

1                                   **LOCAL CORRIDOR PRESERVATION FUNDING**

2                                                           2005 GENERAL SESSION

3                                                           STATE OF UTAH

4                                   **Sponsor: Sheldon L. Killpack**

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**LONG TITLE**

6 **General Description:**

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8           This bill modifies the Transportation Code and Motor Vehicles Code to increase  
9 revenue to the Transportation Corridor Preservation Revolving Loan Fund and to revise  
10 the approval process for preservation projects for certain county and municipal  
11 governments.

12 **Highlighted Provisions:**

13           This bill:

- 14           ▶ allows a county legislative body to impose up to a \$20 local option transportation  
15 corridor preservation fee on motor vehicle registrations and renewals of registration;
- 16           ▶ requires that revenues from the fee be:
- 17               • deposited in the Transportation Corridor Preservation Revolving Loan Fund;
- 18 and
- 19               • allocated for each county based on the total revenue received from the fee;
- 20           ▶ defines council of governments and metropolitan planning organizations;
- 21           ▶ allows fund monies to be used by counties that are not within a metropolitan  
22 planning organization for countywide transportation planning with certain  
23 limitations;
- 24           ▶ allows highway authorities to apply for preservation funds directly to the  
25 Transportation Commission;
- 26           ▶ allows a council of government to approve a preservation project within its county  
27 to be funded by monies from the fee;



28           ▶ provides that monies from the fee are a grant to each county provided that the state  
29 is not charged for any asset purchased with the monies;

30           ▶ provides that unless otherwise provided by written agreement, the highway  
31 authority that holds the deed to the property is responsible for maintenance of the  
32 property and that transfer of ownership to property acquired shall be done with a  
33 written agreement;

34           ▶ provides that fund monies may be used to pay maintenance costs of properties  
35 acquired limited to a total of 5% of the purchase price of the property;

36           ▶ requires the department to develop and implement a program to educate highway  
37 authorities on the objectives, application process, use, and responsibilities of the  
38 fund monies;

39           ▶ provides a notice of approval procedure from a council of government to the  
40 Transportation Commission; and

41           ▶ makes technical changes.

42 **Monies Appropriated in this Bill:**

43           None

44 **Other Special Clauses:**

45           This bill provides an immediate effective date.

46 **Utah Code Sections Affected:**

47 AMENDS:

48           **72-2-117**, as last amended by Chapter 60, Laws of Utah 2001

49 ENACTS:

50           **41-1a-1222**, Utah Code Annotated 1953



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

53           Section 1. Section **41-1a-1222** is enacted to read:

54           **41-1a-1222. Local option transportation corridor preservation fee -- Exemptions**

55 **-- Deposit -- County ordinance -- Notice.**

56           (1) (a) (i) A county legislative body may impose a local option transportation corridor  
57 preservation fee of up to \$20 on each motor vehicle registration within the county.

58           (ii) A fee imposed under Subsection (1)(a)(i) shall be set in whole dollar increments.

59 (b) If imposed under Subsection (1)(a), at the time application is made for registration  
60 or renewal of registration of a motor vehicle under this chapter, the applicant shall pay the local  
61 option transportation corridor preservation fee established by the county legislative body.

62 (c) A motor vehicle that is exempt from the registration fee under Section 41-1a-1209  
63 or Subsection 41-1a-419(3) is also exempt from the local option transportation corridor  
64 preservation fee required by this section.

65 (2) The revenue generated under this section shall be:

66 (a) deposited in the Transportation Corridor Preservation Revolving Loan Fund created  
67 in Section 72-2-117;

68 (b) credited to the county from which it is generated; and

69 (c) used and distributed in accordance with Section 72-2-117.

70 (3) To impose or change the amount of a fee under this section, the county legislative  
71 body shall pass an ordinance:

72 (a) approving the fee;

73 (b) setting the amount of the fee; and

74 (c) providing an effective date for the fee as provided in Subsection (4).

