

Senator Alvin B. Jackson proposes the following substitute bill:

**TRANSPORTATION INFRASTRUCTURE FUNDING**

2015 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Johnny Anderson**

Senate Sponsor: Alvin B. Jackson

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**LONG TITLE**

**General Description:**

This bill modifies provisions relating to transportation funding.

**Highlighted Provisions:**

This bill:

- ▶ provides and amends definitions;
- ▶ increases motor vehicle registration fees for certain motor vehicles of 12,000 pounds or less gross laden weight;
- ▶ provides that the increased portion of certain registration fees shall be deposited into the Transportation Fund;
- ▶ amends the penalty amount that is collected from an issuing dealer for a temporary permit that is outstanding for 45 days from the date it is issued;
- ▶ authorizes a county to impose a local option sales and use tax for highways and public transit;
- ▶ addresses the use of revenue collected from the local option sales and use tax for highways and public transit;
- ▶ requires a political subdivision that receives certain sales and use tax revenue to submit certain information in audits, reviews, compilations, or fiscal reports;
- ▶ repeals the cents per gallon tax rate that is imposed on motor fuels and special fuels



- 26 after a specified date;
- 27       ▶ imposes a percentage tax per gallon on motor fuel and special fuel based on the
- 28 statewide average rack price of a gallon of regular unleaded motor fuel after a
- 29 specified date;
- 30       ▶ establishes procedures for the State Tax Commission to determine the statewide
- 31 average rack price of a gallon of regular unleaded motor fuel;
- 32       ▶ specifies the date that the adjusted fuel tax rate shall take effect each year;
- 33       ▶ increases the tax rate of the special fuel tax imposed on compressed natural gas and
- 34 liquified natural gas;
- 35       ▶ imposes a special fuel tax on hydrogen used to operate or propel a motor vehicle on
- 36 a public highway;
- 37       ▶ repeals the requirement to post a tax rate decal on each motor fuel or undyed special
- 38 fuel pump or dispensing device;
- 39       ▶ repeals the cap on the amount of motor fuel tax revenue that is deposited in the
- 40 Off-highway Vehicle Account;
- 41       ▶ requires the Department of Transportation to study the implementation of a road
- 42 usage charge;
- 43       ▶ amends the apportionment formula for revenues deposited in the class B and class C
- 44 roads account; and
- 45       ▶ makes technical and conforming changes.

46 **Money Appropriated in this Bill:**

47       None

48 **Other Special Clauses:**

49       This bill provides a special effective date.

50       This bill provides a coordination clause.

51 **Utah Code Sections Affected:**

52 AMENDS:

53       **41-1a-102**, as last amended by Laws of Utah 2014, Chapters 61, 237, and 237

54       **41-1a-1201**, as last amended by Laws of Utah 2012, Chapters 207, 356, 397 and last  
55 amended by Coordination Clause, Laws of Utah 2012, Chapter 397

56       **41-1a-1206**, as last amended by Laws of Utah 2014, Chapters 61, 237, and 237

- 57 [41-3-301](#), as last amended by Laws of Utah 2008, Chapter 382
- 58 [41-3-302](#), as last amended by Laws of Utah 2008, Chapter 382
- 59 [51-2a-202](#), as enacted by Laws of Utah 2004, Chapter 206
- 60 [59-12-2203](#), as enacted by Laws of Utah 2010, Chapter 263
- 61 [59-12-2206](#), as enacted by Laws of Utah 2010, Chapter 263
- 62 [59-13-102](#), as last amended by Laws of Utah 2012, Chapter 369
- 63 [59-13-201](#), as last amended by Laws of Utah 2010, Chapter 308
- 64 [59-13-301](#), as last amended by Laws of Utah 2011, Chapter 259
- 65 [63I-1-259](#), as last amended by Laws of Utah 2014, Chapter 54
- 66 [72-2-108](#), as last amended by Laws of Utah 2008, Chapter 109

67 ENACTS:

- 68 [59-12-2219](#), Utah Code Annotated 1953
- 69 [63I-1-251](#), Utah Code Annotated 1953
- 70 [72-1-212](#), Utah Code Annotated 1953

71 REPEALS:

- 72 [59-13-104](#), as enacted by Laws of Utah 1998, Chapter 253

73 **Utah Code Sections Affected by Coordination Clause:**

- 74 [59-13-301](#), as last amended by Laws of Utah 2011, Chapter 259



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

77 Section 1. Section **41-1a-102** is amended to read:

78 **41-1a-102. Definitions.**

79 As used in this chapter:

- 80 (1) "Actual miles" means the actual distance a vehicle has traveled while in operation.
- 81 (2) "Actual weight" means the actual unladen weight of a vehicle or combination of
- 82 vehicles as operated and certified to by a weighmaster.
- 83 (3) "All-terrain type I vehicle" has the same meaning provided in Section [41-22-2](#).
- 84 (4) "All-terrain type II vehicle" has the same meaning provided in Section [41-22-2](#).
- 85 (5) "Amateur radio operator" means any person licensed by the Federal

86 Communications Commission to engage in private and experimental two-way radio operation  
87 on the amateur band radio frequencies.

88 (6) "Branded title" means a title certificate that is labeled:

89 (a) rebuilt and restored to operation;

90 (b) flooded and restored to operation; or

91 (c) not restored to operation.

92 (7) "Camper" means any structure designed, used, and maintained primarily to be  
93 mounted on or affixed to a motor vehicle that contains a floor and is designed to provide a  
94 mobile dwelling, sleeping place, commercial space, or facilities for human habitation or for  
95 camping.

96 (8) "Certificate of title" means a document issued by a jurisdiction to establish a record  
97 of ownership between an identified owner and the described vehicle, vessel, or outboard motor.

98 (9) "Certified scale weigh ticket" means a weigh ticket that has been issued by a  
99 weighmaster.

100 (10) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or  
101 maintained for the transportation of persons or property that operates:

102 (a) as a carrier for hire, compensation, or profit; or

103 (b) as a carrier to transport the vehicle owner's goods or property in furtherance of the  
104 owner's commercial enterprise.

105 (11) "Commission" means the State Tax Commission.

106 (12) "Dealer" means a person engaged or licensed to engage in the business of buying,  
107 selling, or exchanging new or used vehicles, vessels, or outboard motors either outright or on  
108 conditional sale, bailment, lease, chattel mortgage, or otherwise or who has an established  
109 place of business for the sale, lease, trade, or display of vehicles, vessels, or outboard motors.

110 (13) "Division" means the Motor Vehicle Division of the commission, created in  
111 Section [41-1a-106](#).

112 (14) "Electric vehicle" means a motor vehicle that is powered solely by an electric  
113 motor drawing current from a rechargeable energy storage system.

114 [~~14~~] (15) "Essential parts" means all integral and body parts of a vehicle of a type  
115 required to be registered in this state, the removal, alteration, or substitution of which would  
116 tend to conceal the identity of the vehicle or substantially alter its appearance, model, type, or  
117 mode of operation.

118 [~~15~~] (16) "Farm tractor" means every motor vehicle designed and used primarily as a

119 farm implement for drawing plows, mowing machines, and other implements of husbandry.

120 ~~[(16)]~~ (17) (a) "Farm truck" means a truck used by the owner or operator of a farm  
121 solely for his own use in the transportation of:

122 (i) farm products, including livestock and its products, poultry and its products,  
123 floricultural and horticultural products;

124 (ii) farm supplies, including tile, fence, and every other thing or commodity used in  
125 agricultural, floricultural, horticultural, livestock, and poultry production; and

126 (iii) livestock, poultry, and other animals and things used for breeding, feeding, or  
127 other purposes connected with the operation of a farm.

128 (b) "Farm truck" does not include the operation of trucks by commercial processors of  
129 agricultural products.

130 ~~[(17)]~~ (18) "Fleet" means one or more commercial vehicles.

131 ~~[(18)]~~ (19) "Foreign vehicle" means a vehicle of a type required to be registered,  
132 brought into this state from another state, territory, or country other than in the ordinary course  
133 of business by or through a manufacturer or dealer, and not registered in this state.

134 ~~[(19)]~~ (20) "Gross laden weight" means the actual weight of a vehicle or combination  
135 of vehicles, equipped for operation, to which shall be added the maximum load to be carried.

136 ~~[(20)]~~ (21) "Highway" or "street" means the entire width between property lines of  
137 every way or place of whatever nature when any part of it is open to the public, as a matter of  
138 right, for purposes of vehicular traffic.

139 (22) (a) "Hybrid electric vehicle" means a motor vehicle that draws propulsion energy  
140 from onboard sources of stored energy that are both:

141 (i) an internal combustion engine or heat engine using consumable fuel; and

142 (ii) a rechargeable energy storage system where recharge energy for the energy storage  
143 system comes solely from sources onboard the vehicle.

144 (b) "Hybrid electric vehicle" includes a plug-in hybrid electric motor vehicle.

145 ~~[(21)]~~ (23) (a) "Identification number" means the identifying number assigned by the  
146 manufacturer or by the division for the purpose of identifying the vehicle, vessel, or outboard  
147 motor.

148 (b) "Identification number" includes a vehicle identification number, state assigned  
149 identification number, hull identification number, and motor serial number.

150           ~~[(22)]~~ (24) "Implement of husbandry" means every vehicle designed or adapted and  
151 used exclusively for an agricultural operation and only incidentally operated or moved upon the  
152 highways.

153           ~~[(23)]~~ (25) (a) "In-state miles" means the total number of miles operated in this state  
154 during the preceding year by fleet power units.

155           (b) If fleets are composed entirely of trailers or semitrailers, "in-state miles" means the  
156 total number of miles that those vehicles were towed on Utah highways during the preceding  
157 year.

158           ~~[(24)]~~ (26) "Interstate vehicle" means any commercial vehicle operated in more than  
159 one state, province, territory, or possession of the United States or foreign country.

160           ~~[(25)]~~ (27) "Jurisdiction" means a state, district, province, political subdivision,  
161 territory, or possession of the United States or any foreign country.

162           ~~[(26)]~~ (28) "Lienholder" means a person with a security interest in particular property.

