

**FUNDING FOR INFRASTRUCTURE REVISIONS**

2016 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: J. Stuart Adams**

House Sponsor: Mike K. McKell

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**LONG TITLE**

**General Description:**

This bill modifies and enacts provisions relating to funding for infrastructure projects.

**Highlighted Provisions:**

This bill:

- ▶ provides definitions;
- ▶ reduces certain sales and use tax earmarks that are deposited into the Transportation Investment Fund of 2005;
- ▶ provides that certain sales and use tax revenue shall be deposited into the Throughput Infrastructure Fund;
- ▶ provides that certain revenues shall be appropriated from the Mineral Lease Account to the Impacted Communities Transportation Development Restricted Account;
- ▶ creates the Throughput Infrastructure Fund;
- ▶ enacts provisions related to deposits into and use of funds in the Throughput Infrastructure Fund;
- ▶ requires the Permanent Community Impact Fund Board to administer the Throughput Infrastructure Fund;
- ▶ creates the Impacted Communities Transportation Development Restricted Account;
- ▶ enacts provisions related to deposits into and use of funds in the Impacted Communities Transportation Development Restricted Account; and
- ▶ makes technical changes.

30 **Money Appropriated in this Bill:**

31 None

32 **Other Special Clauses:**

33 This bill provides a special effective date.

34 **Utah Code Sections Affected:**

35 AMENDS:

36 **35A-8-302**, as last amended by Laws of Utah 2012, Chapter 9 and renumbered and  
37 amended by Laws of Utah 2012, Chapter 212

38 **59-12-103**, as last amended by Laws of Utah 2015, Chapter 283

39 **59-12-1201**, as last amended by Laws of Utah 2012, Chapter 121

40 **59-21-2**, as last amended by Laws of Utah 2012, Chapters 212 and 242

41 ENACTS:

42 **35A-8-308**, Utah Code Annotated 1953

43 **35A-8-309**, Utah Code Annotated 1953

44 **72-2-128**, Utah Code Annotated 1953



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

47 Section 1. Section **35A-8-302** is amended to read:

48 **35A-8-302. Definitions.**

49 As used in this part:

50 (1) "Bonus payments" means that portion of the bonus payments received by the  
51 United States government under the Leasing Act paid to the state under Section 35 of the  
52 Leasing Act, 30 U.S.C. Sec. 191, together with any interest that had accrued on those  
53 payments.

54 (2) "Impact board" means the Permanent Community Impact Fund Board created under  
55 Section **35A-8-304**.

56 (3) "Impact fund" means the Permanent Community Impact Fund established by this  
57 chapter.

58 (4) "Interlocal Agency" means a legal or administrative entity created by a subdivision  
59 or combination of subdivisions under the authority of Title 11, Chapter 13, Interlocal  
60 Cooperation Act.

61 (5) "Leasing Act" means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et  
62 seq.

63 (6) "Qualifying sales and use tax distribution reduction" means that, for the calendar  
64 year beginning on January 1, 2008, the total sales and use tax distributions a city received  
65 under Section 59-12-205 were reduced by at least 15% from the total sales and use tax  
66 distributions the city received under Section 59-12-205 for the calendar year beginning on  
67 January 1, 2007.

68 (7) "Subdivision" means a county, city, town, county service area, special service  
69 district, special improvement district, water conservancy district, water improvement district,  
70 sewer improvement district, housing authority, building authority, school district, or public  
71 postsecondary institution organized under the laws of this state.

72 (8) (a) "Throughput infrastructure project" means the following facilities, whether  
73 located within, partially within, or outside of the state:

- 74 (i) a bulk commodities ocean terminal;
- 75 (ii) a pipeline for the transportation of liquid or gaseous hydrocarbons;
- 76 (iii) electric transmission lines and ancillary facilities; or
- 77 (iv) a shortline freight railroad and ancillary facilities.

78 (b) "Throughput infrastructure project" includes:

- 79 (i) an ownership interest or a joint or undivided ownership interest in a facility;
- 80 (ii) a membership interest in the owner of a facility; or
- 81 (iii) a contractual right, whether secured or unsecured, to use all or a portion of the  
82 throughput, transportation, or transmission capacity of a facility.

83 Section 2. Section 35A-8-308 is enacted to read:

84 **35A-8-308. Throughput Infrastructure Fund.**

85 (1) There is created an enterprise fund known as the Throughput Infrastructure Fund.

86 (2) The fund consists of money generated from the following revenue sources:  
87 (a) all amounts transferred to the fund under Subsection 59-12-103(14);  
88 (b) any voluntary contributions received;  
89 (c) appropriations made to the fund by the Legislature; and  
90 (d) all amounts received from the repayment of loans made by the impact board under  
91 Section 35A-8-309.

