

**Senator Gene Davis** proposes the following substitute bill:

**HOMELESS SHELTER FUNDING AMENDMENTS**

2018 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Gene Davis**

House Sponsor: Steve Eliason

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**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;
- ▶ modifies the membership of the Homeless Coordinating Committee;
- ▶ 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;
- ▶ requires the State Tax Commission to deposit a percentage of a county's or municipality's local option sales and use tax revenue into the Homeless Shelter Cities Mitigation Restricted Account;



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

29 **Money Appropriated in this Bill:**

30 This bill appropriates in fiscal year 2019:

- 31 ▶ to the Department of Workforce Services – Housing and Community Development
- 32 – Homeless Shelter Cities Mitigation Program, as a one-time appropriation:

- 33 • from the Homeless Shelter Cities Mitigation Restricted Account, One-time,
- 34 \$2,500,000.

35 **Other Special Clauses:**

36 None

37 **Utah Code Sections Affected:**

38 AMENDS:

- 39 **17C-1-409**, as last amended by Laws of Utah 2016, Chapter 350
- 40 **17C-1-411**, as last amended by Laws of Utah 2016, Chapter 350
- 41 **17C-1-412**, as last amended by Laws of Utah 2016, Chapter 350
- 42 **35A-8-601**, as last amended by Laws of Utah 2016, Chapter 278
- 43 **59-12-205**, as last amended by Laws of Utah 2017, Chapters 230 and 385
- 44 **59-12-302**, as last amended by Laws of Utah 2016, Chapter 364
- 45 **59-12-354**, as last amended by Laws of Utah 2016, Chapter 364
- 46 **59-12-403**, as last amended by Laws of Utah 2016, Chapter 364
- 47 **59-12-603**, as last amended by Laws of Utah 2017, Chapter 178
- 48 **59-12-703**, as last amended by Laws of Utah 2017, Chapters 181 and 422
- 49 **59-12-802**, as last amended by Laws of Utah 2017, Chapter 422
- 50 **59-12-804**, as last amended by Laws of Utah 2017, Chapter 422
- 51 **59-12-1102**, as last amended by Laws of Utah 2016, Chapter 364
- 52 **59-12-1302**, as last amended by Laws of Utah 2017, Chapter 422
- 53 **59-12-1402**, as last amended by Laws of Utah 2017, Chapter 422
- 54 **59-12-2103**, as last amended by Laws of Utah 2017, Chapter 422
- 55 **59-12-2206**, as last amended by Laws of Utah 2017, Chapter 160

56 ENACTS:

- 57 [35A-8-606](#), Utah Code Annotated 1953
- 58 [35A-8-606.1](#), Utah Code Annotated 1953
- 59 [35A-8-606.2](#), Utah Code Annotated 1953
- 60 [35A-8-606.3](#), Utah Code Annotated 1953
- 61 [63J-1-801](#), Utah Code Annotated 1953
- 62 [63J-1-802](#), Utah Code Annotated 1953

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

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

66 **17C-1-409. Allowable uses of agency funds.**

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

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

69 (ii) for administrative, overhead, legal, or other operating expenses of the agency,  
70 including consultant fees and expenses under Subsection [17C-2-102](#)(1)(b)(ii)(B) or funding for  
71 a business resource center;

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

73 (A) project area development in a project area, including environmental remediation  
74 activities occurring before or after adoption of the project area plan;

75 (B) housing-related expenditures, projects, or programs as described in Section  
76 [17C-1-411](#) or [17C-1-412](#);

77 (C) an incentive or other consideration paid to a participant under a participation  
78 agreement;

79 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of the  
80 installation and construction of any publicly owned building, facility, structure, landscaping, or  
81 other improvement within the project area from which the project area funds are collected; or

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

86 (iv) in an urban renewal project area that includes some or all of an inactive industrial  
87 site and subject to Subsection (1)(e), to reimburse the Department of Transportation created

88 under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8,  
89 Public Transit District Act, for the cost of:

- 90 (A) construction of a public road, bridge, or overpass;
- 91 (B) relocation of a railroad track within the urban renewal project area; or
- 92 (C) relocation of a railroad facility within the urban renewal project area[-]; or
- 93 (v) subject to Subsection (5), to transfer funds to a community that created the agency.

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

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

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

- 102 (A) the board approves; and
- 103 (B) the community legislative body approves.

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

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

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

- 113 (i) the Department of Transportation; or
- 114 (ii) a public transit district.

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

118 (b) An agency may use sales and use tax revenue that the agency receives under an

119 interlocal agreement under Section [17C-4-201](#) or [17C-5-204](#) for the uses authorized in the  
120 interlocal agreement.

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

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

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

130 (5) For the purpose of offsetting the community's annual local contribution to the  
131 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in  
132 a calendar year to a community under Subsections (1)(a)(v), [17C-1-411\(1\)\(d\)](#), and  
133 [17C-1-412\(1\)\(a\)\(x\)](#) may not exceed the community's annual local contribution as defined in  
134 Section [35A-8-606](#).

135 Section 2. Section [17C-1-411](#) is amended to read:

136 **17C-1-411. Use of project area funds for housing-related improvements and for**  
137 **relocating mobile home park residents -- Funds to be held in separate accounts.**

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

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

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

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

145 (ii) increasing, improving, or preserving the affordable housing supply within the  
146 boundary of the agency; [~~or~~]

147 (c) for relocating mobile home park residents displaced by project area development,  
148 whether inside or outside a project area[~~;~~]; or

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

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

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

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

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

160 (4) For the purpose of offsetting the community's annual local contribution to the  
161 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in  
162 a calendar year to a community under Subsections (1)(d), [17C-1-409\(1\)\(a\)\(v\)](#), and  
163 [17C-1-412\(1\)\(a\)\(x\)](#) may not exceed the community's annual local contribution as defined in  
164 Section [35A-8-606](#).

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

166 **17C-1-412. Use of housing allocation -- Separate accounting required -- Issuance**  
167 **of bonds for housing -- Action to compel agency to provide housing allocation.**

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

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

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

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

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

178 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of  
179 any building, facility, structure, or other housing improvement, including infrastructure  
180 improvements, related to housing located in a project area where blight has been found to exist;

181 (vi) replace housing units lost as a result of the project area development;  
182 (vii) make payments on or establish a reserve fund for bonds:  
183 (A) issued by the agency, the community, or the housing authority that provides  
184 income targeted housing within the community; and  
185 (B) all or part of the proceeds of which are used within the community for the purposes  
186 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);  
187 (viii) if the community's fair share ratio at the time of the first adoption of the project  
188 area budget is at least 1.1 to 1.0, make payments on bonds:  
189 (A) that were previously issued by the agency, the community, or the housing authority  
190 that provides income targeted housing within the community; and  
191 (B) all or part of the proceeds of which were used within the community for the  
192 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); ~~[or]~~  
193 (ix) relocate mobile home park residents displaced by project area development[-]; or  
194 (x) subject to Subsection (6), transfer funds to a community that created the agency.  
195 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or  
196 any portion of the agency's housing allocation to:  
197 (i) the community for use as described in Subsection (1)(a);  
198 (ii) a housing authority that provides income targeted housing within the community  
199 for use in providing income targeted housing within the community;  
200 (iii) a housing authority established by the county in which the agency is located for  
201 providing:  
202 (A) income targeted housing within the county;  
203 (B) permanent housing, permanent supportive housing, or a transitional facility, as  
204 defined in Section 35A-5-302, within the county; or  
205 (C) homeless assistance within the county; or  
206 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,  
207 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within  
208 the community.  
209 (2) The agency shall create a housing fund and separately account for the agency's  
210 housing allocation, together with all interest earned by the housing allocation and all payments  
211 or repayments for loans, advances, or grants from the housing allocation.

212 (3) An agency may:

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

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

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

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

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

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

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

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

231 (6) For the purpose of offsetting the community's annual local contribution to the  
232 Homeless Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in  
233 a calendar year to a community under Subsections (1)(a)(x), 17C-1-409(1)(a)(v), and  
234 17C-1-411(1)(d) may not exceed the community's annual local contribution as defined in  
235 Section 35A-8-606.

236 Section 4. Section 35A-8-601 is amended to read:

237 **35A-8-601. Creation.**

238 (1) There is created within the division the Homeless Coordinating Committee.

239 (2) (a) The committee shall consist of the following members:

240 (i) the lieutenant governor or the lieutenant governor's designee;

241 (ii) the state planning coordinator or the coordinator's designee;

242 (iii) the state superintendent of public instruction or the superintendent's designee;



243 (iv) the chair of the board of trustees of the Utah Housing Corporation or the chair's  
244 designee;

245 (v) the executive director of the Department of Workforce Services or the executive  
246 director's designee;

247 (vi) the executive director of the Department of Corrections or the executive director's  
248 designee;

249 (vii) the executive director of the Department of Health or the executive director's  
250 designee;

251 (viii) the executive director of the Department of Human Services or the executive  
252 director's designee;

253 (ix) the mayor of Salt Lake City~~[-and]~~ or the mayor's designee;

254 (x) the mayor of Salt Lake County~~[-]~~ or the mayor's designee;

255 (xi) the mayor of Ogden or the mayor's designee;

256 (xii) the mayor of Midvale or the mayor's designee;

257 (xiii) the mayor of St. George or the mayor's designee; and

258 (xiv) the mayor of South Salt Lake or the mayor's designee.

