

Representative Steve Eliason proposes the following substitute bill:

HOMELESS SHELTER FUNDING AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gene Davis

House Sponsor: Steve Eliason

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-8-607](#), Utah Code Annotated 1953
 - 59 [35A-8-608](#), Utah Code Annotated 1953
 - 60 [35A-8-609](#), Utah Code Annotated 1953
 - 61 [63J-1-801](#), Utah Code Annotated 1953
 - 62 [63J-1-802](#), Utah Code Annotated 1953
-
-

63

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 entity that is certified in accordance
294 with Section [35A-8-609](#), \$0.

295 (b) "Eligible municipality" means the same as that term is defined in Section
296 [35A-8-607](#).

297 (c) "Grant eligible entity" means the same as that term is defined in Section [35A-8-608](#).

298 (d) "Participating local government" means a county or municipality, as defined in
299 Section [10-1-104](#), that is not an eligible municipality or grant eligible entity as certified by the
300 department in accordance with Section [35A-8-609](#).

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

303 (3) The account shall be funded by:

304 (a) local sales and use tax revenue deposited into the account in accordance with

305 Section 59-12-205; and

306 (b) interest earned on the account.

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

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

309 (i) eligible municipalities in accordance with Sections 35A-8-607 and 63J-1-802; and

310 (ii) grant eligible entities in accordance with Sections 35A-8-608 and 63J-1-802.

311 Section 6. Section 35A-8-607 is enacted to read:

312 **35A-8-607. Eligible municipality application process for Homeless Shelter Cities**

313 **Mitigation Restricted Account funds.**

314 (1) As used in this section:

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

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

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

319 (i) has, or is proposed to have, a homeless shelter within the city's, town's, or metro
320 township's geographic boundaries;

321 (ii) due to the location of a homeless shelter within the city's, town's, or metro
322 township's geographic boundaries, needs more public safety services than the city, town, or
323 metro township needed before the location of the homeless shelter within the city's, town's, or
324 metro township's geographic boundaries; and

325 (iii) is certified as an eligible municipality in accordance with Section 35A-8-609.

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

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

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

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

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

334 (2) (a) An eligible municipality may request account funds to employ and equip
335 additional personnel to provide public safety services in and around a homeless shelter within

336 the eligible municipality's geographic boundaries.

337 (b) (i) An eligible municipality that builds or has proposed to build a homeless shelter
338 on or after July 1, 2018, shall be eligible to receive at least 40% of the account funds, if the
339 eligible municipality meets the requirements of this section.

340 (ii) An eligible municipality that built a homeless shelter on or before June 30, 2018,
341 shall be eligible to receive at least 20% of the account funds, if the eligible municipality meets
342 the requirements of this section.

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

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

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

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

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

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

354 (A) crime statistics; and

355 (B) calls for public safety services;

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

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

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

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

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

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

- 367 (iii) any other considerations identified by the committee.
- 368 (e) (i) After making the evaluation described in Subsection (3)(d) and subject to
369 appropriation, the committee shall vote to:
- 370 (A) fund the eligible municipality's request; or
- 371 (B) fund the eligible municipality's request at a reduced level, as determined by the
372 committee.
- 373 (ii) The committee shall support the vote described in Subsection (3)(e)(i) with
374 findings on each of the factors described in Subsection (3)(d).
- 375 (f) (i) An eligible municipality that receives an award of account funds under this
376 Subsection (3) shall submit an invoice of the eligible municipality's expenses, with supporting
377 documentation, to the department monthly for reimbursement.
- 378 (ii) Each month, beginning in January 2019, the department shall disburse the revenue
379 in the account to reimburse the eligible municipality that submits the information described in
380 Subsection (3)(f)(i) for the amount on the invoice or contract.
- 381 (4) (a) This Subsection (4) applies to a fiscal year beginning on or after July 1, 2019.
- 382 (b) (i) The committee shall set aside time on an the agenda of a committee meeting that
383 occurs on or after July 1 and on or before November 30 to allow an eligible municipality to
384 present a request for account funds for the next fiscal year.
- 385 (ii) An eligible municipality may present a request for account funds by:
- 386 (A) sending an electronic copy of the request to the committee before the meeting; and
- 387 (B) appearing at the meeting to present the request.
- 388 (c) The request described in Subsection (4)(b) shall contain:
- 389 (i) data relating to the eligible municipality's public safety services for the last fiscal
390 year before a homeless shelter was located or proposed to be located within the eligible
391 municipality's boundaries, including:
- 392 (A) crime statistics; and
- 393 (B) calls for public safety services;
- 394 (ii) data showing the eligible municipality's need for public safety services in the next
395 fiscal year;
- 396 (iii) a summary of the eligible municipality's proposed use of account funds; and
- 397 (iv) a copy of the eligible municipality's budget, which includes a request in a specific

398 amount for additional personnel to provide public safety services.

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

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

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

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

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

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

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

414 (ii) if the eligible municipality received account funds during the previous fiscal year,
415 the efficiency with which the eligible municipality used any account funds during the previous
416 fiscal year;

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

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

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

423 (A) funded as requested; or

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

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

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

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

429 Legislature; and

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

432 (h) (i) An eligible municipality that is approved to receive account funds under Section
433 [63J-1-802](#) shall submit an invoice of the eligible municipality's expenses, with supporting
434 documentation, to the department monthly for reimbursement.

435 (ii) Each month, the department shall disburse the revenue in the account to reimburse
436 an eligible municipality that submits the information described in Subsection (4)(h)(i) for the
437 amount on the invoice or contract.

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

439 (a) 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; and

442 (b) include information regarding the disbursement of money from the account under
443 this section in the annual report described in Section [35A-1-109](#).

444 Section 7. Section **35A-8-608** is enacted to read:

445 **35A-8-608. Grant eligible entity application process for Homeless Shelter Cities**
446 **Mitigation Restricted Account funds.**

447 (1) As used in this section:

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

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

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

451 (d) "Grant eligible entity" means:

452 (i) the Department of Public Safety; or

453 (ii) a city, town, or metro township that:

454 (A) has a homeless shelter within the city's, town's, or metro township's geographic
455 boundaries;

456 (B) has increased community, social service, and public safety service needs due to the
457 location of a homeless shelter within the city's, town's, or metro township's geographic
458 boundaries; and

459 (C) is certified as a grant eligible entity in accordance with Section [35A-8-609](#).

- 460 (e) "Homeless shelter" means a facility that:
461 (i) provides or is proposed to provide temporary shelter to homeless individuals;
462 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 60
463 individuals per night; and
464 (iii) operates year-round and is not subject to restrictions that limit the hours, days,
465 weeks, or months of operation.
466 (f) "Public safety services" means law enforcement, emergency medical services, and
467 fire protection.
468 (2) Subject to the availability of funds, a grant eligible entity may request a grant to
469 mitigate the impacts of the location of a homeless shelter:
470 (a) for employment of additional personnel to provide public safety services in and
471 around a homeless shelter; or
472 (b) for a grant eligible entity that is a city, town, or metro township, through:
473 (i) development of a community and neighborhood program within the city's, town's, or
474 metro township's boundaries; or
475 (ii) provision of social services within the city's, town's, or metro township's
476 boundaries.
477 (3) (a) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the
478 department shall make rules governing:
479 (i) the process for determining whether there is sufficient revenue to the account to
480 offer a grant program for the next fiscal year; and
481 (ii) the process for notifying grant eligible entities about the availability of grants for
482 the next fiscal year.
483 (b) (i) If the committee offers a grant program for the next fiscal year, the committee
484 shall set aside time on the agenda of a committee meeting that occurs on or after July 1 and on
485 or before November 30 to allow a grant eligible entity to present a request for account funds for
486 the next fiscal year.
487 (ii) A grant eligible entity may present a request for account funds by:
488 (A) sending an electronic copy of the request to the committee before the meeting; and
489 (B) appearing at the meeting to present the request.
490 (c) The request described in Subsection (3)(b) shall contain:

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

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

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

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

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

532 (A) prioritize the grant requests; and

533 (B) recommend a grant amount for each grant eligible entity.

