

Senator Gene Davis proposes the following substitute bill:

HOMELESS SHELTER FUNDING AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gene Davis

House Sponsor: _____

LONG TITLE

General Description:

This bill creates the Homeless Shelter Cities Mitigation Restricted Account and authorizes the use of the restricted account's funds.

Highlighted Provisions:

This bill:

- ▶ allows redevelopment agencies to transfer funds to a county or municipality under certain circumstances;
- ▶ defines terms;
- ▶ creates an application process for certain municipalities with homeless shelters to obtain Homeless Shelter Cities Mitigation Restricted Account funds to employ and equip additional personnel to provide public safety services;
- ▶ creates an application process for a municipality with a homeless shelter to obtain a grant from the Homeless Shelter Cities Mitigation Restricted Account to pay for programs to mitigate the impact of the homeless shelter;
- ▶ authorizes a county or municipality that does not host a homeless shelter to impose an additional sales and use tax to contribute to the Homeless Shelter Cities Mitigation Restricted Account;
- ▶ requires the State Tax Commission to deposit a percentage of a county's or



26 municipality's local option sales and use tax revenue into the Homeless Shelter Cities
27 Mitigation Restricted Account if the county or municipality does not impose the additional
28 sales and use tax;

- 29 ▶ directs the Department of Workforce Services on how to disburse funds from the
30 Homeless Shelter Cities Mitigation Restricted Account; and
- 31 ▶ makes technical changes.

32 **Money Appropriated in this Bill:**

33 This bill appropriates in fiscal year 2019:

- 34 ▶ to the Department of Workforce Services – Housing and Community Development
35 – Homeless Shelter Cities Mitigation Program, as a one-time appropriation:
 - 36 • from the Homeless Shelter Cities Mitigation Restricted Account, One-time,
37 \$2,500,000.

38 **Other Special Clauses:**

39 None

40 **Utah Code Sections Affected:**

41 AMENDS:

- 42 17C-1-409, as last amended by Laws of Utah 2016, Chapter 350
- 43 17C-1-411, as last amended by Laws of Utah 2016, Chapter 350
- 44 17C-1-412, as last amended by Laws of Utah 2016, Chapter 350
- 45 59-12-205, as last amended by Laws of Utah 2017, Chapters 230 and 385
- 46 59-12-302, as last amended by Laws of Utah 2016, Chapter 364
- 47 59-12-354, as last amended by Laws of Utah 2016, Chapter 364
- 48 59-12-403, as last amended by Laws of Utah 2016, Chapter 364
- 49 59-12-603, as last amended by Laws of Utah 2017, Chapter 178
- 50 59-12-703, as last amended by Laws of Utah 2017, Chapters 181 and 422
- 51 59-12-802, as last amended by Laws of Utah 2017, Chapter 422
- 52 59-12-804, as last amended by Laws of Utah 2017, Chapter 422
- 53 59-12-1102, as last amended by Laws of Utah 2016, Chapter 364
- 54 59-12-1302, as last amended by Laws of Utah 2017, Chapter 422
- 55 59-12-1402, as last amended by Laws of Utah 2017, Chapter 422
- 56 59-12-2103, as last amended by Laws of Utah 2017, Chapter 422

57 [59-12-2206](#), as last amended by Laws of Utah 2017, Chapter 160

58 ENACTS:

59 [35A-8-606](#), Utah Code Annotated 1953

60 [35A-8-606.1](#), Utah Code Annotated 1953

61 [35A-8-606.2](#), Utah Code Annotated 1953

62 [35A-8-606.3](#), Utah Code Annotated 1953

63 [59-12-2301](#), Utah Code Annotated 1953

64 [59-12-2302](#), Utah Code Annotated 1953

65 [59-12-2303](#), Utah Code Annotated 1953

66 [59-12-2304](#), Utah Code Annotated 1953

67 [63J-1-801](#), Utah Code Annotated 1953

68 [63J-1-802](#), Utah Code Annotated 1953



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

71 Section 1. Section [17C-1-409](#) is amended to read:

72 **[17C-1-409](#). Allowable uses of agency funds.**

73 (1) (a) An agency may use agency funds:

74 (i) for any purpose authorized under this title;

75 (ii) for administrative, overhead, legal, or other operating expenses of the agency,

76 including consultant fees and expenses under Subsection [17C-2-102](#)(1)(b)(ii)(B) or funding for

77 a business resource center;

78 (iii) to pay for, including financing or refinancing, all or part of:

79 (A) project area development in a project area, including environmental remediation

80 activities occurring before or after adoption of the project area plan;

81 (B) housing-related expenditures, projects, or programs as described in Section

82 [17C-1-411](#) or [17C-1-412](#);

83 (C) an incentive or other consideration paid to a participant under a participation

84 agreement;

85 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of the

86 installation and construction of any publicly owned building, facility, structure, landscaping, or

87 other improvement within the project area from which the project area funds are collected; or

88 (E) the cost of the installation of publicly owned infrastructure and improvements
89 outside the project area from which the project area funds are collected if the board and the
90 community legislative body determine by resolution that the publicly owned infrastructure and
91 improvements benefit the project area; ~~[or]~~

92 (iv) in an urban renewal project area that includes some or all of an inactive industrial
93 site and subject to Subsection (1)(e), to reimburse the Department of Transportation created
94 under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8,
95 Public Transit District Act, for the cost of:

96 (A) construction of a public road, bridge, or overpass;

97 (B) relocation of a railroad track within the urban renewal project area; or

98 (C) relocation of a railroad facility within the urban renewal project area~~[-];~~ or

99 (v) subject to Subsection (5), to transfer funds to a community that created the agency.

100 (b) The determination of the board and the community legislative body under
101 Subsection (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.

102 (c) An agency may not use project area funds received from a taxing entity for the
103 purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan, an
104 economic development project area plan, or a community reinvestment project area plan
105 without the community legislative body's consent.

106 (d) (i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a
107 project area fund to another project area fund if:

108 (A) the board approves; and

109 (B) the community legislative body approves.

110 (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the
111 projections for agency funds are sufficient to repay the loan amount.

112 (iii) A loan described in Subsection (1)(d) is not subject to Title 10, Chapter 5,
113 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform Fiscal
114 Procedures Act for Utah Cities, Title 17, Chapter 36, Uniform Fiscal Procedures Act for
115 Counties, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts.

116 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection
117 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of the
118 reimbursement with:

119 (i) the Department of Transportation; or

120 (ii) a public transit district.

121 (2) (a) Sales and use tax revenue that an agency receives from a taxing entity is not
122 subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Sales and Use
123 Tax Incentive Payments Act.

124 (b) An agency may use sales and use tax revenue that the agency receives under an
125 interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized in the
126 interlocal agreement.

127 (3) (a) An agency may contract with the community that created the agency or another
128 public entity to use agency funds to reimburse the cost of items authorized by this title to be
129 paid by the agency that are paid by the community or other public entity.

130 (b) If land is acquired or the cost of an improvement is paid by another public entity
131 and the land or improvement is leased to the community, an agency may contract with and
132 make reimbursement from agency funds to the community.

133 (4) Notwithstanding any other provision of this title, an agency may not use project
134 area funds to construct a local government building unless the taxing entity committee or each
135 taxing entity party to an interlocal agreement with the agency consents.

136 (5) The total amount an agency transfers in a calendar year to a community under
137 Subsections (1)(a)(v), 17C-1-411(1)(d), and 17C-1-412(1)(a)(x) may not exceed the
138 community's annual local contribution as defined in Section 35A-8-606.

139 Section 2. Section 17C-1-411 is amended to read:

140 **17C-1-411. Use of project area funds for housing-related improvements and for**
141 **relocating mobile home park residents -- Funds to be held in separate accounts.**

142 (1) An agency may use project area funds:

143 (a) to pay all or part of the value of the land for and the cost of installation,
144 construction, or rehabilitation of any housing-related building, facility, structure, or other
145 housing improvement, including infrastructure improvements related to housing, located in any
146 project area within the agency's boundaries;

147 (b) outside of a project area for the purpose of:

148 (i) replacing housing units lost by project area development; or

149 (ii) increasing, improving, or preserving the affordable housing supply within the

150 boundary of the agency; [or]

151 (c) for relocating mobile home park residents displaced by project area development,
152 whether inside or outside a project area[.]; or

153 (d) subject to Subsection (4), to transfer funds to a community that created the agency.

154 (2) (a) Each agency shall create a housing fund and separately account for project area
155 funds allocated under this section.

156 (b) Interest earned by the housing fund described in Subsection (2)(a), and any
157 payments or repayments made to the agency for loans, advances, or grants of any kind from the
158 housing fund, shall accrue to the housing fund.

159 (c) An agency that designates a housing fund under this section shall use the housing
160 fund for the purposes set forth in this section or Section 17C-1-412.

161 (3) An agency may lend, grant, or contribute funds from the housing fund to a person,
162 public entity, housing authority, private entity or business, or nonprofit corporation for
163 affordable housing or homeless assistance.

164 (4) The total amount an agency transfers in a calendar year to a community under
165 Subsections (1)(d), 17C-1-409(1)(a)(v), and 17C-1-412(1)(a)(x) may not exceed the
166 community's annual local contribution as defined in Section 35A-8-606.

167 Section 3. Section 17C-1-412 is amended to read:

168 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**
169 **of bonds for housing -- Action to compel agency to provide housing allocation.**

170 (1) (a) An agency shall use the agency's housing allocation, if applicable, to:

171 (i) pay part or all of the cost of land or construction of income targeted housing within
172 the boundary of the agency, if practicable in a mixed income development or area;

173 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
174 boundary of the agency;

175 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
176 private entity or business, or nonprofit corporation for income targeted housing within the
177 boundary of the agency;

178 (iv) plan or otherwise promote income targeted housing within the boundary of the
179 agency;

180 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of

181 any building, facility, structure, or other housing improvement, including infrastructure
182 improvements, related to housing located in a project area where blight has been found to exist;

183 (vi) replace housing units lost as a result of the project area development;

184 (vii) make payments on or establish a reserve fund for bonds:

185 (A) issued by the agency, the community, or the housing authority that provides
186 income targeted housing within the community; and

187 (B) all or part of the proceeds of which are used within the community for the purposes
188 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

189 (viii) if the community's fair share ratio at the time of the first adoption of the project
190 area budget is at least 1.1 to 1.0, make payments on bonds:

191 (A) that were previously issued by the agency, the community, or the housing authority
192 that provides income targeted housing within the community; and

193 (B) all or part of the proceeds of which were used within the community for the
194 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); ~~or~~

195 (ix) relocate mobile home park residents displaced by project area development[-]; or
196 (x) subject to Subsection (6), transfer funds to a community that created the agency.

197 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or
198 any portion of the agency's housing allocation to:

199 (i) the community for use as described in Subsection (1)(a);

200 (ii) a housing authority that provides income targeted housing within the community
201 for use in providing income targeted housing within the community;

202 (iii) a housing authority established by the county in which the agency is located for
203 providing:

204 (A) income targeted housing within the county;

205 (B) permanent housing, permanent supportive housing, or a transitional facility, as
206 defined in Section [35A-5-302](#), within the county; or

207 (C) homeless assistance within the county; or

208 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,
209 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within
210 the community.

211 (2) The agency shall create a housing fund and separately account for the agency's

212 housing allocation, together with all interest earned by the housing allocation and all payments
213 or repayments for loans, advances, or grants from the housing allocation.

214 (3) An agency may:

215 (a) issue bonds to finance a housing-related project under this section, including the
216 payment of principal and interest upon advances for surveys and plans or preliminary loans;
217 and

218 (b) issue refunding bonds for the payment or retirement of bonds under Subsection
219 (3)(a) previously issued by the agency.

220 (4) (a) Except as provided in Subsection (4)(b), an agency shall allocate money to the
221 housing fund each year in which the agency receives sufficient tax increment to make a
222 housing allocation required by the project area budget.

223 (b) Subsection (4)(a) does not apply in a year in which tax increment is insufficient.