259 (b) (i) The lieutenant governor shall serve as the chair of the committee.

260 (ii) The lieutenant governor may appoint a vice chair from among committee members,  
261 who shall conduct committee meetings in the absence of the lieutenant governor.

262 (3) The governor may appoint as members of the committee:

263 (a) representatives of local governments, local housing authorities, local law  
264 enforcement agencies;

265 (b) representatives of federal and private agencies and organizations concerned with  
266 the homeless, persons with a mental illness, the elderly, single-parent families, persons with a  
267 substance use disorder, and persons with a disability; and

268 (c) a resident of Salt Lake County.

269 (4) (a) Except as required by Subsection (4)(b), as terms of current committee members  
270 appointed under Subsection (3) expire, the governor shall appoint each new member or  
271 reappointed member to a four-year term.

272 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the  
273 time of appointment or reappointment, adjust the length of terms to ensure that the terms of

274 committee members are staggered so that approximately half of the committee is appointed  
275 every two years.

276 (c) A member appointed under Subsection (3) may not be appointed to serve more than  
277 three consecutive terms.

278 (5) When a vacancy occurs in the membership for any reason, the replacement is  
279 appointed for the unexpired term.

280 (6) A member may not receive compensation or benefits for the member's service, but  
281 may receive per diem and travel expenses in accordance with:

282 (a) Section [63A-3-106](#);

283 (b) Section [63A-3-107](#); and

284 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and  
285 [63A-3-107](#).

286 Section 5. Section [35A-8-606](#) is enacted to read:

287 **[35A-8-606](#). Homeless Shelter Cities Mitigation Restricted Account.**

288 (1) As used in this section:

289 (a) "Annual local contribution" means:

290 (i) for a participating local government, the lesser of \$200,000 or an amount equal to  
291 1.8% of the participating local government's tax revenue distribution amount under Subsection  
292 [59-12-205](#)(2)(a) for the previous calendar year; or

293 (ii) for an eligible municipality or a grant eligible municipality that is certified in  
294 accordance with Section [35A-8-606.3](#), \$0.

295 (b) "Eligible municipality" means the same as that term is defined in Section  
296 [35A-8-606.1](#).

297 (c) "Grant eligible municipality" means the same as that term is defined in Section  
298 [35A-8-606.2](#).

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

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

304 (3) The account shall be funded by:

- 305 (a) local sales and use tax revenue deposited into the account in accordance with
- 306 Section [59-12-205](#); and
- 307 (b) interest earned on the account.
- 308 (4) (a) The department shall administer the account.
- 309 (b) Subject to appropriation, the department shall disburse funds from the account to:
- 310 (i) eligible municipalities in accordance with Sections [35A-8-606.1](#) and [63J-1-802](#); and
- 311 (ii) grant eligible municipalities in accordance with Sections [35A-8-606.2](#) and
- 312 [63J-1-802](#).

313 Section 6. Section **35A-8-606.1** is enacted to read:

314 **35A-8-606.1. Eligible municipality application process for Homeless Shelter Cities**  
315 **Mitigation Restricted Account funds.**

- 316 (1) As used in this section:
- 317 (a) "Account" means the restricted account created in Section [35A-8-606](#).
- 318 (b) "Committee" means the Homeless Coordinating Committee created in this part.
- 319 (c) "Eligible municipality" means a city of the third, fourth, or fifth class, a town, or a
- 320 metro township that:
  - 321 (i) has, or is proposed to have, a homeless shelter within the city's, town's, or metro
  - 322 township's geographic boundaries;
  - 323 (ii) due to the location of a homeless shelter within the city's, town's, or metro
  - 324 township's geographic boundaries, needs more public safety services than the city, town, or
  - 325 metro township needed before the location of the homeless shelter within the city's, town's, or
  - 326 metro township's geographic boundaries; and
  - 327 (iii) is certified as an eligible municipality in accordance with Section [35A-8-606.3](#).
- 328 (d) "Homeless shelter" means a facility that:
  - 329 (i) provides or is proposed to provide temporary shelter to homeless individuals;
  - 330 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 200
  - 331 individuals per night; and
  - 332 (iii) operates year-round and is not subject to zoning restrictions that limit the hours,
  - 333 days, weeks, or months of operation.
- 334 (e) "Public safety services" means law enforcement, emergency medical services, and
- 335 fire protection.

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

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

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

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

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

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

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

350 (A) crime statistics; and

351 (B) calls for public safety services;

352 (ii) data showing the eligible municipality's need for public safety services in the next  
353 fiscal year;

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

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

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

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

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

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

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

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

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

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

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

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

376 (A) the amount on the invoice or contract; or

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

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

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

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

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

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

385 (c) The request described in Subsection (4)(b) shall contain:

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

389 (A) crime statistics; and

390 (B) calls for public safety services;

391 (ii) data showing the eligible municipality's need for public safety services in the next  
392 fiscal year;

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

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

396 (d) (i) On or before November 30, an eligible municipality that received account funds  
397 during the previous fiscal year shall file electronically with the committee a report that

398 includes:

399 (A) a summary of the amount of account funds that the eligible municipality expended  
400 and the eligible municipality's specific use of those funds;

401 (B) an evaluation of the eligible municipality's effectiveness in using the account funds  
402 to address the eligible municipality's public safety needs; and

403 (C) any proposals for improving the eligible municipality's effectiveness in using  
404 account funds that the eligible municipality may receive in future fiscal years.

405 (ii) The committee may request additional information as needed to make the  
406 evaluation described in Subsection (4)(e).

407 (e) The committee shall evaluate a request made in accordance with this Subsection (4)  
408 using the following factors:

409 (i) the strength and reliability of the data that the eligible municipality provided to  
410 support the request;

411 (ii) if the eligible municipality received account funds during the previous fiscal year,  
412 the efficiency with which the eligible municipality used any account funds during the previous  
413 fiscal year;

414 (iii) the availability of alternative funding for the eligible municipality to address the  
415 eligible municipality's need for public safety services; and

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

417 (f) (i) After making the evaluation described in Subsection (4)(e) and subject to other  
418 provisions of this Subsection (4)(f), the committee shall vote to recommend that an eligible  
419 municipality's request be:

420 (A) funded as requested; or

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

422 (ii) The committee shall support the recommendation described in Subsection (4)(f)(i)  
423 with findings on each of the factors described in Subsection (4)(e).

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

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

427 (ii) the Social Services Appropriations Subcommittee of the Legislature for approval in  
428 accordance with Section [63J-1-802](#).

429 (h) (i) An eligible municipality that is approved to receive account funds under Section  
430 63J-1-802 shall submit an invoice of the eligible municipality's expenses, with supporting  
431 documentation, to the department monthly for reimbursement.

432 (ii) Each month, the department shall disburse the revenue in the account to reimburse  
433 an eligible municipality that submits the information described in Subsection (4)(h)(i) for the  
434 lesser of:

435 (A) the amount on the invoice or contract; or

436 (B) one-twelfth of the amount that the Legislature approves for the eligible  
437 municipality.

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

442 Section 7. Section **35A-8-606.2** is enacted to read:

443 **35A-8-606.2. Grant eligible municipality application process for Homeless Shelter**  
444 **Cities Mitigation Restricted Account funds.**

445 (1) As used in this section:

446 (a) "Account" means the restricted account created in Section [35A-8-606](#).

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

448 (c) "Grant" means an award of funds from the account.

449 (d) "Grant eligible municipality" means a city, town, or metro township that:

450 (i) has a homeless shelter within the city's, town's, or metro township's geographic  
451 boundaries;

452 (ii) has increased community, social service, and public safety service needs due to the  
453 location of a homeless shelter within the city's, town's, or metro township's geographic  
454 boundaries; and

455 (iii) is certified as a grant eligible municipality in accordance with Section  
456 [35A-8-606.3](#).

457 (e) "Homeless shelter" means a facility that:

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

459 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 60

460 individuals per night; and

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

463 (f) "Public safety services" means law enforcement, emergency medical services, and  
464 fire protection.

465 (2) Subject to the availability of funds, a grant eligible municipality may request a  
466 grant to mitigate the impacts of the location of a homeless shelter within the grant eligible  
467 municipality's geographic boundaries through:

468 (a) development of a community and neighborhood program;

469 (b) provision of social services; or

470 (c) employment of additional personnel to provide public safety services in and around  
471 a homeless shelter within the grant eligible municipality's geographic boundaries.

472 (3) (a) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the  
473 department shall make rules governing:

474 (i) the process for determining whether there is sufficient revenue to the account to  
475 offer a grant program for the next fiscal year; and

476 (ii) the process for notifying grant eligible municipalities about the availability of  
477 grants for the next fiscal year.

478 (b) (i) If the committee offers a grant program for the next fiscal year, the committee  
479 shall set aside time on the agenda of a committee meeting that occurs on or after July 1 and on  
480 or before November 30 to allow a grant eligible municipality to present a request for account  
481 funds for the next fiscal year.