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

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

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

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

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

544 (i) after making the disbursements required by Section [35A-8-607](#); and

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

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

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

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

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

554 (a) submit an annual written report electronically to the Social Services Appropriations
555 Subcommittee of the Legislature that gives a complete accounting of the department's
556 disbursement of the money from the account under this section for the previous fiscal year; and

557 (b) include information regarding the disbursement of money from the account under
558 this section in the annual report described in Section [35A-1-109](#).

559 Section 8. Section **35A-8-609** is enacted to read:

560 **35A-8-609. Certification of eligible municipality or grant eligible entity.**

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

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

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

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

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

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

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

576 (2) Except as provided in Subsections (3) through [~~6~~] (7) and subject to Subsection
577 [~~7~~] (8):

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

582 (b) (i) except as provided in Subsection (2)(b)(ii), 50% of each dollar collected from
583 the sales and use tax authorized by this part shall be distributed to each county, city, and town

584 on the basis of the location of the transaction as determined under Sections 59-12-211 through
585 59-12-215; and

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

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

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

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

595 (B) city of the fifth class; or

596 (C) town;

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

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

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

612 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
613 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for
614 one or more days during the calendar year beginning on January 1, 2008, was not the holder of

615 a direct payment permit under Section 59-12-107.1; or

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

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

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

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

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

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

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

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

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

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

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

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

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

644 (A) fiscal year 2002-03;

645 (B) fiscal year 2003-04; and

- 646 (C) fiscal year 2004-05.
- 647 (ii) "Minimum tax revenue distribution" means the greater of:
- 648 (A) the total amount of tax revenue distributions an eligible county, city, or town
- 649 receives from a tax imposed in accordance with this part for fiscal year 2000-01; or
- 650 (B) the total amount of tax revenue distributions an eligible county, city, or town
- 651 receives from a tax imposed in accordance with this part for fiscal year 2004-05.
- 652 (b) (i) Except as provided in Subsection (5)(b)(ii), beginning with fiscal year 2006-07
- 653 and ending with fiscal year 2012-13, an eligible county, city, or town shall receive a tax
- 654 revenue distribution for a tax imposed in accordance with this part equal to the greater of:
- 655 (A) the payment required by Subsection (2); or
- 656 (B) the minimum tax revenue distribution.
- 657 (ii) If the tax revenue distribution required by Subsection (5)(b)(i) for an eligible
- 658 county, city, or town is equal to the amount described in Subsection (5)(b)(i)(A) for three
- 659 consecutive fiscal years, for fiscal years beginning with the fiscal year immediately following
- 660 that three consecutive fiscal year period, the eligible county, city, or town shall receive the tax
- 661 revenue distribution equal to the payment required by Subsection (2).
- 662 (c) For a fiscal year beginning with fiscal year 2013-14 and ending with fiscal year
- 663 2015-16, an eligible county, city, or town shall receive the minimum tax revenue distribution
- 664 for that fiscal year if for fiscal year 2012-13 the payment required by Subsection (2) to that
- 665 eligible county, city, or town is less than or equal to the product of:
- 666 (i) the minimum tax revenue distribution; and
- 667 (ii) .90.
- 668 (6) (a) As used in this Subsection (6):
- 669 (i) "Eligible county, city, or town" means a county, city, or town that:
- 670 (A) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
- 671 distributions for fiscal year 2002-03;
- 672 (B) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
- 673 distributions for fiscal year 2003-04;
- 674 (C) receives, in accordance with Subsection (4), \$2,000 or more in tax revenue
- 675 distributions for fiscal year 2004-05;
- 676 (D) for a fiscal year beginning with fiscal year 2012-13 and ending with fiscal year

677 2015-16, does not receive a tax revenue distribution described in Subsection (5) equal to the
678 amount described in Subsection (5)(b)(i)(A) for three consecutive fiscal years; and

679 (E) does not impose a sales and use tax under Section [59-12-2103](#) on or before July 1,
680 2016.

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

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

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

687 (ii) the minimum tax revenue distribution.

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

689 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to
690 1.8% of the participating local government's tax revenue distribution amount under Subsection
691 [59-12-205\(2\)\(a\)](#) for the previous calendar year.

692 (ii) "Participating local government" means a county or municipality, as defined in
693 Section [10-1-104](#), that is not an eligible municipality or grant eligible entity certified in
694 accordance with Section [35A-8-609](#).

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

698 (i) subtract the annual local contribution for each participating local government from
699 the participating local government's tax revenue distribution under Subsection (2)(a); and

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

702 [~~7~~] (8) (a) Population figures for purposes of this section shall be based on the most
703 recent official census or census estimate of the United States Census Bureau.

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

707 (c) The population of a county for purposes of this section shall be determined only

708 from the unincorporated area of the county.

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

710 **59-12-302. Collection of tax -- Administrative charge.**

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

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

714 (i) Part 1, Tax Collection; or

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

716 (b) Chapter 1, General Taxation Policies.

717 (2) The location of a transaction shall be determined in accordance with Sections
718 [59-12-211](#) through [59-12-215](#).

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

721 (4) The commission:

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

724 (b) shall retain and deposit an administrative charge in accordance with Section
725 [59-1-306](#) from revenue the commission collects from a tax under this part.

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

727 **59-12-354. Collection of tax -- Administrative charge.**

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

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

731 (i) Part 1, Tax Collection; or

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

733 (b) Chapter 1, General Taxation Policies.

734 (2) (a) The location of a transaction shall be determined in accordance with Sections
735 [59-12-211](#) through [59-12-215](#).

736 (b) The commission:

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

739 (ii) shall retain and deposit an administrative charge in accordance with Section
740 59-1-306 from the revenue the commission collects from a tax under this part.

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

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

744 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**
745 **Notice requirements -- Administration, collection, and enforcement of tax --**
746 **Administrative charge.**

747 (1) For purposes of this section:

748 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
749 4, Annexation.

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

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

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

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

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

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

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

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

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

764 (c) (i) If the billing period for a transaction begins before the effective date of the
765 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
766 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the
767 first billing period that begins on or after the effective date of the enactment of the tax or the
768 tax rate increase.

769 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing

770 statement for the billing period is produced on or after the effective date of the repeal of the tax
771 or the tax rate decrease imposed under Section 59-12-401, 59-12-402, or 59-12-402.1.

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

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

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

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

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

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

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

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

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

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

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

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

794 (c) (i) If the billing period for a transaction begins before the effective date of the
795 enactment of the tax or the tax rate increase imposed under Section 59-12-401, 59-12-402, or
796 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the
797 first billing period that begins on or after the effective date of the enactment of the tax or the
798 tax rate increase.

799 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
800 statement for the billing period is produced on or after the effective date of the repeal of the tax

801 or the tax rate decrease imposed under Section 59-12-401, 59-12-402, or 59-12-402.1.

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

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

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

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

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

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

813 (A) Part 1, Tax Collection; or

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

815 (ii) Chapter 1, General Taxation Policies.

