

1 **TRANSPORTATION GOVERNANCE AND FUNDING**

2 **REVISIONS**

3 2019 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Wayne A. Harper**

6 House Sponsor: Kay J. Christofferson

7

8 **LONG TITLE**

9 **Committee Note:**

10 The Transportation and Tax Review Task Force recommended this bill.

11 Membership: 10 legislators 3 non-legislators

12 Legislative Vote: 10 voting for 0 voting against 0 absent

13 **General Description:**

14 This bill amends provisions related to transportation including transportation
15 reinvestment zones, public transit districts, local option sales and use taxes,
16 transportation governance, and a road usage charge program.

17 **Highlighted Provisions:**

18 This bill:

- 19 ▶ amends provisions related to transportation reinvestment zones;
- 20 ▶ amends provisions related to public transit district governance structure and
- 21 responsibilities;
- 22 ▶ renames the local advisory board of a large public transit district as a "local advisory
- 23 council";
- 24 ▶ repeals a provision related to the name of a large public transit district;
- 25 ▶ requires two or more entities providing public transit services in adjacent or
- 26 overlapping areas to integrate and coordinate services and fees with oversight by the
- 27 Department of Transportation;



- 28 ▶ allows a public transit district to exclude applicants for certain positions of
- 29 employment based on results of a background check;
- 30 ▶ amends definitions related to motor vehicles;
- 31 ▶ amends provisions related to motor vehicle registration;
- 32 ▶ amends allowable uses of certain local option sales and use tax revenue;
- 33 ▶ makes technical changes regarding local option sales and use taxes;
- 34 ▶ amends provisions related to the governance structure and duties of certain positions
- 35 within the Department of Transportation;
- 36 ▶ amends certain provisions related to transportation funding procedures;
- 37 ▶ exempts the Transportation Commission from certain restrictions on setting rates
- 38 for certain programs administered by the Department of Transportation;
- 39 ▶ creates a road usage charge program, requires the Department of Transportation to
- 40 administer the program, and grants rulemaking authority;
- 41 ▶ amends provisions related to the State Infrastructure Bank;
- 42 ▶ amends certain provisions pertaining to anonymized location data of certain
- 43 connected vehicles; and
- 44 ▶ makes technical changes.

45 **Money Appropriated in this Bill:**

46 None

47 **Other Special Clauses:**

48 This bill provides a special effective date.

49 **Utah Code Sections Affected:**

50 AMENDS:

- 51 **11-13-227**, as enacted by Laws of Utah 2018, Chapter 424
- 52 **17B-1-311**, as last amended by Laws of Utah 2013, Chapter 448
- 53 **17B-2a-802**, as last amended by Laws of Utah 2018, Chapter 424
- 54 **17B-2a-807.1**, as enacted by Laws of Utah 2018, Chapter 424
- 55 **17B-2a-808.1**, as enacted by Laws of Utah 2018, Chapter 424
- 56 **17B-2a-808.2**, as enacted by Laws of Utah 2018, Chapter 424
- 57 **17B-2a-826**, as last amended by Laws of Utah 2018, Chapter 424
- 58 **34-52-201**, as enacted by Laws of Utah 2017, Chapter 242

- 59 [41-1a-102](#), as last amended by Laws of Utah 2018, Chapters 166 and 424
- 60 [41-1a-203](#), as last amended by Laws of Utah 2018, Chapter 269
- 61 [41-1a-1206](#), as last amended by Laws of Utah 2018, Chapter 424
- 62 [51-2a-202](#), as last amended by Laws of Utah 2016, Chapter 373
- 63 [59-12-103](#), as amended by Statewide Initiative -- Proposition 3, Nov. 6, 2018
- 64 [59-12-2202](#), as last amended by Laws of Utah 2018, Chapter 424
- 65 [59-12-2203](#), as last amended by Laws of Utah 2018, Chapter 424
- 66 [59-12-2214](#), as last amended by Laws of Utah 2015, Chapter 421
- 67 [59-12-2215](#), as enacted by Laws of Utah 2010, Chapter 263
- 68 [59-12-2216](#), as enacted by Laws of Utah 2010, Chapter 263
- 69 [59-12-2217](#), as last amended by Laws of Utah 2018, Chapter 424
- 70 [59-12-2218](#), as last amended by Laws of Utah 2018, Chapter 424
- 71 [59-12-2219](#), as last amended by Laws of Utah 2018, Chapters 330 and 424
- 72 [59-12-2220](#), as enacted by Laws of Utah 2018, Chapter 424
- 73 [59-13-301](#), as last amended by Laws of Utah 2018, Chapter 281
- 74 [63B-1b-102](#), as last amended by Laws of Utah 2017, Chapter 345
- 75 [63B-18-401](#), as last amended by Laws of Utah 2013, Chapter 389
- 76 [63B-27-101](#), as last amended by Laws of Utah 2018, Chapter 280
- 77 [63I-1-259](#), as last amended by Laws of Utah 2018, Chapter 281
- 78 [72-1-102](#), as last amended by Laws of Utah 2018, Chapter 424
- 79 [72-1-202](#), as last amended by Laws of Utah 2018, Chapter 424
- 80 [72-1-203](#), as last amended by Laws of Utah 2018, Chapter 424
- 81 [72-1-204](#), as last amended by Laws of Utah 2018, Chapter 424
- 82 [72-1-205](#), as renumbered and amended by Laws of Utah 1998, Chapter 270
- 83 [72-1-213](#), as last amended by Laws of Utah 2018, Chapter 424
- 84 [72-1-301](#), as last amended by Laws of Utah 2011, Chapter 336
- 85 [72-1-304](#), as last amended by Laws of Utah 2018, Chapter 424
- 86 [72-2-107](#), as last amended by Laws of Utah 2017, Chapter 144
- 87 [72-2-117.5](#), as last amended by Laws of Utah 2018, Chapter 424
- 88 [72-2-121](#), as last amended by Laws of Utah 2018, Chapters 403 and 424
- 89 [72-2-121.1](#), as last amended by Laws of Utah 2010, Chapters 263 and 278

- 90 72-2-121.2, as last amended by Laws of Utah 2011, Chapter 342
- 91 72-2-124, as last amended by Laws of Utah 2018, Chapter 424
- 92 72-2-201, as last amended by Laws of Utah 2017, Chapter 216
- 93 72-2-202, as last amended by Laws of Utah 2008, Chapter 382
- 94 72-2-203, as last amended by Laws of Utah 2008, Chapter 382
- 95 72-2-204, as last amended by Laws of Utah 2008, Chapter 382
- 96 72-5-111, as last amended by Laws of Utah 2017, Chapter 273
- 97 72-6-403, as enacted by Laws of Utah 2014, Chapter 132
- 98 72-10-102, as last amended by Laws of Utah 2008, Chapters 206 and 286
- 99 77-23c-101, as enacted by Laws of Utah 2014, Chapter 223
- 100 77-23c-102, as last amended by Laws of Utah 2016, Chapter 161

ENACTS:

- 102 17B-2a-827, Utah Code Annotated 1953
- 103 59-12-2212.2, Utah Code Annotated 1953
- 104 72-1-213.1, Utah Code Annotated 1953

REPEALS:

- 106 17B-2a-803.1, as enacted by Laws of Utah 2018, Chapter 424

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

Section 1. Section 11-13-227 is amended to read:

11-13-227. Transportation reinvestment zones.

(1) Subject to the provisions of this part, any two or more public agencies may enter into an agreement with one another to create a transportation reinvestment zone as described in this section.

(2) To create a transportation reinvestment zone, two or more public agencies, at least one of which has land use authority over the transportation reinvestment zone area, shall:

- (a) define the transportation infrastructure need and proposed improvement;
- (b) define the boundaries of the zone;
- (c) establish terms for sharing sales tax revenue among the members of the agreement;
- (d) establish a base year to calculate the increase of property tax revenue within the zone;

121 (e) establish terms for sharing any increase in property tax revenue within the zone;
122 and

123 (f) before an agreement is approved as required in Section 11-13-202.5, hold a public
124 hearing regarding the details of the proposed transportation reinvestment zone.

125 (3) Any agreement to establish a transportation reinvestment zone is subject to the
126 requirements of Sections 11-13-202, 11-13-202.5, 11-13-206, and 11-13-207.

127 (4) (a) Each public agency that is party to an agreement under this section shall
128 annually publish a report including a statement of the increased tax revenue and the
129 expenditures made in accordance with the agreement.

130 (b) Each public agency that is party to an agreement under this section shall transmit a
131 copy of the report described in Subsection (4)(a) to the state auditor.

132 (5) If any surplus revenue remains in a tax revenue account created as part of a
133 transportation reinvestment zone agreement, the parties may use the surplus for other purposes
134 as determined by agreement of the parties.

135 (6) (a) An action taken under this section is not subject to Title 10, Chapter 9a,
136 Municipal Land Use, Development, and Management Act or Title 17, Chapter 27a, County
137 Land Use, Development, and Management Act.

138 (b) An ordinance, resolution, or agreement adopted under this title is not a land use
139 regulation as defined in Sections 10-9a-103 and 17-27a-103.

140 Section 2. Section 17B-1-311 is amended to read:

141 **17B-1-311. Board member prohibited from district employment -- Exception.**

142 (1) No elected or appointed member of the board of trustees of a local district may,
143 while serving on the board, be employed by the district, whether as an employee or under a
144 contract.

145 (2) No person employed by a local district, whether as an employee or under a contract,
146 may serve on the board of that local district.

147 (3) A local district is not in violation of a prohibition described in Subsection (1) or (2)
148 if the local district:

149 (a) treats a member of a board of trustees as an employee for income tax purposes; and

150 (b) complies with the compensation limits of Section 17B-1-307 for purposes of that
151 member.

- 152 (4) This section does not apply to a local district if:
- 153 (a) fewer than 3,000 people live within 40 miles of the primary place of employment,
- 154 measured over all weather public roads; and
- 155 (b) with respect to the employment of a board of trustees member under Subsection
- 156 (1):
- 157 (i) the job opening has had reasonable public notice; and
- 158 (ii) the person employed is the best qualified candidate for the position.
- 159 (5) This section does not apply to a board of trustees of a large public transit district as

160 described in Chapter 2a, Part 8, Public Transit District Act.

161 Section 3. Section **17B-2a-802** is amended to read:

162 **17B-2a-802. Definitions.**

163 As used in this part:

164 (1) "Affordable housing" means housing occupied or reserved for occupancy by

165 households that meet certain gross household income requirements based on the area median

166 income for households of the same size.

167 (a) "Affordable housing" may include housing occupied or reserved for occupancy by

168 households that meet specific area median income targets or ranges of area median income

169 targets.

170 (b) "Affordable housing" does not include housing occupied or reserved for occupancy

171 by households with gross household incomes that are more than 60% of the area median

172 income for households of the same size.

173 (2) "Appointing entity" means the person, county, unincorporated area of a county, or

174 municipality appointing a member to a public transit district board of trustees.

175 (3) (a) "Chief executive officer" means a person appointed by the board of trustees of a

176 small public transit district to serve as chief executive officer.

177 (b) "Chief executive officer" shall enjoy all the rights, duties, and responsibilities

178 defined in Sections [17B-2a-810](#) and [17B-2a-811](#) and includes all rights, duties, and

179 responsibilities assigned to the general manager but prescribed by the board of trustees to be

180 fulfilled by the chief executive officer.

181 (4) "Council of governments" means a decision-making body in each county composed

182 of membership including the county governing body and the mayors of each municipality in the

183 county.

184 (5) "Department" means the Department of Transportation created in Section 72-1-201.

185 (6) "Executive director" means a person appointed by the board of trustees of a large
186 public transit district to serve as executive director.

187 (7) (a) "General manager" means a person appointed by the board of trustees of a small
188 public transit district to serve as general manager.

189 (b) "General manager" shall enjoy all the rights, duties, and responsibilities defined in
190 Sections 17B-2a-810 and 17B-2a-811 prescribed by the board of trustees of a small public
191 transit district.

192 (8) "Large public transit district" means a public transit district that provides public
193 transit to an area that includes:

194 (a) more than 65% of the population of the state based on the most recent official
195 census or census estimate of the United States Census Bureau; and

196 (b) two or more counties.

197 (9) (a) "Locally elected public official" means a person who holds an elected position
198 with a county or municipality.

199 (b) "Locally elected public official" does not include a person who holds an elected
200 position if the elected position is not with a county or municipality.

201 (10) "Metropolitan planning organization" means the same as that term is defined in
202 Section 72-1-208.5.

203 (11) "Multicounty district" means a public transit district located in more than one
204 county.

205 (12) "Operator" means a public entity or other person engaged in the transportation of
206 passengers for hire.

207 ~~[(13) "Public transit" means the transportation of passengers only and their incidental
208 baggage by means other than:]~~

209 ~~[(a) chartered bus;]~~

210 ~~[(b) sightseeing bus; or]~~

211 ~~[(c) taxi.]~~

212 (13) (a) "Public transit" means regular, continuing, shared-ride, surface transportation
213 services that are open to the general public or open to a segment of the general public defined

214 by age, disability, or low income.

215 (b) "Public transit" does not include transportation services provided by:

216 (i) chartered bus;

217 (ii) sightseeing bus;

218 (iii) taxi;

219 (iv) school bus service;

220 (v) courtesy shuttle service for patrons of one or more specific establishments; or

221 (vi) intra-terminal or intra-facility shuttle services.

222 (14) "Public transit district" means a local district that provides public transit services.

223 (15) "Small public transit district" means any public transit district that is not a large
224 public transit district.

225 (16) "Transit facility" means a transit vehicle, transit station, depot, passenger loading
226 or unloading zone, parking lot, or other facility:

227 (a) leased by or operated by or on behalf of a public transit district; and

228 (b) related to the public transit services provided by the district, including:

229 (i) railway or other right-of-way;

230 (ii) railway line; and

231 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled by
232 a transit vehicle.

233 (17) "Transit vehicle" means a passenger bus, coach, railcar, van, or other vehicle
234 operated as public transportation by a public transit district.

235 (18) "Transit-oriented development" means a mixed use residential or commercial area
236 that is designed to maximize access to public transit and includes the development of land
237 owned by a public transit district that serves a county of the first class.

