

**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

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

- ▶ allows redevelopment agencies to transfer funds to a county or municipality under certain circumstances;
- ▶ modifies the membership of the Homeless Coordinating Committee;
- ▶ defines terms;
- ▶ creates an application process for certain municipalities with homeless shelters to obtain Homeless Shelter Cities Mitigation Restricted Account funds to employ and equip additional personnel to provide public safety services;
- ▶ creates a grant program with funds from the Homeless Shelter Cities Mitigation Restricted Account for a municipality with a homeless shelter to pay for programs to mitigate the impact of the homeless shelter and for the Department of Public Safety to employ additional personnel to provide public safety;
- ▶ 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



26 Cities Mitigation Restricted Account;

27       ▶ directs the Department of Workforce Services on how to disburse funds from the

28 Homeless Shelter Cities Mitigation Restricted Account; and

29       ▶ makes technical changes.

30 **Money Appropriated in this Bill:**

31       This bill appropriates in fiscal year 2019:

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

34             • from the Homeless Shelter Cities Mitigation Restricted Account, One-time,  
35 \$2,500,000.

36 **Other Special Clauses:**

37       None

38 **Utah Code Sections Affected:**

39 AMENDS:

40       17C-1-409, as last amended by Laws of Utah 2016, Chapter 350

41       17C-1-411, as last amended by Laws of Utah 2016, Chapter 350

42       17C-1-412, as last amended by Laws of Utah 2016, Chapter 350

43       35A-8-601, as last amended by Laws of Utah 2016, Chapter 278

44       59-12-205, as last amended by Laws of Utah 2017, Chapters 230 and 385

45       59-12-302, as last amended by Laws of Utah 2016, Chapter 364

46       59-12-354, as last amended by Laws of Utah 2016, Chapter 364

47       59-12-403, as last amended by Laws of Utah 2016, Chapter 364

48       59-12-603, as last amended by Laws of Utah 2017, Chapter 178

49       59-12-703, as last amended by Laws of Utah 2017, Chapters 181 and 422

50       59-12-802, as last amended by Laws of Utah 2017, Chapter 422

51       59-12-804, as last amended by Laws of Utah 2017, Chapter 422

52       59-12-1102, as last amended by Laws of Utah 2016, Chapter 364

53       59-12-1302, as last amended by Laws of Utah 2017, Chapter 422

54       59-12-1402, as last amended by Laws of Utah 2017, Chapter 422

55       59-12-2103, as last amended by Laws of Utah 2017, Chapter 422

56       59-12-2206, as last amended by Laws of Utah 2017, Chapter 160

57 ENACTS:

58 **35A-8-606**, Utah Code Annotated 1953

59 **35A-8-607**, Utah Code Annotated 1953

60 **35A-8-608**, Utah Code Annotated 1953

61 **35A-8-609**, Utah Code Annotated 1953

62 **63J-1-801**, Utah Code Annotated 1953

63 **63J-1-802**, Utah Code Annotated 1953

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

66 Section 1. Section **17C-1-409** is amended to read:

67 **17C-1-409. Allowable uses of agency funds.**

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

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

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

71 including consultant fees and expenses under Subsection **17C-2-102**(1)(b)(ii)(B) or funding for  
72 a business resource center;

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

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

76 (B) housing-related expenditures, projects, or programs as described in Section  
77 **17C-1-411** or **17C-1-412**;

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

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

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

87 (iv) in an urban renewal project area that includes some or all of an inactive industrial

88 site and subject to Subsection (1)(e), to reimburse the Department of Transportation created  
89 under Section 72-1-201, or a public transit district created under Title 17B, Chapter 2a, Part 8,  
90 Public Transit District Act, for the cost of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

166 Section 3. Section [17C-1-412](#) is amended to read:

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

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

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

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

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

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

179 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of  
180 any building, facility, structure, or other housing improvement, including infrastructure

181 improvements, related to housing located in a project area where blight has been found to exist;

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

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

184 (A) issued by the agency, the community, or the housing authority that provides

185 income targeted housing within the community; and

186 (B) all or part of the proceeds of which are used within the community for the purposes

187 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

188 (viii) if the community's fair share ratio at the time of the first adoption of the project

189 area budget is at least 1.1 to 1.0, make payments on bonds:

190 (A) that were previously issued by the agency, the community, or the housing authority

191 that provides income targeted housing within the community; and

192 (B) all or part of the proceeds of which were used within the community for the

193 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); ~~[or]~~

194 (ix) relocate mobile home park residents displaced by project area development~~[-];~~ or

195 (x) subject to Subsection (6), transfer funds to a community that created the agency.

196 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or

197 any portion of the agency's housing allocation to:

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

199 (ii) a housing authority that provides income targeted housing within the community

200 for use in providing income targeted housing within the community;

201 (iii) a housing authority established by the county in which the agency is located for

202 providing:

203 (A) income targeted housing within the county;

204 (B) permanent housing, permanent supportive housing, or a transitional facility, as

205 defined in Section [35A-5-302](#), within the county; or

206 (C) homeless assistance within the county; or

207 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,

208 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted housing within

209 the community.

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

211 housing allocation, together with all interest earned by the housing allocation and all payments

212 or repayments for loans, advances, or grants from the housing allocation.

213 (3) An agency may:

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

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

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

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

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

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

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

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

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

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

238 **35A-8-601. Creation.**

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

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

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

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



- 243 (iii) the state superintendent of public instruction or the superintendent's designee;
- 244 (iv) the chair of the board of trustees of the Utah Housing Corporation or the chair's  
245 designee;
- 246 (v) the executive director of the Department of Workforce Services or the executive  
247 director's designee;
- 248 (vi) the executive director of the Department of Corrections or the executive director's  
249 designee;
- 250 (vii) the executive director of the Department of Health or the executive director's  
251 designee;
- 252 (viii) the executive director of the Department of Human Services or the executive  
253 director's designee;
- 254 (ix) the mayor of Salt Lake City~~[-and]~~ or the mayor's designee;
- 255 (x) the mayor of Salt Lake County~~[-]~~ or the mayor's designee;
- 256 (xi) the mayor of Ogden or the mayor's designee;
- 257 (xii) the mayor of Midvale or the mayor's designee;
- 258 (xiii) the mayor of St. George or the mayor's designee; and
- 259 (xiv) the mayor of South Salt Lake or the mayor's designee.
- 260 (b) (i) The lieutenant governor shall serve as the chair of the committee.
- 261 (ii) The lieutenant governor may appoint a vice chair from among committee members,  
262 who shall conduct committee meetings in the absence of the lieutenant governor.
- 263 (3) The governor may appoint as members of the committee:
- 264 (a) representatives of local governments, local housing authorities, local law  
265 enforcement agencies;
- 266 (b) representatives of federal and private agencies and organizations concerned with  
267 the homeless, persons with a mental illness, the elderly, single-parent families, persons with a  
268 substance use disorder, and persons with a disability; and
- 269 (c) a resident of Salt Lake County.
- 270 (4) (a) Except as required by Subsection (4)(b), as terms of current committee members  
271 appointed under Subsection (3) expire, the governor shall appoint each new member or  
272 reappointed member to a four-year term.
- 273 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the

274 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
275 committee members are staggered so that approximately half of the committee is appointed  
276 every two years.

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

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

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

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

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

285 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and  
286 [63A-3-107](#).

287 Section 5. Section **35A-8-606** is enacted to read:

288 **35A-8-606. Homeless Shelter Cities Mitigation Restricted Account.**

289 (1) As used in this section:

290 (a) "Annual local contribution" means:

291 (i) for a participating local government, the lesser of \$200,000 or an amount equal to  
292 1.8% of the participating local government's tax revenue distribution amount under Subsection  
293 [59-12-205\(2\)\(a\)](#) for the previous fiscal year; or

294 (ii) for an eligible municipality or a grant eligible entity that is certified in accordance  
295 with Section [35A-8-609](#), \$0.