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

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

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

820 **59-12-603. County tax -- Bases -- Rates -- Use of revenue -- Adoption of ordinance**
821 **required -- Advisory board -- Administration -- Collection -- Administrative charge --**
822 **Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice**
823 **requirements.**

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

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

830 (B) beginning on or after January 1, 1999, a county legislative body of any county
831 imposing a tax under Subsection (1)(a)(i)(A) may, in addition to imposing the tax under

832 Subsection (1)(a)(i)(A), impose a tax of not to exceed 4% on all short-term leases and rentals
833 of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made
834 for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant
835 to a repair or an insurance agreement;

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

838 (A) alcoholic beverages;

839 (B) food and food ingredients; or

840 (C) prepared food; and

841 (iii) a county legislative body of a county of the first class may impose a tax of not to
842 exceed .5% on charges for the accommodations and services described in Subsection
843 59-12-103(1)(i).

844 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
845 17-31-5.5.

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

848 (i) financing tourism promotion; and

849 (ii) the development, operation, and maintenance of:

850 (A) an airport facility;

851 (B) a convention facility;

852 (C) a cultural facility;

853 (D) a recreation facility; or

854 (E) a tourist facility.

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

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

860 (ii) combine the sale of:

861 (A) ski lift tickets; and

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

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

- 867 (a) an airport facility;
- 868 (b) a convention facility;
- 869 (c) a cultural facility;
- 870 (d) a recreation facility; or
- 871 (e) a tourist facility.

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

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

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

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

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

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

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

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

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

894 (d) The county legislative body of the county of the first class shall determine:
895 (i) terms of the members of the tax advisory board;
896 (ii) procedures and requirements for removing a member of the tax advisory board;
897 (iii) voting requirements, except that action of the tax advisory board shall be by at
898 least a majority vote of a quorum of the tax advisory board;
899 (iv) chairs or other officers of the tax advisory board;
900 (v) how meetings are to be called and the frequency of meetings; and
901 (vi) the compensation, if any, of members of the tax advisory board.
902 (e) The tax advisory board under this Subsection (6) shall advise the county legislative
903 body of the county of the first class on the expenditure of revenue collected within the county
904 of the first class from the taxes described in Subsection (1)(a).
905 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part
906 shall be administered, collected, and enforced in accordance with:
907 (A) the same procedures used to administer, collect, and enforce the tax under:
908 (I) Part 1, Tax Collection; or
909 (II) Part 2, Local Sales and Use Tax Act; and
910 (B) Chapter 1, General Taxation Policies.
911 (ii) A tax under this part is not subject to Section [59-12-107.1](#) or [59-12-123](#) or
912 Subsections [59-12-205](#)(2) through [~~(7)~~] (8).
913 (b) Except as provided in Subsection (7)(c):
914 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the
915 commission shall distribute the revenue to the county imposing the tax; and
916 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the revenue
917 according to the distribution formula provided in Subsection (8).
918 (c) The commission shall retain and deposit an administrative charge in accordance
919 with Section [59-1-306](#) from the revenue the commission collects from a tax under this part.
920 (8) The commission shall distribute the revenue generated by the tax under Subsection
921 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the
922 following formula:
923 (a) the commission shall distribute 70% of the revenue based on the percentages
924 generated by dividing the revenue collected by each county under Subsection (1)(a)(i)(B) by

925 the total revenue collected by all counties under Subsection (1)(a)(i)(B); and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

956 (A) on the first day of a calendar quarter; and
 957 (B) after a 90-day period beginning on the date the commission receives notice meeting
 958 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

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

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

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

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

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

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

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

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

975 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**
 976 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**
 977 **-- Notice requirements.**

978 (1) (a) Subject to the other provisions of this section, a county legislative body may
 979 submit an opinion question to the residents of that county, by majority vote of all members of
 980 the legislative body, so that each resident of the county, except residents in municipalities that
 981 have already imposed a sales and use tax under Part 14, City or Town Option Funding for
 982 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an
 983 opportunity to express the resident's opinion on the imposition of a local sales and use tax of
 984 .1% on the transactions described in Subsection **59-12-103**(1) located within the county, to:

985 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
 986 organizations, cultural organizations, and zoological organizations, and rural radio stations, in

987 that county; or

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

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

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

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

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

999 (ii) sales and uses within a municipality that has already imposed a sales and use tax
1000 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational, and
1001 Zoological Organizations or Facilities; and

1002 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
1003 food ingredients.

1004 (d) For purposes of this Subsection (1), the location of a transaction shall be
1005 determined in accordance with Sections 59-12-211 through 59-12-215.

1006 (e) A county legislative body imposing a tax under this section shall impose the tax on
1007 the purchase price or sales price for amounts paid or charged for food and food ingredients if
1008 the food and food ingredients are sold as part of a bundled transaction attributable to food and
1009 food ingredients and tangible personal property other than food and food ingredients.

1010 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local
1011 Government Bonding Act.

1012 (2) (a) If the county legislative body determines that a majority of the county's
1013 registered voters voting on the imposition of the tax have voted in favor of the imposition of
1014 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a
1015 majority vote of all members of the legislative body on the transactions:

1016 (i) described in Subsection (1); and

1017 (ii) within the county, including the cities and towns located in the county, except those

1018 cities and towns that have already imposed a sales and use tax under Part 14, City or Town
1019 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
1020 Facilities.

1021 (b) A county legislative body may revise county ordinances to reflect statutory changes
1022 to the distribution formula or eligible recipients of revenue generated from a tax imposed under
1023 Subsection (2)(a) without submitting an opinion question to residents of the county.

1024 (3) Subject to Section 59-12-704, revenue collected from a tax imposed under
1025 Subsection (2) shall be expended:

1026 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
1027 within the county or a city or town located in the county, except a city or town that has already
1028 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,
1029 Cultural, Recreational, and Zoological Organizations or Facilities;

1030 (b) to fund ongoing operating expenses of:

1031 (i) recreational facilities described in Subsection (3)(a);

1032 (ii) botanical organizations, cultural organizations, and zoological organizations within
1033 the county; and

1034 (iii) rural radio stations within the county; and

1035 (c) as stated in the opinion question described in Subsection (1).

1036 (4) (a) A tax authorized under this part shall be:

1037 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
1038 accordance with:

1039 (A) the same procedures used to administer, collect, and enforce the tax under:

1040 (I) Part 1, Tax Collection; or

1041 (II) Part 2, Local Sales and Use Tax Act; and

1042 (B) Chapter 1, General Taxation Policies; and

1043 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1044 period in accordance with this section.

1045 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1046 (5) (a) For purposes of this Subsection (5):

1047 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
1048 County Annexation.

- 1049 (ii) "Annexing area" means an area that is annexed into a county.
- 1050 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
- 1051 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:
- 1052 (A) on the first day of a calendar quarter; and
- 1053 (B) after a 90-day period beginning on the date the commission receives notice meeting
- 1054 the requirements of Subsection (5)(b)(ii) from the county.
- 1055 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
- 1056 (A) that the county will enact or repeal a tax under this part;
- 1057 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
- 1058 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
- 1059 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the
- 1060 tax.
- 1061 (c) (i) If the billing period for a transaction begins before the effective date of the
- 1062 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
- 1063 the first billing period that begins on or after the effective date of the enactment of the tax.
- 1064 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
- 1065 period is produced on or after the effective date of the repeal of the tax imposed under this
- 1066 section.
- 1067 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 1068 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
- 1069 Subsection (5)(b)(i) takes effect:
- 1070 (A) on the first day of a calendar quarter; and
- 1071 (B) beginning 60 days after the effective date of the enactment or repeal under
- 1072 Subsection (5)(b)(i).
- 1073 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1074 commission may by rule define the term "catalogue sale."
- 1075 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
- 1076 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
- 1077 part for an annexing area, the enactment or repeal shall take effect:
- 1078 (A) on the first day of a calendar quarter; and
- 1079 (B) after a 90-day period beginning on the date the commission receives notice meeting

1080 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

1081 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1082 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
1083 repeal of a tax under this part for the annexing area;

1084 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1085 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1086 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1087 (f) (i) If the billing period for a transaction begins before the effective date of the
1088 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1089 the first billing period that begins on or after the effective date of the enactment of the tax.

