b) For a sale of qualifying construction materials, the commission shall distribute the
3218 product calculated in Subsection (12)(c) to a qualified development zone if the seller
3219 of the construction materials:
3220 (i) establishes a delivery outlet with the commission within the qualified development
3221 zone;
3222 (ii) reports the sales of the construction materials to the delivery outlet described in
3223 Subsection (12)(b)(i); and
3224 (iii) does not report the sales of the construction materials on a simplified electronic
3225 return.

3226 (c) For the purposes of Subsection (12)(b), the product is equal to:
3227 (i) the sales price or purchase price of the qualifying construction materials; and
3228 (ii) the applicable percentage.

3229 (13)(a) As used in this Subsection (13), "Schedule J sale" means a sale reported on State
3230 Tax Commission Form TC-62M, Schedule J, or a substantially similar form as
3231 designated by the commission.

3232 (b) Revenue generated from the applicable percentage by a Schedule J sale within a
3233 qualified development zone shall be distributed into the General Fund.

3234 Section 50. Section **72-1-213.1** is amended to read:

3235 **72-1-213.1 (Effective 01/01/27). Road usage charge program.**

3236 (1) As used in this section:

3237 (a) "Account manager" means an entity under contract with the department to administer
3238 and manage the road usage charge program.

3239 (b) "Alternative fuel vehicle" means:

3240 (i) an electric motor vehicle as defined in Section 41-1a-102; or

3241 (ii) a motor vehicle powered exclusively by a fuel other than:

3242 (A) motor fuel;

3243 (B) diesel fuel;

3244 (C) natural gas; or

3245 (D) propane.

3246 (c) "Payment period" means the interval during which an owner is required to report
3247 mileage and pay the appropriate road usage charge according to the terms of the
3248 program.

3249 (d) "Program" means the road usage charge program established and described in this
3250 section.

3251 (e) "Road usage charge cap" means the maximum fee charged to a participant in the
3252 program for a registration period.

3253 (f) "Road usage charge rate" means the per-mile usage fee charged to a participant in the
3254 program.

3255 (2) There is established a road usage charge program as described in this section.

3256 (3)(a) The department shall implement and oversee the administration of the program,
3257 which shall begin on January 1, 2020.

3258 (b) To implement and administer the program, the department may contract with an
3259 account manager.

3260 (4)(a) The owner or lessee of an alternative fuel vehicle may apply for enrollment of the
3261 alternative fuel vehicle in the program.

3262 (b) If an application for enrollment into the program is approved by the department, the
3263 owner or lessee of an alternative fuel vehicle may participate in the program in lieu of
3264 paying the fee described in Subsection [41-1a-1206(1)(h) or (2)(b)] 41-1a-1206(3)(h).

3265 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and

3266 consistent with this section, the department:

3267 (a) shall make rules to establish:

- 3268 (i) processes and terms for enrollment into and withdrawal or removal from the
3269 program;
- 3270 (ii) payment periods and other payment methods and procedures for the program;
- 3271 (iii) standards for mileage reporting mechanisms for an owner or lessee of an
3272 alternative fuel vehicle to report mileage as part of participation in the program;
- 3273 (iv) standards for program functions for mileage recording, payment processing,
3274 account management, and other similar aspects of the program;
- 3275 (v) contractual terms between an owner or lessee of an alternative fuel vehicle owner
3276 and an account manager for participation in the program;
- 3277 (vi) contractual terms between the department and an account manager, including
3278 authority for an account manager to enforce the terms of the program;
- 3279 (vii) procedures to provide security and protection of personal information and data
3280 connected to the program, and penalties for account managers for violating
3281 privacy protection rules;
- 3282 (viii) penalty procedures for a program participant's failure to pay a road usage
3283 charge or tampering with a device necessary for the program; and
- 3284 (ix) department oversight of an account manager, including privacy protection of
3285 personal information and access and auditing capability of financial and other
3286 records related to administration of the program; and

3287 (b) may make rules to establish:

- 3288 (i) an enrollment cap for certain alternative fuel vehicle types to participate in the
3289 program;
- 3290 (ii) a process for collection of an unpaid road usage charge or penalty; or
- 3291 (iii) integration of the program with other similar programs, such as tolling.

3292 (6) Revenue generated by the road usage charge program and relevant penalties shall be
3293 deposited into the Road Usage Charge Program Special Revenue Fund.

3294 (7)(a) The department may:

- 3295 (i)(A) impose a penalty for failure to timely pay a road usage charge according to
3296 the terms of the program or tampering with a device necessary for the program;
3297 and
- 3298 (B) request that the Division of Motor Vehicles place a hold on the registration of
3299 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;

(ii) send correspondence to the owner of an alternative fuel vehicle to inform the owner or lessee of:

- (A) the road usage charge program, implementation, and procedures;
- (B) an unpaid road usage charge and the amount of the road usage charge to be paid to the department;
- (C) the penalty for failure to pay a road usage charge within the time period described in Subsection (7)(a)(iii); and
- (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

(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.

(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.

(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:

- (i) registration and ownership information pertaining to an alternative fuel vehicle;
- (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
- (iii) the status of a request for a hold on the registration of an alternative fuel vehicle.

(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.

(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).

(10) If enrolled in the program, the owner or lessee of an alternative fuel vehicle shall:

3334 (a) report mileage driven as required by the department [pursuant to] in accordance with
3335 Subsection (5);
3336 (b) pay the road usage fee for each payment period in accordance with Subsection (5);
3337 and
3338 (c) comply with all other provisions of this section and other requirements of the
3339 program.

3340 (11) The department shall submit annually, on or before October 1, to the Transportation
3341 Interim Committee, an electronic report that:

3342 (a) states for the preceding fiscal year:
3343 (i) the amount of revenue collected from the program;
3344 (ii) the participation rate in the program; and
3345 (iii) the department's costs to administer the program; and
3346 (b) provides for the current fiscal year, an estimate of:
3347 (i) the revenue that will be collected from the program;
3348 (ii) the participation rate in the program; and
3349 (iii) the department's costs to administer the program.

3350 (12)(a) Beginning on January 1, 2023:

3351 (i) the road usage charge rate is 1.0 cent per mile; and
3352 (ii) the road usage charge cap is[:]
3353 [(A)] \$130.25 for an annual registration period[; and] .
3354 [(B)] \$100.75 for a six-month registration period.]

3355 (b) Beginning on January 1, 2026:

3356 (i) the road usage charge rate is 1.25 cents per mile; and
3357 (ii) the road usage charge cap is[:]
3358 [(A)] \$180 for an annual registration period[; and] .
3359 [(B)] \$139 for a six-month registration period.]

3360 (c) Beginning on January 1, 2032:

3361 (i) the road usage charge rate is 1.5 cents per mile, unless the commission establishes
3362 a different road usage charge rate in accordance with Subsection (13); and
3363 (ii) the road usage charge cap is[:]
3364 [(A)] \$240 for an annual registration period[; and] .
3365 [(B)] \$185 for a six-month registration period.]

3366 [(d) Beginning in 2024, the department shall, on January 1, annually adjust the road
3367 usage charge rates described in this Subsection (12) by taking the road usage charge

3368 rate for the previous year and adding an amount equal to the greater of:]
3369 [(i) an amount calculated by multiplying the road usage charge rate of the previous
3370 year by the actual percentage change during the previous fiscal year in the
3371 Consumer Price Index as determined by the State Tax Commission; and]
3372 [(ii) 0.]
3373 [(e) Beginning in 2024, the State Tax Commission shall, on January 1, annually adjust
3374 the road usage charge caps described in this Subsection (12) by taking the road usage
3375 charge cap for the previous year and adding an amount equal to the greater of:]
3376 [(i) an amount calculated by multiplying the road usage charge cap of the previous
3377 year by the actual percentage change during the previous fiscal year in the
3378 Consumer Price Index; and]
3379 [(ii) 0.]
3380 [(f) The amounts calculated as described in Subsection (12)(d) shall be rounded up to the
3381 nearest .01 cent.]
3382 [(g) The amounts calculated as described in Subsection (12)(e) shall be rounded up to
3383 the nearest 25 cents.]
3384 [(h) On or before January 1 of each year, the department shall publish:]
3385 [(i) the adjusted road usage charge rate described in Subsection (12)(d); and]
3386 [(ii) adjusted road usage charge cap described in Subsection (12)(e).]

