

Senator J. Stuart Adams proposes the following substitute bill:

TRANSPORTATION FUNDING MODIFICATIONS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brad L. Dee

Senate Sponsor: J. Stuart Adams

LONG TITLE

General Description:

This bill modifies provisions relating to transportation funding.

Highlighted Provisions:

This bill:

- ▶ reduces the bonding authority for certain bonds used to provide funding for projects prioritized through the Critical Highway Needs Fund;
- ▶ provides that a portion of certain bond proceeds shall be provided to the Department of Transportation to pay the costs of certain highway construction or reconstruction projects and to pay the costs of certain transportation infrastructure improvements;
- ▶ provides that a portion of certain bond proceeds shall be provided to the Department of Transportation to provide funds to pay the costs of the following in a county of the first class:
 - right-of-way acquisition, construction, reconstruction, renovations, or improvements to certain highways;
 - certain environmental impact studies; and
 - certain public transit studies;
- ▶ provides that a portion of certain bond proceeds and funds available in the Transportation Investment Fund of 2005 shall be provided to the Transportation



26 Infrastructure Loan Fund to make funds available for transportation infrastructure loans and
 27 transportation infrastructure assistance;
 28 ▶ repeals provisions requiring the Department of Transportation to manage the cash
 29 flow and construction timing for certain highway projects;
 30 ▶ provides that a portion of the revenue in the County of the First Class State
 31 Highway Projects Fund shall be transferred to the legislative body of a county of the
 32 first class to be used for certain purposes;
 33 ▶ provides that for fiscal year 2013-14 only, a portion of the revenues in the
 34 Transportation Investment Fund of 2005 shall be transferred to the County of the
 35 First Class State Highway Projects Fund; and
 36 ▶ makes technical corrections.

37 **Money Appropriated in this Bill:**

38 None

39 **Other Special Clauses:**

40 This bill takes effect on July 1, 2013.

41 **Utah Code Sections Affected:**

42 AMENDS:

- 43 **63B-16-101**, as last amended by Laws of Utah 2008, Chapter 124
- 44 **63B-16-102**, as last amended by Laws of Utah 2009, Chapter 275
- 45 **63B-18-401**, as last amended by Laws of Utah 2012, Chapter 400
- 46 **63B-18-402**, as enacted by Laws of Utah 2009, Chapter 275
- 47 **72-2-121**, as last amended by Laws of Utah 2012, Chapters 131 and 400
- 48 **72-2-121.3**, as last amended by Laws of Utah 2012, Chapter 400
- 49 **72-2-124**, as last amended by Laws of Utah 2012, Chapters 207, 397, and 400

50

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

52 Section 1. Section **63B-16-101** is amended to read:

53 **63B-16-101. Highway bonds -- Maximum amount -- Use of proceeds for highway**
54 **projects.**

55 (1) (a) The total amount of bonds issued under this section may not exceed
56 [~~\$1,200,000,000~~] \$1,145,000,000.

57 (b) When the Department of Transportation certifies to the commission that the
58 requirements of Subsection 72-2-125(4)(e) have been met and certifies the amount of bond
59 proceeds that it needs to provide funding for projects on the project list for the next fiscal year,
60 the commission may issue and sell general obligation bonds in an amount equal to the certified
61 amount plus costs of issuance.

62 (2) (a) Proceeds from the issuance of bonds shall be provided to the Department of
63 Transportation to pay all or part of the costs of state highway construction or reconstruction
64 projects that are included in the project list established and prioritized in accordance with
65 Subsection 72-2-125(4).

66 (b) The costs under Subsection (2)(a) may include the cost of acquiring land, interests
67 in land, easements and rights-of-way, improving sites, and making all improvements necessary,
68 incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the
69 period to be covered by construction of the projects plus a period of six months after the end of
70 the construction period, interest estimated to accrue on any bond anticipation notes issued
71 under the authority of this title, and all related engineering, architectural, and legal fees.