1090 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1091 period is produced on or after the effective date of the repeal of the tax imposed under this
1092 section.

1093 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1094 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1095 Subsection (5)(e)(i) takes effect:

1096 (A) on the first day of a calendar quarter; and

1097 (B) beginning 60 days after the effective date of the enactment or repeal under
1098 Subsection (5)(e)(i).

1099 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1100 commission may by rule define the term "catalogue sale."

1101 Section 15. Section **59-12-802** is amended to read:

1102 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**
1103 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**
1104 **Administrative charge.**

1105 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class
1106 may impose a sales and use tax of up to 1% on the transactions described in Subsection
1107 [59-12-103\(1\)](#) located within the county.

1108 (b) Subject to Subsection (3), the money collected from a tax under this section may be
1109 used to fund:

1110 (i) for a county of the third or fourth class, rural county health care facilities in that

- 1111 county; or
- 1112 (ii) for a county of the fifth or sixth class:
- 1113 (A) rural emergency medical services in that county;
- 1114 (B) federally qualified health centers in that county;
- 1115 (C) freestanding urgent care centers in that county;
- 1116 (D) rural county health care facilities in that county;
- 1117 (E) rural health clinics in that county; or
- 1118 (F) a combination of Subsections (1)(b)(ii)(A) through (E).
- 1119 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax
- 1120 under this section on:
- 1121 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
- 1122 are exempt from taxation under Section 59-12-104;
- 1123 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in
- 1124 a city that imposes a tax under Section 59-12-804; and
- 1125 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
- 1126 food ingredients.
- 1127 (d) For purposes of this Subsection (1), the location of a transaction shall be
- 1128 determined in accordance with Sections 59-12-211 through 59-12-215.
- 1129 (e) A county legislative body imposing a tax under this section shall impose the tax on
- 1130 the purchase price or sales price for amounts paid or charged for food and food ingredients if
- 1131 the food and food ingredients are sold as part of a bundled transaction attributable to food and
- 1132 food ingredients and tangible personal property other than food and food ingredients.
- 1133 (2) (a) Before imposing a tax under Subsection (1), a county legislative body shall
- 1134 obtain approval to impose the tax from a majority of the:
- 1135 (i) members of the county's legislative body; and
- 1136 (ii) county's registered voters voting on the imposition of the tax.
- 1137 (b) The county legislative body shall conduct the election according to the procedures
- 1138 and requirements of Title 11, Chapter 14, Local Government Bonding Act.
- 1139 (3) (a) The money collected from a tax imposed under Subsection (1) by a county
- 1140 legislative body of a county of the third or fourth class may only be used for the financing of:
- 1141 (i) ongoing operating expenses of a rural county health care facility within that county;

1142 (ii) the acquisition of land for a rural county health care facility within that county; or
1143 (iii) the design, construction, equipping, or furnishing of a rural county health care
1144 facility within that county.

1145 (b) The money collected from a tax imposed under Subsection (1) by a county of the
1146 fifth or sixth class may only be used to fund:

1147 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection
1148 (1)(b)(ii) within that county;

1149 (ii) the acquisition of land for a center, clinic, or facility described in Subsection
1150 (1)(b)(ii) within that county;

1151 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility
1152 described in Subsection (1)(b)(ii) within that county; or

1153 (iv) rural emergency medical services within that county.

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

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

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

1158 (I) Part 1, Tax Collection; or

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

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

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

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

1165 (c) A county legislative body shall distribute money collected from a tax under this
1166 section quarterly.

1167 (5) The commission shall retain and deposit an administrative charge in accordance
1168 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1169 Section 16. Section 59-12-804 is amended to read:

1170 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**
1171 **collection, and enforcement of tax -- Administrative charge.**

1172 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

1173 (i) on the transactions described in Subsection 59-12-103(1) located within the city;

1174 and

1175 (ii) to fund rural city hospitals in that city.

1176 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax

1177 under this section on:

1178 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1179 are exempt from taxation under Section 59-12-104; and

1180 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food
1181 ingredients.

1182 (c) For purposes of this Subsection (1), the location of a transaction shall be
1183 determined in accordance with Sections 59-12-211 through 59-12-215.

1184 (d) A city legislative body imposing a tax under this section shall impose the tax on the
1185 purchase price or sales price for amounts paid or charged for food and food ingredients if the
1186 food and food ingredients are sold as part of a bundled transaction attributable to food and food
1187 ingredients and tangible personal property other than food and food ingredients.

1188 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall
1189 obtain approval to impose the tax from a majority of the:

1190 (i) members of the city legislative body; and

1191 (ii) city's registered voters voting on the imposition of the tax.

1192 (b) The city legislative body shall conduct the election according to the procedures and
1193 requirements of Title 11, Chapter 14, Local Government Bonding Act.

1194 (3) The money collected from a tax imposed under Subsection (1) may only be used to
1195 fund:

1196 (a) ongoing operating expenses of a rural city hospital;

1197 (b) the acquisition of land for a rural city hospital; or

1198 (c) the design, construction, equipping, or furnishing of a rural city hospital.

1199 (4) (a) A tax under this section shall be:

1200 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
1201 accordance with:

1202 (A) the same procedures used to administer, collect, and enforce the tax under:

1203 (I) Part 1, Tax Collection; or

1204 (II) Part 2, Local Sales and Use Tax Act; and
1205 (B) Chapter 1, General Taxation Policies; and
1206 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year
1207 period by the city legislative body as provided in Subsection (1).

1208 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]
1209 (8).

1210 (5) The commission shall retain and deposit an administrative charge in accordance
1211 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1212 Section 17. Section 59-12-1102 is amended to read:

1213 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**
1214 **Administration -- Administrative charge -- Commission requirement to retain an amount**
1215 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
1216 **of tax -- Effective date -- Notice requirements.**

1217 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax
1218 authorized by this chapter, a county may impose by ordinance a county option sales and use tax
1219 of .25% upon the transactions described in Subsection 59-12-103(1).

1220 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
1221 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
1222 exempt from taxation under Section 59-12-104.

1223 (b) For purposes of this Subsection (1), the location of a transaction shall be
1224 determined in accordance with Sections 59-12-211 through 59-12-215.

1225 (c) The county option sales and use tax under this section shall be imposed:

1226 (i) upon transactions that are located within the county, including transactions that are
1227 located within municipalities in the county; and

1228 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
1229 January:

1230 (A) of the next calendar year after adoption of the ordinance imposing the tax if the
1231 ordinance is adopted on or before May 25; or

1232 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
1233 ordinance is adopted after May 25.

1234 (d) The county option sales and use tax under this section shall be imposed:

1235 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
1236 September 4, 1997; or

1237 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
1238 but after September 4, 1997.

1239 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
1240 county shall hold two public hearings on separate days in geographically diverse locations in
1241 the county.

1242 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting
1243 time of no earlier than 6 p.m.

1244 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
1245 days after the day the first advertisement required by Subsection (2)(c) is published.

1246 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
1247 shall advertise:

1248 (A) its intent to adopt a county option sales and use tax;

1249 (B) the date, time, and location of each public hearing; and

1250 (C) a statement that the purpose of each public hearing is to obtain public comments
1251 regarding the proposed tax.

