

Wayne A. Harper proposes the following substitute bill:

Public Safety Funding Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Candice B. Pierucci

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- changes the amount of revenue transferred to the Utah State Retirement Office (office) from the insurance premiums tax and used to pay for certain firefighter retirement programs;
- clarifies and amends the purposes for which the office must use the revenue;
- directs the office to inform the Executive Appropriations Committee when the Legislature can further reduce the amount of insurance premiums tax revenue the office receives;
- provides that the Division of Finance will annually transfer a specified amount of insurance premiums tax revenue into the Motor Vehicle Safety Impact Restricted Account to be used to hire new Highway Patrol troopers;
- modifies the permissible uses of money in the Transportation Investment Fund of 2005;
- repeals obsolete language;
- makes technical and conforming changes; and
- includes a coordination clause that coordinates this bill with H.B. 416, Firefighter Cancer Amendments, to clarify the distribution of net revenue from the insurance premiums tax if both bills pass and become law.

Money Appropriated in this Bill:

This bill appropriates \$5,000,000 in operating and capital budgets for fiscal year 2027, all of which is from the various sources as detailed in this bill.

Other Special Clauses:

This bill provides a special effective date.

This bill provides a coordination clause.

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **49-11-901.5**, as enacted by Laws of Utah 2011, Chapters 290, 43932 **53-8-214**, as last amended by Laws of Utah 2025, Chapter 27133 **59-9-101**, as last amended by Laws of Utah 2025, First Special Session, Chapter 934 **72-2-124**, as last amended by Laws of Utah 2025, First Special Session, Chapter 15

35 REPEALS:

36 **49-11-902**, as last amended by Laws of Utah 2011, Chapters 290, 43937 **49-11-903**, as last amended by Laws of Utah 2022, Chapter 45138 **Utah Code Sections affected by Coordination Clause:**39 **59-9-101 (07/01/26)**, as last amended by Laws of Utah 2025, First Special Session,
40 Chapter 9

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42 *Be it enacted by the Legislature of the state of Utah:*43 Section 1. Section **49-11-901.5** is amended to read:44 **49-11-901.5 . Premium tax revenues -- Distribution.**45 (1)~~(a) In~~ Beginning fiscal year 2027 and in accordance with this section, there shall be
46 paid to the office:47 ~~[(i) (a) [50% of] the first \$4,000,000 collected from the annual tax levied, assessed, and~~
48 ~~collected under Title 59, Chapter 9, Taxation of Admitted Insurers, upon premiums~~
49 ~~for property insurance, as defined under Section 31A-1-301, and as applied to fire~~
50 ~~and allied lines insurance collected by insurance companies within the state; and~~51 ~~[(ii) (b) [10% of all money assessed and] the first \$1,000,000 collected under Title 59,~~
52 ~~Chapter 9, Taxation of Admitted Insurers, upon premiums for life insurance, as~~
53 ~~defined in Section 31A-1-301, within the state.~~54 ~~[(b) Payments to the fund shall be made annually until the service liability under this~~
55 ~~part is liquidated, after which the tax revenue provided in this Subsection (1) ceases.]~~56 ~~[(2) The office shall distribute the premium tax revenue paid under Subsection (1) as~~
57 ~~follows:]~~58 ~~[(a) an amount determined by the office to fully fund the long-term disability program~~
59 ~~provided for firefighters under Section 49-23-601;]~~60 ~~[(b) an amount determined by the office to the Firefighters' Retirement Trust Fund~~
61 ~~created under Section 49-16-104 equal to the amount when calculated as a percentage~~
62 ~~of the certified contribution rate for members in Divisions A and B, as defined under~~

63 Section 49-16-301, that is the percentage of the certified contribution rate paid to the
64 Firefighters' Retirement Trust Fund on July 1, 2004; and]

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

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

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

69 (ii) the Firefighters' Retirement Trust Fund created in Section 49-16-104 until the
70 actuarial funded ratio of the Firefighters' Retirement System created in Section
71 49-16-103 reaches and can be maintained at 110%, as determined by the board's
72 actuary using assumptions adopted by the board.

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

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

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

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

81 Section 2. Section **53-8-214** is amended to read:

82 **53-8-214 . Creation of the Motor Vehicle Safety Impact Restricted Account.**

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

85 (2) The account includes:

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

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

89 (c) amounts transferred in accordance with Subsection 59-9-101(10);

90 [~~(e)~~] (d) donations or deposits made to the account; and

91 [~~(d)~~] (e) any interest earned on the account.