163           ~~[(27)]~~ (29) "Manufactured home" means a transportable factory built housing unit  
164 constructed on or after June 15, 1976, according to the Federal Home Construction and Safety  
165 Standards Act of 1974 (HUD Code), in one or more sections, which, in the traveling mode, is  
166 eight body feet or more in width or 40 body feet or more in length, or when erected on site, is  
167 400 or more square feet, and which is built on a permanent chassis and designed to be used as a  
168 dwelling with or without a permanent foundation when connected to the required utilities, and  
169 includes the plumbing, heating, air-conditioning, and electrical systems.

170           ~~[(28)]~~ (30) "Manufacturer" means a person engaged in the business of constructing,  
171 manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or  
172 outboard motors for the purpose of sale or trade.

173           ~~[(29)]~~ (31) "Mobile home" means a transportable factory built housing unit built prior  
174 to June 15, 1976, in accordance with a state mobile home code which existed prior to the  
175 Federal Manufactured Housing and Safety Standards Act (HUD Code).

176           ~~[(30)]~~ (32) "Motorboat" has the same meaning as provided in Section [73-18-2](#).

177           ~~[(31)]~~ (33) "Motorcycle" means a motor vehicle having a saddle for the use of the rider  
178 and designed to travel on not more than three wheels in contact with the ground.

179           ~~[(32)]~~ (34) (a) "Motor vehicle" means a self-propelled vehicle intended primarily for  
180 use and operation on the highways.

181 (b) "Motor vehicle" does not include an off-highway vehicle.

182 [~~(33)~~] (35) (a) "Nonresident" means a person who is not a resident of this state as  
183 defined by Section 41-1a-202, and who does not engage in intrastate business within this state  
184 and does not operate in that business any motor vehicle, trailer, or semitrailer within this state.

185 (b) A person who engages in intrastate business within this state and operates in that  
186 business any motor vehicle, trailer, or semitrailer in this state or who, even though engaging in  
187 interstate commerce, maintains any vehicle in this state as the home station of that vehicle is  
188 considered a resident of this state, insofar as that vehicle is concerned in administering this  
189 chapter.

190 [~~(34)~~] (36) "Odometer" means a device for measuring and recording the actual distance  
191 a vehicle travels while in operation, but does not include any auxiliary odometer designed to be  
192 periodically reset.

193 [~~(35)~~] (37) "Off-highway implement of husbandry" has the same meaning as provided  
194 in Section 41-22-2.

195 [~~(36)~~] (38) "Off-highway vehicle" has the same meaning as provided in Section  
196 41-22-2.

197 [~~(37)~~] (39) "Operate" means to drive or be in actual physical control of a vehicle or to  
198 navigate a vessel.

199 [~~(38)~~] (40) "Outboard motor" means a detachable self-contained propulsion unit,  
200 excluding fuel supply, used to propel a vessel.

201 [~~(39)~~] (41) (a) "Owner" means a person, other than a lienholder, holding title to a  
202 vehicle, vessel, or outboard motor whether or not the vehicle, vessel, or outboard motor is  
203 subject to a security interest.

204 (b) If a vehicle is the subject of an agreement for the conditional sale or installment  
205 sale or mortgage of the vehicle with the right of purchase upon performance of the conditions  
206 stated in the agreement and with an immediate right of possession vested in the conditional  
207 vendee or mortgagor, or if the vehicle is the subject of a security agreement, then the  
208 conditional vendee, mortgagor, or debtor is considered the owner for the purposes of this  
209 chapter.

210 (c) If a vehicle is the subject of an agreement to lease, the lessor is considered the  
211 owner until the lessee exercises his option to purchase the vehicle.

212 [~~(40)~~] (42) "Park model recreational vehicle" means a unit that:

213 (a) is designed and marketed as temporary living quarters for recreational, camping,  
214 travel, or seasonal use;

215 (b) is not permanently affixed to real property for use as a permanent dwelling;

216 (c) requires a special highway movement permit for transit; and

217 (d) is built on a single chassis mounted on wheels with a gross trailer area not  
218 exceeding 400 square feet in the setup mode.

219 [~~(41)~~] (43) "Personalized license plate" means a license plate that has displayed on it a  
220 combination of letters, numbers, or both as requested by the owner of the vehicle and assigned  
221 to the vehicle by the division.

222 [~~(42)~~] (44) (a) "Pickup truck" means a two-axle motor vehicle with motive power  
223 manufactured, remanufactured, or materially altered to provide an open cargo area.

224 (b) "Pickup truck" includes motor vehicles with the open cargo area covered with a  
225 camper, camper shell, tarp, removable top, or similar structure.

226 (45) "Plug-in hybrid electric motor vehicle" means a hybrid electric vehicle that has  
227 the capability to charge the battery or batteries used for vehicle propulsion from an off-vehicle  
228 electric source, such that the off-vehicle source cannot be connected to the vehicle while the  
229 vehicle is in motion.

230 [~~(43)~~] (46) "Pneumatic tire" means every tire in which compressed air is designed to  
231 support the load.

232 [~~(44)~~] (47) "Preceding year" means a period of 12 consecutive months fixed by the  
233 division that is within 16 months immediately preceding the commencement of the registration  
234 or license year in which proportional registration is sought. The division in fixing the period  
235 shall conform it to the terms, conditions, and requirements of any applicable agreement or  
236 arrangement for the proportional registration of vehicles.

237 [~~(45)~~] (48) "Public garage" means every building or other place where vehicles or  
238 vessels are kept and stored and where a charge is made for the storage and keeping of vehicles  
239 and vessels.

240 [~~(46)~~] (49) "Receipt of surrender of ownership documents" means the receipt of  
241 surrender of ownership documents described in Section [41-1a-503](#).

242 [~~(47)~~] (50) "Reconstructed vehicle" means every vehicle of a type required to be



243 registered in this state that is materially altered from its original construction by the removal,  
244 addition, or substitution of essential parts, new or used.

245 ~~[(48)]~~ (51) "Recreational vehicle" has the same meaning as provided in Section  
246 13-14-102.

247 ~~[(49)]~~ (52) "Registration" means a document issued by a jurisdiction that allows  
248 operation of a vehicle or vessel on the highways or waters of this state for the time period for  
249 which the registration is valid and that is evidence of compliance with the registration  
250 requirements of the jurisdiction.

251 ~~[(50)]~~ (53) (a) "Registration year" means a 12 consecutive month period commencing  
252 with the completion of all applicable registration criteria.

253 (b) For administration of a multistate agreement for proportional registration the  
254 division may prescribe a different 12-month period.

255 ~~[(51)]~~ (54) "Repair or replacement" means the restoration of vehicles, vessels, or  
256 outboard motors to a sound working condition by substituting any inoperative part of the  
257 vehicle, vessel, or outboard motor, or by correcting the inoperative part.

258 ~~[(52)]~~ (55) "Replica vehicle" means:

259 (a) a street rod that meets the requirements under Subsection 41-21-1(1)(a)(i)(B); or

260 (b) a custom vehicle that meets the requirements under Subsection

261 41-6a-1507(1)(a)(i)(B).

262 ~~[(53)]~~ (56) "Road tractor" means every motor vehicle designed and used for drawing  
263 other vehicles and constructed so it does not carry any load either independently or any part of  
264 the weight of a vehicle or load that is drawn.

265 ~~[(54)]~~ (57) "Sailboat" has the same meaning as provided in Section 73-18-2.

266 ~~[(55)]~~ (58) "Security interest" means an interest that is reserved or created by a security  
267 agreement to secure the payment or performance of an obligation and that is valid against third  
268 parties.

269 ~~[(56)]~~ (59) "Semitrailer" means every vehicle without motive power designed for  
270 carrying persons or property and for being drawn by a motor vehicle and constructed so that  
271 some part of its weight and its load rests or is carried by another vehicle.

272 ~~[(57)]~~ (60) "Special group license plate" means a type of license plate designed for a  
273 particular group of people or a license plate authorized and issued by the division in accordance

274 with Section [41-1a-418](#).

275 ~~[(58)]~~ [\(61\)](#) (a) "Special interest vehicle" means a vehicle used for general  
276 transportation purposes and that is:

277 (i) 20 years or older from the current year; or

278 (ii) a make or model of motor vehicle recognized by the division director as having  
279 unique interest or historic value.

280 (b) In making ~~[his]~~ a determination under Subsection ~~[(58)]~~ [\(61\)](#)(a), the division  
281 director shall give special consideration to:

282 (i) a make of motor vehicle that is no longer manufactured;

283 (ii) a make or model of motor vehicle produced in limited or token quantities;

284 (iii) a make or model of motor vehicle produced as an experimental vehicle or one  
285 designed exclusively for educational purposes or museum display; or

286 (iv) a motor vehicle of any age or make that has not been substantially altered or  
287 modified from original specifications of the manufacturer and because of its significance is  
288 being collected, preserved, restored, maintained, or operated by a collector or hobbyist as a  
289 leisure pursuit.

290 ~~[(59)]~~ [\(62\)](#) (a) "Special mobile equipment" means every vehicle:

291 (i) not designed or used primarily for the transportation of persons or property;

292 (ii) not designed to operate in traffic; and

293 (iii) only incidentally operated or moved over the highways.

294 (b) "Special mobile equipment" includes:

295 (i) farm tractors;

296 (ii) off-road motorized construction or maintenance equipment including backhoes,  
297 bulldozers, compactors, graders, loaders, road rollers, tractors, and trenchers; and

298 (iii) ditch-digging apparatus.

299 (c) "Special mobile equipment" does not include a commercial vehicle as defined  
300 under Section [72-9-102](#).

301 ~~[(60)]~~ [\(63\)](#) "Specially constructed vehicle" means every vehicle of a type required to be  
302 registered in this state, not originally constructed under a distinctive name, make, model, or  
303 type by a generally recognized manufacturer of vehicles, and not materially altered from its  
304 original construction.

305           ~~[(61)]~~ (64) "Title" means the right to or ownership of a vehicle, vessel, or outboard  
306 motor.

307           ~~[(62)]~~ (65) (a) "Total fleet miles" means the total number of miles operated in all  
308 jurisdictions during the preceding year by power units.

309           (b) If fleets are composed entirely of trailers or semitrailers, "total fleet miles" means  
310 the number of miles that those vehicles were towed on the highways of all jurisdictions during  
311 the preceding year.