1252 (ii) The advertisement shall be published:

1253 (A) in a newspaper of general circulation in the county once each week for the two
1254 weeks preceding the earlier of the two public hearings; and

1255 (B) on the Utah Public Notice Website created in Section [63F-1-701](#), for two weeks
1256 preceding the earlier of the two public hearings.

1257 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
1258 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch
1259 border.

1260 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
1261 portion of the newspaper where legal notices and classified advertisements appear.

1262 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

1263 (A) the advertisement shall appear in a newspaper that is published at least five days a
1264 week, unless the only newspaper in the county is published less than five days a week; and

1265 (B) the newspaper selected shall be one of general interest and readership in the

1266 community, and not one of limited subject matter.

1267 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
1268 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
1269 6, Local Referenda - Procedures.

1270 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
1271 county option sales and use tax under Subsection (1) is less than 75% of the state population,
1272 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
1273 collected.

1274 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
1275 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
1276 population:

1277 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
1278 the county in which the tax was collected; and

1279 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
1280 (1) in each county shall be distributed proportionately among all counties imposing the tax,
1281 based on the total population of each county.

1282 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
1283 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
1284 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

1285 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall
1286 be increased so that, when combined with the amount distributed to the county under
1287 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

1288 (ii) the amount to be distributed annually to all other counties under Subsection
1289 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
1290 Subsection (3)(c)(i).

1291 (d) The commission shall establish rules to implement the distribution of the tax under
1292 Subsections (3)(a), (b), and (c).

1293 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
1294 shall be administered, collected, and enforced in accordance with:

1295 (i) the same procedures used to administer, collect, and enforce the tax under:

1296 (A) Part 1, Tax Collection; or

- 1297 (B) Part 2, Local Sales and Use Tax Act; and
- 1298 (ii) Chapter 1, General Taxation Policies.
- 1299 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).
- 1300 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
- 1301 administrative charge in accordance with Section 59-1-306 from the revenue the commission
- 1302 collects from a tax under this part.
- 1303 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
- 1304 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of
- 1305 the distribution amounts resulting after:
 - 1306 (A) the applicable distribution calculations under Subsection (3) have been made; and
 - 1307 (B) the commission retains the amount required by Subsection (5).
- 1308 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
- 1309 of the sales and use tax collected under this part as provided in this Subsection (5).
- 1310 (b) For a county that imposes a tax under this part, the commission shall calculate a
- 1311 percentage each month by dividing the sales and use tax collected under this part for that
- 1312 month within the boundaries of that county by the total sales and use tax collected under this
- 1313 part for that month within the boundaries of all of the counties that impose a tax under this part.
- 1314 (c) For a county that imposes a tax under this part, the commission shall retain each
- 1315 month an amount equal to the product of:
 - 1316 (i) the percentage the commission determines for the month under Subsection (5)(b)
 - 1317 for the county; and
 - 1318 (ii) \$6,354.
- 1319 (d) The commission shall deposit an amount the commission retains in accordance
- 1320 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
- 1321 35A-8-1009.
- 1322 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
- 1323 Fund shall be expended as provided in Section 35A-8-1009.
- 1324 (6) (a) For purposes of this Subsection (6):
 - 1325 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
 - 1326 Consolidations and Annexations.
 - 1327 (ii) "Annexing area" means an area that is annexed into a county.

1328 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a
1329 county enacts or repeals a tax under this part:

1330 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

1331 (II) the repeal shall take effect on the first day of a calendar quarter; and

1332 (B) after a 90-day period beginning on the date the commission receives notice meeting
1333 the requirements of Subsection (6)(b)(ii) from the county.

1334 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

1335 (A) that the county will enact or repeal a tax under this part;

1336 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

1337 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

1338 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the
1339 tax.

1340 (c) (i) If the billing period for a transaction begins before the effective date of the
1341 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day
1342 of the first billing period that begins on or after the effective date of the enactment of the tax.

1343 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1344 period is produced on or after the effective date of the repeal of the tax imposed under
1345 Subsection (1).

1346 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1347 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1348 Subsection (6)(b)(i) takes effect:

1349 (A) on the first day of a calendar quarter; and

1350 (B) beginning 60 days after the effective date of the enactment or repeal under
1351 Subsection (6)(b)(i).

1352 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1353 commission may by rule define the term "catalogue sale."

1354 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
1355 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1356 part for an annexing area, the enactment or repeal shall take effect:

1357 (A) on the first day of a calendar quarter; and

1358 (B) after a 90-day period beginning on the date the commission receives notice meeting

1359 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1360 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1361 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
1362 repeal of a tax under this part for the annexing area;

1363 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1364 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1365 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1366 (f) (i) If the billing period for a transaction begins before the effective date of the
1367 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day
1368 of the first billing period that begins on or after the effective date of the enactment of the tax.

1369 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1370 period is produced on or after the effective date of the repeal of the tax imposed under
1371 Subsection (1).

1372 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1373 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1374 Subsection (6)(e)(i) takes effect:

1375 (A) on the first day of a calendar quarter; and

1376 (B) beginning 60 days after the effective date of the enactment or repeal under
1377 Subsection (6)(e)(i).

1378 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1379 commission may by rule define the term "catalogue sale."

1380 Section 18. Section **59-12-1302** is amended to read:

1381 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
1382 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
1383 **enforcement of tax -- Administrative charge.**

1384 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a
1385 tax as provided in this part in an amount that does not exceed 1%.

1386 (2) A town may impose a tax as provided in this part if the town imposed a license fee
1387 or tax on businesses based on gross receipts under Section **10-1-203** on or before January 1,
1388 1996.

1389 (3) A town imposing a tax under this section shall:

1390 (a) except as provided in Subsection (4), impose the tax on the transactions described
1391 in Subsection 59-12-103(1) located within the town; and

1392 (b) provide an effective date for the tax as provided in Subsection (5).

1393 (4) (a) A town may not impose a tax under this section on:

1394 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1395 are exempt from taxation under Section 59-12-104; and

1396 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food
1397 ingredients.

1398 (b) For purposes of this Subsection (4), the location of a transaction shall be
1399 determined in accordance with Sections 59-12-211 through 59-12-215.

1400 (c) A town imposing a tax under this section shall impose the tax on the purchase price
1401 or sales price for amounts paid or charged for food and food ingredients if the food and food
1402 ingredients are sold as part of a bundled transaction attributable to food and food ingredients
1403 and tangible personal property other than food and food ingredients.

1404 (5) (a) For purposes of this Subsection (5):

1405 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
1406 Annexation.

1407 (ii) "Annexing area" means an area that is annexed into a town.

1408 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
1409 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,
1410 or change shall take effect:

1411 (A) on the first day of a calendar quarter; and

1412 (B) after a 90-day period beginning on the date the commission receives notice meeting
1413 the requirements of Subsection (5)(b)(ii) from the town.

1414 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1415 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1416 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1417 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1418 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1419 (5)(b)(ii)(A), the rate of the tax.

1420 (c) (i) If the billing period for the transaction begins before the effective date of the

1421 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
1422 the tax or the tax rate increase takes effect on the first day of the first billing period that begins
1423 on or after the effective date of the enactment of the tax or the tax rate increase.

1424 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1425 statement for the billing period is produced on or after the effective date of the repeal of the tax
1426 or the tax rate decrease imposed under Subsection (1).

1427 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1428 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1429 a tax described in Subsection (5)(b)(i) takes effect:

1430 (A) on the first day of a calendar quarter; and

1431 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1432 rate of the tax under Subsection (5)(b)(i).