72 (3) The commission or the state treasurer may make any statement of intent relating to
73 a reimbursement that is necessary or desirable to comply with federal tax law.

74 (4) The Department of Transportation may enter into agreements related to projects
75 before the receipt of proceeds of bonds issued under this chapter.

76 Section 2. Section **63B-16-102** is amended to read:

77 **63B-16-102. Highway bonds -- Maximum amount -- Projects authorized.**

78 (1) (a) The total amount of bonds issued under this section may not exceed
79 \$100,000,000.

80 (b) When the Department of Transportation certifies to the commission the amount of
81 bond proceeds that it needs to provide funding for the highway construction project described
82 in Subsection (2) for the next fiscal year, the commission may issue and sell general obligation
83 bonds in an amount equal to the certified amount plus costs of issuance.

84 (2) (a) As used in this Subsection (2), "Mountain View Corridor" means the land area
85 of Salt Lake County running from Interstate 80 south between SR-154 and SR-111 to 12600
86 South and then south and southeasterly to the northern portion of Utah County west of SR-15.

87 (b) Except as provided in Subsection (3), proceeds from the issuance of bonds shall be

88 provided to the Department of Transportation to pay for the costs of acquiring rights-of-way
89 and constructing a highway construction project within the Mountain View Corridor.

90 (c) The Department of Transportation shall use bond proceeds to pay for the portion of
91 the highway construction project described in this Subsection (2) that is located in Salt Lake
92 County.

93 (d) The costs under this Subsection (2) may include the cost of acquiring land, interests
94 in land, easements and rights-of-way, improving sites, and making all improvements necessary,
95 incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the
96 period to be covered by construction of the projects plus a period of six months after the end of
97 the construction period, interest estimated to accrue on any bond anticipation notes issued
98 under the authority of this title, and all related engineering, architectural, and legal fees.

99 (3) (a) Thirty million dollars of the bond proceeds issued under this section shall be
100 provided to the Department of Transportation and funds under Subsection 72-2-121(4)[(e)]
101 shall be used by the Department of Transportation to pay for or to provide funds to a
102 municipality or county to pay for the costs of right-of-way acquisition, construction,
103 reconstruction, renovations, or improvements to highways described in Subsection (3)(b).

104 (b) Bond proceeds described under Subsection (3)(a) and funds under Subsection
105 72-2-121(4)[(e)] shall be used to pay the amounts described in this Subsection (3)(b) for the
106 following highways in Salt Lake County:

107 (i) \$6,500,000 to Taylorsville City for:

108 (A) 6200 South and Redwood Road intersection, interchange, and highway
109 improvements; and

110 (B) an environmental study and preliminary engineering at 5400 South and Interstate
111 215;

112 (ii) \$2,000,000 to West Valley City for 7200 West;

113 (iii) \$4,000,000 to West Jordan City for 7800 South and Airport Road intersection and
114 highway improvements;

115 (iv) \$6,250,000 to Sandy City for 1300 East, 9000 South to 11400 South, and State
116 Street to Interstate 15;

117 (v) \$1,500,000 to Riverton City for right-of-way acquisition between Mountain View
118 Corridor and Bangerter Highway north of 13400 South;

119 (vi) \$3,500,000 for highway, access, and other improvements for the new commuter
120 rail station in the south end of Salt Lake County;

121 (vii) \$11,000,000 to Draper City for the costs of highway improvements in the Salt
122 Lake County portion of Draper City;

123 (viii) \$1,000,000 to Murray City for highway improvements between Cottonwood
124 Street and 4500 South;

125 (ix) \$1,000,000 to Cottonwood Heights for Fort Union Boulevard between 1300 East
126 and Highland Drive;

127 (x) \$1,000,000 to Midvale City for State Street between 7200 South and 9000 South;
128 and

129 (xi) \$250,000 to Salt Lake County for 2300 East.

130 (c) Prior to a municipality or county receiving funds described in this Subsection (3),
131 the municipality or county shall sign and file a written certification with the department
132 certifying that it will use the funds provided under this Subsection (3) solely for the projects
133 described in Subsection (3)(b).