296 (b) "Eligible municipality" means the same as that term is defined in Section  
297 [35A-8-607](#).

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

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

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

304 (3) The account shall be funded by:

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

307 (b) interest earned on the account.

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

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

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

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

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

313 **35A-8-607. Eligible municipality application process for Homeless Shelter Cities**  
314 **Mitigation Restricted Account funds.**

315 (1) As used in this section:

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

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

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

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

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

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

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

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

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

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

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

335 (2) (a) An eligible municipality may request account funds to employ and equip

336 additional personnel to provide public safety services in and around a homeless shelter within  
337 the eligible municipality's geographic boundaries.

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

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

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

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

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

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

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

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

355 (A) crime statistics; and

356 (B) calls for public safety services;

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

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

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

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

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

366 (ii) the availability of alternative funding for the eligible municipality to address the

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

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

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

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

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

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

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

379 (ii) Each month, beginning in January 2019, the department shall disburse the revenue  
380 in the account to reimburse the eligible municipality that submits the information described in  
381 Subsection (3)(f)(i) for the amount on the invoice or contract.

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

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

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

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

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

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

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

393 (A) crime statistics; and

394 (B) calls for public safety services;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

424 (A) funded as requested; or

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

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

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

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

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

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

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

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

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

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

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

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

448 (1) As used in this section:

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

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

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

452 (d) "Grant eligible entity" means:

453 (i) the Department of Public Safety; or

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

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

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

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

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

462 (i) provides temporary shelter to homeless individuals;

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

464 and

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

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

469 (2) Subject to the availability of funds, a grant eligible entity may request a grant to  
470 mitigate the impacts of the location of a homeless shelter:

471 (a) through employment of additional personnel to provide public safety services in  
472 and around a homeless shelter; or

473 (b) for a grant eligible entity that is a city, town, or metro township, through:

474 (i) development of a community and neighborhood program within the city's, town's, or  
475 metro township's boundaries; or

476 (ii) provision of social services within the city's, town's, or metro township's  
477 boundaries.

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

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

482 (ii) the process for notifying grant eligible entities about the availability of grants for  
483 the next fiscal year.

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

488 (ii) A grant eligible entity may present a request for account funds by:

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

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



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

522 Subsection (3) using the following factors:

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

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

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

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

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

533 (A) prioritize the grant requests; and

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

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

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

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

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

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

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

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

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

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

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

553 within the fiscal year for funding the grants.

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

555 (a) submit an annual written report electronically to the Social Services Appropriations

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

557 disbursement of the money from the account under this section for the previous fiscal year; and

558 (b) include information regarding the disbursement of money from the account under

559 this section in the annual report described in Section [35A-1-109](#).

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

561 **35A-8-609. Certification of eligible municipality or grant eligible entity.**

562 (1) The department shall certify each year, on or after July 1 and before the first

563 meeting of the committee after July 1, the cities or towns that meet the requirements of an

564 eligible municipality or a grant eligible entity as of July 1.

565 (2) On or before October 1, the department shall provide a list of the cities or towns

566 that the department has certified as meeting the requirements of an eligible municipality or a

567 grant eligible entity for the year to the State Tax Commission.

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

569 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**

570 **tax revenue -- Determination of population.**

571 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section

572 [59-12-204](#), a county, city, or town shall adopt amendments to the county's, city's, or town's

573 sales and use tax ordinances:

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

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

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

578 [~~(7)~~] (8):

579 (a) 50% of each dollar collected from the sales and use tax authorized by this part shall

580 be distributed to each county, city, and town on the basis of the percentage that the population

581 of the county, city, or town bears to the total population of all counties, cities, and towns in the

582 state; and

583 (b) (i) except as provided in Subsection (2)(b)(ii), 50% of each dollar collected from

584 the sales and use tax authorized by this part shall be distributed to each county, city, and town  
585 on the basis of the location of the transaction as determined under Sections 59-12-211 through  
586 59-12-215; and

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

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

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

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

596 (B) city of the fifth class; or

597 (C) town;

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

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

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

613 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment  
614 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for

615 one or more days during the calendar year beginning on January 1, 2008, was not the holder of  
616 a direct payment permit under Section 59-12-107.1; or

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

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

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

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

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

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

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

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

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

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

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

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

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

645 (A) fiscal year 2002-03;

646 (B) fiscal year 2003-04; and

647 (C) fiscal year 2004-05.

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

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

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

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

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

657 (B) the minimum tax revenue distribution.

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

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

667 (i) the minimum tax revenue distribution; and

668 (ii) .90.

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

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

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

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

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

677 (D) for a fiscal year beginning with fiscal year 2012-13 and ending with fiscal year  
678 2015-16, does not receive a tax revenue distribution described in Subsection (5) equal to the  
679 amount described in Subsection (5)(b)(i)(A) for three consecutive fiscal years; and

680 (E) does not impose a sales and use tax under Section [59-12-2103](#) on or before July 1,  
681 2016.

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

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

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

688 (ii) the minimum tax revenue distribution.

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

690 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to  
691 1.8% of the participating local government's tax revenue distribution amount under Subsection  
692 (2)(a) for the previous fiscal year.

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

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

699 (i) subtract one-twelfth of the annual local contribution for each participating local  
700 government from the participating local government's tax revenue distribution under  
701 Subsection (2)(a); and

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

704 (c) The commission shall make the calculation and distribution described in this  
705 Subsection (7) after making the distributions described in Subsections (3) through (6).

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

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

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

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

714 **59-12-302. Collection of tax -- Administrative charge.**

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

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

718 (i) Part 1, Tax Collection; or

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

720 (b) Chapter 1, General Taxation Policies.

721 (2) The location of a transaction shall be determined in accordance with Sections  
722 [59-12-211](#) through [59-12-215](#).

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

725 (4) The commission:

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

728 (b) shall retain and deposit an administrative charge in accordance with Section  
729 [59-1-306](#) from revenue the commission collects from a tax under this part.

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

731 **59-12-354. Collection of tax -- Administrative charge.**

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

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

735 (i) Part 1, Tax Collection; or

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

737 (b) Chapter 1, General Taxation Policies.

738 (2) (a) The location of a transaction shall be determined in accordance with Sections



739 59-12-211 through 59-12-215.

740 (b) The commission:

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

743 (ii) shall retain and deposit an administrative charge in accordance with Section  
744 59-1-306 from the revenue the commission collects from a tax under this part.

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

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

748 **59-12-403. Enactment or repeal of tax -- Tax rate change -- Effective date --**

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

750 **Administrative charge.**

751 (1) For purposes of this section:

752 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part  
753 4, Annexation.

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

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

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

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

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

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

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

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

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

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

770 59-12-402.1, the enactment of the tax or the tax rate increase takes effect on the first day of the  
771 first billing period that begins on or after the effective date of the enactment of the tax or the  
772 tax rate increase.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

817 (A) Part 1, Tax Collection; or

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

819 (ii) Chapter 1, General Taxation Policies.

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

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

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

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

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

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

832 and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor  
833 vehicle that is being repaired pursuant to a repair or an insurance agreement; and

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

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

842 (A) alcoholic beverages;

843 (B) food and food ingredients; or

844 (C) prepared food; and

845 (iii) a county legislative body of a county of the first class may impose a tax of not to  
846 exceed .5% on charges for the accommodations and services described in Subsection  
847 59-12-103(1)(i).

848 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section  
849 17-31-5.5.