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

95 [~~(a)~~] (i) hiring new Highway Patrol troopers;

96 [~~(b)~~] (ii) payment of overtime for Highway Patrol troopers; and

97 [(e)] (iii) acquisition of equipment to improve motor vehicle safety impacts and
98 enforcement.

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

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

104 *The following section is affected by a coordination clause at the end of this bill.*

105 Section 3. Section **59-9-101** is amended to read:

106 **59-9-101 . Tax basis -- Rates -- Exemptions -- Rate reductions.**

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

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

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

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

114 (iii) annuity considerations;

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

117 (v) ocean marine insurance.

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

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

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

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

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

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

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

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

129 (I) by:

130 (Aa) a corporation; or

- 131 (Bb) a trust established or funded by a corporation; and
132 (II) for variable life insurance covering risks located within the state.
- 133 (B) "Variable life insurance" means an insurance policy that provides for life
134 insurance, the amount or duration of which varies according to the investment
135 experience of one or more separate accounts that are established and
136 maintained by the insurer pursuant to Title 31A, Insurance Code.
- 137 (ii) Notwithstanding Subsection (1)(a), beginning on January 1, 2006, the tax on that
138 portion of the total premiums subject to a tax under Subsection (1)(a) that is a
139 Utah variable life insurance premium shall be calculated as follows:
- 140 (A) 2.25% of the first \$100,000 of Utah variable life insurance premiums:
141 (I) paid for each variable life insurance policy; and
142 (II) received by the admitted insurer in the preceding calendar year; and
143 (B) .08% of the Utah variable life insurance premiums that exceed \$100,000:
144 (I) paid for the policy described in Subsection (1)(d)(ii)(A); and
145 (II) received by the admitted insurer in the preceding calendar year.
- 146 (2)(a) An admitted insurer writing workers' compensation insurance in this state shall
147 pay to the tax commission, on or before March 31 in each year, a premium
148 assessment on the basis of the total workers' compensation premium income received
149 by the insurer from workers' compensation insurance in this state during the
150 preceding calendar year as follows:
- 151 (i) on or before December 31, 2010, an amount of equal to or greater than 1%, but
152 equal to or less than 5.75% of the total workers' compensation premium income
153 described in this Subsection (2);
154 (ii) on and after January 1, 2011, but on or before December 31, 2022, an amount of
155 equal to or greater than 1%, but equal to or less than 4.25% of the total workers'
156 compensation premium income described in this Subsection (2); and
157 (iii) on and after January 1, 2023, an amount equal to 1.25% of the total workers'
158 compensation premium income described in this Subsection (2).
- 159 (b) Total workers' compensation premium income means the net written premium as
160 calculated before any premium reduction for any insured employer's deductible,
161 retention, or reimbursement amounts and also those amounts equivalent to premiums
162 as provided in Section 34A-2-202.
- 163 (c) The percentage of premium assessment applicable for a calendar year shall be
164 determined by the Labor Commission under Subsection (2)(d). The total premium

- 165 income shall be reduced in the same manner as provided in Subsections (1)(c)(i) and
166 (1)(c)(ii), but not as provided in Subsection (1)(c)(iii). The commission shall
167 promptly remit from the premium assessment collected under this Subsection (2):
- 168 (i) income to the state treasurer for credit to the Employers' Reinsurance Fund created
169 under Subsection 34A-2-702(1) as follows:
- 170 (A) on or before December 31, 2009, an amount of up to 5% of the total workers'
171 compensation premium income;
- 172 (B) on and after January 1, 2010, but on or before December 31, 2010, an amount
173 of up to 4.5% of the total workers' compensation premium income;
- 174 (C) on and after January 1, 2011, but on or before December 31, 2022, an amount
175 of up to 3% of the total workers' compensation premium income; and
- 176 (D) on and after January 1, 2023, 0% of the total workers' compensation premium
177 income;
- 178 (ii) an amount equal to .25% of the total workers' compensation premium income to
179 the state treasurer for credit to the Workplace Safety Account created by Section
180 34A-2-701;
- 181 (iii) an amount of up to .5% and any remaining assessed percentage of the total
182 workers' compensation premium income to the state treasurer for credit to the
183 Uninsured Employers' Fund created under Section 34A-2-704; and
- 184 (iv) beginning on January 1, 2010, .5% of the total workers' compensation premium
185 income to the state treasurer for credit to the Industrial Accident Restricted
186 Account created in Section 34A-2-705.
- 187 (d)(i) The Labor Commission shall determine the amount of the premium assessment
188 for each year on or before each October 15 of the preceding year. The Labor
189 Commission shall make this determination following a public hearing. The
190 determination shall be based upon the recommendations of a qualified actuary.
- 191 (ii) The actuary shall recommend a premium assessment rate sufficient to provide
192 payments of benefits and expenses from the Employers' Reinsurance Fund and to
193 project a funded condition with assets greater than liabilities by no later than June
194 30, 2025.
- 195 (iii) The actuary shall recommend a premium assessment rate sufficient to provide
196 payments of benefits and expenses from the Uninsured Employers' Fund and to
197 maintain it at a funded condition with assets equal to or greater than liabilities.
- 198 (iv) At the end of each fiscal year the minimum approximate assets in the Employers'

