

Senator Howard A. Stephenson proposes the following substitute bill:

1 **FUNDING FOR PURCHASE OF STATE**

2 **HIGHWAY RIGHTS OF WAY**

3 2007 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Howard A. Stephenson**

6 House Sponsor: Todd E. Kiser

8 **LONG TITLE**

9 **General Description:**

10 This bill addresses funding for corridor preservation and allows use of the revolving
11 loan fund for administrative costs.

12 **Highlighted Provisions:**

13 This bill:

14 ▶ requires the Department of Transportation to submit a budget request for corridor
15 preservation monies to the governor and the Legislature's Transportation,
16 Environmental Quality, and National Guard Appropriations Subcommittee;

17 ▶ requires the governor to include in his budget an amount identified by the
18 Department of Transportation necessary for corridor preservation;

19 ▶ directs the Legislature to consider funding the request from one-time monies,
20 general obligation bonds, or a combination of them; and

21 ▶ allows administrative costs for transportation corridor preservation to be paid from
22 the Transportation Corridor Preservation Revolving Loan Fund.

23 **Monies Appropriated in this Bill:**

24 None

25 **Other Special Clauses:**



26 None

27 **Utah Code Sections Affected:**

28 AMENDS:

29 **63-38-2**, as last amended by Chapters 213 and 316, Laws of Utah 2006

30 **72-2-117**, as last amended by Chapter 284, Laws of Utah 2005

31 ENACTS:

32 **72-2-117.2**, Utah Code Annotated 1953



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

35 Section 1. Section **63-38-2** is amended to read:

36 **63-38-2. Governor to submit budget to Legislature -- Contents -- Preparation --**
37 **Appropriations based on current tax laws and not to exceed estimated revenues.**

38 (1) (a) The governor shall, within three days after the convening of the Legislature in
39 the annual general session, submit a budget for the ensuing fiscal year by delivering it to the
40 presiding officer of each house of the Legislature together with a schedule for all of the
41 proposed appropriations of the budget, clearly itemized and classified.

42 (b) The budget message shall include:

43 (i) a projection of estimated revenues and expenditures for the next fiscal year; and

44 (ii) the source of all direct, indirect, or in-kind matching funds for all federal grants or
45 assistance programs included in the budget.

46 (2) At least 34 days before the submission of any budget, the governor shall deliver a
47 confidential draft copy of his proposed budget recommendations to the Office of the
48 Legislative Fiscal Analyst.

49 (3) (a) The budget shall contain a complete plan of proposed expenditures and
50 estimated revenues for the next fiscal year based upon the current fiscal year state tax laws and
51 rates.

52 (b) The budget may be accompanied by a separate document showing proposed
53 expenditures and estimated revenues based on changes in state tax laws or rates.

54 (4) The budget shall be accompanied by a statement showing:

55 (a) the revenues and expenditures for the last fiscal year;

56 (b) the current assets, liabilities, and reserves, surplus or deficit, and the debts and

57 funds of the state;

58 (c) an estimate of the state's financial condition as of the beginning and the end of the
59 period covered by the budget;

60 (d) a complete analysis of lease with an option to purchase arrangements entered into
61 by state agencies;

62 (e) the recommendations for each state agency for new full-time employees for the next
63 fiscal year; which recommendation should be provided also to the State Building Board under
64 Subsection 63A-5-103(2);

65 (f) any explanation the governor may desire to make as to the important features of the
66 budget and any suggestion as to methods for the reduction of expenditures or increase of the
67 state's revenue; and

68 (g) the information detailing certain regulatory fee increases required by Section
69 63-38-3.2.

70 (5) The budget shall include an itemized estimate of the appropriations for:

71 (a) the Legislative Department as certified to the governor by the president of the
72 Senate and the speaker of the House;

73 (b) the Executive Department;

74 (c) the Judicial Department as certified to the governor by the state court administrator;

75 (d) payment and discharge of the principal and interest of the indebtedness of the state;

76 (e) the salaries payable by the state under the Utah Constitution or under law for the
77 lease agreements planned for the next fiscal year;

78 (f) other purposes that are set forth in the Utah Constitution or under law; and

79 (g) all other appropriations.

80 (6) Deficits or anticipated deficits shall be included in the budget.

