

1 **CLASS B AND CLASS C ROAD FUND AMENDMENTS**

2 2018 SECOND SPECIAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Kevin T. Van Tassell**

5 House Sponsor: Michael E. Noel

7 **LONG TITLE**

8 **General Description:**

9 This bill amends provisions relating to class B and class C road funds.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ amends provisions related to the calculation of amounts allocated to political
- 13 subdivisions for class B and class C roads;
- 14 ▶ amends provisions related to class B and class C road funds to allow a portion of
- 15 those funds for maintenance of class D roads; and
- 16 ▶ makes technical changes.

17 **Money Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 None

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **72-2-108**, as last amended by Laws of Utah 2018, Chapter 330

24 **72-2-110**, as last amended by Laws of Utah 2017, Chapter 144

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

27 Section 1. Section **72-2-108** is amended to read:

28 **72-2-108. Apportionment of funds available for use on class B and class C roads**

29 -- **Bonds.**

30 (1) For purposes of this section:

31 (a) "Eligible county" means a county of the fifth class, as described in Section
32 17-50-501, that received a distribution for fiscal year 2015 that was reapportioned to include
33 money in addition to the amount calculated under Subsection (2), and the portion of the
34 distribution derived from the calculation under Subsection (2) was less than 60% of the total
35 distribution.

36 [~~(a)~~] (b) "Graveled road" means a road:

37 (i) that is:

38 (A) graded; and

39 (B) drained by transverse drainage systems to prevent serious impairment of the road
40 by surface water;

41 (ii) that has an improved surface; and

42 (iii) that has a wearing surface made of:

43 (A) gravel;

44 (B) broken stone;

45 (C) slag;

46 (D) iron ore;

47 (E) shale; or

48 (F) other material that is:

49 (I) similar to a material described in Subsection (1)[~~(a)~~](b)(iii)(A) through (E); and

50 (II) coarser than sand.

51 [~~(b)~~] (c) "Paved road" includes a graveled road with a chip seal surface.

52 [~~(c)~~] (d) "Road mile" means a one-mile length of road, regardless of:

53 (i) the width of the road; or

54 (ii) the number of lanes into which the road is divided.

55 [~~(d)~~] (e) "Weighted mileage" means the sum of the following:

56 (i) paved road miles multiplied by five; and

57 (ii) all other road type road miles multiplied by two.

58 (2) Subject to the provisions of Subsections (3) through ~~[(8)]~~ (7), funds appropriated
59 for class B and class C roads shall be apportioned among counties and municipalities in the
60 following manner:

61 (a) 50% in the ratio that the class B roads weighted mileage within each county and
62 class C roads weighted mileage within each municipality bear to the total class B and class C
63 roads weighted mileage within the state; and

64 (b) 50% in the ratio that the population of a county or municipality bears to the total
65 population of the state as of the last official federal census or the United States Bureau of
66 Census estimate, whichever is most recent, except that if population estimates are not available
67 from the United States Bureau of Census, population figures shall be derived from the estimate
68 from the Utah Population Committee.

69 (3) For purposes of Subsection (2)(b), "the population of a county" means:

70 (a) the population of a county outside the corporate limits of municipalities in that
71 county, if the population of the county outside the corporate limits of municipalities in that
72 county is not less than 14% of the total population of that county, including municipalities; and

73 (b) if the population of a county outside the corporate limits of municipalities in the
74 county is less than 14% of the total population:

75 (i) the aggregate percentage of the population apportioned to municipalities in that
76 county shall be reduced by an amount equal to the difference between:

77 (A) 14%; and

78 (B) the actual percentage of population outside the corporate limits of municipalities in
79 that county; and

80 (ii) the population apportioned to the county shall be 14% of the total population of
81 that county, including incorporated municipalities.

82 (4) ~~[If an apportionment under Subsection (2) made in the current fiscal year to a~~
83 ~~county or municipality with a population of less than 14,000 is less than 120% of the amount~~
84 ~~apportioned to the county or municipality for class B and class C roads in fiscal year 1996-97,]~~
85 For an eligible county, the department shall reapportion the funds under Subsection (2) to

86 ensure that the county or municipality receives, for a fiscal year beginning on or after July 1,
87 2018, an amount equal to the greater of:

88 ~~[(a) subject to the requirement in Subsection (5) and for fiscal year 2016 only, an~~
89 ~~amount equal to:]~~

90 ~~[(i) the amount apportioned to the county or municipality for class B and class C roads~~
91 ~~in fiscal year 2015 multiplied by 120%; plus]~~

92 ~~[(ii) an amount equal to the amount apportioned to the county or municipality in fiscal~~
93 ~~year 2015 multiplied by the percentage increase or decrease in the total funds available for~~
94 ~~class B and class C roads between fiscal year 2015 and fiscal year 2016;]~~