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

852 (i) financing tourism promotion; and

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

854 (A) an airport facility;

855 (B) a convention facility;

856 (C) a cultural facility;

857 (D) a recreation facility; or

858 (E) a tourist facility.

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

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

863 the state; and

864 (ii) combine the sale of:

865 (A) ski lift tickets; and

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

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

871 (a) an airport facility;

872 (b) a convention facility;

873 (c) a cultural facility;

874 (d) a recreation facility; or

875 (e) a tourist facility.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

912 (I) Part 1, Tax Collection; or

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

914 (B) Chapter 1, General Taxation Policies.

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

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

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

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

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

924 (8) The commission shall distribute the revenue generated by the tax under Subsection

925 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to the  
926 following formula:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

956 effective date of the repeal of the tax or the tax rate decrease.

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

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

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

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

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

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

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

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

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

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

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

979 **59-12-703. Opinion question election -- Base -- Rate -- Imposition of tax --**  
980 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**  
981 **-- Notice requirements.**

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



987 opportunity to express the resident's opinion on the imposition of a local sales and use tax of  
988 .1% on the transactions described in Subsection 59-12-103(1) located within the county, to:

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

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

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

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

1000 (c) A county legislative body may not impose a tax under this section on:

1001 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1002 are exempt from taxation under Section 59-12-104;

1003 (ii) sales and uses within a municipality that has already imposed a sales and use tax  
1004 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational, and  
1005 Zoological Organizations or Facilities; and

1006 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and  
1007 food ingredients.

1008 (d) For purposes of this Subsection (1), the location of a transaction shall be  
1009 determined in accordance with Sections 59-12-211 through 59-12-215.

1010 (e) A county legislative body imposing a tax under this section shall impose the tax on  
1011 the purchase price or sales price for amounts paid or charged for food and food ingredients if  
1012 the food and food ingredients are sold as part of a bundled transaction attributable to food and  
1013 food ingredients and tangible personal property other than food and food ingredients.

1014 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local  
1015 Government Bonding Act.

1016 (2) (a) If the county legislative body determines that a majority of the county's  
1017 registered voters voting on the imposition of the tax have voted in favor of the imposition of

1018 the tax as prescribed in Subsection (1), the county legislative body may impose the tax by a  
1019 majority vote of all members of the legislative body on the transactions:

1020 (i) described in Subsection (1); and

1021 (ii) within the county, including the cities and towns located in the county, except those  
1022 cities and towns that have already imposed a sales and use tax under Part 14, City or Town  
1023 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or  
1024 Facilities.

1025 (b) A county legislative body may revise county ordinances to reflect statutory changes  
1026 to the distribution formula or eligible recipients of revenue generated from a tax imposed under  
1027 Subsection (2)(a) without submitting an opinion question to residents of the county.

1028 (3) Subject to Section [59-12-704](#), revenue collected from a tax imposed under  
1029 Subsection (2) shall be expended:

1030 (a) to fund cultural facilities, recreational facilities, and zoological facilities located  
1031 within the county or a city or town located in the county, except a city or town that has already  
1032 imposed a sales and use tax under Part 14, City or Town Option Funding for Botanical,  
1033 Cultural, Recreational, and Zoological Organizations or Facilities;

1034 (b) to fund ongoing operating expenses of:

1035 (i) recreational facilities described in Subsection (3)(a);

1036 (ii) botanical organizations, cultural organizations, and zoological organizations within  
1037 the county; and

1038 (iii) rural radio stations within the county; and

1039 (c) as stated in the opinion question described in Subsection (1).

1040 (4) (a) A tax authorized under this part shall be:

1041 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
1042 accordance with:

1043 (A) the same procedures used to administer, collect, and enforce the tax under:

1044 (I) Part 1, Tax Collection; or

1045 (II) Part 2, Local Sales and Use Tax Act; and

1046 (B) Chapter 1, General Taxation Policies; and

1047 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
1048 period in accordance with this section.

1049 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1050 (5) (a) For purposes of this Subsection (5):

1051 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,  
1052 County Annexation.

1053 (ii) "Annexing area" means an area that is annexed into a county.

1054 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
1055 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

1056 (A) on the first day of a calendar quarter; and

1057 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1058 the requirements of Subsection (5)(b)(ii) from the county.

1059 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1060 (A) that the county will enact or repeal a tax under this part;

1061 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

1062 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

1063 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the  
1064 tax.

1065 (c) (i) If the billing period for a transaction begins before the effective date of the  
1066 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
1067 the first billing period that begins on or after the effective date of the enactment of the tax.

1068 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1069 period is produced on or after the effective date of the repeal of the tax imposed under this  
1070 section.

1071 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1072 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1073 Subsection (5)(b)(i) takes effect:

1074 (A) on the first day of a calendar quarter; and

1075 (B) beginning 60 days after the effective date of the enactment or repeal under  
1076 Subsection (5)(b)(i).

1077 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1078 commission may by rule define the term "catalogue sale."

1079 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs

1080 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
1081 part for an annexing area, the enactment or repeal shall take effect:

1082 (A) on the first day of a calendar quarter; and

1083 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1084 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

1085 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1086 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
1087 repeal of a tax under this part for the annexing area;

1088 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1089 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1090 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1091 (f) (i) If the billing period for a transaction begins before the effective date of the  
1092 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
1093 the first billing period that begins on or after the effective date of the enactment of the tax.

1094 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1095 period is produced on or after the effective date of the repeal of the tax imposed under this  
1096 section.

1097 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1098 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1099 Subsection (5)(e)(i) takes effect:

1100 (A) on the first day of a calendar quarter; and

1101 (B) beginning 60 days after the effective date of the enactment or repeal under  
1102 Subsection (5)(e)(i).

1103 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1104 commission may by rule define the term "catalogue sale."

1105 Section 15. Section **59-12-802** is amended to read:

1106 **59-12-802. Imposition of rural county health care facilities tax -- Expenditure of**  
1107 **tax revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**  
1108 **Administrative charge.**

1109 (1) (a) A county legislative body of a county of the third, fourth, fifth, or sixth class  
1110 may impose a sales and use tax of up to 1% on the transactions described in Subsection

1111 59-12-103(1) located within the county.

1112 (b) Subject to Subsection (3), the money collected from a tax under this section may be  
1113 used to fund:

1114 (i) for a county of the third or fourth class, rural county health care facilities in that  
1115 county; or

1116 (ii) for a county of the fifth or sixth class:

1117 (A) rural emergency medical services in that county;

1118 (B) federally qualified health centers in that county;

1119 (C) freestanding urgent care centers in that county;

1120 (D) rural county health care facilities in that county;

1121 (E) rural health clinics in that county; or

1122 (F) a combination of Subsections (1)(b)(ii)(A) through (E).

1123 (c) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax  
1124 under this section on:

1125 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1126 are exempt from taxation under Section 59-12-104;

1127 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in  
1128 a city that imposes a tax under Section 59-12-804; and

1129 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and  
1130 food ingredients.

1131 (d) For purposes of this Subsection (1), the location of a transaction shall be  
1132 determined in accordance with Sections 59-12-211 through 59-12-215.

1133 (e) A county legislative body imposing a tax under this section shall impose the tax on  
1134 the purchase price or sales price for amounts paid or charged for food and food ingredients if  
1135 the food and food ingredients are sold as part of a bundled transaction attributable to food and  
1136 food ingredients and tangible personal property other than food and food ingredients.

1137 (2) (a) Before imposing a tax under Subsection (1), a county legislative body shall  
1138 obtain approval to impose the tax from a majority of the:

1139 (i) members of the county's legislative body; and

1140 (ii) county's registered voters voting on the imposition of the tax.