92 (3) The state treasurer shall:  
93 (a) invest the money in the fund by following the procedures and requirements of Title  
94 51, Chapter 7, State Money Management Act; and

95 (b) deposit all interest or other earnings derived from those investments into the fund.  
96 Section 3. Section 35A-8-309 is enacted to read:

97 **35A-8-309. Throughput Infrastructure Fund administered by impact board --**  
98 **Uses -- Review by board -- Annual report.**

99 (1) The impact board shall:  
100 (a) make grants and loans from the Throughput Infrastructure Fund created in Section  
101 35A-8-308 for a throughput infrastructure project;

102 (b) use money transferred to the Throughput Infrastructure Fund in accordance with  
103 Subsection 59-12-103(14) to provide a loan or grant to finance the cost of acquisition or  
104 construction of a throughput infrastructure project to one or more local political subdivisions,  
105 including a Utah interlocal entity created under the Interlocal Cooperation Act, Title 11,  
106 Chapter 13;

107 (c) administer the Throughput Infrastructure Fund in a manner that will keep a portion  
108 of the fund revolving;

109 (d) determine provisions for repayment of loans;  
110 (e) establish criteria for awarding loans and grants; and  
111 (f) establish criteria for determining eligibility for assistance under this section.

112 (2) The cost of acquisition or construction of a throughput infrastructure project  
113 includes amounts for working capital, reserves, transaction costs, and other amounts

114 determined by the impact board to be allocable to a throughput infrastructure project.

115 (3) The impact board may restructure or forgive all or part of a local political  
116 subdivision's or interlocal entity's obligation to repay loans for extenuating circumstances.

117 (4) In order to receive assistance under this section, a local political subdivision or an  
118 interlocal entity shall submit a formal application containing the information that the impact  
119 board requires.

120 (5) (a) The impact board shall:

121 (i) review the proposed uses of the Throughput Infrastructure Fund for a loan or grant  
122 before approving the loan or grant and may condition its approval on whatever assurances the  
123 impact board considers necessary to ensure that proceeds of the loan or grant will be used in  
124 accordance with this section;

125 (ii) ensure that each loan specifies terms for interest deferments, accruals, and  
126 scheduled principal repayment; and

127 (iii) ensure that repayment terms are evidenced by bonds, notes, or other obligations of  
128 the appropriate local political subdivision or interlocal entity issued to the impact board and  
129 payable from the net revenues of a throughput infrastructure project.

130 (b) An instrument described in Subsection (5)(a)(iii) may be:

131 (i) non-recourse to the local political subdivision or interlocal entity; and

132 (ii) limited to a pledge of the net revenues from a throughput infrastructure project.

133 (6) (a) Subject to the restriction in Subsection (6)(b), the impact board shall allocate  
134 from the Throughput Infrastructure Fund to the board those amounts that are appropriated by  
135 the Legislature for the administration of the Throughput Infrastructure Fund.

136 (b) The amount described in Subsection (6)(a) may not exceed 2% of the annual  
137 receipts to the fund.

138 (7) The board shall include in the annual written report described in Section  
139 [35A-1-109](#):

140 (a) the number and type of loans and grants made under this section; and

141 (b) a list of local political subdivisions or interlocal entities that received assistance

142 under this section.

143 Section 4. Section **59-12-103** is amended to read:

144 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**  
145 **tax revenues.**

146 (1) A tax is imposed on the purchaser as provided in this part for amounts paid or  
147 charged for the following transactions:

148 (a) retail sales of tangible personal property made within the state;

149 (b) amounts paid for:

150 (i) telecommunications service, other than mobile telecommunications service, that  
151 originates and terminates within the boundaries of this state;

152 (ii) mobile telecommunications service that originates and terminates within the  
153 boundaries of one state only to the extent permitted by the Mobile Telecommunications  
154 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

155 (iii) an ancillary service associated with a:

156 (A) telecommunications service described in Subsection (1)(b)(i); or

157 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

158 (c) sales of the following for commercial use:

159 (i) gas;

160 (ii) electricity;

161 (iii) heat;

162 (iv) coal;

163 (v) fuel oil; or

164 (vi) other fuels;

165 (d) sales of the following for residential use:

166 (i) gas;

167 (ii) electricity;

168 (iii) heat;

169 (iv) coal;

- 170 (v) fuel oil; or
- 171 (vi) other fuels;
- 172 (e) sales of prepared food;
- 173 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 174 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
- 175 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
- 176 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
- 177 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
- 178 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
- 179 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
- 180 horseback rides, sports activities, or any other amusement, entertainment, recreation,
- 181 exhibition, cultural, or athletic activity;
- 182 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 183 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
- 184 (i) the tangible personal property; and
- 185 (ii) parts used in the repairs or renovations of the tangible personal property described
- 186 in Subsection (1)(g)(i), regardless of whether:
- 187 (A) any parts are actually used in the repairs or renovations of that tangible personal
- 188 property; or
- 189 (B) the particular parts used in the repairs or renovations of that tangible personal
- 190 property are exempt from a tax under this chapter;
- 191 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
- 192 assisted cleaning or washing of tangible personal property;
- 193 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
- 194 accommodations and services that are regularly rented for less than 30 consecutive days;
- 195 (j) amounts paid or charged for laundry or dry cleaning services;
- 196 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 197 this state the tangible personal property is:

198 (i) stored;  
199 (ii) used; or  
200 (iii) otherwise consumed;  
201 (l) amounts paid or charged for tangible personal property if within this state the  
202 tangible personal property is:  
203 (i) stored;  
204 (ii) used; or  
205 (iii) consumed; and  
206 (m) amounts paid or charged for a sale:  
207 (i) (A) of a product transferred electronically; or  
208 (B) of a repair or renovation of a product transferred electronically; and  
209 (ii) regardless of whether the sale provides:  
210 (A) a right of permanent use of the product; or  
211 (B) a right to use the product that is less than a permanent use, including a right:  
212 (I) for a definite or specified length of time; and  
213 (II) that terminates upon the occurrence of a condition.  
214 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax  
215 is imposed on a transaction described in Subsection (1) equal to the sum of:  
216 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:  
217 (A) 4.70%; and  
218 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales  
219 and Use Tax Act, if the location of the transaction as determined under Sections [59-12-211](#)  
220 through [59-12-215](#) is in a county in which the state imposes the tax under Part 18, Additional  
221 State Sales and Use Tax Act; and  
222 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales  
223 and Use Tax Act, if the location of the transaction as determined under Sections [59-12-211](#)  
224 through [59-12-215](#) is in a city, town, or the unincorporated area of a county in which the state  
225 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and



226 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
227 transaction under this chapter other than this part.

228 (b) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed  
229 on a transaction described in Subsection (1)(d) equal to the sum of:

230 (i) a state tax imposed on the transaction at a tax rate of 2%; and

231 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
232 transaction under this chapter other than this part.

233 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed  
234 on amounts paid or charged for food and food ingredients equal to the sum of:

235 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at  
236 a tax rate of 1.75%; and

237 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
238 amounts paid or charged for food and food ingredients under this chapter other than this part.

239 (d) (i) For a bundled transaction that is attributable to food and food ingredients and  
240 tangible personal property other than food and food ingredients, a state tax and a local tax is  
241 imposed on the entire bundled transaction equal to the sum of:

242 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

243 (I) the tax rate described in Subsection (2)(a)(i)(A); and

244 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State  
245 Sales and Use Tax Act, if the location of the transaction as determined under Sections  
246 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,  
247 Additional State Sales and Use Tax Act; and

248 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State  
249 Sales and Use Tax Act, if the location of the transaction as determined under Sections  
250 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which  
251 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

252 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates  
253 described in Subsection (2)(a)(ii).

254 (ii) If an optional computer software maintenance contract is a bundled transaction that  
255 consists of taxable and nontaxable products that are not separately itemized on an invoice or  
256 similar billing document, the purchase of the optional computer software maintenance contract  
257 is 40% taxable under this chapter and 60% nontaxable under this chapter.

258 (iii) Subject to Subsection (2)(d)(iv), for a bundled transaction other than a bundled  
259 transaction described in Subsection (2)(d)(i) or (ii):

260 (A) if the sales price of the bundled transaction is attributable to tangible personal  
261 property, a product, or a service that is subject to taxation under this chapter and tangible  
262 personal property, a product, or service that is not subject to taxation under this chapter, the  
263 entire bundled transaction is subject to taxation under this chapter unless:

264 (I) the seller is able to identify by reasonable and verifiable standards the tangible  
265 personal property, product, or service that is not subject to taxation under this chapter from the  
266 books and records the seller keeps in the seller's regular course of business; or

267 (II) state or federal law provides otherwise; or

268 (B) if the sales price of a bundled transaction is attributable to two or more items of  
269 tangible personal property, products, or services that are subject to taxation under this chapter  
270 at different rates, the entire bundled transaction is subject to taxation under this chapter at the  
271 higher tax rate unless:

272 (I) the seller is able to identify by reasonable and verifiable standards the tangible  
273 personal property, product, or service that is subject to taxation under this chapter at the lower  
274 tax rate from the books and records the seller keeps in the seller's regular course of business; or

275 (II) state or federal law provides otherwise.

276 (iv) For purposes of Subsection (2)(d)(iii), books and records that a seller keeps in the  
277 seller's regular course of business includes books and records the seller keeps in the regular  
278 course of business for nontax purposes.

279 (e) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(e)(ii)  
280 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a  
281 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental

282 of tangible personal property, other property, a product, or a service that is not subject to  
283 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless  
284 the seller, at the time of the transaction:

285 (A) separately states the portion of the transaction that is not subject to taxation under  
286 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

287 (B) is able to identify by reasonable and verifiable standards, from the books and  
288 records the seller keeps in the seller's regular course of business, the portion of the transaction  
289 that is not subject to taxation under this chapter.

290 (ii) A purchaser and a seller may correct the taxability of a transaction if:

291 (A) after the transaction occurs, the purchaser and the seller discover that the portion of  
292 the transaction that is not subject to taxation under this chapter was not separately stated on an  
293 invoice, bill of sale, or similar document provided to the purchaser because of an error or  
294 ignorance of the law; and

295 (B) the seller is able to identify by reasonable and verifiable standards, from the books  
296 and records the seller keeps in the seller's regular course of business, the portion of the  
297 transaction that is not subject to taxation under this chapter.

298 (iii) For purposes of Subsections (2)(e)(i) and (ii), books and records that a seller keeps  
299 in the seller's regular course of business includes books and records the seller keeps in the  
300 regular course of business for nontax purposes.

301 (f) (i) If the sales price of a transaction is attributable to two or more items of tangible  
302 personal property, products, or services that are subject to taxation under this chapter at  
303 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate  
304 unless the seller, at the time of the transaction:

305 (A) separately states the items subject to taxation under this chapter at each of the  
306 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

307 (B) is able to identify by reasonable and verifiable standards the tangible personal  
308 property, product, or service that is subject to taxation under this chapter at the lower tax rate  
309 from the books and records the seller keeps in the seller's regular course of business.