1433 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1434 commission may by rule define the term "catalogue sale."

1435 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1436 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the
1437 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1438 effect:

1439 (A) on the first day of a calendar quarter; and

1440 (B) after a 90-day period beginning on the date the commission receives notice meeting
1441 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.

1442 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1443 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,
1444 repeal, or change in the rate of a tax under this part for the annexing area;

1445 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1446 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1447 (D) if the town enacts the tax or changes the rate of the tax described in Subsection
1448 (5)(e)(ii)(A), the rate of the tax.

1449 (f) (i) If the billing period for a transaction begins before the effective date of the
1450 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
1451 the tax or the tax rate increase takes effect on the first day of the first billing period that begins

1452 on or after the effective date of the enactment of the tax or the tax rate increase.

1453 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1454 statement for the billing period is produced on or after the effective date of the repeal of the tax
1455 or the tax rate decrease imposed under Subsection (1).

1456 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1457 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of
1458 a tax described in Subsection (5)(e)(i) takes effect:

1459 (A) on the first day of a calendar quarter; and

1460 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1461 rate of the tax under Subsection (5)(e)(i).

1462 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1463 commission may by rule define the term "catalogue sale."

1464 (6) The commission shall:

1465 (a) distribute the revenue generated by the tax under this section to the town imposing
1466 the tax; and

1467 (b) except as provided in Subsection (8), administer, collect, and enforce the tax
1468 authorized under this section in accordance with:

1469 (i) the same procedures used to administer, collect, and enforce the tax under:

1470 (A) Part 1, Tax Collection; or

1471 (B) Part 2, Local Sales and Use Tax Act; and

1472 (ii) Chapter 1, General Taxation Policies.

1473 (7) The commission shall retain and deposit an administrative charge in accordance
1474 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

1475 (8) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]
1476 (8).

1477 Section 19. Section 59-12-1402 is amended to read:

1478 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**

1479 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**

1480 **requirements.**

1481 (1) (a) Subject to the other provisions of this section, a city or town legislative body
1482 subject to this part may submit an opinion question to the residents of that city or town, by

1483 majority vote of all members of the legislative body, so that each resident of the city or town
1484 has an opportunity to express the resident's opinion on the imposition of a local sales and use
1485 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or
1486 town, to:

1487 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical
1488 organizations, cultural organizations, and zoological organizations in that city or town; or

1489 (ii) provide funding for a botanical organization, cultural organization, or zoological
1490 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in
1491 furtherance of the botanical organization's, cultural organization's, or zoological organization's
1492 primary purpose.

1493 (b) The opinion question required by this section shall state:

1494 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales
1495 and use tax for (list the purposes for which the revenue collected from the sales and use tax
1496 shall be expended)?"

1497 (c) A city or town legislative body may not impose a tax under this section:

1498 (i) if the county in which the city or town is located imposes a tax under Part 7, County
1499 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or
1500 Facilities;

1501 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and
1502 uses are exempt from taxation under Section 59-12-104; and

1503 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and
1504 food ingredients.

1505 (d) For purposes of this Subsection (1), the location of a transaction shall be
1506 determined in accordance with Sections 59-12-211 through 59-12-215.

1507 (e) A city or town legislative body imposing a tax under this section shall impose the
1508 tax on the purchase price or sales price for amounts paid or charged for food and food
1509 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable
1510 to food and food ingredients and tangible personal property other than food and food
1511 ingredients.

1512 (f) Except as provided in Subsection (6), the election shall be held at a regular general
1513 election or a municipal general election, as those terms are defined in Section 20A-1-102, and

1514 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

1515 (2) If the city or town legislative body determines that a majority of the city's or town's
1516 registered voters voting on the imposition of the tax have voted in favor of the imposition of
1517 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by
1518 a majority vote of all members of the legislative body.

1519 (3) Subject to Section 59-12-1403, revenue collected from a tax imposed under
1520 Subsection (2) shall be expended:

1521 (a) to finance cultural facilities, recreational facilities, and zoological facilities within
1522 the city or town or within the geographic area of entities that are parties to an interlocal
1523 agreement, to which the city or town is a party, providing for cultural facilities, recreational
1524 facilities, or zoological facilities;

1525 (b) to finance ongoing operating expenses of:

1526 (i) recreational facilities described in Subsection (3)(a) within the city or town or
1527 within the geographic area of entities that are parties to an interlocal agreement, to which the
1528 city or town is a party, providing for recreational facilities; or

1529 (ii) botanical organizations, cultural organizations, and zoological organizations within
1530 the city or town or within the geographic area of entities that are parties to an interlocal
1531 agreement, to which the city or town is a party, providing for the support of botanical
1532 organizations, cultural organizations, or zoological organizations; and

1533 (c) as stated in the opinion question described in Subsection (1).

1534 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall
1535 be:

1536 (i) administered, collected, and enforced in accordance with:

1537 (A) the same procedures used to administer, collect, and enforce the tax under:

1538 (I) Part 1, Tax Collection; or

1539 (II) Part 2, Local Sales and Use Tax Act; and

1540 (B) Chapter 1, General Taxation Policies; and

1541 (ii) (A) levied for a period of eight years; and

1542 (B) may be reauthorized at the end of the eight-year period in accordance with this
1543 section.

1544 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the

1545 tax shall be levied for a period of 10 years.

1546 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
1547 after July 1, 2011, the tax shall be reauthorized for a ten-year period.

1548 (c) A tax under this section is not subject to Subsections 59-12-205(2) through [~~(7)~~]
1549 (8).

1550 (5) (a) For purposes of this Subsection (5):

1551 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
1552 4, Annexation.

1553 (ii) "Annexing area" means an area that is annexed into a city or town.

1554 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city
1555 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:

1556 (A) on the first day of a calendar quarter; and

1557 (B) after a 90-day period beginning on the date the commission receives notice meeting
1558 the requirements of Subsection (5)(b)(ii) from the city or town.

1559 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1560 (A) that the city or town will enact or repeal a tax under this part;

1561 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1562 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1563 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of
1564 the tax.

1565 (c) (i) If the billing period for a transaction begins before the effective date of the
1566 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1567 the first billing period that begins on or after the effective date of the enactment of the tax.

1568 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1569 period is produced on or after the effective date of the repeal of the tax imposed under this
1570 section.

1571 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1572 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1573 Subsection (5)(b)(i) takes effect:

1574 (A) on the first day of a calendar quarter; and

1575 (B) beginning 60 days after the effective date of the enactment or repeal under

1576 Subsection (5)(b)(i).

1577 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1578 commission may by rule define the term "catalogue sale."

1579 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
1580 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
1581 part for an annexing area, the enactment or repeal shall take effect:

1582 (A) on the first day of a calendar quarter; and

1583 (B) after a 90-day period beginning on the date the commission receives notice meeting
1584 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

1585 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1586 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or
1587 repeal a tax under this part for the annexing area;

1588 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1589 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1590 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1591 (f) (i) If the billing period for a transaction begins before the effective date of the
1592 enactment of the tax under this section, the enactment of the tax takes effect on the first day of
1593 the first billing period that begins on or after the effective date of the enactment of the tax.

1594 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing
1595 period is produced on or after the effective date of the repeal of the tax imposed under this
1596 section.

1597 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
1598 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
1599 Subsection (5)(e)(i) takes effect:

1600 (A) on the first day of a calendar quarter; and

1601 (B) beginning 60 days after the effective date of the enactment or repeal under
1602 Subsection (5)(e)(i).

1603 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1604 commission may by rule define the term "catalogue sale."