224 (5) (a) Except as provided in Subsection (4)(b), if an agency fails to provide a housing
225 allocation in accordance with the project area budget and, if applicable, the housing plan
226 adopted under Subsection [17C-2-204\(2\)](#), the loan fund board may bring legal action to compel
227 the agency to provide the housing allocation.

228 (b) In an action under Subsection (5)(a), the court:

229 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that
230 the action was frivolous; and

231 (ii) may not award the agency the agency's attorney fees, unless the court finds that the
232 action was frivolous.

233 (6) The total amount an agency transfers in a calendar year to a community under
234 Subsections (1)(a)(x), [17C-1-409\(1\)\(a\)\(v\)](#), and [17C-1-411\(1\)\(d\)](#) may not exceed the
235 community's annual local contribution as defined in Section [35A-8-606](#).

236 Section 4. Section [35A-8-606](#) is enacted to read:

237 **[35A-8-606. Homeless Shelter Cities Mitigation Restricted Account.](#)**

238 (1) As used in this section:

239 (a) "Annual local contribution" means:

240 (i) for a participating local government:

241 (A) an amount equal to 1.75% of the participating local government's tax revenue
242 distribution amount under Subsection [59-12-205\(2\)\(a\)](#) for the previous calendar year; or

243 (B) the amount the participating local government collected in accordance with Section
244 59-12-2902; or

245 (ii) for an eligible municipality or a grant eligible city that is certified in accordance
246 with Section 35A-8-606.3, \$0.

247 (b) "Eligible municipality" means the same as that term is defined in Section
248 35A-8-606.1.

249 (c) "Grant eligible municipality" means the same as that term is defined in Section
250 35A-8-606.2.

251 (d) "Participating local government" means a county or municipality, as defined in
252 Section 10-1-104, that is not an eligible municipality or grant eligible municipality as certified
253 by the department in accordance with Section 35A-8-606.3.

254 (2) There is created a restricted account within the General Fund known as the
255 Homeless Shelter Cities Mitigation Restricted Account.

256 (3) The account shall be funded by:

257 (a) local sales and use tax revenue deposited into the account in accordance with
258 Section 59-12-205;

259 (b) total sales and use tax revenue deposited into the account in accordance with
260 Section 59-12-2904; and

261 (c) interest earned on the account.

262 (4) (a) The department shall administer the account.

263 (b) Subject to appropriation, the department shall disburse funds from the account to:

264 (i) eligible municipalities in accordance with Sections 35A-8-606.1 and 63J-1-802; and

265 (ii) grant eligible municipalities in accordance with Sections 35A-8-606.2 and
266 63J-1-802.

267 Section 5. Section 35A-8-606.1 is enacted to read:

268 **35A-8-606.1. Eligible municipality application process for Homeless Shelter Cities**
269 **Mitigation Restricted Account funds.**

270 (1) As used in this section:

271 (a) "Account" means the restricted account created in Section 35A-8-606.

272 (b) "Committee" means the Homeless Coordinating Committee created in this part.

273 (c) "Eligible municipality" means a city of the third, fourth, or fifth class or a town that:

274 (i) has, or is proposed to have, a homeless shelter within the city's or town's geographic
275 boundaries;

276 (ii) due to the location of a homeless shelter within the city's or town's geographic
277 boundaries, needs more public safety services than the city or town needed before the location
278 of the homeless shelter within the city's or town's geographic boundaries; and

279 (iii) is certified as an eligible municipality in accordance with Section [35A-8-606.3](#).

280 (d) "Homeless shelter" means a facility that:

281 (i) provides or is proposed to provide temporary shelter to homeless individuals;

282 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 200
283 individuals per night; and

284 (iii) operates year-round and is not subject to zoning restrictions that limit the hours,
285 days, weeks, or months of operation.

286 (e) "Public safety services" means law enforcement, emergency medical services, and
287 fire protection.

288 (2) An eligible municipality may request account funds to employ and equip additional
289 personnel to provide public safety services in and around a homeless shelter within the eligible
290 municipality's geographic boundaries.

291 (3) (a) This Subsection (3) applies to an eligible municipality's request for account
292 funds for the fiscal year beginning on July 1, 2018, only.

293 (b) An eligible municipality may make a request for account funds by:

294 (i) sending an electronic copy of the request to the committee before the first meeting
295 of the committee on or after July 1, 2018; and

296 (ii) appearing at the first meeting of the committee on or after July 1, 2018, to present
297 the request.

298 (c) The request described in Subsection (3)(b) shall contain:

299 (i) data relating to the eligible municipality's public safety services for the last fiscal
300 year before a homeless shelter was located or proposed to be located within the eligible city's
301 boundaries, including:

302 (A) crime statistics; and

303 (B) calls for public safety services;

304 (ii) data showing the eligible municipality's need for public safety services in the next

305 fiscal year;

306 (iii) a summary of the eligible municipality's proposed use of account funds; and

307 (iv) a copy of the eligible municipality's budget, which includes a request in a specific
308 amount for additional personnel to provide public safety services.

309 (d) The committee shall evaluate a request made in accordance with this Subsection (3)
310 using the following factors:

311 (i) the strength and reliability of the data that the eligible municipality provides to
312 support the request;

313 (ii) the availability of alternative funding for the eligible municipality to address the
314 eligible municipality's need for public safety services; and

315 (iii) any other considerations identified by the committee.

316 (e) (i) After making the evaluation described in Subsection (3)(d) and subject to
317 appropriation, the committee shall vote to:

318 (A) fund the eligible municipality's request; or

319 (B) fund the eligible municipality's request at a reduced level, as determined by the
320 committee.

321 (ii) The committee shall support the vote described in Subsection (3)(e)(i) with
322 findings on each of the factors described in Subsection (3)(d).

323 (f) (i) An eligible municipality that receives an award of account funds under this
324 Subsection (3) shall submit an invoice of the eligible municipality's expenses, with supporting
325 documentation, to the department monthly for reimbursement.

326 (ii) Each month beginning in January 2019, the department shall reimburse the eligible
327 municipality for the lesser of:

328 (A) the amount on the invoice; or

329 (B) one-sixth of the amount the committee approved for the eligible municipality.

330 (4) (a) This Subsection (4) applies to a fiscal year beginning on or after July 1, 2019.

331 (b) (i) The committee shall set aside time on an the agenda of a committee meeting that
332 occurs on or after July 1 and on or before November 30 to allow an eligible municipality to
333 present a request for account funds for the next fiscal year.

334 (ii) An eligible municipality may present a request for account funds by:

335 (A) sending an electronic copy of the request to the committee before the meeting; and

336 (B) appearing at the meeting to present the request.
337 (c) The request described in Subsection (4)(b) shall contain:
338 (i) data relating to the eligible municipality's public safety services for the last fiscal
339 year before a homeless shelter was located or proposed to be located within the eligible city's
340 boundaries, including:
341 (A) crime statistics; and
342 (B) calls for public safety services;
343 (ii) data showing the eligible municipality's need for public safety services in the next
344 fiscal year;
345 (iii) a summary of the eligible municipality's proposed use of account funds; and
346 (iv) a copy of the eligible municipality's budget, which includes a request in a specific
347 amount for additional personnel to provide public safety services.
348 (d) (i) On or before November 30, an eligible municipality that received account funds
349 during the previous fiscal year shall file electronically with the committee a report that
350 includes:
351 (A) a summary of the amount of account funds that the eligible municipality expended
352 and the eligible municipality's specific use of those funds;
353 (B) an evaluation of the eligible municipality's effectiveness in using the account funds
354 to address the eligible municipality's public safety needs; and
355 (C) any proposals for improving the eligible municipality's effectiveness in using
356 account funds that the eligible municipality may receive in future fiscal years.
357 (ii) The committee may request additional information as needed to make the
358 evaluation described in Subsection (4)(e).
359 (e) The committee shall evaluate a request made in accordance with this Subsection (4)
360 using the following factors:
361 (i) the strength and reliability of the data that the eligible municipality provided to
362 support the request;
363 (ii) if the eligible municipality received account funds during the previous fiscal year,
364 the efficiency with which the eligible municipality used any account funds during the previous
365 fiscal year;
366 (iii) the availability of alternative funding for the eligible municipality to address the

367 eligible municipality's need for public safety services; and

368 (iv) any other considerations identified by the committee.

369 (f) (i) After making the evaluation described in Subsection (4)(e) and subject to other

370 provisions of this Subsection (4)(f), the committee shall vote to recommend that an eligible

371 municipality's request be:

372 (A) funded as requested; or

373 (B) funded at a reduced level, as determined by the committee.

374 (ii) The committee shall support the recommendation described in Subsection (4)(f)(i)

375 with findings on each of the factors described in Subsection (4)(e).

376 (g) The committee shall submit the recommendation described in Subsection (4)(f) to:

377 (i) the governor for inclusion in the governor's budget to be submitted to the

378 Legislature; and

379 (ii) the Social Services Appropriations Subcommittee of the Legislature for approval in

380 accordance with Section [63J-1-802](#).

381 (h) (i) An eligible municipality that is approved to receive account funds under Section

382 [63J-1-802](#) shall submit an invoice of the eligible municipality's expenses, with supporting

383 documentation, to the department monthly for reimbursement.

384 (ii) Each month, the department shall disburse the revenue in the account to reimburse

385 an eligible municipality that submits the information described in Subsection (4)(h)(i) for the

386 lesser of:

387 (A) the amount on the invoice; or

388 (B) one-twelfth of the amount that the Legislature approves for the eligible

389 municipality.

390 (5) On or before October 1, the department, in cooperation with the committee, shall

391 submit an annual written report electronically to the Social Services Appropriations

392 Subcommittee of the Legislature that gives a complete accounting of the department's

393 disbursement of the money from the account under this section for the previous fiscal year.

394 Section 6. Section **35A-8-606.2** is enacted to read:

395 **35A-8-606.2. Grant eligible municipality application process for Homeless Shelter**
396 **Cities Mitigation Restricted Account funds.**

397 (1) As used in this section:

- 398 (a) "Account" means the restricted account created in Section [35A-8-606](#).
399 (b) "Committee" means the Homeless Coordinating Committee created in this part.
400 (c) "Grant" means an award of funds from the account.
401 (d) "Grant eligible municipality" means a city or town that:
402 (i) has a homeless shelter within the city's or town's geographic boundaries;
403 (ii) has increased community, social service, and public safety service needs due to the
404 location of a homeless shelter within the city's or town's geographic boundaries; and
405 (iii) is certified as a grant eligible municipality in accordance with Section
406 [35A-8-606.3](#).
407 (e) "Homeless shelter" means a facility that:
408 (i) provides or is proposed to provide temporary shelter to homeless individuals;
409 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 60
410 individuals per night; and
411 (iii) operates year-round and is not subject to zoning restrictions that limit the hours,
412 days, weeks, or months of operation.
413 (f) "Public safety services" means law enforcement, emergency medical services, and
414 fire protection.
415 (2) Subject to the availability of funds, a grant eligible municipality may request a
416 grant to mitigate the impacts of the location of a homeless shelter within the grant eligible
417 municipality's geographic boundaries through:
418 (a) development of a community and neighborhood program;
419 (b) provision of social services; or
420 (c) employment of additional personnel to provide public safety services in and around
421 a homeless shelter within the grant eligible municipality's geographic boundaries.
422 (3) (a) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the
423 department shall make rules governing:
424 (i) the process for determining whether there is sufficient revenue to the account to
425 offer a grant program for the next fiscal year; and
426 (ii) the process for notifying grant eligible municipalities about the availability of
427 grants for the next fiscal year.
428 (b) (i) If the committee offers a grant program for the next fiscal year, the committee

429 shall set aside time on the agenda of a committee meeting that occurs on or after July 1 and on
430 or before November 30 to allow a grant eligible municipality to present a request for account
431 funds for the next fiscal year.

432 (ii) A grant eligible municipality may present a request for account funds by:

433 (A) sending an electronic copy of the request to the committee before the meeting; and

434 (B) appearing at the meeting to present the request.