1141 (b) The county legislative body shall conduct the election according to the procedures

1142 and requirements of Title 11, Chapter 14, Local Government Bonding Act.

1143 (3) (a) The money collected from a tax imposed under Subsection (1) by a county  
1144 legislative body of a county of the third or fourth class may only be used for the financing of:

1145 (i) ongoing operating expenses of a rural county health care facility within that county;

1146 (ii) the acquisition of land for a rural county health care facility within that county; or

1147 (iii) the design, construction, equipping, or furnishing of a rural county health care  
1148 facility within that county.

1149 (b) The money collected from a tax imposed under Subsection (1) by a county of the  
1150 fifth or sixth class may only be used to fund:

1151 (i) ongoing operating expenses of a center, clinic, or facility described in Subsection  
1152 (1)(b)(ii) within that county;

1153 (ii) the acquisition of land for a center, clinic, or facility described in Subsection  
1154 (1)(b)(ii) within that county;

1155 (iii) the design, construction, equipping, or furnishing of a center, clinic, or facility  
1156 described in Subsection (1)(b)(ii) within that county; or

1157 (iv) rural emergency medical services within that county.

1158 (4) (a) A tax under this section shall be:

1159 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
1160 accordance with:

1161 (A) the same procedures used to administer, collect, and enforce the tax under:

1162 (I) Part 1, Tax Collection; or

1163 (II) Part 2, Local Sales and Use Tax Act; and

1164 (B) Chapter 1, General Taxation Policies; and

1165 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
1166 period by the county legislative body as provided in Subsection (1).

1167 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [~~7~~]  
1168 (8).

1169 (c) A county legislative body shall distribute money collected from a tax under this  
1170 section quarterly.

1171 (5) The commission shall retain and deposit an administrative charge in accordance  
1172 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1173 Section 16. Section **59-12-804** is amended to read:

1174 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**  
1175 **collection, and enforcement of tax -- Administrative charge.**

1176 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:

1177 (i) on the transactions described in Subsection **59-12-103**(1) located within the city;  
1178 and

1179 (ii) to fund rural city hospitals in that city.

1180 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax  
1181 under this section on:

1182 (i) the sales and uses described in Section **59-12-104** to the extent the sales and uses  
1183 are exempt from taxation under Section **59-12-104**; and

1184 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and food  
1185 ingredients.

1186 (c) For purposes of this Subsection (1), the location of a transaction shall be  
1187 determined in accordance with Sections **59-12-211** through **59-12-215**.

1188 (d) A city legislative body imposing a tax under this section shall impose the tax on the  
1189 purchase price or sales price for amounts paid or charged for food and food ingredients if the  
1190 food and food ingredients are sold as part of a bundled transaction attributable to food and food  
1191 ingredients and tangible personal property other than food and food ingredients.

1192 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall  
1193 obtain approval to impose the tax from a majority of the:

1194 (i) members of the city legislative body; and

1195 (ii) city's registered voters voting on the imposition of the tax.

1196 (b) The city legislative body shall conduct the election according to the procedures and  
1197 requirements of Title 11, Chapter 14, Local Government Bonding Act.

1198 (3) The money collected from a tax imposed under Subsection (1) may only be used to  
1199 fund:

1200 (a) ongoing operating expenses of a rural city hospital;

1201 (b) the acquisition of land for a rural city hospital; or

1202 (c) the design, construction, equipping, or furnishing of a rural city hospital.

1203 (4) (a) A tax under this section shall be:

1204 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
1205 accordance with:

1206 (A) the same procedures used to administer, collect, and enforce the tax under:

1207 (I) Part 1, Tax Collection; or

1208 (II) Part 2, Local Sales and Use Tax Act; and

1209 (B) Chapter 1, General Taxation Policies; and

1210 (ii) levied for a period of 10 years and may be reauthorized at the end of the ten-year  
1211 period by the city legislative body as provided in Subsection (1).

1212 (b) A tax under this section is not subject to Subsections 59-12-205(2) through [(7)]  
1213 (8).

1214 (5) The commission shall retain and deposit an administrative charge in accordance  
1215 with Section 59-1-306 from the revenue the commission collects from a tax under this section.

1216 Section 17. Section 59-12-1102 is amended to read:

1217 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**

1218 **Administration -- Administrative charge -- Commission requirement to retain an amount**

1219 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**

1220 **of tax -- Effective date -- Notice requirements.**

1221 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax  
1222 authorized by this chapter, a county may impose by ordinance a county option sales and use tax  
1223 of .25% upon the transactions described in Subsection 59-12-103(1).

1224 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this  
1225 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
1226 exempt from taxation under Section 59-12-104.

1227 (b) For purposes of this Subsection (1), the location of a transaction shall be  
1228 determined in accordance with Sections 59-12-211 through 59-12-215.

1229 (c) The county option sales and use tax under this section shall be imposed:

1230 (i) upon transactions that are located within the county, including transactions that are  
1231 located within municipalities in the county; and

1232 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of  
1233 January:

1234 (A) of the next calendar year after adoption of the ordinance imposing the tax if the



1235 ordinance is adopted on or before May 25; or

1236 (B) of the second calendar year after adoption of the ordinance imposing the tax if the  
1237 ordinance is adopted after May 25.

1238 (d) The county option sales and use tax under this section shall be imposed:

1239 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before  
1240 September 4, 1997; or

1241 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997  
1242 but after September 4, 1997.

1243 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a  
1244 county shall hold two public hearings on separate days in geographically diverse locations in  
1245 the county.

1246 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting  
1247 time of no earlier than 6 p.m.

1248 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven  
1249 days after the day the first advertisement required by Subsection (2)(c) is published.

1250 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county  
1251 shall advertise:

1252 (A) its intent to adopt a county option sales and use tax;

1253 (B) the date, time, and location of each public hearing; and

1254 (C) a statement that the purpose of each public hearing is to obtain public comments  
1255 regarding the proposed tax.

1256 (ii) The advertisement shall be published:

1257 (A) in a newspaper of general circulation in the county once each week for the two  
1258 weeks preceding the earlier of the two public hearings; and

1259 (B) on the Utah Public Notice Website created in Section [63F-1-701](#), for two weeks  
1260 preceding the earlier of the two public hearings.

1261 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8  
1262 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch  
1263 border.

1264 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that  
1265 portion of the newspaper where legal notices and classified advertisements appear.

1266 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

1267 (A) the advertisement shall appear in a newspaper that is published at least five days a  
1268 week, unless the only newspaper in the county is published less than five days a week; and

1269 (B) the newspaper selected shall be one of general interest and readership in the  
1270 community, and not one of limited subject matter.

1271 (d) The adoption of an ordinance imposing a county option sales and use tax is subject  
1272 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part  
1273 6, Local Referenda - Procedures.

1274 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a  
1275 county option sales and use tax under Subsection (1) is less than 75% of the state population,  
1276 the tax levied under Subsection (1) shall be distributed to the county in which the tax was  
1277 collected.

1278 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a  
1279 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state  
1280 population:

1281 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to  
1282 the county in which the tax was collected; and

1283 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection  
1284 (1) in each county shall be distributed proportionately among all counties imposing the tax,  
1285 based on the total population of each county.

1286 (c) Except as provided in Subsection (5), the amount to be distributed annually to a  
1287 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county  
1288 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

1289 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall  
1290 be increased so that, when combined with the amount distributed to the county under  
1291 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

1292 (ii) the amount to be distributed annually to all other counties under Subsection  
1293 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under  
1294 Subsection (3)(c)(i).

1295 (d) The commission shall establish rules to implement the distribution of the tax under  
1296 Subsections (3)(a), (b), and (c).