95 ~~[(b) for fiscal year 2017 only, an amount equal to the greater of:]~~

96 ~~[(i) the amount apportioned to the county or municipality for class B and class C roads~~
97 ~~in the current fiscal year under Subsection (2); or]~~

98 ~~[(ii) (A) the amount apportioned to the county for class B and class C roads in fiscal~~
99 ~~year 2015 multiplied by 120%; plus]~~

100 ~~[(B) the amount calculated as described in Subsection (7); or]~~

101 ~~[(c) for a fiscal year beginning on or after July 1, 2017, an amount equal to the greater~~
102 ~~of:]~~

103 ~~[(i)]~~ (a) the amount apportioned to the county or municipality for class B and class C
104 roads in the current fiscal year under Subsection (2); or

105 ~~[(ii) (A)]~~ (b) (i) the amount apportioned to the county or municipality for class B and
106 class C roads through the apportionment formula under Subsection (2) or this Subsection (4) in
107 the prior fiscal year; plus

108 ~~[(B)]~~ (ii) the amount calculated as described in Subsection ~~[(7)]~~ (6).

109 ~~[(5) For the purposes of calculating a final distribution of money collected in fiscal~~
110 ~~year 2016, the department shall subtract the payments previously made to a county or~~
111 ~~municipality for money collected in fiscal year 2016 for class B and class C roads from the~~
112 ~~fiscal year 2016 total calculated in Subsection (4)(a):]~~

113 ~~[(6)]~~ (5) (a) The department shall decrease proportionately as provided in Subsection

114 ~~[(6)]~~ (5)(b) the apportionments to counties and municipalities for which the reapportionment
115 under Subsection (4)~~[(a), (b)(ii), or (c)(ii)]~~ does not apply.

116 (b) The aggregate amount of the funds that the department shall decrease
117 proportionately from the apportionments under Subsection ~~[(6)]~~ (5)(a) is an amount equal to
118 the aggregate amount reapportioned to counties and municipalities under Subsection (4)~~[(a),~~
119 ~~(b)(ii), or (c)(ii)]~~.

120 ~~[(7)]~~ (6) (a) In addition to the apportionment adjustments made under Subsection (4), a
121 county or municipality that qualifies for reapportioned money under Subsection (4)~~[(b)(ii) or~~
122 ~~(c)(ii)]~~ shall receive an amount equal to the amount apportioned to the eligible county or
123 municipality under Subsection (4)~~[(b)(ii) or (c)(ii)]~~ for class B and class C roads in the prior
124 fiscal year multiplied by the percentage increase or decrease in the total funds available for
125 class B and class C roads between the prior fiscal year and the fiscal year that immediately
126 preceded the prior fiscal year.

127 (b) The adjustment under Subsection ~~[(7)]~~ (6)(a) shall be made in the same way as
128 provided in Subsections ~~[(6)]~~ (5)(a) and (b).

129 ~~[(8)]~~ (7) (a) If a county or municipality does not qualify for a reapportionment under
130 Subsection (4)~~[(c)]~~ in the current fiscal year but previously qualified for a reapportionment
131 under Subsection (4)~~[(c)]~~ on or after July 1, 2017, the county or municipality shall receive an
132 amount equal to the greater of:

133 (i) the amount apportioned to the county or municipality for class B and class C roads
134 in the current fiscal year under Subsection (2); or

135 (ii) the amount apportioned to the county or municipality for class B and class C roads
136 in the prior fiscal year.

137 (b) The adjustment under Subsection ~~[(8)]~~ (7)(a) shall be made in the same way as
138 provided in Subsections ~~[(6)]~~ (5)(a) and (b).

139 ~~[(9)]~~ (8) The governing body of any municipality or county may issue bonds
140 redeemable up to a period of 10 years under Title 11, Chapter 14, Local Government Bonding
141 Act, to pay the costs of constructing, repairing, and maintaining class B or class C roads and

142 may pledge class B or class C road funds received pursuant to this section to pay principal,
143 interest, premiums, and reserves for the bonds.

144 Section 2. Section **72-2-110** is amended to read:

145 **72-2-110. Funds allocated to class B and class C roads -- Matching federal funds**
146 **-- R.S. 2477 rights.**

147 A county or municipality may:

148 (1) use funds which are allocated to class B and class C roads for matching federal
149 funds for the construction of secondary roads now available or which may later become
150 available in accordance with the provisions of law; and

151 (2) use up to 30% of the class B and class C road funds allocated to the county or
152 municipality to:

153 (a) pay the costs of asserting, defending, or litigating local government rights under
154 R.S. 2477 on class B, class C, or class D roads[-]; or

155 (b) maintain class D roads.