

1st Sub. H.B. 378
SALES AND USE TAX AMENDMENTS

Representative **Julie Fisher** proposes the following amendments:

1. *Page 2, Line 41:*

41 the First Class; ~~{and}~~

• Transportation Project Fund for Counties of the Second Class; and

2. *Page 2, Line 53:*

53 into that fund;

► creates the Transportation Project Fund for Counties of the Second Class and provides for the expenditure of revenues deposited into that fund;

3. *Page 4, Line 100:*

100 72-2-126, Utah Code Annotated 1953

72-2-127, Utah Code Annotated 1953

4. *Page 102, Lines 3135 through 3137:*

3135 (B) expended as provided in Section 72-2-126; ~~{and}~~

(iv) 75% of the revenues collected from the sales and use tax imposed by this section within the boundaries of a county of the second class shall be:

(A) deposited into the Transportation Project Fund for Counties of the Second Class created by Section 72-2-127; and

(B) expended as provided in Section 72-2-127; and

3136 ~~{(iv)}~~ ~~(v)~~ the amount of revenues collected from the sales and use tax imposed by this

3137 section that remain after the distributions required by Subsections (5)(c)(i) through ~~{(iii)}~~ ~~(iv)~~ are

5. *Page 117, Lines 3591 through 3592:*

3591 2005 created by Section 72-2-124.

Section 37. Section 72-2-127 is enacted to read:

72-2-127. Transportation Project Fund for Counties of the Second Class -- Source of revenues -- Interest -- Expenditure of revenues.

(1) As used in this section:

(a) "Council of governments" is as defined in Subsection 72-2-117.5(1)(a).

(b) "Fixed guideway" is as defined in Section 72-2-125.

(c) "Fund" means the Transportation Project Fund for Counties of the Second Class created by this section.

(d) "Metropolitan planning organization" is as defined in Section 72-2-125.

(e) "Regionally significant transportation facility" is as defined in Section 72-2-125.

(2) There is created a special revenue fund within the Transportation Fund known as the Transportation Project Fund for Counties of the Second Class.

(3) (a) The fund shall be funded by the portion of the state sales and use tax described in Subsection 59-12-1902(5)(c)(iv).

(b) (i) The fund shall earn interest.

(ii) Any interest earned on fund monies shall be deposited into the fund.

(4) (a) The executive director shall distribute a percentage of monies deposited into the fund to each county of the second class equal to the percentage of revenues collected within the boundaries of each county of the second class from the tax imposed by Section 59-12-1902 to be expended for:

(i) a project or service:

(A) relating to a regionally significant transportation facility;

(B) for the portion of the project or service that is performed within the county;

(C) for new capacity or congestion mitigation if the project or service is performed within the county of the second class;

(D) (I) if the project or service is a principal arterial highway or a minor arterial highway in the county of the second class, that is part of the county and municipal master plan and part of:

(Aa) the statewide long-range plan; or

(Ab) the regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; or

(II) if the project or service is for a fixed guideway or an airport, that is part of the regional transportation plan of the area metropolitan planning organization if a metropolitan planning organization exists for the area; and

(E) that is on a priority list:

(I) created by the county's council of governments in accordance with Subsection (5); and

(II) approved by the county legislative body in accordance with Subsection (6);

(ii) corridor preservation for a project described in Subsection (4)(a)(i); or

(iii) any debt service and bond issuance costs related to a project or service described in Subsection (4)(a)(i) or (ii).

(b) For purposes of Subsection (4)(a)(i), a regionally significant transportation facility project or service described in Subsection (4)(a)(i)(A) shall have a funded year priority designation on a Statewide Transportation Improvement Program and Transportation Improvement Program if the project described in Subsection (4)(a)(i) is:

(i) a principal arterial highway as defined in Section 72-4-102.5;

(ii) a minor arterial highway as defined in Section 72-4-102.5; or

(iii) a major collector highway;

(A) as defined in Section 72-4-102.5; and

(B) in a rural area.

(5) (a) A county of the second class that receives a distribution of revenues under this section shall create a priority list of regionally significant transportation facility projects described in Subsection (4)(a) in accordance with the process described in Subsection (5)(b) and present the priority list to the county's legislative body for approval as described in Subsection (6).

(b) Subject to Subsections (7) and (8), a council of governments shall establish a council of governments' endorsement process which includes prioritization and application procedures for use of the distributions a county receives under this section.

(6) (a) The council of governments described in Subsection (5)(b) shall submit the priority list described in Subsection (5) to the county's legislative body and obtain approval of the list from a majority of the members of the county legislative body.

(b) A county's council of governments may only submit one priority list per calendar year.

(c) A county legislative body may only consider and approve one priority list per calendar year.

(7) (a) A council of governments shall develop a written prioritization process for the prioritization of projects to be funded by distributions a county of the second class receives under this section.

(b) (i) The following shall be included in the written prioritization process under Subsection (7)(a):

(A) a definition of the type of projects to which the written prioritization process applies;

(B) specification of a weighted criteria system that is used to rank proposed projects and how the weighted criteria system will be used to determine which projects will be prioritized;

(C) specification of the data that is necessary to apply the weighted ranking criteria described in Subsection (7)(b)(i)(B); and

(D) any other provisions the council of governments considers appropriate.

(ii) The weighted criteria system described in Subsection (7)(b)(i)(B) shall include the following considerations:

(A) the cost-effectiveness of a project;

(B) the degree to which a project will mitigate regional congestion;

(C) the compliance requirements of applicable federal laws or regulations;

(D) the economic impact of a project;

(E) the degree to which a project will require tax revenues to fund maintenance and operation expenses; and

(F) any other provisions the council of governments considers appropriate.

(c) A council of governments of a county of the second class shall submit the proposed written prioritization process described in this Subsection (7) to the Executive Appropriations Committee for approval prior to taking final action on:

(i) the proposed written prioritization process; or

(ii) any proposed amendment to the written prioritization process.

(8) (a) Except as provided in Subsection (8)(d), in determining priorities and funding levels of projects to be funded by a distribution made to a county of the second class under this section, the council

of governments shall use the weighted criteria system adopted in the written prioritization process described in Subsection (7) to create a priority list of regionally significant transportation facility projects as described in Subsection (5).

(b) Before finalizing priorities and funding levels of projects, the council of governments shall conduct a public meeting on:

(i) the written prioritization process; and

(ii) the merits of the projects that will be prioritized under this section.

(c) The council of governments shall make the weighted criteria system ranking for each project publicly available prior to the public meeting required by Subsection (8)(b).

(d) (i) If the council of governments prioritizes a project over another project with a higher rank under the weighted criteria system described in Subsection (7)(b), the council of governments shall identify the change at a public meeting on the merits of prioritizing the project above higher ranked projects.

(ii) The council of governments shall make the reasons for the prioritization under Subsection (8)(d)(i) publicly available.

Renumber remaining sections accordingly.