312           ~~[(63)]~~ (66) "Trailer" means a vehicle without motive power designed for carrying  
313 persons or property and for being drawn by a motor vehicle and constructed so that no part of  
314 its weight rests upon the towing vehicle.

315           ~~[(64)]~~ (67) "Transferee" means a person to whom the ownership of property is  
316 conveyed by sale, gift, or any other means except by the creation of a security interest.

317           ~~[(65)]~~ (68) "Transferor" means a person who transfers his ownership in property by  
318 sale, gift, or any other means except by creation of a security interest.

319           ~~[(66)]~~ (69) "Travel trailer," "camping trailer," or "fifth wheel trailer" means a portable  
320 vehicle without motive power, designed as a temporary dwelling for travel, recreational, or  
321 vacation use that does not require a special highway movement permit when drawn by a  
322 self-propelled motor vehicle.

323           ~~[(67)]~~ (70) "Truck tractor" means a motor vehicle designed and used primarily for  
324 drawing other vehicles and not constructed to carry a load other than a part of the weight of the  
325 vehicle and load that is drawn.

326           ~~[(68)]~~ (71) "Vehicle" includes a motor vehicle, trailer, semitrailer, off-highway vehicle,  
327 camper, park model recreational vehicle, manufactured home, and mobile home.

328           ~~[(69)]~~ (72) "Vessel" has the same meaning as provided in Section 73-18-2.

329           ~~[(70)]~~ (73) "Vintage vehicle" has the same meaning as provided in Section 41-21-1.

330           ~~[(71)]~~ (74) "Waters of this state" has the same meaning as provided in Section 73-18-2.

331           ~~[(72)]~~ (75) "Weighmaster" means a person, association of persons, or corporation  
332 permitted to weigh vehicles under this chapter.

333           Section 2. Section **41-1a-1201** is amended to read:

334           **41-1a-1201. Disposition of fees.**

335           (1) All fees received and collected under this part shall be transmitted daily to the state

336 treasurer.

337 (2) Except as provided in Subsections (3), (6), and (7) and Sections 41-1a-422,  
338 41-1a-1220, 41-1a-1221, and 41-1a-1223 all fees collected under this part shall be deposited in  
339 the Transportation Fund.

340 (3) Funds generated under Subsections 41-1a-1211(1)(b)(ii), (6)(b)(ii), and (7) and  
341 Section 41-1a-1212 may be used by the commission to cover the costs incurred in issuing  
342 license plates under Part 4, License Plates and Registration Indicia.

343 (4) In accordance with Section 63J-1-602.2, all funds available to the commission for  
344 the purchase and distribution of license plates and decals are nonlapsing.

345 (5) (a) Except as provided in Subsections (3) and (5)(b) and Section 41-1a-1205, the  
346 expenses of the commission in enforcing and administering this part shall be provided for by  
347 legislative appropriation from the revenues of the Transportation Fund.

348 (b) Three dollars of the registration fees imposed under Subsections 41-1a-1206(2)(a)  
349 and (b) for each vehicle registered for a six-month registration period under Section  
350 41-1a-215.5 may be used by the commission to cover the costs incurred in enforcing and  
351 administering this part.

352 (6) (a) The following portions of the registration fees imposed under Section  
353 41-1a-1206 for each vehicle shall be deposited in the Transportation Investment Fund of 2005  
354 created under Section 72-2-124:

355 (i) \$30 of the registration fees imposed under Subsections 41-1a-1206(1)(a), (1)(b),  
356 (1)(f), (3), and (6);

357 (ii) \$21 of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i) and  
358 (1)(c)(ii);

359 (iii) \$2.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii);

360 (iv) \$23 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i);

361 (v) \$24.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(i); and

362 (vi) \$1 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(ii).

363 (b) The following portions of the registration fees collected for each vehicle registered  
364 for a six-month registration period under Section 41-1a-215.5 shall be deposited in the  
365 Transportation Investment Fund of 2005 created by Section 72-2-124:

366 (i) \$23.25 of each registration fee collected under Subsection 41-1a-1206(2)(a); and

367 (ii) \$23 of each registration fee collected under Subsection [41-1a-1206\(2\)\(b\)](#), [\(c\)](#), or  
368 [\(d\)](#).

369 (7) (a) Ninety-four cents of each registration fee imposed under Subsections  
370 [41-1a-1206\(1\)\(a\)](#) and [\(b\)](#) for each vehicle shall be deposited in the Public Safety Restricted  
371 Account created in Section [53-3-106](#).

372 (b) Seventy-one cents of each registration fee imposed under Subsections  
373 [41-1a-1206\(2\)\(a\)](#) and [\(b\)](#) for each vehicle registered for a six-month registration period under  
374 Section [41-1a-215.5](#) shall be deposited in the Public Safety Restricted Account created in  
375 Section [53-3-106](#).

376 Section 3. Section [41-1a-1206](#) is amended to read:

377 **[41-1a-1206](#). Registration fees -- Fees by gross laden weight.**

378 (1) Except as provided in Subsections (2) and (3), at the time application is made for  
379 registration or renewal of registration of a vehicle or combination of vehicles under this  
380 chapter, a registration fee shall be paid to the division as follows:

381 (a) \$44.50 for each motorcycle;

382 (b) (i) \$43 for each motor vehicle of 12,000 pounds or less gross laden weight,  
383 excluding motorcycles, electric vehicles or hybrid-electric vehicles;

384 (ii) \$103 for electric vehicles of 12,000 pounds or less gross laden weight;

385 (iii) \$63 for hybrid electric vehicles of 12,000 pounds or less gross laden weight;

386 (c) unless the semitrailer or trailer is exempt from registration under Section [41-1a-202](#)  
387 or is registered under Section [41-1a-301](#):

388 (i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or

389 (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less  
390 gross unladen weight;

391 (d) (i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds  
392 gross laden weight; plus

393 (ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;

394 (e) (i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm  
395 trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; plus

396 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;

397 (f) (i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not

- 398 exceeding 14,000 pounds gross laden weight; plus
- 399 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight; and
- 400 (g) \$45 for each vintage vehicle that is less than 40 years old.
- 401 (2) At the time application is made for registration or renewal of registration of a
- 402 vehicle under this chapter for a six-month registration period under Section [41-1a-215.5](#), a
- 403 registration fee shall be paid to the division as follows:
- 404 (a) \$33.50 for each motorcycle; ~~and~~
- 405 (b) \$32.50 for each motor vehicle of 12,000 pounds or less gross laden weight,
- 406 excluding motorcycles[-], electric vehicles, or hybrid-electric vehicles;
- 407 (c) \$68.50 for electric vehicles of 12,000 pounds or less gross laden weight; and
- 408 (d) \$44.50 for hybrid electric vehicles of 12,000 pounds or less gross laden weight.
- 409 (3) (a) The initial registration fee for a vintage vehicle that is 40 years old or older is
- 410 \$40.
- 411 (b) A vintage vehicle that is 40 years old or older is exempt from the renewal of
- 412 registration fees under Subsection (1).
- 413 (c) A vehicle with a Purple Heart special group license plate issued in accordance with
- 414 Section [41-1a-421](#) is exempt from the registration fees under Subsection (1).
- 415 (d) A camper is exempt from the registration fees under Subsection (1).
- 416 (4) If a motor vehicle is operated in combination with a semitrailer or trailer, each
- 417 motor vehicle shall register for the total gross laden weight of all units of the combination if the
- 418 total gross laden weight of the combination exceeds 12,000 pounds.
- 419 (5) (a) Registration fee categories under this section are based on the gross laden
- 420 weight declared in the licensee's application for registration.
- 421 (b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part
- 422 of 2,000 pounds is a full unit.
- 423 (6) The owner of a commercial trailer or commercial semitrailer may, as an alternative
- 424 to registering under Subsection (1)(c), apply for and obtain a special registration and license
- 425 plate for a fee of \$130.
- 426 (7) Except as provided in Section [41-6a-1642](#), a truck may not be registered as a farm
- 427 truck unless:
- 428 (a) the truck meets the definition of a farm truck under Section [41-1a-102](#); and

429 (b) (i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or  
430 (ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner  
431 submits to the division a certificate of emissions inspection or a waiver in compliance with  
432 Section 41-6a-1642.

433 (8) A violation of Subsection (7) is a class B misdemeanor that shall be punished by a  
434 fine of not less than \$200.

435 (9) Trucks used exclusively to pump cement, bore wells, or perform crane services  
436 with a crane lift capacity of five or more tons, are exempt from 50% of the amount of the fees  
437 required for those vehicles under this section.

438 Section 4. Section 41-3-301 is amended to read:

439 **41-3-301. Sale by dealer, sale by auction -- Temporary permit -- Delivery of**  
440 **certificate of title or origin -- Notice to division.**

441 (1) (a) (i) Each dealer licensed under Part 2, Licensing, upon the sale and delivery of  
442 any motor vehicle for which a temporary permit is issued under Section 41-3-302 shall within  
443 45 days submit a certificate of title or manufacturer's certificate of origin for that motor vehicle,  
444 endorsed according to law, to the Motor Vehicle Division, accompanied by all documents  
445 required to obtain a new certificate of title and registration in the new owner's name.

446 (ii) Each dealer is responsible and liable for the registration fee for a vehicle described  
447 in Subsection (1)(a)(i).

448 (b) If a temporary permit is not issued, the certificate of title or manufacturer's  
449 certificate of origin shall be delivered to the vendee, endorsed according to law, within 48  
450 hours, unless the vendee is a dealer or dismantler in which case the title or manufacturer's  
451 certificate of origin shall be delivered within 21 days.

452 (c) (i) A motor vehicle consigned to an auction and sold is considered sold by the  
453 consignor to the auction and then sold by the auction to the consignee.

454 (ii) Both the consignor and auction are subject to this section.

455 (d) (i) (A) A motor vehicle consigned to a wholesale motor vehicle auction and sold to  
456 a licensed dealer or dismantler is considered sold by the consignor to the licensed dealer or  
457 dismantler.

458 (B) Both the consignor and the wholesale motor vehicle auction are subject to the title  
459 delivery requirements of Subsection (1)(b).