199 Reinsurance Fund shall be \$5,000,000 which amount shall be adjusted each year
200 beginning in 1990 by multiplying by the ratio that the total workers' compensation
201 premium income for the preceding calendar year bears to the total workers'
202 compensation premium income for the calendar year 1988.

203 (v) The requirements of Subsection (2)(d)(iv) cease when the future annual
204 disbursements from the Employers' Reinsurance Fund are projected to be less than
205 the calculations of the corresponding future minimum required assets. The Labor
206 Commission shall, after a public hearing, determine if the future annual
207 disbursements are less than the corresponding future minimum required assets
208 from projections provided by the actuary.

209 (vi) At the end of each fiscal year the minimum approximate assets in the Uninsured
210 Employers' Fund shall be \$2,000,000, which amount shall be adjusted each year
211 beginning in 1990 by multiplying by the ratio that the total workers' compensation
212 premium income for the preceding calendar year bears to the total workers'
213 compensation premium income for the calendar year 1988.

214 (e) A premium assessment that is to be transferred into the General Fund may be
215 collected on premiums received from Utah public agencies.

216 (3) An admitted insurer writing title insurance in this state shall pay to the commission, on
217 or before March 31 in each year, a tax of .45% of the total premium received by either
218 the insurer or by its agents during the preceding calendar year from title insurance
219 concerning property located in this state. In calculating this tax, "premium" includes the
220 charges made to an insured under or to an applicant for a policy or contract of title
221 insurance for:

222 (a) the assumption by the title insurer of the risks assumed by the issuance of the policy
223 or contract of title insurance; and

224 (b) abstracting title, title searching, examining title, or determining the insurability of
225 title, and every other activity, exclusive of escrow, settlement, or closing charges,
226 whether denominated premium or otherwise, made by a title insurer, an agent of a
227 title insurer, a title insurance producer, or any of them.

228 (4) Beginning July 1, 1986, a former county mutual and a former mutual benefit association
229 shall pay the premium tax or assessment due under this chapter. Premiums received
230 after July 1, 1986, shall be considered in determining the tax or assessment.

231 (5) The following insurers are not subject to the premium tax on health care insurance that
232 would otherwise be applicable under Subsection (1):

- 233 (a) an insurer licensed under Title 31A, Chapter 5, Domestic Stock and Mutual
234 Insurance Corporations;
- 235 (b) an insurer licensed under Title 31A, Chapter 7, Nonprofit Health Service Insurance
236 Corporations;
- 237 (c) an insurer licensed under Title 31A, Chapter 8, Health Maintenance Organizations
238 and Limited Health Plans;
- 239 (d) an insurer licensed under Title 31A, Chapter 9, Insurance Fraternal; and
240 (e) an insurer licensed under Title 31A, Chapter 11, Motor Clubs; and
241 (f) an insurer licensed under Title 31A, Chapter 14, Foreign Insurers.
- 242 (6)(a) As used in this Subsection (6):
- 243 (i) "Cancellation fee waiver" means the same as that term is defined in Section
244 31A-23a-902.
- 245 (ii) "Primary certificate holder" means an individual who elects and purchases travel
246 insurance under a group policy.
- 247 (iii) "Primary policyholder" means an individual who elects and purchases individual
248 travel insurance.
- 249 (iv) "Travel assistance service" means the same as that term is defined in Section
250 31A-23a-902.
- 251 (v) "Travel insurance" means the same as that term is defined in Section 31A-23a-902.
- 252 (b) A travel insurer shall:
- 253 (i) pay a premium tax required under Subsection (1) on a travel insurance premium
254 that:
- 255 (A) an individual primary policyholder pays, if the policyholder is a resident of
256 this state;
- 257 (B) a primary certificate holder pays, if the certificate holder is a resident of this
258 state and elects coverage under a group travel insurance policy; or
- 259 (C) subject to any apportionment rules that apply to the insurer across multiple
260 taxing jurisdictions or permit the insurer to allocate the premium on an
261 apportioned basis in a reasonable and equitable manner across multiple
262 jurisdictions, a blanket travel insurance policyholder pays for eligible blanket
263 group members, if the policyholder is a resident in this state, has the
264 policyholder's principal place of business in this state, or has the principal place
265 of business of an affiliate or subsidiary that has purchased blanket travel
266 insurance in this state;