134 (4) The commission or the state treasurer may make any statement of intent relating to
135 a reimbursement that is necessary or desirable to comply with federal tax law.

136 (5) The Department of Transportation may enter into agreements related to the project
137 before the receipt of proceeds of bonds issued under this chapter.

138 Section 3. Section **63B-18-401** is amended to read:

139 **63B-18-401. Highway bonds -- Maximum amount -- Use of proceeds for highway**
140 **projects.**

141 (1) (a) The total amount of bonds issued under this section may not exceed
142 \$2,077,000,000.

143 (b) [~~Subject to the restriction in Subsection (8) and when~~] When the Department of
144 Transportation certifies to the commission that the requirements of Subsection
145 72-2-124[~~(6)~~](5) have been met and certifies the amount of bond proceeds that it needs to
146 provide funding for the projects described in Subsection (2) for the next fiscal year, the
147 commission may issue and sell general obligation bonds in an amount equal to the certified
148 amount plus costs of issuance.

149 (2) Except as provided in Subsections (3) and (4), proceeds from the issuance of bonds

150 shall be provided to the Department of Transportation to pay all or part of the costs of the
151 following state highway construction or reconstruction projects:

- 152 (a) Interstate 15 reconstruction in Utah County;
- 153 (b) the Mountain View Corridor;
- 154 (c) the Southern Parkway; and
- 155 (d) state and federal highways prioritized by the Transportation Commission through:
 - 156 (i) the prioritization process for new transportation capacity projects adopted under
 - 157 Section 72-1-304; or
 - 158 (ii) the state highway construction program.

159 (3) (a) ~~Subject to the restrictions and requirements in Subsection (8), \$70,000,000 of~~
160 Except as provided in Subsection (5), the bond proceeds issued under this section shall be
161 provided to the Department of Transportation.

162 (b) The Department of Transportation shall use bond proceeds and the funds provided
163 to it under Section 72-2-124 to pay for the costs of right-of-way acquisition, construction,
164 reconstruction, renovations, or improvements to the following highways:

- 165 (i) \$35 million to add highway capacity on I-15 south of the Spanish Fork Main Street
166 interchange to Payson;
- 167 (ii) \$28 million for improvements to Riverdale Road in Ogden;
- 168 (iii) \$1 million for intersection improvements on S.R. 36 at South Mountain Road;
- 169 (iv) \$2 million for capacity enhancements on S.R. 248 between Sidewinder Drive and
170 Richardson Flat Road;
- 171 (v) \$12 million for Vineyard Connector from 800 North Geneva Road to Lake Shore
172 Road;
- 173 (vi) \$7 million for 2600 South interchange modifications in Woods Cross;
- 174 (vii) \$9 million for reconfiguring the 1100 South interchange on I-15 in Box Elder
175 County;
- 176 (viii) \$18 million for the Provo west-side connector; ~~and~~
- 177 (ix) \$8 million for interchange modifications on I-15 in the Layton area[-];
- 178 (x) \$3,000,000 for an energy corridor study and environmental review for
179 improvements in the Uintah Basin;
- 180 (xi) \$2,000,000 for highway improvements to Harrison Boulevard in Ogden City;