1605 (6) (a) Before a city or town legislative body submits an opinion question to the
1606 residents of the city or town under Subsection (1), the city or town legislative body shall:

1607 (i) submit to the county legislative body in which the city or town is located a written
1608 notice of the intent to submit the opinion question to the residents of the city or town; and

1609 (ii) receive from the county legislative body:

1610 (A) a written resolution passed by the county legislative body stating that the county
1611 legislative body is not seeking to impose a tax under Part 7, County Option Funding for
1612 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

1613 (B) a written statement that in accordance with Subsection (6)(b) the results of a county
1614 opinion question submitted to the residents of the county under Part 7, County Option Funding
1615 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city
1616 or town legislative body to submit the opinion question to the residents of the city or town in
1617 accordance with this part.

1618 (b) (i) Within 60 days after the day the county legislative body receives from a city or
1619 town legislative body described in Subsection (6)(a) the notice of the intent to submit an
1620 opinion question to the residents of the city or town, the county legislative body shall provide
1621 the city or town legislative body:

1622 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

1623 (B) written notice that the county legislative body will submit an opinion question to
1624 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,
1625 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under
1626 that part.

1627 (ii) If the county legislative body provides the city or town legislative body the written
1628 notice that the county legislative body will submit an opinion question as provided in
1629 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no
1630 later than, from the date the county legislative body sends the written notice, the later of:

1631 (A) a 12-month period;

1632 (B) the next regular primary election; or

1633 (C) the next regular general election.

1634 (iii) Within 30 days of the date of the canvass of the election at which the opinion
1635 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the
1636 city or town legislative body described in Subsection (6)(a) written results of the opinion
1637 question submitted by the county legislative body under Part 7, County Option Funding for

1638 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1639 (A) (I) the city or town legislative body may not impose a tax under this part because a
1640 majority of the county's registered voters voted in favor of the county imposing the tax and the
1641 county legislative body by a majority vote approved the imposition of the tax; or

1642 (II) for at least 12 months from the date the written results are submitted to the city or
1643 town legislative body, the city or town legislative body may not submit to the county legislative
1644 body a written notice of the intent to submit an opinion question under this part because a
1645 majority of the county's registered voters voted against the county imposing the tax and the
1646 majority of the registered voters who are residents of the city or town described in Subsection
1647 (6)(a) voted against the imposition of the county tax; or

1648 (B) the city or town legislative body may submit the opinion question to the residents
1649 of the city or town in accordance with this part because although a majority of the county's
1650 registered voters voted against the county imposing the tax, the majority of the registered voters
1651 who are residents of the city or town voted for the imposition of the county tax.

1652 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
1653 provide a city or town legislative body described in Subsection (6)(a) a written resolution
1654 passed by the county legislative body stating that the county legislative body is not seeking to
1655 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and
1656 Zoological Organizations or Facilities, which permits the city or town legislative body to
1657 submit under Subsection (1) an opinion question to the city's or town's residents.

1658 Section 20. Section **59-12-2103** is amended to read:

1659 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**
1660 **from the tax -- Administration, collection, and enforcement of tax by commission --**
1661 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

1662 (1) (a) Subject to the other provisions of this section and except as provided in
1663 Subsection (2) or (3), beginning on January 1, 2009 and ending on June 30, 2016, if a city or
1664 town receives a distribution for the 12 consecutive months of fiscal year 2005-06 because the
1665 city or town would have received a tax revenue distribution of less than .75% of the taxable
1666 sales within the boundaries of the city or town but for Subsection **59-12-205(4)(a)**, the city or
1667 town legislative body may impose a sales and use tax of up to .20% on the transactions:

1668 (i) described in Subsection **59-12-103(1)**; and

1669 (ii) within the city or town.

1670 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall
1671 expend the revenue collected from the tax for the same purposes for which the city or town
1672 may expend the city's or town's general fund revenue.

1673 (c) For purposes of this Subsection (1), the location of a transaction shall be
1674 determined in accordance with Sections 59-12-211 through 59-12-215.

1675 (2) (a) A city or town legislative body may not impose a tax under this section on:

1676 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
1677 are exempt from taxation under Section 59-12-104; and

1678 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food
1679 ingredients.

1680 (b) A city or town legislative body imposing a tax under this section shall impose the
1681 tax on the purchase price or sales price for amounts paid or charged for food and food
1682 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable
1683 to food and food ingredients and tangible personal property other than food and food
1684 ingredients.

1685 (3) (a) Beginning on January 1, 2009, and ending on June 30, 2016, to impose a tax
1686 under this part, a city or town legislative body shall obtain approval from a majority of the
1687 members of the city or town legislative body.

1688 (b) If, on June 30, 2016, a city or town is not imposing a tax under this part, the city or
1689 town legislative body may not impose a tax under this part beginning on or after July 1, 2016.

1690 (c) (i) If, on June 30, 2016, a city or town imposes a tax under this part, the city or
1691 town shall repeal the tax on July 1, 2016, unless, on or after July 1, 2012, but on or before
1692 March 31, 2016, the city or town legislative body obtains approval from a majority vote of the
1693 members of the city or town legislative body to continue to impose the tax.

1694 (ii) If a city or town obtains approval under Subsection (3)(c)(i) from a majority vote of
1695 the members of the city or town legislative body to continue to impose a tax under this part on
1696 or after July 1, 2016, the city or town may impose the tax until no later than June 30, 2030.

1697 (4) The commission shall transmit revenue collected within a city or town from a tax
1698 under this part:

1699 (a) to the city or town legislative body;

1700 (b) monthly; and
1701 (c) by electronic funds transfer.
1702 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,
1703 collect, and enforce a tax under this part in accordance with:
1704 (i) the same procedures used to administer, collect, and enforce the tax under:
1705 (A) Part 1, Tax Collection; or
1706 (B) Part 2, Local Sales and Use Tax Act; and
1707 (ii) Chapter 1, General Taxation Policies.
1708 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).
1709 (6) The commission shall retain and deposit an administrative charge in accordance
1710 with Section 59-1-306 from the revenue the commission collects from a tax under this part.
1711 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,
1712 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,
1713 repeal, or change shall take effect:
1714 (A) on the first day of a calendar quarter; and
1715 (B) after a 90-day period beginning on the date the commission receives notice meeting
1716 the requirements of Subsection (7)(a)(i) from the city or town.
1717 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:
1718 (A) that the city or town will enact or repeal a tax or change the rate of the tax under
1719 this part;
1720 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);
1721 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and
1722 (D) if the city or town enacts the tax or changes the rate of the tax described in
1723 Subsection (7)(a)(ii)(A), the rate of the tax.
1724 (b) (i) If the billing period for a transaction begins before the enactment of the tax or
1725 the tax rate increase under Subsection (1), the enactment of the tax or the tax rate increase takes
1726 effect on the first day of the first billing period that begins on or after the effective date of the
1727 enactment of the tax or the tax rate increase.
1728 (ii) If the billing period for a transaction begins before the effective date of the repeal
1729 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
1730 rate decrease applies to a billing period if the billing statement for the billing period is rendered

1731 on or after the effective date of the repeal of the tax or the tax rate decrease.

1732 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1733 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1734 described in Subsection (7)(a)(i) takes effect:

1735 (A) on the first day of a calendar quarter; and

1736 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the
1737 rate of the tax under Subsection (7)(a)(i).

1738 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1739 commission may by rule define the term "catalogue sale."

1740 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
1741 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the
1742 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take
1743 effect:

1744 (A) on the first day of a calendar quarter; and

1745 (B) after a 90-day period beginning on the date the commission receives notice meeting
1746 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1747 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1748 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
1749 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1750 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1751 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1752 (D) if the city or town enacts the tax or changes the rate of the tax described in
1753 Subsection (7)(d)(ii)(A), the rate of the tax.