310 (ii) For purposes of Subsection (2)(f)(i), books and records that a seller keeps in the  
311 seller's regular course of business includes books and records the seller keeps in the regular  
312 course of business for nontax purposes.

313 (g) Subject to Subsections (2)(h) and (i), a tax rate repeal or tax rate change for a tax  
314 rate imposed under the following shall take effect on the first day of a calendar quarter:

- 315 (i) Subsection (2)(a)(i)(A);
- 316 (ii) Subsection (2)(b)(i);
- 317 (iii) Subsection (2)(c)(i); or
- 318 (iv) Subsection (2)(d)(i)(A)(I).

319 (h) (i) A tax rate increase takes effect on the first day of the first billing period that  
320 begins on or after the effective date of the tax rate increase if the billing period for the  
321 transaction begins before the effective date of a tax rate increase imposed under:

- 322 (A) Subsection (2)(a)(i)(A);
- 323 (B) Subsection (2)(b)(i);
- 324 (C) Subsection (2)(c)(i); or
- 325 (D) Subsection (2)(d)(i)(A)(I).

326 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
327 statement for the billing period is rendered on or after the effective date of the repeal of the tax  
328 or the tax rate decrease imposed under:

- 329 (A) Subsection (2)(a)(i)(A);
- 330 (B) Subsection (2)(b)(i);
- 331 (C) Subsection (2)(c)(i); or
- 332 (D) Subsection (2)(d)(i)(A)(I).

333 (i) (i) For a tax rate described in Subsection (2)(i)(ii), if a tax due on a catalogue sale is  
334 computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal or  
335 change in a tax rate takes effect:

- 336 (A) on the first day of a calendar quarter; and
- 337 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

338 (ii) Subsection (2)(i)(i) applies to the tax rates described in the following:  
339 (A) Subsection (2)(a)(i)(A);  
340 (B) Subsection (2)(b)(i);  
341 (C) Subsection (2)(c)(i); or  
342 (D) Subsection (2)(d)(i)(A)(I).

343 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
344 the commission may by rule define the term "catalogue sale."

345 (3) (a) The following state taxes shall be deposited into the General Fund:  
346 (i) the tax imposed by Subsection (2)(a)(i)(A);  
347 (ii) the tax imposed by Subsection (2)(b)(i);  
348 (iii) the tax imposed by Subsection (2)(c)(i); or  
349 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

350 (b) The following local taxes shall be distributed to a county, city, or town as provided  
351 in this chapter:  
352 (i) the tax imposed by Subsection (2)(a)(ii);  
353 (ii) the tax imposed by Subsection (2)(b)(ii);  
354 (iii) the tax imposed by Subsection (2)(c)(ii); and  
355 (iv) the tax imposed by Subsection (2)(d)(i)(B).

356 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
357 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)  
358 through (g):  
359 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:  
360 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and  
361 (B) for the fiscal year; or  
362 (ii) \$17,500,000.

363 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount  
364 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the  
365 Department of Natural Resources to:

366 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to  
367 protect sensitive plant and animal species; or

368 (B) award grants, up to the amount authorized by the Legislature in an appropriations  
369 act, to political subdivisions of the state to implement the measures described in Subsections  
370 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

371 (ii) Money transferred to the Department of Natural Resources under Subsection  
372 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other  
373 person to list or attempt to have listed a species as threatened or endangered under the  
374 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

375 (iii) At the end of each fiscal year:

376 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources  
377 Conservation and Development Fund created in Section 73-10-24;

378 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan  
379 Program Subaccount created in Section 73-10c-5; and

380 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan  
381 Program Subaccount created in Section 73-10c-5.

382 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in  
383 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund  
384 created in Section 4-18-106.

385 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described  
386 in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water  
387 Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of  
388 water rights.

389 (ii) At the end of each fiscal year:

390 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources  
391 Conservation and Development Fund created in Section 73-10-24;

392 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan  
393 Program Subaccount created in Section 73-10c-5; and

394 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan  
395 Program Subaccount created in Section 73-10c-5.

396 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described  
397 in Subsection (4)(a) shall be deposited in the Water Resources Conservation and Development  
398 Fund created in Section 73-10-24 for use by the Division of Water Resources.

399 (ii) In addition to the uses allowed of the Water Resources Conservation and  
400 Development Fund under Section 73-10-24, the Water Resources Conservation and  
401 Development Fund may also be used to:

402 (A) conduct hydrologic and geotechnical investigations by the Division of Water  
403 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of  
404 quantifying surface and ground water resources and describing the hydrologic systems of an  
405 area in sufficient detail so as to enable local and state resource managers to plan for and  
406 accommodate growth in water use without jeopardizing the resource;

407 (B) fund state required dam safety improvements; and

408 (C) protect the state's interest in interstate water compact allocations, including the  
409 hiring of technical and legal staff.