181 (xii) \$2,500,000 to be provided to Tooele City for roads around the Utah State
 182 University campus to create improved access to an institution of higher education;
 183 (xiii) \$3,000,000 to be provided to the Office of Tourism within the Governor's Office
 184 of Economic Development for transportation infrastructure improvements associated with
 185 annual tourism events that have:
 186 (A) a significant economic development impact within the state; and
 187 (B) significant needs for congestion mitigation;
 188 (xiv) \$4,500,000 to be provided to the Governor's Office of Economic Development
 189 for transportation infrastructure acquisitions and improvements that have a significant
 190 economic development impact within the state;
 191 (xv) \$125,000,000 to pay all or part of the costs of state and federal highway
 192 construction or reconstruction projects prioritized by the Transportation Commission through
 193 the prioritization process for new transportation capacity projects adopted under Section
 194 72-1-304; and
 195 (xvi) \$10,000,000 for the Transportation Fund to pay all or part of the costs of state
 196 and federal highway construction or reconstruction projects as prioritized by the Transportation
 197 Commission.
 198 ~~[(4) (a) Subject to the restrictions and requirements in Subsection (8), \$30,000,000 of~~
 199 ~~the bond proceeds issued under this section shall be provided to the Department of~~
 200 ~~Transportation.]~~
 201 ~~[(b)]~~ (4) (a) The Department of Transportation shall use bond proceeds and the funds
 202 under Section 72-2-121 to pay for, or to provide funds to, a municipality ~~[or]~~, county, or
 203 political subdivision to pay for the costs of right-of-way acquisition, construction,
 204 reconstruction, renovations, or improvements to the following highway or transit projects in
 205 Salt Lake County:
 206 (i) \$4,000,000 to Taylorsville City for bus rapid transit planning on 4700 South;
 207 (ii) \$4,200,000 to Taylorsville City for highway improvements on or surrounding 6200
 208 South and pedestrian crossings and system connections;
 209 ~~[(ii) \$1,250,000]~~ (iii) \$2,250,000 to Herriman City for highway improvements to the
 210 Salt Lake Community College Road;
 211 ~~[(iii)]~~ (iv) \$5,300,000 to West Jordan City for highway improvements on 5600 West

212 from 6200 South to 8600 South;
213 (v) \$4,000,000 to West Jordan City for highway improvements to 7800 South from
214 1300 West to S.R. 111;
215 ~~[(iv) \$2,300,000]~~ (vi) \$7,300,000 to Sandy City for highway improvements on Monroe
216 Street;
217 ~~[(v)]~~ (vii) \$3,000,000 to Draper City for highway improvements to 13490 South from
218 200 West to 700 West;
219 (viii) \$5,000,000 to Draper City for highway improvements to Suncrest Road;
220 ~~[(vi)]~~ (ix) \$1,200,000 to Murray City for highway improvements to 5900 South from
221 State Street to 900 East;
222 (x) \$1,800,000 to Murray City for highway improvements to 1300 East;
223 ~~[(vii) \$1,500,000]~~ (xi) \$3,000,000 to South Salt Lake City for intersection
224 improvements on West Temple, Main Street, and State Street;
225 ~~[(viii)]~~ (xii) \$2,000,000 to Salt Lake County for highway improvements to 5400 South
226 from 5600 West to Mountain View Corridor;
227 ~~[(ix)]~~ (xiii) \$3,000,000 to West Valley City for highway improvements to 6400 West
228 from Parkway Boulevard to SR-201 Frontage Road;
229 (xiv) \$4,300,000 to West Valley City for highway improvements to 2400 South from
230 4800 West to 7200 West and pedestrian crossings;
231 ~~[(x)]~~ (xv) \$4,000,000 to Salt Lake City for highway improvements to 700 South from
232 2800 West to 5600 West;
233 ~~[(xi) \$1,250,000]~~ (xvi) \$2,750,000 to Riverton City for highway improvements to
234 4570 West from 12600 South to Riverton Boulevard; ~~[and]~~
235 ~~[(xii) \$1,200,000]~~ (xvii) \$1,950,000 to Cottonwood Heights for improvements to
236 Union Park Avenue from I-215 exit south to Creek Road and Wasatch Boulevard and Big
237 Cottonwood Canyon[-];
238 (xviii) \$1,300,000 to Cottonwood Heights for highway improvements to Bengal
239 Boulevard;
240 (xix) \$1,500,000 to Midvale City for highway improvements to 7200 South from I-15
241 to 1000 West;
242 (xx) \$1,000,000 to Bluffdale City for an environmental impact study on Porter

243 Rockwell Boulevard:

244 (xxi) \$2,900,000 to Utah Transit Authority for the following public transit studies:

245 (A) a circulator study; and

246 (B) a mountain transport study; and

247 (xxii) \$1,000,000 to South Jordan City for highway improvements to 2700 West.