3387 (13)(a) Beginning January 1, 2032, the commission may establish by rule made in
3388 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the road
3389 usage charge rate for each type of alternative fuel vehicle.
3390 (b)(i) Before making rules in accordance with Subsection (13)(a), the commission
3391 shall consult with the department regarding the road usage charge rate for each
3392 type of alternative fuel vehicle.
3393 (ii) The department shall cooperate with and make recommendations to the
3394 commission regarding the road usage charge rate for each type of alternative fuel
3395 vehicle.

3396 Section 51. Section **72-1-213.2** is amended to read:

3397 **72-1-213.2 (Effective 01/01/27). Road Usage Charge Program Special Revenue
3398 Fund -- Revenue.**

3399 (1) There is created an expendable special revenue fund within the Transportation Fund
3400 known as the "Road Usage Charge Program Special Revenue Fund."
3401 (2)(a) The fund shall be funded from the following sources:

3402 (i) revenue collected by the department under Section 72-1-213.1;
3403 (ii) appropriations made to the fund by the Legislature;
3404 (iii) contributions from other public and private sources for deposit into the fund;
3405 (iv) interest earnings on cash balances; and
3406 (v) money collected for repayments and interest on fund money.

3407 (b) If the revenue derived from the sources described in Subsection (2)(a) is insufficient
3408 to cover the costs of administering the road usage charge program, subject to
3409 Subsection 72-2-107(1), the department may transfer into the fund revenue deposited
3410 into the Transportation Fund from the fee described in [Subseetions 41-1a-1206(1)(h)
3411 and (2)(b)] Subsection 41-1a-1206(3)(h) in an amount sufficient to enable the
3412 department to administer the road usage charge program.

3413 (3)(a) Revenue generated by the road usage charge program and relevant penalties shall
3414 be deposited into the Road Usage Charge Program Special Revenue Fund.
3415 (b) Revenue in the Road Usage Charge Program Special Revenue Fund is nonlapsing.

3416 (4) The department may use revenue deposited into the Road Usage Charge Program
3417 Special Revenue Fund:
3418 (a) to cover the costs of administering the program; and
3419 (b) for the purposes described in Subsection (5).

3420 (5) If revenue collected by the department under Section 72-1-213.1 in a fiscal year is
3421 sufficient to cover all costs related to administering the road usage charge program in
3422 that fiscal year, the department shall deposit any excess revenue collected by the
3423 department under Section 72-1-213.1 from the Road Usage Charge Program Special
3424 Revenue Fund into the Transportation Fund for appropriation and apportionment in
3425 accordance with Section 72-2-107.

3426 Section 52. Section **72-2-117.5** is amended to read:

3427 **72-2-117.5 (Effective 01/01/27). Definitions -- Local Highway and
3428 Transportation Corridor Preservation Fund -- Disposition of fund money.**

3429 (1) As used in this section:
3430 (a) "Council of governments" means a decision-making body in each county composed
3431 of membership including the county governing body and the mayors of each
3432 municipality in the county.
3433 (b) "Metropolitan planning organization" has the same meaning as defined in Section
3434 72-1-208.5.
3435 (2) There is created the Local Highway and Transportation Corridor Preservation Fund

3436 within the Transportation Fund.

3437 (3) The fund shall be funded from the following sources:

3438 (a) a local option highway construction and transportation corridor preservation [fee] tax
3439 imposed under Section 41-1a-1222;

3440 (b) appropriations made to the fund by the Legislature;

3441 (c) contributions from other public and private sources for deposit into the fund;

3442 (d) all money collected from rents and sales of real property acquired with fund money;

3443 (e) proceeds from general obligation bonds, revenue bonds, or other obligations issued
3444 as authorized by Title 63B, Bonds; and

3445 (f) sales and use tax revenues deposited into the fund in accordance with Title 59,
3446 Chapter 12, Part 22, Local Option Sales and Use Taxes for Transportation Act.

3447 (4)(a) The fund shall earn interest.

3448 (b) All interest earned on fund money shall be deposited into the fund.

3449 (c) The State Tax Commission shall allocate the revenues:

3450 (i) provided under Subsection (3)(a) to each county imposing a local option highway
3451 construction and transportation corridor preservation [fee] tax under Section
3452 41-1a-1222;

3453 (ii) provided under Subsection 59-12-2217(2) to each county imposing a county
3454 option sales and use tax for transportation; and

3455 (iii) provided under Subsection (3)(f) to each county of the second class or city or
3456 town within a county of the second class that imposes the sales and use tax
3457 authorized by Section 59-12-2218.

3458 (d) The department shall distribute the funds allocated to each county, city, or town
3459 under Subsection (4)(c) to each county, city, or town.

3460 (e) The money allocated and distributed under this Subsection (4):

3461 (i) shall be used for the purposes provided in this section for each county, city, or
3462 town;

3463 (ii) is allocated to each county, city, or town as provided in this section with the
3464 condition that the state will not be charged for any asset purchased with the money
3465 allocated and distributed under this Subsection (4), unless there is a written
3466 agreement in place with the department prior to the purchase of the asset
3467 stipulating a reimbursement by the state to the county, city, or town of no more
3468 than the original purchase price paid by the county, city, or town; and

3469 (iii) is considered a local matching contribution for the purposes described under

Section 72-2-123 if used on a state highway.

(f) Administrative costs of the department to implement this section shall be paid from the fund.

(5)(a) A highway authority may acquire real property or any interests in real property for state, county, and municipal transportation corridors subject to:

- (i) money available in the fund to each county under Subsection (4); and
- (ii) the provisions of this section.

(b) Fund money may be used to pay interest on debts incurred in accordance with this section.

(c)(i)(A) Fund money may be used to pay maintenance costs of properties acquired under this section but limited to a total of 5% of the purchase price of the property.

(B) Any additional maintenance cost shall be paid from funds other than under this section.

(C) Revenue generated by any property acquired under this section is excluded from the limitations under this Subsection (5)(c)(i).

(ii) Fund money may be used to pay direct costs of acquisition of properties acquired under this section.

(d) Fund money allocated and distributed under Subsection (4) may be used by a county highway authority for countywide transportation or public transit planning if:

- (i) the county's planning focus area is outside the boundaries of a metropolitan planning organization;

(ii) the transportation planning is part of the county's continuing, cooperative, and comprehensive process for transportation or public transit planning, transportation corridor preservation, right-of-way acquisition, and project programming;

(iii) no more than four years allocation every 20 years to each county is used for transportation planning under this Subsection (5)(d); and

(iv) the county otherwise qualifies to use the fund money as provided under this section.

(e)(i) Subject to Subsection (11), fund money allocated and distributed under Subsection (4) may be used by a county highway authority for transportation corridor planning that is part of the transportation corridor elements of an

(ii) The transportation corridor planning under Subsection (5)(c)(i) shall be under the

3504 direction of:

3505 (A) the metropolitan planning organization if the county is within the boundaries
3506 of a metropolitan planning organization; or
3507 (B) the department if the county is not within the boundaries of a metropolitan
3508 planning organization.

3509 (f)(i) A county, city, or town that imposes a local option highway construction and
3510 transportation corridor preservation [fee] tax under Section 41-1a-1222 may elect
3511 to administer the funds allocated and distributed to that county, city, or town
3512 under Subsection (4) as a revolving loan fund.