435 (c) The request described in Subsection (3)(b) shall contain:

436 (i) for a grant request to develop a community and neighborhood program:

437 (A) a proposal outlining the components of a community and neighborhood program;

438 (B) a summary of the grant eligible municipality's proposed use of any grant awarded;

439 and

440 (C) the amount requested;

441 (ii) for a grant request to provide social services:

442 (A) a proposal outlining the need for additional social services;

443 (B) a summary of the grant eligible municipality's proposed use of any grant awarded;

444 and

445 (C) the amount requested;

446 (iii) for a grant request to employ additional personnel to provide public safety

447 services:

448 (A) data relating to the grant eligible municipality's public safety services for the

449 current fiscal year, including crime statistics and calls for public safety services;

450 (B) data showing an increase in the grant eligible municipality's need for public safety

451 services in the next fiscal year;

452 (C) a summary of the grant eligible municipality's proposed use of any grant awarded;

453 and

454 (D) the amount requested; and

455 (iv) for a grant request to provide some combination of the activities described in

456 Subsections (3)(c)(i) through (iii), the information required by this Subsection (3) for each

457 activity for which the grant eligible municipality requests a grant.

458 (d) (i) On or before November 30, a grant eligible municipality that received a grant

459 during the previous fiscal year shall file electronically with the committee a report that

460 includes:

461 (A) a summary of the amount of the grant that the grant eligible municipality received
462 and the grant eligible municipality's specific use of those funds;

463 (B) an evaluation of the grant eligible municipality's effectiveness in using the grant to
464 address the grant eligible municipality's increased needs due to the location of a homeless
465 shelter; and

466 (C) any proposals for improving the grant eligible municipality's effectiveness in using
467 a grant that the grant eligible municipality may receive in future fiscal years.

468 (ii) The committee may request additional information as needed to make the
469 evaluation described in Subsection (3)(e).

470 (e) The committee shall evaluate a grant request made in accordance with this
471 Subsection (3) using the following factors:

472 (i) the strength of the proposal that the grant eligible municipality provides to support
473 the request;

474 (ii) if the grant eligible municipality received a grant during the previous fiscal year,
475 the efficiency with which the grant eligible municipality used the grant during the previous
476 fiscal year;

477 (iii) the availability of alternative funding for the grant eligible municipality to address
478 the grant eligible municipality's needs due to the location of a homeless shelter; and

479 (iv) any other considerations identified by the committee.

480 (f) (i) After making the evaluation described in Subsection (3)(e) for each grant eligible
481 municipality that makes a grant request and subject to other provisions of this Subsection
482 (3)(f), the committee shall vote to:

483 (A) prioritize the grant requests; and

484 (B) recommend a grant amount for each grant eligible municipality.

485 (ii) The committee shall support the prioritization and recommendation described in
486 Subsection (3)(f)(i) with findings on each of the factors described in Subsection (3)(e).

487 (g) The committee shall submit a list that prioritizes the grant requests and
488 recommends a grant amount for each grant eligible municipality that requested a grant to:

489 (i) the governor for inclusion in the governor's budget to be submitted to the
490 Legislature; and

491 (ii) the Social Services Appropriations Subcommittee of the Legislature for approval in
492 accordance with Section 63J-1-802.

493 (4) (a) Subject to Subsection (4)(b), the department shall disburse the revenue in the
494 account as a grant to a grant eligible municipality:

495 (i) after making the disbursements required by Section 35A-8-606.1; and

496 (ii) subject to the availability of funds in the account:

497 (A) in the order of priority that the Legislature gives to each eligible grant municipality
498 under Section 63J-1-802; and

499 (B) in the amount that the Legislature approves to a grant eligible municipality under
500 Section 63J-1-802.

501 (b) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the
502 department shall make rules governing the process for the department to determine the timeline
503 within the fiscal year for funding the grants.

504 (5) On or before October 1, the department, in cooperation with the committee, shall
505 submit an annual written report electronically to the Social Services Appropriations
506 Subcommittee of the Legislature that gives a complete accounting of the department's
507 disbursement of the money from the account under this section for the previous fiscal year.

508 Section 7. Section 35A-8-606.3 is enacted to read:

509 **35A-8-606.3. Certification of eligible municipality or grant eligible municipality.**

510 (1) The department shall certify each year, on or after July 1 and before the first
511 meeting of the committee after July 1, the cities or towns that meet the requirements of an
512 eligible municipality or a grant eligible municipality as of July 1.

513 (2) On or before October 1, the department shall provide a list of the cities or towns
514 that the department has certified as meeting the requirements of an eligible municipality or a
515 grant eligible municipality for the year to the State Tax Commission.

516 Section 8. Section 59-12-205 is amended to read:

517 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
518 **tax revenue -- Determination of population.**

519 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
520 59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or town's
521 sales and use tax ordinances:

522 (a) within 30 days of the day on which the state makes an amendment to an applicable
523 provision of Part 1, Tax Collection; and

524 (b) as required to conform to the amendments to Part 1, Tax Collection.

525 (2) Except as provided in Subsections (3) through [~~6~~] (7) and subject to Subsection
526 [~~7~~] (8):

527 (a) 50% of each dollar collected from the sales and use tax authorized by this part shall
528 be distributed to each county, city, and town on the basis of the percentage that the population
529 of the county, city, or town bears to the total population of all counties, cities, and towns in the
530 state; and

531 (b) (i) except as provided in Subsection (2)(b)(ii), 50% of each dollar collected from
532 the sales and use tax authorized by this part shall be distributed to each county, city, and town
533 on the basis of the location of the transaction as determined under Sections 59-12-211 through
534 59-12-215; and

535 (ii) 50% of each dollar collected from the sales and use tax authorized by this part
536 within a project area described in a project area plan adopted by the military installation
537 development authority under Title 63H, Chapter 1, Military Installation Development
538 Authority Act, shall be distributed to the military installation development authority created in
539 Section 63H-1-201.

540 (3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall
541 distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

542 (i) the county, city, or town is a:

543 (A) county of the third, fourth, fifth, or sixth class;

544 (B) city of the fifth class; or

545 (C) town;

546 (ii) the county, city, or town received a distribution under this section for the calendar
547 year beginning on January 1, 2008, that was less than the distribution under this section that the
548 county, city, or town received for the calendar year beginning on January 1, 2007;

549 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located
550 within the unincorporated area of the county for one or more days during the calendar year
551 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,
552 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North

553 American Industry Classification System of the federal Executive Office of the President,
554 Office of Management and Budget; or

555 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
556 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during
557 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry
558 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the
559 2002 North American Industry Classification System of the federal Executive Office of the
560 President, Office of Management and Budget; and

561 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
562 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for
563 one or more days during the calendar year beginning on January 1, 2008, was not the holder of
564 a direct payment permit under Section 59-12-107.1; or

565 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
566 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a
567 city or town for one or more days during the calendar year beginning on January 1, 2008, was
568 not the holder of a direct payment permit under Section 59-12-107.1.

569 (b) The commission shall make the distribution required by this Subsection (3) to a
570 county, city, or town described in Subsection (3)(a):

571 (i) from the distribution required by Subsection (2)(a); and

572 (ii) before making any other distribution required by this section.

573 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by
574 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

575 (ii) For purposes of Subsection (3)(c)(i):

576 (A) the numerator of the fraction is the difference calculated by subtracting the
577 distribution a county, city, or town described in Subsection (3)(a) received under this section
578 for the calendar year beginning on January 1, 2008, from the distribution under this section that
579 the county, city, or town received for the calendar year beginning on January 1, 2007; and

580 (B) the denominator of the fraction is \$333,583.

581 (d) A distribution required by this Subsection (3) is in addition to any other distribution
582 required by this section.

583 (4) (a) For fiscal years beginning with fiscal year 1983-84 and ending with fiscal year

584 2005-06, a county, city, or town may not receive a tax revenue distribution less than .75% of
585 the taxable sales within the boundaries of the county, city, or town.

586 (b) The commission shall proportionally reduce monthly distributions to any county,
587 city, or town that, but for the reduction, would receive a distribution in excess of 1% of the
588 sales and use tax revenue collected within the boundaries of the county, city, or town.

589 (5) (a) As used in this Subsection (5):

590 (i) "Eligible county, city, or town" means a county, city, or town that receives \$2,000 or
591 more in tax revenue distributions in accordance with Subsection (4) for each of the following
592 fiscal years:

593 (A) fiscal year 2002-03;

594 (B) fiscal year 2003-04; and

595 (C) fiscal year 2004-05.

596 (ii) "Minimum tax revenue distribution" means the greater of:

597 (A) the total amount of tax revenue distributions an eligible county, city, or town
598 receives from a tax imposed in accordance with this part for fiscal year 2000-01; or

599 (B) the total amount of tax revenue distributions an eligible county, city, or town
600 receives from a tax imposed in accordance with this part for fiscal year 2004-05.

601 (b) (i) Except as provided in Subsection (5)(b)(ii), beginning with fiscal year 2006-07
602 and ending with fiscal year 2012-13, an eligible county, city, or town shall receive a tax
603 revenue distribution for a tax imposed in accordance with this part equal to the greater of:

604 (A) the payment required by Subsection (2); or

605 (B) the minimum tax revenue distribution.

606 (ii) If the tax revenue distribution required by Subsection (5)(b)(i) for an eligible
607 county, city, or town is equal to the amount described in Subsection (5)(b)(i)(A) for three
608 consecutive fiscal years, for fiscal years beginning with the fiscal year immediately following
609 that three consecutive fiscal year period, the eligible county, city, or town shall receive the tax
610 revenue distribution equal to the payment required by Subsection (2).

611 (c) For a fiscal year beginning with fiscal year 2013-14 and ending with fiscal year
612 2015-16, an eligible county, city, or town shall receive the minimum tax revenue distribution
613 for that fiscal year if for fiscal year 2012-13 the payment required by Subsection (2) to that
614 eligible county, city, or town is less than or equal to the product of:

615 (i) the minimum tax revenue distribution; and

616 (ii) .90.

617 (6) (a) As used in this Subsection (6):

618 (i) "Eligible county, city, or town" means a county, city, or town that:

619 (A) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
620 distributions for fiscal year 2002-03;

621 (B) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
622 distributions for fiscal year 2003-04;

623 (C) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
624 distributions for fiscal year 2004-05;

625 (D) for a fiscal year beginning with fiscal year 2012-13 and ending with fiscal year
626 2015-16, does not receive a tax revenue distribution described in Subsection (5) equal to the
627 amount described in Subsection (5)(b)(i)(A) for three consecutive fiscal years; and

628 (E) does not impose a sales and use tax under Section [59-12-2103](#) on or before July 1,
629 2016.

630 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
631 distributions an eligible county, city, or town receives from a tax imposed in accordance with
632 this part for fiscal year 2004-05.

633 (b) Beginning with fiscal year 2016-17, an eligible county, city, or town shall receive a
634 tax revenue distribution for a tax imposed in accordance with this part equal to the greater of:

635 (i) the payment required by Subsection (2); or

636 (ii) the minimum tax revenue distribution.

637 (7) (a) For purposes of this Subsection (7):

638 (i) "Annual local contribution" means an amount equal to 1.75% of the participating
639 local government's tax revenue distribution amount under Subsection [59-12-205\(2\)\(a\)](#) for the
640 previous calendar year

641 (ii) "Participating local government" means a county or municipality, as defined in
642 Section [10-1-104](#), that:

643 (A) is not an eligible municipality or grant eligible municipality certified in accordance
644 with Section [35A-8-606.3](#); and

645 (B) does not impose the sales and use tax authorized by Section [59-12-2903](#).

646 (b) For revenue collected from the tax authorized by this part that is distributed on or
647 after January 1, 2019, the commission, before making a tax revenue distribution under
648 Subsection (2)(a) to a participating local government shall:

649 (i) (A) for the January 2019 distribution, subtract one-half of the annual local
650 contribution for each participating local government from the participating local government's
651 tax revenue distribution under Subsection (2)(a); and

652 (B) for a January distribution on or after January 1, 2020, subtract the annual local
653 contribution for each participating local government from the participating local government's
654 tax revenue distribution under Subsection (2)(a); and

655 (ii) deposit the amount described in Subsection (7)(b)(i) into the Homeless Shelter
656 Cities Mitigation Restricted Account created in Section [35A-8a-606](#).