410 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
411 in Subsection (4)(a) shall be deposited in the Utah Wastewater Loan Program Subaccount  
412 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

413 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
414 in Subsection (4)(a) shall be deposited in the Drinking Water Loan Program Subaccount  
415 created in Section 73-10c-5 for use by the Division of Drinking Water to:

416 (i) provide for the installation and repair of collection, treatment, storage, and  
417 distribution facilities for any public water system, as defined in Section 19-4-102;

418 (ii) develop underground sources of water, including springs and wells; and

419 (iii) develop surface water sources.

420 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
421 2006, the difference between the following amounts shall be expended as provided in this

422 Subsection (5), if that difference is greater than \$1:

423 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the  
424 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

425 (ii) \$17,500,000.

426 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

427 (A) transferred each fiscal year to the Department of Natural Resources as dedicated  
428 credits; and

429 (B) expended by the Department of Natural Resources for watershed rehabilitation or  
430 restoration.

431 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described  
432 in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund  
433 created in Section 73-10-24.

434 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the  
435 remaining difference described in Subsection (5)(a) shall be:

436 (A) transferred each fiscal year to the Division of Water Resources as dedicated  
437 credits; and

438 (B) expended by the Division of Water Resources for cloud-seeding projects  
439 authorized by Title 73, Chapter 15, Modification of Weather.

440 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described  
441 in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund  
442 created in Section 73-10-24.

443 (d) After making the transfers required by Subsections (5)(b) and (c), 94% of the  
444 remaining difference described in Subsection (5)(a) shall be deposited into the Water  
445 Resources Conservation and Development Fund created in Section 73-10-24 for use by the  
446 Division of Water Resources for:

447 (i) preconstruction costs:

448 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter  
449 26, Bear River Development Act; and



450 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project  
451 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

452 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,  
453 Chapter 26, Bear River Development Act;

454 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project  
455 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

456 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, 73-10-30, and  
457 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

458 (e) After making the transfers required by Subsections (5)(b) and (c) and subject to  
459 Subsection (5)(f), 6% of the remaining difference described in Subsection (5)(a) shall be  
460 transferred each year as dedicated credits to the Division of Water Rights to cover the costs  
461 incurred for employing additional technical staff for the administration of water rights.

462 (f) At the end of each fiscal year, any unexpended dedicated credits described in  
463 Subsection (5)(e) over \$150,000 lapse to the Water Resources Conservation and Development  
464 Fund created in Section 73-10-24.

465 (6) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
466 2003, and for taxes listed under Subsection (3)(a), the amount of revenue generated by a 1/16%  
467 tax rate on the transactions described in Subsection (1) for the fiscal year shall be deposited in  
468 the Transportation Fund created by Section 72-2-102.

469 (7) Notwithstanding Subsection (3)(a), beginning on July 1, 2012, the Division of  
470 Finance shall deposit into the Transportation Investment Fund of 2005 created in Section  
471 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to the revenues generated  
472 by a 1/64% tax rate on the taxable transactions under Subsection (1).

473 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in  
474 Subsection (7), and subject to Subsection (8)(b), for a fiscal year beginning on or after July 1,  
475 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005  
476 created by Section 72-2-124:

477 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of

478 the revenues collected from the following taxes, which represents a portion of the  
479 approximately 17% of sales and use tax revenues generated annually by the sales and use tax  
480 on vehicles and vehicle-related products:

- 481 (A) the tax imposed by Subsection (2)(a)(i)(A);
  - 482 (B) the tax imposed by Subsection (2)(b)(i);
  - 483 (C) the tax imposed by Subsection (2)(c)(i); and
  - 484 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus
- 485 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the  
486 current fiscal year from the sales and use taxes described in Subsections (8)(a)(i)(A) through  
487 (D) that exceeds the amount collected from the sales and use taxes described in Subsections  
488 (8)(a)(i)(A) through (D) in the 2010-11 fiscal year.

489 (b) (i) Subject to Subsections (8)(b)(ii) and (iii), in any fiscal year that the portion of  
490 the sales and use taxes deposited under Subsection (8)(a) represents an amount that is a total  
491 lower percentage of the sales and use taxes described in Subsections (8)(a)(i)(A) through (D)  
492 generated in the current fiscal year than the total percentage of sales and use taxes deposited in  
493 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection  
494 (8)(a) equal to the product of:

- 495 (A) the total percentage of sales and use taxes deposited under Subsection (8)(a) in the  
496 previous fiscal year; and
- 497 (B) the total sales and use tax revenue generated by the taxes described in Subsections  
498 (8)(a)(i)(A) through (D) in the current fiscal year.

499 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under  
500 Subsection (8)(a) would exceed 17% of the revenues collected from the sales and use taxes  
501 described in Subsections (8)(a)(i)(A) through (D) in the current fiscal year, the Division of  
502 Finance shall deposit 17% of the revenues collected from the sales and use taxes described in  
503 Subsections (8)(a)(i)(A) through (D) for the current fiscal year under Subsection (8)(a).

504 (iii) In all subsequent fiscal years after a year in which 17% of the revenues collected  
505 from the sales and use taxes described in Subsections (8)(a)(i)(A) through (D) was deposited

506 under Subsection (8)(a), the Division of Finance shall annually deposit 17% of the revenues  
507 collected from the sales and use taxes described in Subsections (8)(a)(i)(A) through (D) in the  
508 current fiscal year under Subsection (8)(a).