81 (7) (a) (i) For the purpose of preparing and reporting the budget, the governor shall
82 require from the proper state officials, including public and higher education officials, all heads
83 of executive and administrative departments and state institutions, bureaus, boards,
84 commissions, and agencies expending or supervising the expenditure of the state moneys, and
85 all institutions applying for state moneys and appropriations, itemized estimates of revenues
86 and expenditures.

87 (ii) (A) The governor may also require other information under these guidelines and at

88 times as the governor may direct.

89 (B) These guidelines may include a requirement for program productivity and
90 performance measures, where appropriate, with emphasis on outcome indicators.

91 (b) The estimate for the Legislative Department as certified by the presiding officers of
92 both houses shall be included in the budget without revision by the governor.

93 (c) The estimate for the Judicial Department, as certified by the state court
94 administrator, shall also be included in the budget without revision, but the governor may make
95 separate recommendations on it.

96 (d) The governor may require the attendance at budget meetings of representatives of
97 public and higher education, state departments and institutions, and other institutions or
98 individuals applying for state appropriations.

99 (e) The governor may revise all estimates, except those relating to the Legislative
100 Department, the Judicial Department, and those providing for the payment of principal and
101 interest to the state debt and for the salaries and expenditures specified by the Utah
102 Constitution or under the laws of the state.

103 (8) The total appropriations requested for expenditures authorized by the budget may
104 not exceed the estimated revenues from taxes, fees, and all other sources for the next ensuing
105 fiscal year.

106 (9) If any item of the budget as enacted is held invalid upon any ground, the invalidity
107 does not affect the budget itself or any other item in it.

108 (10) (a) In submitting the budgets for the Departments of Health and Human Services
109 and the Office of the Attorney General, the governor shall consider a separate recommendation
110 in his budget for funds to be contracted to:

111 (i) local mental health authorities under Section 62A-15-110;

112 (ii) local substance abuse authorities under Section 62A-15-110;

113 (iii) area agencies under Section 62A-3-104.2;

114 (iv) programs administered directly by and for operation of the Divisions of Substance
115 Abuse and Mental Health and Aging and Adult Services;

116 (v) local health departments under Title 26A, Chapter 1, Local Health Departments;
117 and

118 (vi) counties for the operation of Children's Justice Centers under Section 67-5b-102.

119 (b) In his budget recommendations under Subsections (10)(a)(i), (ii), and (iii), the
120 governor shall consider an amount sufficient to grant local health departments, local mental
121 health authorities, local substance abuse authorities, and area agencies the same percentage
122 increase for wages and benefits that he includes in his budget for persons employed by the
123 state.

124 (c) If the governor does not include in his budget an amount sufficient to grant the
125 increase described in Subsection (10)(b), he shall include a message to the Legislature
126 regarding his reason for not including that amount.

127 (11) (a) In submitting the budget for the Department of Agriculture, the governor shall
128 consider an amount sufficient to grant local soil conservation districts and Utah Association of
129 Conservation District employees the same percentage increase for wages and benefits that he
130 includes in his budget for persons employed by the state.

131 (b) If the governor does not include in his budget an amount sufficient to grant the
132 increase described in Subsection (11)(a), he shall include a message to the Legislature
133 regarding his reason for not including that amount.

134 (12) (a) In submitting the budget for the Utah State Office of Rehabilitation and the
135 Division of Services for People with Disabilities, the Division of Child and Family Services,
136 and the Division of Juvenile Justice Services within the Department of Human Services, the
137 governor shall consider an amount sufficient to grant employees of corporations that provide
138 direct services under contract with those divisions, the same percentage increase for
139 cost-of-living that he includes in his budget for persons employed by the state.

140 (b) If the governor does not include in his budget an amount sufficient to grant the
141 increase described in Subsection (12)(a), he shall include a message to the Legislature
142 regarding his reason for not including that amount.

143 (13) (a) The Families, Agencies, and Communities Together Council may propose to
144 the governor under Subsection 63-75-4(4)(e) a budget recommendation for collaborative
145 service delivery systems operated under Section 63-75-6.5.

146 (b) The Legislature may, through a specific program schedule, designate funds
147 appropriated for collaborative service delivery systems operated under Section 63-75-6.5.

148 (14) The governor shall include in his budget the state's portion of the budget for the
149 Utah Communications Agency Network established in Title 63C, Chapter 7, Utah

150 Communications Agency Network Act.

151 (15) (a) The governor shall include a separate recommendation in the governor's
152 budget for funds to maintain the operation and administration of the Utah Comprehensive
153 Health Insurance Pool.