657 ~~[(7)]~~ (8) (a) Population figures for purposes of this section shall be based on the most
658 recent official census or census estimate of the United States Census Bureau.

659 (b) If a needed population estimate is not available from the United States Census
660 Bureau, population figures shall be derived from the estimate from the Utah Population
661 Estimates Committee created by executive order of the governor.

662 (c) The population of a county for purposes of this section shall be determined only
663 from the unincorporated area of the county.

664 Section 9. Section **59-12-302** is amended to read:

665 **59-12-302. Collection of tax -- Administrative charge.**

666 (1) Except as provided in Subsection (2) or (3), the tax authorized under this part shall
667 be administered, collected, and enforced in accordance with:

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

669 (i) Part 1, Tax Collection; or

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

671 (b) Chapter 1, General Taxation Policies.

672 (2) The location of a transaction shall be determined in accordance with Sections
673 [59-12-211](#) through [59-12-215](#).

674 (3) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or
675 Subsections [59-12-205](#)(2) through ~~[(7)]~~ (8).

676 (4) The commission:

677 (a) shall distribute the revenue collected from the tax to the county within which the
678 revenue was collected; and

679 (b) shall retain and deposit an administrative charge in accordance with Section
680 59-1-306 from revenue the commission collects from a tax under this part.

681 Section 10. Section 59-12-354 is amended to read:

682 **59-12-354. Collection of tax -- Administrative charge.**

683 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part
684 shall be administered, collected, and enforced in accordance with:

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

686 (i) Part 1, Tax Collection; or

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

688 (b) Chapter 1, General Taxation Policies.

689 (2) (a) The location of a transaction shall be determined in accordance with Sections
690 59-12-211 through 59-12-215.

691 (b) The commission:

692 (i) except as provided in Subsection (2)(b)(ii), shall distribute the revenue collected
693 from the tax to the municipality within which the revenue was collected; and

694 (ii) shall retain and deposit an administrative charge in accordance with Section
695 59-1-306 from the revenue the commission collects from a tax under this part.

696 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or

697 Subsections 59-12-205(2) through [(7)] (8).

698 Section 11. Section 59-12-403 is amended to read:

699 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**

700 **Notice requirements -- Administration, collection, and enforcement of tax --**

701 **Administrative charge.**

702 (1) For purposes of this section:

703 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
704 4, Annexation.

705 (b) "Annexing area" means an area that is annexed into a city or town.

706 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a
707 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,

708 repeal, or change shall take effect:

709 (i) on the first day of a calendar quarter; and

710 (ii) after a 90-day period beginning on the date the commission receives notice meeting
711 the requirements of Subsection (2)(b) from the city or town.

712 (b) The notice described in Subsection (2)(a)(ii) shall state:

713 (i) that the city or town will enact or repeal a tax or change the rate of a tax under this
714 part;

715 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);

716 (iii) the effective date of the tax described in Subsection (2)(b)(i); and

717 (iv) if the city or town enacts the tax or changes the rate of the tax described in
718 Subsection (2)(b)(i), the rate of the tax.

719 (c) (i) If the billing period for a transaction begins before the effective date of the
720 enactment of the tax or the tax rate increase imposed under Section [59-12-401](#), [59-12-402](#), or
721 [59-12-402.1](#), the enactment of the tax or the tax rate increase takes effect on the first day of the
722 first billing period that begins on or after the effective date of the enactment of the tax or the
723 tax rate increase.

724 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
725 statement for the billing period is produced on or after the effective date of the repeal of the tax
726 or the tax rate decrease imposed under Section [59-12-401](#), [59-12-402](#), or [59-12-402.1](#).

727 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
728 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
729 a tax described in Subsection (2)(a) takes effect:

730 (A) on the first day of a calendar quarter; and

731 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
732 rate of the tax under Subsection (2)(a).

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

735 (3) (a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs
736 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
737 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
738 effect:

- 739 (i) on the first day of a calendar quarter; and
- 740 (ii) after a 90-day period beginning on the date the commission receives notice meeting
741 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.
- 742 (b) The notice described in Subsection (3)(a)(ii) shall state:
- 743 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
744 repeal, or change in the rate of a tax under this part for the annexing area;
- 745 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);
- 746 (iii) the effective date of the tax described in Subsection (3)(b)(i); and
- 747 (iv) if the city or town enacts the tax or changes the rate of the tax described in
748 Subsection (3)(b)(i), the rate of the tax.
- 749 (c) (i) If the billing period for a transaction begins before the effective date of the
750 enactment of the tax or the tax rate increase imposed under Section [59-12-401](#), [59-12-402](#), or
751 [59-12-402.1](#), the enactment of the tax or the tax rate increase takes effect on the first day of the
752 first billing period that begins on or after the effective date of the enactment of the tax or the
753 tax rate increase.
- 754 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
755 statement for the billing period is produced on or after the effective date of the repeal of the tax
756 or the tax rate decrease imposed under Section [59-12-401](#), [59-12-402](#), or [59-12-402.1](#).
- 757 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
758 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
759 a tax described in Subsection (3)(a) takes effect:
- 760 (A) on the first day of a calendar quarter; and
- 761 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
762 rate of the tax under Subsection (3)(a).
- 763 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
764 commission may by rule define the term "catalogue sale."
- 765 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be
766 administered, collected, and enforced in accordance with:
- 767 (i) the same procedures used to administer, collect, and enforce the tax under:
- 768 (A) Part 1, Tax Collection; or
- 769 (B) Part 2, Local Sales and Use Tax Act; and

770 (ii) Chapter 1, General Taxation Policies.

771 (b) A tax under this part is not subject to Subsections 59-12-205(2) through [(7)] (8).

772 (5) The commission shall retain and deposit an administrative charge in accordance
773 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

774 Section 12. Section 59-12-603 is amended to read:

775 **59-12-603. County tax -- Bases -- Rates -- Use of revenue -- Adoption of ordinance**
776 **required -- Advisory board -- Administration -- Collection -- Administrative charge --**
777 **Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice**
778 **requirements.**

779 (1) (a) In addition to any other taxes, a county legislative body may, as provided in this
780 part, impose a tax as follows:

781 (i) (A) a county legislative body of any county may impose a tax of not to exceed 3%
782 on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases
783 and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor
784 vehicle that is being repaired pursuant to a repair or an insurance agreement; and

785 (B) beginning on or after January 1, 1999, a county legislative body of any county
786 imposing a tax under Subsection (1)(a)(i)(A) may, in addition to imposing the tax under
787 Subsection (1)(a)(i)(A), impose a tax of not to exceed 4% on all short-term leases and rentals
788 of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made
789 for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant
790 to a repair or an insurance agreement;

791 (ii) a county legislative body of any county may impose a tax of not to exceed 1% of all
792 sales of the following that are sold by a restaurant:

793 (A) alcoholic beverages;

794 (B) food and food ingredients; or

795 (C) prepared food; and

796 (iii) a county legislative body of a county of the first class may impose a tax of not to
797 exceed .5% on charges for the accommodations and services described in Subsection

798 59-12-103(1)(i).

799 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
800 17-31-5.5.

801 (2) (a) Subject to Subsection (2)(b), revenue from the imposition of the taxes provided
802 for in Subsections (1)(a)(i) through (iii) may be used for:

- 803 (i) financing tourism promotion; and
- 804 (ii) the development, operation, and maintenance of:
 - 805 (A) an airport facility;
 - 806 (B) a convention facility;
 - 807 (C) a cultural facility;
 - 808 (D) a recreation facility; or
 - 809 (E) a tourist facility.

810 (b) A county of the first class shall expend at least \$450,000 each year of the revenue
811 from the imposition of a tax authorized by Subsection (1)(a)(iii) within the county to fund a
812 marketing and ticketing system designed to:

- 813 (i) promote tourism in ski areas within the county by persons that do not reside within
814 the state; and
- 815 (ii) combine the sale of:
 - 816 (A) ski lift tickets; and
 - 817 (B) accommodations and services described in Subsection 59-12-103(1)(i).

818 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other
819 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14, Local
820 Government Bonding Act, or a community reinvestment agency under Title 17C, Chapter 1,
821 Part 5, Agency Bonds, to finance:

- 822 (a) an airport facility;
- 823 (b) a convention facility;
- 824 (c) a cultural facility;
- 825 (d) a recreation facility; or
- 826 (e) a tourist facility.

827 (4) (a) To impose the tax under Subsection (1), each county legislative body shall adopt
828 an ordinance imposing the tax.

829 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the
830 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on
831 those items and sales described in Subsection (1).

832 (c) The name of the county as the taxing agency shall be substituted for that of the state
833 where necessary, and an additional license is not required if one has been or is issued under
834 Section 59-12-106.

835 (5) To maintain in effect its tax ordinance adopted under this part, each county
836 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,
837 Tax Collection, adopt amendments to its tax ordinance to conform with the applicable
838 amendments to Part 1, Tax Collection.

839 (6) (a) Regardless of whether a county of the first class creates a tourism tax advisory
840 board in accordance with Section 17-31-8, the county legislative body of the county of the first
841 class shall create a tax advisory board in accordance with this Subsection (6).

842 (b) The tax advisory board shall be composed of nine members appointed as follows:

843 (i) four members shall be residents of a county of the first class appointed by the
844 county legislative body of the county of the first class; and

845 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or
846 towns within the county of the first class appointed by an organization representing all mayors
847 of cities and towns within the county of the first class.

848 (c) Five members of the tax advisory board constitute a quorum.

849 (d) The county legislative body of the county of the first class shall determine:

850 (i) terms of the members of the tax advisory board;

851 (ii) procedures and requirements for removing a member of the tax advisory board;

852 (iii) voting requirements, except that action of the tax advisory board shall be by at
853 least a majority vote of a quorum of the tax advisory board;

854 (iv) chairs or other officers of the tax advisory board;

855 (v) how meetings are to be called and the frequency of meetings; and

856 (vi) the compensation, if any, of members of the tax advisory board.

857 (e) The tax advisory board under this Subsection (6) shall advise the county legislative
858 body of the county of the first class on the expenditure of revenue collected within the county
859 of the first class from the taxes described in Subsection (1)(a).

860 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part
861 shall be administered, collected, and enforced in accordance with:

862 (A) the same procedures used to administer, collect, and enforce the tax under:

863 (I) Part 1, Tax Collection; or
864 (II) Part 2, Local Sales and Use Tax Act; and
865 (B) Chapter 1, General Taxation Policies.
866 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
867 Subsections 59-12-205(2) through ~~(7)~~ (8).
868 (b) Except as provided in Subsection (7)(c):
869 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the
870 commission shall distribute the revenue to the county imposing the tax; and
871 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue
872 according to the distribution formula provided in Subsection (8).
873 (c) The commission shall retain and deposit an administrative charge in accordance
874 with Section 59-1-306 from the revenue the commission collects from a tax under this part.
875 (8) The commission shall distribute the revenue generated by the tax under Subsection
876 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the
877 following formula:
878 (a) the commission shall distribute 70% of the revenue based on the percentages
879 generated by dividing the revenue collected by each county under Subsection (1)(a)(i)(B) by
880 the total revenue collected by all counties under Subsection (1)(a)(i)(B); and
881 (b) the commission shall distribute 30% of the revenue based on the percentages
882 generated by dividing the population of each county collecting a tax under Subsection
883 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).
884 (9) (a) For purposes of this Subsection (9):
885 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
886 County Annexation.
887 (ii) "Annexing area" means an area that is annexed into a county.
888 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county
889 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or
890 change shall take effect:
891 (A) on the first day of a calendar quarter; and
892 (B) after a 90-day period beginning on the date the commission receives notice meeting
893 the requirements of Subsection (9)(b)(ii) from the county.