248 ~~(c)~~ (b) (i) Before providing funds to a municipality or county under this Subsection
249 (4), the Department of Transportation shall obtain from the municipality or county:

250 (A) a written certification signed by the county or city mayor or the mayor's designee
251 certifying that the municipality or county will use the funds provided under this Subsection (4)
252 solely for the projects described in Subsection (4)~~(b)~~(a); and

253 (B) other documents necessary to protect the state and the bondholders and to ensure
254 that all legal requirements are met.

255 (ii) Except as provided in Subsection (4)~~(c)~~(c), by January 1 of each year, the
256 municipality or county receiving funds described in this Subsection (4) shall submit to the
257 Department of Transportation a statement of cash flow for the next fiscal year detailing the
258 funds necessary to pay project costs for the projects described in Subsection (4)~~(b)~~(a).

259 (iii) ~~[Except as provided in Subsection (4)(a), after]~~ After receiving the statement
260 required under Subsection (4)~~(c)~~(b)(ii) and after July 1, the Department of Transportation
261 shall provide funds to the municipality or county necessary to pay project costs for the next
262 fiscal year based upon the statement of cash flow submitted by the municipality or county.

263 (iv) Upon the financial close of each project described in Subsection (4)~~(b)~~(a), the
264 municipality or county receiving funds under this Subsection (4) shall submit a statement to the
265 Department of Transportation detailing the expenditure of funds received for each project.

266 ~~(c)~~ (c) For calendar year 2012 only:

267 (i) the municipality or county shall submit to the Department of Transportation a
268 statement of cash flow as provided in Subsection (4)~~(c)~~(b)(ii) as soon as possible; and

269 (ii) the Department of Transportation shall provide funds to the municipality or county
270 necessary to pay project costs based upon the statement of cash flow.

271 (5) Twenty million dollars of the bond proceeds issued under this section and funds
272 available under Section 72-2-124 shall be provided to the Transportation Infrastructure Loan
273 Fund created by Section 72-2-202 to make funds available for transportation infrastructure

274 loans and transportation infrastructure assistance under Title 72, Chapter 2, Part 2,
275 Transportation Infrastructure Loan Fund.

276 ~~[(5)]~~ (6) The costs under Subsections (2), (3), and (4) may include the costs of studies
277 necessary to make transportation infrastructure improvements, the cost of acquiring land,
278 interests in land, easements and rights-of-way, improving sites, and making all improvements
279 necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds
280 during the period to be covered by construction of the projects plus a period of six months after
281 the end of the construction period, interest estimated to accrue on any bond anticipation notes
282 issued under the authority of this title, and all related engineering, architectural, and legal fees.

283 ~~[(6)]~~ (7) The commission or the state treasurer may make any statement of intent
284 relating to a reimbursement that is necessary or desirable to comply with federal tax law.

285 ~~[(7)]~~ (8) The Department of Transportation may enter into agreements related to the
286 projects described in Subsections (2), (3), and (4) before the receipt of proceeds of bonds
287 issued under this section.

288 ~~[(8)-(a)]~~ (9) The Department of Transportation may enter into a new or amend an
289 existing interlocal agreement related to the projects described in Subsections (3) and (4) to
290 establish any necessary covenants or requirements not otherwise provided for by law.