460 (C) The consignor, or the wholesale motor vehicle auction as the consignor's agent,  
461 shall endorse the certificate of title according to law. By endorsing the certificate of title as  
462 agent of the consignor, the wholesale motor vehicle auction does not become the owner, seller,  
463 or assignor of title.

464 (ii) (A) A wholesale motor vehicle auction may purchase or sell motor vehicles in its  
465 own name.

466 (B) If a wholesale motor vehicle auction purchases or sells a motor vehicle in its own  
467 name, the wholesale motor vehicle auction is subject to Subsections (1)(a) and (1)(b).

468 (2) (a) (i) Each dealer licensed under Part 2, Licensing, upon the sale and delivery of a  
469 motor vehicle for which a temporary permit is issued under Section 41-3-302, shall within 45  
470 days give written notice of the sale to the Motor Vehicle Division upon a form provided by the  
471 Motor Vehicle Division.

472 (ii) The notice shall contain:

473 (A) the date of the sale;

474 (B) the names and addresses of the dealer and the purchaser;

475 (C) a description of the motor vehicle;

476 (D) the motor vehicle's odometer reading at the time of the sale; and

477 (E) other information required by the division.

478 (b) If no temporary permit is issued, the notice shall be filed with the division within  
479 45 days after the sale, and a duplicate copy shall be given to the purchaser at the time of sale,  
480 unless the purchaser is a dealer or dismantler.

481 (c) The administrator may make rules in accordance with Title 63G, Chapter 3, Utah  
482 Administrative Rulemaking Act, providing that the notice required under Subsections (2)(a)  
483 and (2)(b) may be filed in electronic form or on magnetic media.

484 Section 5. Section 41-3-302 is amended to read:

485 **41-3-302. Temporary permits -- Purchasers of motor vehicles -- Penalty for use**  
486 **after expiration -- Sale and rescission.**

487 (1) (a) [(†)] A dealer or the division may issue a temporary permit.

488 [(†)] (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking  
489 Act, the administrator shall makes rules for the issuance of a temporary permit under  
490 Subsection (1)(a)[(†)].



491 ~~[(iii)]~~ (c) The division shall furnish the forms for temporary permits issued by dealers  
492 under Subsection (1)(a)~~[(i)]~~.

493 ~~[(b)]~~ (2) A dealer may issue a temporary permit to a bona fide purchaser of a motor  
494 vehicle for a period not to exceed 45 days on a motor vehicle sold to the purchaser by the  
495 dealer.

496 ~~[(c) The]~~ (3) Except as provided in Subsection (4), the dealer ~~[is responsible and liable~~  
497 ~~for the registration fee of]~~ shall pay a fee of \$51 for each motor vehicle for which ~~[the]~~ a permit  
498 is issued under this section.

499 ~~[(d) All issued temporary permits that are outstanding after 45 days from the date they~~  
500 ~~are issued are delinquent and a penalty equal to the registration fee shall be collected from the~~  
501 ~~issuing dealer.]~~

502 ~~[(2) If a temporary permit is issued by a dealer under this section and the sale of the~~  
503 ~~motor vehicle is subsequently rescinded, the temporary permit may be voided and the issuing~~  
504 ~~dealer is not liable for the registration fee or penalty.]~~

505 (4) A dealer is not required to pay the fee required under Subsection (3):

506 (a) if a Utah registration is obtained for the motor vehicle within the time frame  
507 allowed under Subsection (2); or

508 (b) if the sale of the motor vehicle for which the temporary permit is issued under this  
509 section is subsequently rescinded and the temporary permit is voided.

510 Section 6. Section **51-2a-202** is amended to read:

511 **51-2a-202. Reporting requirements.**

512 (1) The governing board of each entity required to have an audit, review, compilation,  
513 or fiscal report shall ensure that the audit, review, compilation, or fiscal report is:

514 (a) made at least annually; and

515 (b) filed with the state auditor within six months of the close of the fiscal year of the  
516 entity.

517 (2) If the political subdivision, interlocal organization, or other local entity receives  
518 federal funding, the audit, review, or compilation shall be performed in accordance with both  
519 federal and state auditing requirements.

520 (3) If a political subdivision receives revenue from a sales and use tax imposed under  
521 Section [59-12-2219](#), the political subdivision shall identify the amount of revenue the political

522 subdivision budgets for transportation and verify compliance with Subsection 59-12-2219(10)  
523 in the audit, review, compilation, or fiscal report.

524 Section 7. Section 59-12-2203 is amended to read:

525 **59-12-2203. Authority to impose a sales and use tax under this part.**

526 (1) As provided in this Subsection (1), one of the following sales and use taxes may be  
527 imposed within the boundaries of a local taxing jurisdiction:

528 (a) a county, city, or town may impose the sales and use tax authorized by Section  
529 59-12-2213 in accordance with Section 59-12-2213; or

530 (b) a city or town may impose the sales and use tax authorized by Section 59-12-2215  
531 in accordance with Section 59-12-2215.

532 (2) As provided in this Subsection (2), one of the following sales and use taxes may be  
533 imposed within the boundaries of a local taxing jurisdiction:

534 (a) a county, city, or town may impose the sales and use tax authorized by Section  
535 59-12-2214 in accordance with Section 59-12-2214; or

536 (b) a county may impose the sales and use tax authorized by Section 59-12-2216 in  
537 accordance with Section 59-12-2216.

538 (3) As provided in this Subsection (3), one of the following sales and use taxes may be  
539 imposed within the boundaries of a local taxing jurisdiction:

540 (a) a county may impose the sales and use tax authorized by Section 59-12-2217 in  
541 accordance with Section 59-12-2217; or

542 (b) a county, city, or town may impose the sales and use tax authorized by Section  
543 59-12-2218 in accordance with Section 59-12-2218.

544 (4) A county may impose the sales and use tax authorized by Section 59-12-2219 in  
545 accordance with Section 59-12-2219.

546 Section 8. Section 59-12-2206 is amended to read:

547 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**  
548 **under this part -- Transmission of revenues monthly by electronic funds transfer --**  
549 **Transfer of revenues to a public transit district or eligible political subdivision.**

550 (1) Except as provided in Subsection (2), the commission shall administer, collect, and  
551 enforce a sales and use tax imposed under this part.

552 (2) The commission shall administer, collect, and enforce a sales and use tax imposed

553 under this part in accordance with:

554 (a) the same procedures used to administer, collect, and enforce a tax under:

555 (i) Part 1, Tax Collection; or

556 (ii) Part 2, Local Sales and Use Tax Act; and

557 (b) Chapter 1, General Taxation Policies.

558 (3) A sales and use tax under this part is not subject to Subsections [59-12-205](#)(2)

559 through (6).

560 (4) Subject to Section [59-12-2207](#) and except as provided in Subsection (5) or another  
561 provision of this part, the state treasurer shall transmit revenues collected within a county, city,  
562 or town from a sales and use tax under this part to the county, city, or town legislative body  
563 monthly by electronic funds transfer.

564 (5) Subject to Section [59-12-2207](#), the state treasurer shall transfer revenues collected  
565 within a county, city, or town from a sales and use tax under this part directly to a public transit  
566 district organized under Title 17B, Chapter 2a, Part 8, Public Transit District Act, or an eligible  
567 political subdivision as defined in Section [59-12-2219](#), if the county, city, or town legislative  
568 body:

569 (a) provides written notice to the state treasurer requesting the transfer; and

570 (b) designates the public transit district or eligible political subdivision to which the  
571 county, city, or town legislative body requests the state treasurer to transfer the revenues.

572 Section 9. Section [59-12-2219](#) is enacted to read:

573 **[59-12-2219](#). County option sales and use tax for highways and public transit --**  
574 **Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant**  
575 **existing budgeted transportation revenue.**

576 (1) As used in this section:

577 (a) "Class B road" means the same as that term is defined in Section [72-3-103](#).

578 (b) "Class C road" means the same as that term is defined in Section [72-3-104](#).

579 (c) "Eligible political subdivision" means a political subdivision that:

580 (i) on May 12, 2015, provides public transit services;

581 (ii) is not a public transit district; and

582 (iii) is not annexed into a public transit district.

583 (d) "Public transit district" means a public transit district organized under Title 17B,

584 Chapter 2a, Part 8, Public Transit District Act.

585 (2) Subject to the other provisions of this part, a county legislative body may impose a  
586 sales and use tax of .25% on the transactions described in Subsection 59-12-103(1) within the  
587 county, including the cities and towns within the county.

588 (3) The commission shall distribute sales and use tax revenue collected under this  
589 section as provided in Subsections (4) through (7).

590 (4) If the entire boundary of a county that imposes a sales and use tax under this section  
591 is annexed into a single public transit district, the commission shall distribute the sales and use  
592 tax revenue collected within the county as follows:

593 (a) .10% shall be transferred to the public transit district in accordance with Section  
594 59-12-2206;

595 (b) .10% shall be distributed as provided in Subsection (6); and

596 (c) .05% shall be distributed to the county legislative body.

597 (5) If the entire boundary of a county that imposes a sales and use tax under this section  
598 is not annexed into a single public transit district, or if there is not a public transit district  
599 within the county, the commission shall distribute the sales and use tax revenue collected  
600 within the county as follows:

601 (a) for a city or town within the county that is annexed into a single public transit  
602 district, the commission shall distribute the sales and use tax revenue collected within that city  
603 or town as follows:

604 (i) .10% shall be transferred to the public transit district in accordance with Section  
605 59-12-2206;

606 (ii) .10% shall be distributed as provided in Subsection (6); and

607 (iii) .05% shall be distributed to the county legislative body;

608 (b) for an eligible political subdivision within the county, the commission shall  
609 distribute the sales and use tax revenue collected within that eligible political subdivision as  
610 follows:

611 (i) .10% shall be transferred to the eligible political subdivision in accordance with  
612 Section 59-12-2206;

613 (ii) .10% shall be distributed as provided in Subsection (6); and

614 (iii) .05% shall be distributed to the county legislative body; and

615 (c) the commission shall distribute the sales and use tax revenue, except for the sales  
616 and use tax revenue described in Subsections (5)(a) and (b), as follows:

617 (i) .10% shall be distributed as provided in Subsection (6); and

618 (ii) .15% shall be distributed to the county legislative body.