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

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

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

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

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

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

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

489 and

490 (C) the amount requested;



491 (ii) for a grant request to provide social services:  
492 (A) a proposal outlining the need for additional social services;  
493 (B) a summary of the grant eligible municipality's proposed use of any grant awarded;  
494 and  
495 (C) the amount requested;  
496 (iii) for a grant request to employ additional personnel to provide public safety  
497 services:  
498 (A) data relating to the grant eligible municipality's public safety services for the  
499 current fiscal year, including crime statistics and calls for public safety services;  
500 (B) data showing an increase in the grant eligible municipality's need for public safety  
501 services in the next fiscal year;  
502 (C) a summary of the grant eligible municipality's proposed use of any grant awarded;  
503 and  
504 (D) the amount requested; and  
505 (iv) for a grant request to provide some combination of the activities described in  
506 Subsections (3)(c)(i) through (iii), the information required by this Subsection (3) for each  
507 activity for which the grant eligible municipality requests a grant.  
508 (d) (i) On or before November 30, a grant eligible municipality that received a grant  
509 during the previous fiscal year shall file electronically with the committee a report that  
510 includes:  
511 (A) a summary of the amount of the grant that the grant eligible municipality received  
512 and the grant eligible municipality's specific use of those funds;  
513 (B) an evaluation of the grant eligible municipality's effectiveness in using the grant to  
514 address the grant eligible municipality's increased needs due to the location of a homeless  
515 shelter; and  
516 (C) any proposals for improving the grant eligible municipality's effectiveness in using  
517 a grant that the grant eligible municipality may receive in future fiscal years.  
518 (ii) The committee may request additional information as needed to make the  
519 evaluation described in Subsection (3)(e).  
520 (e) The committee shall evaluate a grant request made in accordance with this  
521 Subsection (3) using the following factors:

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

524 (ii) if the grant eligible municipality received a grant during the previous fiscal year,  
525 the efficiency with which the grant eligible municipality used the grant during the previous  
526 fiscal year;

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

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

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

533 (A) prioritize the grant requests; and

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

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

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

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

541 (ii) the Social Services Appropriations Subcommittee of the Legislature for approval in  
542 accordance with Section [63J-1-802](#).

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

545 (i) after making the disbursements required by Section [35A-8-606.1](#); and

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

547 (A) in the order of priority that the Legislature gives to each eligible grant municipality  
548 under Section [63J-1-802](#); and

549 (B) in the amount that the Legislature approves to a grant eligible municipality under  
550 Section [63J-1-802](#).

551 (b) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the  
552 department shall make rules governing the process for the department to determine the timeline

553 within the fiscal year for funding the grants.

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

558 Section 8. Section **35A-8-606.3** is enacted to read:

559 **35A-8-606.3. Certification of eligible municipality or grant eligible municipality.**

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

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

566 Section 9. Section **59-12-205** is amended to read:

567 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**  
568 **tax revenue -- Determination of population.**

569 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section  
570 **59-12-204**, a county, city, or town shall adopt amendments to the county's, city's, or town's  
571 sales and use tax ordinances:

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

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

575 (2) Except as provided in Subsections (3) through ~~[(6)]~~ (7) and subject to Subsection  
576 ~~[(7)]~~ (8):

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

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

584 [59-12-215](#); and

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

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

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

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

594 (B) city of the fifth class; or

595 (C) town;

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

599 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located  
600 within the unincorporated area of the county for one or more days during the calendar year  
601 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,  
602 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North  
603 American Industry Classification System of the federal Executive Office of the President,  
604 Office of Management and Budget; or

605 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection  
606 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during  
607 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry  
608 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the  
609 2002 North American Industry Classification System of the federal Executive Office of the  
610 President, Office of Management and Budget; and

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

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

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

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

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

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

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

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

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

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

633 (4) (a) For fiscal years beginning with fiscal year 1983-84 and ending with fiscal year  
634 2005-06, a county, city, or town may not receive a tax revenue distribution less than .75% of  
635 the taxable sales within the boundaries of the county, city, or town.

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

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

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

643 (A) fiscal year 2002-03;

644 (B) fiscal year 2003-04; and

645 (C) fiscal year 2004-05.

646 (ii) "Minimum tax revenue distribution" means the greater of:  
647 (A) the total amount of tax revenue distributions an eligible county, city, or town  
648 receives from a tax imposed in accordance with this part for fiscal year 2000-01; or  
649 (B) the total amount of tax revenue distributions an eligible county, city, or town  
650 receives from a tax imposed in accordance with this part for fiscal year 2004-05.

651 (b) (i) Except as provided in Subsection (5)(b)(ii), beginning with fiscal year 2006-07  
652 and ending with fiscal year 2012-13, an eligible county, city, or town shall receive a tax  
653 revenue distribution for a tax imposed in accordance with this part equal to the greater of:  
654 (A) the payment required by Subsection (2); or  
655 (B) the minimum tax revenue distribution.

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

661 (c) For a fiscal year beginning with fiscal year 2013-14 and ending with fiscal year  
662 2015-16, an eligible county, city, or town shall receive the minimum tax revenue distribution  
663 for that fiscal year if for fiscal year 2012-13 the payment required by Subsection (2) to that  
664 eligible county, city, or town is less than or equal to the product of:  
665 (i) the minimum tax revenue distribution; and  
666 (ii) .90.

667 (6) (a) As used in this Subsection (6):  
668 (i) "Eligible county, city, or town" means a county, city, or town that:  
669 (A) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue  
670 distributions for fiscal year 2002-03;  
671 (B) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue  
672 distributions for fiscal year 2003-04;  
673 (C) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue  
674 distributions for fiscal year 2004-05;  
675 (D) for a fiscal year beginning with fiscal year 2012-13 and ending with fiscal year  
676 2015-16, does not receive a tax revenue distribution described in Subsection (5) equal to the

677 amount described in Subsection (5)(b)(i)(A) for three consecutive fiscal years; and

678 (E) does not impose a sales and use tax under Section [59-12-2103](#) on or before July 1,  
679 2016.

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

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

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

686 (ii) the minimum tax revenue distribution.

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

688 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to  
689 1.8% of the participating local government's tax revenue distribution amount under Subsection  
690 [59-12-205\(2\)\(a\)](#) for the previous calendar year.

691 (ii) "Participating local government" means a county or municipality, as defined in  
692 Section [10-1-104](#), that is not an eligible municipality or grant eligible municipality certified in  
693 accordance with Section [35A-8-606.3](#).

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

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

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

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

705 ~~[(7)]~~ (8) (a) Population figures for purposes of this section shall be based on the most  
706 recent official census or census estimate of the United States Census Bureau.

707 (b) If a needed population estimate is not available from the United States Census

708 Bureau, population figures shall be derived from the estimate from the Utah Population  
709 Estimates Committee created by executive order of the governor.

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

712 Section 10. Section **59-12-302** is amended to read:

713 **59-12-302. Collection of tax -- Administrative charge.**

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

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

- 717 (i) Part 1, Tax Collection; or
- 718 (ii) Part 2, Local Sales and Use Tax Act; and
- 719 (b) Chapter 1, General Taxation Policies.

720 (2) The location of a transaction shall be determined in accordance with Sections  
721 [59-12-211](#) through [59-12-215](#).

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

724 (4) The commission:

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

727 (b) shall retain and deposit an administrative charge in accordance with Section  
728 [59-1-306](#) from revenue the commission collects from a tax under this part.

729 Section 11. Section **59-12-354** is amended to read:

730 **59-12-354. Collection of tax -- Administrative charge.**

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

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

- 734 (i) Part 1, Tax Collection; or
- 735 (ii) Part 2, Local Sales and Use Tax Act; and
- 736 (b) Chapter 1, General Taxation Policies.

737 (2) (a) The location of a transaction shall be determined in accordance with Sections  
738 [59-12-211](#) through [59-12-215](#).



739 (b) The commission:

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

742 (ii) shall retain and deposit an administrative charge in accordance with Section  
743 59-1-306 from the revenue the commission collects from a tax under this part.

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

746 Section 12. Section 59-12-403 is amended to read:

747 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**  
748 **Notice requirements -- Administration, collection, and enforcement of tax --**  
749 **Administrative charge.**

750 (1) For purposes of this section:

751 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part  
752 4, Annexation.

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

754 (2) (a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a  
755 city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,  
756 repeal, or change shall take effect:

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

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

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

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

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

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

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

767 (c) (i) If the billing period for a transaction begins before the effective date of the  
768 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or  
769 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the

770 first billing period that begins on or after the effective date of the enactment of the tax or the  
771 tax rate increase.

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

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

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

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

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

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

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

788 (ii) after a 90-day period beginning on the date the commission receives notice meeting  
789 the requirements of Subsection (3)(b) from the city or town that annexes the annexing area.

790 (b) The notice described in Subsection (3)(a)(ii) shall state:

791 (i) that the annexation described in Subsection (3)(a) will result in an enactment,  
792 repeal, or change in the rate of a tax under this part for the annexing area;

793 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);

794 (iii) the effective date of the tax described in Subsection (3)(b)(i); and

795 (iv) if the city or town enacts the tax or changes the rate of the tax described in  
796 Subsection (3)(b)(i), the rate of the tax.

797 (c) (i) If the billing period for a transaction begins before the effective date of the  
798 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or  
799 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the  
800 first billing period that begins on or after the effective date of the enactment of the tax or the

801 tax rate increase.