3513 (ii) If a county, city, or town elects to administer the funds allocated and distributed
3514 to that county, city, or town under Subsection (4) as a revolving loan fund, a local
3515 highway authority shall repay the fund money authorized for the project to the
3516 fund.

3517 (iii) A county, city, or town that elects to administer the funds allocated and
3518 distributed to that county, city, or town under Subsection (4) as a revolving loan
3519 fund shall establish repayment conditions of the money to the fund from the
3520 specified project funds.

3521 (g)(i) Subject to the restrictions in Subsections (5)(g)(ii) and (iii), fund money may be
3522 used by a county of the third, fourth, fifth, or sixth class or by a city or town
3523 within a county of the third, fourth, fifth, or sixth class for:

3524 (A) the construction, operation, or maintenance of a class B road or class C road;
3525 or
3526 (B) the restoration or repair of survey monuments associated with transportation
3527 infrastructure.

3528 (ii) A county, city, or town may not use more than 50% of the current balance of fund
3529 money allocated to the county, city, or town for the purposes described in
3530 Subsection (5)(g)(i).

3531 (iii) A county, city, or town may not use more than 50% of the fund revenue
3532 collections allocated to a county, city, or town in the current fiscal year for the
3533 purposes described in Subsection (5)(g)(i).

3534 (6)(a)(i) The Local Highway and Transportation Corridor Preservation Fund shall be
3535 used to preserve transportation corridors, promote long-term statewide
3536 transportation planning, save on acquisition costs, and promote the best interests
3537 of the state in a manner which minimizes impact on prime agricultural land.

3538 (ii) The Local Highway and Transportation Corridor Preservation Fund shall only be
3539 used to preserve a transportation corridor that is right-of-way:
3540 (A) in a county of the first or second class for:
3541 (I) a state highway;
3542 (II) a principal arterial highway as defined in Section 72-4-102.5;
3543 (III) a minor arterial highway as defined in Section 72-4-102.5;
3544 (IV) a collector highway in an urban area as defined in Section 72-4-102.5; or
3545 (V) a transit facility as defined in Section 17B-2a-802; or
3546 (B) in a county of the third, fourth, fifth, or sixth class for:
3547 (I) a state highway;
3548 (II) a principal arterial highway as defined in Section 72-4-102.5;
3549 (III) a minor arterial highway as defined in Section 72-4-102.5;
3550 (IV) a major collector highway as defined in Section 72-4-102.5;
3551 (V) a minor collector road as defined in Section 72-4-102.5; or
3552 (VI) a transit facility as defined in Section 17B-2a-802.

3553 (iii) The Local Highway and Transportation Corridor Preservation Fund may not be
3554 used for a transportation corridor that is primarily a recreational trail as defined
3555 under Section 79-5-102.

3556 (b) A highway authority shall authorize the expenditure of fund money after determining
3557 that the expenditure is being made in accordance with this section from applications
3558 that are:
3559 (i) endorsed by the council of governments; and
3560 (ii) for a right-of-way purchase for a transportation corridor authorized under
3561 Subsection (6)(a)(ii).

3562 (7)(a)(i) A council of governments shall establish a council of governments
3563 endorsement process which includes prioritization and application procedures for
3564 use of the money allocated to each county under this section.

3565 (ii) The endorsement process under Subsection (7)(a)(i) may include review or
3566 endorsement of the preservation project by:
3567 (A) the metropolitan planning organization if the county is within the boundaries
3568 of a metropolitan planning organization; or
3569 (B) the department if the county is not within the boundaries of a metropolitan
3570 planning organization.

3571 (b) All fund money shall be prioritized by each highway authority and council of

3572 governments based on considerations, including:

3573 (i) areas with rapidly expanding population;

3574 (ii) the willingness of local governments to complete studies and impact statements

3575 that meet department standards;

3576 (iii) the preservation of transportation corridors by the use of local planning and

3577 zoning processes;

3578 (iv) the availability of other public and private matching funds for a project;

3579 (v) the cost-effectiveness of the preservation projects;

3580 (vi) long and short-term maintenance costs for property acquired; and

3581 (vii) whether the transportation corridor is included as part of:

3582 (A) the county and municipal master plan; and

3583 (B)(I) the statewide long range plan; or

3584 (II) the regional transportation plan of the area metropolitan planning

3585 organization if one exists for the area.

3586 (c) The council of governments shall:

3587 (i) establish a priority list of transportation corridor preservation projects within the

3588 county;

3589 (ii) submit the list described in Subsection (7)(c)(i) to the county's legislative body

3590 for approval; and

3591 (iii) obtain approval of the list described in Subsection (7)(c)(i) from a majority of the

3592 members of the county legislative body.

3593 (d) A county's council of governments may only submit one priority list described in

3594 Subsection (7)(c)(i) per calendar year.

3595 (e) A county legislative body may only consider and approve one priority list described

3596 in Subsection (7)(c)(i) per calendar year.

3597 (8)(a) Unless otherwise provided by written agreement with another highway authority

3598 or public transit district, the highway authority that holds the deed to the property is

3599 responsible for maintenance of the property.

3600 (b) The transfer of ownership for property acquired under this section from one highway

3601 authority to another shall include a recorded deed for the property and a written

3602 agreement between the highway authorities or public transit district.

3603 (9)(a) The proceeds from any bonds or other obligations secured by revenues of the

3604 Local Highway and Transportation Corridor Preservation Fund shall be used for the

3605 purposes authorized for funds under this section.

3606 (b) The highway authority shall pledge the necessary part of the revenues of the Local
3607 Highway and Transportation Corridor Preservation Fund to the payment of principal
3608 and interest on the bonds or other obligations.

3609 (10)(a) A highway authority may not expend money under this section to purchase a
3610 right-of-way for a state highway unless the highway authority has:
3611 (i) a transportation corridor property acquisition policy or ordinance in effect that
3612 meets department requirements for the acquisition of real property or any interests
3613 in real property under this section; and
3614 (ii) an access management policy or ordinance in effect that meets the requirements
3615 under Subsection 72-2-117(8).

3616 (b) The provisions of Subsection (10)(a)(i) do not apply if the highway authority has a
3617 written agreement with the department for the department to acquire real property or
3618 any interests in real property on behalf of the local highway authority under this
3619 section.

3620 (11) The county shall ensure, to the extent possible, that the fund money allocated and
3621 distributed to a city or town in accordance with Subsection (4) is expended:
3622 (a) to fund a project or service as allowed by this section within the city or town to
3623 which the fund money is allocated;
3624 (b) to pay debt service, principal, or interest on a bond or other obligation as allowed by
3625 this section if that bond or other obligation is:
3626 (i) secured by money allocated to the city or town; and
3627 (ii) issued to finance a project or service as allowed by this section within the city or
3628 town to which the fund money is allocated;
3629 (c) to fund transportation planning as allowed by this section within the city or town to
3630 which the fund money is allocated; or
3631 (d) for another purpose allowed by this section within the city or town to which the fund
3632 money is allocated.

3633 (12) Notwithstanding any other provision in this section, any amounts within the fund
3634 allocated to a public transit district or for a public transit corridor may only be derived
3635 from the portion of the fund that does not include constitutionally restricted sources
3636 related to the operation of a motor vehicle on a public highway or proceeds from an
3637 excise tax on liquid motor fuel to propel a motor vehicle.

3638 Section 53. Section **72-2-121** is amended to read:

3639 **72-2-121 (Effective 01/01/27). County of the First Class Highway Projects Fund.**

3640 (1) There is created a special revenue fund within the Transportation Fund known as the
3641 "County of the First Class Highway Projects Fund."