238 (19) "Transit-supportive development" means a mixed use residential or commercial
239 area that is designed to maximize access to public transit and does not include the development
240 of land owned by a public transit district.

241 Section 4. Section **17B-2a-807.1** is amended to read:

242 **17B-2a-807.1. Large public transit district board of trustees -- Appointment --**
243 **Quorum -- Compensation -- Terms.**

244 (1) (a) For a large public transit district, the board of trustees shall consist of three

245 members appointed as described in Subsection (1)(b).

246 (b) (i) The governor, with advice and consent of the Senate, shall appoint the members
247 of the board of trustees, making:

248 (A) one appointment from the nominees described in Subsection (1)(b)(ii);

249 (B) one appointment from the nominees described in Subsection (1)(b)(iii); and

250 (C) one appointment from the nominees described in Subsection (1)(b)(iv).

251 (ii) The chief executive officer of a county of the first class within a large public transit
252 district, with approval of the legislative body of the county, shall nominate two or more
253 individuals to the governor for appointment to the board of trustees.

254 (iii) (A) Subject to Subsection (1)(b)(iii)(B), the executive governing individuals or
255 bodies of a county or counties of the second class, with a population over 500,000, within a
256 large public transit district, shall nominate two or more individuals to the governor for
257 appointment to the board of trustees.

258 (B) To select individuals for nomination, the executive governing individuals or bodies
259 described in Subsection (1)(b)(iii)(A) shall consult with the executive governing individual or
260 body of a county of the third or smaller class within the large public transit district.

261 (iv) (A) Subject to Subsection (1)(b)(iv)(B), the executive governing individuals or
262 bodies of any county or counties of the second class, with a population of 500,000 or less,
263 within a large public transit district, shall jointly nominate two or more individuals to the
264 governor for appointment to the board of trustees.

265 (B) To select individuals for nomination, the executive governing individuals or bodies
266 described in Subsection (1)(b)(iv)(A) shall consult with the executive governing individual or
267 body of a county of the third or smaller class within the large public transit district different
268 from a third or smaller class county consulting with the county or counties described in
269 Subsection (1)(b)(iii).

270 (c) Each nominee shall be a qualified executive with technical and administrative
271 experience and training appropriate for the position.

272 (d) The board of trustees of a large public transit district shall be full-time employees
273 of the public transit district.

274 (e) The compensation package for the board of trustees shall be determined by the local
275 advisory [~~board~~] council as described in Section [17B-2a-808.2](#).

276 (f) (i) Subject to Subsection (1)(f)(ii), for a board of trustees of a large public transit
277 district, "quorum" means at least two members of the board of trustees.

278 (ii) Action by a majority of a quorum constitutes an action of the board of trustees.

279 (iii) A meeting of a quorum of a board of trustees of a large public transit district is
280 subject to Section [52-4-103](#) regarding convening of a three-member board of trustees and what
281 constitutes a public meeting.

282 (2) (a) Subject to Subsections (3) and (4), each member of the board of trustees of a
283 large public transit district shall serve for a term of three years.

284 (b) A member of the board of trustees may serve an unlimited number of terms.

285 (3) Each member of the board of trustees of a large public transit district shall serve at
286 the pleasure of the governor.

287 (4) The first time the board of trustees is appointed under this section, the governor
288 shall stagger the initial term of each of the members of the board of trustees as follows:

289 (a) one member of the board of trustees shall serve an initial term of two years;

290 (b) one member of the board of trustees shall serve an initial term of three years; and

291 (c) one member of the board of trustees shall serve an initial term of four years.

292 (5) The governor shall designate one member of the board of trustees as chair of the
293 board of trustees.

294 (6) (a) If a vacancy occurs, the nomination and appointment procedures to replace the
295 individual shall occur in the same manner described in Subsection (1) for the member creating
296 the vacancy.

297 (b) A replacement board member shall serve for the remainder of the unexpired term,
298 but may serve an unlimited number of terms as provided in Subsection (2)(b).

299 (c) If the nominating officials under Subsection (1) do not nominate to fill the vacancy
300 within 60 days, the governor shall appoint an individual to fill the vacancy.

301 (7) For any large public transit district in existence as of May 8, 2018:

302 (a) the individuals or bodies providing nominations as described in this section shall
303 provide the nominations to the governor as described in this section before July 31, 2018;

304 (b) the governor shall appoint the members of the board of trustees before August 31,
305 2018; and

306 (c) the new board shall assume control of the large public transit district on or before

307 November 1, 2018.

308 Section 5. Section **17B-2a-808.1** is amended to read:

309 **17B-2a-808.1. Large public transit district board of trustees powers and duties --**
310 **Adoption of ordinances, resolutions, or orders -- Effective date of ordinances.**

311 (1) The powers and duties of a board of trustees of a large public transit district stated
312 in this section are in addition to the powers and duties stated in Section **17B-1-301**.

313 (2) The board of trustees of each large public transit district shall:

314 (a) hold public meetings and receive public comment;

315 (b) ensure that the policies, procedures, and management practices established by the
316 public transit district meet state and federal regulatory requirements and federal grantee
317 eligibility;

318 (c) subject to Subsection (8), create and approve an annual budget, including the
319 issuance of bonds and other financial instruments, after consultation with the local advisory
320 [board] council;

321 (d) approve any interlocal agreement with a local jurisdiction;

322 (e) in consultation with the local advisory [board] council, approve contracts and
323 overall property acquisitions and dispositions for transit-oriented development;

324 (f) in consultation with constituent counties, municipalities, metropolitan planning
325 organizations, and the local advisory [board] council:

326 (i) develop and approve a strategic plan for development and operations on at least a
327 four-year basis; and

328 (ii) create and pursue funding opportunities for transit capital and service initiatives to
329 meet anticipated growth within the public transit district;

330 (g) annually report the public transit district's long-term financial plan to the State
331 Bonding Commission;

332 (h) annually report the public transit district's progress and expenditures related to state
333 resources to the Executive Appropriations Committee and the Infrastructure and General
334 Government Appropriations Subcommittee;

335 (i) (i) in partnership with the Department of Transportation, study and evaluate the
336 feasibility of a strategic transition of a large public transit district into a state entity; and

337 (ii) in partnership with the Department of Transportation, before November 30 ~~[of each~~

338 year], 2019, report on the progress of the study to the Transportation Interim Committee and
339 the Infrastructure and General Government Appropriations Subcommittee;

340 (j) hire, set salaries, and develop performance targets and evaluations for:

341 (i) the executive director; and

342 (ii) all chief level officers;

343 [~~(ii) the chief internal auditor;~~]

344 [~~(iii) the chief people officer;~~]

345 [~~(iv) any vice president level officer; and~~]

346 [~~(v) the chief safety, security, and technology officer;~~]

347 (k) supervise and regulate each transit facility that the public transit district owns and
348 operates, including:

349 (i) fix rates, fares, rentals, charges and any classifications of rates, fares, rentals, and
350 charges; and

351 (ii) make and enforce rules, regulations, contracts, practices, and schedules for or in
352 connection with a transit facility that the district owns or controls;

353 (l) subject to Subsection (4), control the investment of all funds assigned to the district
354 for investment, including funds:

355 (i) held as part of a district's retirement system; and

356 (ii) invested in accordance with the participating employees' designation or direction
357 pursuant to an employee deferred compensation plan established and operated in compliance
358 with Section 457 of the Internal Revenue Code;

359 (m) in consultation with the local advisory [~~board~~] council created under Section
360 [17B-2a-808.2](#), invest all funds according to the procedures and requirements of Title 51,
361 Chapter 7, State Money Management Act;

362 (n) if a custodian is appointed under Subsection (3)(d), and subject to Subsection (4),
363 pay the fees for the custodian's services from the interest earnings of the investment fund for
364 which the custodian is appointed;

365 (o) (i) cause an annual audit of all public transit district books and accounts to be made
366 by an independent certified public accountant;

367 (ii) as soon as practicable after the close of each fiscal year, submit to each of the
368 councils of governments within the public transit district a financial report showing:

- 369 (A) the result of district operations during the preceding fiscal year;
- 370 (B) an accounting of the expenditures of all local sales and use tax revenues generated
- 371 under Title 59, Chapter 12, Part 22, Local Option Sales and Use Taxes for Transportation Act;
- 372 (C) the district's financial status on the final day of the fiscal year; and
- 373 (D) the district's progress and efforts to improve efficiency relative to the previous
- 374 fiscal year; and
- 375 (iii) supply copies of the report under Subsection (2)(o)(ii) to the general public upon
- 376 request;
- 377 (p) report at least annually to the Transportation Commission created in Section
- 378 [72-1-301](#), which report shall include:
- 379 (i) the district's short-term and long-range public transit plans, including the portions of
- 380 applicable regional transportation plans adopted by a metropolitan planning organization
- 381 established under 23 U.S.C. Sec. 134; and
- 382 (ii) any transit capital development projects that the board of trustees would like the
- 383 Transportation Commission to consider;
- 384 (q) direct the internal auditor appointed under Section [17B-2a-810](#) to conduct audits
- 385 that the board of trustees determines, in consultation with the local advisory [~~board~~] council
- 386 created in Section [17B-2a-808.2](#), to be the most critical to the success of the organization;
- 387 (r) together with the local advisory [~~board~~] council created in Section [17B-2a-808.2](#),
- 388 hear audit reports for audits conducted in accordance with Subsection (2)(o);
- 389 (s) review and approve all contracts pertaining to reduced fares, and evaluate existing
- 390 contracts, including review of:
- 391 (i) how negotiations occurred;
- 392 (ii) the rationale for providing a reduced fare; and
- 393 (iii) identification and evaluation of cost shifts to offset operational costs incurred and
- 394 impacted by each contract offering a reduced fare;
- 395 (t) in consultation with the local advisory [~~board~~] council, develop and approve other
- 396 board policies, ordinances, and bylaws; and
- 397 (u) review and approve any:
- 398 (i) contract or expense exceeding \$200,000; or
- 399 (ii) proposed change order to an existing contract if the value of the change order

400 exceeds:

401 (A) 15% of the total contract; or

402 (B) \$200,000.

403 (3) A board of trustees of a large public transit district may:

404 (a) subject to Subsection (5), make and pass ordinances, resolutions, and orders that
405 are:

406 (i) not repugnant to the United States Constitution, the Utah Constitution, or the
407 provisions of this part; and

408 (ii) necessary for:

409 (A) the governance and management of the affairs of the district;

410 (B) the execution of district powers; and

411 (C) carrying into effect the provisions of this part;

412 (b) provide by resolution, under terms and conditions the board considers fit, for the
413 payment of demands against the district without prior specific approval by the board, if the
414 payment is:

415 (i) for a purpose for which the expenditure has been previously approved by the board;

416 (ii) in an amount no greater than the amount authorized; and

417 (iii) approved by the executive director or other officer or deputy as the board

418 prescribes;

419 (c) in consultation with the local advisory [~~board~~] council created in Section

420 [17B-2a-808.2](#):

421 (i) hold public hearings and subpoena witnesses; and

422 (ii) appoint district officers to conduct a hearing and require the officers to make
423 findings and conclusions and report them to the board; and

424 (d) appoint a custodian for the funds and securities under its control, subject to
425 Subsection (2)(n).

426 (4) For a large public transit district in existence as of May 8, 2018, on or before

427 September 30, 2019, the board of trustees of a large public transit district shall present a report
428 to the Transportation Interim Committee regarding retirement benefits of the district, including:

429 (a) the feasibility of becoming a participating employer and having retirement benefits
430 of eligible employees and officials covered in applicable systems and plans administered under

431 Title 49, Utah State Retirement and Insurance Benefit Act;

432 (b) any legal or contractual restrictions on any employees that are party to a collectively
433 bargained retirement plan; and

434 (c) a comparison of retirement plans offered by the large public transit district and
435 similarly situated public employees, including the costs of each plan and the value of the
436 benefit offered.

437 (5) The board of trustees may not issue a bond unless the board of trustees has
438 consulted and received approval from the State Bonding Commission created in Section
439 [63B-1-201](#).

440 (6) A member of the board of trustees of a large public transit district or a hearing
441 officer designated by the board may administer oaths and affirmations in a district investigation
442 or proceeding.

443 (7) (a) The vote of the board of trustees on each ordinance or resolution shall be by roll
444 call vote with each affirmative and negative vote recorded.

445 (b) The board of trustees of a large public transit district may not adopt an ordinance
446 unless it is introduced at least 24 hours before the board of trustees adopts it.

447 (c) Each ordinance adopted by a large public transit district's board of trustees shall
448 take effect upon adoption, unless the ordinance provides otherwise.

449 (8) (a) For a large public transit district in existence on May 8, 2018, for the budget for
450 calendar year 2019, the board in place on May 8, 2018, shall create the tentative annual budget.

451 (b) The budget described in Subsection (8)(a) shall include setting the salary of each of
452 the members of the board of trustees that will assume control on or before November 1, 2018,
453 which salary may not exceed \$150,000, plus additional retirement and other standard benefits,
454 as set by the local advisory council as described in Section [17B-2a-808.2](#).

455 (c) For a large public transit district in existence on May 8, 2018, the board of trustees
456 that assumes control of the large public transit district on or before November 2, 2018, shall
457 approve the calendar year 2019 budget on or before December 31, 2018.

458 Section 6. Section **17B-2a-808.2** is amended to read:

459 **17B-2a-808.2. Large public transit district local advisory council -- Powers and**
460 **duties.**

461 (1) A large public transit district shall create and consult with a local advisory [~~board~~]

462 council.

463 (2) (a) The local advisory [~~board~~] council shall have membership selected as described
464 in Subsection (2)(b) on or before November 1, 2018.

465 (b) (i) The council of governments of a county of the first class within a large public
466 transit district shall appoint three members to the local advisory [~~board~~] council.

467 (ii) The chief executive officer of a city that is the county seat within a county of the
468 first class within a large public transit district shall appoint one member to the local advisory
469 [~~board~~] council.

470 (iii) The council of governments of a county of the second class with a population of
471 500,000 or more within a large public transit district shall appoint two members to the local
472 advisory [~~board~~] council.