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

805 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
806 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
807 a tax described in Subsection (3)(a) takes effect:

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

809 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
810 rate of the tax under Subsection (3)(a).

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

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

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

816 (A) Part 1, Tax Collection; or

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

818 (ii) Chapter 1, General Taxation Policies.

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

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

822 Section 13. Section 59-12-603 is amended to read:

823 **59-12-603. County tax -- Bases -- Rates -- Use of revenue -- Adoption of ordinance**  
824 **required -- Advisory board -- Administration -- Collection -- Administrative charge --**  
825 **Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice**  
826 **requirements.**

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

829 (i) (A) a county legislative body of any county may impose a tax of not to exceed 3%  
830 on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases  
831 and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor

832 vehicle that is being repaired pursuant to a repair or an insurance agreement; and

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

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

- 841 (A) alcoholic beverages;
- 842 (B) food and food ingredients; or
- 843 (C) prepared food; and

844 (iii) a county legislative body of a county of the first class may impose a tax of not to  
845 exceed .5% on charges for the accommodations and services described in Subsection  
846 [59-12-103\(1\)\(i\)](#).

847 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section  
848 [17-31-5.5](#).

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

- 851 (i) financing tourism promotion; and
- 852 (ii) the development, operation, and maintenance of:
  - 853 (A) an airport facility;
  - 854 (B) a convention facility;
  - 855 (C) a cultural facility;
  - 856 (D) a recreation facility; or
  - 857 (E) a tourist facility.

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

861 (i) promote tourism in ski areas within the county by persons that do not reside within  
862 the state; and

863 (ii) combine the sale of:

864 (A) ski lift tickets; and

865 (B) accommodations and services described in Subsection 59-12-103(1)(i).

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

870 (a) an airport facility;

871 (b) a convention facility;

872 (c) a cultural facility;

873 (d) a recreation facility; or

874 (e) a tourist facility.

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

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

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

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

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

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

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

893 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or

894 towns within the county of the first class appointed by an organization representing all mayors  
895 of cities and towns within the county of the first class.

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

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

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

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

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

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

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

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

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

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

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

911 (I) Part 1, Tax Collection; or

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

913 (B) Chapter 1, General Taxation Policies.

914 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or  
915 Subsections 59-12-205(2) through ~~(7)~~ (8).

916 (b) Except as provided in Subsection (7)(c):

917 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the  
918 commission shall distribute the revenue to the county imposing the tax; and

919 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue  
920 according to the distribution formula provided in Subsection (8).

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

923 (8) The commission shall distribute the revenue generated by the tax under Subsection  
924 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the

925 following formula:

926 (a) the commission shall distribute 70% of the revenue based on the percentages  
927 generated by dividing the revenue collected by each county under Subsection (1)(a)(i)(B) by  
928 the total revenue collected by all counties under Subsection (1)(a)(i)(B); and

929 (b) the commission shall distribute 30% of the revenue based on the percentages  
930 generated by dividing the population of each county collecting a tax under Subsection  
931 (1)(a)(i)(B) by the total population of all counties collecting a tax under Subsection (1)(a)(i)(B).

932 (9) (a) For purposes of this Subsection (9):

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

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

936 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county  
937 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or  
938 change shall take effect:

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

940 (B) after a 90-day period beginning on the date the commission receives notice meeting  
941 the requirements of Subsection (9)(b)(ii) from the county.

942 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

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

944 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

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

946 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
947 (9)(b)(ii)(A), the rate of the tax.

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

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

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

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

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

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

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

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

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

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

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

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

977 Section 14. Section **59-12-703** is amended to read:

978 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**

979 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**

980 **-- Notice requirements.**

981 (1) (a) Subject to the other provisions of this section, a county legislative body may  
982 submit an opinion question to the residents of that county, by majority vote of all members of  
983 the legislative body, so that each resident of the county, except residents in municipalities that  
984 have already imposed a sales and use tax under Part 14, City or Town Option Funding for  
985 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an  
986 opportunity to express the resident's opinion on the imposition of a local sales and use tax of



987 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

988 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical  
989 organizations, cultural organizations, and zoological organizations, and rural radio stations, in  
990 that county; or

991 (ii) provide funding for a botanical organization, cultural organization, or zoological  
992 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in  
993 furtherance of the botanical organization's, cultural organization's, or zoological organization's  
994 primary purpose.

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

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

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

1000 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1001 are exempt from taxation under Section 59-12-104;

1002 (ii) sales and uses within a municipality that has already imposed a sales and use tax  
1003 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational, and  
1004 Zoological Organizations or Facilities; and

1005 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and  
1006 food ingredients.

1007 (d) For purposes of this Subsection (1), the location of a transaction shall be  
1008 determined in accordance with Sections 59-12-211 through 59-12-215.

1009 (e) A county legislative body imposing a tax under this section shall impose the tax on  
1010 the purchase price or sales price for amounts paid or charged for food and food ingredients if  
1011 the food and food ingredients are sold as part of a bundled transaction attributable to food and  
1012 food ingredients and tangible personal property other than food and food ingredients.

1013 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local  
1014 Government Bonding Act.

1015 (2) (a) If the county legislative body determines that a majority of the county's  
1016 registered voters voting on the imposition of the tax have voted in favor of the imposition of  
1017 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a

1018 majority vote of all members of the legislative body on the transactions:

1019 (i) described in Subsection (1); and

1020 (ii) within the county, including the cities and towns located in the county, except those  
1021 cities and towns that have already imposed a sales and use tax under Part 14, City or Town  
1022 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or  
1023 Facilities.

1024 (b) A county legislative body may revise county ordinances to reflect statutory changes  
1025 to the distribution formula or eligible recipients of revenue generated from a tax imposed under  
1026 Subsection (2)(a) without submitting an opinion question to residents of the county.

1027 (3) Subject to Section 59-12-704, revenue collected from a tax imposed under  
1028 Subsection (2) shall be expended:

1029 (a) to fund cultural facilities, recreational facilities, and zoological facilities located  
1030 within the county or a city or town located in the county, except a city or town that has already  
1031 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,  
1032 Cultural, Recreational, and Zoological Organizations or Facilities;

1033 (b) to fund ongoing operating expenses of:

1034 (i) recreational facilities described in Subsection (3)(a);

1035 (ii) botanical organizations, cultural organizations, and zoological organizations within  
1036 the county; and

1037 (iii) rural radio stations within the county; and

1038 (c) as stated in the opinion question described in Subsection (1).

1039 (4) (a) A tax authorized under this part shall be:

1040 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
1041 accordance with:

1042 (A) the same procedures used to administer, collect, and enforce the tax under:

1043 (I) Part 1, Tax Collection; or

1044 (II) Part 2, Local Sales and Use Tax Act; and

1045 (B) Chapter 1, General Taxation Policies; and

1046 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
1047 period in accordance with this section.

1048 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1049 (5) (a) For purposes of this Subsection (5):

1050 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,  
1051 County Annexation.

1052 (ii) "Annexing area" means an area that is annexed into a county.

1053 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
1054 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

1055 (A) on the first day of a calendar quarter; and

1056 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1057 the requirements of Subsection (5)(b)(ii) from the county.

1058 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1059 (A) that the county will enact or repeal a tax under this part;

1060 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1061 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1062 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the  
1063 tax.

1064 (c) (i) If the billing period for a transaction begins before the effective date of the  
1065 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
1066 the first billing period that begins on or after the effective date of the enactment of the tax.

1067 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1068 period is produced on or after the effective date of the repeal of the tax imposed under this  
1069 section.

1070 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1071 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1072 Subsection (5)(b)(i) takes effect:

1073 (A) on the first day of a calendar quarter; and

1074 (B) beginning 60 days after the effective date of the enactment or repeal under  
1075 Subsection (5)(b)(i).

1076 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1077 commission may by rule define the term "catalogue sale."

1078 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
1079 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this

1080 part for an annexing area, the enactment or repeal shall take effect:

1081 (A) on the first day of a calendar quarter; and

1082 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1083 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

1084 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1085 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
1086 repeal of a tax under this part for the annexing area;

1087 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1088 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1089 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1090 (f) (i) If the billing period for a transaction begins before the effective date of the  
1091 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
1092 the first billing period that begins on or after the effective date of the enactment of the tax.

1093 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1094 period is produced on or after the effective date of the repeal of the tax imposed under this  
1095 section.

1096 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1097 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1098 Subsection (5)(e)(i) takes effect:

1099 (A) on the first day of a calendar quarter; and

1100 (B) beginning 60 days after the effective date of the enactment or repeal under  
1101 Subsection (5)(e)(i).

1102 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1103 commission may by rule define the term "catalogue sale."

1104 Section 15. Section **59-12-802** is amended to read:

1105 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**  
1106 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**  
1107 **Administrative charge.**

1108 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class  
1109 may impose a sales and use tax of up to 1% on the transactions described in Subsection  
1110 [59-12-103\(1\)](#) located within the county.

1111 (b) Subject to Subsection (3), the money collected from a tax under this section may be  
1112 used to fund:

1113 (i) for a county of the third or fourth class, rural county health care facilities in that  
1114 county; or

1115 (ii) for a county of the fifth or sixth class:

1116 (A) rural emergency medical services in that county;

1117 (B) federally qualified health centers in that county;

1118 (C) freestanding urgent care centers in that county;

1119 (D) rural county health care facilities in that county;

1120 (E) rural health clinics in that county; or

1121 (F) a combination of Subsections (1)(b)(ii)(A) through (E).