75 (4) (a) If a county legislative body enacts, changes, or repeals a fee under this section,  
76 the enactment, change, or repeal shall take effect:

77 (i) on July 1 except as provided under Subsection (4)(c); and

78 (ii) if the commission receives notice meeting the requirements of Subsection (4)(b)  
79 from the county prior to April 1.

80 (b) The notice described in Subsection (4)(a) shall state:

81 (i) that the county will enact, change, or repeal a fee under this part;

82 (ii) a copy of the ordinance imposing the fee; and

83 (iii) if the county enacts or changes the fee under this section, the amount of the fee.

84 (c) For calendar year 2005, the effective date of a fee imposed under this section may  
85 be set by the commission no later than October 1 if necessary for initial administration of the  
86 fee.

87 Section 2. Section **72-2-117** is amended to read:

88 **72-2-117. Transportation Corridor Preservation Revolving Loan Fund --**  
89 **Distribution -- Repayment -- Rulemaking.**

90 (1) As used in this section:

91 (a) "council of governments" means a decision-making body in each county composed  
92 of the county governing body and the mayors of each municipality in the county; and

93 (b) "metropolitan planning organization" has the same meaning as provided under  
94 Section 72-1-208.5.

95 ~~[(1)]~~ (2) There is created the Transportation Corridor Preservation Revolving Loan  
96 Fund within the Transportation Fund.

97 ~~[(2)]~~ (3) The fund shall be funded from the following sources:

98 (a) motor vehicle rental tax imposed under Section 59-12-1201;

99 (b) local option transportation corridor preservation fee imposed under Section  
100 41-1a-1222;

101 ~~[(b)]~~ (c) appropriations made to the fund by the Legislature;

102 ~~[(c)]~~ (d) contributions from other public and private sources for deposit into the fund;

103 ~~[(d)]~~ (e) interest earnings on cash balances;

104 ~~[(e)]~~ (f) all monies collected for repayments and interest on fund monies;

105 ~~[(f)]~~ (g) all monies collected from rents and sales of real property acquired with fund  
106 monies; and

107 ~~[(g)]~~ (h) proceeds from general obligation bonds, revenue bonds, or other obligations  
108 issued [in accordance with Title 63, Chapter 9a, State Building Ownership, and] as authorized  
109 by Title 63B, Bonds.

110 ~~[(3)]~~ (4) (a) All monies appropriated to the Transportation Corridor Preservation  
111 Revolving Loan Fund are nonlapsing.

112 (b) The Tax Commission shall provide the department with sufficient data for the  
113 department to allocate the revenues provided under Subsection (3)(b) for each county imposing  
114 a local option transportation corridor preservation fee under Section 41-1a-1222.

115 (c) The monies allocated under Subsection (4)(b):

116 (i) shall be used for the purposes provided in this section for each county; and

117 (ii) are allocated to each county as provided in this section:

118 (A) with the condition that the state will not be charged for any asset purchased with  
119 the monies allocated under Subsection (4)(b); and

120 (B) are considered a local matching contribution for the purposes described under

121 Section 72-2-123 if used on a state highway.

122 (d) Administrative costs of the department shall be paid from the fund.

123 ~~[(4)]~~ (5) (a) The [commission shall authorize the] expenditure of fund monies is to  
124 allow [the department] a highway authority to acquire real property or any interests in real  
125 property for state, county, and municipal transportation corridors subject to:

126 (i) monies available in the fund;

127 (ii) monies available to each county under Subsection (4)(b);

128 ~~[(ii)]~~ (iii) rules made under Subsection (7); and

129 ~~[(iii)]~~ (iv) Subsection (9) related to an access management policy or ordinance.

130 (b) Fund monies may be used to pay interest on debts incurred in accordance with this  
131 section.

132 ~~[(5) Administrative costs of the Transportation Corridor Preservation Revolving Loan~~  
133 ~~Fund shall be paid from the fund.]~~

134 ~~[(6) The department:]~~

135 (c) (i) (A) Fund monies may be used to pay maintenance costs of properties acquired  
136 under this section but limited to a total of 5% of the purchase price of the property.