154 (b) In making the recommendation the governor may consider:

155 (i) actuarial analysis of growth or decline in enrollment projected over a period of at
156 least three years;

157 (ii) actuarial analysis of the medical and pharmacy claims costs projected over a period
158 of at least three years;

159 (iii) the annual Medical Care Consumer Price Index;

160 (iv) the annual base budget for the pool established by the Commerce and Revenue
161 Appropriations Subcommittee for each fiscal year;

162 (v) the growth or decline in insurance premium taxes and fees collected by the tax
163 commission and the insurance department; and

164 (vi) the availability of surplus General Fund revenue under Section 63-38-2.5 and
165 Subsection 59-14-204(5)(b).

166 (16) In adopting a budget for each fiscal year, the Legislature shall consider an amount
167 sufficient to grant local health departments, local mental health authorities, local substance
168 abuse authorities, area agencies on aging, soil conservation districts, and Utah Association of
169 Conservation District employees the same percentage increase for wages and benefits that is
170 included in the budget for persons employed by the state.

171 (17) (a) In adopting a budget each year for the Utah Comprehensive Health Insurance
172 Pool, the Legislature shall determine an amount that is sufficient to fund the pool for each
173 fiscal year.

174 (b) When making a determination under Subsection (17)(a), the Legislature shall
175 consider factors it determines are appropriate, which may include:

176 (i) actuarial analysis of growth or decline in enrollment projected over a period of at
177 least three years;

178 (ii) actuarial analysis of the medical and pharmacy claims costs projected over a period
179 of at least three years;

180 (iii) the annual Medical Care Consumer Price Index;

181 (iv) the annual base budget for the pool established by the Commerce and Revenue
182 Appropriations Subcommittee for each fiscal year;

183 (v) the growth or decline in insurance premium taxes and fees collected by the tax
184 commission and the insurance department from the previous fiscal year; and

185 (vi) the availability of surplus General Fund revenue under Section 63-38-2.5 and
186 Subsection 59-14-204(5)(b).

187 (c) The funds appropriated by the Legislature to fund the Utah Comprehensive Health
188 Insurance Pool as determined under Subsection (17)(a):

189 (i) shall be deposited into the enterprise fund established by Section 31A-29-120; and

190 (ii) are restricted and are to be used to maintain the operation, administration, and
191 management of the Utah Comprehensive Health Insurance Pool created by Section
192 31A-29-104.

193 (18) In considering the factors in Subsections (15)(b)(i), (ii), and (iii) and Subsections
194 (17)(b)(i), (ii), and (iii), the governor and the Legislature may consider the actuarial data and
195 projections prepared for the board of the Utah Comprehensive Health Insurance Pool as it
196 develops its financial statements and projections for each fiscal year.

197 (19) (a) In submitting the budget for the Department of Transportation, the governor
198 shall submit the amount identified by the Department of Transportation as necessary to fund
199 the acquisition of land, interests in land, easements, and rights-of-way for transportation
200 corridor preservation projects.

201 (b) In adopting a budget for each fiscal year, the Legislature shall consider funding the
202 request by:

203 (i) using available one-time monies in years where sufficient one-time monies exist;

204 (ii) issuing general obligation bonds in years where one-time monies do not exist; or

205 (iii) a combination of Subsections (19)(b)(i) and (ii) in years where insufficient
206 one-time monies exist.

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

208 **72-2-117. Transportation Corridor Preservation Revolving Loan Fund --**

209 **Distribution -- Repayment -- Rulemaking.**

210 (1) There is created the Transportation Corridor Preservation Revolving Loan Fund
211 within the Transportation Fund.