473 (iv) The council of governments of a county of the second class with a population
474 under 500,000 within a large public transit district shall each appoint one member to the local
475 advisory [~~board~~] council.

476 (v) The councils of governments of any counties of the third class or smaller within a
477 large public transit district shall jointly appoint one member to the local advisory [~~board~~]
478 council.

479 (c) The population numbers used to apportion appointment powers described in
480 Subsection (2)(b) shall be based on the most recent official census or census estimate of the
481 United States Census Bureau.

482 (3) The local advisory [~~board~~] council shall meet at least quarterly in a meeting open to
483 the public for comment to discuss the service, operations, and any concerns with the public
484 transit district operations and functionality.

485 (4) The duties of the local advisory [~~board~~] council shall include:

486 (a) setting the compensation packages of the board of trustees, which salary may not
487 exceed \$150,000, plus additional retirement and other standard benefits;

488 (b) reviewing, approving, and recommending final adoption by the board of trustees of
489 the large public transit district service plans at least every two and one-half years;

490 (c) reviewing, approving, and recommending final adoption by the board of trustees of
491 project development plans, including funding, of all new capital development projects;

492 (d) reviewing, approving, and recommending final adoption by the board of trustees of

493 any plan for a transit-oriented development where a large public transit district is involved;

494 (e) at least annually, engaging with the safety and security team of the large public
495 transit district to ensure coordination with local municipalities and counties;

496 (f) assisting with coordinated mobility and constituent services provided by the public
497 transit district;

498 (g) representing and advocating the concerns of citizens within the public transit
499 district to the board of trustees; and

500 (h) other duties described in Section [17B-2a-808.1](#).

501 (5) The local advisory [~~board~~] council shall meet at least quarterly with and consult
502 with the board of trustees and advise regarding the operation and management of the public
503 transit district.

504 Section 7. Section **17B-2a-826** is amended to read:

505 **17B-2a-826. Public transit district office of constituent services and office of**
506 **coordinated mobility.**

507 (1) (a) The board of trustees of a large public transit district shall create and employ an
508 office of constituent services.

509 (b) The duties of the office of constituent services described in Subsection (1)(a) shall
510 include:

511 (i) establishing a central call number to hear and respond to complaints, requests,
512 comments, concerns, and other communications from customers and citizens within the
513 district;

514 (ii) keeping a log of the complaints, comments, concerns, and other communications
515 from customers and citizens within the district; and

516 (iii) reporting complaints, comments, concerns, and other communications to
517 management and to the local advisory [~~board~~] council created in Section [17B-2a-808.2](#).

518 (2) (a) A large public transit district shall create and employ an office of coordinated
519 mobility.

520 (b) The duties of the office of coordinated mobility shall include:

521 (i) establishing a central call number to facilitate human services transportation;

522 (ii) coordinating all human services transportation needs within the public transit
523 district;

524 (iii) receiving requests and other communications regarding human services
525 transportation;

526 (iv) receiving requests and other communications regarding vans, buses, and other
527 vehicles available for use from the public transit district to maximize the utility of and
528 investment in those vehicles; and

529 (v) supporting local efforts and applications for additional funding.

530 Section 8. Section **17B-2a-827** is enacted to read:

531 **17B-2a-827. Integration of public transit services and facilities.**

532 (1) If a public transit district provides public transit services in an area that is adjacent
533 to or overlaps with an area in which public transit services are also provided by a public-private
534 partnership entity, the public transit district and the public-private partnership entity shall
535 ensure that:

536 (a) any public transit facilities of one provider connect with the public transit facilities
537 of the other provider;

538 (b) the schedules of all relevant public transit providers are coordinated as one public
539 transit system;

540 (c) an integrated and uniform fare system is implemented across the coordinated public
541 transit system; and

542 (d) the revenue generated from the uniform fare system is equitably divided among the
543 public transit providers according to service provided and mileage covered.

544 (2) A public transit district and public-private partnership entity may negotiate the
545 ability of one public transit provider to operate on the transit facilities of the other public transit
546 provider.

547 (3) The Department of Transportation shall oversee the negotiation, integration, and
548 coordination described in Subsection (1).

549 Section 9. Section **34-52-201** is amended to read:

550 **34-52-201. Employer requirements.**

551 (1) A public employer may not exclude an applicant from an initial interview because
552 of a past criminal conviction.

553 (2) A public employer excludes an applicant from an initial interview if the public
554 employer:

- 555 (a) requires an applicant to disclose, on an employment application, a criminal
- 556 conviction;
- 557 (b) requires an applicant to disclose, before an initial interview, a criminal conviction;
- 558 or
- 559 (c) if no interview is conducted, requires an applicant to disclose, before making a
- 560 conditional offer of employment, a criminal conviction.

561 (3) Subject to Subsections (1) and (2), nothing in this section prevents an employer
562 from:

563 (a) asking an applicant for information about an applicant's criminal conviction history
564 during an initial interview or after an initial interview; or

565 (b) considering an applicant's conviction history when making a hiring decision.

566 (4) Subsections (1) and (2) do not apply:

567 (a) if federal, state, or local law, including corresponding administrative rules, requires
568 the consideration of an applicant's criminal conviction history;

569 (b) to a public employer that is a law enforcement agency;

570 (c) to a public employer that is part of the criminal or juvenile justice system;

571 (d) to a public employer seeking a nonemployee volunteer;

572 (e) to a public employer that works with children or vulnerable adults;

573 (f) to the Department of Alcoholic Beverage Control created in Section [32B-2-203](#);

574 (g) to the State Tax Commission; [~~and~~]

575 (h) to a public employer whose primary purpose is performing financial or fiduciary
576 functions[~~;~~]; and

577 (i) to a public transit district hiring or promoting an individual for a safety sensitive
578 position described in Section [17B-2a-825](#).

579 Section 10. Section **41-1a-102** is amended to read:

580 **41-1a-102. Definitions.**

581 As used in this chapter:

582 (1) "Actual miles" means the actual distance a vehicle has traveled while in operation.

583 (2) "Actual weight" means the actual unladen weight of a vehicle or combination of
584 vehicles as operated and certified to by a weighmaster.

585 (3) "All-terrain type I vehicle" means the same as that term is defined in Section

586 41-22-2.

587 (4) "All-terrain type II vehicle" means the same as that term is defined in Section

588 41-22-2.

589 (5) "All-terrain type III vehicle" means the same as that term is defined in Section

590 41-22-2.

591 (6) "Alternative fuel vehicle" means:

592 (a) an electric motor vehicle;

593 (b) a hybrid electric motor vehicle;

594 (c) a plug-in hybrid electric motor vehicle; or

595 (d) a motor vehicle powered exclusively by a fuel other than:

596 (i) motor fuel;

597 (ii) diesel fuel;

598 (iii) natural gas; or

599 (iv) propane.

600 (7) "Amateur radio operator" means any person licensed by the Federal

601 Communications Commission to engage in private and experimental two-way radio operation

602 on the amateur band radio frequencies.

603 (8) "Autocycle" means the same as that term is defined in Section 53-3-102.

604 (9) "Branded title" means a title certificate that is labeled:

605 (a) rebuilt and restored to operation;

606 (b) flooded and restored to operation; or

607 (c) not restored to operation.

608 (10) "Camper" means any structure designed, used, and maintained primarily to be

609 mounted on or affixed to a motor vehicle that contains a floor and is designed to provide a

610 mobile dwelling, sleeping place, commercial space, or facilities for human habitation or for

611 camping.

612 (11) "Certificate of title" means a document issued by a jurisdiction to establish a

613 record of ownership between an identified owner and the described vehicle, vessel, or outboard

614 motor.

615 (12) "Certified scale weigh ticket" means a weigh ticket that has been issued by a

616 weighmaster.

617 (13) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or
618 maintained for the transportation of persons or property that operates:

- 619 (a) as a carrier for hire, compensation, or profit; or
- 620 (b) as a carrier to transport the vehicle owner's goods or property in furtherance of the
621 owner's commercial enterprise.

622 (14) "Commission" means the State Tax Commission.

623 (15) "Consumer price index" means the same as that term is defined in Section
624 [59-13-102](#).

625 (16) "Dealer" means a person engaged or licensed to engage in the business of buying,
626 selling, or exchanging new or used vehicles, vessels, or outboard motors either outright or on
627 conditional sale, bailment, lease, chattel mortgage, or otherwise or who has an established
628 place of business for the sale, lease, trade, or display of vehicles, vessels, or outboard motors.

629 (17) "Diesel fuel" means the same as that term is defined in Section [59-13-102](#).

630 (18) "Division" means the Motor Vehicle Division of the commission, created in
631 Section [41-1a-106](#).

632 (19) "Electric motor vehicle" means a motor vehicle that is powered solely by an
633 electric motor drawing current from a rechargeable energy storage system.

634 (20) "Essential parts" means all integral and body parts of a vehicle of a type required
635 to be registered in this state, the removal, alteration, or substitution of which would tend to
636 conceal the identity of the vehicle or substantially alter its appearance, model, type, or mode of
637 operation.

638 (21) "Farm tractor" means every motor vehicle designed and used primarily as a farm
639 implement for drawing plows, mowing machines, and other implements of husbandry.

640 (22) (a) "Farm truck" means a truck used by the owner or operator of a farm solely for
641 the owner's or operator's own use in the transportation of:

- 642 (i) farm products, including livestock and its products, poultry and its products,
643 floricultural and horticultural products;
- 644 (ii) farm supplies, including tile, fence, and every other thing or commodity used in
645 agricultural, floricultural, horticultural, livestock, and poultry production; and
- 646 (iii) livestock, poultry, and other animals and things used for breeding, feeding, or
647 other purposes connected with the operation of a farm.

648 (b) "Farm truck" does not include the operation of trucks by commercial processors of
649 agricultural products.

650 (23) "Fleet" means one or more commercial vehicles.

651 (24) "Foreign vehicle" means a vehicle of a type required to be registered, brought into
652 this state from another state, territory, or country other than in the ordinary course of business
653 by or through a manufacturer or dealer, and not registered in this state.

654 (25) "Gross laden weight" means the actual weight of a vehicle or combination of
655 vehicles, equipped for operation, to which shall be added the maximum load to be carried.

656 (26) "Highway" or "street" means the entire width between property lines of every way
657 or place of whatever nature when any part of it is open to the public, as a matter of right, for
658 purposes of vehicular traffic.

659 (27) "Hybrid electric motor vehicle" means a motor vehicle that draws propulsion
660 energy from onboard sources of stored energy that are both:

661 (a) an internal combustion engine or heat engine using consumable fuel; and

662 (b) a rechargeable energy storage system where energy for the storage system comes
663 solely from sources onboard the vehicle.

664 (28) (a) "Identification number" means the identifying number assigned by the
665 manufacturer or by the division for the purpose of identifying the vehicle, vessel, or outboard
666 motor.

667 (b) "Identification number" includes a vehicle identification number, state assigned
668 identification number, hull identification number, and motor serial number.

669 (29) "Implement of husbandry" means every vehicle designed or adapted and used
670 exclusively for an agricultural operation and only incidentally operated or moved upon the
671 highways.

672 (30) (a) "In-state miles" means the total number of miles operated in this state during
673 the preceding year by fleet power units.

674 (b) If fleets are composed entirely of trailers or semitrailers, "in-state miles" means the
675 total number of miles that those vehicles were towed on Utah highways during the preceding
676 year.

677 (31) "Interstate vehicle" means any commercial vehicle operated in more than one
678 state, province, territory, or possession of the United States or foreign country.

679 (32) "Jurisdiction" means a state, district, province, political subdivision, territory, or
680 possession of the United States or any foreign country.

681 (33) "Lienholder" means a person with a security interest in particular property.

682 (34) "Manufactured home" means a transportable factory built housing unit constructed
683 on or after June 15, 1976, according to the Federal Home Construction and Safety Standards
684 Act of 1974 (HUD Code), in one or more sections, which, in the traveling mode, is eight body
685 feet or more in width or 40 body feet or more in length, or when erected on site, is 400 or more
686 square feet, and which is built on a permanent chassis and designed to be used as a dwelling
687 with or without a permanent foundation when connected to the required utilities, and includes
688 the plumbing, heating, air-conditioning, and electrical systems.

689 (35) "Manufacturer" means a person engaged in the business of constructing,
690 manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or
691 outboard motors for the purpose of sale or trade.

692 (36) "Mobile home" means a transportable factory built housing unit built prior to June
693 15, 1976, in accordance with a state mobile home code which existed prior to the Federal
694 Manufactured Housing and Safety Standards Act (HUD Code).

695 (37) "Motor fuel" means the same as that term is defined in Section [59-13-102](#).

696 (38) (a) "Motor vehicle" means a self-propelled vehicle intended primarily for use and
697 operation on the highways.

698 (b) "Motor vehicle" does not include an off-highway vehicle.

699 (39) "Motorboat" means the same as that term is defined in Section [73-18-2](#).

700 (40) "Motorcycle" means:

701 (a) a motor vehicle having a saddle for the use of the rider and designed to travel on not
702 more than three wheels in contact with the ground; or

703 (b) an auticycle.

704 (41) "Natural gas" means a fuel of which the primary constituent is methane.

705 (42) (a) "Nonresident" means a person who is not a resident of this state as defined by
706 Section [41-1a-202](#), and who does not engage in intrastate business within this state and does
707 not operate in that business any motor vehicle, trailer, or semitrailer within this state.

708 (b) A person who engages in intrastate business within this state and operates in that
709 business any motor vehicle, trailer, or semitrailer in this state or who, even though engaging in

710 interstate commerce, maintains any vehicle in this state as the home station of that vehicle is
711 considered a resident of this state, insofar as that vehicle is concerned in administering this
712 chapter.

713 (43) "Odometer" means a device for measuring and recording the actual distance a
714 vehicle travels while in operation, but does not include any auxiliary odometer designed to be
715 periodically reset.

716 (44) "Off-highway implement of husbandry" means the same as that term is defined in
717 Section [41-22-2](#).

718 (45) "Off-highway vehicle" means the same as that term is defined in Section [41-22-2](#).

719 (46) "Operate" means to drive or be in actual physical control of a vehicle or to
720 navigate a vessel.

721 (47) "Outboard motor" means a detachable self-contained propulsion unit, excluding
722 fuel supply, used to propel a vessel.