- 267 (ii) document the state of residence or principal place of business of each
 268 policyholder and certificate holder; and
- 269 (iii) report as a premium only the amount allocable to travel insurance and not an
 270 amount received for:
- 271 (A) a cancellation fee waiver; or
 272 (B) a travel assistance service.
- 273 (7) A captive insurer, as provided in Section 31A-3-304, that pays a fee imposed under
 274 Section 31A-3-304 is not subject to the premium tax under this section.
- 275 (8) An insurer issuing multiple policies to an insured may not artificially allocate the
 276 premiums among the policies for purposes of reducing the aggregate premium tax or
 277 assessment applicable to the policies.
- 278 (9) The retaliatory provisions of Title 31A, Chapter 3, Department Funding, Fees, and Taxes,
 279 apply to the tax or assessment imposed under this chapter.
- 280 (10)(a) As used in this Subsection (10):
- 281 (i) "Diverted revenue" means revenue collected from taxes levied under this section
 282 that is not paid into or does not remain in the General Fund because of a statutory
 283 provision requiring the revenue to be paid or distributed as provided in that
 284 statutory provision.
- 285 (ii) "Net revenue" means the total revenue collected from taxes levied under this
 286 section, excluding diverted revenue.
- 287 (b) Beginning fiscal year 2027, the Division of Finance shall annually transfer an
 288 amount of net revenue equal to \$3,000,000 into the Motor Vehicle Safety Impact
 289 Restricted Account created in Section 53-8-214.
- 290 Section 4. Section **72-2-124** is amended to read:
- 291 **72-2-124 . Transportation Investment Fund of 2005.**
- 292 (1) There is created a capital projects fund entitled the Transportation Investment Fund of
 293 2005.
- 294 (2) The fund consists of money generated from the following sources:
- 295 (a) any voluntary contributions received for the maintenance, construction,
 296 reconstruction, or renovation of state and federal highways;
- 297 (b) appropriations made to the fund by the Legislature;
- 298 (c) registration fees designated under Section 41-1a-1201;
- 299 (d) the sales and use tax revenues deposited into the fund in accordance with Section
 300 59-12-103;

- 301 (e) revenues transferred to the fund in accordance with Section 72-2-106;
- 302 (f) revenues transferred into the fund in accordance with Subsection 72-2-121(4)(l); and
- 303 (g) revenue from bond proceeds described in Section 63B-34-201.
- 304 (3)(a) The fund shall earn interest.
- 305 (b) All interest earned on fund money shall be deposited into the fund.
- 306 (4)(a) Except as provided in Subsection (4)(b), the executive director may only use fund
- 307 money to pay:
- 308 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
- 309 federal highways prioritized by the Transportation Commission through the
- 310 prioritization process for new transportation capacity projects adopted under
- 311 Section 72-1-304;
- 312 (ii) the costs of maintenance, construction, reconstruction, or renovation to the
- 313 highway projects described in Subsections 63B-18-401(2), (3), and (4);
- 314 (iii) subject to Subsection (9), costs of corridor preservation, as that term is defined in
- 315 Section 72-5-401;
- 316 (iv) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
- 317 minus the costs paid from the County of the First Class Highway Projects Fund in
- 318 accordance with Subsection 72-2-121(4)(e);
- 319 (v) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
- 320 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the
- 321 amount certified by Salt Lake County in accordance with Subsection
- 322 72-2-121.3(4)(c) as necessary to pay the debt service on \$30,000,000 of the
- 323 revenue bonds issued by Salt Lake County;
- 324 (vi) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
- 325 for projects prioritized in accordance with Section 72-2-125;
- 326 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
- 327 Class Highway Projects Fund created in Section 72-2-121 to be used for the
- 328 purposes described in Section 72-2-121;
- 329 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
- 330 the costs needed for construction, reconstruction, or renovation of paved
- 331 pedestrian or paved nonmotorized transportation for projects that:
- 332 (A) mitigate traffic congestion on the state highway system;
- 333 (B) are part of an active transportation plan approved by the department; and
- 334 (C) are prioritized by the commission through the prioritization process for new