- 212 (2) The fund shall be funded from the following sources:
- 213 (a) motor vehicle rental tax imposed under Section 59-12-1201;
- 214 (b) appropriations made to the fund by the Legislature;
- 215 (c) contributions from other public and private sources for deposit into the fund;
- 216 (d) interest earnings on cash balances;
- 217 (e) all monies collected for repayments and interest on fund monies;
- 218 (f) all monies collected from rents and sales of real property acquired with fund
- 219 monies; and
- 220 (g) proceeds from general obligation bonds, revenue bonds, or other obligations as
- 221 authorized by Title 63B, Bonds.
- 222 (3) All monies appropriated to the Transportation Corridor Preservation Revolving
- 223 Loan Fund are nonlapsing.
- 224 (4) (a) The commission shall authorize the expenditure of fund monies to allow the
- 225 department to acquire real property or any interests in real property for state, county, and
- 226 municipal transportation corridors subject to:
- 227 (i) monies available in the fund;
- 228 (ii) rules made under Subsection (7); and
- 229 (iii) Subsection (9).
- 230 (b) Fund monies may be used to pay interest on debts incurred in accordance with this
- 231 section.
- 232 (5) Administrative costs [~~of the Transportation Corridor Preservation Revolving Loan~~
- 233 ~~Fund~~] for transportation corridor preservation shall be paid from the fund.
- 234 (6) The department:
- 235 (a) may apply to the commission under this section for monies from the Transportation
- 236 Corridor Preservation Revolving Loan Fund for a specified transportation corridor project,
- 237 including for county and municipal projects; and
- 238 (b) shall repay the fund monies authorized for the project to the fund as required under
- 239 Subsection (7).
- 240 (7) The commission shall:
- 241 (a) administer the Transportation Corridor Preservation Revolving Loan Fund to:
- 242 (i) preserve transportation corridors;

- 243 (ii) promote long-term statewide transportation planning;
- 244 (iii) save on acquisition costs; and
- 245 (iv) promote the best interests of the state in a manner which minimizes impact on
- 246 prime agricultural land;
- 247 (b) prioritize fund monies based on considerations, including:
- 248 (i) areas with rapidly expanding population;
- 249 (ii) the willingness of local governments to complete studies and impact statements
- 250 that meet department standards;
- 251 (iii) the preservation of corridors by the use of local planning and zoning processes;
- 252 (iv) the availability of other public and private matching funds for a project; and
- 253 (v) the cost-effectiveness of the preservation projects;
- 254 (c) designate high priority corridor preservation projects in cooperation with a
- 255 metropolitan planning organization;
- 256 (d) administer the program for the purposes provided in this section;
- 257 (e) prioritize fund monies in accordance with this section; and
- 258 (f) make rules in accordance with Title 63, Chapter 46a, Utah Administrative
- 259 Rulemaking Act, establishing:
- 260 (i) the procedures for the awarding of fund monies;
- 261 (ii) the procedures for the department to apply for transportation corridor preservation
- 262 monies for projects; and
- 263 (iii) repayment conditions of the monies to the fund from the specified project funds.
- 264 (8) (a) The proceeds from any bonds or other obligations secured by revenues of the
- 265 Transportation Corridor Preservation Revolving Loan Fund shall be used for:
- 266 (i) the acquisition of real property in hardship cases; and
- 267 (ii) any of the purposes authorized for funds in the Transportation Corridor
- 268 Preservation Revolving Loan Fund under this section.
- 269 (b) The commission shall pledge the necessary part of the revenues of the
- 270 Transportation Corridor Preservation Revolving Loan Fund to the payment of principal of and
- 271 interest on the bonds or other obligations.
- 272 (9) (a) The department may not apply for monies under this section unless the highway
- 273 authority has an access management policy or ordinance in effect that meets the requirements

274 under Subsection (9)(b).

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

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

279 (ii) include provisions:

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

281 (B) separating conflict areas;

282 (C) reducing the interference of through traffic;

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

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

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

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

290 (b) The corridor preservation advisory council shall:

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

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

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

298 Section 3. Section **72-2-117.2** is enacted to read:

299 **72-2-117.2. Department to request transportation corridor preservation monies.**

300 **By November 15 of each year, the Department of Transportation shall submit its**
301 **estimate of monies it needs for transportation corridor preservation projects to:**

302 **(1) the governor; and**

303 **(2) the Legislature's Transportation, Environmental Quality, and National Guard**
304 **Appropriations Subcommittee.**

Fiscal Note**S.B. 12 1st Sub. (Green) - Funding for Purchase of State Highway Rights of
Way**

2007 General Session

State of Utah

State Impact

Enactment of this bill would require the Department of Transportation to submit a budget request for corridor preservation monies to the governor and directs that request be in the governor's budget. It is unknown at this time how much would be requested or authorized by the Legislature. If issuance of general obligation bonds are authorized debt service payments will vary depending on issuance costs and interest rates at the time of issuance. The actual principal and interest payments will depend on the structure of each issuance.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