137 (B) Any additional maintenance cost shall be paid from funds other than under this  
138 section.

139 (C) Revenue generated by any property acquired under this section is excluded from  
140 the limitations under this Subsection (5)(c)(i).

141 (ii) Fund monies may be used to pay direct costs of acquisition of properties acquired  
142 under this section.

143 (d) Fund monies allocated under Subsection (4)(b) may be used by a county highway  
144 authority for countywide transportation planning if:

145 (i) the county is not included in a metropolitan planning organization;

146 (ii) the transportation planning is part of the county's continuing, cooperative, and  
147 comprehensive process for transportation planning, corridor preservation, right-of-way  
148 acquisition, and project programming;

149 (iii) no more than two years allocation every 20 years to each county is used for  
150 transportation planning under this Subsection (5)(d); and

151 (iv) the county otherwise qualifies to use the fund monies as provided under this

152 section.

153 (6) Except for monies allocated under Subsection (4)(b), a highway authority:

154 (a) may apply ~~[to the commission]~~ under this section for monies from the  
155 Transportation Corridor Preservation Revolving Loan Fund for a specified transportation  
156 corridor project, including for county and municipal projects; and

157 (b) shall repay the fund monies authorized for the project to the fund as required under  
158 Subsection (7).

159 ~~[(7) The commission shall: (a) administer the]~~

160 (7) (a) The Transportation Corridor Preservation Revolving Loan Fund shall be used to  
161 preserve transportation corridors, promote long-term statewide transportation planning, save on  
162 acquisition costs, and promote the best interests of the state in a manner which minimizes  
163 impact on prime agricultural land[?].

164 (b) The department shall develop and implement a program to educate highway  
165 authorities on the objectives, application process, use, and responsibilities of the Transportation  
166 Corridor Preservation Revolving Loan Fund as provided under this section to promote the most  
167 efficient and effective use of fund monies including priority use on designated high priority  
168 corridor preservation projects.

169 ~~[(b) prioritize]~~ (c) All fund monies shall be prioritized based on considerations,  
170 including:

- 171 (i) areas with rapidly expanding population;
- 172 (ii) the willingness of local governments to complete studies and impact statements
- 173 that meet department standards;
- 174 (iii) the preservation of corridors by the use of local planning and zoning processes;
- 175 (iv) the availability of other public and private matching funds for a project; ~~[and]~~
- 176 (v) the cost-effectiveness of the preservation projects; and
- 177 (vi) long and short-term maintenance costs for property acquired.

178 (d) (i) Unless otherwise provided by written agreement with another highway authority,  
179 the highway authority that holds the deed to the property is responsible for maintenance of the  
180 property.

181 (ii) The transfer of ownership for property acquired under this section from one  
182 highway authority to another shall include a written agreement between the highway

183 authorities.

184 (e) The commission shall:

185 (i) authorize the expenditure of fund monies after determining that the expenditure is  
186 being made in accordance with this section from:

187 (A) applications made to the commission; or

188 (B) a written notice of approval from a council of government for monies available for  
189 its county under Subsections (4)(b) and (c);

190 (ii) designate high priority corridor preservation projects in cooperation with a  
191 metropolitan planning organization;

192 (iii) administer the program for the purposes provided in this section; and

193 (iv) prioritize fund monies in accordance with this section.

194 (f) For monies allocated to each county under Subsections (4)(b) and (c), the council of  
195 governments from each county shall:

196 (i) approve the use of fund monies allocated for its county for future transportation  
197 corridors for highways of regional significance located within the county based on:

198 (A) endorsement of the preservation project by the area metropolitan planning  
199 organization if one exists for the area;

200 (B) the transportation corridor is included as part of the:

201 (I) county and municipal master plan;

202 (II) statewide long range plan; and

203 (III) regional transportation plan of the area metropolitan planning organization if one  
204 exists for the area;

205 (C) the purposes provided in this section;

206 (D) the prioritization made in accordance with this section; and

207 (E) the highway authority's compliance with the provisions of Subsection (9) related to  
208 an access management policy or ordinance; and

209 (ii) provide written notice of approval to the commission for each preservation project  
210 approved for use of the monies available to each county under Subsection (4)(b).