3642 (2) The fund consists of money generated from the following revenue sources:
3643 (a) any voluntary contributions received for new construction, major renovations, and
3644 improvements to highways within a county of the first class;
3645 (b) the portion of the sales and use tax described in Subsection 59-12-2214(3)(b)
3646 deposited into or transferred to the fund;
3647 (c) the portion of the sales and use tax described in Section 59-12-2217 deposited into or
3648 transferred to the fund;
3649 (d) a portion of the local option highway construction and transportation corridor
3650 preservation [fee] tax imposed in a county of the first class under Section 41-1a-1222
3651 deposited into or transferred to the fund; and
3652 (e) the portion of the sales and use tax transferred into the fund as described in
3653 Subsections 59-12-2220(4)(a) and 59-12-2220(11)(b).

3654 (3)(a) The fund shall earn interest.
3655 (b) All interest earned on fund money shall be deposited into the fund.

3656 (4) Subject to Subsection (11), the executive director shall use the fund money only:
3657 (a) to pay debt service and bond issuance costs for bonds issued under Sections
3658 63B-16-102, 63B-18-402, and 63B-27-102;
3659 (b) for right-of-way acquisition, new construction, major renovations, and improvements
3660 to highways within a county of the first class and to pay any debt service and bond
3661 issuance costs related to those projects, including improvements to a highway located
3662 within a municipality in a county of the first class where the municipality is located
3663 within the boundaries of more than a single county;
3664 (c) for the construction, acquisition, use, maintenance, or operation of:
3665 (i) an active transportation facility for nonmotorized vehicles;
3666 (ii) multimodal transportation that connects an origin with a destination; or
3667 (iii) a facility that may include a:
3668 (A) pedestrian or nonmotorized vehicle trail;
3669 (B) nonmotorized vehicle storage facility;
3670 (C) pedestrian or vehicle bridge; or
3671 (D) vehicle parking lot or parking structure;
3672 (d) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by
3673 Section 72-2-121.3 the amount required in Subsection 72-2-121.3(4)(c) minus the

3674 amounts transferred in accordance with Subsection 72-2-124(4)(a)(v);
3675 (e) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond
3676 issuance costs for \$30,000,000 of the bonds issued under Section 63B-18-401 for the
3677 projects described in Subsection 63B-18-401(4)(a);
3678 (f) for a fiscal year beginning on or after July 1, 2013, and after the department has
3679 verified that the amount required under Subsection 72-2-121.3(4)(c) is available in
3680 the fund, to transfer an amount equal to 50% of the revenue generated by the local
3681 option highway construction and transportation corridor preservation [fee] tax
3682 imposed under Section 41-1a-1222 in a county of the first class:
3683 (i) to the legislative body of a county of the first class; and
3684 (ii) to be used by a county of the first class for:
3685 (A) highway construction, reconstruction, or maintenance projects; or
3686 (B) the enforcement of state motor vehicle and traffic laws;
3687 (g) for a fiscal year beginning on or after July 1, 2015, after the department has verified
3688 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund
3689 and the transfer under Subsection (4)(e) has been made, to annually transfer an
3690 amount of the sales and use tax revenue imposed in a county of the first class and
3691 deposited into the fund in accordance with Subsection 59-12-2214(3)(b) equal to an
3692 amount needed to cover the debt to:
3693 (i) the appropriate debt service or sinking fund for the repayment of bonds issued
3694 under Section 63B-27-102; and
3695 (ii) the appropriate debt service or sinking fund for the repayment of bonds issued
3696 under Sections 63B-31-102 and 63B-31-103;
3697 (h) after the department has verified that the amount required under Subsection
3698 72-2-121.3(4)(c) is available in the fund and after the transfer under Subsection (4)(d),
3699 the payment under Subsection (4)(e), and the transfer under Subsection (4)(g)(i) has
3700 been made, to annually transfer \$2,000,000 to a public transit district in a county of
3701 the first class to fund a system for public transit;
3702 (i) for a fiscal year beginning on or after July 1, 2018, after the department has verified
3703 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund
3704 and after the transfer under Subsection (4)(d), the payment under Subsection (4)(e),
3705 and the transfer under Subsection (4)(g)(i) has been made, through fiscal year 2027,
3706 to annually transfer 20%, and beginning with fiscal year 2028, and each year
3707 thereafter for 20 years, to annually transfer 33% of the amount deposited into the

3708 fund under Subsection (2)(b) to the legislative body of a county of the first class for
3709 the following purposes:

3710 (i) to fund parking facilities in a county of the first class that facilitate significant
3711 economic development and recreation and tourism within the state; and
3712 (ii) to be used for purposes allowed in Section 17-78-702;

3713 (j) subject to Subsection (5), for a fiscal year beginning on or after July 1, 2021, and for
3714 15 years thereafter, to annually transfer the following amounts to the following cities
3715 and the county of the first class for priority projects to mitigate congestion and
3716 improve transportation safety:

3717 (i) \$2,000,000 to Sandy;
3718 (ii) \$2,300,000 to Taylorsville;
3719 (iii) \$1,100,000 to Salt Lake City;
3720 (iv) \$1,100,000 to West Jordan;
3721 (v) \$1,100,000 to West Valley City;
3722 (vi) \$800,000 to Herriman;
3723 (vii) \$700,000 to Draper;
3724 (viii) \$700,000 to Riverton;
3725 (ix) \$700,000 to South Jordan;
3726 (x) \$500,000 to Bluffdale;
3727 (xi) \$500,000 to Midvale;
3728 (xii) \$500,000 to Millcreek;
3729 (xiii) \$500,000 to Murray;
3730 (xiv) \$400,000 to Cottonwood Heights; and
3731 (xv) \$300,000 to Holladay;

3732 (k) for the 2024-25, 2025-26, and 2026-27 fiscal years, and subject to revenue balances
3733 after the distributions under Subsection (4)(j), to reimburse the following
3734 municipalities for the amounts and projects indicated, as each project progresses and
3735 as revenue balances allow:

3736 (i) \$3,200,000 to South Jordan for improvements to Bingham Rim Road from
3737 Grandville Avenue to Mountain View Corridor;
3738 (ii) \$1,960,000 to Midvale for improvements to Center Street between State Street
3739 and 700 West;
3740 (iii) \$3,500,000 to Salt Lake City for first and last mile public transit improvements
3741 throughout Salt Lake City;

3742 (iv) \$1,500,000 to Cottonwood Heights for improvements to Fort Union Boulevard
3743 and 2300 East;

3744 (v) \$3,450,000 to Draper for improvements to Bangerter Highway between 13800
3745 South and I-15;

3746 (vi) \$10,500,000 to Herriman to construct a road between U-111 and 13200 South;

3747 (vii) \$3,000,000 to West Jordan for improvements to 1300 West;

3748 (viii) \$1,050,000 to Riverton for improvements to the Welby Jacob Canal Trail
3749 between 11800 South and 13800 South;

3750 (ix) \$3,500,000 to Taylorsville for improvements to Bangerter Highway and 4700
3751 South;

3752 (x) \$470,000 to the department for construction of a sound wall on Bangerter
3753 Highway at approximately 11200 South;

3754 (xi) \$1,250,000 to Murray for improvements to Murray Boulevard between 4800
3755 South and 5300 South;

3756 (xii) \$1,840,000 to Magna for construction and improvements to 8400 West and 4100
3757 South;

3758 (xiii) \$1,000,000 to South Jordan for construction of arterial roads connecting U-111
3759 and Old Bingham Highway;

3760 (xiv) \$1,200,000 to Millcreek for reconstruction of and improvements to 2000 East
3761 between 3300 South and Atkin Avenue;

3762 (xv) \$1,230,000 to Holladay for improvements to Highland Drive between Van
3763 Winkle Expressway and Arbor Lane;

3764 (xvi) \$1,000,000 to Taylorsville for improvements to 4700 South at the I-215
3765 interchange;

3766 (xvii) \$3,750,000 to West Valley City for improvements to 4000 West between 4100
3767 South and 4700 South and improvements to 4700 South from 4000 West to
3768 Bangerter Highway;

3769 (xviii) \$1,700,000 to South Jordan for improvements to Prosperity Road between
3770 Crimson View Drive and Copper Hawk Drive;

3771 (xix) \$2,300,000 to West Valley City for a road connecting U-111 at approximately
3772 6200 South, then east and turning north and connecting to 5400 South;

3773 (xx) \$1,400,000 to Magna for improvements to 8000 West between 3500 South to
3774 4100 South;

3775 (xxi) \$1,300,000 to Taylorsville for improvements on 4700 South between Redwood

Road and 2700 West; and

(xxii) \$3,000,000 to West Jordan for improvements to 1300 West between 6600

South and 7800 South; and

(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.