509 (9) (a) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited  
510 under Subsections (7) and (8), for the 2016-17 fiscal year only, the Division of Finance shall  
511 deposit \$64,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into  
512 the Transportation Investment Fund of 2005 created by Section [72-2-124](#).

513 (b) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited under  
514 Subsections (7) and (8), for the 2017-18 fiscal year only, the Division of Finance shall deposit  
515 \$63,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the  
516 Transportation Investment Fund of 2005 created by Section [72-2-124](#).

517 [~~9~~] (c) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited  
518 under Subsections (7) and (8), for a fiscal year beginning on or after July 1, ~~[2012]~~ 2018, the  
519 Division of Finance shall annually deposit \$90,000,000 of the revenues generated by the taxes  
520 listed under Subsection (3)(a) into the Transportation Investment Fund of 2005 created by  
521 Section [72-2-124](#).

522 (10) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year  
523 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund  
524 created by Section [35A-8-1009](#) and expended as provided in Section [35A-8-1009](#).

525 (11) (a) Notwithstanding Subsection (3)(a), except as provided in Subsection (11)(b),  
526 and in addition to any amounts deposited under Subsections (7), (8), and (9), beginning on July  
527 1, 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005  
528 created by Section [72-2-124](#) the amount of tax revenue generated by a .025% tax rate on the  
529 transactions described in Subsection (1).

530 (b) For purposes of Subsection (11)(a), the Division of Finance may not deposit into  
531 the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or  
532 charged for food and food ingredients, except for tax revenue generated by a bundled  
533 transaction attributable to food and food ingredients and tangible personal property other than

534 food and food ingredients described in Subsection (2)(d).

535 (12) (a) Notwithstanding Subsection (3)(a), and except as provided in Subsection  
536 (12)(b), beginning on January 1, 2009, the Division of Finance shall deposit into the  
537 Transportation Fund created by Section 72-2-102 the amount of tax revenue generated by a  
538 .025% tax rate on the transactions described in Subsection (1) to be expended to address  
539 chokepoints in construction management.

540 (b) For purposes of Subsection (12)(a), the Division of Finance may not deposit into  
541 the Transportation Fund any tax revenue generated by amounts paid or charged for food and  
542 food ingredients, except for tax revenue generated by a bundled transaction attributable to food  
543 and food ingredients and tangible personal property other than food and food ingredients  
544 described in Subsection (2)(d).

545 (13) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the  
546 fiscal year during which the Division of Finance receives notice under Subsection  
547 63N-2-510(3) that construction on a qualified hotel, as defined in Section 63N-2-502, has  
548 begun, the Division of Finance shall, for two consecutive fiscal years, annually deposit  
549 \$1,900,000 of the revenue generated by the taxes listed under Subsection (3)(a) into the Hotel  
550 Impact Mitigation Fund, created in Section 63N-2-512.

551 (14) (a) Notwithstanding Subsection (3)(a), for the 2016-17 fiscal year only, the  
552 Division of Finance shall deposit \$26,000,000 of the revenues generated by the taxes listed  
553 under Subsection (3)(a) into the Throughput Infrastructure Fund created by Section 35A-8-308.

554 (b) Notwithstanding Subsection (3)(a), for the 2017-18 fiscal year only, the Division of  
555 Finance shall deposit \$27,000,000 of the revenues generated by the taxes listed under  
556 Subsection (3)(a) into the Throughput Infrastructure Fund created by Section 35A-8-308.

557 [~~14~~] (15) Notwithstanding Subsections (4) through [~~13~~] (14), an amount required to  
558 be expended or deposited in accordance with Subsections (4) through [~~13~~] (14) may not  
559 include an amount the Division of Finance deposits in accordance with Section 59-12-103.2.

560 Section 5. Section 59-12-1201 is amended to read:

561 **59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration,**

562 **collection, and enforcement of tax -- Administrative charge -- Deposits.**

563 (1) (a) Except as provided in Subsection (3), there is imposed a tax of 2.5% on all  
564 short-term leases and rentals of motor vehicles not exceeding 30 days.

565 (b) The tax imposed in this section is in addition to all other state, county, or municipal  
566 fees and taxes imposed on rentals of motor vehicles.

567 (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax  
568 imposed under Subsection (1) shall take effect on the first day of a calendar quarter.

569 (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall  
570 take effect on the first day of the first billing period:

571 (A) that begins after the effective date of the tax rate increase; and

572 (B) if the billing period for the transaction begins before the effective date of a tax rate  
573 increase imposed under Subsection (1).

574 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax  
575 rate decrease shall take effect on the first day of the last billing period:

576 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
577 and

578 (B) if the billing period for the transaction begins before the effective date of the repeal  
579 of the tax or the tax rate decrease imposed under Subsection (1).

580 (3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

581 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

582 (b) the motor vehicle is rented as a personal household goods moving van; or

583 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily  
584 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an  
585 insurance agreement.

586 (4) (a) (i) The tax authorized under this section shall be administered, collected, and  
587 enforced in accordance with:

588 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,  
589 Tax Collection; and

590 (B) Chapter 1, General Taxation Policies.

591 (ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to  
592 Subsections 59-12-103(4) through [(12)] (14) or Section 59-12-107.1 or 59-12-123.