1297 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part  
1298 shall be administered, collected, and enforced in accordance with:

1299 (i) the same procedures used to administer, collect, and enforce the tax under:

1300 (A) Part 1, Tax Collection; or

1301 (B) Part 2, Local Sales and Use Tax Act; and

1302 (ii) Chapter 1, General Taxation Policies.

1303 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1304 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an  
1305 administrative charge in accordance with Section 59-1-306 from the revenue the commission  
1306 collects from a tax under this part.

1307 (ii) Notwithstanding Section 59-1-306, the administrative charge described in  
1308 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of  
1309 the distribution amounts resulting after:

1310 (A) the applicable distribution calculations under Subsection (3) have been made; and

1311 (B) the commission retains the amount required by Subsection (5).

1312 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion  
1313 of the sales and use tax collected under this part as provided in this Subsection (5).

1314 (b) For a county that imposes a tax under this part, the commission shall calculate a  
1315 percentage each month by dividing the sales and use tax collected under this part for that  
1316 month within the boundaries of that county by the total sales and use tax collected under this  
1317 part for that month within the boundaries of all of the counties that impose a tax under this part.

1318 (c) For a county that imposes a tax under this part, the commission shall retain each  
1319 month an amount equal to the product of:

1320 (i) the percentage the commission determines for the month under Subsection (5)(b)  
1321 for the county; and

1322 (ii) \$6,354.

1323 (d) The commission shall deposit an amount the commission retains in accordance  
1324 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section  
1325 35A-8-1009.

1326 (e) An amount the commission deposits into the Qualified Emergency Food Agencies  
1327 Fund shall be expended as provided in Section 35A-8-1009.

1328 (6) (a) For purposes of this Subsection (6):  
1329 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County  
1330 Consolidations and Annexations.  
1331 (ii) "Annexing area" means an area that is annexed into a county.  
1332 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a  
1333 county enacts or repeals a tax under this part:  
1334 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or  
1335 (II) the repeal shall take effect on the first day of a calendar quarter; and  
1336 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1337 the requirements of Subsection (6)(b)(ii) from the county.  
1338 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:  
1339 (A) that the county will enact or repeal a tax under this part;  
1340 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);  
1341 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and  
1342 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the  
1343 tax.  
1344 (c) (i) If the billing period for a transaction begins before the effective date of the  
1345 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day  
1346 of the first billing period that begins on or after the effective date of the enactment of the tax.  
1347 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1348 period is produced on or after the effective date of the repeal of the tax imposed under  
1349 Subsection (1).  
1350 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1351 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1352 Subsection (6)(b)(i) takes effect:  
1353 (A) on the first day of a calendar quarter; and  
1354 (B) beginning 60 days after the effective date of the enactment or repeal under  
1355 Subsection (6)(b)(i).  
1356 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1357 commission may by rule define the term "catalogue sale."  
1358 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs

1359 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
1360 part for an annexing area, the enactment or repeal shall take effect:

1361 (A) on the first day of a calendar quarter; and

1362 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1363 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

1364 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

1365 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or  
1366 repeal of a tax under this part for the annexing area;

1367 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

1368 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

1369 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

1370 (f) (i) If the billing period for a transaction begins before the effective date of the  
1371 enactment of the tax under Subsection (1), the enactment of the tax takes effect on the first day  
1372 of the first billing period that begins on or after the effective date of the enactment of the tax.

1373 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1374 period is produced on or after the effective date of the repeal of the tax imposed under  
1375 Subsection (1).

1376 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1377 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1378 Subsection (6)(e)(i) takes effect:

1379 (A) on the first day of a calendar quarter; and

1380 (B) beginning 60 days after the effective date of the enactment or repeal under  
1381 Subsection (6)(e)(i).

1382 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1383 commission may by rule define the term "catalogue sale."

1384 Section 18. Section **59-12-1302** is amended to read:

1385 **59-12-1302. Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**  
1386 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**  
1387 **enforcement of tax -- Administrative charge.**

1388 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a  
1389 tax as provided in this part in an amount that does not exceed 1%.

1390 (2) A town may impose a tax as provided in this part if the town imposed a license fee  
1391 or tax on businesses based on gross receipts under Section 10-1-203 on or before January 1,  
1392 1996.

1393 (3) A town imposing a tax under this section shall:

1394 (a) except as provided in Subsection (4), impose the tax on the transactions described  
1395 in Subsection 59-12-103(1) located within the town; and

1396 (b) provide an effective date for the tax as provided in Subsection (5).

1397 (4) (a) A town may not impose a tax under this section on:

1398 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1399 are exempt from taxation under Section 59-12-104; and

1400 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and food  
1401 ingredients.

1402 (b) For purposes of this Subsection (4), the location of a transaction shall be  
1403 determined in accordance with Sections 59-12-211 through 59-12-215.

1404 (c) A town imposing a tax under this section shall impose the tax on the purchase price  
1405 or sales price for amounts paid or charged for food and food ingredients if the food and food  
1406 ingredients are sold as part of a bundled transaction attributable to food and food ingredients  
1407 and tangible personal property other than food and food ingredients.

1408 (5) (a) For purposes of this Subsection (5):

1409 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,  
1410 Annexation.

1411 (ii) "Annexing area" means an area that is annexed into a town.

1412 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
1413 town enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal,  
1414 or change shall take effect:

1415 (A) on the first day of a calendar quarter; and

1416 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1417 the requirements of Subsection (5)(b)(ii) from the town.

1418 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:

1419 (A) that the town will enact or repeal a tax or change the rate of a tax under this part;

1420 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

- 1421 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and  
1422 (D) if the town enacts the tax or changes the rate of the tax described in Subsection  
1423 (5)(b)(ii)(A), the rate of the tax.
- 1424 (c) (i) If the billing period for the transaction begins before the effective date of the  
1425 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of  
1426 the tax or the tax rate increase takes effect on the first day of the first billing period that begins  
1427 on or after the effective date of the enactment of the tax or the tax rate increase.
- 1428 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
1429 statement for the billing period is produced on or after the effective date of the repeal of the tax  
1430 or the tax rate decrease imposed under Subsection (1).
- 1431 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1432 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
1433 a tax described in Subsection (5)(b)(i) takes effect:
- 1434 (A) on the first day of a calendar quarter; and  
1435 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1436 rate of the tax under Subsection (5)(b)(i).
- 1437 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1438 commission may by rule define the term "catalogue sale."
- 1439 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
1440 on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the  
1441 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
1442 effect:
- 1443 (A) on the first day of a calendar quarter; and  
1444 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1445 the requirements of Subsection (5)(e)(ii) from the town that annexes the annexing area.
- 1446 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:
- 1447 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment,  
1448 repeal, or change in the rate of a tax under this part for the annexing area;  
1449 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);  
1450 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and  
1451 (D) if the town enacts the tax or changes the rate of the tax described in Subsection

1452 (5)(e)(ii)(A), the rate of the tax.

1453 (f) (i) If the billing period for a transaction begins before the effective date of the  
1454 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of  
1455 the tax or the tax rate increase takes effect on the first day of the first billing period that begins  
1456 on or after the effective date of the enactment of the tax or the tax rate increase.

1457 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing  
1458 statement for the billing period is produced on or after the effective date of the repeal of the tax  
1459 or the tax rate decrease imposed under Subsection (1).

1460 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1461 sales and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of  
1462 a tax described in Subsection (5)(e)(i) takes effect:

1463 (A) on the first day of a calendar quarter; and

1464 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1465 rate of the tax under Subsection (5)(e)(i).

1466 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1467 commission may by rule define the term "catalogue sale."