- 335 transportation capacity projects adopted under Section 72-1-304;
- 336 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
- 337 reconstruction, or renovation of or improvement to the following projects:
- 338 (A) the connector road between Main Street and 1600 North in the city of
- 339 Vineyard;
- 340 (B) Geneva Road from University Parkway to 1800 South;
- 341 (C) the SR-97 interchange at 5600 South on I-15;
- 342 (D) subject to Subsection [~~(4)(e)~~] (4)(d), two lanes on U-111 from Herriman
- 343 Parkway to South Jordan Parkway;
- 344 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
- 345 (F) improvements to 1600 North in Orem from 1200 West to State Street;
- 346 (G) widening I-15 between mileposts 6 and 8;
- 347 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
- 348 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197
- 349 in Spanish Fork Canyon;
- 350 (J) I-15 northbound between mileposts 43 and 56;
- 351 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts
- 352 43 and 45.1;
- 353 (L) east Zion SR-9 improvements;
- 354 (M) Toquerville Parkway;
- 355 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
- 356 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds,
- 357 for construction of an interchange on Bangerter Highway at 13400 South; and
- 358 (P) an environmental impact study for Kimball Junction in Summit County;
- 359 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
- 360 costs based upon a statement of cash flow that the local jurisdiction where the
- 361 project is located provides to the department demonstrating the need for money
- 362 for the project, for the following projects in the following amounts:
- 363 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 364 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 365 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 366 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S.
- 367 40 between mile markers 7 and 10;
- 368 (xi) \$13,000,000 as pass-through funds to Spanish Fork for the costs of right-of-way

369 acquisition, construction, reconstruction, or renovation to connect Fingerhut Road
370 over the railroad and to U.S. Highway 6;

371 (xii) for a fiscal year beginning on July 1, 2025, only, as pass-through funds from
372 revenue deposited into the fund in accordance with Section 59-12-103, for the
373 following projects:

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

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

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

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

383 (c) Subject to legislative appropriation, money in the fund may be used for the operation
384 of a state highway, including enforcement of state motor vehicle and traffic laws, if
385 the state highway was constructed, reconstructed, or renovated using money from the
386 fund.

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

392 (ii) Notwithstanding Subsection [(4)(e)(i)] (4)(d)(i), if a right-of-way is not dedicated
393 for the project as described in Subsection [(4)(e)(i)] (4)(d)(i) on or before October
394 1, 2024, the department may proceed with the project, except that the project will
395 be limited to two lanes on U-111 from Herriman Parkway to 11800 South.

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

- 403 longer applies to the municipality.
- 404 (b) Within the boundaries of a municipality described in Subsection (5)(a), the executive
405 director:
- 406 (i) may program fund money in accordance with Subsection (4)(a) for a
407 limited-access facility or interchange connecting limited-access facilities;
- 408 (ii) may not program fund money for the construction, reconstruction, or renovation
409 of an interchange on a limited-access facility;
- 410 (iii) may program Transit Transportation Investment Fund money for a
411 multi-community fixed guideway public transportation project; and
- 412 (iv) may not program Transit Transportation Investment Fund money for the
413 construction, reconstruction, or renovation of a station that is part of a fixed
414 guideway public transportation project.
- 415 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
416 director before July 1, 2022, for projects prioritized by the commission under Section
417 72-1-304.
- 418 (6)(a) Except as provided in Subsection (6)(b), if the department receives a notice of
419 ineligibility for a county as described in Subsection 17-80-202(8), the executive
420 director may not program fund money to a project prioritized by the commission
421 under Section 72-1-304, including fund money from the Transit Transportation
422 Investment Fund, within the boundaries of the unincorporated area of the county until
423 the department receives notification from the Housing and Community Development
424 Division within the Department of Workforce Services that ineligibility under this
425 Subsection (6) no longer applies to the county.
- 426 (b) Within the boundaries of the unincorporated area of a county described in Subsection
427 (6)(a), the executive director:
- 428 (i) may program fund money in accordance with Subsection (4)(a) for a
429 limited-access facility to a project prioritized by the commission under Section
430 72-1-304;
- 431 (ii) may not program fund money for the construction, reconstruction, or renovation
432 of an interchange on a limited-access facility;
- 433 (iii) may program Transit Transportation Investment Fund money for a
434 multi-community fixed guideway public transportation project; and
- 435 (iv) may not program Transit Transportation Investment Fund money for the
436 construction, reconstruction, or renovation of a station that is part of a fixed