894 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:
895 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;
896 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);
897 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and
898 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
899 (9)(b)(ii)(A), the rate of the tax.

900 (c) (i) If the billing period for a transaction begins before the effective date of the
901 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
902 the tax or the tax rate increase shall take effect on the first day of the first billing period that
903 begins after the effective date of the enactment of the tax or the tax rate increase.

904 (ii) If the billing period for a transaction begins before the effective date of the repeal
905 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
906 rate decrease shall take effect on the first day of the last billing period that began before the
907 effective date of the repeal of the tax or the tax rate decrease.

908 (d) (i) Except as provided in Subsection (9)(e), if, for an annexation that occurs on or
909 after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a
910 tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

911 (A) on the first day of a calendar quarter; and

912 (B) after a 90-day period beginning on the date the commission receives notice meeting
913 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

914 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

915 (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,
916 repeal, or change in the rate of a tax under this part for the annexing area;

917 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

918 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

919 (D) if the county enacts the tax or changes the rate of the tax described in Subsection
920 (9)(d)(ii)(A), the rate of the tax.

921 (e) (i) If the billing period for a transaction begins before the effective date of the
922 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
923 the tax or the tax rate increase shall take effect on the first day of the first billing period that
924 begins after the effective date of the enactment of the tax or the tax rate increase.

925 (ii) If the billing period for a transaction begins before the effective date of the repeal
926 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
927 rate decrease shall take effect on the first day of the last billing period that began before the
928 effective date of the repeal of the tax or the tax rate decrease.

929 Section 13. Section 59-12-703 is amended to read:

930 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**
931 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**
932 **-- Notice requirements.**

933 (1) (a) Subject to the other provisions of this section, a county legislative body may
934 submit an opinion question to the residents of that county, by majority vote of all members of
935 the legislative body, so that each resident of the county, except residents in municipalities that
936 have already imposed a sales and use tax under Part 14, City or Town Option Funding for
937 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an
938 opportunity to express the resident's opinion on the imposition of a local sales and use tax of
939 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

940 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
941 organizations, cultural organizations, and zoological organizations, and rural radio stations, in
942 that county; or

943 (ii) provide funding for a botanical organization, cultural organization, or zoological
944 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
945 furtherance of the botanical organization's, cultural organization's, or zoological organization's
946 primary purpose.

947 (b) The opinion question required by this section shall state:

948 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and
949 use tax for (list the purposes for which the revenue collected from the sales and use tax shall be
950 expended)?"

951 (c) A county legislative body may not impose a tax under this section on:

952 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
953 are exempt from taxation under Section 59-12-104;

954 (ii) sales and uses within a municipality that has already imposed a sales and use tax
955 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational, and

956 Zoological Organizations or Facilities; and

957 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
958 food ingredients.

959 (d) For purposes of this Subsection (1), the location of a transaction shall be
960 determined in accordance with Sections 59-12-211 through 59-12-215.

961 (e) A county legislative body imposing a tax under this section shall impose the tax on
962 the purchase price or sales price for amounts paid or charged for food and food ingredients if
963 the food and food ingredients are sold as part of a bundled transaction attributable to food and
964 food ingredients and tangible personal property other than food and food ingredients.

965 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local
966 Government Bonding Act.

967 (2) (a) If the county legislative body determines that a majority of the county's
968 registered voters voting on the imposition of the tax have voted in favor of the imposition of
969 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a
970 majority vote of all members of the legislative body on the transactions:

971 (i) described in Subsection (1); and

972 (ii) within the county, including the cities and towns located in the county, except those
973 cities and towns that have already imposed a sales and use tax under Part 14, City or Town
974 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
975 Facilities.

976 (b) A county legislative body may revise county ordinances to reflect statutory changes
977 to the distribution formula or eligible recipients of revenue generated from a tax imposed under
978 Subsection (2)(a) without submitting an opinion question to residents of the county.

979 (3) Subject to Section 59-12-704, revenue collected from a tax imposed under
980 Subsection (2) shall be expended:

981 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
982 within the county or a city or town located in the county, except a city or town that has already
983 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,
984 Cultural, Recreational, and Zoological Organizations or Facilities;

985 (b) to fund ongoing operating expenses of:

986 (i) recreational facilities described in Subsection (3)(a);

987 (ii) botanical organizations, cultural organizations, and zoological organizations within
988 the county; and

989 (iii) rural radio stations within the county; and

990 (c) as stated in the opinion question described in Subsection (1).

991 (4) (a) A tax authorized under this part shall be:

992 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
993 accordance with:

994 (A) the same procedures used to administer, collect, and enforce the tax under:

995 (I) Part 1, Tax Collection; or

996 (II) Part 2, Local Sales and Use Tax Act; and

997 (B) Chapter 1, General Taxation Policies; and

998 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
999 period in accordance with this section.

1000 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1001 (5) (a) For purposes of this Subsection (5):

1002 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
1003 County Annexation.

1004 (ii) "Annexing area" means an area that is annexed into a county.

1005 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
1006 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

1007 (A) on the first day of a calendar quarter; and

1008 (B) after a 90-day period beginning on the date the commission receives notice meeting
1009 the requirements of Subsection (5)(b)(ii) from the county.

1010 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1011 (A) that the county will enact or repeal a tax under this part;

1012 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1013 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1014 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the
1015 tax.

1016 (c) (i) If the billing period for a transaction begins before the effective date of the
1017 enactment of the tax under this section, the enactment of the tax takes effect on the first day of

1018 the first billing period that begins on or after the effective date of the enactment of the tax.

1019 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1020 period is produced on or after the effective date of the repeal of the tax imposed under this
1021 section.

1022 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1023 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1024 Subsection (5)(b)(i) takes effect:

1025 (A) on the first day of a calendar quarter; and

1026 (B) beginning 60 days after the effective date of the enactment or repeal under
1027 Subsection (5)(b)(i).

1028 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1029 commission may by rule define the term "catalogue sale."

1030 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1031 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1032 part for an annexing area, the enactment or repeal shall take effect:

1033 (A) on the first day of a calendar quarter; and

1034 (B) after a 90-day period beginning on the date the commission receives notice meeting
1035 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

1036 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1037 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
1038 repeal of a tax under this part for the annexing area;

1039 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1040 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1041 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1042 (f) (i) If the billing period for a transaction begins before the effective date of the
1043 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1044 the first billing period that begins on or after the effective date of the enactment of the tax.

1045 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1046 period is produced on or after the effective date of the repeal of the tax imposed under this
1047 section.

1048 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1049 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1050 Subsection (5)(e)(i) takes effect:

1051 (A) on the first day of a calendar quarter; and

1052 (B) beginning 60 days after the effective date of the enactment or repeal under

1053 Subsection (5)(e)(i).

1054 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1055 commission may by rule define the term "catalogue sale."

1056 Section 14. Section **59-12-802** is amended to read:

1057 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**
1058 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**
1059 **Administrative charge.**

1060 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class
1061 may impose a sales and use tax of up to 1% on the transactions described in Subsection
1062 [59-12-103](#)(1) located within the county.

1063 (b) Subject to Subsection (3), the money collected from a tax under this section may be
1064 used to fund:

1065 (i) for a county of the third or fourth class, rural county health care facilities in that
1066 county; or

1067 (ii) for a county of the fifth or sixth class:

1068 (A) rural emergency medical services in that county;

1069 (B) federally qualified health centers in that county;

1070 (C) freestanding urgent care centers in that county;

1071 (D) rural county health care facilities in that county;

1072 (E) rural health clinics in that county; or

1073 (F) a combination of Subsections (1)(b)(ii)(A) through (E).

1074 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax
1075 under this section on:

1076 (i) the sales and uses described in Section [59-12-104](#) to the extent the sales and uses
1077 are exempt from taxation under Section [59-12-104](#);

1078 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in
1079 a city that imposes a tax under Section [59-12-804](#); and

1080 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
1081 food ingredients.

1082 (d) For purposes of this Subsection (1), the location of a transaction shall be
1083 determined in accordance with Sections 59-12-211 through 59-12-215.

1084 (e) A county legislative body imposing a tax under this section shall impose the tax on
1085 the purchase price or sales price for amounts paid or charged for food and food ingredients if
1086 the food and food ingredients are sold as part of a bundled transaction attributable to food and
1087 food ingredients and tangible personal property other than food and food ingredients.

1088 (2) (a) Before imposing a tax under Subsection (1), a county legislative body shall
1089 obtain approval to impose the tax from a majority of the:

1090 (i) members of the county's legislative body; and

1091 (ii) county's registered voters voting on the imposition of the tax.

1092 (b) The county legislative body shall conduct the election according to the procedures
1093 and requirements of Title 11, Chapter 14, Local Government Bonding Act.

1094 (3) (a) The money collected from a tax imposed under Subsection (1) by a county
1095 legislative body of a county of the third or fourth class may only be used for the financing of:

1096 (i) ongoing operating expenses of a rural county health care facility within that county;

1097 (ii) the acquisition of land for a rural county health care facility within that county; or

1098 (iii) the design, construction, equipping, or furnishing of a rural county health care
1099 facility within that county.

1100 (b) The money collected from a tax imposed under Subsection (1) by a county of the
1101 fifth or sixth class may only be used to fund:

1102 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection
1103 (1)(b)(ii) within that county;

1104 (ii) the acquisition of land for a center, clinic, or facility described in Subsection
1105 (1)(b)(ii) within that county;

1106 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility
1107 described in Subsection (1)(b)(ii) within that county; or

1108 (iv) rural emergency medical services within that county.

1109 (4) (a) A tax under this section shall be:

1110 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in

1111 accordance with:

1112 (A) the same procedures used to administer, collect, and enforce the tax under:

1113 (I) Part 1, Tax Collection; or

1114 (II) Part 2, Local Sales and Use Tax Act; and

1115 (B) Chapter 1, General Taxation Policies; and

1116 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1117 period by the county legislative body as provided in Subsection (1).

1118 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]

1119 (8).

1120 (c) A county legislative body shall distribute money collected from a tax under this
1121 section quarterly.

1122 (5) The commission shall retain and deposit an administrative charge in accordance
1123 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1124 Section 15. Section 59-12-804 is amended to read:

1125 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**
1126 **collection, and enforcement of tax -- Administrative charge.**

1127 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

1128 (i) on the transactions described in Subsection 59-12-103(1) located within the city;

1129 and

1130 (ii) to fund rural city hospitals in that city.

1131 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax
1132 under this section on:

1133 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1134 are exempt from taxation under Section 59-12-104; and

1135 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food
1136 ingredients.

1137 (c) For purposes of this Subsection (1), the location of a transaction shall be
1138 determined in accordance with Sections 59-12-211 through 59-12-215.

1139 (d) A city legislative body imposing a tax under this section shall impose the tax on the
1140 purchase price or sales price for amounts paid or charged for food and food ingredients if the
1141 food and food ingredients are sold as part of a bundled transaction attributable to food and food

1142 ingredients and tangible personal property other than food and food ingredients.

1143 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall
1144 obtain approval to impose the tax from a majority of the:

1145 (i) members of the city legislative body; and

1146 (ii) city's registered voters voting on the imposition of the tax.

1147 (b) The city legislative body shall conduct the election according to the procedures and
1148 requirements of Title 11, Chapter 14, Local Government Bonding Act.

1149 (3) The money collected from a tax imposed under Subsection (1) may only be used to
1150 fund:

1151 (a) ongoing operating expenses of a rural city hospital;

1152 (b) the acquisition of land for a rural city hospital; or

1153 (c) the design, construction, equipping, or furnishing of a rural city hospital.

1154 (4) (a) A tax under this section shall be:

1155 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
1156 accordance with:

1157 (A) the same procedures used to administer, collect, and enforce the tax under:

1158 (I) Part 1, Tax Collection; or

1159 (II) Part 2, Local Sales and Use Tax Act; and

1160 (B) Chapter 1, General Taxation Policies; and

1161 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1162 period by the city legislative body as provided in Subsection (1).

1163 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]
1164 (8).