1468 (6) The commission shall:

1469 (a) distribute the revenue generated by the tax under this section to the town imposing  
1470 the tax; and

1471 (b) except as provided in Subsection (8), administer, collect, and enforce the tax  
1472 authorized under this section in accordance with:

1473 (i) the same procedures used to administer, collect, and enforce the tax under:

1474 (A) Part 1, Tax Collection; or

1475 (B) Part 2, Local Sales and Use Tax Act; and

1476 (ii) Chapter 1, General Taxation Policies.

1477 (7) The commission shall retain and deposit an administrative charge in accordance  
1478 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

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

1480 (8).

1481 Section 19. Section 59-12-1402 is amended to read:

1482 **59-12-1402. Opinion question election -- Base -- Rate -- Imposition of tax --**



1483 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**  
1484 **requirements.**

1485 (1) (a) Subject to the other provisions of this section, a city or town legislative body  
1486 subject to this part may submit an opinion question to the residents of that city or town, by  
1487 majority vote of all members of the legislative body, so that each resident of the city or town  
1488 has an opportunity to express the resident's opinion on the imposition of a local sales and use  
1489 tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or  
1490 town, to:

1491 (i) fund cultural facilities, recreational facilities, and zoological facilities and botanical  
1492 organizations, cultural organizations, and zoological organizations in that city or town; or

1493 (ii) provide funding for a botanical organization, cultural organization, or zoological  
1494 organization to pay for use of a bus or facility rental if that use of the bus or facility rental is in  
1495 furtherance of the botanical organization's, cultural organization's, or zoological organization's  
1496 primary purpose.

1497 (b) The opinion question required by this section shall state:

1498 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales  
1499 and use tax for (list the purposes for which the revenue collected from the sales and use tax  
1500 shall be expended)?"

1501 (c) A city or town legislative body may not impose a tax under this section:

1502 (i) if the county in which the city or town is located imposes a tax under Part 7, County  
1503 Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or  
1504 Facilities;

1505 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and  
1506 uses are exempt from taxation under Section 59-12-104; and

1507 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and  
1508 food ingredients.

1509 (d) For purposes of this Subsection (1), the location of a transaction shall be  
1510 determined in accordance with Sections 59-12-211 through 59-12-215.

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

1514 to food and food ingredients and tangible personal property other than food and food  
1515 ingredients.

1516 (f) Except as provided in Subsection (6), the election shall be held at a regular general  
1517 election or a municipal general election, as those terms are defined in Section 20A-1-102, and  
1518 shall follow the procedures outlined in Title 11, Chapter 14, Local Government Bonding Act.

1519 (2) If the city or town legislative body determines that a majority of the city's or town's  
1520 registered voters voting on the imposition of the tax have voted in favor of the imposition of  
1521 the tax as prescribed in Subsection (1), the city or town legislative body may impose the tax by  
1522 a majority vote of all members of the legislative body.

1523 (3) Subject to Section 59-12-1403, revenue collected from a tax imposed under  
1524 Subsection (2) shall be expended:

1525 (a) to finance cultural facilities, recreational facilities, and zoological facilities within  
1526 the city or town or within the geographic area of entities that are parties to an interlocal  
1527 agreement, to which the city or town is a party, providing for cultural facilities, recreational  
1528 facilities, or zoological facilities;

1529 (b) to finance ongoing operating expenses of:

1530 (i) recreational facilities described in Subsection (3)(a) within the city or town or  
1531 within the geographic area of entities that are parties to an interlocal agreement, to which the  
1532 city or town is a party, providing for recreational facilities; or

1533 (ii) botanical organizations, cultural organizations, and zoological organizations within  
1534 the city or town or within the geographic area of entities that are parties to an interlocal  
1535 agreement, to which the city or town is a party, providing for the support of botanical  
1536 organizations, cultural organizations, or zoological organizations; and

1537 (c) as stated in the opinion question described in Subsection (1).

1538 (4) (a) Except as provided in Subsection (4)(b), a tax authorized under this part shall  
1539 be:

1540 (i) administered, collected, and enforced in accordance with:

1541 (A) the same procedures used to administer, collect, and enforce the tax under:

1542 (I) Part 1, Tax Collection; or

1543 (II) Part 2, Local Sales and Use Tax Act; and

1544 (B) Chapter 1, General Taxation Policies; and

- 1545 (ii) (A) levied for a period of eight years; and  
1546 (B) may be reauthorized at the end of the eight-year period in accordance with this  
1547 section.
- 1548 (b) (i) If a tax under this part is imposed for the first time on or after July 1, 2011, the  
1549 tax shall be levied for a period of 10 years.
- 1550 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or  
1551 after July 1, 2011, the tax shall be reauthorized for a ten-year period.
- 1552 (c) A tax under this section is not subject to Subsections 59-12-205(2) through [~~(7)~~]  
1553 (8).
- 1554 (5) (a) For purposes of this Subsection (5):
- 1555 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part  
1556 4, Annexation.
- 1557 (ii) "Annexing area" means an area that is annexed into a city or town.
- 1558 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city  
1559 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:
- 1560 (A) on the first day of a calendar quarter; and  
1561 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1562 the requirements of Subsection (5)(b)(ii) from the city or town.
- 1563 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
- 1564 (A) that the city or town will enact or repeal a tax under this part;  
1565 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);  
1566 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and  
1567 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of  
1568 the tax.
- 1569 (c) (i) If the billing period for a transaction begins before the effective date of the  
1570 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
1571 the first billing period that begins on or after the effective date of the enactment of the tax.
- 1572 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1573 period is produced on or after the effective date of the repeal of the tax imposed under this  
1574 section.
- 1575 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of

1576 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1577 Subsection (5)(b)(i) takes effect:

1578 (A) on the first day of a calendar quarter; and

1579 (B) beginning 60 days after the effective date of the enactment or repeal under  
1580 Subsection (5)(b)(i).

1581 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1582 commission may by rule define the term "catalogue sale."

1583 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
1584 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
1585 part for an annexing area, the enactment or repeal shall take effect:

1586 (A) on the first day of a calendar quarter; and

1587 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1588 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

1589 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

1590 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
1591 repeal a tax under this part for the annexing area;

1592 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

1593 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

1594 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

1595 (f) (i) If the billing period for a transaction begins before the effective date of the  
1596 enactment of the tax under this section, the enactment of the tax takes effect on the first day of  
1597 the first billing period that begins on or after the effective date of the enactment of the tax.

1598 (ii) The repeal of a tax applies to a billing period if the billing statement for the billing  
1599 period is produced on or after the effective date of the repeal of the tax imposed under this  
1600 section.

1601 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
1602 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
1603 Subsection (5)(e)(i) takes effect:

1604 (A) on the first day of a calendar quarter; and

1605 (B) beginning 60 days after the effective date of the enactment or repeal under  
1606 Subsection (5)(e)(i).

1607 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1608 commission may by rule define the term "catalogue sale."

1609 (6) (a) Before a city or town legislative body submits an opinion question to the  
1610 residents of the city or town under Subsection (1), the city or town legislative body shall:

1611 (i) submit to the county legislative body in which the city or town is located a written  
1612 notice of the intent to submit the opinion question to the residents of the city or town; and

1613 (ii) receive from the county legislative body:

1614 (A) a written resolution passed by the county legislative body stating that the county  
1615 legislative body is not seeking to impose a tax under Part 7, County Option Funding for  
1616 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

1617 (B) a written statement that in accordance with Subsection (6)(b) the results of a county  
1618 opinion question submitted to the residents of the county under Part 7, County Option Funding  
1619 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city  
1620 or town legislative body to submit the opinion question to the residents of the city or town in  
1621 accordance with this part.