(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).

(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.

(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.

(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.

(8) The additional administrative costs of the department to administer this fund shall be paid from money in the fund.

(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).

(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.

(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:

(a) 10% to the department to construct an express bus facility on 5600 West; and

(b) 90% into the County of the First Class Infrastructure Bank Fund created in Section

3810 72-2-302.

3811 Section 54. Section **72-2-124** is amended to read:

3812 **72-2-124 [Effective 07/01/26] (Effective 01/01/27). Transportation Investment**
3813 **Fund of 2005.**

3814 (1) There is created a capital projects fund entitled the Transportation Investment Fund of
3815 2005.

3816 (2) The fund consists of money generated from the following sources:

- 3817 (a) any voluntary contributions received for the maintenance, construction,
3818 reconstruction, or renovation of state and federal highways;
- 3819 (b) appropriations made to the fund by the Legislature;
- 3820 (c) [registration fees designated under] revenues transferred into the fund as described in
3821 Section 41-1a-1201;
- 3822 (d) the sales and use tax revenues deposited into the fund in accordance with Section
3823 59-12-103;
- 3824 (e) revenues transferred to the fund in accordance with Section 72-2-106;
- 3825 (f) revenues transferred into the fund in accordance with Subsection 72-2-121(4)(l); and
- 3826 (g) revenue from bond proceeds described in Section 63B-34-201.

3827 (3)(a) The fund shall earn interest.

3828 (b) All interest earned on fund money shall be deposited into the fund.

3829 (4)(a) Except as provided in Subsection (4)(b), the executive director may only use fund
3830 money to pay:

- 3831 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
3832 federal highways prioritized by the Transportation Commission through the
3833 prioritization process for new transportation capacity projects adopted under
3834 Section 72-1-304;
- 3835 (ii) the costs of maintenance, construction, reconstruction, or renovation to the
3836 highway projects described in Subsections 63B-18-401(2), (3), and (4);
- 3837 (iii) subject to Subsection (9), costs of corridor preservation, as that term is defined in
3838 Section 72-5-401;
- 3839 (iv) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
3840 minus the costs paid from the County of the First Class Highway Projects Fund in
3841 accordance with Subsection 72-2-121(4)(e);
- 3842 (v) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
3843 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the

3844 amount certified by Salt Lake County in accordance with Subsection
3845 72-2-121.3(4)(c) as necessary to pay the debt service on \$30,000,000 of the
3846 revenue bonds issued by Salt Lake County;

3847 (vi) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
3848 for projects prioritized in accordance with Section 72-2-125;

3849 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
3850 Class Highway Projects Fund created in Section 72-2-121 to be used for the
3851 purposes described in Section 72-2-121;

3852 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
3853 the costs needed for construction, reconstruction, or renovation of paved
3854 pedestrian or paved nonmotorized transportation for projects that:
3855 (A) mitigate traffic congestion on the state highway system;
3856 (B) are part of an active transportation plan approved by the department; and
3857 (C) are prioritized by the commission through the prioritization process for new
3858 transportation capacity projects adopted under Section 72-1-304;

3859 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
3860 reconstruction, or renovation of or improvement to the following projects:
3861 (A) the connector road between Main Street and 1600 North in the city of
3862 Vineyard;
3863 (B) Geneva Road from University Parkway to 1800 South;
3864 (C) the SR-97 interchange at 5600 South on I-15;
3865 (D) subject to Subsection (4)(c), two lanes on U-111 from Herriman Parkway to
3866 South Jordan Parkway;
3867 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
3868 (F) improvements to 1600 North in Orem from 1200 West to State Street;
3869 (G) widening I-15 between mileposts 6 and 8;
3870 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
3871 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197
3872 in Spanish Fork Canyon;
3873 (J) I-15 northbound between mileposts 43 and 56;
3874 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts
3875 43 and 45.1;
3876 (L) east Zion SR-9 improvements;
3877 (M) Toquerville Parkway;

3878 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
3879 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds,
3880 for construction of an interchange on Bangerter Highway at 13400 South; and
3881 (P) an environmental impact study for Kimball Junction in Summit County;
3882 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
3883 costs based upon a statement of cash flow that the local jurisdiction where the
3884 project is located provides to the department demonstrating the need for money
3885 for the project, for the following projects in the following amounts:
3886 (A) \$5,000,000 for Payson Main Street repair and replacement;
3887 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
3888 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
3889 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S.
3890 40 between mile markers 7 and 10;
3891 (xi) \$13,000,000 as pass-through funds to Spanish Fork for the costs of right-of-way
3892 acquisition, construction, reconstruction, or renovation to connect Fingerhut Road
3893 over the railroad and to U.S. Highway 6;
3894 (xii) for a fiscal year beginning on July 1, 2025, only, as pass-through funds from
3895 revenue deposited into the fund in accordance with Section 59-12-103, for the
3896 following projects:
3897 (A) \$3,000,000 for the department to perform an environmental study for the I-15
3898 Salem and Benjamin project; and
3899 (B) \$2,000,000, as pass-through funds, to Kane County for the Coral Pink Sand
3900 Dunes Road project; and
3901 (xiii) for a fiscal year beginning on July 1, 2025, up to \$300,000,000 for the costs of
3902 right-of-way acquisition and construction for improvements on SR-89 in a county
3903 of the first class.
3904 (b) The executive director may use fund money to exchange for an equal or greater
3905 amount of federal transportation funds to be used as provided in Subsection (4)(a).
3906 (c)(i) Construction related to the project described in Subsection (4)(a)(ix)(D) may
3907 not commence until a right-of-way not owned by a federal agency that is required
3908 for the realignment and extension of U-111, as described in the department's 2023
3909 environmental study related to the project, is dedicated to the department.
3910 (ii) Notwithstanding Subsection (4)(c)(i), if a right-of-way is not dedicated for the
3911 project as described in Subsection (4)(c)(i) on or before October 1, 2024, the

3912 department may proceed with the project, except that the project will be limited to
3913 two lanes on U-111 from Herriman Parkway to 11800 South.

3914 (5)(a) Except as provided in Subsection (5)(b), if the department receives a notice of
3915 ineligibility for a municipality as described in Subsection 10-21-202(8), the executive
3916 director may not program fund money to a project prioritized by the commission
3917 under Section 72-1-304, including fund money from the Transit Transportation
3918 Investment Fund, within the boundaries of the municipality until the department
3919 receives notification from the Housing and Community Development Division within
3920 the Department of Workforce Services that ineligibility under this Subsection (5) no
3921 longer applies to the municipality.

3922 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive
3923 director:

- 3924 (i) may program fund money in accordance with Subsection (4)(a) for a
3925 limited-access facility or interchange connecting limited-access facilities;
- 3926 (ii) may not program fund money for the construction, reconstruction, or renovation
3927 of an interchange on a limited-access facility;
- 3928 (iii) may program Transit Transportation Investment Fund money for a
3929 multi-community fixed guideway public transportation project; and
- 3930 (iv) may not program Transit Transportation Investment Fund money for the
3931 construction, reconstruction, or renovation of a station that is part of a fixed
3932 guideway public transportation project.

3933 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
3934 director before July 1, 2022, for projects prioritized by the commission under Section
3935 72-1-304.