1122 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax  
1123 under this section on:

1124 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1125 are exempt from taxation under Section 59-12-104;

1126 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in  
1127 a city that imposes a tax under Section 59-12-804; and

1128 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and  
1129 food ingredients.

1130 (d) For purposes of this Subsection (1), the location of a transaction shall be  
1131 determined in accordance with Sections 59-12-211 through 59-12-215.

1132 (e) A county legislative body imposing a tax under this section shall impose the tax on  
1133 the purchase price or sales price for amounts paid or charged for food and food ingredients if  
1134 the food and food ingredients are sold as part of a bundled transaction attributable to food and  
1135 food ingredients and tangible personal property other than food and food ingredients.

1136 (2) (a) Before imposing a tax under Subsection (1), a county legislative body shall  
1137 obtain approval to impose the tax from a majority of the:

1138 (i) members of the county's legislative body; and

1139 (ii) county's registered voters voting on the imposition of the tax.

1140 (b) The county legislative body shall conduct the election according to the procedures  
1141 and requirements of Title 11, Chapter 14, Local Government Bonding Act.

1142 (3) (a) The money collected from a tax imposed under Subsection (1) by a county  
1143 legislative body of a county of the third or fourth class may only be used for the financing of:  
1144 (i) ongoing operating expenses of a rural county health care facility within that county;  
1145 (ii) the acquisition of land for a rural county health care facility within that county; or  
1146 (iii) the design, construction, equipping, or furnishing of a rural county health care  
1147 facility within that county.

1148 (b) The money collected from a tax imposed under Subsection (1) by a county of the  
1149 fifth or sixth class may only be used to fund:

1150 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection  
1151 (1)(b)(ii) within that county;

1152 (ii) the acquisition of land for a center, clinic, or facility described in Subsection  
1153 (1)(b)(ii) within that county;

1154 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility  
1155 described in Subsection (1)(b)(ii) within that county; or

1156 (iv) rural emergency medical services within that county.

1157 (4) (a) A tax under this section shall be:

1158 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
1159 accordance with:

1160 (A) the same procedures used to administer, collect, and enforce the tax under:

1161 (I) Part 1, Tax Collection; or

1162 (II) Part 2, Local Sales and Use Tax Act; and

1163 (B) Chapter 1, General Taxation Policies; and

1164 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
1165 period by the county legislative body as provided in Subsection (1).

1166 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]  
1167 (8).

1168 (c) A county legislative body shall distribute money collected from a tax under this  
1169 section quarterly.

1170 (5) The commission shall retain and deposit an administrative charge in accordance  
1171 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1172 Section 16. Section 59-12-804 is amended to read:

1173           **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**  
1174 **collection, and enforcement of tax -- Administrative charge.**

1175           (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

1176           (i) on the transactions described in Subsection 59-12-103(1) located within the city;

1177 and

1178           (ii) to fund rural city hospitals in that city.

1179           (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax  
1180 under this section on:

1181           (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1182 are exempt from taxation under Section 59-12-104; and

1183           (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food  
1184 ingredients.

1185           (c) For purposes of this Subsection (1), the location of a transaction shall be  
1186 determined in accordance with Sections 59-12-211 through 59-12-215.

1187           (d) A city legislative body imposing a tax under this section shall impose the tax on the  
1188 purchase price or sales price for amounts paid or charged for food and food ingredients if the  
1189 food and food ingredients are sold as part of a bundled transaction attributable to food and food  
1190 ingredients and tangible personal property other than food and food ingredients.

1191           (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall  
1192 obtain approval to impose the tax from a majority of the:

1193           (i) members of the city legislative body; and

1194           (ii) city's registered voters voting on the imposition of the tax.

1195           (b) The city legislative body shall conduct the election according to the procedures and  
1196 requirements of Title 11, Chapter 14, Local Government Bonding Act.

1197           (3) The money collected from a tax imposed under Subsection (1) may only be used to  
1198 fund:

1199           (a) ongoing operating expenses of a rural city hospital;

1200           (b) the acquisition of land for a rural city hospital; or

1201           (c) the design, construction, equipping, or furnishing of a rural city hospital.

1202           (4) (a) A tax under this section shall be:

1203           (i) except as provided in Subsection (4)(b), administered, collected, and enforced in

1204 accordance with:

1205 (A) the same procedures used to administer, collect, and enforce the tax under:

1206 (I) Part 1, Tax Collection; or

1207 (II) Part 2, Local Sales and Use Tax Act; and

1208 (B) Chapter 1, General Taxation Policies; and

1209 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year

1210 period by the city legislative body as provided in Subsection (1).

1211 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]

1212 (8).

1213 (5) The commission shall retain and deposit an administrative charge in accordance  
1214 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1215 Section 17. Section 59-12-1102 is amended to read:

1216 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**

1217 **Administration -- Administrative charge -- Commission requirement to retain an amount**

1218 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**

1219 **of tax -- Effective date -- Notice requirements.**

1220 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax  
1221 authorized by this chapter, a county may impose by ordinance a county option sales and use tax  
1222 of .25% upon the transactions described in Subsection 59-12-103(1).

1223 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this  
1224 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
1225 exempt from taxation under Section 59-12-104.

1226 (b) For purposes of this Subsection (1), the location of a transaction shall be  
1227 determined in accordance with Sections 59-12-211 through 59-12-215.

1228 (c) The county option sales and use tax under this section shall be imposed:

1229 (i) upon transactions that are located within the county, including transactions that are  
1230 located within municipalities in the county; and

1231 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of  
1232 January:

1233 (A) of the next calendar year after adoption of the ordinance imposing the tax if the  
1234 ordinance is adopted on or before May 25; or



1235 (B) of the second calendar year after adoption of the ordinance imposing the tax if the  
1236 ordinance is adopted after May 25.

1237 (d) The county option sales and use tax under this section shall be imposed:

1238 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before  
1239 September 4, 1997; or

1240 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997  
1241 but after September 4, 1997.

1242 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a  
1243 county shall hold two public hearings on separate days in geographically diverse locations in  
1244 the county.

1245 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting  
1246 time of no earlier than 6 p.m.

1247 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven  
1248 days after the day the first advertisement required by Subsection (2)(c) is published.

1249 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county  
1250 shall advertise:

1251 (A) its intent to adopt a county option sales and use tax;

1252 (B) the date, time, and location of each public hearing; and

1253 (C) a statement that the purpose of each public hearing is to obtain public comments  
1254 regarding the proposed tax.

1255 (ii) The advertisement shall be published:

1256 (A) in a newspaper of general circulation in the county once each week for the two  
1257 weeks preceding the earlier of the two public hearings; and

1258 (B) on the Utah Public Notice Website created in Section [63F-1-701](#), for two weeks  
1259 preceding the earlier of the two public hearings.

1260 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8  
1261 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch  
1262 border.

1263 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that  
1264 portion of the newspaper where legal notices and classified advertisements appear.

1265 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

1266 (A) the advertisement shall appear in a newspaper that is published at least five days a  
1267 week, unless the only newspaper in the county is published less than five days a week; and

1268 (B) the newspaper selected shall be one of general interest and readership in the  
1269 community, and not one of limited subject matter.

1270 (d) The adoption of an ordinance imposing a county option sales and use tax is subject  
1271 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part  
1272 6, Local Referenda - Procedures.

1273 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a  
1274 county option sales and use tax under Subsection (1) is less than 75% of the state population,  
1275 the tax levied under Subsection (1) shall be distributed to the county in which the tax was  
1276 collected.

1277 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a  
1278 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state  
1279 population:

1280 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to  
1281 the county in which the tax was collected; and

1282 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection  
1283 (1) in each county shall be distributed proportionately among all counties imposing the tax,  
1284 based on the total population of each county.

1285 (c) Except as provided in Subsection (5), the amount to be distributed annually to a  
1286 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county  
1287 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

1288 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall  
1289 be increased so that, when combined with the amount distributed to the county under  
1290 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

1291 (ii) the amount to be distributed annually to all other counties under Subsection  
1292 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under  
1293 Subsection (3)(c)(i).

1294 (d) The commission shall establish rules to implement the distribution of the tax under  
1295 Subsections (3)(a), (b), and (c).

1296 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part

1297 shall be administered, collected, and enforced in accordance with:

1298 (i) the same procedures used to administer, collect, and enforce the tax under:

1299 (A) Part 1, Tax Collection; or

1300 (B) Part 2, Local Sales and Use Tax Act; and

1301 (ii) Chapter 1, General Taxation Policies.

1302 (b) A tax under this part is not subject to Subsections [59-12-205](#)(2) through ~~[(7)]~~ [\(8\)](#).

1303 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an  
1304 administrative charge in accordance with Section [59-1-306](#) from the revenue the commission  
1305 collects from a tax under this part.

1306 (ii) Notwithstanding Section [59-1-306](#), the administrative charge described in  
1307 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section [59-1-306](#) of  
1308 the distribution amounts resulting after:

1309 (A) the applicable distribution calculations under Subsection (3) have been made; and

1310 (B) the commission retains the amount required by Subsection (5).