- 437 guideway public transportation project.
- 438 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
439 director before July 1, 2022, for projects prioritized by the commission under Section
440 72-1-304.
- 441 (7)(a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued in
442 any fiscal year, the department and the commission shall appear before the Executive
443 Appropriations Committee of the Legislature and present the amount of bond
444 proceeds that the department needs to provide funding for the projects identified in
445 Subsections 63B-18-401(2), (3), and (4) or Subsection 63B-27-101(2) for the current
446 or next fiscal year.
- 447 (b) The Executive Appropriations Committee of the Legislature shall review and
448 comment on the amount of bond proceeds needed to fund the projects.
- 449 (8) The Division of Finance shall, from money deposited into the fund, transfer the amount
450 of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
451 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt
452 service or sinking fund.
- 453 (9) The executive director may only use money in the fund for corridor preservation as
454 described in Subsection (4)(a)(iii):
- 455 (a) if the project has been prioritized by the commission, including the use of fund
456 money for corridor preservation; or
- 457 (b) for a project that has not been prioritized by the commission, if the commission:
- 458 (i) approves the use of fund money for the corridor preservation; and
- 459 (ii) finds that the use of fund money for corridor preservation will not result in any
460 delay to a project that has been prioritized by the commission.
- 461 (10)(a) There is created in the Transportation Investment Fund of 2005 the Transit
462 Transportation Investment Fund.
- 463 (b) The fund shall be funded by:
- 464 (i) contributions deposited into the fund in accordance with Section 59-12-103;
- 465 (ii) appropriations into the account by the Legislature;
- 466 (iii) deposits of sales and use tax increment related to a housing and transit
467 reinvestment zone as described in Section 63N-3-610;
- 468 (iv) transfers of local option sales and use tax revenue as described in Subsection
469 59-12-2220(11)(b) or (c);
- 470 (v) private contributions; and

- 471 (vi) donations or grants from public or private entities.
- 472 (c)(i) The fund shall earn interest.
- 473 (ii) All interest earned on fund money shall be deposited into the fund.
- 474 (d) Subject to Subsection (10)(e), the commission may prioritize money from the fund:
- 475 (i) for public transit capital development of new capacity projects and fixed guideway
- 476 capital development projects to be used as prioritized by the commission through
- 477 the prioritization process adopted under Section 72-1-304;
- 478 (ii) to the department for oversight of a fixed guideway capital development project
- 479 for which the department has responsibility; or
- 480 (iii) up to \$500,000 per year, to be used for a public transit study.
- 481 (e)(i) Subject to Subsections (10)(g), (h), and (i), the commission may only prioritize
- 482 money from the fund for a public transit capital development project or pedestrian
- 483 or nonmotorized transportation project that provides connection to the public
- 484 transit system if the public transit district or political subdivision provides funds of
- 485 equal to or greater than 30% of the costs needed for the project.
- 486 (ii) A public transit district or political subdivision may use money derived from a
- 487 loan granted in accordance with Part 2, State Infrastructure Bank Fund, to provide
- 488 all or part of the 30% requirement described in Subsection (10)(e)(i) if:
- 489 (A) the loan is approved by the commission as required in Part 2, State
- 490 Infrastructure Bank Fund; and
- 491 (B) the proposed capital project has been prioritized by the commission pursuant
- 492 to Section 72-1-303.
- 493 (f) Before July 1, 2022, the department and a large public transit district shall enter into
- 494 an agreement for a large public transit district to pay the department \$5,000,000 per
- 495 year for 15 years to be used to facilitate the purchase of zero emissions or low
- 496 emissions rail engines and trainsets for regional public transit rail systems.
- 497 (g) For any revenue transferred into the fund in accordance with Subsection
- 498 59-12-2220(11)(b):
- 499 (i) the commission may prioritize money from the fund for public transit projects,
- 500 operations, or maintenance within the county of the first class; and
- 501 (ii) Subsection (10)(e) does not apply.
- 502 (h) For any revenue transferred into the fund in accordance with Subsection
- 503 59-12-2220(11)(c):
- 504 (i) the commission may prioritize public transit projects, operations, or maintenance