1622 (b) (i) Within 60 days after the day the county legislative body receives from a city or  
1623 town legislative body described in Subsection (6)(a) the notice of the intent to submit an  
1624 opinion question to the residents of the city or town, the county legislative body shall provide  
1625 the city or town legislative body:

1626 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

1627 (B) written notice that the county legislative body will submit an opinion question to  
1628 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,  
1629 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under  
1630 that part.

1631 (ii) If the county legislative body provides the city or town legislative body the written  
1632 notice that the county legislative body will submit an opinion question as provided in  
1633 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no  
1634 later than, from the date the county legislative body sends the written notice, the later of:

1635 (A) a 12-month period;

1636 (B) the next regular primary election; or

1637 (C) the next regular general election.

1638 (iii) Within 30 days of the date of the canvass of the election at which the opinion  
1639 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the  
1640 city or town legislative body described in Subsection (6)(a) written results of the opinion  
1641 question submitted by the county legislative body under Part 7, County Option Funding for  
1642 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

1643 (A) (I) the city or town legislative body may not impose a tax under this part because a  
1644 majority of the county's registered voters voted in favor of the county imposing the tax and the  
1645 county legislative body by a majority vote approved the imposition of the tax; or

1646 (II) for at least 12 months from the date the written results are submitted to the city or  
1647 town legislative body, the city or town legislative body may not submit to the county legislative  
1648 body a written notice of the intent to submit an opinion question under this part because a  
1649 majority of the county's registered voters voted against the county imposing the tax and the  
1650 majority of the registered voters who are residents of the city or town described in Subsection  
1651 (6)(a) voted against the imposition of the county tax; or

1652 (B) the city or town legislative body may submit the opinion question to the residents  
1653 of the city or town in accordance with this part because although a majority of the county's  
1654 registered voters voted against the county imposing the tax, the majority of the registered voters  
1655 who are residents of the city or town voted for the imposition of the county tax.

1656 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may  
1657 provide a city or town legislative body described in Subsection (6)(a) a written resolution  
1658 passed by the county legislative body stating that the county legislative body is not seeking to  
1659 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and  
1660 Zoological Organizations or Facilities, which permits the city or town legislative body to  
1661 submit under Subsection (1) an opinion question to the city's or town's residents.

1662 Section 20. Section **59-12-2103** is amended to read:

1663 **59-12-2103. Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**  
1664 **from the tax -- Administration, collection, and enforcement of tax by commission --**  
1665 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

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

1669 city or town would have received a tax revenue distribution of less than .75% of the taxable  
1670 sales within the boundaries of the city or town but for Subsection 59-12-205(4)(a), the city or  
1671 town legislative body may impose a sales and use tax of up to .20% on the transactions:

1672 (i) described in Subsection 59-12-103(1); and

1673 (ii) within the city or town.

1674 (b) A city or town legislative body that imposes a tax under Subsection (1)(a) shall  
1675 expend the revenue collected from the tax for the same purposes for which the city or town  
1676 may expend the city's or town's general fund revenue.

1677 (c) For purposes of this Subsection (1), the location of a transaction shall be  
1678 determined in accordance with Sections 59-12-211 through 59-12-215.

1679 (2) (a) A city or town legislative body may not impose a tax under this section on:

1680 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
1681 are exempt from taxation under Section 59-12-104; and

1682 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and food  
1683 ingredients.

1684 (b) A city or town legislative body imposing a tax under this section shall impose the  
1685 tax on the purchase price or sales price for amounts paid or charged for food and food  
1686 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable  
1687 to food and food ingredients and tangible personal property other than food and food  
1688 ingredients.

1689 (3) (a) Beginning on January 1, 2009, and ending on June 30, 2016, to impose a tax  
1690 under this part, a city or town legislative body shall obtain approval from a majority of the  
1691 members of the city or town legislative body.

1692 (b) If, on June 30, 2016, a city or town is not imposing a tax under this part, the city or  
1693 town legislative body may not impose a tax under this part beginning on or after July 1, 2016.

1694 (c) (i) If, on June 30, 2016, a city or town imposes a tax under this part, the city or  
1695 town shall repeal the tax on July 1, 2016, unless, on or after July 1, 2012, but on or before  
1696 March 31, 2016, the city or town legislative body obtains approval from a majority vote of the  
1697 members of the city or town legislative body to continue to impose the tax.

1698 (ii) If a city or town obtains approval under Subsection (3)(c)(i) from a majority vote of  
1699 the members of the city or town legislative body to continue to impose a tax under this part on

1700 or after July 1, 2016, the city or town may impose the tax until no later than June 30, 2030.

1701 (4) The commission shall transmit revenue collected within a city or town from a tax  
1702 under this part:

1703 (a) to the city or town legislative body;

1704 (b) monthly; and

1705 (c) by electronic funds transfer.

1706 (5) (a) Except as provided in Subsection (5)(b), the commission shall administer,  
1707 collect, and enforce a tax under this part in accordance with:

1708 (i) the same procedures used to administer, collect, and enforce the tax under:

1709 (A) Part 1, Tax Collection; or

1710 (B) Part 2, Local Sales and Use Tax Act; and

1711 (ii) Chapter 1, General Taxation Policies.

1712 (b) A tax under this part is not subject to Subsections 59-12-205(2) through ~~(7)~~ (8).

1713 (6) The commission shall retain and deposit an administrative charge in accordance  
1714 with Section 59-1-306 from the revenue the commission collects from a tax under this part.

1715 (7) (a) (i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1, 2009,  
1716 a city or town enacts or repeals a tax or changes the rate of a tax under this part, the enactment,  
1717 repeal, or change shall take effect:

1718 (A) on the first day of a calendar quarter; and

1719 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1720 the requirements of Subsection (7)(a)(i) from the city or town.

1721 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:

1722 (A) that the city or town will enact or repeal a tax or change the rate of the tax under  
1723 this part;

1724 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);

1725 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and

1726 (D) if the city or town enacts the tax or changes the rate of the tax described in  
1727 Subsection (7)(a)(ii)(A), the rate of the tax.

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



1731 enactment of the tax or the tax rate increase.

1732 (ii) If the billing period for a transaction begins before the effective date of the repeal  
1733 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax  
1734 rate decrease applies to a billing period if the billing statement for the billing period is rendered  
1735 on or after the effective date of the repeal of the tax or the tax rate decrease.

1736 (c) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales  
1737 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
1738 described in Subsection (7)(a)(i) takes effect:

1739 (A) on the first day of a calendar quarter; and

1740 (B) beginning 60 days after the effective date of the enactment, repeal, or change in the  
1741 rate of the tax under Subsection (7)(a)(i).

1742 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1743 commission may by rule define the term "catalogue sale."

1744 (d) (i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs  
1745 on or after January 1, 2009, the annexation will result in the enactment, repeal, or change in the  
1746 rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take  
1747 effect:

1748 (A) on the first day of a calendar quarter; and

1749 (B) after a 90-day period beginning on the date the commission receives notice meeting  
1750 the requirements of Subsection (7)(d)(ii) from the city or town that annexes the annexing area.

1751 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:

1752 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the  
1753 enactment, repeal, or change in the rate of a tax under this part for the annexing area;

1754 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);

1755 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and

1756 (D) if the city or town enacts the tax or changes the rate of the tax described in  
1757 Subsection (7)(d)(ii)(A), the rate of the tax.

1758 (e) (i) If the billing period for a transaction begins before the effective date of the  
1759 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a tax or a tax  
1760 rate increase takes effect on the first day of the first billing period that begins on or after the  
1761 effective date of the enactment of the tax or the tax rate increase.