1311 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion  
1312 of the sales and use tax collected under this part as provided in this Subsection (5).

1313 (b) For a county that imposes a tax under this part, the commission shall calculate a  
1314 percentage each month by dividing the sales and use tax collected under this part for that  
1315 month within the boundaries of that county by the total sales and use tax collected under this  
1316 part for that month within the boundaries of all of the counties that impose a tax under this part.

1317 (c) For a county that imposes a tax under this part, the commission shall retain each  
1318 month an amount equal to the product of:

1319 (i) the percentage the commission determines for the month under Subsection (5)(b)  
1320 for the county; and

1321 (ii) \$6,354.

1322 (d) The commission shall deposit an amount the commission retains in accordance  
1323 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section  
1324 [35A-8-1009](#).

1325 (e) An amount the commission deposits into the Qualified Emergency Food Agencies  
1326 Fund shall be expended as provided in Section [35A-8-1009](#).

1327 (6) (a) For purposes of this Subsection (6):

1328 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County  
1329 Consolidations and Annexations.

1330 (ii) "Annexing area" means an area that is annexed into a county.

1331 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a  
1332 county enacts or repeals a tax under this part:

1333 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

1334 (II) the repeal shall take effect on the first day of a calendar quarter; and

1335 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1336 the requirements of Subsection (6)(b)(ii) from the county.

1337 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

1338 (A) that the county will enact or repeal a tax under this part;

1339 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

1340 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

1341 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the  
1342 tax.

1343 (c) (i) If the billing period for a transaction begins before the effective date of the  
1344 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day  
1345 of the first billing period that begins on or after the effective date of the enactment of the tax.

1346 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1347 period is produced on or after the effective date of the repeal of the tax imposed under  
1348 Subsection (1).

1349 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1350 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1351 Subsection (6)(b)(i) takes effect:

1352 (A) on the first day of a calendar quarter; and

1353 (B) beginning 60 days after the effective date of the enactment or repeal under  
1354 Subsection (6)(b)(i).

1355 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1356 commission may by rule define the term "catalogue sale."

1357 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs  
1358 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this

1359 part for an annexing area, the enactment or repeal shall take effect:

1360 (A) on the first day of a calendar quarter; and

1361 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1362 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1363 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1364 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or  
1365 repeal of a tax under this part for the annexing area;

1366 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1367 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1368 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1369 (f) (i) If the billing period for a transaction begins before the effective date of the  
1370 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day  
1371 of the first billing period that begins on or after the effective date of the enactment of the tax.

1372 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1373 period is produced on or after the effective date of the repeal of the tax imposed under  
1374 Subsection (1).

1375 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1376 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1377 Subsection (6)(e)(i) takes effect:

1378 (A) on the first day of a calendar quarter; and

1379 (B) beginning 60 days after the effective date of the enactment or repeal under  
1380 Subsection (6)(e)(i).

1381 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1382 commission may by rule define the term "catalogue sale."

1383 Section 18. Section **59-12-1302** is amended to read:

1384 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**  
1385 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**  
1386 **enforcement of tax -- Administrative charge.**

1387 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a  
1388 tax as provided in this part in an amount that does not exceed 1%.

1389 (2) A town may impose a tax as provided in this part if the town imposed a license fee

1390 or tax on businesses based on gross receipts under Section 10-1-203 on or before January 1,  
1391 1996.

1392 (3) A town imposing a tax under this section shall:

1393 (a) except as provided in Subsection (4), impose the tax on the transactions described  
1394 in Subsection 59-12-103(1) located within the town; and

1395 (b) provide an effective date for the tax as provided in Subsection (5).

1396 (4) (a) A town may not impose a tax under this section on:

1397 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1398 are exempt from taxation under Section 59-12-104; and

1399 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food  
1400 ingredients.

1401 (b) For purposes of this Subsection (4), the location of a transaction shall be  
1402 determined in accordance with Sections 59-12-211 through 59-12-215.

1403 (c) A town imposing a tax under this section shall impose the tax on the purchase price  
1404 or sales price for amounts paid or charged for food and food ingredients if the food and food  
1405 ingredients are sold as part of a bundled transaction attributable to food and food ingredients  
1406 and tangible personal property other than food and food ingredients.

1407 (5) (a) For purposes of this Subsection (5):

1408 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,  
1409 Annexation.

1410 (ii) "Annexing area" means an area that is annexed into a town.

1411 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
1412 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,  
1413 or change shall take effect:

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

1415 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1416 the requirements of Subsection (5)(b)(ii) from the town.

1417 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1418 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1419 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1420 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1421 (D) if the town enacts the tax or changes the rate of the tax described in Subsection  
1422 (5)(b)(ii)(A), the rate of the tax.

1423 (c) (i) If the billing period for the transaction begins before the effective date of the  
1424 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of  
1425 the tax or the tax rate increase takes effect on the first day of the first billing period that begins  
1426 on or after the effective date of the enactment of the tax or the tax rate increase.

1427 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
1428 statement for the billing period is produced on or after the effective date of the repeal of the tax  
1429 or the tax rate decrease imposed under Subsection (1).

1430 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1431 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
1432 a tax described in Subsection (5)(b)(i) takes effect:

1433 (A) on the first day of a calendar quarter; and

1434 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1435 rate of the tax under Subsection (5)(b)(i).

1436 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1437 commission may by rule define the term "catalogue sale."

1438 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
1439 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the  
1440 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
1441 effect:

1442 (A) on the first day of a calendar quarter; and

1443 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1444 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

1445 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1446 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,  
1447 repeal, or change in the rate of a tax under this part for the annexing area;

1448 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1449 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1450 (D) if the town enacts the tax or changes the rate of the tax described in Subsection  
1451 (5)(e)(ii)(A), the rate of the tax.

1452 (f) (i) If the billing period for a transaction begins before the effective date of the  
1453 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of  
1454 the tax or the tax rate increase takes effect on the first day of the first billing period that begins  
1455 on or after the effective date of the enactment of the tax or the tax rate increase.

1456 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
1457 statement for the billing period is produced on or after the effective date of the repeal of the tax  
1458 or the tax rate decrease imposed under Subsection (1).

1459 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1460 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
1461 a tax described in Subsection (5)(e)(i) takes effect:

1462 (A) on the first day of a calendar quarter; and

1463 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1464 rate of the tax under Subsection (5)(e)(i).

1465 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1466 commission may by rule define the term "catalogue sale."

1467 (6) The commission shall:

1468 (a) distribute the revenue generated by the tax under this section to the town imposing  
1469 the tax; and

1470 (b) except as provided in Subsection (8), administer, collect, and enforce the tax  
1471 authorized under this section in accordance with:

1472 (i) the same procedures used to administer, collect, and enforce the tax under:

1473 (A) Part 1, Tax Collection; or

1474 (B) Part 2, Local Sales and Use Tax Act; and

1475 (ii) Chapter 1, General Taxation Policies.

1476 (7) The commission shall retain and deposit an administrative charge in accordance  
1477 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

1478 (8) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]  
1479 (8).

1480 Section 19. Section 59-12-1402 is amended to read:

1481 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**

1482 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**



1483 **requirements.**

1484 (1) (a) Subject to the other provisions of this section, a city or town legislative body  
1485 subject to this part may submit an opinion question to the residents of that city or town, by  
1486 majority vote of all members of the legislative body, so that each resident of the city or town  
1487 has an opportunity to express the resident's opinion on the imposition of a local sales and use  
1488 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or  
1489 town, to:

1490 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical  
1491 organizations, cultural organizations, and zoological organizations in that city or town; or

1492 (ii) provide funding for a botanical organization, cultural organization, or zoological  
1493 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in  
1494 furtherance of the botanical organization's, cultural organization's, or zoological organization's  
1495 primary purpose.

1496 (b) The opinion question required by this section shall state:

1497 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales  
1498 and use tax for (list the purposes for which the revenue collected from the sales and use tax  
1499 shall be expended)?"

1500 (c) A city or town legislative body may not impose a tax under this section:

1501 (i) if the county in which the city or town is located imposes a tax under Part 7, County  
1502 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or  
1503 Facilities;

1504 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and  
1505 uses are exempt from taxation under Section 59-12-104; and

1506 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and  
1507 food ingredients.

1508 (d) For purposes of this Subsection (1), the location of a transaction shall be  
1509 determined in accordance with Sections 59-12-211 through 59-12-215.

1510 (e) A city or town legislative body imposing a tax under this section shall impose the  
1511 tax on the purchase price or sales price for amounts paid or charged for food and food  
1512 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable  
1513 to food and food ingredients and tangible personal property other than food and food

1514 ingredients.

1515 (f) Except as provided in Subsection (6), the election shall be held at a regular general  
1516 election or a municipal general election, as those terms are defined in Section 20A-1-102, and  
1517 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

1518 (2) If the city or town legislative body determines that a majority of the city's or town's  
1519 registered voters voting on the imposition of the tax have voted in favor of the imposition of  
1520 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by  
1521 a majority vote of all members of the legislative body.