723 (48) (a) "Owner" means a person, other than a lienholder, holding title to a vehicle,
724 vessel, or outboard motor whether or not the vehicle, vessel, or outboard motor is subject to a
725 security interest.

726 (b) If a vehicle is the subject of an agreement for the conditional sale or installment
727 sale or mortgage of the vehicle with the right of purchase upon performance of the conditions
728 stated in the agreement and with an immediate right of possession vested in the conditional
729 vendee or mortgagor, or if the vehicle is the subject of a security agreement, then the
730 conditional vendee, mortgagor, or debtor is considered the owner for the purposes of this
731 chapter.

732 (c) If a vehicle is the subject of an agreement to lease, the lessor is considered the
733 owner until the lessee exercises the lessee's option to purchase the vehicle.

734 (49) "Park model recreational vehicle" means a unit that:

735 (a) is designed and marketed as temporary living quarters for recreational, camping,
736 travel, or seasonal use;

737 (b) is not permanently affixed to real property for use as a permanent dwelling;

738 (c) requires a special highway movement permit for transit; and

739 (d) is built on a single chassis mounted on wheels with a gross trailer area not
740 exceeding 400 square feet in the setup mode.

741 (50) "Personalized license plate" means a license plate that has displayed on it a
742 combination of letters, numbers, or both as requested by the owner of the vehicle and assigned
743 to the vehicle by the division.

744 (51) (a) "Pickup truck" means a two-axle motor vehicle with motive power
745 manufactured, remanufactured, or materially altered to provide an open cargo area.

746 (b) "Pickup truck" includes motor vehicles with the open cargo area covered with a
747 camper, camper shell, tarp, removable top, or similar structure.

748 (52) "Plug-in hybrid electric motor vehicle" means a hybrid electric motor vehicle that
749 has the capability to charge the battery or batteries used for vehicle propulsion from an
750 off-vehicle electric source, such that the off-vehicle source cannot be connected to the vehicle
751 while the vehicle is in motion.

752 (53) "Pneumatic tire" means every tire in which compressed air is designed to support
753 the load.

754 (54) "Preceding year" means a period of 12 consecutive months fixed by the division
755 that is within 16 months immediately preceding the commencement of the registration or
756 license year in which proportional registration is sought. The division in fixing the period shall
757 conform it to the terms, conditions, and requirements of any applicable agreement or
758 arrangement for the proportional registration of vehicles.

759 (55) "Public garage" means every building or other place where vehicles or vessels are
760 kept and stored and where a charge is made for the storage and keeping of vehicles and vessels.

761 (56) "Receipt of surrender of ownership documents" means the receipt of surrender of
762 ownership documents described in Section [41-1a-503](#).

763 (57) "Reconstructed vehicle" means every vehicle of a type required to be registered in
764 this state that is materially altered from its original construction by the removal, addition, or
765 substitution of essential parts, new or used.

766 (58) "Recreational vehicle" means the same as that term is defined in Section
767 [13-14-102](#).

768 (59) "Registration" means a document issued by a jurisdiction that allows operation of
769 a vehicle or vessel on the highways or waters of this state for the time period for which the
770 registration is valid and that is evidence of compliance with the registration requirements of the
771 jurisdiction.

772 (60) (a) "Registration year" means a 12 consecutive month period commencing with
773 the completion of all applicable registration criteria.

774 (b) For administration of a multistate agreement for proportional registration the
775 division may prescribe a different 12-month period.

776 (61) "Repair or replacement" means the restoration of vehicles, vessels, or outboard
777 motors to a sound working condition by substituting any inoperative part of the vehicle, vessel,
778 or outboard motor, or by correcting the inoperative part.

779 (62) "Replica vehicle" means:

780 (a) a street rod that meets the requirements under Subsection 41-21-1(3)(a)(i)(B); or

781 (b) a custom vehicle that meets the requirements under Subsection

782 41-6a-1507(1)(a)(i)(B).

783 (63) "Road tractor" means every motor vehicle designed and used for drawing other
784 vehicles and constructed so it does not carry any load either independently or any part of the
785 weight of a vehicle or load that is drawn.

786 (64) "Sailboat" means the same as that term is defined in Section 73-18-2.

787 (65) "Security interest" means an interest that is reserved or created by a security
788 agreement to secure the payment or performance of an obligation and that is valid against third
789 parties.

790 (66) "Semitrailer" means every vehicle without motive power designed for carrying
791 persons or property and for being drawn by a motor vehicle and constructed so that some part
792 of its weight and its load rests or is carried by another vehicle.

793 (67) "Special group license plate" means a type of license plate designed for a
794 particular group of people or a license plate authorized and issued by the division in accordance
795 with Section 41-1a-418.

796 (68) (a) "Special interest vehicle" means a vehicle used for general transportation
797 purposes and that is:

798 (i) 20 years or older from the current year; or

799 (ii) a make or model of motor vehicle recognized by the division director as having
800 unique interest or historic value.

801 (b) In making a determination under Subsection (68)(a), the division director shall give
802 special consideration to:

- 803 (i) a make of motor vehicle that is no longer manufactured;
- 804 (ii) a make or model of motor vehicle produced in limited or token quantities;
- 805 (iii) a make or model of motor vehicle produced as an experimental vehicle or one
806 designed exclusively for educational purposes or museum display; or
- 807 (iv) a motor vehicle of any age or make that has not been substantially altered or
808 modified from original specifications of the manufacturer and because of its significance is
809 being collected, preserved, restored, maintained, or operated by a collector or hobbyist as a
810 leisure pursuit.

811 (69) (a) "Special mobile equipment" means every vehicle:

- 812 (i) not designed or used primarily for the transportation of persons or property;
- 813 (ii) not designed to operate in traffic; and
- 814 (iii) only incidentally operated or moved over the highways.

815 (b) "Special mobile equipment" includes:

- 816 (i) farm tractors;
- 817 (ii) off-road motorized construction or maintenance equipment including backhoes,
818 bulldozers, compactors, graders, loaders, road rollers, tractors, and trenchers; and
- 819 (iii) ditch-digging apparatus.

820 (c) "Special mobile equipment" does not include a commercial vehicle as defined
821 under Section [72-9-102](#).

822 (70) "Specially constructed vehicle" means every vehicle of a type required to be
823 registered in this state, not originally constructed under a distinctive name, make, model, or
824 type by a generally recognized manufacturer of vehicles, and not materially altered from its
825 original construction.

826 (71) "Title" means the right to or ownership of a vehicle, vessel, or outboard motor.

827 (72) (a) "Total fleet miles" means the total number of miles operated in all jurisdictions
828 during the preceding year by power units.

829 (b) If fleets are composed entirely of trailers or semitrailers, "total fleet miles" means
830 the number of miles that those vehicles were towed on the highways of all jurisdictions during
831 the preceding year.

832 (73) "Trailer" means a vehicle without motive power designed for carrying persons or
833 property and for being drawn by a motor vehicle and constructed so that no part of its weight

834 rests upon the towing vehicle.

835 (74) "Transferee" means a person to whom the ownership of property is conveyed by
836 sale, gift, or any other means except by the creation of a security interest.

837 (75) "Transferor" means a person who transfers the person's ownership in property by
838 sale, gift, or any other means except by creation of a security interest.

839 (76) "Travel trailer," "camping trailer," or "fifth wheel trailer" means a portable vehicle
840 without motive power, designed as a temporary dwelling for travel, recreational, or vacation
841 use that does not require a special highway movement permit when drawn by a self-propelled
842 motor vehicle.

843 (77) "Truck tractor" means a motor vehicle designed and used primarily for drawing
844 other vehicles and not constructed to carry a load other than a part of the weight of the vehicle
845 and load that is drawn.

846 (78) "Vehicle" includes a motor vehicle, trailer, semitrailer, off-highway vehicle,
847 camper, park model recreational vehicle, manufactured home, and mobile home.

848 (79) "Vessel" means the same as that term is defined in Section 73-18-2.

849 (80) "Vintage vehicle" means the same as that term is defined in Section 41-21-1.

850 (81) "Waters of this state" means the same as that term is defined in Section 73-18-2.

851 (82) "Weighmaster" means a person, association of persons, or corporation permitted
852 to weigh vehicles under this chapter.

853 Section 11. Section **41-1a-203** is amended to read:

854 **41-1a-203. Prerequisites for registration, transfer of ownership, or registration**
855 **renewal.**

856 (1) Except as otherwise provided, before registration of a vehicle, an owner shall:

857 (a) obtain an identification number inspection under Section 41-1a-204;

858 (b) obtain a certificate of emissions inspection, if required in the current year, as
859 provided under Section 41-6a-1642;

860 (c) pay property taxes, the in lieu fee, or receive a property tax clearance under Section
861 41-1a-206 or 41-1a-207;

862 (d) pay the automobile driver education tax required by Section 41-1a-208;

863 (e) pay the applicable registration fee under Part 12, Fee and Tax Requirements;

864 (f) pay the uninsured motorist identification fee under Section 41-1a-1218, if

865 applicable;

866 (g) pay the motor carrier fee under Section 41-1a-1219, if applicable;

867 (h) pay any applicable local emissions compliance fee under Section 41-1a-1223; and

868 (i) pay the taxes applicable under Title 59, Chapter 12, Sales and Use Tax Act.

869 (2) In addition to the requirements in Subsection (1), an owner of a vehicle that has not
870 been previously registered or that is currently registered under a previous owner's name shall
871 apply for a valid certificate of title in the owner's name before registration.

872 (3) The division may not issue a new registration, transfer of ownership, or registration
873 renewal under Section 73-18-7 for a vessel or outboard motor that is subject to this chapter
874 unless a certificate of title has been or is in the process of being issued in the same owner's
875 name.

876 (4) The division may not issue a new registration, transfer of ownership, or registration
877 renewal under Section 41-22-3 for an off-highway vehicle that is subject to this chapter unless
878 a certificate of title has been or is in the process of being issued in the same owner's name.

879 (5) The division may not issue a registration renewal for a motor vehicle if the division
880 has received a hold request [~~as described in Section 72-6-118 involving~~] for the motor vehicle
881 for which a registration renewal has been requested[~~:-~~] as described in:

882 (a) Section 72-1-213.1; or

883 (b) Section 72-6-118.

884 Section 12. Section 41-1a-1206 is amended to read:

885 **41-1a-1206. Registration fees -- Fees by gross laden weight.**

886 (1) Except as provided in Subsections (2) and (3), at the time application is made for
887 registration or renewal of registration of a vehicle or combination of vehicles under this
888 chapter, a registration fee shall be paid to the division as follows:

889 (a) \$46.00 for each motorcycle;

890 (b) \$44 for each motor vehicle of 12,000 pounds or less gross laden weight, excluding
891 motorcycles;

892 (c) unless the semitrailer or trailer is exempt from registration under Section 41-1a-202
893 or is registered under Section 41-1a-301:

894 (i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or

895 (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less

896 gross unladen weight;

897 (d) (i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds

898 gross laden weight; plus

899 (ii) \$9 for each 2,000 pounds over 14,000 pounds gross laden weight;

900 (e) (i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm

901 trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; plus

902 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;

903 (f) (i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not

904 exceeding 14,000 pounds gross laden weight; plus

905 (ii) \$19 for each 2,000 pounds over 14,000 pounds gross laden weight;

906 (g) \$45 for each vintage vehicle that is less than 40 years old; and

907 (h) in addition to the fee described in Subsection (1)(b):

908 (i) for each electric motor vehicle:

909 (A) \$60 during calendar year 2019;

910 (B) \$90 during calendar year 2020; and

911 (C) \$120 beginning January 1, 2021, and thereafter;

912 (ii) for each hybrid electric motor vehicle:

913 (A) \$10 during calendar year 2019;

914 (B) \$15 during calendar year 2020; and

915 (C) \$20 beginning January 1, 2021, and thereafter;

916 (iii) for each plug-in hybrid electric motor vehicle:

917 (A) \$26 during calendar year 2019;

918 (B) \$39 during calendar year 2020; and

919 (C) \$52 beginning January 1, 2021, and thereafter; and

920 (iv) for any motor vehicle not described in Subsections (1)(h)(i) through (iii) that is

921 fueled by a source other than motor fuel, diesel fuel, natural gas, or propane:

922 (A) \$60 during calendar year 2019;

923 (B) \$90 during calendar year 2020; and

924 (C) \$120 beginning January 1, 2021, and thereafter.

925 (2) (a) At the time application is made for registration or renewal of registration of a

926 vehicle under this chapter for a six-month registration period under Section [41-1a-215.5](#), a

927 registration fee shall be paid to the division as follows:

928 (i) \$34.50 for each motorcycle; and

929 (ii) \$33.50 for each motor vehicle of 12,000 pounds or less gross laden weight,
930 excluding motorcycles.

931 (b) In addition to the fee described in Subsection [~~(2)(a)~~] (2)(a)(ii), for registration or
932 renewal of registration of a vehicle under this chapter for a six-month registration period under
933 Section 41-1a-215.5 a registration fee shall be paid to the division as follows:

934 (i) for each electric motor vehicle:

935 (A) \$46.50 during calendar year 2019;

936 (B) \$69.75 during calendar year 2020; and

937 (C) \$93 beginning January 1, 2021, and thereafter;

938 (ii) for each hybrid electric motor vehicle:

939 (A) \$7.50 during calendar year 2019;

940 (B) \$11.25 during calendar year 2020; and

941 (C) \$15 beginning January 1, 2021, and thereafter;

942 (iii) for each plug-in hybrid electric motor vehicle:

943 (A) \$20 during calendar year 2019;

944 (B) \$30 during calendar year 2020; and

945 (C) \$40 beginning January 1, 2021, and thereafter; and

946 (iv) for each motor vehicle not described in Subsections (2)(b)(i) through (iii) that is
947 fueled by a source other than motor fuel, diesel fuel, natural gas, or propane:

948 (A) \$46.50 during calendar year 2019;

949 (B) \$69.75 during calendar year 2020; and

950 (C) \$93 beginning January 1, 2021, and thereafter.