291 ~~[(b) For fiscal year 2012-13 only, the commission may not issue and sell general~~
292 ~~obligation bonds to pay all or part of the costs of the highway construction or reconstruction~~
293 ~~projects described in Subsections (3) and (4).]~~

294 ~~[(c) The Department of Transportation is responsible for the management of the cash~~
295 ~~flow for all the highway construction or reconstruction projects and project phases described in~~
296 ~~Subsections (3) and (4) and shall determine when those projects will be constructed based on~~
297 ~~revenues available:]~~

298 ~~[(i) from the bonds issued under this section;]~~

299 ~~[(ii) in the Transportation Investment Fund of 2005 created by Section 72-2-124; and]~~

300 ~~[(iii) in the County of the First Class State Highways Fund created by Section~~
301 ~~72-2-121.]~~

302 Section 4. Section **63B-18-402** is amended to read:

303 **63B-18-402. Highway bonds -- Maximum amount -- Projects authorized.**

304 (1) (a) The total amount of bonds issued under this section may not exceed

305 \$39,895,000.

306 (b) When the Department of Transportation certifies to the commission the amount of
307 bond proceeds that it needs to provide funding for the highway construction projects described
308 in Subsection (2), the commission may issue and sell general obligation bonds in an amount
309 equal to the certified amount plus costs of issuance.

310 (2) (a) Proceeds from the bonds issued under this section shall be provided to the
311 Department of Transportation and funds under Subsection 72-2-121(4)~~[(d)]~~ shall be used by
312 the Department of Transportation to pay for or to provide funds to a municipality or county to
313 pay for the costs of right-of-way acquisition, construction, reconstruction, renovations, or
314 improvements to highways described in Subsection (2)(b).

315 (b) Bond proceeds described under Subsection (2)(a) and funds under Subsection
316 72-2-121(4)~~[(d)]~~ shall be used to pay the amounts described in this Subsection (2)(b) for the
317 following highway projects in Salt Lake County:

318 (i) \$15,000,000 to pay for projects in the following priority order:

319 (A) interchange improvements at 5400 South and Bangerter Highway;

320 (B) interchange improvements at 4700 South and Bangerter Highway;

321 (C) reversible lanes on 5400 South from Bangerter Highway going east, terminating at
322 either Redwood Road or Interstate 15; and

323 (D) any remaining proceeds from the amount described in Subsection (2)(b)(i) not
324 required for the projects described in Subsections (2)(b)(i)(A), (B), and (C), to pay for
325 intersection and congestion mitigation projects identified by the Department of Transportation
326 in the east-west transportation route improvement study;

327 (ii) \$20,000,000 to Salt Lake City for the viaduct on North Temple and 400 West; and

328 (iii) \$4,500,000 to Sandy City for the widening and improvement of 1300 East between
329 9800 South to 11000 South.

330 (c) Prior to a municipality or county receiving funds described in this Subsection (2),
331 the municipality or county shall sign and file a written certification with the Department of
332 Transportation certifying that it will use the funds provided under this Subsection (2) solely for
333 the projects described in Subsection (2)(b).

334 (d) The costs under this Subsection (2) may include the cost of acquiring land, interests
335 in land, easements and rights-of-way, improving sites, and making all improvements necessary,

336 incidental, or convenient to the facilities, interest estimated to accrue on these bonds during the
337 period to be covered by construction of the projects plus a period of six months after the end of
338 the construction period, interest estimated to accrue on any bond anticipation notes issued
339 under the authority of this title, and all related engineering, architectural, and legal fees.

340 (3) The commission or the state treasurer may make any statement of intent relating to
341 a reimbursement that is necessary or desirable to comply with federal tax law.

342 (4) The Department of Transportation may enter into agreements related to the project
343 before the receipt of proceeds of bonds issued under this chapter.

344 Section 5. Section **72-2-121** is amended to read:

345 **72-2-121. County of the First Class State Highway Projects Fund.**

346 (1) There is created a special revenue fund within the Transportation Fund known as
347 the "County of the First Class State Highway Projects Fund."

348 (2) The fund consists of money generated from the following revenue sources:

349 (a) any voluntary contributions received for new construction, major renovations, and
350 improvements to state highways within a county of the first class;

351 (b) the portion of the sales and use tax described in Subsection 59-12-2214(3)(b)
352 deposited in or transferred to the fund;

353 (c) the portion of the sales and use tax described in Subsection 59-12-2217(2)(b) and
354 required by Subsection 59-12-2217(8)(b) to be deposited in or transferred to the fund; and

355 (d) a portion of the local option highway construction and transportation corridor
356 preservation fee imposed in a county of the first class under Section 41-1a-1222 deposited in or
357 transferred to the fund.