3936 (6)(a) Except as provided in Subsection (6)(b), if the department receives a notice of
3937 ineligibility for a county as described in Subsection 17-80-202(8), the executive
3938 director may not program fund money to a project prioritized by the commission
3939 under Section 72-1-304, including fund money from the Transit Transportation
3940 Investment Fund, within the boundaries of the unincorporated area of the county until
3941 the department receives notification from the Housing and Community Development
3942 Division within the Department of Workforce Services that ineligibility under this
3943 Subsection (6) no longer applies to the county.

3944 (b) Within the boundaries of the unincorporated area of a county described in Subsection
3945 (6)(a), the executive director:

3946 (i) may program fund money in accordance with Subsection (4)(a) for a
3947 limited-access facility to a project prioritized by the commission under Section
3948 72-1-304;

3949 (ii) may not program fund money for the construction, reconstruction, or renovation
3950 of an interchange on a limited-access facility;

3951 (iii) may program Transit Transportation Investment Fund money for a
3952 multi-community fixed guideway public transportation project; and

3953 (iv) may not program Transit Transportation Investment Fund money for the
3954 construction, reconstruction, or renovation of a station that is part of a fixed
3955 guideway public transportation project.

3956 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
3957 director before July 1, 2022, for projects prioritized by the commission under Section
3958 72-1-304.

3959 (7)(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in
3960 any fiscal year, the department and the commission shall appear before the Executive
3961 Appropriations Committee of the Legislature and present the amount of bond
3962 proceeds that the department needs to provide funding for the projects identified in
3963 Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current
3964 or next fiscal year.

3965 (b) The Executive Appropriations Committee of the Legislature shall review and
3966 comment on the amount of bond proceeds needed to fund the projects.

3967 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount
3968 of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
3969 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt
3970 service or sinking fund.

3971 (9) The executive director may only use money in the fund for corridor preservation as
3972 described in Subsection (4)(a)(iii):

3973 (a) if the project has been prioritized by the commission, including the use of fund
3974 money for corridor preservation; or

3975 (b) for a project that has not been prioritized by the commission, if the commission:

3976 (i) approves the use of fund money for the corridor preservation; and

3977 (ii) finds that the use of fund money for corridor preservation will not result in any
3978 delay to a project that has been prioritized by the commission.

3979 (10)(a) There is created in the Transportation Investment Fund of 2005 the Transit

3980 Transportation Investment Fund.

3981 (b) The fund shall be funded by:

3982 (i) contributions deposited into the fund in accordance with Section 59-12-103;

3983 (ii) appropriations into the account by the Legislature;

3984 (iii) deposits of sales and use tax increment related to a housing and transit
3985 reinvestment zone as described in Section 63N-3-610;

3986 (iv) transfers of local option sales and use tax revenue as described in Subsection
3987 59-12-2220(11)(b) or (c);

3988 (v) private contributions; and

3989 (vi) donations or grants from public or private entities.

3990 (c)(i) The fund shall earn interest.

3991 (ii) All interest earned on fund money shall be deposited into the fund.

3992 (d) Subject to Subsection (10)(e), the commission may prioritize money from the fund:

3993 (i) for public transit capital development of new capacity projects and fixed guideway
3994 capital development projects to be used as prioritized by the commission through
3995 the prioritization process adopted under Section 72-1-304;

3996 (ii) to the department for oversight of a fixed guideway capital development project
3997 for which the department has responsibility; or

3998 (iii) up to \$500,000 per year, to be used for a public transit study.

3999 (e)(i) Subject to Subsections (10)(g), (h), and (i), the commission may only prioritize
4000 money from the fund for a public transit capital development project or pedestrian
4001 or nonmotorized transportation project that provides connection to the public
4002 transit system if the public transit district or political subdivision provides funds of
4003 equal to or greater than 30% of the costs needed for the project.

4004 (ii) A public transit district or political subdivision may use money derived from a
4005 loan granted in accordance with Part 2, State Infrastructure Bank Fund, to provide
4006 all or part of the 30% requirement described in Subsection (10)(e)(i) if:

4007 (A) the loan is approved by the commission as required in Part 2, State
4008 Infrastructure Bank Fund; and

4009 (B) the proposed capital project has been prioritized by the commission [pursuant
4010 to] in accordance with Section 72-1-303.

4011 (f) Before July 1, 2022, the department and a large public transit district shall enter into
4012 an agreement for a large public transit district to pay the department \$5,000,000 per
4013 year for 15 years to be used to facilitate the purchase of zero emissions or low

4014 emissions rail engines and trainsets for regional public transit rail systems.

4015 (g) For any revenue transferred into the fund in accordance with Subsection
4016 59-12-2220(11)(b):

4017 (i) the commission may prioritize money from the fund for public transit projects,
4018 operations, or maintenance within the county of the first class; and
4019 (ii) Subsection (10)(e) does not apply.

4020 (h) For any revenue transferred into the fund in accordance with Subsection
4021 59-12-2220(11)(c):

4022 (i) the commission may prioritize public transit projects, operations, or maintenance
4023 in the county from which the revenue was generated; and
4024 (ii) Subsection (10)(e) does not apply.

4025 (i) The requirement to provide funds equal to or greater than 30% of the costs needed for
4026 the project described in Subsection (10)(e) does not apply to a public transit capital
4027 development project or pedestrian or nonmotorized transportation project that the
4028 department proposes.

4029 (j) In accordance with Part 4, Public Transit Innovation Grants, the commission may
4030 prioritize money from the fund for public transit innovation grants, as defined in
4031 Section 72-2-401, for public transit capital development projects requested by a
4032 political subdivision within a public transit district.

4033 (11)(a) There is created in the Transportation Investment Fund of 2005 the Cottonwood
4034 Canyons Transportation Investment Fund.

4035 (b) The fund shall be funded by:

4036 (i) money deposited into the fund in accordance with Section 59-12-103;
4037 (ii) appropriations into the account by the Legislature;
4038 (iii) private contributions; and
4039 (iv) donations or grants from public or private entities.

4040 (c)(i) The fund shall earn interest.

4041 (ii) All interest earned on fund money shall be deposited into the fund.

4042 (d) The Legislature may appropriate money from the fund for public transit or
4043 transportation projects in the Cottonwood Canyons of Salt Lake County.

4044 (e) The department may use up to 2% of the revenue deposited into the account under
4045 Subsection 59-12-103(4)(f) to contract with local governments as necessary for
4046 public safety enforcement related to the Cottonwood Canyons of Salt Lake County.

4047 (f) Beginning with fiscal year beginning on July 1, 2025, the department shall use any

4048 sales and use tax growth over sales and use tax collections during the 2025 fiscal year
4049 to fund projects to provide ingress and egress for a public transit hub, including
4050 construction of the public transit hub, in the Big Cottonwood Canyon area.

4051 (12)(a) There is created in the Transportation Investment Fund of 2005 the Active
4052 Transportation Investment Fund.

4053 (b) The fund shall be funded by:

- 4054 (i) money deposited into the fund in accordance with Section 59-12-103;
- 4055 (ii) appropriations into the account by the Legislature; and
- 4056 (iii) donations or grants from public or private entities.

4057 (c)(i) The fund shall earn interest.

- 4058 (ii) All interest earned on fund money shall be deposited into the fund.

4059 (d) The executive director may only use fund money to pay the costs needed for:

- 4060 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
4061 paved pedestrian or paved nonmotorized trail projects that:
 - 4062 (A) are prioritized by the commission through the prioritization process for new
4063 transportation capacity projects adopted under Section 72-1-304;
 - 4064 (B) serve a regional purpose; and
 - 4065 (C) are part of an active transportation plan approved by the department or the
4066 plan described in Subsection (12)(d)(ii);
- 4067 (ii) the development of a plan for a statewide network of paved pedestrian or paved
4068 nonmotorized trails that serve a regional purpose; and
- 4069 (iii) the administration of the fund, including staff and overhead costs.