211 [~~(e)~~] (g) The commission shall make rules in accordance with Title 63, Chapter 46a,  
212 Utah Administrative Rulemaking Act, establishing:

213 (i) the procedures for the awarding of fund monies;

214 (ii) the procedures for ~~[the department]~~ a highway authority to apply for transportation  
215 corridor preservation monies for projects that are not included in the council of governments  
216 approval process under Subsection (7)(f); and

217 (iii) repayment conditions of the monies to the fund from the specified project funds.

218 (h) A council of governments may establish application and award procedures for use  
219 of the monies allocated to each county under Subsection (4)(b).

220 (8) (a) The proceeds from ~~[the revenue]~~ any bonds or other obligations ~~[issued on]~~  
221 secured by revenues of the Transportation Corridor Preservation Revolving Loan Fund shall be  
222 used for:

223 (i) the acquisition of real property in hardship cases; and

224 (ii) any of the purposes authorized for funds in the Transportation Corridor  
225 Preservation Revolving Loan Fund under this section.

226 (b) The commission shall pledge the necessary part of the revenues of the  
227 Transportation Corridor Preservation Revolving Loan Fund to the payment of principal of and  
228 interest on the ~~[revenue]~~ bonds or other obligations.

229 (9) (a) ~~[The department]~~ A highway authority may not apply for monies under this  
230 section ~~[for a]~~ unless the highway authority ~~[that does not have]~~ has an access management  
231 policy or ordinance in effect that meets the requirements under Subsection (9)(b).

232 (b) The access management policy or ordinance shall:

233 (i) be for the purpose of balancing the need for reasonable access to land uses with the  
234 need to preserve the smooth flow of traffic on the highway system in terms of safety, capacity,  
235 and speed; and

236 (ii) include provisions:

237 (A) limiting the number of conflict points at driveway locations;

238 (B) separating conflict areas;

239 (C) reducing the interference of through traffic;

240 (D) spacing at-grade signalized intersections; and

241 (E) providing for adequate on-site circulation and storage.

242 (c) The department shall develop a model access management policy or ordinance that  
243 meets the requirements of this Subsection (9) for the benefit of a county or municipality under  
244 this section.



245 (10) (a) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking  
246 Act, the commission shall make rules establishing a corridor preservation advisory council.

247 (b) The corridor preservation advisory council shall:

248 (i) assist with and help coordinate the corridor preservation efforts of the department  
249 and local governments;

250 (ii) provide recommendations and priorities concerning corridor preservation and the  
251 use of fund monies to the department and to the commission; and

252 (iii) include members designated by each metropolitan planning organization in the  
253 state to represent local governments that are involved with corridor preservation through  
254 official maps and planning.

255 Section 3. **Effective date.**

256 If approved by two-thirds of all the members elected to each house, this bill takes effect  
257 upon approval by the governor, or the day following the constitutional time limit of Utah  
258 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,  
259 the date of veto override.

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**Legislative Review Note**  
**as of 12-7-04 8:42 AM**

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

**Legislative Committee Note**  
**as of 12-08-04 10:27 AM**

The Transportation Planning Task Force recommended this bill.

**State Impact**

Provisions of this bill enable county governments to impose up to a \$20 local option transportation corridor preservation fee on motor vehicle registrations. It is unknown at this time how many counties will impose the fee or what proportion of the \$20 option they might impose. Therefore, it is unknown what revenues would be generated. If a substantial number of counties imposed the fee increase additional administrative personnel could be required at the Tax Commission and the Department of Transportation.

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**Individual and Business Impact**

If fees were imposed on registration of vehicles that increased would be assessed to individuals and businesses that own vehicles.

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**Office of the Legislative Fiscal Analyst**