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

- 539 (c)(i) The fund shall earn interest.
- 540 (ii) All interest earned on fund money shall be deposited into the fund.
- 541 (d) The executive director may only use fund money to pay the costs needed for:
- 542 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
- 543 paved pedestrian or paved nonmotorized trail projects that:
- 544 (A) are prioritized by the commission through the prioritization process for new
- 545 transportation capacity projects adopted under Section 72-1-304;
- 546 (B) serve a regional purpose; and
- 547 (C) are part of an active transportation plan approved by the department or the
- 548 plan described in Subsection (12)(d)(ii);
- 549 (ii) the development of a plan for a statewide network of paved pedestrian or paved
- 550 nonmotorized trails that serve a regional purpose; and
- 551 (iii) the administration of the fund, including staff and overhead costs.
- 552 (13)(a) As used in this Subsection (13), "commuter rail" means the same as that term is
- 553 defined in Section 63N-3-602.
- 554 (b) There is created in the Transit Transportation Investment Fund the Commuter Rail
- 555 Subaccount.
- 556 (c) The subaccount shall be funded by:
- 557 (i) contributions deposited into the subaccount in accordance with Section 59-12-103;
- 558 (ii) appropriations into the subaccount by the Legislature;
- 559 (iii) private contributions; and
- 560 (iv) donations or grants from public or private entities.
- 561 (d)(i) The subaccount shall earn interest.
- 562 (ii) All interest earned on money in the subaccount shall be deposited into the
- 563 subaccount.
- 564 (e) As prioritized by the commission through the prioritization process adopted under
- 565 Section 72-1-304 or as directed by the Legislature, the department may only use
- 566 money from the subaccount for projects that improve the state's commuter rail
- 567 infrastructure, including the building or improvement of grade-separated crossings
- 568 between commuter rail lines and public highways.
- 569 (f) Appropriations made in accordance with this section are nonlapsing in accordance
- 570 with Section 63J-1-602.1.

571 **Section 5. Repealer.**

572 This bill repeals:

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

574 Section **49-11-903, State appropriation funding offset -- Proportionate share**
 575 **determination and reporting.**

576 Section 6. **FY 2027 Appropriations.**

577 The following sums of money are appropriated for the fiscal year beginning July 1,
 578 2026, and ending June 30, 2027. These are additions to amounts previously appropriated for
 579 fiscal year 2027.

580 Subsection 6(a). **Operating and Capital Budgets**

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

584 ITEM 1 To Department of Public Safety - Programs & Operations

585 From Transportation Investment Fund of 2005 2,000,000

586 From Motor Vehicle Safety Impact Restricted Account 3,000,000

587 Schedule of Programs:

588 Highway Patrol - Field Operations 5,000,000

589 The Legislature intends that the appropriations
 590 under this item be used to hire new Highway Patrol
 591 troopers for the enforcement of state motor vehicle and
 592 traffic laws.

593 Section 7. **Effective Date.**

594 This bill takes effect on July 1, 2026.

595 Section 8. **Coordinating S.B. 151 with H.B. 416.**

596 If S.B. 151, Public Safety Funding Amendments, and H.B. 416, Firefighter Cancer

597 Amendments, both pass and become law, the Legislature intends that, on July 1, 2026, the
 598 following language replace Subsection 59-9-101(10)(b) enacted in S.B. 151 and H.B. 416:

599 "(b) Beginning fiscal year 2027, the Division of Finance shall annually transfer:

600 (i) an amount of net revenue equal to \$3,000,000 into the the Motor Vehicle Safety Impact
 601 Restricted Account created in Section 53-8-214; and

602 (ii) the remainder of net revenue into the Firefighter Cancer Benefit Trust Fund created in
 603 Section 53-32-201."