619 (6) (a) Subject to Subsection (6)(b), the commission shall make the distributions  
620 required by Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), and (5)(c)(i) as follows:

621 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), and  
622 (5)(c)(i) within the counties that impose a tax under this section shall be distributed to the  
623 unincorporated areas, cities, and towns within those counties on the basis of the percentage that  
624 the population of each unincorporated area, city, or town bears to the total population of all of  
625 the counties that impose a tax under this section; and

626 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii),  
627 and (5)(c)(i) within the counties that impose a tax under this section shall be distributed to the  
628 unincorporated areas, cities, and towns within those counties on the basis of the location of the  
629 transaction as determined under Sections [59-12-211](#) through [59-12-215](#).

630 (b) (i) Population for purposes of this Subsection (6) shall be determined on the basis  
631 of the most recent official census or census estimate of the United States Census Bureau.

632 (ii) If a needed population estimate is not available from the United States Census  
633 Bureau, population figures shall be derived from an estimate from the Utah Population  
634 Estimates Committee created by executive order of the governor.

635 (7) (a) If a public transit district is organized after the date a county legislative body  
636 first imposes a tax under this section, a change in a distribution required by this section may  
637 not take effect until the first distribution the commission makes under this section after a  
638 90-day period that begins on the date the commission receives written notice from the public  
639 transit district of the organization of the public transit district.

640 (b) If an eligible political subdivision intends to provide public transit service within a  
641 county after the date a county legislative body first imposes a tax under this section, a change  
642 in a distribution required by this section may not take effect until the first distribution the  
643 commission makes under this section after a 90-day period that begins on the date the  
644 commission receives written notice from the eligible political subdivision stating that the  
645 eligible political subdivision intends to provide public transit service within the county.

646 (8) A county, city, or town may expend revenue collected from a tax under this section,  
647 except for revenue the commission distributes in accordance with Subsection (4)(a), (5)(a)(i),  
648 or (5)(b)(i), for:

649 (a) a class B road;  
650 (b) a class C road;  
651 (c) traffic and pedestrian safety, including for a class B road or class C road, for:

652 (i) a sidewalk;  
653 (ii) curb and gutter;  
654 (iii) a safety feature;  
655 (iv) a traffic sign;  
656 (v) a traffic signal;  
657 (vi) street lighting; or  
658 (vii) a combination of Subsections (8)(c)(i) through (vi);

659 (d) the construction, maintenance, or operation of an active transportation facility that  
660 is for nonmotorized vehicles and multimodal transportation and connects an origin with a  
661 destination;

662 (e) public transit system services; or  
663 (f) a combination of Subsections (8)(a) through (e).

664 (9) A public transit district or an eligible political subdivision may expend revenue the  
665 commission distributes in accordance with Subsection (4)(a), (5)(a)(i), or (5)(b)(i), for capital  
666 expenses and service delivery expenses of the public transit district or eligible political  
667 subdivision.

668 (10) (a) Revenue collected from a sales and use tax under this section may not be used  
669 to supplant existing general fund appropriations that a county, city, or town has budgeted for  
670 transportation as of the date the tax becomes effective for a county, city, or town.

671 (b) The limitation under Subsection (10)(a) does not apply to a designated  
672 transportation capital or reserve account a county, city, or town may have established prior to  
673 the date the tax becomes effective.

674 Section 10. Section **59-13-102** is amended to read:

675 **59-13-102. Definitions.**

676 As used in this chapter:

677 (1) "Aviation fuel" means fuel that is sold at airports and used exclusively for the  
678 operation of aircraft.

679 (2) "Clean fuel" means:

680 (a) the following special fuels:

681 (i) propane;

682 (ii) compressed natural gas;

683 (iii) liquified natural gas; ~~[or]~~

684 (iv) electricity; or

685 (v) hydrogen; or

686 (b) any motor or special fuel that meets the clean fuel vehicle standards in the federal  
687 Clean Air Act Amendments of 1990, Title II.

688 (3) "Commission" means the State Tax Commission.

689 (4) "Consumer Price Index" means the Consumer Price Index for All Urban  
690 Consumers as published by the Bureau of Labor Statistics of the United States Department of  
691 Labor.

692 ~~[(4)]~~ (5) (a) "Diesel fuel" means any liquid that is commonly or commercially known,  
693 offered for sale, or used as a fuel in diesel engines.

694 (b) "Diesel fuel" includes any combustible liquid, by whatever name the liquid may be  
695 known or sold, when the liquid is used in an internal combustion engine for the generation of  
696 power to operate a motor vehicle licensed to operate on the highway, except fuel that is subject  
697 to the tax imposed in Part 2, Motor Fuel, and Part 4, Aviation Fuel, of this chapter.

698 (6) "Diesel gallon equivalent" means 6.06 pounds of liquified natural gas.

699 ~~[(5)]~~ (7) "Distributor" means any person in this state who:

700 (a) imports or causes to be imported motor fuel for use, distribution, or sale, whether at  
701 retail or wholesale;

702 (b) produces, refines, manufactures, or compounds motor fuel in this state for use,  
703 distribution, or sale in this state;

704 (c) is engaged in the business of purchasing motor fuel for resale in wholesale  
705 quantities to retail dealers of motor fuel and who accounts for his own motor fuel tax liability;  
706 or

707 (d) for purposes of Part 4, Aviation Fuel, only, makes retail sales of aviation fuel to:

- 708 (i) federally certificated air carriers; and
- 709 (ii) other persons.

710 ~~[(6)]~~ (8) "Dyed diesel fuel" means diesel fuel that is dyed in accordance with 26 U.S.C.  
711 Sec. 4082 or United States Environmental Protection Agency or Internal Revenue Service  
712 regulations and that is considered destined for nontaxable off-highway use.

713 ~~[(7)]~~ (9) "Exchange agreement" means an agreement between licensed suppliers where  
714 one is a position holder in a terminal who agrees to deliver taxable special fuel to the other  
715 supplier or the other supplier's customer at the loading rack of the terminal where the delivering  
716 supplier holds an inventory position.

717 ~~[(8)]~~ (10) "Federally certificated air carrier" means a person who holds a certificate  
718 issued by the Federal Aviation Administration authorizing the person to conduct an all-cargo  
719 operation or scheduled operation, as defined in 14 C.F.R. Sec. 110.2.

720 ~~[(9)]~~ (11) "Fuels" means any gas, liquid, solid, mixture, or other energy source which is  
721 generally used in an engine or motor for the generation of power, including aviation fuel, clean  
722 fuel, diesel fuel, motor fuel, and special fuel.

723 (12) "Gasoline gallon equivalent" means:

- 724 (a) 5.660 pounds of compressed natural gas; or
- 725 (b) 2.198 pounds of hydrogen.

726 ~~[(10)]~~ (13) "Highway" means every way or place, of whatever nature, generally open to  
727 the use of the public for the purpose of vehicular travel notwithstanding that the way or place  
728 may be temporarily closed for the purpose of construction, maintenance, or repair.

729 ~~[(11)]~~ (14) "Motor fuel" means fuel that is commonly or commercially known or sold  
730 as gasoline or gasohol and is used for any purpose, but does not include aviation fuel.

731 ~~[(12)]~~ (15) "Motor fuels received" means:

- 732 (a) motor fuels that have been loaded at the refinery or other place into tank cars,  
733 placed in any tank at the refinery from which any withdrawals are made directly into tank  
734 trucks, tank wagons, or other types of transportation equipment, containers, or facilities other  
735 than tank cars, or placed in any tank at the refinery from which any sales, uses, or deliveries not  
736 involving transportation are made directly; or

- 737 (b) motor fuels that have been imported by any person into the state from any other  
738 state or territory by tank car, tank truck, pipeline, or any other conveyance at the time when,



739 and the place where, the interstate transportation of the motor fuel is completed within the state  
740 by the person who at the time of the delivery is the owner of the motor fuel.

741 (16) "Oil pricing service" means an organization that:

742 (a) publishes wholesale petroleum prices within the United States;

743 (b) publishes at least 25,000 rack prices on a daily basis; and

744 (c) receives daily gasoline and diesel prices from at least 100,000 retail outlets in the  
745 United States and Canada.

746 ~~[(13)]~~ (17) (a) "Qualified motor vehicle" means a special fuel-powered motor vehicle  
747 used, designed, or maintained for transportation of persons or property which:

748 (i) has a gross vehicle weight or registered gross vehicle weight exceeding 26,000  
749 pounds;

750 (ii) has three or more axles regardless of weight; or

751 (iii) is used in a combination of vehicles when the weight of the combination of  
752 vehicles exceeds 26,000 pounds gross vehicle weight.

753 (b) "Qualified motor vehicle" does not include a recreational vehicle not used in  
754 connection with any business activity.

755 ~~[(14)]~~ (18) "Rack," as used in Part 3, Special Fuel, means a deck, platform, or open bay  
756 which consists of a series of metered pipes and hoses for the delivery or removal of diesel fuel  
757 from a refinery or terminal into a motor vehicle, rail car, or vessel.

758 ~~[(15)]~~ (19) "Removal," as used in Part 3, Special Fuel, means the physical transfer of  
759 diesel fuel from a production, manufacturing, terminal, or refinery facility and includes use of  
760 diesel fuel. Removal does not include:

761 (a) loss by evaporation or destruction; or

762 (b) transfers between refineries, racks, or terminals.

763 ~~[(16)]~~ (20) (a) "Special fuel" means any fuel regardless of name or character that:

764 (i) is usable as fuel to operate or propel a motor vehicle upon the public highways of  
765 the state; and

766 (ii) is not taxed under the category of aviation or motor fuel.

767 (b) Special fuel includes:

768 (i) fuels that are not conveniently measurable on a gallonage basis; and

769 (ii) diesel fuel.

770 [~~(17)~~] (21) "Supplier," as used in Part 3, Special Fuel, means a person who:

771 (a) imports or acquires immediately upon importation into this state diesel fuel from  
772 within or without a state, territory, or possession of the United States or the District of  
773 Columbia;

774 (b) produces, manufactures, refines, or blends diesel fuel in this state;

775 (c) otherwise acquires for distribution or sale in this state, diesel fuel with respect to  
776 which there has been no previous taxable sale or use; or

777 (d) is in a two party exchange where the receiving party is deemed to be the supplier.