1165 (5) The commission shall retain and deposit an administrative charge in accordance
1166 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1167 Section 16. Section 59-12-1102 is amended to read:

1168 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**

1169 **Administration -- Administrative charge -- Commission requirement to retain an amount**
1170 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
1171 **of tax -- Effective date -- Notice requirements.**

1172 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax

1173 authorized by this chapter, a county may impose by ordinance a county option sales and use tax
1174 of .25% upon the transactions described in Subsection 59-12-103(1).

1175 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
1176 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
1177 exempt from taxation under Section 59-12-104.

1178 (b) For purposes of this Subsection (1), the location of a transaction shall be
1179 determined in accordance with Sections 59-12-211 through 59-12-215.

1180 (c) The county option sales and use tax under this section shall be imposed:

1181 (i) upon transactions that are located within the county, including transactions that are
1182 located within municipalities in the county; and

1183 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
1184 January:

1185 (A) of the next calendar year after adoption of the ordinance imposing the tax if the
1186 ordinance is adopted on or before May 25; or

1187 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
1188 ordinance is adopted after May 25.

1189 (d) The county option sales and use tax under this section shall be imposed:

1190 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
1191 September 4, 1997; or

1192 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
1193 but after September 4, 1997.

1194 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
1195 county shall hold two public hearings on separate days in geographically diverse locations in
1196 the county.

1197 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting
1198 time of no earlier than 6 p.m.

1199 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
1200 days after the day the first advertisement required by Subsection (2)(c) is published.

1201 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
1202 shall advertise:

1203 (A) its intent to adopt a county option sales and use tax;

- 1204 (B) the date, time, and location of each public hearing; and
- 1205 (C) a statement that the purpose of each public hearing is to obtain public comments
- 1206 regarding the proposed tax.
- 1207 (ii) The advertisement shall be published:
- 1208 (A) in a newspaper of general circulation in the county once each week for the two
- 1209 weeks preceding the earlier of the two public hearings; and
- 1210 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks
- 1211 preceding the earlier of the two public hearings.
- 1212 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
- 1213 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch
- 1214 border.
- 1215 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
- 1216 portion of the newspaper where legal notices and classified advertisements appear.
- 1217 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:
- 1218 (A) the advertisement shall appear in a newspaper that is published at least five days a
- 1219 week, unless the only newspaper in the county is published less than five days a week; and
- 1220 (B) the newspaper selected shall be one of general interest and readership in the
- 1221 community, and not one of limited subject matter.
- 1222 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
- 1223 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
- 1224 6, Local Referenda - Procedures.
- 1225 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
- 1226 county option sales and use tax under Subsection (1) is less than 75% of the state population,
- 1227 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
- 1228 collected.
- 1229 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
- 1230 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
- 1231 population:
- 1232 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
- 1233 the county in which the tax was collected; and
- 1234 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection

1235 (1) in each county shall be distributed proportionately among all counties imposing the tax,
1236 based on the total population of each county.

1237 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
1238 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
1239 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

1240 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall
1241 be increased so that, when combined with the amount distributed to the county under
1242 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

1243 (ii) the amount to be distributed annually to all other counties under Subsection
1244 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
1245 Subsection (3)(c)(i).

1246 (d) The commission shall establish rules to implement the distribution of the tax under
1247 Subsections (3)(a), (b), and (c).

1248 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
1249 shall be administered, collected, and enforced in accordance with:

1250 (i) the same procedures used to administer, collect, and enforce the tax under:

1251 (A) Part 1, Tax Collection; or

1252 (B) Part 2, Local Sales and Use Tax Act; and

1253 (ii) Chapter 1, General Taxation Policies.

1254 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1255 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
1256 administrative charge in accordance with Section 59-1-306 from the revenue the commission
1257 collects from a tax under this part.

1258 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
1259 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of
1260 the distribution amounts resulting after:

1261 (A) the applicable distribution calculations under Subsection (3) have been made; and

1262 (B) the commission retains the amount required by Subsection (5).

1263 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
1264 of the sales and use tax collected under this part as provided in this Subsection (5).

1265 (b) For a county that imposes a tax under this part, the commission shall calculate a

1266 percentage each month by dividing the sales and use tax collected under this part for that
1267 month within the boundaries of that county by the total sales and use tax collected under this
1268 part for that month within the boundaries of all of the counties that impose a tax under this part.

1269 (c) For a county that imposes a tax under this part, the commission shall retain each
1270 month an amount equal to the product of:

1271 (i) the percentage the commission determines for the month under Subsection (5)(b)
1272 for the county; and

1273 (ii) \$6,354.

1274 (d) The commission shall deposit an amount the commission retains in accordance
1275 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
1276 [35A-8-1009](#).

1277 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
1278 Fund shall be expended as provided in Section [35A-8-1009](#).

1279 (6) (a) For purposes of this Subsection (6):

1280 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
1281 Consolidations and Annexations.

1282 (ii) "Annexing area" means an area that is annexed into a county.

1283 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a
1284 county enacts or repeals a tax under this part:

1285 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

1286 (II) the repeal shall take effect on the first day of a calendar quarter; and

1287 (B) after a 90-day period beginning on the date the commission receives notice meeting
1288 the requirements of Subsection (6)(b)(ii) from the county.

1289 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

1290 (A) that the county will enact or repeal a tax under this part;

1291 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

1292 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

1293 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the
1294 tax.

1295 (c) (i) If the billing period for a transaction begins before the effective date of the
1296 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day

1297 of the first billing period that begins on or after the effective date of the enactment of the tax.

1298 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1299 period is produced on or after the effective date of the repeal of the tax imposed under
1300 Subsection (1).

1301 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1302 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1303 Subsection (6)(b)(i) takes effect:

1304 (A) on the first day of a calendar quarter; and

1305 (B) beginning 60 days after the effective date of the enactment or repeal under
1306 Subsection (6)(b)(i).

1307 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1308 commission may by rule define the term "catalogue sale."

1309 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
1310 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1311 part for an annexing area, the enactment or repeal shall take effect:

1312 (A) on the first day of a calendar quarter; and

1313 (B) after a 90-day period beginning on the date the commission receives notice meeting
1314 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1315 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1316 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
1317 repeal of a tax under this part for the annexing area;

1318 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1319 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1320 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1321 (f) (i) If the billing period for a transaction begins before the effective date of the
1322 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day
1323 of the first billing period that begins on or after the effective date of the enactment of the tax.

1324 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1325 period is produced on or after the effective date of the repeal of the tax imposed under
1326 Subsection (1).

1327 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1328 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1329 Subsection (6)(e)(i) takes effect:

1330 (A) on the first day of a calendar quarter; and

1331 (B) beginning 60 days after the effective date of the enactment or repeal under

1332 Subsection (6)(e)(i).

1333 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1334 commission may by rule define the term "catalogue sale."

1335 Section 17. Section **59-12-1302** is amended to read:

1336 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
1337 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
1338 **enforcement of tax -- Administrative charge.**

1339 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a
1340 tax as provided in this part in an amount that does not exceed 1%.

1341 (2) A town may impose a tax as provided in this part if the town imposed a license fee
1342 or tax on businesses based on gross receipts under Section **10-1-203** on or before January 1,
1343 1996.

1344 (3) A town imposing a tax under this section shall:

1345 (a) except as provided in Subsection (4), impose the tax on the transactions described
1346 in Subsection **59-12-103**(1) located within the town; and

1347 (b) provide an effective date for the tax as provided in Subsection (5).

1348 (4) (a) A town may not impose a tax under this section on:

1349 (i) the sales and uses described in Section **59-12-104** to the extent the sales and uses
1350 are exempt from taxation under Section **59-12-104**; and

1351 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food
1352 ingredients.

1353 (b) For purposes of this Subsection (4), the location of a transaction shall be
1354 determined in accordance with Sections **59-12-211** through **59-12-215**.

1355 (c) A town imposing a tax under this section shall impose the tax on the purchase price
1356 or sales price for amounts paid or charged for food and food ingredients if the food and food
1357 ingredients are sold as part of a bundled transaction attributable to food and food ingredients
1358 and tangible personal property other than food and food ingredients.

1359 (5) (a) For purposes of this Subsection (5):

1360 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
1361 Annexation.

1362 (ii) "Annexing area" means an area that is annexed into a town.

1363 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
1364 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,
1365 or change shall take effect:

1366 (A) on the first day of a calendar quarter; and

1367 (B) after a 90-day period beginning on the date the commission receives notice meeting
1368 the requirements of Subsection (5)(b)(ii) from the town.

1369 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1370 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1371 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1372 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1373 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1374 (5)(b)(ii)(A), the rate of the tax.

1375 (c) (i) If the billing period for the transaction begins before the effective date of the
1376 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
1377 the tax or the tax rate increase takes effect on the first day of the first billing period that begins
1378 on or after the effective date of the enactment of the tax or the tax rate increase.

1379 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1380 statement for the billing period is produced on or after the effective date of the repeal of the tax
1381 or the tax rate decrease imposed under Subsection (1).

1382 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1383 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1384 a tax described in Subsection (5)(b)(i) takes effect:

1385 (A) on the first day of a calendar quarter; and

1386 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1387 rate of the tax under Subsection (5)(b)(i).

1388 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1389 commission may by rule define the term "catalogue sale."

1390 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1391 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
1392 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1393 effect:

1394 (A) on the first day of a calendar quarter; and

1395 (B) after a 90-day period beginning on the date the commission receives notice meeting
1396 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

1397 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1398 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,
1399 repeal, or change in the rate of a tax under this part for the annexing area;

1400 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1401 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1402 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1403 (5)(e)(ii)(A), the rate of the tax.

1404 (f) (i) If the billing period for a transaction begins before the effective date of the
1405 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
1406 the tax or the tax rate increase takes effect on the first day of the first billing period that begins
1407 on or after the effective date of the enactment of the tax or the tax rate increase.

1408 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1409 statement for the billing period is produced on or after the effective date of the repeal of the tax
1410 or the tax rate decrease imposed under Subsection (1).

1411 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1412 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1413 a tax described in Subsection (5)(e)(i) takes effect:

1414 (A) on the first day of a calendar quarter; and

1415 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1416 rate of the tax under Subsection (5)(e)(i).

1417 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1418 commission may by rule define the term "catalogue sale."

1419 (6) The commission shall:

1420 (a) distribute the revenue generated by the tax under this section to the town imposing

1421 the tax; and

1422 (b) except as provided in Subsection (8), administer, collect, and enforce the tax
1423 authorized under this section in accordance with:

1424 (i) the same procedures used to administer, collect, and enforce the tax under:

1425 (A) Part 1, Tax Collection; or

1426 (B) Part 2, Local Sales and Use Tax Act; and

1427 (ii) Chapter 1, General Taxation Policies.

1428 (7) The commission shall retain and deposit an administrative charge in accordance
1429 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

1430 (8) A tax under this section is not subject to Subsections 59-12-205(2) through ~~(7)~~
1431 (8).

1432 Section 18. Section 59-12-1402 is amended to read:

1433 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**
1434 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**
1435 **requirements.**

1436 (1) (a) Subject to the other provisions of this section, a city or town legislative body
1437 subject to this part may submit an opinion question to the residents of that city or town, by
1438 majority vote of all members of the legislative body, so that each resident of the city or town
1439 has an opportunity to express the resident's opinion on the imposition of a local sales and use
1440 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or
1441 town, to:

1442 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical
1443 organizations, cultural organizations, and zoological organizations in that city or town; or

1444 (ii) provide funding for a botanical organization, cultural organization, or zoological
1445 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
1446 furtherance of the botanical organization's, cultural organization's, or zoological organization's
1447 primary purpose.

1448 (b) The opinion question required by this section shall state:

1449 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales
1450 and use tax for (list the purposes for which the revenue collected from the sales and use tax
1451 shall be expended)?"