1762 (ii) If the billing period for a transaction begins before the effective date of the repeal  
1763 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax  
1764 rate decrease applies to a billing period if the billing statement for the billing period is rendered  
1765 on or after the effective date of the repeal of the tax or the tax rate decrease.

1766 (f) (i) If a tax due under this part on a catalogue sale is computed on the basis of sales  
1767 and use tax rates published in the catalogue, an enactment, repeal, or change in the rate of a tax  
1768 described in Subsection (7)(d)(i) takes effect:

1769 (A) on the first day of a calendar quarter; and

1770 (B) beginning 60 days after the effective date of the enactment, repeal, or change under  
1771 Subsection (7)(d)(i).

1772 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1773 commission may by rule define the term "catalogue sale."

1774 Section 21. Section **59-12-2206** is amended to read:

1775 **59-12-2206. Administration, collection, and enforcement of a sales and use tax**  
1776 **under this part -- Transmission of revenue monthly by electronic funds transfer --**  
1777 **Transfer of revenue to a public transit district or eligible political subdivision.**

1778 (1) Except as provided in Subsection (2), the commission shall administer, collect, and  
1779 enforce a sales and use tax imposed under this part.

1780 (2) The commission shall administer, collect, and enforce a sales and use tax imposed  
1781 under this part in accordance with:

1782 (a) the same procedures used to administer, collect, and enforce a tax under:

1783 (i) Part 1, Tax Collection; or

1784 (ii) Part 2, Local Sales and Use Tax Act; and

1785 (b) Chapter 1, General Taxation Policies.

1786 (3) A sales and use tax under this part is not subject to Subsections [59-12-205](#)(2)  
1787 through ~~[(7)]~~ [\(8\)](#).

1788 (4) Subject to Section [59-12-2207](#) and except as provided in Subsection (5) or another  
1789 provision of this part, the state treasurer shall transmit revenue collected within a county, city,  
1790 or town from a sales and use tax under this part to the county, city, or town legislative body  
1791 monthly by electronic funds transfer.

1792 (5) (a) Subject to Section [59-12-2207](#), and except as provided in Subsection (5)(b), the

1793 state treasurer shall transfer revenue collected within a county, city, or town from a sales and  
1794 use tax under this part directly to a public transit district organized under Title 17B, Chapter 2a,  
1795 Part 8, Public Transit District Act, or an eligible political subdivision as defined in Section  
1796 [59-12-2219](#), if the county, city, or town legislative body:

1797 (i) provides written notice to the commission and the state treasurer requesting the  
1798 transfer; and

1799 (ii) designates the public transit district or eligible political subdivision to which the  
1800 county, city, or town legislative body requests the state treasurer to transfer the revenue.

1801 (b) The commission shall transmit a portion of the revenue collected within a county,  
1802 city, or town from a sales and use tax under this part that would be transferred to a public  
1803 transit district or an eligible political subdivision under Subsection (5)(a) to the county, city, or  
1804 town to fund public transit fixed guideway safety oversight under Section [72-1-214](#) if the  
1805 county, city, or town legislative body:

1806 (i) provides written notice to the commission and the state treasurer requesting the  
1807 transfer; and

1808 (ii) specifies the amount of revenue required to be transmitted to the county, city, or  
1809 town.

1810 Section 22. Section **63J-1-801** is enacted to read:

1811 **Part 8. Homeless Shelter Cities Mitigation Program**

1812 **63J-1-801. Definitions.**

1813 As used in this part:

1814 (1) "Committee" means the Homeless Coordinating Committee created in Section  
1815 [35A-8-601](#).

1816 (2) "Eligible municipality" means a city of the third, fourth, or fifth class, a town, or a  
1817 metro township that:

1818 (a) has, or is proposed to have, a homeless shelter within the city's, town's, or metro  
1819 township's geographic boundaries that:

1820 (i) provides or is proposed to provide temporary shelter to homeless individuals;

1821 (ii) has or is proposed to have the capacity to provide temporary shelter to at least 200  
1822 individuals per night; and

1823 (iii) operates year-round and is not subject to restrictions that limit the hours, days,

1824 weeks, or months of operation; and  
1825 (b) due to the location of a homeless shelter within the city's, town's, or metro  
1826 township's geographic boundaries, needs more public safety services than the city, town, or  
1827 metro township needed before the location of the homeless shelter within the city's, town's, or  
1828 metro township's geographic boundaries.

1829 (3) "Grant eligible entity" means:

1830 (a) the Department of Public Safety; or

1831 (b) a city, town, or metro township that has:

1832 (i) a homeless shelter within the city's, town's, or metro township's geographic  
1833 boundaries that:

1834 (A) provides temporary shelter to homeless individuals;

1835 (B) has the capacity to provide temporary shelter to at least 60 individuals per night;

1836 and

1837 (C) operates year-round and is not subject to restrictions that limit the hours, days,  
1838 weeks, or months of operation; and

1839 (ii) increased community, social service, and public safety service needs due to the  
1840 location of a homeless shelter within the city's, town's, or metro township's geographic  
1841 boundaries.

1842 Section 23. Section **63J-1-802** is enacted to read:

1843 **63J-1-802. Submission of Homeless Coordinating Committee recommendations --**  
1844 **Adoption, procedure, and approval -- Appropriation.**

1845 (1) (a) On or before December 31, the committee shall submit the committee's  
1846 recommendation under Subsection [35A-8-607\(4\)](#) for each eligible municipality that made a  
1847 request:

1848 (i) to the Social Services Appropriations Subcommittee of the Legislature; and

1849 (ii) as an appropriations request.

1850 (b) For each recommendation that the committee submits, the Social Services  
1851 Appropriations Subcommittee shall:

1852 (i) approve the amount as recommended;

1853 (ii) increase or decrease the amount and then approve the modified amount; or

1854 (iii) reject the amount.

1855 (2) (a) On or before December 31, the committee shall submit the committee's list  
1856 prioritizing the grant requests and recommending a grant amount for each grant eligible entity  
1857 that requested a grant:

1858 (i) to the Social Services Appropriations Subcommittee of the Legislature; and

1859 (ii) as an appropriations request.

1860 (b) The Social Services Appropriations Subcommittee shall:

1861 (i) approve the committee's list;

1862 (ii) modify the committee's list and then approve the modified list; or

1863 (iii) reject the committee's list.

1864 (3) The Social Services Appropriations Subcommittee may submit the subcommittee's  
1865 approvals under this section from the Homeless Shelter Cities Mitigation Restricted Account  
1866 for inclusion in an appropriations act to be considered by the full Legislature.

1867 **Section 24. Appropriation.**

1868 The following sums of money are appropriated for the fiscal year beginning July 1,  
1869 2018, and ending June 30, 2019. These are additions to amounts previously appropriated for  
1870 fiscal year 2019. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures  
1871 Act, the Legislature appropriates the following sums of money from the funds or accounts  
1872 indicated for the use and support of the government of the state of Utah.

1873 ITEM 1

1874 To Department of Workforce Services -- Housing and Community Development  
1875 From Homeless Shelter Cities Mitigation Restricted Account,

1876 One-Time \$2,500,000

1877 Schedule of Programs:

1878 Homeless Shelter Cities Mitigation Program \$2,500,000

1879 The Legislature intends that:

1880 (1) the appropriations provided under this section be used for the purposes described in  
1881 Section [35A-8-607](#); and

1882 (2) the Department of Workforce Services allocate the appropriation under this section  
1883 to an eligible municipality, as defined in Section [35A-8-607](#), in an amount approved by the  
1884 Homeless Coordinating Committee to the extent that the eligible municipality provides an  
1885 invoice and supporting documentation to the Department of Workforce Services as described

1886 in Section [35A-8-607](#).