778 [~~(18)~~] (22) "Terminal," as used in Part 3, Special Fuel, means a facility for the storage  
779 of diesel fuel which is supplied by a motor vehicle, pipeline, or vessel and from which diesel  
780 fuel is removed for distribution at a rack.

781 [~~(19)~~] (23) "Two party exchange" means a transaction in which special fuel is  
782 transferred between licensed suppliers pursuant to an exchange agreement.

783 [~~(20)~~] (24) "Undyed diesel fuel" means diesel fuel that is not subject to the dyeing  
784 requirements in accordance with 26 U.S.C. Sec. 4082 or United States Environmental  
785 Protection Agency or Internal Revenue Service regulations.

786 [~~(21)~~] (25) "Use," as used in Part 3, Special Fuel, means the consumption of special  
787 fuel for the operation or propulsion of a motor vehicle upon the public highways of the state  
788 and includes the reception of special fuel into the fuel supply tank of a motor vehicle.

789 [~~(22)~~] (26) "User," as used in Part 3, Special Fuel, means any person who uses special  
790 fuel within this state in an engine or motor for the generation of power to operate or propel a  
791 motor vehicle upon the public highways of the state.

792 [~~(23)~~] (27) "Ute tribal member" means an enrolled member of the Ute tribe.

793 [~~(24)~~] (28) "Ute tribe" means the Ute Indian Tribe of the Uintah and Ouray  
794 Reservation.

795 [~~(25)~~] (29) "Ute trust land" means the lands:

796 (a) of the Uintah and Ouray Reservation that are held in trust by the United States for  
797 the benefit of:

798 (i) the Ute tribe;

799 (ii) an individual; or

800 (iii) a group of individuals; or

801 (b) specified as trust land by agreement between the governor and the Ute tribe meeting  
802 the requirements of Subsections [59-13-201.5\(3\)](#) and [59-13-301.5\(3\)](#).

803 Section 11. Section **59-13-201** is amended to read:

804 **59-13-201. Rate -- Tax basis -- Exemptions -- Revenue deposited in the**  
805 **Transportation Fund -- Restricted account for boating uses -- Refunds -- Reduction of tax**  
806 **in limited circumstances.**

807 (1) (a) Subject to the provisions of this section and through December 31, 2015, a tax  
808 is imposed at the rate of 24-1/2 cents per gallon upon all motor fuel that is sold, used, or  
809 received for sale or used in this state.

810 (b) (i) Subject to the provisions of this section and beginning on January 1, 2016, a tax  
811 is imposed at the rate of 12% of the statewide average rack price of a gallon of motor fuel per  
812 gallon upon all motor fuel that is sold, used, or received for sale or used in this state.

813 (ii) (A) Until December 31, 2018, and subject to the requirements under Subsection  
814 (1)(b)(iii), the statewide average rack price of a gallon of motor fuel under Subsection (1)(b)(i)  
815 shall be determined by calculating the previous fiscal year statewide average rack price of a  
816 gallon of regular unleaded motor fuel, excluding federal and state excise taxes, for the 12  
817 months ending on the previous June 30 as published by an oil pricing service.

818 (B) Beginning on January 1, 2019 and subject to the requirements under Subsection  
819 (1)(b)(iii), the statewide average rack price of a gallon of motor fuel under Subsection (1)(b)(i)  
820 shall be determined by calculating the previous three fiscal years statewide average rack price  
821 of a gallon of regular unleaded motor fuel, excluding federal and state excise taxes, for the 36  
822 months ending on the previous June 30 as published by an oil pricing service.

823 (iii) (A) Subject to the requirement in Subsection (1)(b)(iii)(B), the statewide average  
824 rack price of a gallon of motor fuel determined under Subsection (1)(b)(ii) may not be less than  
825 \$2.45 per gallon.

826 (B) Beginning on a calendar year following the year that the actual statewide average  
827 rack price of a gallon of motor fuel reaches \$2.45 before applying the minimum under  
828 Subsection (1)(b)(iii)(A), the commission shall, on January 1, annually adjust the minimum  
829 statewide average rack price of a gallon of motor fuel described in Subsection (1)(b)(iii)(A) by  
830 taking the minimum statewide average rack price of a gallon of motor fuel for the previous  
831 calendar year and adding an amount equal to the greater of:

832 (I) an amount calculated by multiplying the minimum average rack price of a gallon of  
833 motor fuel for the previous calendar year by the actual percent change during the previous  
834 fiscal year in the Consumer Price Index; and

835 (II) 0.

836 (C) The statewide average rack price of a gallon of motor fuel determined by the  
837 commission under Subsection (1)(b)(ii) may not exceed \$3.33 per gallon.

838 (iv) The commission shall annually:

839 (A) determine the statewide average rack price of a gallon of motor fuel in accordance  
840 with Subsection (1)(b)(ii);

841 (B) adjust the fuel tax rate imposed under Subsection (1)(b)(i), rounded to the nearest  
842 one-tenth of a cent, based on the determination under Subsection (1)(b)(ii);

843 (C) publish the adjusted fuel tax as a cents per gallon rate; and

844 (D) post or otherwise make public the adjusted fuel tax rate as determined in  
845 Subsection (1)(b)(iv)(B) no later than 60 days prior to the annual effective date under  
846 Subsection (1)(b)(v).

847 (v) The tax rate imposed under this Subsection (1)(b) and adjusted as required under  
848 Subsection (1)(b)(iv) shall take effect on January 1 of each year.

849 ~~(b)~~ (c) In lieu of the tax imposed under Subsection (1)(a) or (b) and subject to the  
850 provisions of this section, a tax is imposed at the rate of 3/19 of the rate imposed under  
851 Subsection (1)(a) or (b), rounded up to the nearest penny, upon all motor fuels that meet the  
852 definition of clean fuel in Section 59-13-102 and are sold, used, or received for sale or use in  
853 this state.

854 (2) Any increase or decrease in tax rate applies to motor fuel that is imported to the  
855 state or sold at refineries in the state on or after the effective date of the rate change.

856 (3) (a) No motor fuel tax is imposed upon:

857 (i) motor fuel that is brought into and sold in this state in original packages as purely  
858 interstate commerce sales;

859 (ii) motor fuel that is exported from this state if proof of actual exportation on forms  
860 prescribed by the commission is made within 180 days after exportation;

861 (iii) motor fuel or components of motor fuel that is sold and used in this state and  
862 distilled from coal, oil shale, rock asphalt, bituminous sand, or solid hydrocarbons located in

863 this state; or

864 (iv) motor fuel that is sold to the United States government, this state, or the political  
865 subdivisions of this state.

866 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
867 commission shall make rules governing the procedures for administering the tax exemption  
868 provided under Subsection (3)(a)(iv).

869 (4) The commission may either collect no tax on motor fuel exported from the state or,  
870 upon application, refund the tax paid.

871 (5) (a) All revenue received by the commission under this part shall be deposited daily  
872 with the state treasurer and credited to the Transportation Fund.

873 (b) An appropriation from the Transportation Fund shall be made to the commission to  
874 cover expenses incurred in the administration and enforcement of this part and the collection of  
875 the motor fuel tax.

876 (6) (a) The commission shall determine what amount of motor fuel tax revenue is  
877 received from the sale or use of motor fuel used in motorboats registered under the provisions  
878 of the State Boating Act, and this amount shall be deposited in a restricted revenue account in  
879 the General Fund of the state.

880 (b) The funds from this account shall be used for the construction, improvement,  
881 operation, and maintenance of state-owned boating facilities and for the payment of the costs  
882 and expenses of the Division of Parks and Recreation in administering and enforcing the State  
883 Boating Act.

884 (7) (a) The United States government or any of its instrumentalities, this state, or a  
885 political subdivision of this state that has purchased motor fuel from a licensed distributor or  
886 from a retail dealer of motor fuel and has paid the tax on the motor fuel as provided in this  
887 section is entitled to a refund of the tax and may file with the commission for a quarterly  
888 refund.

889 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
890 commission shall make rules governing the application and refund provided for in Subsection  
891 (7)(a).

892 (8) (a) The commission shall refund annually into the Off-Highway Vehicle Account in  
893 the General Fund an amount equal to ~~[the lesser of the following: (i)]~~ .5% of the motor fuel tax

894 revenues collected under this section~~[, or]~~.

895 ~~[(ii) \$1,050,000.]~~

896 (b) This amount shall be used as provided in Section 41-22-19.

897 (9) (a) Beginning on April 1, 2001, a tax imposed under this section on motor fuel that  
898 is sold, used, or received for sale or use in this state is reduced to the extent provided in  
899 Subsection (9)(b) if:

900 (i) a tax imposed on the basis of the sale, use, or receipt for sale or use of the motor  
901 fuel is paid to the Navajo Nation;

902 (ii) the tax described in Subsection (9)(a)(i) is imposed without regard to whether or  
903 not the person required to pay the tax is an enrolled member of the Navajo Nation; and

904 (iii) the commission and the Navajo Nation execute and maintain an agreement as  
905 provided in this Subsection (9) for the administration of the reduction of tax.

906 (b) (i) If but for Subsection (9)(a) the motor fuel is subject to a tax imposed by this  
907 section:

908 (A) the state shall be paid the difference described in Subsection (9)(b)(ii) if that  
909 difference is greater than \$0; and

910 (B) a person may not require the state to provide a refund, a credit, or similar tax relief  
911 if the difference described in Subsection (9)(b)(ii) is less than or equal to \$0.

912 (ii) The difference described in Subsection (9)(b)(i) is equal to the difference between:

913 (A) the amount of tax imposed on the motor fuel by this section; less

914 (B) the tax imposed and collected by the Navajo Nation on the motor fuel.

915 (c) For purposes of Subsections (9)(a) and (b), the tax paid to the Navajo Nation under  
916 a tax imposed by the Navajo Nation on the basis of the sale, use, or receipt for sale or use of  
917 motor fuel does not include any interest or penalties a taxpayer may be required to pay to the  
918 Navajo Nation.