1522 (3) Subject to Section 59-12-1403, revenue collected from a tax imposed under  
1523 Subsection (2) shall be expended:

1524 (a) to finance cultural facilities, recreational facilities, and zoological facilities within  
1525 the city or town or within the geographic area of entities that are parties to an interlocal  
1526 agreement, to which the city or town is a party, providing for cultural facilities, recreational  
1527 facilities, or zoological facilities;

1528 (b) to finance ongoing operating expenses of:

1529 (i) recreational facilities described in Subsection (3)(a) within the city or town or  
1530 within the geographic area of entities that are parties to an interlocal agreement, to which the  
1531 city or town is a party, providing for recreational facilities; or

1532 (ii) botanical organizations, cultural organizations, and zoological organizations within  
1533 the city or town or within the geographic area of entities that are parties to an interlocal  
1534 agreement, to which the city or town is a party, providing for the support of botanical  
1535 organizations, cultural organizations, or zoological organizations; and

1536 (c) as stated in the opinion question described in Subsection (1).

1537 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall  
1538 be:

1539 (i) administered, collected, and enforced in accordance with:

1540 (A) the same procedures used to administer, collect, and enforce the tax under:

1541 (I) Part 1, Tax Collection; or

1542 (II) Part 2, Local Sales and Use Tax Act; and

1543 (B) Chapter 1, General Taxation Policies; and

1544 (ii) (A) levied for a period of eight years; and

1545 (B) may be reauthorized at the end of the eight-year period in accordance with this  
1546 section.

1547 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the  
1548 tax shall be levied for a period of 10 years.

1549 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or  
1550 after July 1, 2011, the tax shall be reauthorized for a ten-year period.

1551 (c) A tax under this section is not subject to Subsections 59-12-205(2) through [~~(7)~~]  
1552 (8).

1553 (5) (a) For purposes of this Subsection (5):

1554 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part  
1555 4, Annexation.

1556 (ii) "Annexing area" means an area that is annexed into a city or town.

1557 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city  
1558 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:

1559 (A) on the first day of a calendar quarter; and

1560 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1561 the requirements of Subsection (5)(b)(ii) from the city or town.

1562 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1563 (A) that the city or town will enact or repeal a tax under this part;

1564 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1565 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1566 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of  
1567 the tax.

1568 (c) (i) If the billing period for a transaction begins before the effective date of the  
1569 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
1570 the first billing period that begins on or after the effective date of the enactment of the tax.

1571 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1572 period is produced on or after the effective date of the repeal of the tax imposed under this  
1573 section.

1574 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1575 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

1576 Subsection (5)(b)(i) takes effect:

1577 (A) on the first day of a calendar quarter; and

1578 (B) beginning 60 days after the effective date of the enactment or repeal under

1579 Subsection (5)(b)(i).

1580 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1581 commission may by rule define the term "catalogue sale."

1582 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
1583 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
1584 part for an annexing area, the enactment or repeal shall take effect:

1585 (A) on the first day of a calendar quarter; and

1586 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1587 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

1588 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1589 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
1590 repeal a tax under this part for the annexing area;

1591 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1592 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1593 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1594 (f) (i) If the billing period for a transaction begins before the effective date of the  
1595 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
1596 the first billing period that begins on or after the effective date of the enactment of the tax.

1597 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1598 period is produced on or after the effective date of the repeal of the tax imposed under this  
1599 section.

1600 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1601 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1602 Subsection (5)(e)(i) takes effect:

1603 (A) on the first day of a calendar quarter; and

1604 (B) beginning 60 days after the effective date of the enactment or repeal under  
1605 Subsection (5)(e)(i).

1606 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

1607 commission may by rule define the term "catalogue sale."

1608 (6) (a) Before a city or town legislative body submits an opinion question to the  
1609 residents of the city or town under Subsection (1), the city or town legislative body shall:

1610 (i) submit to the county legislative body in which the city or town is located a written  
1611 notice of the intent to submit the opinion question to the residents of the city or town; and

1612 (ii) receive from the county legislative body:

1613 (A) a written resolution passed by the county legislative body stating that the county  
1614 legislative body is not seeking to impose a tax under Part 7, County Option Funding for

1615 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

1616 (B) a written statement that in accordance with Subsection (6)(b) the results of a county  
1617 opinion question submitted to the residents of the county under Part 7, County Option Funding  
1618 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city  
1619 or town legislative body to submit the opinion question to the residents of the city or town in  
1620 accordance with this part.

1621 (b) (i) Within 60 days after the day the county legislative body receives from a city or  
1622 town legislative body described in Subsection (6)(a) the notice of the intent to submit an  
1623 opinion question to the residents of the city or town, the county legislative body shall provide  
1624 the city or town legislative body:

1625 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

1626 (B) written notice that the county legislative body will submit an opinion question to  
1627 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,  
1628 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under  
1629 that part.

1630 (ii) If the county legislative body provides the city or town legislative body the written  
1631 notice that the county legislative body will submit an opinion question as provided in  
1632 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no  
1633 later than, from the date the county legislative body sends the written notice, the later of:

1634 (A) a 12-month period;

1635 (B) the next regular primary election; or

1636 (C) the next regular general election.

1637 (iii) Within 30 days of the date of the canvass of the election at which the opinion

1638 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the  
1639 city or town legislative body described in Subsection (6)(a) written results of the opinion  
1640 question submitted by the county legislative body under Part 7, County Option Funding for  
1641 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1642 (A) (I) the city or town legislative body may not impose a tax under this part because a  
1643 majority of the county's registered voters voted in favor of the county imposing the tax and the  
1644 county legislative body by a majority vote approved the imposition of the tax; or

1645 (II) for at least 12 months from the date the written results are submitted to the city or  
1646 town legislative body, the city or town legislative body may not submit to the county legislative  
1647 body a written notice of the intent to submit an opinion question under this part because a  
1648 majority of the county's registered voters voted against the county imposing the tax and the  
1649 majority of the registered voters who are residents of the city or town described in Subsection  
1650 (6)(a) voted against the imposition of the county tax; or

1651 (B) the city or town legislative body may submit the opinion question to the residents  
1652 of the city or town in accordance with this part because although a majority of the county's  
1653 registered voters voted against the county imposing the tax, the majority of the registered voters  
1654 who are residents of the city or town voted for the imposition of the county tax.

1655 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may  
1656 provide a city or town legislative body described in Subsection (6)(a) a written resolution  
1657 passed by the county legislative body stating that the county legislative body is not seeking to  
1658 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and  
1659 Zoological Organizations or Facilities, which permits the city or town legislative body to  
1660 submit under Subsection (1) an opinion question to the city's or town's residents.

1661 Section 20. Section **59-12-2103** is amended to read:

1662 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**  
1663 **from the tax -- Administration, collection, and enforcement of tax by commission --**  
1664 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1665 (1) (a) Subject to the other provisions of this section and except as provided in  
1666 Subsection (2) or (3), beginning on January 1, 2009 and ending on June 30, 2016, if a city or  
1667 town receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the  
1668 city or town would have received a tax revenue distribution of less than .75% of the taxable

1669 sales within the boundaries of the city or town but for Subsection 59-12-205(4)(a), the city or  
1670 town legislative body may impose a sales and use tax of up to .20% on the transactions:

1671 (i) described in Subsection 59-12-103(1); and

1672 (ii) within the city or town.

1673 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall  
1674 expend the revenue collected from the tax for the same purposes for which the city or town  
1675 may expend the city's or town's general fund revenue.

1676 (c) For purposes of this Subsection (1), the location of a transaction shall be  
1677 determined in accordance with Sections 59-12-211 through 59-12-215.

1678 (2) (a) A city or town legislative body may not impose a tax under this section on:

1679 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1680 are exempt from taxation under Section 59-12-104; and

1681 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food  
1682 ingredients.

1683 (b) A city or town legislative body imposing a tax under this section shall impose the  
1684 tax on the purchase price or sales price for amounts paid or charged for food and food  
1685 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable  
1686 to food and food ingredients and tangible personal property other than food and food  
1687 ingredients.

1688 (3) (a) Beginning on January 1, 2009, and ending on June 30, 2016, to impose a tax  
1689 under this part, a city or town legislative body shall obtain approval from a majority of the  
1690 members of the city or town legislative body.

1691 (b) If, on June 30, 2016, a city or town is not imposing a tax under this part, the city or  
1692 town legislative body may not impose a tax under this part beginning on or after July 1, 2016.

1693 (c) (i) If, on June 30, 2016, a city or town imposes a tax under this part, the city or  
1694 town shall repeal the tax on July 1, 2016, unless, on or after July 1, 2012, but on or before  
1695 March 31, 2016, the city or town legislative body obtains approval from a majority vote of the  
1696 members of the city or town legislative body to continue to impose the tax.

1697 (ii) If a city or town obtains approval under Subsection (3)(c)(i) from a majority vote of  
1698 the members of the city or town legislative body to continue to impose a tax under this part on  
1699 or after July 1, 2016, the city or town may impose the tax until no later than June 30, 2030.

1700 (4) The commission shall transmit revenue collected within a city or town from a tax  
1701 under this part:

1702 (a) to the city or town legislative body;

1703 (b) monthly; and

1704 (c) by electronic funds transfer.

1705 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,  
1706 collect, and enforce a tax under this part in accordance with:

1707 (i) the same procedures used to administer, collect, and enforce the tax under:

1708 (A) Part 1, Tax Collection; or

1709 (B) Part 2, Local Sales and Use Tax Act; and

1710 (ii) Chapter 1, General Taxation Policies.