951 (3) (a) (i) Beginning on January 1, 2019, the commission shall, on January 1, annually
952 adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i), (1)(c)(ii), (1)(d)(i),
953 (1)(e)(i), (1)(f)(i), (1)(g), (2)(a), (4)(a), and (7), by taking the registration fee rate for the
954 previous year and adding an amount equal to the greater of:

955 (A) an amount calculated by multiplying the registration fee of the previous year by the
956 actual percentage change during the previous fiscal year in the Consumer Price Index; and

957 (B) 0.

958 (ii) Beginning on January 1, 2022, the commission shall, on January 1, annually adjust
959 the registration fees described in Subsections (1)(h)(i)(C), (1)(h)(ii)(C), (1)(h)(iii)(C),
960 (1)(h)(iv)(C), (2)(b)(i)(C), (2)(b)(ii)(C), (2)(b)(iii)(C), and (2)(b)(iv)(C) by taking the
961 registration fee rate for the previous year and adding an amount equal to the greater of:

962 (A) an amount calculated by multiplying the registration fee of the previous year by the
963 actual percentage change during the previous fiscal year in the Consumer Price Index; and

964 (B) 0.

965 (b) The amounts calculated as described in Subsection (3)(a) shall be rounded up to the
966 nearest 25 cents.

967 (4) (a) The initial registration fee for a vintage vehicle that is 40 years old or older is
968 \$40.

969 (b) A vintage vehicle that is 40 years old or older is exempt from the renewal of
970 registration fees under Subsection (1).

971 (c) A vehicle with a Purple Heart special group license plate issued in accordance with
972 Section 41-1a-421 is exempt from the registration fees under Subsection (1).

973 (d) A camper is exempt from the registration fees under Subsection (1).

974 (5) If a motor vehicle is operated in combination with a semitrailer or trailer, each
975 motor vehicle shall register for the total gross laden weight of all units of the combination if the
976 total gross laden weight of the combination exceeds 12,000 pounds.

977 (6) (a) Registration fee categories under this section are based on the gross laden
978 weight declared in the licensee's application for registration.

979 (b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part
980 of 2,000 pounds is a full unit.

981 (7) The owner of a commercial trailer or commercial semitrailer may, as an alternative
982 to registering under Subsection (1)(c), apply for and obtain a special registration and license
983 plate for a fee of \$130.

984 (8) Except as provided in Section 41-6a-1642, a truck may not be registered as a farm
985 truck unless:

986 (a) the truck meets the definition of a farm truck under Section 41-1a-102; and

987 (b) (i) the truck has a gross vehicle weight rating of more than 12,000 pounds; or

988 (ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner

989 submits to the division a certificate of emissions inspection or a waiver in compliance with
990 Section 41-6a-1642.

991 (9) A violation of Subsection (8) is an infraction that shall be punished by a fine of not
992 less than \$200.

993 (10) Trucks used exclusively to pump cement, bore wells, or perform crane services
994 with a crane lift capacity of five or more tons, are exempt from 50% of the amount of the fees
995 required for those vehicles under this section.

996 Section 13. Section 51-2a-202 is amended to read:

997 **51-2a-202. Reporting requirements.**

998 (1) The governing board of each entity required to have an audit, review, compilation,
999 or fiscal report shall ensure that the audit, review, compilation, or fiscal report is:

1000 (a) made at least annually; and

1001 (b) filed with the state auditor within six months of the close of the fiscal year of the
1002 entity.

1003 (2) If the political subdivision, interlocal organization, or other local entity receives
1004 federal funding, the audit, review, or compilation shall be performed in accordance with both
1005 federal and state auditing requirements.

1006 (3) If a political subdivision receives revenue from a sales and use tax imposed under
1007 Section 59-12-2219, the political subdivision shall identify the amount of revenue the political
1008 subdivision budgets for transportation and verify compliance with Subsection
1009 59-12-2219~~(13)~~(14) in the audit, review, compilation, or fiscal report.

1010 Section 14. Section 59-12-103 is amended to read:

1011 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
1012 **tax revenues.**

1013 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or
1014 sales price for amounts paid or charged for the following transactions:

1015 (a) retail sales of tangible personal property made within the state;

1016 (b) amounts paid for:

1017 (i) telecommunications service, other than mobile telecommunications service, that
1018 originates and terminates within the boundaries of this state;

1019 (ii) mobile telecommunications service that originates and terminates within the

1020 boundaries of one state only to the extent permitted by the Mobile Telecommunications
1021 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
1022 (iii) an ancillary service associated with a:
1023 (A) telecommunications service described in Subsection (1)(b)(i); or
1024 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
1025 (c) sales of the following for commercial use:
1026 (i) gas;
1027 (ii) electricity;
1028 (iii) heat;
1029 (iv) coal;
1030 (v) fuel oil; or
1031 (vi) other fuels;
1032 (d) sales of the following for residential use:
1033 (i) gas;
1034 (ii) electricity;
1035 (iii) heat;
1036 (iv) coal;
1037 (v) fuel oil; or
1038 (vi) other fuels;
1039 (e) sales of prepared food;
1040 (f) except as provided in Section [59-12-104](#), amounts paid or charged as admission or
1041 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
1042 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
1043 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
1044 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
1045 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
1046 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
1047 horseback rides, sports activities, or any other amusement, entertainment, recreation,
1048 exhibition, cultural, or athletic activity;
1049 (g) amounts paid or charged for services for repairs or renovations of tangible personal
1050 property, unless Section [59-12-104](#) provides for an exemption from sales and use tax for:

- 1051 (i) the tangible personal property; and
- 1052 (ii) parts used in the repairs or renovations of the tangible personal property described
- 1053 in Subsection (1)(g)(i), regardless of whether:
- 1054 (A) any parts are actually used in the repairs or renovations of that tangible personal
- 1055 property; or
- 1056 (B) the particular parts used in the repairs or renovations of that tangible personal
- 1057 property are exempt from a tax under this chapter;
- 1058 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
- 1059 assisted cleaning or washing of tangible personal property;
- 1060 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
- 1061 accommodations and services that are regularly rented for less than 30 consecutive days;
- 1062 (j) amounts paid or charged for laundry or dry cleaning services;
- 1063 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 1064 this state the tangible personal property is:
- 1065 (i) stored;
- 1066 (ii) used; or
- 1067 (iii) otherwise consumed;
- 1068 (l) amounts paid or charged for tangible personal property if within this state the
- 1069 tangible personal property is:
- 1070 (i) stored;
- 1071 (ii) used; or
- 1072 (iii) consumed; and
- 1073 (m) amounts paid or charged for a sale:
- 1074 (i) (A) of a product transferred electronically; or
- 1075 (B) of a repair or renovation of a product transferred electronically; and
- 1076 (ii) regardless of whether the sale provides:
- 1077 (A) a right of permanent use of the product; or
- 1078 (B) a right to use the product that is less than a permanent use, including a right:
- 1079 (I) for a definite or specified length of time; and
- 1080 (II) that terminates upon the occurrence of a condition.
- 1081 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax

1082 is imposed on a transaction described in Subsection (1) equal to the sum of:

1083 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

1084 (A) (I) through March 31, 2019, 4.70%; and

1085 (II) beginning on April 1, 2019, 4.70% plus the rate specified in Subsection (14)(a); and

1086 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales

1087 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211

1088 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional

1089 State Sales and Use Tax Act; and

1090 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales

1091 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211

1092 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state

1093 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

1094 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the

1095 transaction under this chapter other than this part.

1096 (b) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed

1097 on a transaction described in Subsection (1)(d) equal to the sum of:

1098 (i) a state tax imposed on the transaction at a tax rate of 2%; and

1099 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the

1100 transaction under this chapter other than this part.

1101 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed

1102 on amounts paid or charged for food and food ingredients equal to the sum of:

1103 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at

1104 a tax rate of 1.75%; and

1105 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the

1106 amounts paid or charged for food and food ingredients under this chapter other than this part.

1107 (d) (i) For a bundled transaction that is attributable to food and food ingredients and

1108 tangible personal property other than food and food ingredients, a state tax and a local tax is

1109 imposed on the entire bundled transaction equal to the sum of:

1110 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

1111 (I) the tax rate described in Subsection (2)(a)(i)(A); and

1112 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State

1113 Sales and Use Tax Act, if the location of the transaction as determined under Sections
1114 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
1115 Additional State Sales and Use Tax Act; and

1116 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
1117 Sales and Use Tax Act, if the location of the transaction as determined under Sections
1118 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
1119 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

1120 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
1121 described in Subsection (2)(a)(ii).

1122 (ii) If an optional computer software maintenance contract is a bundled transaction that
1123 consists of taxable and nontaxable products that are not separately itemized on an invoice or
1124 similar billing document, the purchase of the optional computer software maintenance contract
1125 is 40% taxable under this chapter and 60% nontaxable under this chapter.

1126 (iii) Subject to Subsection (2)(d)(iv), for a bundled transaction other than a bundled
1127 transaction described in Subsection (2)(d)(i) or (ii):

1128 (A) if the sales price of the bundled transaction is attributable to tangible personal
1129 property, a product, or a service that is subject to taxation under this chapter and tangible
1130 personal property, a product, or service that is not subject to taxation under this chapter, the
1131 entire bundled transaction is subject to taxation under this chapter unless:

1132 (I) the seller is able to identify by reasonable and verifiable standards the tangible
1133 personal property, product, or service that is not subject to taxation under this chapter from the
1134 books and records the seller keeps in the seller's regular course of business; or

1135 (II) state or federal law provides otherwise; or

1136 (B) if the sales price of a bundled transaction is attributable to two or more items of
1137 tangible personal property, products, or services that are subject to taxation under this chapter
1138 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
1139 higher tax rate unless:

1140 (I) the seller is able to identify by reasonable and verifiable standards the tangible
1141 personal property, product, or service that is subject to taxation under this chapter at the lower
1142 tax rate from the books and records the seller keeps in the seller's regular course of business; or

1143 (II) state or federal law provides otherwise.

1144 (iv) For purposes of Subsection (2)(d)(iii), books and records that a seller keeps in the
1145 seller's regular course of business includes books and records the seller keeps in the regular
1146 course of business for nontax purposes.

1147 (e) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(e)(ii)
1148 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
1149 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
1150 of tangible personal property, other property, a product, or a service that is not subject to
1151 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
1152 the seller, at the time of the transaction:

1153 (A) separately states the portion of the transaction that is not subject to taxation under
1154 this chapter on an invoice, bill of sale, or similar document provided to the purchaser; or

1155 (B) is able to identify by reasonable and verifiable standards, from the books and
1156 records the seller keeps in the seller's regular course of business, the portion of the transaction
1157 that is not subject to taxation under this chapter.

1158 (ii) A purchaser and a seller may correct the taxability of a transaction if:

1159 (A) after the transaction occurs, the purchaser and the seller discover that the portion of
1160 the transaction that is not subject to taxation under this chapter was not separately stated on an
1161 invoice, bill of sale, or similar document provided to the purchaser because of an error or
1162 ignorance of the law; and

1163 (B) the seller is able to identify by reasonable and verifiable standards, from the books
1164 and records the seller keeps in the seller's regular course of business, the portion of the
1165 transaction that is not subject to taxation under this chapter.

1166 (iii) For purposes of Subsections (2)(e)(i) and (ii), books and records that a seller keeps
1167 in the seller's regular course of business includes books and records the seller keeps in the
1168 regular course of business for nontax purposes.

1169 (f) (i) If the sales price of a transaction is attributable to two or more items of tangible
1170 personal property, products, or services that are subject to taxation under this chapter at
1171 different rates, the entire purchase is subject to taxation under this chapter at the higher tax rate
1172 unless the seller, at the time of the transaction:

1173 (A) separately states the items subject to taxation under this chapter at each of the
1174 different rates on an invoice, bill of sale, or similar document provided to the purchaser; or

1175 (B) is able to identify by reasonable and verifiable standards the tangible personal
1176 property, product, or service that is subject to taxation under this chapter at the lower tax rate
1177 from the books and records the seller keeps in the seller's regular course of business.

1178 (ii) For purposes of Subsection (2)(f)(i), books and records that a seller keeps in the
1179 seller's regular course of business includes books and records the seller keeps in the regular
1180 course of business for nontax purposes.

1181 (g) Subject to Subsections (2)(h) and (i), a tax rate repeal or tax rate change for a tax
1182 rate imposed under the following shall take effect on the first day of a calendar quarter:

- 1183 (i) Subsection (2)(a)(i)(A);
- 1184 (ii) Subsection (2)(b)(i);
- 1185 (iii) Subsection (2)(c)(i); or
- 1186 (iv) Subsection (2)(d)(i)(A)(I).

1187 (h) (i) A tax rate increase takes effect on the first day of the first billing period that
1188 begins on or after the effective date of the tax rate increase if the billing period for the
1189 transaction begins before the effective date of a tax rate increase imposed under:

- 1190 (A) Subsection (2)(a)(i)(A);
- 1191 (B) Subsection (2)(b)(i);
- 1192 (C) Subsection (2)(c)(i); or
- 1193 (D) Subsection (2)(d)(i)(A)(I).

1194 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
1195 statement for the billing period is rendered on or after the effective date of the repeal of the tax
1196 or the tax rate decrease imposed under:

- 1197 (A) Subsection (2)(a)(i)(A);
- 1198 (B) Subsection (2)(b)(i);
- 1199 (C) Subsection (2)(c)(i); or
- 1200 (D) Subsection (2)(d)(i)(A)(I).

