

**B AND C FUND DISTRIBUTION**

1999 GENERAL SESSION

STATE OF UTAH

**Sponsor: Thomas V. Hatch**

AN ACT RELATING TO TRANSPORTATION; AMENDING THE DISTRIBUTION FORMULA FOR CLASS B AND C ROAD ACCOUNT MONIES; MAKING TECHNICAL CHANGES; AND PROVIDING AN EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

**72-2-108**, as renumbered and amended by Chapter 270, Laws of Utah 1998

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

Section 1. Section **72-2-108** is amended to read:

**72-2-108. Apportionment of funds available for use on class B and class C roads --**

**Bonds.**

(1) For purposes of this section:

(a) "Graveled road" means a road:

(i) that is:

(A) graded; and

(B) drained by transverse drainage systems to prevent serious impairment of the road by surface water;

(ii) that has an improved surface; and

(iii) that has a wearing surface made of:

(A) gravel;

(B) broken stone;

(C) slag;

(D) iron ore;

(E) shale; or

(F) other material that is:

(I) similar to a material described in Subsection (1)(a)(iii)(A) through (E); and

(II) is coarser than sand.

(b) "Paved road" includes a graveled road with a chip seal surface.

(c) "Road mile" means a one-mile length of road, regardless of:

(i) the width of the road; or

(ii) the number of lanes into which the road is divided.

(d) "Weighted mileage" means the sum of the following:

(i) paved road miles multiplied by five;

(ii) graveled road miles multiplied by two; and

(iii) all other road type road miles multiplied by one.

(2) Subject to the provisions of Subsections (3) through (5), funds in the class B and class C roads account shall be apportioned among counties and municipalities in the following manner:

(a) 50% in the ratio that the class B roads weighted mileage within each county and class C roads weighted mileage within each municipality bear to the total class B and class C roads weighted mileage within the state; and

(b) 50% in the ratio that the population of a county or municipality bears to the total population of the state as of the last official federal census or the United States Bureau of Census estimate, whichever is most recent, except that if population estimates are not made for a county or municipality by the United States Bureau of Census, population figures shall be determined according to the biennial estimate from the Utah Population Estimates Committee.

(3) For purposes of Subsection (2)(b), "the population of a county" means:

(a) the population of a county outside the corporate limits of municipalities in that county, if the population of the county outside the corporate limits of municipalities in that county is not less than 14% of the total population of that county, including municipalities; and

(b) if the population of a county outside the corporate limits of municipalities in the county is less than 14% of the total population:

(i) the aggregate percentage of the population apportioned to municipalities in that county shall be reduced by an amount equal to the difference between:

(A) 14%; and

(B) the actual percentage of population outside the corporate limits of municipalities in that county; and

(ii) the population apportioned to the county shall be 14% of the total population of that county, including incorporated municipalities.

(4) (a) [~~For fiscal year 1997-98 if~~] If an apportionment under Subsection (2) to a county or municipality is less than 110% of the amount apportioned to the county or municipality from the class B and class C roads account for fiscal year [~~1994-95~~] 1996-97, the department shall:

(i) reapportion the funds under Subsection (2) to ensure that the county or municipality receives an amount equal to [~~the greater of: (A)~~] 110% of the amount apportioned to the county or municipality from the class B and class C roads account for fiscal year [~~1994-95~~] 1996-97; [~~or~~] and [~~(B) 100% of the amount apportioned to the county or municipality from the class B and class C roads account for fiscal year 1995-96; and~~]

(ii) decrease proportionately as provided in Subsection (4)(b) the apportionments to counties and municipalities [~~under Subsection (2) that, prior to~~] for which the reapportionment [~~by the department~~] under Subsection (4)(a)(i)[~~, would be greater than 110% of the apportionments to the counties and municipalities for fiscal year 1994-95~~] does not apply.

(b) [~~For purposes of Subsection (4)(a)(ii), the~~] The aggregate amount of the funds that the department shall decrease proportionately from the apportionments under Subsection (4)(a)(ii) is an amount equal to the aggregate amount reapportioned to counties and municipalities under Subsection (4)(a)(i).

[~~(5) (a) Beginning with fiscal year 1998-99, the department shall reapportion the funds in the class B and class C roads account otherwise apportioned under Subsection (2) as provided in Subsection (5)(b) if:~~]

[~~(i) there is an increase in the class B and class C roads account from other than increases in fees or tax rates for the current fiscal year over the previous fiscal year; and~~]

[~~(ii) an apportionment under Subsection (2) to a county or municipality is less than the product of:~~]

[~~(A) the percentage increase in the class B and class C roads account from other than~~]

~~increases in fees or tax rates for the current fiscal year over the previous fiscal year;]~~

~~[(B) 1/3; and]~~

~~[(C) the apportionment to the county or municipality for the previous fiscal year.]~~

~~[(b) If the department is required to reapportion the funds in the class B and class C roads account under Subsection (5)(a), the department shall:]~~

~~[(i) ensure that each county and municipality receives an amount equal to the greater of:]~~

~~[(A) the product of:]~~

~~[(I) the percentage increase in the class B and class C roads account from other than increases in fees or tax rates for the current fiscal year over the previous fiscal year;]~~

~~[(H) 1/3; and]~~

~~[(HH) the apportionment to the county or municipality for the previous fiscal year; or]~~

~~[(B) the amount apportioned to the county or municipality under Subsection (2); and]~~

~~[(ii) decrease proportionately as provided in Subsection (5)(c) the apportionments to counties and municipalities under Subsection (2) that, prior to the reapportionment by the department under Subsection (5)(b)(i), would be greater than the product of:]~~

~~[(A) the percentage increase in the class B and class C roads account from other than increases in fees or tax rates for the current fiscal year over the previous fiscal year;]~~

~~[(B) 1/3; and]~~

~~[(C) the apportionment to the county or municipality for the previous fiscal year.]~~

~~[(c) For purposes of Subsection (5)(b)(ii), the aggregate amount of the funds that the department shall decrease proportionately from the apportionments under Subsection (5)(b)(ii) is an amount equal to the aggregate amount reapportioned to counties and municipalities under Subsection (5)(b)(i).]~~

(5) (a) (i) In addition to the apportionment adjustments made under Subsection (4), a county or municipality that qualifies for reapportioned monies under Subsection (4)(a)(i) shall receive 1/3 of the percentage increase in the class B and C road account for the current fiscal year over the previous fiscal year.

(ii) Any percentage increase calculated under Subsection (5)(a)(i) may not include any

increases from increases in fees or tax rates.

(b) The adjustment under Subsection (5)(a) shall be made in the same way as provided in Subsection (4)(a)(ii) and (b).

(6) The governing body of any municipality or county may issue bonds redeemable up to a period of ten years under Title 11, Chapter 14, Utah Municipal Bond Act, to pay the costs of constructing, repairing, and maintaining class B or class C roads and may pledge class B or class C road funds received pursuant to this section to pay principal, interest, premiums, and reserves for the bonds.

Section 2. **Effective date.**

This act takes effect on July 1, 1999.