1711 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1712 (6) The commission shall retain and deposit an administrative charge in accordance  
1713 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

1714 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,  
1715 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,  
1716 repeal, or change shall take effect:

1717 (A) on the first day of a calendar quarter; and

1718 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1719 the requirements of Subsection (7)(a)(i) from the city or town.

1720 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

1721 (A) that the city or town will enact or repeal a tax or change the rate of the tax under  
1722 this part;

1723 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

1724 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

1725 (D) if the city or town enacts the tax or changes the rate of the tax described in  
1726 Subsection (7)(a)(ii)(A), the rate of the tax.

1727 (b) (i) If the billing period for a transaction begins before the enactment of the tax or  
1728 the tax rate increase under Subsection (1), the enactment of the tax or the tax rate increase takes  
1729 effect on the first day of the first billing period that begins on or after the effective date of the  
1730 enactment of the tax or the tax rate increase.



1731 (ii) If the billing period for a transaction begins before the effective date of the repeal  
1732 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax  
1733 rate decrease applies to a billing period if the billing statement for the billing period is rendered  
1734 on or after the effective date of the repeal of the tax or the tax rate decrease.

1735 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales  
1736 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
1737 described in Subsection (7)(a)(i) takes effect:

1738 (A) on the first day of a calendar quarter; and

1739 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1740 rate of the tax under Subsection (7)(a)(i).

1741 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1742 commission may by rule define the term "catalogue sale."

1743 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs  
1744 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the  
1745 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
1746 effect:

1747 (A) on the first day of a calendar quarter; and

1748 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1749 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1750 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1751 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the  
1752 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1753 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1754 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1755 (D) if the city or town enacts the tax or changes the rate of the tax described in  
1756 Subsection (7)(d)(ii)(A), the rate of the tax.

1757 (e) (i) If the billing period for a transaction begins before the effective date of the  
1758 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax  
1759 rate increase takes effect on the first day of the first billing period that begins on or after the  
1760 effective date of the enactment of the tax or the tax rate increase.

1761 (ii) If the billing period for a transaction begins before the effective date of the repeal

1762 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax  
1763 rate decrease applies to a billing period if the billing statement for the billing period is rendered  
1764 on or after the effective date of the repeal of the tax or the tax rate decrease.

1765 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales  
1766 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
1767 described in Subsection (7)(d)(i) takes effect:

1768 (A) on the first day of a calendar quarter; and

1769 (B) beginning 60 days after the effective date of the enactment, repeal, or change under  
1770 Subsection (7)(d)(i).

1771 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1772 commission may by rule define the term "catalogue sale."

1773 Section 21. Section **59-12-2206** is amended to read:

1774 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**  
1775 **under this part -- Transmission of revenue monthly by electronic funds transfer --**  
1776 **Transfer of revenue to a public transit district or eligible political subdivision.**

1777 (1) Except as provided in Subsection (2), the commission shall administer, collect, and  
1778 enforce a sales and use tax imposed under this part.

1779 (2) The commission shall administer, collect, and enforce a sales and use tax imposed  
1780 under this part in accordance with:

1781 (a) the same procedures used to administer, collect, and enforce a tax under:

1782 (i) Part 1, Tax Collection; or

1783 (ii) Part 2, Local Sales and Use Tax Act; and

1784 (b) Chapter 1, General Taxation Policies.

1785 (3) A sales and use tax under this part is not subject to Subsections [59-12-205](#)(2)  
1786 through ~~(7)~~ (8).

1787 (4) Subject to Section [59-12-2207](#) and except as provided in Subsection (5) or another  
1788 provision of this part, the state treasurer shall transmit revenue collected within a county, city,  
1789 or town from a sales and use tax under this part to the county, city, or town legislative body  
1790 monthly by electronic funds transfer.

1791 (5) (a) Subject to Section [59-12-2207](#), and except as provided in Subsection (5)(b), the  
1792 state treasurer shall transfer revenue collected within a county, city, or town from a sales and

1793 use tax under this part directly to a public transit district organized under Title 17B, Chapter 2a,  
1794 Part 8, Public Transit District Act, or an eligible political subdivision as defined in Section  
1795 [59-12-2219](#), if the county, city, or town legislative body:

1796 (i) provides written notice to the commission and the state treasurer requesting the  
1797 transfer; and

1798 (ii) designates the public transit district or eligible political subdivision to which the  
1799 county, city, or town legislative body requests the state treasurer to transfer the revenue.

1800 (b) The commission shall transmit a portion of the revenue collected within a county,  
1801 city, or town from a sales and use tax under this part that would be transferred to a public  
1802 transit district or an eligible political subdivision under Subsection (5)(a) to the county, city, or  
1803 town to fund public transit fixed guideway safety oversight under Section [72-1-214](#) if the  
1804 county, city, or town legislative body:

1805 (i) provides written notice to the commission and the state treasurer requesting the  
1806 transfer; and

1807 (ii) specifies the amount of revenue required to be transmitted to the county, city, or  
1808 town.

1809 Section 22. Section **63J-1-801** is enacted to read:

1810 **Part 8. Homeless Shelter Cities Mitigation Program**

1811 **63J-1-801. Definitions.**

1812 As used in this part:

1813 (1) "Committee" means the Homeless Coordinating Committee created in Section  
1814 [35A-8-601](#).

1815 (2) "Eligible municipality" means a city of the third, fourth, or fifth class, a town, or a  
1816 metro township that:

1817 (a) has, or is proposed to have, a homeless shelter within the city's, town's, or metro  
1818 township's geographic boundaries that:

1819 (i) provides or is proposed to provide temporary shelter to homeless individuals;

1820 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 200  
1821 individuals per night; and

1822 (iii) operates year-round and is not subject to zoning restrictions that limit the hours,  
1823 days, weeks, or months of operation; and

1824 (b) due to the location of a homeless shelter within the city's, town's, or metro  
1825 township's geographic boundaries, needs more public safety services than the city, town, or  
1826 metro township needed before the location of the homeless shelter within the city's, town's, or  
1827 metro township's geographic boundaries.

1828 (3) "Grant eligible city" means a city, town, or metro township that has:

1829 (a) a homeless shelter within the city's, town's, or metro township's geographic  
1830 boundaries that:

1831 (i) provides or is proposed to provide temporary shelter to homeless individuals;

1832 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 60  
1833 individuals per night; and

1834 (iii) operates year-round and is not subject to zoning restrictions that limit the hours,  
1835 days, weeks, or months of operation; and

1836 (b) increased community, social service, and public safety service needs due to the  
1837 location of a homeless shelter within the city's, town's, or metro township's geographic  
1838 boundaries.

1839 Section 23. Section **63J-1-802** is enacted to read:

1840 **63J-1-802. Submission of Homeless Coordinating Committee recommendations --**  
1841 **Adoption, procedure, and approval -- Appropriation.**

1842 (1) (a) On or before December 31, the committee shall submit the committee's  
1843 recommendation under Subsection [35A-8-606.1](#)(4) for each eligible municipality that made a  
1844 request:

1845 (i) to the Social Services Appropriations Subcommittee of the Legislature; and

1846 (ii) as an appropriations request.

1847 (b) For each recommendation that the committee submits, the Social Services  
1848 Appropriations Subcommittee shall:

1849 (i) approve the amount as recommended;

1850 (ii) increase or decrease the amount and then approve the modified amount; or

1851 (iii) reject the amount.

1852 (2) (a) On or before December 31, the committee shall submit the committee's list  
1853 prioritizing the grant requests and recommending a grant amount for each grant eligible  
1854 municipality that requested a grant:

1855 (i) to the Social Services Appropriations Subcommittee of the Legislature; and

1856 (ii) as an appropriations request.

1857 (b) The Social Services Appropriations Subcommittee shall:

1858 (i) approve the committee's list;

1859 (ii) modify the committee's list and then approve the modified list; or

1860 (iii) reject the committee's list.

1861 (3) The Social Services Appropriations Subcommittee may submit the subcommittee's

1862 approvals under this section from the Homeless Shelter Cities Mitigation Restricted Account

1863 for inclusion in an appropriations act to be considered by the full Legislature.

1864 **Section 24. Appropriation.**

1865 The following sums of money are appropriated for the fiscal year beginning July 1,

1866 2018, and ending June 30, 2019. These are additions to amounts previously appropriated for

1867 fiscal year 2019. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures

1868 Act, the Legislature appropriates the following sums of money from the funds or accounts

1869 indicated for the use and support of the government of the state of Utah.

1870 ITEM 1

1871 To Department of Workforce Services -- Housing and Community Development

1872 From Homeless Shelter Cities Mitigation Restricted Account,

1873 One-Time \$2,500,000

1874 Schedule of Programs:

1875 Homeless Shelter Cities Mitigation Program \$2,500,000

1876 The Legislature intends that:

1877 (1) the appropriations provided under this section be used for the purposes described in

1878 Section [35A-8-606.1](#); and

1879 (2) the Department of Workforce Services allocate the appropriation under this section

1880 to an eligible municipality, as defined in Section [35A-8-606.1](#), in an amount approved by the

1881 Homeless Coordinating Committee to the extent that the eligible municipality provides an

1882 invoice and supporting documentation to the Department of Workforce Services as described

1883 in Section [35A-8-606.1](#).