1754 (e) (i) If the billing period for a transaction begins before the effective date of the
1755 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax
1756 rate increase takes effect on the first day of the first billing period that begins on or after the
1757 effective date of the enactment of the tax or the tax rate increase.

1758 (ii) If the billing period for a transaction begins before the effective date of the repeal
1759 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
1760 rate decrease applies to a billing period if the billing statement for the billing period is rendered
1761 on or after the effective date of the repeal of the tax or the tax rate decrease.

1762 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales
1763 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax
1764 described in Subsection (7)(d)(i) takes effect:

1765 (A) on the first day of a calendar quarter; and

1766 (B) beginning 60 days after the effective date of the enactment, repeal, or change under
1767 Subsection (7)(d)(i).

1768 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1769 commission may by rule define the term "catalogue sale."

1770 Section 21. Section **59-12-2206** is amended to read:

1771 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**
1772 **under this part -- Transmission of revenue monthly by electronic funds transfer --**
1773 **Transfer of revenue to a public transit district or eligible political subdivision.**

1774 (1) Except as provided in Subsection (2), the commission shall administer, collect, and
1775 enforce a sales and use tax imposed under this part.

1776 (2) The commission shall administer, collect, and enforce a sales and use tax imposed
1777 under this part in accordance with:

1778 (a) the same procedures used to administer, collect, and enforce a tax under:

1779 (i) Part 1, Tax Collection; or

1780 (ii) Part 2, Local Sales and Use Tax Act; and

1781 (b) Chapter 1, General Taxation Policies.

1782 (3) A sales and use tax under this part is not subject to Subsections **59-12-205**(2)
1783 through ~~(7)~~ (8).

1784 (4) Subject to Section **59-12-2207** and except as provided in Subsection (5) or another
1785 provision of this part, the state treasurer shall transmit revenue collected within a county, city,
1786 or town from a sales and use tax under this part to the county, city, or town legislative body
1787 monthly by electronic funds transfer.

1788 (5) (a) Subject to Section **59-12-2207**, and except as provided in Subsection (5)(b), the
1789 state treasurer shall transfer revenue collected within a county, city, or town from a sales and
1790 use tax under this part directly to a public transit district organized under Title 17B, Chapter 2a,
1791 Part 8, Public Transit District Act, or an eligible political subdivision as defined in Section
1792 **59-12-2219**, if the county, city, or town legislative body:

1793 (i) provides written notice to the commission and the state treasurer requesting the
1794 transfer; and

1795 (ii) designates the public transit district or eligible political subdivision to which the
1796 county, city, or town legislative body requests the state treasurer to transfer the revenue.

1797 (b) The commission shall transmit a portion of the revenue collected within a county,
1798 city, or town from a sales and use tax under this part that would be transferred to a public
1799 transit district or an eligible political subdivision under Subsection (5)(a) to the county, city, or
1800 town to fund public transit fixed guideway safety oversight under Section 72-1-214 if the
1801 county, city, or town legislative body:

1802 (i) provides written notice to the commission and the state treasurer requesting the
1803 transfer; and

1804 (ii) specifies the amount of revenue required to be transmitted to the county, city, or
1805 town.

1806 Section 22. Section 63J-1-801 is enacted to read:

1807 **Part 8. Homeless Shelter Cities Mitigation Program**

1808 **63J-1-801. Definitions.**

1809 As used in this part:

1810 (1) "Committee" means the Homeless Coordinating Committee created in Section
1811 35A-8-601.

1812 (2) "Eligible municipality" means a city of the third, fourth, or fifth class, a town, or a
1813 metro township that:

1814 (a) has, or is proposed to have, a homeless shelter within the city's, town's, or metro
1815 township's geographic boundaries that:

1816 (i) provides or is proposed to provide temporary shelter to homeless individuals;

1817 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 200
1818 individuals per night; and

1819 (iii) operates year-round and is not subject to restrictions that limit the hours, days,
1820 weeks, or months of operation; and

1821 (b) due to the location of a homeless shelter within the city's, town's, or metro
1822 township's geographic boundaries, needs more public safety services than the city, town, or
1823 metro township needed before the location of the homeless shelter within the city's, town's, or

1824 metro township's geographic boundaries.

1825 (3) "Grant eligible entity" means:

1826 (a) the Department of Public Safety; or

1827 (b) a city, town, or metro township that has:

1828 (i) a homeless shelter within the city's, town's, or metro township's geographic
1829 boundaries that:

1830 (A) provides temporary shelter to homeless individuals;

1831 (B) has the capacity to provide temporary shelter to at least 60 individuals per night;

1832 and

1833 (C) operates year-round and is not subject to restrictions that limit the hours, days,
1834 weeks, or months of operation; and

1835 (ii) increased community, social service, and public safety service needs due to the
1836 location of a homeless shelter within the city's, town's, or metro township's geographic
1837 boundaries.

1838 Section 23. Section **63J-1-802** is enacted to read:

1839 **63J-1-802. Submission of Homeless Coordinating Committee recommendations --**
1840 **Adoption, procedure, and approval -- Appropriation.**

1841 (1) (a) On or before December 31, the committee shall submit the committee's
1842 recommendation under Subsection [35A-8-607\(4\)](#) for each eligible municipality that made a
1843 request:

1844 (i) to the Social Services Appropriations Subcommittee of the Legislature; and

1845 (ii) as an appropriations request.

1846 (b) For each recommendation that the committee submits, the Social Services

1847 Appropriations Subcommittee shall:

1848 (i) approve the amount as recommended;

1849 (ii) increase or decrease the amount and then approve the modified amount; or

1850 (iii) reject the amount.

1851 (2) (a) On or before December 31, the committee shall submit the committee's list
1852 prioritizing the grant requests and recommending a grant amount for each grant eligible entity
1853 that requested a grant:

1854 (i) to the Social Services Appropriations Subcommittee of the Legislature; and

1855 (ii) as an appropriations request.

1856 (b) The Social Services Appropriations Subcommittee shall:

1857 (i) approve the committee's list;

1858 (ii) modify the committee's list and then approve the modified list; or

1859 (iii) reject the committee's list.

1860 (3) The Social Services Appropriations Subcommittee may submit the subcommittee's
1861 approvals under this section from the Homeless Shelter Cities Mitigation Restricted Account
1862 for inclusion in an appropriations act to be considered by the full Legislature.

1863 **Section 24. Appropriation.**

1864 The following sums of money are appropriated for the fiscal year beginning July 1,
1865 2018, and ending June 30, 2019. These are additions to amounts previously appropriated for
1866 fiscal year 2019. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures
1867 Act, the Legislature appropriates the following sums of money from the funds or accounts
1868 indicated for the use and support of the government of the state of Utah.

1869 ITEM 1

1870 To Department of Workforce Services -- Housing and Community Development
1871 From Homeless Shelter Cities Mitigation Restricted Account,

1872 One-Time \$2,500,000

1873 Schedule of Programs:

1874 Homeless Shelter Cities Mitigation Program \$2,500,000

1875 The Legislature intends that:

1876 (1) the appropriations provided under this section be used for the purposes described in
1877 Section [35A-8-607](#); and

1878 (2) the Department of Workforce Services allocate the appropriation under this section
1879 to an eligible municipality, as defined in Section [35A-8-607](#), in an amount approved by the
1880 Homeless Coordinating Committee to the extent that the eligible municipality provides an
1881 invoice and supporting documentation to the Department of Workforce Services as described
1882 in Section [35A-8-607](#).