593 (b) The commission shall retain and deposit an administrative charge in accordance  
594 with Section 59-1-306 from the revenues the commission collects from a tax under this part.

595 (c) Except as provided under Subsection (4)(b), all revenue received by the  
596 commission under this section shall be deposited daily with the state treasurer and credited  
597 monthly to the Marda Dillree Corridor Preservation Fund under Section 72-2-117.

598 Section 6. Section 59-21-2 is amended to read:

599 **59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus**  
600 **Account money -- Mineral Lease Account created -- Contents -- Appropriation of money**  
601 **from Mineral Lease Account.**

602 (1) (a) There is created a restricted account within the General Fund known as the  
603 "Mineral Bonus Account."

604 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments  
605 deposited pursuant to Subsection 59-21-1(3).

606 (c) The Legislature shall make appropriations from the Mineral Bonus Account in  
607 accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.

608 (d) The state treasurer shall:

609 (i) invest the money in the Mineral Bonus Account by following the procedures and  
610 requirements of Title 51, Chapter 7, State Money Management Act; and

611 (ii) deposit all interest or other earnings derived from the account into the Mineral  
612 Bonus Account.

613 (2) (a) There is created a restricted account within the General Fund known as the  
614 "Mineral Lease Account."

615 (b) The Mineral Lease Account consists of federal mineral lease money deposited  
616 pursuant to Subsection 59-21-1(1).

617 (c) The Legislature shall make appropriations from the Mineral Lease Account as

618 provided in Subsection 59-21-1(1) and this Subsection (2).

619 (d) ~~[The]~~ (i) Except as provided in Subsections (2)(d)(ii) and (iii), the Legislature shall  
620 annually appropriate 32.5% of all deposits made to the Mineral Lease Account to the  
621 Permanent Community Impact Fund established by Section 35A-8-303.

622 (ii) For fiscal year 2016-17 only and from the amount required to be deposited under  
623 Subsection (2)(d)(i), the Legislature shall appropriate \$26,000,000 of the deposits made to the  
624 Mineral Lease Account to the Impacted Communities Transportation Development Restricted  
625 Account established by Section 72-2-128.

626 (iii) For fiscal year 2017-18 only and from the amount required to be deposited under  
627 Subsection (2)(d)(i), the Legislature shall appropriate \$27,000,000 of the deposits made to the  
628 Mineral Lease Account to the Impacted Communities Transportation Development Restricted  
629 Account established by Section 72-2-128.

630 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the  
631 Mineral Lease Account to the State Board of Education, to be used for education research and  
632 experimentation in the use of staff and facilities designed to improve the quality of education in  
633 Utah.

634 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the  
635 Mineral Lease Account to the Utah Geological Survey, to be used for activities carried on by  
636 the survey having as a purpose the development and exploitation of natural resources in the  
637 state.

638 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the  
639 Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used  
640 for activities carried on by the laboratory having as a purpose the development and exploitation  
641 of water resources in the state.

642 (h) (i) The Legislature shall annually appropriate to the Department of Transportation  
643 40% of all deposits made to the Mineral Lease Account to be distributed as provided in  
644 Subsection (2)(h)(ii) to:

645 (A) counties;

- 646 (B) special service districts established:
- 647 (I) by counties;
- 648 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 649 (III) for the purpose of constructing, repairing, or maintaining roads; or
- 650 (C) special service districts established:
- 651 (I) by counties;
- 652 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 653 (III) for other purposes authorized by statute.
- 654 (ii) The Department of Transportation shall allocate the funds specified in Subsection
- 655 (2)(h)(i):
- 656 (A) in amounts proportionate to the amount of mineral lease money generated by each
- 657 county; and
- 658 (B) to a county or special service district established by a county under Title 17D,
- 659 Chapter 1, Special Service District Act, as determined by the county legislative body.
- 660 (i) (i) The Legislature shall annually appropriate 5% of all deposits made to the
- 661 Mineral Lease Account to the Department of Workforce Services to be distributed to:
- 662 (A) special service districts established:
- 663 (I) by counties;
- 664 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 665 (III) for the purpose of constructing, repairing, or maintaining roads; or
- 666 (B) special service districts established:
- 667 (I) by counties;
- 668 (II) under Title 17D, Chapter 1, Special Service District Act; and
- 669 (III) for other purposes authorized by statute.
- 670 (ii) The Department of Workforce Services may distribute the amounts described in
- 671 Subsection (2)(i)(i) only to special service districts established under Title 17D, Chapter 1,
- 672 Special Service District Act, by counties:
- 673 (A) of the third, fourth, fifth, or sixth class;



674 (B) in which 4.5% or less of the mineral lease money within the state is generated; and

675 (C) that are significantly socially or economically impacted as provided in Subsection  
676 (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec.  
677 181 et seq.

678 (iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C)  
679 shall be as a result of:

680 (A) the transportation within the county of hydrocarbons, including solid hydrocarbons  
681 as defined in Section 59-5-101;

682 (B) the employment of persons residing within the county in hydrocarbon extraction,  
683 including the extraction of solid hydrocarbons as defined in Section 59-5-101; or

684 (C) a combination of Subsections (2)(i)(iii)(A) and (B).