1452 (c) A city or town legislative body may not impose a tax under this section:
1453 (i) if the county in which the city or town is located imposes a tax under Part 7, County
1454 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
1455 Facilities;
1456 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and
1457 uses are exempt from taxation under Section 59-12-104; and
1458 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and
1459 food ingredients.
1460 (d) For purposes of this Subsection (1), the location of a transaction shall be
1461 determined in accordance with Sections 59-12-211 through 59-12-215.
1462 (e) A city or town legislative body imposing a tax under this section shall impose the
1463 tax on the purchase price or sales price for amounts paid or charged for food and food
1464 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable
1465 to food and food ingredients and tangible personal property other than food and food
1466 ingredients.
1467 (f) Except as provided in Subsection (6), the election shall be held at a regular general
1468 election or a municipal general election, as those terms are defined in Section 20A-1-102, and
1469 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.
1470 (2) If the city or town legislative body determines that a majority of the city's or town's
1471 registered voters voting on the imposition of the tax have voted in favor of the imposition of
1472 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by
1473 a majority vote of all members of the legislative body.
1474 (3) Subject to Section 59-12-1403, revenue collected from a tax imposed under
1475 Subsection (2) shall be expended:
1476 (a) to finance cultural facilities, recreational facilities, and zoological facilities within
1477 the city or town or within the geographic area of entities that are parties to an interlocal
1478 agreement, to which the city or town is a party, providing for cultural facilities, recreational
1479 facilities, or zoological facilities;
1480 (b) to finance ongoing operating expenses of:
1481 (i) recreational facilities described in Subsection (3)(a) within the city or town or
1482 within the geographic area of entities that are parties to an interlocal agreement, to which the

1483 city or town is a party, providing for recreational facilities; or
1484 (ii) botanical organizations, cultural organizations, and zoological organizations within
1485 the city or town or within the geographic area of entities that are parties to an interlocal
1486 agreement, to which the city or town is a party, providing for the support of botanical
1487 organizations, cultural organizations, or zoological organizations; and
1488 (c) as stated in the opinion question described in Subsection (1).
1489 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall
1490 be:
1491 (i) administered, collected, and enforced in accordance with:
1492 (A) the same procedures used to administer, collect, and enforce the tax under:
1493 (I) Part 1, Tax Collection; or
1494 (II) Part 2, Local Sales and Use Tax Act; and
1495 (B) Chapter 1, General Taxation Policies; and
1496 (ii) (A) levied for a period of eight years; and
1497 (B) may be reauthorized at the end of the eight-year period in accordance with this
1498 section.
1499 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the
1500 tax shall be levied for a period of 10 years.
1501 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
1502 after July 1, 2011, the tax shall be reauthorized for a ten-year period.
1503 (c) A tax under this section is not subject to Subsections 59-12-205(2) through ~~(7)~~
1504 (8).
1505 (5) (a) For purposes of this Subsection (5):
1506 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
1507 4, Annexation.
1508 (ii) "Annexing area" means an area that is annexed into a city or town.
1509 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city
1510 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:
1511 (A) on the first day of a calendar quarter; and
1512 (B) after a 90-day period beginning on the date the commission receives notice meeting
1513 the requirements of Subsection (5)(b)(ii) from the city or town.

1514 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
1515 (A) that the city or town will enact or repeal a tax under this part;
1516 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
1517 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
1518 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of
1519 the tax.

1520 (c) (i) If the billing period for a transaction begins before the effective date of the
1521 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1522 the first billing period that begins on or after the effective date of the enactment of the tax.

1523 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1524 period is produced on or after the effective date of the repeal of the tax imposed under this
1525 section.

1526 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1527 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1528 Subsection (5)(b)(i) takes effect:

1529 (A) on the first day of a calendar quarter; and

1530 (B) beginning 60 days after the effective date of the enactment or repeal under
1531 Subsection (5)(b)(i).

1532 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1533 commission may by rule define the term "catalogue sale."

1534 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1535 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1536 part for an annexing area, the enactment or repeal shall take effect:

1537 (A) on the first day of a calendar quarter; and

1538 (B) after a 90-day period beginning on the date the commission receives notice meeting
1539 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

1540 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1541 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
1542 repeal a tax under this part for the annexing area;

1543 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1544 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1545 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1546 (f) (i) If the billing period for a transaction begins before the effective date of the
1547 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1548 the first billing period that begins on or after the effective date of the enactment of the tax.

1549 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1550 period is produced on or after the effective date of the repeal of the tax imposed under this
1551 section.

1552 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1553 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1554 Subsection (5)(e)(i) takes effect:

1555 (A) on the first day of a calendar quarter; and

1556 (B) beginning 60 days after the effective date of the enactment or repeal under
1557 Subsection (5)(e)(i).

1558 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1559 commission may by rule define the term "catalogue sale."

1560 (6) (a) Before a city or town legislative body submits an opinion question to the
1561 residents of the city or town under Subsection (1), the city or town legislative body shall:

1562 (i) submit to the county legislative body in which the city or town is located a written
1563 notice of the intent to submit the opinion question to the residents of the city or town; and

1564 (ii) receive from the county legislative body:

1565 (A) a written resolution passed by the county legislative body stating that the county
1566 legislative body is not seeking to impose a tax under Part 7, County Option Funding for
1567 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

1568 (B) a written statement that in accordance with Subsection (6)(b) the results of a county
1569 opinion question submitted to the residents of the county under Part 7, County Option Funding
1570 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city
1571 or town legislative body to submit the opinion question to the residents of the city or town in
1572 accordance with this part.

1573 (b) (i) Within 60 days after the day the county legislative body receives from a city or
1574 town legislative body described in Subsection (6)(a) the notice of the intent to submit an
1575 opinion question to the residents of the city or town, the county legislative body shall provide

1576 the city or town legislative body:

1577 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

1578 (B) written notice that the county legislative body will submit an opinion question to
1579 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,
1580 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under
1581 that part.

1582 (ii) If the county legislative body provides the city or town legislative body the written
1583 notice that the county legislative body will submit an opinion question as provided in
1584 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no
1585 later than, from the date the county legislative body sends the written notice, the later of:

1586 (A) a 12-month period;

1587 (B) the next regular primary election; or

1588 (C) the next regular general election.

1589 (iii) Within 30 days of the date of the canvass of the election at which the opinion
1590 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the
1591 city or town legislative body described in Subsection (6)(a) written results of the opinion
1592 question submitted by the county legislative body under Part 7, County Option Funding for
1593 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1594 (A) (I) the city or town legislative body may not impose a tax under this part because a
1595 majority of the county's registered voters voted in favor of the county imposing the tax and the
1596 county legislative body by a majority vote approved the imposition of the tax; or

1597 (II) for at least 12 months from the date the written results are submitted to the city or
1598 town legislative body, the city or town legislative body may not submit to the county legislative
1599 body a written notice of the intent to submit an opinion question under this part because a
1600 majority of the county's registered voters voted against the county imposing the tax and the
1601 majority of the registered voters who are residents of the city or town described in Subsection
1602 (6)(a) voted against the imposition of the county tax; or

1603 (B) the city or town legislative body may submit the opinion question to the residents
1604 of the city or town in accordance with this part because although a majority of the county's
1605 registered voters voted against the county imposing the tax, the majority of the registered voters
1606 who are residents of the city or town voted for the imposition of the county tax.

1607 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
1608 provide a city or town legislative body described in Subsection (6)(a) a written resolution
1609 passed by the county legislative body stating that the county legislative body is not seeking to
1610 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and
1611 Zoological Organizations or Facilities, which permits the city or town legislative body to
1612 submit under Subsection (1) an opinion question to the city's or town's residents.

1613 Section 19. Section **59-12-2103** is amended to read:

1614 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**
1615 **from the tax -- Administration, collection, and enforcement of tax by commission --**
1616 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1617 (1) (a) Subject to the other provisions of this section and except as provided in
1618 Subsection (2) or (3), beginning on January 1, 2009 and ending on June 30, 2016, if a city or
1619 town receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the
1620 city or town would have received a tax revenue distribution of less than .75% of the taxable
1621 sales within the boundaries of the city or town but for Subsection **59-12-205(4)(a)**, the city or
1622 town legislative body may impose a sales and use tax of up to .20% on the transactions:

1623 (i) described in Subsection **59-12-103(1)**; and

1624 (ii) within the city or town.

1625 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall
1626 expend the revenue collected from the tax for the same purposes for which the city or town
1627 may expend the city's or town's general fund revenue.

1628 (c) For purposes of this Subsection (1), the location of a transaction shall be
1629 determined in accordance with Sections **59-12-211** through **59-12-215**.

1630 (2) (a) A city or town legislative body may not impose a tax under this section on:

1631 (i) the sales and uses described in Section **59-12-104** to the extent the sales and uses
1632 are exempt from taxation under Section **59-12-104**; and

1633 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
1634 ingredients.

1635 (b) A city or town legislative body imposing a tax under this section shall impose the
1636 tax on the purchase price or sales price for amounts paid or charged for food and food
1637 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable

1638 to food and food ingredients and tangible personal property other than food and food
1639 ingredients.

1640 (3) (a) Beginning on January 1, 2009, and ending on June 30, 2016, to impose a tax
1641 under this part, a city or town legislative body shall obtain approval from a majority of the
1642 members of the city or town legislative body.

1643 (b) If, on June 30, 2016, a city or town is not imposing a tax under this part, the city or
1644 town legislative body may not impose a tax under this part beginning on or after July 1, 2016.

1645 (c) (i) If, on June 30, 2016, a city or town imposes a tax under this part, the city or
1646 town shall repeal the tax on July 1, 2016, unless, on or after July 1, 2012, but on or before
1647 March 31, 2016, the city or town legislative body obtains approval from a majority vote of the
1648 members of the city or town legislative body to continue to impose the tax.

1649 (ii) If a city or town obtains approval under Subsection (3)(c)(i) from a majority vote of
1650 the members of the city or town legislative body to continue to impose a tax under this part on
1651 or after July 1, 2016, the city or town may impose the tax until no later than June 30, 2030.

1652 (4) The commission shall transmit revenue collected within a city or town from a tax
1653 under this part:

1654 (a) to the city or town legislative body;

1655 (b) monthly; and

1656 (c) by electronic funds transfer.

1657 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
1658 collect, and enforce a tax under this part in accordance with:

1659 (i) the same procedures used to administer, collect, and enforce the tax under:

1660 (A) Part 1, Tax Collection; or

1661 (B) Part 2, Local Sales and Use Tax Act; and

1662 (ii) Chapter 1, General Taxation Policies.

1663 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1664 (6) The commission shall retain and deposit an administrative charge in accordance
1665 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

1666 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
1667 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
1668 repeal, or change shall take effect:

1669 (A) on the first day of a calendar quarter; and

1670 (B) after a 90-day period beginning on the date the commission receives notice meeting
1671 the requirements of Subsection (7)(a)(i) from the city or town.

1672 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

1673 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
1674 this part;

1675 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

1676 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

1677 (D) if the city or town enacts the tax or changes the rate of the tax described in
1678 Subsection (7)(a)(ii)(A), the rate of the tax.

1679 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
1680 the tax rate increase under Subsection (1), the enactment of the tax or the tax rate increase takes
1681 effect on the first day of the first billing period that begins on or after the effective date of the
1682 enactment of the tax or the tax rate increase.

1683 (ii) If the billing period for a transaction begins before the effective date of the repeal
1684 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
1685 rate decrease applies to a billing period if the billing statement for the billing period is rendered
1686 on or after the effective date of the repeal of the tax or the tax rate decrease.

1687 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1688 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1689 described in Subsection (7)(a)(i) takes effect:

1690 (A) on the first day of a calendar quarter; and

1691 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1692 rate of the tax under Subsection (7)(a)(i).

1693 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1694 commission may by rule define the term "catalogue sale."

1695 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
1696 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the
1697 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1698 effect:

1699 (A) on the first day of a calendar quarter; and

1700 (B) after a 90-day period beginning on the date the commission receives notice meeting
1701 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1702 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1703 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
1704 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1705 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1706 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1707 (D) if the city or town enacts the tax or changes the rate of the tax described in

1708 Subsection (7)(d)(ii)(A), the rate of the tax.

1709 (e) (i) If the billing period for a transaction begins before the effective date of the
1710 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
1711 rate increase takes effect on the first day of the first billing period that begins on or after the
1712 effective date of the enactment of the tax or the tax rate increase.