4070 (13)(a) As used in this Subsection (13), "commuter rail" means the same as that term is
4071 defined in Section 63N-3-602.

4072 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail
4073 Subaccount.

4074 (c) The subaccount shall be funded by:

- 4075 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;
- 4076 (ii) appropriations into the subaccount by the Legislature;
- 4077 (iii) private contributions; and
- 4078 (iv) donations or grants from public or private entities.

4079 (d)(i) The subaccount shall earn interest.

- 4080 (ii) All interest earned on money in the subaccount shall be deposited into the
4081 subaccount.

4082 (e) As prioritized by the commission through the prioritization process adopted under
4083 Section 72-1-304 or as directed by the Legislature, the department may only use
4084 money from the subaccount for projects that improve the state's commuter rail
4085 infrastructure, including the building or improvement of grade-separated crossings
4086 between commuter rail lines and public highways.

4087 (f) Appropriations made in accordance with this section are nonlapsing in accordance
4088 with Section 63J-1-602.1.

4089 Section 55. Section **72-2-133** is amended to read:

4090 **72-2-133 (Effective 01/01/27). Rural Transportation Infrastructure Fund --**

4091 **Creation -- Uses.**

4092 (1) As used in this section:

4093 (a) "Graveled road" means the same as that term is defined in Section 72-2-108.

4094 (b) "Paved road" means the same as that term is defined in Section 72-2-108.

4095 (c)(i) "Qualifying county" means a county that:

4096 (A) is a county of the third through sixth class, as classified in Section 17-60-104,
4097 except as provided in Subsection (1)(c)(ii);

4098 (B) has imposed a local option sales and use tax [pursuant to:] in accordance with
4099 Section 59-12-2217, Section 59-12-2218, or Section 59-12-2219; and

4100 [{(I) Section 59-12-2217;}]

4101 [{(II) Section 59-12-2218;} or]

4102 [{(III) Section 59-12-2219;} and]

4103 (C) has not imposed a local option sales and use tax [pursuant to] in accordance
4104 with Section 59-12-2220 on or before January 1, 2023.

4105 (ii) "Qualifying county" does not include a county of the third class, as classified in
4106 Section 17-60-104, with an airport facilitating commercial flights to three or more
4107 airports outside of the state.

4108 (d) "Qualifying municipality" means a municipality located within a qualifying county.

4109 (e) "Qualifying recipient" means qualifying county or a qualifying municipality.

4110 (f) "Road mile" means the same as that term is defined in Section 72-2-108.

4111 (g) "Weighted mileage" means the same as that term is defined in Section 72-2-108.

4112 (2) There is created in the Transportation Fund an expendable special revenue fund called
4113 the Rural Transportation Infrastructure Fund.

4114 (3) The Rural Transportation Infrastructure Fund shall be funded by:

4115 (a) deposits into the fund as described in [Subsection 41-1a-1201(9)] Section 41-1a-1201;

4116 (b) appropriations by the Legislature; and
4117 (c) other deposits into the fund.

4118 (4) The department shall administer the fund.

4119 (5)(a) Beginning on January 1, 2024, and subject to Subsection (5)(b), the department
4120 shall annually distribute revenue in the fund among qualifying recipients in the
4121 following manner:

4122 (i) 50% in the ratio that the class B roads weighted mileage within each county and
4123 class C roads weighted mileage within each municipality bear to the total class B
4124 and class C roads weighted mileage within the state; and
4125 (ii) 50% in the ratio that the population of a county or municipality bears to the total
4126 population of the state.

4127 (b) To the extent not otherwise required by federal law, population shall be based on:

4128 (i) the most recent estimate from the Utah Population Committee created in Section
4129 63C-20-103; or
4130 (ii) if the Utah Population Committee estimate is not available for each municipality
4131 and unincorporated area, the adjusted sub-county population estimate provided by
4132 the Utah Population Committee in accordance with Section 63C-20-104.

4133 (6) A qualifying recipient may only use funds distributed as described in this section in the
4134 same manner as class B and class C road funds distributed in accordance with Section
4135 72-2-108.

4136 (7)(a)(i) Before October 1 of each year, the department shall inform the State Tax
4137 Commission which counties, if any, have an airport described in Subsection
4138 (1)(c)(ii).

4139 (ii) Before November 1 of each year, the State Tax Commission shall notify the
4140 department and indicate which counties are qualifying counties.

4141 (b) After receiving the notification described in Subsection (7)(a)(ii), the department
4142 shall distribute funds for the following year to the municipalities and counties that
4143 were identified as qualifying recipients in the notification described in Subsection
4144 (7)(a).

4145 Section 56. Section **72-10-112** is amended to read:

4146 **72-10-112 (Effective 01/01/27). Failure to register -- Penalty -- Compliance
4147 audits and inspections -- Rulemaking.**

4148 (1) Failure to register any aircraft required to be registered with the state subjects the
4149 owners of the aircraft to the same penalties provided for motor vehicles under Sections

4150 41-1a-1101, 41-1a-1301, and 41-1a-1307.

4151 (2)(a) The department shall conduct compliance audits and inspections as needed to
4152 enforce state laws related to the registration of aircraft.

4153 (b) The department shall coordinate with airport operators to determine and verify
4154 accurate reporting of aircraft that are based within the state for the purpose of
4155 administering and enforcing state aircraft registration laws.

4156 (3)(a) In addition to the penalties described in Subsection (1), the department may
4157 impose a fine of 10% of the [registration fee] vehicle tax for the first month and 5% of
4158 the [registration fee] vehicle tax for each subsequent month an aircraft is operated in
4159 violation of Section 72-10-109.

4160 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4161 department shall make rules establishing procedures for the enforcement of state
4162 aircraft registration laws and the administration of penalties described in this section.

4163 (c) The department shall comply with the procedures and requirements of Title 63G,
4164 Chapter 4, Administrative Procedures Act, in all adjudicative proceedings conducted
4165 for the enforcement of penalties under this section.

4166 Section 57. Section **73-18-7** is amended to read:

4167 **73-18-7 (Effective 01/01/27). Registration requirements -- Exemptions -- Fee --**

4168 **Agents -- Records -- Period of registration and renewal -- Expiration -- Notice of transfer
4169 of interest or change of address -- Duplicate registration card -- Invalid registration --
4170 Powers of division.**

4171 (1)(a) Except as provided by Section 73-18-9, the owner of each motorboat and sailboat
4172 on the waters of this state shall register it with the division as provided in this chapter.

4173 (b) A person may not place, give permission for the placement of, operate, or give
4174 permission for the operation of a motorboat or sailboat on the waters of this state,
4175 unless the motorboat or sailboat is registered as provided in this chapter.

4176 (2)(a) The owner of a motorboat or sailboat required to be registered shall file an
4177 application for registration with the division on forms approved by the division.

4178 (b) The owner of the motorboat or sailboat shall sign the application, pay the vehicle tax
4179 and fee set by the division, and pay the Boating Grant Tax as described in Section
4180 59-34-103, after notifying the commission, in accordance with Section 63J-1-504.

4181 (c) Before receiving a registration card and registration decals, the applicant shall
4182 provide the division with a certificate from the county assessor of the county in
4183 which the motorboat or sailboat has situs for taxation, stating that:

4184 (i) the property tax on the motorboat or sailboat for the current year has been paid;

4185 (ii) in the county assessor's opinion, the property tax is a lien on real property

4186 sufficient to secure the payment of the property tax; or

4187 (iii) the motorboat or sailboat is exempt by law from payment of property tax for the

4188 current year.

4189 (d) If the division modifies the fee under Subsection (2)(b), the modification shall take

4190 effect on the first day of the calendar quarter after 90 days from the day on which the

4191 division provides the State Tax Commission:

4192 (i) notice from the division stating that the division will modify the fee; and

4193 (ii) a copy of the fee modification.