1201 (i) (i) For a tax rate described in Subsection (2)(i)(ii), if a tax due on a catalogue sale is
1202 computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal or
1203 change in a tax rate takes effect:

- 1204 (A) on the first day of a calendar quarter; and
- 1205 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

- 1206 (ii) Subsection (2)(i)(i) applies to the tax rates described in the following:
- 1207 (A) Subsection (2)(a)(i)(A);
- 1208 (B) Subsection (2)(b)(i);
- 1209 (C) Subsection (2)(c)(i); or
- 1210 (D) Subsection (2)(d)(i)(A)(I).
- 1211 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 1212 the commission may by rule define the term "catalogue sale."
- 1213 (3) (a) The following state taxes shall be deposited into the General Fund:
- 1214 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 1215 (ii) the tax imposed by Subsection (2)(b)(i);
- 1216 (iii) the tax imposed by Subsection (2)(c)(i); or
- 1217 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
- 1218 (b) The following local taxes shall be distributed to a county, city, or town as provided
- 1219 in this chapter:
- 1220 (i) the tax imposed by Subsection (2)(a)(ii);
- 1221 (ii) the tax imposed by Subsection (2)(b)(ii);
- 1222 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 1223 (iv) the tax imposed by Subsection (2)(d)(i)(B).
- 1224 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
- 1225 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
- 1226 through (g):
- 1227 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
- 1228 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
- 1229 (B) for the fiscal year; or
- 1230 (ii) \$17,500,000.
- 1231 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
- 1232 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the
- 1233 Department of Natural Resources to:
- 1234 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
- 1235 protect sensitive plant and animal species; or
- 1236 (B) award grants, up to the amount authorized by the Legislature in an appropriations

1237 act, to political subdivisions of the state to implement the measures described in Subsections
1238 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

1239 (ii) Money transferred to the Department of Natural Resources under Subsection
1240 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other
1241 person to list or attempt to have listed a species as threatened or endangered under the
1242 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

1243 (iii) At the end of each fiscal year:

1244 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
1245 Conservation and Development Fund created in Section 73-10-24;

1246 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
1247 Program Subaccount created in Section 73-10c-5; and

1248 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
1249 Program Subaccount created in Section 73-10c-5.

1250 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
1251 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
1252 created in Section 4-18-106.

1253 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
1254 in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water
1255 Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of
1256 water rights.

1257 (ii) At the end of each fiscal year:

1258 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
1259 Conservation and Development Fund created in Section 73-10-24;

1260 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
1261 Program Subaccount created in Section 73-10c-5; and

1262 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
1263 Program Subaccount created in Section 73-10c-5.

1264 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
1265 in Subsection (4)(a) shall be deposited into the Water Resources Conservation and
1266 Development Fund created in Section 73-10-24 for use by the Division of Water Resources.

1267 (ii) In addition to the uses allowed of the Water Resources Conservation and

1268 Development Fund under Section 73-10-24, the Water Resources Conservation and
1269 Development Fund may also be used to:

1270 (A) conduct hydrologic and geotechnical investigations by the Division of Water
1271 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
1272 quantifying surface and ground water resources and describing the hydrologic systems of an
1273 area in sufficient detail so as to enable local and state resource managers to plan for and
1274 accommodate growth in water use without jeopardizing the resource;

1275 (B) fund state required dam safety improvements; and

1276 (C) protect the state's interest in interstate water compact allocations, including the
1277 hiring of technical and legal staff.

1278 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1279 in Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program Subaccount
1280 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

1281 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
1282 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program Subaccount
1283 created in Section 73-10c-5 for use by the Division of Drinking Water to:

1284 (i) provide for the installation and repair of collection, treatment, storage, and
1285 distribution facilities for any public water system, as defined in Section 19-4-102;

1286 (ii) develop underground sources of water, including springs and wells; and

1287 (iii) develop surface water sources.

1288 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
1289 2006, the difference between the following amounts shall be expended as provided in this
1290 Subsection (5), if that difference is greater than \$1:

1291 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
1292 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

1293 (ii) \$17,500,000.

1294 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

1295 (A) transferred each fiscal year to the Department of Natural Resources as dedicated
1296 credits; and

1297 (B) expended by the Department of Natural Resources for watershed rehabilitation or
1298 restoration.

1299 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
1300 in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund
1301 created in Section 73-10-24.

1302 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
1303 remaining difference described in Subsection (5)(a) shall be:

1304 (A) transferred each fiscal year to the Division of Water Resources as dedicated
1305 credits; and

1306 (B) expended by the Division of Water Resources for cloud-seeding projects
1307 authorized by Title 73, Chapter 15, Modification of Weather.

1308 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
1309 in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund
1310 created in Section 73-10-24.

1311 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the
1312 remaining difference described in Subsection (5)(a) shall be deposited into the Water
1313 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
1314 Division of Water Resources for:

1315 (i) preconstruction costs:

1316 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
1317 26, Bear River Development Act; and

1318 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
1319 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

1320 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
1321 Chapter 26, Bear River Development Act;

1322 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
1323 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

1324 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
1325 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

1326 (e) After making the transfers required by Subsections (5)(b) and (c) and subject to
1327 Subsection (5)(f), 15% of the remaining difference described in Subsection (5)(a) shall be
1328 transferred each year as dedicated credits to the Division of Water Rights to cover the costs
1329 incurred for employing additional technical staff for the administration of water rights.

1330 (f) At the end of each fiscal year, any unexpended dedicated credits described in
1331 Subsection (5)(e) over \$150,000 lapse to the Water Resources Conservation and Development
1332 Fund created in Section 73-10-24.

1333 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), the
1334 amount of revenue generated by a 1/16% tax rate on the transactions described in Subsection
1335 (1) for the fiscal year shall be deposited as follows:

1336 (a) for fiscal year 2016-17 only, 100% of the revenue described in this Subsection (6)
1337 shall be deposited into the Transportation Investment Fund of 2005 created by Section
1338 72-2-124;

1339 (b) for fiscal year 2017-18 only:

1340 (i) 80% of the revenue described in this Subsection (6) shall be deposited into the
1341 Transportation Investment Fund of 2005 created by Section 72-2-124; and

1342 (ii) 20% of the revenue described in this Subsection (6) shall be deposited into the
1343 Water Infrastructure Restricted Account created by Section 73-10g-103;

1344 (c) for fiscal year 2018-19 only:

1345 (i) 60% of the revenue described in this Subsection (6) shall be deposited into the
1346 Transportation Investment Fund of 2005 created by Section 72-2-124; and

1347 (ii) 40% of the revenue described in this Subsection (6) shall be deposited into the
1348 Water Infrastructure Restricted Account created by Section 73-10g-103;

1349 (d) for fiscal year 2019-20 only:

1350 (i) 40% of the revenue described in this Subsection (6) shall be deposited into the
1351 Transportation Investment Fund of 2005 created by Section 72-2-124; and

1352 (ii) 60% of the revenue described in this Subsection (6) shall be deposited into the
1353 Water Infrastructure Restricted Account created by Section 73-10g-103;

1354 (e) for fiscal year 2020-21 only:

1355 (i) 20% of the revenue described in this Subsection (6) shall be deposited into the
1356 Transportation Investment Fund of 2005 created by Section 72-2-124; and

1357 (ii) 80% of the revenue described in this Subsection (6) shall be deposited into the
1358 Water Infrastructure Restricted Account created by Section 73-10g-103; and

1359 (f) for a fiscal year beginning on or after July 1, 2021, 100% of the revenue described
1360 in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account

1361 created by Section 73-10g-103.

1362 (7) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
1363 Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1,
1364 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005
1365 created by Section 72-2-124:

1366 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
1367 the revenues collected from the following taxes, which represents a portion of the
1368 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
1369 on vehicles and vehicle-related products:

1370 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1371 (B) the tax imposed by Subsection (2)(b)(i);

1372 (C) the tax imposed by Subsection (2)(c)(i); and

1373 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

1374 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
1375 current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through
1376 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
1377 (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.

1378 (b) (i) Subject to Subsections (7)(b)(ii) and (iii), in any fiscal year that the portion of
1379 the sales and use taxes deposited under Subsection (7)(a) represents an amount that is a total
1380 lower percentage of the sales and use taxes described in Subsections (7)(a)(i)(A) through (D)
1381 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
1382 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection
1383 (7)(a) equal to the product of:

1384 (A) the total percentage of sales and use taxes deposited under Subsection (7)(a) in the
1385 previous fiscal year; and

1386 (B) the total sales and use tax revenue generated by the taxes described in Subsections
1387 (7)(a)(i)(A) through (D) in the current fiscal year.

1388 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under
1389 Subsection (7)(a) would exceed 17% of the revenues collected from the sales and use taxes
1390 described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year, the Division of
1391 Finance shall deposit 17% of the revenues collected from the sales and use taxes described in

1392 Subsections (7)(a)(i)(A) through (D) for the current fiscal year under Subsection (7)(a).

1393 (iii) In all subsequent fiscal years after a year in which 17% of the revenues collected
1394 from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) was deposited
1395 under Subsection (7)(a), the Division of Finance shall annually deposit 17% of the revenues
1396 collected from the sales and use taxes described in Subsections (7)(a)(i)(A) through (D) in the
1397 current fiscal year under Subsection (7)(a).

1398 (8) (a) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited
1399 under Subsections (6) and (7), for the 2016-17 fiscal year only, the Division of Finance shall
1400 deposit \$64,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into
1401 the Transportation Investment Fund of 2005 created by Section 72-2-124.

1402 (b) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited under
1403 Subsections (6) and (7), for the 2017-18 fiscal year only, the Division of Finance shall deposit
1404 \$63,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the
1405 Transportation Investment Fund of 2005 created by Section 72-2-124.

1406 (c) (i) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
1407 Subsections (6) and (7), and subject to Subsection (8)(c)(ii), for a fiscal year beginning on or
1408 after July 1, 2018, the commission shall annually deposit into the Transportation Investment
1409 Fund of 2005 created by Section 72-2-124 a portion of the taxes listed under Subsection (3)(a)
1410 in an amount equal to 3.68% of the revenues collected from the following taxes:

1411 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

1412 (B) the tax imposed by Subsection (2)(b)(i);

1413 (C) the tax imposed by Subsection (2)(c)(i); and

1414 (D) the tax imposed by Subsection (2)(d)(i)(A)(I).

1415 (ii) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
1416 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection (8)(c)(i)
1417 by an amount that is equal to 35% of the amount of revenue generated in the current fiscal year
1418 by the portion of the tax imposed on motor and special fuel that is sold, used, or received for
1419 sale or use in this state that exceeds 29.4 cents per gallon.

1420 (iii) The commission shall annually deposit the amount described in Subsection
1421 (8)(c)(ii) into the Transit ~~and~~ Transportation Investment Fund created in Section 72-2-124.

1422 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year

1423 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
1424 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

1425 (10) (a) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(c),
1426 in addition to any amounts deposited under Subsections (6), (7), and (8), and for the 2016-17
1427 fiscal year only, the Division of Finance shall deposit into the Transportation Investment Fund
1428 of 2005 created by Section 72-2-124 the amount of tax revenue generated by a .05% tax rate on
1429 the transactions described in Subsection (1).

1430 (b) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(c), and in
1431 addition to any amounts deposited under Subsections (6), (7), and (8), the Division of Finance
1432 shall deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the
1433 amount of revenue described as follows:

1434 (i) for fiscal year 2017-18 only, 83.33% of the amount of revenue generated by a .05%
1435 tax rate on the transactions described in Subsection (1);

1436 (ii) for fiscal year 2018-19 only, 66.67% of the amount of revenue generated by a .05%
1437 tax rate on the transactions described in Subsection (1);

1438 (iii) for fiscal year 2019-20 only, 50% of the amount of revenue generated by a .05%
1439 tax rate on the transactions described in Subsection (1);

1440 (iv) for fiscal year 2020-21 only, 33.33% of the amount of revenue generated by a
1441 .05% tax rate on the transactions described in Subsection (1); and

1442 (v) for fiscal year 2021-22 only, 16.67% of the amount of revenue generated by a .05%
1443 tax rate on the transactions described in Subsection (1).

1444 (c) For purposes of Subsections (10)(a) and (b), the Division of Finance may not
1445 deposit into the Transportation Investment Fund of 2005 any tax revenue generated by amounts
1446 paid or charged for food and food ingredients, except for tax revenue generated by a bundled
1447 transaction attributable to food and food ingredients and tangible personal property other than
1448 food and food ingredients described in Subsection (2)(d).

1449 (11) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the
1450 fiscal year during which the Division of Finance receives notice under Section 63N-2-510 that
1451 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the Division of
1452 Finance shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue
1453 generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund,

1454 created in Section [63N-2-512](#).

1455 (12) (a) Notwithstanding Subsection (3)(a), for the 2016-17 fiscal year only, the
1456 Division of Finance shall deposit \$26,000,000 of the revenues generated by the taxes listed
1457 under Subsection (3)(a) into the Throughput Infrastructure Fund created by Section [35A-8-308](#).

1458 (b) Notwithstanding Subsection (3)(a), for the 2017-18 fiscal year only, the Division of
1459 Finance shall deposit \$27,000,000 of the revenues generated by the taxes listed under
1460 Subsection (3)(a) into the Throughput Infrastructure Fund created by Section [35A-8-308](#).

1461 ~~[(13) Notwithstanding Subsections (4) through (12) and (14), an amount required to be~~
1462 ~~expended or deposited in accordance with Subsections (4) through (12) and (14) may not~~
1463 ~~include an amount the Division of Finance deposits in accordance with Section [59-12-103.2](#).]~~

1464 ~~[(14)]~~ (13) (a) The rate specified in this subsection is 0.15%.

1465 (b) Notwithstanding Subsection (3)(a), the Division of Finance shall:

1466 (i) on or before September 30, 2019, transfer the amount of revenue generated by a
1467 0.15% tax rate imposed beginning on April 1, 2019, and ending on June 30, 2019, on the
1468 transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) as dedicated
1469 credits to the Division of Health Care Financing; and

1470 (ii) for a fiscal year beginning on or after fiscal year 2019-20, annually transfer the
1471 amount of revenue generated by a 0.15% tax rate on the transactions that are subject to the
1472 sales and use tax under Subsection (2)(a)(i)(A) as dedicated credits to the Division of Health
1473 Care Financing.

1474 (c) The revenue described in Subsection ~~[(14)]~~ (13)(b) that the Division of Finance
1475 transfers to the Division of Health Care Financing as dedicated credits shall be expended for
1476 the following uses:

1477 (i) implementation of the Medicaid expansion described in Sections [26-18-3.1\(4\)](#) and
1478 [26-18-3.9\(2\)\(b\)](#);

1479 (ii) if revenue remains after the use specified in Subsection ~~[(14)]~~ (13)(c)(i), other
1480 measures required by Section [26-18-3.9](#); and

1481 (iii) if revenue remains after the uses specified in Subsections ~~[(14)]~~ (13)(c)(i) and (ii),
1482 other measures described in Title 26, Chapter 18, Medical Assistance Act.