919 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
920 commission shall make rules governing the procedures for administering the reduction of tax  
921 provided under this Subsection (9).

922 (e) The agreement required under Subsection (9)(a):

923 (i) may not:

924 (A) authorize the state to impose a tax in addition to a tax imposed under this chapter;

925 (B) provide a reduction of taxes greater than or different from the reduction described  
926 in this Subsection (9); or

927 (C) affect the power of the state to establish rates of taxation;

928 (ii) shall:

929 (A) be in writing;

930 (B) be signed by:

931 (I) the chair of the commission or the chair's designee; and

932 (II) a person designated by the Navajo Nation that may bind the Navajo Nation;

933 (C) be conditioned on obtaining any approval required by federal law;

934 (D) state the effective date of the agreement; and

935 (E) state any accommodation the Navajo Nation makes related to the construction and  
936 maintenance of state highways and other infrastructure within the Utah portion of the Navajo  
937 Nation; and

938 (iii) may:

939 (A) notwithstanding Section 59-1-403, authorize the commission to disclose to the  
940 Navajo Nation information that is:

941 (I) contained in a document filed with the commission; and

942 (II) related to the tax imposed under this section;

943 (B) provide for maintaining records by the commission or the Navajo Nation; or

944 (C) provide for inspections or audits of distributors, carriers, or retailers located or  
945 doing business within the Utah portion of the Navajo Nation.

946 (f) (i) If, on or after April 1, 2001, the Navajo Nation changes the tax rate of a tax  
947 imposed on motor fuel, any change in the reduction of taxes under this Subsection (9) as a  
948 result of the change in the tax rate is not effective until the first day of the calendar quarter after  
949 a 60-day period beginning on the date the commission receives notice:

950 (A) from the Navajo Nation; and

951 (B) meeting the requirements of Subsection (9)(f)(ii).

952 (ii) The notice described in Subsection (9)(f)(i) shall state:

953 (A) that the Navajo Nation has changed or will change the tax rate of a tax imposed on  
954 motor fuel;

955 (B) the effective date of the rate change of the tax described in Subsection (9)(f)(ii)(A);

956 and

957 (C) the new rate of the tax described in Subsection (9)(f)(ii)(A).

958 (g) If the agreement required by Subsection (9)(a) terminates, a reduction of tax is not  
959 permitted under this Subsection (9) beginning on the first day of the calendar quarter after a  
960 30-day period beginning on the day the agreement terminates.

961 (h) If there is a conflict between this Subsection (9) and the agreement required by  
962 Subsection (9)(a), this Subsection (9) governs.

963 Section 12. Section **59-13-301** is amended to read:

964 **59-13-301. Tax basis -- Rate -- Exemptions -- Revenue deposited with treasurer**  
965 **and credited to Transportation Fund -- Reduction of tax in limited circumstances.**

966 (1) (a) Except as provided in Subsections (2), (3), (11), and (12) and Section  
967 **59-13-304**, a tax is imposed at the same [rate] rates imposed under [~~Subsection~~] Subsections  
968 **59-13-201**(1)(a) and (b) on the:

969 (i) removal of undyed diesel fuel from any refinery;

970 (ii) removal of undyed diesel fuel from any terminal;

971 (iii) entry into the state of any undyed diesel fuel for consumption, use, sale, or  
972 warehousing;

973 (iv) sale of undyed diesel fuel to any person who is not registered as a supplier under  
974 this part unless the tax has been collected under this section;

975 (v) any untaxed special fuel blended with undyed diesel fuel; or

976 (vi) use of untaxed special fuel other than propane or electricity.

977 (b) The tax imposed under this section shall only be imposed once upon any special  
978 fuel.

979 (2) (a) No special fuel tax is imposed or collected upon dyed diesel fuel which:

980 (i) is sold or used for any purpose other than to operate or propel a motor vehicle upon  
981 the public highways of the state, but this exemption applies only in those cases where the  
982 purchasers or the users of special fuel establish to the satisfaction of the commission that the  
983 special fuel was used for purposes other than to operate a motor vehicle upon the public  
984 highways of the state; or

985 (ii) is sold to this state or any of its political subdivisions.

986 (b) No special fuel tax is imposed on undyed diesel fuel or clean fuel that is:



987 (i) sold to the United States government or any of its instrumentalities or to this state or  
988 any of its political subdivisions;

989 (ii) exported from this state if proof of actual exportation on forms prescribed by the  
990 commission is made within 180 days after exportation;

991 (iii) used in a vehicle off-highway;

992 (iv) used to operate a power take-off unit of a vehicle;

993 (v) used for off-highway agricultural uses;

994 (vi) used in a separately fueled engine on a vehicle that does not propel the vehicle  
995 upon the highways of the state; or

996 (vii) used in machinery and equipment not registered and not required to be registered  
997 for highway use.

998 (3) No tax is imposed or collected on special fuel if it is:

999 (a) (i) purchased for business use in machinery and equipment not registered and not  
1000 required to be registered for highway use; and

1001 (ii) used pursuant to the conditions of a state implementation plan approved under Title  
1002 19, Chapter 2, Air Conservation Act; or

1003 (b) propane or electricity.

1004 (4) Upon request of a buyer meeting the requirements under Subsection (3), the  
1005 Division of Air Quality shall issue an exemption certificate that may be shown to a seller.

1006 (5) The special fuel tax shall be paid by the supplier.

1007 (6) (a) The special fuel tax shall be paid by every user who is required by Sections  
1008 59-13-303 and 59-13-305 to obtain a special fuel user permit and file special fuel tax reports.

1009 (b) The user shall receive a refundable credit for special fuel taxes paid on purchases  
1010 which are delivered into vehicles and for which special fuel tax liability is reported.

1011 (7) (a) Except as provided under Subsections (7)(b) and (c), all revenue received by the  
1012 commission from taxes and license fees under this part shall be deposited daily with the state  
1013 treasurer and credited to the Transportation Fund.

1014 (b) An appropriation from the Transportation Fund shall be made to the commission to  
1015 cover expenses incurred in the administration and enforcement of this part and the collection of  
1016 the special fuel tax.

1017 (c) Five dollars of each special fuel user trip permit fee paid under Section 59-13-303

1018 may be used by the commission as a dedicated credit to cover the costs of electronic  
1019 credentialing as provided in Section [41-1a-303](#).

1020 (8) The commission may either collect no tax on special fuel exported from the state  
1021 or, upon application, refund the tax paid.

1022 (9) (a) The United States government or any of its instrumentalities, this state, or a  
1023 political subdivision of this state that has purchased special fuel from a supplier or from a retail  
1024 dealer of special fuel and has paid the tax on the special fuel as provided in this section is  
1025 entitled to a refund of the tax and may file with the commission for a quarterly refund in a  
1026 manner prescribed by the commission.

1027 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1028 commission shall make rules governing the application and refund provided for in Subsection  
1029 (9)(a).

1030 (10) (a) The purchaser shall pay the tax on diesel fuel or clean fuel purchased for uses  
1031 under Subsections (2)(b)(i), (iii), (iv), (v), (vi), and (vii) and apply for a refund for the tax paid  
1032 as provided in Subsection (9) and this Subsection (10).

1033 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1034 commission shall make rules governing the application and refund for off-highway and  
1035 nonhighway uses provided under Subsections (2)(b)(iii), (iv), (vi), and (vii).

1036 (c) A refund of tax paid under this part on diesel fuel used for nonhighway agricultural  
1037 uses shall be made in accordance with the tax return procedures under Section [59-13-202](#).

1038 (11) (a) Beginning on April 1, 2001, a tax imposed under this section on special fuel is  
1039 reduced to the extent provided in Subsection (11)(b) if:

1040 (i) the Navajo Nation imposes a tax on the special fuel;

1041 (ii) the tax described in Subsection (11)(a)(i) is imposed without regard to whether the  
1042 person required to pay the tax is an enrolled member of the Navajo Nation; and

1043 (iii) the commission and the Navajo Nation execute and maintain an agreement as  
1044 provided in this Subsection (11) for the administration of the reduction of tax.

1045 (b) (i) If but for Subsection (11)(a) the special fuel is subject to a tax imposed by this  
1046 section:

1047 (A) the state shall be paid the difference described in Subsection (11)(b)(ii) if that  
1048 difference is greater than \$0; and

1049 (B) a person may not require the state to provide a refund, a credit, or similar tax relief  
1050 if the difference described in Subsection (11)(b)(ii) is less than or equal to \$0.

1051 (ii) The difference described in Subsection (11)(b)(i) is equal to the difference  
1052 between:

1053 (A) the amount of tax imposed on the special fuel by this section; less

1054 (B) the tax imposed and collected by the Navajo Nation on the special fuel.

1055 (c) For purposes of Subsections (11)(a) and (b), the tax paid to the Navajo Nation on  
1056 the special fuel does not include any interest or penalties a taxpayer may be required to pay to  
1057 the Navajo Nation.

1058 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1059 commission shall make rules governing the procedures for administering the reduction of tax  
1060 provided under this Subsection (11).