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

359 (b) All interest earned on fund money shall be deposited into the fund.

360 (4) The executive director shall use the fund money only:

361 (a) to pay debt service and bond issuance costs for bonds issued under Sections
362 63B-16-102 and 63B-18-402;

363 (b) for right-of-way acquisition, new construction, major renovations, and
364 improvements to state highways within a county of the first class and to pay any debt service
365 and bond issuance costs related to those projects;

366 (c) for fiscal year 2012-13 only, to pay for or to provide funds to a municipality or

367 county to pay for a portion of right-of-way acquisition, construction, reconstruction,
 368 renovations, and improvements to highways described in Subsections 72-2-121.4(7), (8), and
 369 (9);

370 (d) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by
 371 Section 72-2-121.3 the amount required in Subsection 72-2-121.3(4)(c) minus the amounts
 372 transferred in accordance with Subsection 72-2-124~~(5)~~(4)(a)(iv); ~~and~~

373 (e) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond
 374 issuance costs for \$30,000,000 of the bonds issued under Section 63B-18-401 for the projects
 375 described in Subsection 63B-18-401(4)~~(b)~~(a); and

376 (f) for a fiscal year beginning on or after July 1, 2013, and after the department has
 377 verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund, to
 378 transfer an amount equal to 50% of the revenue generated by the local option highway
 379 construction and transportation corridor preservation fee imposed under Section 41-1a-1222 in
 380 a county of the first class:

381 (i) to the legislative body of a county of the first class; and

382 (ii) to be used by a county of the first class for:

383 (A) highway construction, reconstruction, or maintenance projects; or

384 (B) the enforcement of state motor vehicle and traffic laws.

385 (5) The revenues described in Subsections (2)(b), (c), and (d) that are deposited in the
 386 fund and bond proceeds from bonds issued under Sections 63B-16-102 and 63B-18-402 are
 387 considered a local matching contribution for the purposes described under Section 72-2-123.

388 (6) The additional administrative costs of the department to administer this fund shall
 389 be paid from money in the fund.

390 (7) Notwithstanding any statutory or other restrictions on the use or expenditure of the
 391 revenue sources deposited into this fund, the Department of Transportation may use the money
 392 in this fund for any of the purposes detailed in Subsection (4).

393 Section 6. Section **72-2-121.3** is amended to read:

394 **72-2-121.3. Special revenue fund -- 2010 Salt Lake County Revenue Bonds**
 395 **Sinking Fund.**

396 (1) There is created a special revenue fund within the County of the First Class State
 397 Highway Projects Fund entitled "2010 Salt Lake County Revenue Bond Sinking Fund."

398 (2) The fund consists of:

399 (a) money transferred into the fund from the County of the First Class State Highway
400 Projects Fund in accordance with Subsection 72-2-121(4)~~(c)~~(d); and

401 (b) for a fiscal year beginning on or after July 1, 2013, money transferred into the fund
402 from the Transportation Investment Fund of 2005 in accordance with Subsection
403 72-2-124~~(5)~~(4)(a)(iv).

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

405 (b) All interest earned on fund money shall be deposited into the fund.

406 (4) (a) The director of the Division of Finance may use fund money only as provided in
407 this section.

408 (b) The director of the Division of Finance may not distribute any money from the fund
409 under this section until the director has received a formal opinion from the attorney general that
410 Salt Lake County has entered into a binding agreement with the state of Utah containing all of
411 the terms required by Section 72-2-121.4.