1483 Section 15. Section [59-12-2202](#) is amended to read:

1484 **59-12-2202. Definitions.**

1485 As used in this part:

1486 (1) "Airline" means the same as that term is defined in Section [59-2-102](#).

1487 (2) "Airport facility" means the same as that term is defined in Section [59-12-602](#).

1488 (3) "Airport of regional significance" means an airport identified by the Federal
1489 Aviation Administration in the most current National Plan of Integrated Airport Systems or an
1490 update to the National Plan of Integrated Airport Systems.

1491 (4) "Annexation" means an annexation to:

1492 (a) a county under Title 17, Chapter 2, County Consolidations and Annexations; or

1493 (b) a city or town under Title 10, Chapter 2, Part 4, Annexation.

1494 (5) "Annexing area" means an area that is annexed into a county, city, or town.

1495 (6) "Class A road" means the same as that term is described in Section [72-3-102](#).

1496 (7) "Class B road" means the same as that term is described in Section [72-3-103](#).

1497 (8) "Class C road" means the same as that term is described in Section [72-3-104](#).

1498 (9) "Class D road" means the same as that term is described in Section [72-3-105](#).

1499 ~~(6)~~ (10) "Council of governments" means the same as that term is defined in Section
1500 [72-2-117.5](#).

1501 ~~(7)~~ (11) "Fixed guideway" means the same as that term is defined in Section
1502 [59-12-102](#).

1503 ~~(8)~~ (12) "Large public transit district" means the same as that term is defined in
1504 Section [17B-2a-802](#).

1505 ~~(9)~~ (13) "Major collector highway" means the same as that term is defined in Section
1506 [72-4-102.5](#).

1507 ~~(10)~~ (14) "Metropolitan planning organization" means the same as that term is
1508 defined in Section [72-1-208.5](#).

1509 ~~(11)~~ (15) "Minor arterial highway" means the same as that term is defined in Section
1510 [72-4-102.5](#).

1511 ~~(12)~~ (16) "Minor collector road" means the same as that term is defined in Section
1512 [72-4-102.5](#).

1513 ~~(13)~~ (17) "Principal arterial highway" means the same as that term is defined in
1514 Section [72-4-102.5](#).

1515 ~~(14)~~ (18) "Regionally significant transportation facility" means:

- 1516 (a) in a county of the first or second class:
- 1517 (i) a principal arterial highway;
- 1518 (ii) a minor arterial highway;
- 1519 (iii) a fixed guideway that:
- 1520 (A) extends across two or more cities or unincorporated areas; or
- 1521 (B) is an extension to an existing fixed guideway; or
- 1522 (iv) an airport of regional significance; or
- 1523 (b) in a county of the second class that is not part of a large public transit district, or in
- 1524 a county of the third, fourth, fifth, or sixth class:
- 1525 (i) a principal arterial highway;
- 1526 (ii) a minor arterial highway;
- 1527 (iii) a major collector highway;
- 1528 (iv) a minor collector road; or
- 1529 (v) an airport of regional significance.
- 1530 [~~15~~] (19) "State highway" means a highway designated as a state highway under Title
- 1531 72, Chapter 4, Designation of State Highways Act.
- 1532 [~~16~~] (20) (a) Subject to Subsection [~~16~~] (20)(b), "system for public transit" means
- 1533 the same as the term "public transit" is defined in Section [17B-2a-802](#).
- 1534 (b) "System for public transit" includes:
- 1535 (i) the following costs related to public transit:
- 1536 (A) maintenance costs; or
- 1537 (B) operating costs;
- 1538 (ii) a fixed guideway;
- 1539 (iii) a park and ride facility;
- 1540 (iv) a passenger station or passenger terminal;
- 1541 (v) a right-of-way for public transit; or
- 1542 (vi) the following that serve a public transit facility:
- 1543 (A) a maintenance facility;
- 1544 (B) a platform;
- 1545 (C) a repair facility;
- 1546 (D) a roadway;

- 1547 (E) a storage facility;
- 1548 (F) a utility line; or
- 1549 (G) a facility or item similar to those described in Subsections [~~(16)~~] (20)(b)(vi)(A)
- 1550 through (F).

1551 Section 16. Section **59-12-2203** is amended to read:

1552 **59-12-2203. Authority to impose a sales and use tax under this part.**

1553 (1) As provided in this Subsection (1), one of the following sales and use taxes may be
1554 imposed within the boundaries of a local taxing jurisdiction:

1555 (a) a county, city, or town may impose the sales and use tax authorized by Section
1556 [59-12-2213](#) in accordance with Section [59-12-2213](#); or

1557 (b) a city or town may impose the sales and use tax authorized by Section [59-12-2215](#)
1558 in accordance with Section [59-12-2215](#).

1559 (2) As provided in this Subsection (2), one of the following sales and use taxes may be
1560 imposed within the boundaries of a local taxing jurisdiction:

1561 (a) a county, city, or town may impose the sales and use tax authorized by Section
1562 [59-12-2214](#) in accordance with Section [59-12-2214](#); or

1563 (b) a county may impose the sales and use tax authorized by Section [59-12-2216](#) in
1564 accordance with Section [59-12-2216](#).

1565 (3) As provided in this Subsection (3), one of the following sales and use taxes may be
1566 imposed within the boundaries of a local taxing jurisdiction:

1567 (a) a county may impose the sales and use tax authorized by Section [59-12-2217](#) in
1568 accordance with Section [59-12-2217](#); or

1569 (b) a county, city, or town may impose the sales and use tax authorized by Section
1570 [59-12-2218](#) in accordance with Section [59-12-2218](#).

1571 (4) A county may impose the sales and use tax authorized by Section [59-12-2219](#) in
1572 accordance with Section [59-12-2219](#).

1573 (5) A county~~[, city, or town]~~ may impose the sales and use tax authorized by Section
1574 [59-12-2220](#) in accordance with Section [59-12-2220](#).

1575 Section 17. Section **59-12-2212.2** is enacted to read:

1576 **59-12-2212.2. Allowable uses of local option sales and use tax revenue.**

1577 (1) Except as otherwise provided in this part, a county, city, or town that imposes a

1578 local option sales and use tax under this part may expend the revenue generated from the local
 1579 option sales and use tax for the following purposes:

1580 (a) the development, construction, maintenance, or operation of:

1581 (i) a class A road;

1582 (ii) a class B road;

1583 (iii) a class C road;

1584 (iv) a class D road;

1585 (v) traffic and pedestrian safety infrastructure, including:

1586 (A) a sidewalk;

1587 (B) curb and gutter;

1588 (C) a safety feature;

1589 (D) a traffic sign;

1590 (E) a traffic signal; or

1591 (F) street lighting;

1592 (vi) streets, alleys, roads, highways, and thoroughfares of any kind, including

1593 connected structures;

1594 (vii) an airport facility; or

1595 (viii) an active transportation facility that is for nonmotorized vehicles and multimodal

1596 transportation and connects an origin with a destination;

1597 (b) a system for public transit;

1598 (c) all other modes and forms of conveyance used by the public;

1599 (d) debt service or bond issuance costs related to a project or facility described in

1600 Subsections (1)(a) through (c); or

1601 (e) corridor preservation related to a project or facility described in Subsections (1)(a)

1602 through (c).

1603 (2) Revenue allocations dedicated to a public transit district prior to January 1, 2019,

1604 may not be modified.

1605 Section 18. Section **59-12-2214** is amended to read:

1606 **59-12-2214. County, city, or town option sales and use tax to fund a system for**

1607 **public transit, an airport facility, a water conservation project, or to be deposited into the**

1608 **County of the First Class Highway Projects Fund -- Base -- Rate.**

1609 (1) Subject to the other provisions of this part, a county, city, or town may impose a
 1610 sales and use tax of .25% on the transactions described in Subsection 59-12-103(1) located
 1611 within the county, city, or town.

1612 (2) ~~[Subject]~~ Notwithstanding Section 59-12-2212.2, and subject to Subsection (3), a
 1613 county, city, or town that imposes a sales and use tax under this section shall expend the
 1614 revenues collected from the sales and use tax:

1615 (a) to fund a system for public transit;

1616 (b) to fund a project or service related to an airport facility for the portion of the project
 1617 or service that is performed within the county, city, or town within which the sales and use tax
 1618 is imposed:

1619 (i) for a county that imposes the sales and use tax, if the airport facility is part of the
 1620 regional transportation plan of the area metropolitan planning organization if a metropolitan
 1621 planning organization exists for the area; or

1622 (ii) for a city or town that imposes the sales and use tax, if:

1623 (A) that city or town is located within a county of the second class;

1624 (B) that city or town owns or operates the airport facility; and

1625 (C) an airline is headquartered in that city or town; or

1626 (c) for a combination of Subsections (2)(a) and (b).

1627 (3) A county of the first class that imposes a sales and use tax under this section shall
 1628 expend the revenues collected from the sales and use tax as follows:

1629 (a) 80% of the revenues collected from the sales and use tax shall be expended to fund
 1630 a system for public transit; and

1631 (b) 20% of the revenues collected from the sales and use tax shall be deposited into the
 1632 County of the First Class Highway Projects Fund created by Section 72-2-121.

1633 ~~[(4) Notwithstanding Section 59-12-2208, a county, city, or town legislative body is~~
 1634 ~~not required to submit an opinion question to the county's, city's, or town's registered voters in~~
 1635 ~~accordance with Section 59-12-2208 to impose a sales and use tax under this section if:]~~

1636 ~~[(a) the county, city, or town imposes the sales and use tax under this section on or~~
 1637 ~~after July 1, 2010, but on or before July 1, 2011;]~~

1638 ~~[(b) on July 1, 2010, the county, city, or town imposes a sales and use tax under:]~~

1639 ~~[(i) Section 59-12-2213; or]~~

1640 ~~[(ii) Section 59-12-2215; and]~~

1641 ~~[(c) the county, city, or town obtained voter approval to impose the sales and use tax~~
1642 ~~under:]~~

1643 ~~[(i) Section 59-12-2213; or]~~

1644 ~~[(ii) Section 59-12-2215.]~~

1645 Section 19. Section 59-12-2215 is amended to read:

1646 **59-12-2215. City or town option sales and use tax for highways or to fund a**
1647 **system for public transit -- Base -- Rate.**

1648 (1) Subject to the other provisions of this part, a city or town may impose a sales and
1649 use tax of up to .30% on the transactions described in Subsection 59-12-103(1) located within
1650 the city or town.

1651 ~~[(2) A city or town imposing a sales and use tax under this section shall expend the~~
1652 ~~revenues collected from the sales and use tax:]~~

1653 ~~[(a) for the construction and maintenance of highways under the jurisdiction of the city~~
1654 ~~or town imposing the tax;]~~

1655 ~~[(b) to fund a system for public transit; or]~~

1656 ~~[(c) for a combination of Subsections (2)(a) and (b).]~~

1657 (2) A city or town imposing a sales and use tax under this section shall expend the
1658 revenues collected from the sales and use tax as described in Section 59-12-2212.2.

1659 Section 20. Section 59-12-2216 is amended to read:

1660 **59-12-2216. County option sales and use tax for a fixed guideway, to fund a**
1661 **system for public transit, or for highways -- Base -- Rate -- Allocation and expenditure of**
1662 **revenues.**

1663 (1) Subject to the other provisions of this part, a county legislative body may impose a
1664 sales and use tax of up to .30% on the transactions described in Subsection 59-12-103(1)
1665 within the county, including the cities and towns within the county.

1666 ~~[(2) Subject to Subsection (3), before obtaining voter approval in accordance with~~
1667 ~~Section 59-12-2208, a county legislative body shall adopt a resolution specifying the~~
1668 ~~percentage of revenues the county will receive from the sales and use tax under this section that~~
1669 ~~will be allocated to fund one or more of the following:]~~

1670 ~~[(a) a project or service relating to a fixed guideway for the portion of the project or~~

1671 service that is performed within the county;]

1672 ~~[(b) a project or service relating to a system for public transit, except for a fixed~~

1673 ~~guideway, for the portion of the project or service that is performed within the county;]~~

1674 ~~[(c) the following relating to a state highway within the county:]~~

1675 ~~[(i) a project within the county if the project:]~~

1676 ~~[(A) begins on or after the day on which a county legislative body imposes a tax under~~

1677 ~~this section; and]~~

1678 ~~[(B) involves an environmental study, an improvement, new construction, or a~~

1679 ~~renovation;]~~

1680 ~~[(ii) debt service on a project described in Subsection (2)(c)(i); or]~~

1681 ~~[(iii) bond issuance costs related to a project described in Subsection (2)(c)(i); or]~~

1682 ~~[(d) a project, debt service, or bond issuance cost described in Subsection (2)(c)~~

1683 ~~relating to a highway that is:]~~

1684 ~~[(i) a principal arterial highway or minor arterial highway;]~~

1685 ~~[(ii) included in a metropolitan planning organization's regional transportation plan;~~

1686 ~~and]~~

1687 ~~[(iii) not a state highway.]~~

1688 (2) Subject to Subsection (3), before obtaining voter approval in accordance with

1689 Section 59-12-2208, a county legislative body shall adopt a resolution specifying the

1690 percentage of revenues the county will receive from the sales and use tax under this section that

1691 will be allocated to fund uses described in Section 59-12-2212.2.

1692 (3) A county legislative body shall in the resolution described in Subsection (2)

1693 allocate 100% of the revenues the county will receive from the sales and use tax under this

1694 section for one or more of the purposes described in ~~[Subsection (2)]~~ Section 59-12-2212.2.

1695 (4) Notwithstanding Section 59-12-2208, the opinion question required by Section

1696 59-12-2208 shall state the allocations the county legislative body makes in accordance with this

1697 section.

1698 (5) The revenues collected from a sales and use tax under this section shall be:

1699 (a) allocated in accordance with the allocations specified in the resolution under

1700 Subsection (2); and

1701 (b) expended as provided in this section.

1702 (6) If a county legislative body allocates revenues collected from a sales and use tax
1703 under this section for a state highway project [~~described in Subsection (2)(c)(i)~~], before
1704 beginning the state highway project within the county, the county legislative body shall:

- 1705 (a) obtain approval from the Transportation Commission to complete the project; and
- 1706 (b) enter into an interlocal agreement established in accordance with Title 11, Chapter
1707 13, Interlocal Cooperation Act, with the Department of Transportation to complete the project.