1713 (ii) If the billing period for a transaction begins before the effective date of the repeal
1714 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
1715 rate decrease applies to a billing period if the billing statement for the billing period is rendered
1716 on or after the effective date of the repeal of the tax or the tax rate decrease.

1717 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1718 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1719 described in Subsection (7)(d)(i) takes effect:

1720 (A) on the first day of a calendar quarter; and

1721 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
1722 Subsection (7)(d)(i).

1723 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1724 commission may by rule define the term "catalogue sale."

1725 Section 20. Section **59-12-2206** is amended to read:

1726 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**
1727 **under this part -- Transmission of revenue monthly by electronic funds transfer --**

1728 **Transfer of revenue to a public transit district or eligible political subdivision.**

1729 (1) Except as provided in Subsection (2), the commission shall administer, collect, and
1730 enforce a sales and use tax imposed under this part.

1731 (2) The commission shall administer, collect, and enforce a sales and use tax imposed
1732 under this part in accordance with:

1733 (a) the same procedures used to administer, collect, and enforce a tax under:

1734 (i) Part 1, Tax Collection; or

1735 (ii) Part 2, Local Sales and Use Tax Act; and

1736 (b) Chapter 1, General Taxation Policies.

1737 (3) A sales and use tax under this part is not subject to Subsections [59-12-205](#)(2)
1738 through ~~[(7)]~~ [\(8\)](#).

1739 (4) Subject to Section [59-12-2207](#) and except as provided in Subsection (5) or another
1740 provision of this part, the state treasurer shall transmit revenue collected within a county, city,
1741 or town from a sales and use tax under this part to the county, city, or town legislative body
1742 monthly by electronic funds transfer.

1743 (5) (a) Subject to Section [59-12-2207](#), and except as provided in Subsection (5)(b), the
1744 state treasurer shall transfer revenue collected within a county, city, or town from a sales and
1745 use tax under this part directly to a public transit district organized under Title 17B, Chapter 2a,
1746 Part 8, Public Transit District Act, or an eligible political subdivision as defined in Section
1747 [59-12-2219](#), if the county, city, or town legislative body:

1748 (i) provides written notice to the commission and the state treasurer requesting the
1749 transfer; and

1750 (ii) designates the public transit district or eligible political subdivision to which the
1751 county, city, or town legislative body requests the state treasurer to transfer the revenue.

1752 (b) The commission shall transmit a portion of the revenue collected within a county,
1753 city, or town from a sales and use tax under this part that would be transferred to a public
1754 transit district or an eligible political subdivision under Subsection (5)(a) to the county, city, or
1755 town to fund public transit fixed guideway safety oversight under Section [72-1-214](#) if the
1756 county, city, or town legislative body:

1757 (i) provides written notice to the commission and the state treasurer requesting the
1758 transfer; and

1759 (ii) specifies the amount of revenue required to be transmitted to the county, city, or
1760 town.

1761 Section 21. Section [59-12-2301](#) is enacted to read:

1762 **Part 23. Homeless Shelter Cities Mitigation Funding Act**

1763 **59-12-2301. Title.**

1764 This part is known as the "Homeless Shelter Cities Mitigation Funding Act.

1765 Section 22. Section **59-12-2302** is enacted to read:

1766 **59-12-2302. Definitions.**

1767 As used in this part:

1768 (1) "Account" means the Homeless Shelter Cities Mitigation Restricted Account
1769 created in Section [35A-8-606](#).

1770 (2) "Eligible municipality" means the same as that term is defined in Section
1771 [35A-8-606.1](#)

1772 (3) "Grant eligible municipality" means the same as that term is defined in Section
1773 [35A-8-606.2](#).

1774 (4) "Participating local government" means the same as that term is defined in Section
1775 [35A-8-606](#).

1776 Section 23. Section **59-12-2303** is enacted to read:

1777 **59-12-2303. Authority to impose a sales and use tax -- Tax rate -- Location of**
1778 **transaction -- Notice requirements.**

1779 (1) (a) Except as provided in this Subsection (1), a participating local government may
1780 impose a sales and use tax by ordinance or resolution within the boundaries of the local taxing
1781 jurisdiction at a rate of .015% on the transactions described in Subsection [59-12-103](#)(1).

1782 (b) A participating local government may not impose a tax authorized by this part on
1783 the amounts paid or charged for food and food ingredients unless the food and food ingredients
1784 are sold as part of a bundled transaction attributable to food and food ingredients and tangible
1785 personal property other than food and food ingredients.

1786 (c) If a county imposes the tax authorized by this part, the county may only impose the
1787 tax in the unincorporated area of the county.

1788 (2) For purposes of this part, the location of the transaction shall be determined in
1789 accordance with Sections [59-12-211](#) through [59-12-215](#).

1790 (3) (a) A participating local government that chooses to impose a tax under this part
1791 shall:

1792 (i) adopt an ordinance or resolution on or before September 30, 2018;

1793 (ii) providing the notice described in Subsection (3)(c) to the commission on or before
1794 October 1; and

1795 (ii) implement the tax on January 1, 2019.

1796 (b) A municipality that is certified in accordance with Section [35A-8-606.3](#) as an
1797 eligible municipality or a grant eligible municipality as of July 1, 2018, but is not certified in a
1798 subsequent year as an eligible municipality or a grant eligible municipality may impose a tax
1799 under this part by:

1800 (i) adopting an ordinance or resolution on or before September 30 of the year in which
1801 the municipality no longer qualifies as an eligible municipality or a grant eligible municipality;

1802 (ii) providing the notice described in Subsection (3)(c) to the commission on or before
1803 the October 1 immediately after the date described in Subsection (3)(b)(i); and

1804 (iii) implementing the tax on January 1 of the year after the date described in
1805 Subsection (3)(b)(i).

1806 (c) The notice shall state:

1807 (i) that the participating local government will impose the tax authorized by this part;

1808 (ii) the statutory authority for the tax; and

1809 (iii) the effective date of the tax.

1810 (4) If a participating local government repeals a tax imposed under this part, the repeal
1811 shall take effect:

1812 (a) on the first day of a calendar quarter; and

1813 (b) after a 90-day period beginning on the date that the commission receives notice that
1814 participating local government will repeal the tax imposed under this part.

1815 Section 24. Section **59-12-2304** is enacted to read:

1816 **59-12-2304. Administration, collection, and enforcement of a sales and use tax**
1817 **under this part -- Transmission of revenue -- Deposit into restricted account.**

1818 (1) The commission shall administer, collect, and enforce a sales and use tax under this
1819 part in accordance with:

1820 (a) the same procedures used to administer, collect, and enforce a tax under:

1821 (i) Part 1, Tax Collection; or

1822 (ii) Part 2, Local Sales and Use Tax Act; and

1823 (b) Chapter 1, General Taxation Policies.

1824 (2) A sales and use tax under this part is not subject to Subsections [59-12-205](#)(2)
1825 through (8).

1826 (3) (a) A seller shall file a return and remit the sales and use tax collected under this
1827 part in accordance with:

1828 (i) quarterly on or before the last day of the month immediately following the last day
1829 of the previous calendar quarter if the seller is required to file a quarterly sales and use tax
1830 return under Section [59-12-107](#); or

1831 (ii) monthly on or before the last day of the month immediately following the last day
1832 of the previous calendar month if the seller is required to file a monthly sales and use tax return
1833 under Section [59-12-108](#).

1834 (b) The commission shall transfer revenue collected within a county, city, or town from
1835 a sales and use tax imposed under this part to the account.

1836 (4) Taxes due under this part are in addition to all other taxes provided by law.

1837 (5) The commission may make administrative rules in accordance with Title 63G,
1838 Chapter 3, Utah Administrative Rulemaking Act, as necessary to enforce and administer the
1839 provisions of this part.

1840 Section 25. Section **63J-1-801** is enacted to read:

1841 **Part 8. Homeless Shelter Cities Mitigation Program**

1842 **63J-1-801. Definitions.**

1843 As used in this part:

1844 (1) "Committee" means the Homeless Coordinating Committee created in Section
1845 [35A-8-601](#).

1846 (2) "Eligible municipality" means a city of the third, fourth, or fifth class or a town:

1847 (a) that has, or is proposed to have, a homeless shelter within the city's or town's
1848 geographic boundaries that:

1849 (i) provides or is proposed to provide temporary shelter to homeless individuals;

1850 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 200
1851 individuals per night; and

1852 (iii) operates year-round and is not subject to zoning restrictions that limit the hours,
1853 days, weeks, or months of operation; and

1854 (b) due to the location of a homeless shelter within the city's or town's geographic

1855 boundaries, needs more public safety services than the city or town needed before the location
1856 of the homeless shelter within the city's or town's geographic boundaries.

1857 (3) "Grant eligible city" means a city or town that has:

1858 (a) a homeless shelter within the city's or town's geographic boundaries that:

1859 (i) provides or is proposed to provide temporary shelter to homeless individuals;

1860 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 60
1861 individuals per night; and

1862 (iii) operates year-round and is not subject to zoning restrictions that limit the hours,
1863 days, weeks, or months of operation; and

1864 (b) increased community, social service, and public safety service needs due to the
1865 location of a homeless shelter within the municipality's geographic boundaries.

1866 Section 26. Section **63J-1-802** is enacted to read:

1867 **63J-1-802. Submission of Homeless Coordinating Committee recommendations --**
1868 **Adoption, procedure, and approval -- Appropriation.**

1869 (1) (a) On or before December 31, the committee shall submit the committee's
1870 recommendation under Subsection [35A-8-606.1](#)(4) for each eligible municipality that made a
1871 request:

1872 (i) to the Social Services Appropriations Subcommittee of the Legislature; and

1873 (ii) as an appropriations request.

1874 (b) For each recommendation that the committee submits, the Social Services

1875 Appropriations Subcommittee shall:

1876 (i) approve the amount as recommended;

1877 (ii) increase or decrease the amount and then approve the modified amount; or

1878 (iii) reject the amount.

1879 (2) (a) On or before December 31, the committee shall submit the committee's list
1880 prioritizing the grant requests and recommending a grant amount for each grant eligible
1881 municipality that requested a grant:

1882 (i) to the Social Services Appropriations Subcommittee of the Legislature; and

1883 (ii) as an appropriations request.

1884 (b) The Social Services Appropriations Subcommittee shall:

1885 (i) approve the committee's list;

1886 (ii) modify the committee's list and then approve the modified list; or

1887 (iii) reject the committee's list.

1888 (3) The Social Services Appropriations Subcommittee may submit the subcommittee's

1889 approvals under this section from the Homeless Shelter Cities Mitigation Restricted Account

1890 for inclusion in an appropriations act to be considered by the full Legislature.

1891 **Section 27. Appropriation.**

1892 The following sums of money are appropriated for the fiscal year beginning July 1,

1893 2018, and ending June 30, 2019. These are additions to amounts previously appropriated for

1894 fiscal year 2019. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures

1895 Act, the Legislature appropriates the following sums of money from the funds or accounts

1896 indicated for the use and support of the government of the state of Utah.

1897 ITEM 1

1898 To Department of Workforce Services -- Housing and Community Development

1899 From Homeless Shelter Cities Mitigation Restricted Account,

1900 One-Time

\$2,500,000

1901 Schedule of Programs:

1902 Homeless Shelter Cities Mitigation Program

\$2,500,000

1903 The Legislature intends that:

1904 (1) the appropriations provided under this section be used for the purposes described in

1905 Section [35A-8-606.1](#); and

1906 (2) the Department of Workforce Services allocate the appropriation under this section

1907 to an eligible municipality, as defined in Section [35A-8-606.1](#), in an amount approved by the

1908 Homeless Coordinating Committee to the extent that the eligible municipality provides an

1909 invoice and supporting documentation to the Department of Workforce Services as described

1910 in Section [35A-8-606.1](#).