1061 (e) The agreement required under Subsection (11)(a):

1062 (i) may not:

1063 (A) authorize the state to impose a tax in addition to a tax imposed under this chapter;

1064 (B) provide a reduction of taxes greater than or different from the reduction described  
1065 in this Subsection (11); or

1066 (C) affect the power of the state to establish rates of taxation;

1067 (ii) shall:

1068 (A) be in writing;

1069 (B) be signed by:

1070 (I) the chair of the commission or the chair's designee; and

1071 (II) a person designated by the Navajo Nation that may bind the Navajo Nation;

1072 (C) be conditioned on obtaining any approval required by federal law;

1073 (D) state the effective date of the agreement; and

1074 (E) state any accommodation the Navajo Nation makes related to the construction and  
1075 maintenance of state highways and other infrastructure within the Utah portion of the Navajo  
1076 Nation; and

1077 (iii) may:

1078 (A) notwithstanding Section 59-1-403, authorize the commission to disclose to the  
1079 Navajo Nation information that is:

1080 (I) contained in a document filed with the commission; and  
1081 (II) related to the tax imposed under this section;  
1082 (B) provide for maintaining records by the commission or the Navajo Nation; or  
1083 (C) provide for inspections or audits of suppliers, distributors, carriers, or retailers  
1084 located or doing business within the Utah portion of the Navajo Nation.  
1085 (f) (i) If, on or after April 1, 2001, the Navajo Nation changes the tax rate of a tax  
1086 imposed on special fuel, any change in the amount of the reduction of taxes under this  
1087 Subsection (11) as a result of the change in the tax rate is not effective until the first day of the  
1088 calendar quarter after a 60-day period beginning on the date the commission receives notice:  
1089 (A) from the Navajo Nation; and  
1090 (B) meeting the requirements of Subsection (11)(f)(ii).  
1091 (ii) The notice described in Subsection (11)(f)(i) shall state:  
1092 (A) that the Navajo Nation has changed or will change the tax rate of a tax imposed on  
1093 special fuel;  
1094 (B) the effective date of the rate change of the tax described in Subsection  
1095 (11)(f)(ii)(A); and  
1096 (C) the new rate of the tax described in Subsection (11)(f)(ii)(A).  
1097 (g) If the agreement required by Subsection (11)(a) terminates, a reduction of tax is not  
1098 permitted under this Subsection (11) beginning on the first day of the calendar quarter after a  
1099 30-day period beginning on the day the agreement terminates.  
1100 (h) If there is a conflict between this Subsection (11) and the agreement required by  
1101 Subsection (11)(a), this Subsection (11) governs.  
1102 (12) (a) [~~Beginning on January 1, 2009, a~~] A tax imposed under this section on  
1103 compressed natural gas is imposed at a [~~reduced~~] rate of [~~8-1/2 cents per gasoline gallon~~  
1104 ~~equivalent to be increased or decreased proportionately with any increase or decrease in the rate~~  
1105 ~~in Subsection 59-13-201(1)(a).~~];  
1106 (i) until June 30, 2016, 10-1/2 cents per gasoline gallon equivalent;  
1107 (ii) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per gasoline gallon  
1108 equivalent;  
1109 (iii) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per gasoline  
1110 gallon equivalent; and

- 1111 (iv) beginning on or after July 1, 2018, 16-1/2 cents per gasoline gallon equivalent.
- 1112 (b) ~~[Beginning on July 1, 2011, a]~~ A tax imposed under this section on liquified natural
- 1113 gas is imposed at a [reduced] rate of [8-1/2 cents per gasoline gallon equivalent to be increased
- 1114 or decreased proportionately with any increase or decrease in the rate in Subsection
- 1115 59-13-201(1)(a).]:
- 1116 (i) until June 30, 2016, 10-1/2 cents per diesel gallon equivalent;
- 1117 (ii) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per diesel gallon
- 1118 equivalent;
- 1119 (iii) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per diesel gallon
- 1120 equivalent; and
- 1121 (iv) beginning on or after July 1, 2018, 16-1/2 cents per diesel gallon equivalent.
- 1122 (c) A tax imposed under this section on hydrogen used to operate or propel a motor
- 1123 vehicle upon the public highways of the state is imposed at a rate of:
- 1124 (i) until June 30, 2016, 10-1/2 cents per gasoline gallon equivalent;
- 1125 (ii) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per gasoline gallon
- 1126 equivalent;
- 1127 (iii) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per gasoline
- 1128 gallon equivalent; and
- 1129 (iv) beginning on or after July 1, 2018, 16-1/2 cents per gasoline gallon equivalent.
- 1130 Section 13. Section **63I-1-251** is enacted to read:
- 1131 **63I-1-251. Repeal dates, Title 51.**
- 1132 Subsection 51-2a-202(3) is repealed on June 30, 2020.
- 1133 Section 14. Section **63I-1-259** is amended to read:
- 1134 **63I-1-259. Repeal dates, Title 59.**
- 1135 (1) Subsection 59-2-924(3)(g) is repealed on December 31, 2016.
- 1136 (2) Section 59-2-924.3 is repealed on December 31, 2016.
- 1137 (3) Section 59-9-102.5 is repealed December 31, 2020.
- 1138 (4) Subsection 59-12-2219(10) is repealed on June 30, 2020.
- 1139 Section 15. Section **72-1-212** is enacted to read:
- 1140 **72-1-212. Road usage charge study -- Recommendations.**
- 1141 The department shall:

1142 (1) continue to study a road usage charge mileage-based revenue system, including a  
1143 potential demonstration program, as an alternative to the motor and special tax; and

1144 (2) make recommendations to the Legislature and other policymaking bodies on the  
1145 potential use and future implementation of a road usage charge within the state.

1146 Section 16. Section **72-2-108** is amended to read:

1147 **72-2-108. Apportionment of funds available for use on class B and class C roads**

1148 **-- Bonds.**

1149 (1) For purposes of this section:

1150 (a) "Graveled road" means a road:

1151 (i) that is:

1152 (A) graded; and

1153 (B) drained by transverse drainage systems to prevent serious impairment of the road

1154 by surface water;

1155 (ii) that has an improved surface; and

1156 (iii) that has a wearing surface made of:

1157 (A) gravel;

1158 (B) broken stone;

1159 (C) slag;

1160 (D) iron ore;

1161 (E) shale; or

1162 (F) other material that is:

1163 (I) similar to a material described in Subsection (1)(a)(iii)(A) through (E); and

1164 (II) coarser than sand.

1165 (b) "Paved road" includes a graveled road with a chip seal surface.

1166 (c) "Road mile" means a one-mile length of road, regardless of:

1167 (i) the width of the road; or

1168 (ii) the number of lanes into which the road is divided.

1169 (d) "Weighted mileage" means the sum of the following:

1170 (i) paved road miles multiplied by five; and

1171 [~~(ii) graveled road miles multiplied by two; and~~]

1172 [~~(iii)~~] (ii) all other road type road miles multiplied by [~~one~~] two.

1173 (2) Subject to the provisions of Subsections (3) through (5), funds in the class B and  
1174 class C roads account shall be apportioned among counties and municipalities in the following  
1175 manner:

1176 (a) 50% in the ratio that the class B roads weighted mileage within each county and  
1177 class C roads weighted mileage within each municipality bear to the total class B and class C  
1178 roads weighted mileage within the state; and

1179 (b) 50% in the ratio that the population of a county or municipality bears to the total  
1180 population of the state as of the last official federal census or the United States Bureau of  
1181 Census estimate, whichever is most recent, except that if population estimates are not available  
1182 from the United States Bureau of Census, population figures shall be derived from the estimate  
1183 from the Utah Population Estimates Committee.

1184 (3) For purposes of Subsection (2)(b), "the population of a county" means:

1185 (a) the population of a county outside the corporate limits of municipalities in that  
1186 county, if the population of the county outside the corporate limits of municipalities in that  
1187 county is not less than 14% of the total population of that county, including municipalities; and

1188 (b) if the population of a county outside the corporate limits of municipalities in the  
1189 county is less than 14% of the total population:

1190 (i) the aggregate percentage of the population apportioned to municipalities in that  
1191 county shall be reduced by an amount equal to the difference between:

1192 (A) 14%; and

1193 (B) the actual percentage of population outside the corporate limits of municipalities in  
1194 that county; and

1195 (ii) the population apportioned to the county shall be 14% of the total population of  
1196 that county, including incorporated municipalities.

1197 (4) (a) If an apportionment under Subsection (2) for fiscal year 2014 to a county or  
1198 municipality with a population of less than 14,000 is less than 120% of the amount apportioned  
1199 to the county or municipality from the class B and class C roads account for fiscal year  
1200 1996-97, the department shall:

1201 (i) reapportion the funds under Subsection (2) to ensure that the county or municipality  
1202 receives an amount equal to [~~120% of~~] the amount apportioned to the county or municipality  
1203 from the class B and class C roads account for fiscal year 1996-97 multiplied by the percentage

1204 increase in the class B and class C roads account from fiscal year 1996-97 to the most recently  
1205 completed fiscal year; and

1206 (ii) decrease proportionately as provided in Subsection (4)(b) the apportionments to  
1207 counties and municipalities for which the reapportionment under Subsection (4)(a)(i) does not  
1208 apply.

1209 (b) The aggregate amount of the funds that the department shall decrease  
1210 proportionately from the apportionments under Subsection (4)(a)(ii) is an amount equal to the  
1211 aggregate amount reapportioned to counties and municipalities under Subsection (4)(a)(i).

1212 (5) (a) In addition to the apportionment adjustments made under Subsection (4), a  
1213 county or municipality that qualifies for reapportioned money under Subsection (4)(a)(i) shall  
1214 receive the percentage change in the class B and class C roads account compounded annually  
1215 beginning in fiscal year 2006-07.

1216 (b) The adjustment under Subsection (5)(a) shall be made in the same way as provided  
1217 in Subsection (4)(a)(ii) and (b).

1218 (6) The governing body of any municipality or county may issue bonds redeemable up  
1219 to a period of 10 years under Title 11, Chapter 14, Local Government Bonding Act, to pay the  
1220 costs of constructing, repairing, and maintaining class B or class C roads and may pledge class  
1221 B or class C road funds received pursuant to this section to pay principal, interest, premiums,  
1222 and reserves for the bonds.

1223 Section 17. **Repealer.**

1224 This bill repeals:

1225 Section **59-13-104, Tax rate decals -- Posted on pump.**

1226 Section 18. **Effective date.**

1227 (1) Except as provided in Subsection (2), this bill takes effect on July 1, 2015.

1228 (2) The actions affecting the following sections take effect on January 1, 2016:

1229 (a) Section 41-1a-102;

1230 (b) Section 41-1a-1201;

1231 (c) Section 41-1a-1206;

1232 (d) Section 41-3-301; and

1233 (e) Section 41-3-302.

1234 Section 19. **Coordinating H.B. 362 with H.B. 406 -- Substantive amendments.**



1235           If this H.B. 362 and H.B. 406, Natural Gas Vehicle Amendments, both pass and  
1236 become law, it is the intent of the Legislature that the Office of Legislative Research and  
1237 General Counsel, in preparing the Utah Code database for publication, replace all references to  
1238 "gasoline gallon equivalent" in Subsection [59-13-301](#)(12)(b) with "diesel gallon equivalent."