412 (c) Except as provided in Subsection (4)(b), and until the bonds issued by Salt Lake
413 County as provided in the interlocal agreement required by Section 72-2-121.4 are paid off, on
414 July 1 of each year beginning July 1, 2011, the director of the Division of Finance shall transfer
415 from the County of the First Class State Highway Projects Fund and the Transportation
416 Investment Fund of 2005 to the 2010 Salt Lake County Revenue Bond Sinking Fund the
417 amount certified by Salt Lake County that is necessary to pay:

418 (i) up to two times the debt service requirement necessary to pay debt service on the
419 revenue bonds issued by Salt Lake County for that fiscal year; and

420 (ii) any additional amounts necessary to pay costs of issuance, pay capitalized interest,
421 and fund any debt service reserve requirements.

422 (d) Except as provided in Subsection (4)(b), and until the bonds issued by Salt Lake
423 County as provided in the interlocal agreement required by Section 72-2-121.4 are paid off, the
424 director of the Division of Finance shall, upon request from Salt Lake County, transfer to Salt
425 Lake County or its designee from the 2010 Salt Lake County Revenue Bond Sinking Fund the
426 amount certified by Salt Lake County as necessary to pay:

427 (i) the debt service on the revenue bonds issued by Salt Lake County as provided in the
428 interlocal agreement required by Section 72-2-121.4; and

429 (ii) any additional amounts necessary to pay costs of issuance, pay capitalized interest,
430 and fund any debt service reserve requirements.

431 (5) Any money remaining in the 2010 Salt Lake County Revenue Bond Sinking Fund
432 at the end of the fiscal year lapses to the County of the First Class State Highway Projects
433 Fund.

434 Section 7. Section **72-2-124** is amended to read:

435 **72-2-124. Transportation Investment Fund of 2005.**

436 (1) There is created a special revenue fund entitled the Transportation Investment Fund
437 of 2005.

438 (2) The fund consists of money generated from the following sources:

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

441 (b) appropriations made to the fund by the Legislature;

442 (c) the sales and use tax revenues deposited into the fund in accordance with Section
443 59-12-103; and

444 (d) registration fees designated under Section 41-1a-1201.

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

446 (b) All interest earned on fund money shall be deposited into the fund.

447 (4) (a) Except as provided in Subsection (4)(b), the executive director may use fund
448 money only to pay:

449 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
450 federal highways prioritized by the Transportation Commission through the prioritization
451 process for new transportation capacity projects adopted under Section 72-1-304;

452 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
453 projects described in Subsections 63B-18-401(2), (3), and (4);

454 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
455 minus the costs paid from the County of the First Class State Highway Projects Fund in
456 accordance with Subsection 72-2-121(4)~~(d)~~(e); and

457 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
458 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified
459 by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the

460 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;

461 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
462 for projects prioritized in accordance with Section 72-2-125; [~~and~~]

463 (vi) all highway general obligation bonds that are intended to be paid from revenues in
464 the Centennial Highway Fund Restricted Account created by Section 72-2-118; and

465 (vii) for fiscal year 2013-14 only, to transfer up to \$13,250,000 to the County of the
466 First Class State Highway Projects Fund created in Section 72-2-121 to be used for the
467 purposes described in Section 72-2-121.

468 (b) The executive director may use fund money to exchange for an equal or greater
469 amount of federal transportation funds to be used as provided in Subsection (4)(a).

470 (5) (a) Before bonds authorized by Section 63B-18-401 may be issued in any fiscal
471 year, the department and the commission shall appear before the Executive Appropriations
472 Committee of the Legislature and present the amount of bond proceeds that the department
473 needs to provide funding for the projects identified in [~~Subsection~~] Subsections 63B-18-401(2),
474 (3), and (4) for the next fiscal year.

475 (b) The Executive Appropriations Committee of the Legislature shall review and
476 comment on the amount of bond proceeds needed to fund the projects.

477 (6) The Division of Finance shall, from money deposited into the fund, transfer the
478 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
479 Section 63B-18-401 in the current fiscal year to the appropriate debt service or sinking fund.

480 Section 8. **Effective date.**

481 This bill takes effect on July 1, 2013.