

**TRANSPORTATION FUNDING AMENDMENTS**

2008 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Sheldon L. Killpack**

House Sponsor: John Dougall

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**LONG TITLE**

**General Description:**

This bill modifies the Transportation Code by amending provisions relating to the Critical Highway Needs Fund.

**Highlighted Provisions:**

This bill:

- requires the Transportation Commission to give priority consideration to projects that meet certain criteria when prioritizing projects for funds available in the Critical Highway Needs Fund;

- clarifies that the \$1,000,000,000 expenditure cap for projects prioritized through the Critical Highway Needs Fund applies only to bond proceeds; and

- makes technical changes.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**72-2-125**, as enacted by Laws of Utah 2007, Chapter 206

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



28 Section 1. Section **72-2-125** is amended to read:

29 **72-2-125. Critical Highway Needs Fund.**

30 (1) There is created a restricted special revenue fund entitled the Critical Highway  
31 Needs Fund.

32 (2) The fund consists of monies generated from the following sources:

33 (a) any voluntary contributions received for the maintenance, construction,  
34 reconstruction, or renovation of state and federal highways;

35 (b) appropriations made to the fund by the Legislature; and

36 (c) the sales and use tax revenues deposited into the fund in accordance with  
37 Subsection 59-12-103(10).

38 (3) (a) The fund shall earn interest.

39 (b) All interest earned on fund monies shall be deposited into the fund.

40 (4) (a) The executive director shall use monies deposited into the fund to pay:

41 (i) the costs of right-of-way acquisition, maintenance, construction, reconstruction, or  
42 renovation to state and federal highways identified by the department and prioritized by the  
43 commission in accordance with this Subsection (4); and

44 (ii) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101.

45 (b) (i) The department shall:

46 (A) establish a complete list of projects to be maintained, constructed, reconstructed, or  
47 renovated using the funding described in Subsection (4)(a) based on the following criteria:

48 (I) the highway construction project is a high priority project due to high growth in the  
49 surrounding area;

50 (II) the highway construction project addresses critical access needs that have a high  
51 impact due to commercial and energy development;

52 (III) the highway construction project mitigates congestion;

53 (IV) whether local matching funds are available for the highway construction project;

54 and

55 (V) the highway construction project is a critical alternative route for priority Interstate  
56 15 reconstruction projects; and

57 (B) submit the list of projects to the commission for prioritization in accordance with  
58 Subsection (4)(c).

59 (ii) A project that is included in the list under this Subsection (4):  
60 (A) is not required to be currently listed in the statewide long-range plan; and  
61 (B) is not required to be prioritized through the prioritization process for new  
62 transportation capacity projects adopted under Section 72-1-304.  
63 (c) (i) The commission shall prioritize the project list submitted by the department in  
64 accordance with Subsection (4)(b).  
65 (ii) For projects prioritized under this Subsection (4)(c), the commission shall give  
66 priority consideration to fully fund a project that meets the criteria under Subsection  
67 (4)(b)(i)(A)(V).  
68 (d) (i) Expenditures of bond proceeds issued in accordance with Section 63B-16-101  
69 by the department for the construction of highway projects prioritized under this Subsection (4)  
70 may not exceed \$1,000,000,000.  
71 (ii) Monies expended from the fund for principal, interest, and issuance costs of bonds  
72 issued under Section 63B-16-101 are not considered expenditures for purposes of the  
73 \$1,000,000,000 cap under Subsection (4)(d)(i).  
74 (e) (i) Before bonds authorized by Section 63B-16-101 may be issued in any fiscal  
75 year, the department and the commission shall appear before the Executive Appropriations  
76 Committee of the Legislature and present:  
77 (A) the commission's current list of projects established and prioritized in accordance  
78 with this Subsection (4); and  
79 (B) the amount of bond proceeds that the department needs to provide funding for  
80 projects on the project list prioritized in accordance with this Subsection (4) for the next fiscal  
81 year.  
82 (ii) The Executive Appropriations Committee of the Legislature shall review and  
83 comment on the prioritized project list and the amount of bond proceeds needed to fund the  
84 projects on the prioritized list.  
85 (f) The Division of Finance shall, from monies deposited into the fund, transfer the  
86 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by  
87 Section 63B-16-101 in the current fiscal year to the appropriate debt service or sinking fund.  
88 (5) When the general obligation bonds authorized by Section 63B-16-101 have been  
89 paid off and the highway projects completed that are included in the prioritized project list

90 under Subsection (4), the Division of Finance shall transfer any existing balance in the fund  
91 into the Transportation Investment Fund of 2005 created by Section 72-2-124.

92 (6) (a) The Division of Finance shall monitor the general obligation bonds authorized  
93 by Section 63B-16-101.

94 (b) The department shall monitor the highway construction or reconstruction projects  
95 that are included in the prioritized project list under Subsection (4).

96 (c) Upon request by the Executive Appropriations Committee of the Legislature:

97 (i) the Division of Finance shall report to the committee the status of all general  
98 obligation bonds issued under Section 63B-16-101; and

99 (ii) the department shall report to the committee the status of all highway construction  
100 or reconstruction projects that are included in the prioritized project list under Subsection (4).

101 (d) When the Division of Finance has reported that the general obligation bonds issued  
102 by Section 63B-16-101 have been paid off and the department has reported that projects  
103 included in the prioritized project list are complete to the Executive Appropriations Committee  
104 of the Legislature, the Division of Finance shall transfer any existing fund balance in  
105 accordance with Subsection (5).

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**Legislative Review Note**  
**as of 2-6-08 12:34 PM**

**Office of Legislative Research and General Counsel**

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**S.B. 283 - Transportation Funding Amendments**

**Fiscal Note**

2008 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**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.

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