685 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to  
686 special service districts established by counties under Title 17D, Chapter 1, Special Service  
687 District Act, the Department of Workforce Services shall:

688 (A) (I) allocate 50% of the appropriations equally among the counties meeting the  
689 requirements of Subsections (2)(i)(ii) and (iii); and

690 (II) allocate 50% of the appropriations based on the ratio that the population of each  
691 county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population  
692 of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and

693 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the  
694 allocated revenues to special service districts established by the counties under Title 17D,  
695 Chapter 1, Special Service District Act, as determined by the executive director of the  
696 Department of Workforce Services after consulting with the county legislative bodies of the  
697 counties meeting the requirements of Subsections (2)(i)(ii) and (iii).

698 (v) The executive director of the Department of Workforce Services:

699 (A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii)  
700 and (iii);

701 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service

702 districts established by counties under Title 17D, Chapter 1, Special Service District Act, that  
703 meet the requirements of Subsections (2)(i)(ii) and (iii); and

704 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
705 may make rules:

706 (I) providing a procedure for making the distributions under this Subsection (2)(i) to  
707 special service districts; and

708 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).

709 (j) (i) The Legislature shall annually make the following appropriations from the  
710 Mineral Lease Account:

711 (A) an amount equal to 52 cents multiplied by the number of acres of school or  
712 institutional trust lands, lands owned by the Division of Parks and Recreation, and lands owned  
713 by the Division of Wildlife Resources that are not under an in lieu of taxes contract, to each  
714 county in which those lands are located;

715 (B) to each county in which school or institutional trust lands are transferred to the  
716 federal government after December 31, 1992, an amount equal to the number of transferred  
717 acres in the county multiplied by a payment per acre equal to the difference between 52 cents  
718 per acre and the per acre payment made to that county in the most recent payment under the  
719 federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal  
720 payment was equal to or exceeded the 52 cents per acre, in which case a payment under this  
721 Subsection (2)(j)(i)(B) may not be made for the transferred lands;

722 (C) to each county in which federal lands, which are entitlement lands under the federal  
723 in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to  
724 the number of transferred acres in the county multiplied by a payment per acre equal to the  
725 difference between the most recent per acre payment made under the federal payment in lieu of  
726 taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52  
727 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for  
728 the transferred land; and

729 (D) to a county of the fifth or sixth class, an amount equal to the product of:

- 730 (I) \$1,000; and
- 731 (II) the number of residences described in Subsection (2)(j)(iv) that are located within
- 732 the county.
- 733 (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the
- 734 county legislative body, distribute the money or a portion of the money to:
- 735 (A) special service districts established by the county under Title 17D, Chapter 1,
- 736 Special Service District Act;
- 737 (B) school districts; or
- 738 (C) public institutions of higher education.
- 739 (iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the
- 740 Division of Finance shall increase or decrease the amounts per acre provided for in Subsections
- 741 (2)(j)(i)(A) through (C) by the average annual change in the Consumer Price Index for all urban
- 742 consumers published by the Department of Labor.
- 743 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance
- 744 shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average
- 745 annual change in the Consumer Price Index for all urban consumers published by the
- 746 Department of Labor.
- 747 (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:
- 748 (A) owned by:
- 749 (I) the Division of Parks and Recreation; or
- 750 (II) the Division of Wildlife Resources;
- 751 (B) located on lands that are owned by:
- 752 (I) the Division of Parks and Recreation; or
- 753 (II) the Division of Wildlife Resources; and
- 754 (C) are not subject to taxation under:
- 755 (I) Chapter 2, Property Tax Act; or
- 756 (II) Chapter 4, Privilege Tax.
- 757 (k) The Legislature shall annually appropriate to the Permanent Community Impact

758 Fund all deposits remaining in the Mineral Lease Account after making the appropriations  
759 provided for in Subsections (2)(d) through (j).

760 (3) (a) Each agency, board, institution of higher education, and political subdivision  
761 receiving money under this chapter shall provide the Legislature, through the Office of the  
762 Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual  
763 basis.

764 (b) The accounting required under Subsection (3)(a) shall:

765 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the  
766 current fiscal year, and planned expenditures for the following fiscal year; and

767 (ii) be reviewed by the Business, Economic Development, and Labor Appropriations  
768 Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1, Budgetary  
769 Procedures Act.

770 Section 7. Section **72-2-128** is enacted to read:

771 **72-2-128. Impacted Communities Transportation Development Restricted**

772 **Account.**

773 (1) There is created a restricted account known as the Impacted Communities  
774 Transportation Development Restricted Account within the Transportation Investment Fund of  
775 2005 created by Section [72-2-124](#).

776 (2) The account consists of money generated from the following revenue sources:

777 (a) Mineral Lease Account money deposited into the account in accordance with  
778 Section [59-21-2](#);

779 (b) any voluntary contributions received for the construction, major reconstruction, or  
780 major renovation of state or federal highways; and

781 (c) appropriations made to the fund by the Legislature.

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

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

784 (4) The executive director may use fund money, as prioritized by the Transportation  
785 Commission, only to pay the costs of construction, reconstruction, or renovation to state and

786 federal highways that are qualified projects under the Mineral Lands Leasing Act, 30 U.S.C.

787 Sec. 181 et seq.

788 Section 8. **Effective date.**

789 This bill takes effect on July 1, 2016.