4194 (e)(i) The division may enter into an agreement with the Motor Vehicle Division

4195 created in Section 41-1a-106 to administer the registration requirements described

4196 in this chapter.

4197 (ii) An individual may request automatic registration renewal as described in Section

4198 41-1a-216.

4199 (3)(a) Upon receipt of the application in the approved form, the division shall record the

4200 receipt and issue to the applicant registration decals and a registration card that state

4201 the number assigned to the motorboat or sailboat and the name and address of the

4202 owner.

4203 (b) The registration card shall be available for inspection on the motorboat or sailboat

4204 for which it was issued, whenever that motorboat or sailboat is in operation.

4205 (4) The assigned number shall:

4206 (a) be painted or permanently attached to each side of the forward half of the motorboat

4207 or sailboat;

4208 (b) consist of plain vertical block characters not less than three inches in height;

4209 (c) contrast with the color of the background and be distinctly visible and legible;

4210 (d) have spaces or hyphens equal to the width of a letter between the letter and numeral

4211 groupings; and

4212 (e) read from left to right.

4213 (5) A motorboat or sailboat with a valid marine document issued by the United States Coast

4214 Guard is exempt from the number display requirements of Subsection (4).

4215 (6) The nonresident owner of any motorboat or sailboat already covered by a valid number

4216 that has been assigned to it according to federal law or a federally approved numbering

4217 system of the owner's resident state is exempt from registration while operating the

4218 motorboat or sailboat on the waters of this state unless the owner is operating in excess
4219 of the reciprocity period provided for in Subsection 73-18-9(1).

4220 (7)(a) If the ownership of a motorboat or sailboat changes, the new owner shall file a
4221 new application form and fee with the division, and the division shall issue a new
4222 registration card and registration decals in the same manner as provided for in
4223 Subsections (2) and (3).

4224 (b) The division shall reassign the current number assigned to the motorboat or sailboat
4225 to the new owner to display on the motorboat or sailboat.

4226 (8) If the United States Coast Guard has in force an overall system of identification
4227 numbering for motorboats or sailboats within the United States, the numbering system
4228 employed under this chapter by the division shall conform with that system.

4229 (9)(a) The division may authorize any person to act as its agent for the registration of
4230 motorboats and sailboats.

4231 (b) A number assigned, a registration card, and registration decals issued by an agent of
4232 the division in conformity with this chapter and rules of the division are valid.

4233 (10)(a) The Motor Vehicle Division shall classify all records of the division made or
4234 kept according to this section in the same manner that motor vehicle records are
4235 classified under Section 41-1a-116.

4236 (b) Division records are available for inspection in the same manner as motor vehicle
4237 records [pursuant to] in accordance with Section 41-1a-116.

4238 (11)(a)(i) Each registration, registration card, and decal issued under this chapter
4239 shall continue in effect for 12 months, beginning with the first day of the calendar
4240 month of registration.

4241 (ii) A registration may be renewed by the owner in the same manner provided for in
4242 the initial application.

4243 (iii) The division shall reassign the current number assigned to the motorboat or
4244 sailboat when the registration is renewed.

4245 (b) Each registration, registration card, and registration decal expires the last day of the
4246 month in the year following the calendar month of registration.

4247 (c) If the last day of the registration period falls on a day in which the appropriate state
4248 or county offices are not open for business, the registration of the motorboat or
4249 sailboat is extended to 12 midnight of the next business day.

4250 (d) The division may receive applications for registration renewal and issue new
4251 registration cards at any time before the expiration of the registration, subject to the

4252 availability of renewal materials.

4253 (e) The new registration shall retain the same expiration month as recorded on the
4254 original registration even if the registration has expired.

4255 (f) The year of registration shall be changed to reflect the renewed registration period.

4256 (g) If the registration renewal application is an application generated by the division
4257 through its automated system, the owner is not required to surrender the last
4258 registration card or duplicate.

4259 (12)(a) An owner shall notify the division of:

4260 (i) the transfer of all or any part of the owner's interest, other than creation of a
4261 security interest, in a motorboat or sailboat registered in this state under
4262 Subsections (2) and (3); and

4263 (ii) the destruction or abandonment of the owner's motorboat or sailboat.

4264 (b) Notification must take place within 15 days of the transfer, destruction, or
4265 abandonment.

4266 (c)(i) The transfer, destruction, or abandonment of a motorboat or sailboat terminates
4267 its registration.

4268 (ii) Notwithstanding Subsection (12)(c)(i), a transfer of a part interest that does not
4269 affect the owner's right to operate a motorboat or sailboat does not terminate the
4270 registration.

4271 (13)(a) A registered owner shall notify the division within 15 days if the owner's address
4272 changes from the address appearing on the registration card and shall, as a part of this
4273 notification, furnish the division with the owner's new address.

4274 (b) The division may provide in the division's rules for:

4275 (i) the surrender of the registration card bearing the former address; and

4276 (ii)(A) the replacement of the card with a new registration card bearing the new
4277 address; or

4278 (B) the alteration of an existing registration card to show the owner's new address.

4279 (14)(a) If a registration card is lost or stolen, the division may collect a fee of \$4 for the
4280 issuance of a duplicate card.

4281 (b) If a registration decal is lost or stolen, the division may collect a fee of \$3 for the
4282 issuance of a duplicate decal.

4283 (15) A number other than the number assigned to a motorboat or sailboat or a number for a
4284 motorboat or sailboat granted reciprocity under this chapter may not be painted,
4285 attached, or otherwise displayed on either side of the bow of a motorboat or sailboat.

4286 (16) A motorboat or sailboat registration and number are invalid if obtained by knowingly
4287 falsifying an application for registration.

4288 (17) The division may designate the suffix to assigned numbers, and by following the
4289 procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking
4290 Act, make rules for:
4291 (a) the display of registration decals;
4292 (b) the issuance and display of dealer numbers and registrations; and
4293 (c) the issuance and display of temporary registrations.

4294 (18) A violation of this section is an infraction.

4295 Section 58. Section **73-18-25.3** is amended to read:

73-18-25.3 (Effective 01/01/27). Collection of the aquatic invasive species fee.

4296 (1)(a) A person who applies for a vessel registration or registration renewal under
4297 Section 73-18-7 may pay the aquatic invasive species fee required under Section
4298 23A-10-304 at the time of registration or registration renewal.
4299 (b) If the Division of Motor Vehicles collects the [registration] vehicle tax and fee and a
4300 person elects to pay the aquatic invasive species fee at the same time, the payment of
4301 the aquatic invasive species fee under this section shall be:
4302 [(\u2022)] (i) collected by the Division of Motor Vehicles;
4303 [(\u2022)] (ii) treated as a separate fee and not part of the [registration] vehicle tax or fee;
4304 and
4305 [(\u2022)] (iii) deposited into the Aquatic Invasive Species Interdiction Account created in
4306 Section 23A-3-211, less actual administrative costs associated with collecting and
4307 transferring the aquatic invasive species fee by the Division of Motor Vehicles.
4308

4309 (2) Notwithstanding Section 41-1a-116, the Division of Motor Vehicles shall report to the
4310 Division of Wildlife Resources identifying information regarding a person who pays the
4311 aquatic invasive species fee so that the Division of Wildlife Resources may provide a
4312 decal to that person in accordance with Subsection 23A-10-201(6).

4313 **Section 59. Repealer.**

4314 This bill repeals:

Section 41-1a-123, License Plate Restricted Account.

4315 **Section 41-1a-1205, Disposition of driver education tax -- Expense appropriation.**

4316 **Section 41-1a-1208, Fees for duplicate certificates of registration.**

4317 **Section 41-1a-1210, Fees for original and duplicate certificates of title.**

4318 **Section 41-1a-1212, Fee for replacement of license plate decals.**

4320 **Section 60. Effective Date.**
4321 This bill takes effect on January 1, 2027.