1708 (7) If after a county legislative body imposes a sales and use tax under this section the
1709 county legislative body seeks to change an allocation specified in the resolution under
1710 Subsection (2), the county legislative body may change the allocation by:

- 1711 (a) adopting a resolution in accordance with Subsection (2) specifying the percentage
1712 of revenues the county will receive from the sales and use tax under this section that will be
1713 allocated to fund one or more of the items described in [~~Subsection (2)~~] [Section 59-12-2212.2](#);
- 1714 (b) obtaining approval to change the allocation of the sales and use tax by a majority of
1715 all of the members of the county legislative body; and

1716 (c) subject to Subsection (8):

- 1717 (i) in accordance with [Section 59-12-2208](#), submitting an opinion question to the
1718 county's registered voters voting on changing the allocation so that each registered voter has the
1719 opportunity to express the registered voter's opinion on whether the allocation should be
1720 changed; and

1721 (ii) in accordance with [Section 59-12-2208](#), obtaining approval to change the allocation
1722 from a majority of the county's registered voters voting on changing the allocation.

1723 (8) Notwithstanding [Section 59-12-2208](#), the opinion question required by Subsection
1724 (7)(c)(i) shall state the allocations specified in the resolution adopted in accordance with
1725 Subsection (7)(a) and approved by the county legislative body in accordance with Subsection
1726 (7)(b).

1727 (9) Revenues collected from a sales and use tax under this section that a county
1728 allocates for a [~~purpose described in Subsection (2)(c)~~] state highway within the county shall
1729 be:

1730 (a) deposited into the Highway Projects Within Counties Fund created by [Section](#)
1731 [72-2-121.1](#); and

1732 (b) expended as provided in [Section 72-2-121.1](#).

1733 (10) (a) Notwithstanding Section 59-12-2206 and subject to Subsection (10)(b),
 1734 revenues collected from a sales and use tax under this section that a county allocates for a
 1735 ~~[purpose described in Subsection (2)(d)]~~ project, debt service, or bond issuance cost relating to
 1736 a highway that is a principal arterial highway or minor arterial highway that is included in a
 1737 metropolitan planning organization's regional transportation plan, but is not a state highway,
 1738 shall be transferred to the Department of Transportation if the transfer of the revenues is
 1739 required under an interlocal agreement:

1740 (i) entered into on or before January 1, 2010; and
 1741 (ii) established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act.

1742 (b) The Department of Transportation shall expend the revenues described in
 1743 Subsection (10)(a) as provided in the interlocal agreement described in Subsection (10)(a).

1744 Section 21. Section 59-12-2217 is amended to read:

1745 **59-12-2217. County option sales and use tax for transportation -- Base -- Rate --**
 1746 **Written prioritization process -- Approval by county legislative body.**

1747 (1) Subject to the other provisions of this part, and subject to Subsection ~~[(10)]~~ (8), a
 1748 county legislative body may impose a sales and use tax of up to .25% on the transactions
 1749 described in Subsection 59-12-103(1) within the county, including the cities and towns within
 1750 the county.

1751 ~~[(2) Subject to Subsections (3) through (8) and Section 59-12-2207, the revenues~~
 1752 ~~collected from a sales and use tax under this section may only be expended for:]~~

1753 ~~[(a) a project or service:]~~

1754 ~~[(i) relating to a regionally significant transportation facility for the portion of the~~
 1755 ~~project or service that is performed within the county;]~~

1756 ~~[(ii) for new capacity or congestion mitigation if the project or service is performed~~
 1757 ~~within a county:]~~

1758 ~~[(A) of the first or second class; or]~~

1759 ~~[(B) if that county is part of an area metropolitan planning organization; and]~~

1760 ~~[(iii) that is on a priority list:]~~

1761 ~~[(A) created by the county's council of governments in accordance with Subsection (7);~~
 1762 ~~and]~~

1763 ~~[(B) approved by the county legislative body in accordance with Subsection (7);]~~

1764 ~~[(b) corridor preservation for a project or service described in Subsection (2)(a); or]~~
1765 ~~[(c) debt service or bond issuance costs related to a project or service described in~~
1766 ~~Subsection (2)(a)(i) or (ii).]~~

1767 (2) (a) Except as provided in Subsection (2)(b), and subject to Subsections (3) through
1768 (6) and Section 59-12-2207, the revenues collected from a sales and use tax under this section
1769 may only be expended as described in Section 59-12-2212.2.

1770 (b) Notwithstanding Subsection 59-12-2212.2(1), revenues collected from a sales and
1771 use tax under this section may not be expended for maintenance purposes.

1772 ~~[(3) If a project or service described in Subsection (2) is for: (a) a principal arterial~~
1773 ~~highway or a minor arterial highway in a county of the first or second class or a collector road~~
1774 ~~in a county of the second class, that project or service shall be part of the:]~~

1775 ~~[(i) county and municipal master plan; and]~~

1776 ~~[(ii) (A) statewide long-range plan; or]~~

1777 ~~[(B) regional transportation plan of the area metropolitan planning organization if a~~
1778 ~~metropolitan planning organization exists for the area; or]~~

1779 ~~[(b) a fixed guideway or an airport, that project or service shall be part of the regional~~
1780 ~~transportation plan of the area metropolitan planning organization if a metropolitan planning~~
1781 ~~organization exists for the area.]~~

1782 (3) For revenue expended under this section for a project or service described in
1783 Subsection (2) that is on or part of a regionally significant transportation facility and that
1784 constructs or adds a new through lane or interchange, or provides new fixed guideway public
1785 transit service, the project shall be part of:

1786 (a) the statewide long-range plan; or

1787 (b) a regional transportation plan of the area metropolitan planning organization if a
1788 metropolitan planning organization area exists for the area.

1789 ~~[(4) In a county of the first or second class, a regionally significant transportation~~
1790 ~~facility project or service described in Subsection (2)(a)(i) shall have a funded year priority~~
1791 ~~designation on a Statewide Transportation Improvement Program and Transportation~~
1792 ~~Improvement Program if the project or service described in Subsection (2)(a)(i) is:]~~

1793 ~~[(a) a principal arterial highway;]~~

1794 ~~[(b) a minor arterial highway;]~~

1795 ~~[(c) a collector road in a county of the second class; or]~~
1796 ~~[(d) a major collector highway in a rural area.]~~
1797 ~~[(5) Of the revenues collected from a sales and use tax imposed under this section~~
1798 ~~within a county of the first class, 25% or more shall be expended for the purpose described in~~
1799 ~~Subsection (2)(b).]~~
1800 ~~[(6)] (4) (a) As provided in this Subsection ~~[(6)] (4)~~, a council of governments shall:~~
1801 (i) develop a written prioritization process for the prioritization of projects to be funded
1802 by revenues collected from a sales and use tax under this section;
1803 (ii) create a priority list of ~~[regionally significant]~~ transportation facility projects or
1804 services described in ~~[Subsection (2)(a)(i)]~~ Section 59-12-2212.2 in accordance with
1805 Subsection ~~[(7)] (5)~~; and
1806 (iii) present the priority list to the county legislative body for approval in accordance
1807 with Subsection ~~[(7)] (5)~~.
1808 (b) The written prioritization process described in Subsection ~~[(6)] (4)(a)(i)~~ shall
1809 include:
1810 (i) a definition of the type of projects to which the written prioritization process
1811 applies;
1812 (ii) subject to Subsection ~~[(6)] (4)(c)~~, the specification of a weighted criteria system
1813 that the council of governments will use to rank proposed projects and how that weighted
1814 criteria system will be used to determine which proposed projects will be prioritized;
1815 (iii) the specification of data that is necessary to apply the weighted criteria system;
1816 (iv) application procedures for a project to be considered for prioritization by the
1817 council of governments; and
1818 (v) any other provision the council of governments considers appropriate.
1819 (c) The weighted criteria system described in Subsection ~~[(6)] (4)(b)(ii)~~ shall include
1820 the following:
1821 (i) the cost effectiveness of a project;
1822 (ii) the degree to which a project will mitigate regional congestion;
1823 (iii) the compliance requirements of applicable federal laws or regulations;
1824 (iv) the economic impact of a project;
1825 (v) the degree to which a project will require tax revenues to fund maintenance and

1826 operation expenses; and

1827 (vi) any other provision the council of governments considers appropriate.

1828 (d) A council of governments of a county of the first or second class shall submit the

1829 written prioritization process described in Subsection ~~[(6)]~~ (4)(a)(i) to the Executive

1830 Appropriations Committee for approval prior to taking final action on:

1831 (i) the written prioritization process; or

1832 (ii) any proposed amendment to the written prioritization process.

1833 ~~[(7)]~~ (5) (a) A council of governments shall use the weighted criteria system adopted in

1834 the written prioritization process developed in accordance with Subsection ~~[(6)]~~ (4) to create a

1835 priority list of ~~[regionally significant]~~ transportation ~~[facility]~~ projects or services for which

1836 revenues collected from a sales and use tax under this section may be expended.

1837 (b) Before a council of governments may finalize a priority list or the funding level of a

1838 project, the council of governments shall conduct a public meeting on:

1839 (i) the written prioritization process; and

1840 (ii) the merits of the projects that are prioritized as part of the written prioritization

1841 process.

1842 (c) A council of governments shall make the weighted criteria system ranking for each

1843 project prioritized as part of the written prioritization process publicly available before the

1844 public meeting required by Subsection ~~[(7)]~~ (5)(b) is held.

1845 (d) If a council of governments prioritizes a project over another project with a higher

1846 rank under the weighted criteria system, the council of governments shall:

1847 (i) identify the reasons for prioritizing the project over another project with a higher

1848 rank under the weighted criteria system at the public meeting required by Subsection ~~[(7)]~~

1849 (5)(b); and

1850 (ii) make the reasons described in Subsection ~~[(7)]~~ (5)(d)(i) publicly available.

1851 (e) Subject to Subsections ~~[(7)]~~ (5)(f) and (g), after a council of governments finalizes

1852 a priority list in accordance with this Subsection ~~[(7)]~~ (5), the council of governments shall:

1853 (i) submit the priority list to the county legislative body for approval; and

1854 (ii) obtain approval of the priority list from a majority of the members of the county

1855 legislative body.

1856 (f) A council of governments may only submit one priority list per calendar year to the

1857 county legislative body.

1858 (g) A county legislative body may only consider and approve one priority list submitted
1859 under Subsection ~~[(7)]~~ (5)(e) per calendar year.

1860 ~~[(8)]~~ (6) In a county of the first class, revenues collected from a sales and use tax under
1861 this section that a county allocates for a purpose described in Subsection ~~[(2)(b)]~~
1862 [59-12-2212.2\(5\)](#) shall be:

1863 (a) deposited in or transferred to the County of the First Class Highway Projects Fund
1864 created by Section [72-2-121](#); and

1865 (b) expended as provided in Section [72-2-121](#).

1866 ~~[(9)]~~ (7) Notwithstanding Section [59-12-2208](#), a county legislative body may, but is not
1867 required to, submit an opinion question to the county's registered voters in accordance with
1868 Section [59-12-2208](#) to impose a sales and use tax under this section.

1869 ~~[(10)]~~ (8) (a) (i) Notwithstanding any other provision in this section, if the entire
1870 boundary of a county is annexed into a large public transit district, if the county legislative
1871 body wishes to impose a sales and use tax under this section, the county legislative body shall
1872 pass the ordinance to impose a sales and use tax under this section on or before June 30, 2022.

1873 (ii) If the entire boundary of a county is annexed into a large public transit district, the
1874 county legislative body may not pass an ordinance to impose a sales and use tax under this
1875 section on or after July 1, 2022.

1876 (b) Notwithstanding the deadline described in Subsection ~~[(10)]~~ (8)(a), any sales and
1877 use tax imposed under this section on or before June 30, 2022, may remain in effect.

1878 Section 22. Section **59-12-2218** is amended to read:

1879 **59-12-2218. County, city, or town option sales and use tax for airports, highways,
1880 and systems for public transit -- Base -- Rate -- Administration of sales and use tax --
1881 Voter approval exception.**

1882 (1) Subject to the other provisions of this part, and subject to Subsection ~~[(11)]~~ (8), the
1883 following may impose a sales and use tax under this section:

1884 (a) if, on April 1, 2009, a county legislative body of a county of the second class
1885 imposes a sales and use tax under this section, the county legislative body of the county of the
1886 second class may impose the sales and use tax on the transactions:

1887 (i) described in Subsection [59-12-103](#)(1); and

1888 (ii) within the county, including the cities and towns within the county; or
1889 (b) if, on April 1, 2009, a county legislative body of a county of the second class does
1890 not impose a sales and use tax under this section:

1891 (i) a city legislative body of a city within the county of the second class may impose a
1892 sales and use tax under this section on the transactions described in Subsection 59-12-103(1)
1893 within that city;

1894 (ii) a town legislative body of a town within the county of the second class may impose
1895 a sales and use tax under this section on the transactions described in Subsection 59-12-103(1)
1896 within that town; and

1897 (iii) the county legislative body of the county of the second class may impose a sales
1898 and use tax on the transactions described in Subsection 59-12-103(1):

1899 (A) within the county, including the cities and towns within the county, if on the date
1900 the county legislative body provides the notice described in Section 59-12-2209 to the
1901 commission stating that the county will enact a sales and use tax under this section, no city or
1902 town within that county imposes a sales and use tax under this section or has provided the
1903 notice described in Section 59-12-2209 to the commission stating that the city or town will
1904 enact a sales and use tax under this section; or

1905 (B) within the county, except for within a city or town within that county, if, on the
1906 date the county legislative body provides the notice described in Section 59-12-2209 to the
1907 commission stating that the county will enact a sales and use tax under this section, that city or
1908 town imposes a sales and use tax under this section or has provided the notice described in
1909 Section 59-12-2209 to the commission stating that the city or town will enact a sales and use
1910 tax under this section.

1911 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a
1912 county, city, or town legislative body that imposes a sales and use tax under this section may
1913 impose the tax at a rate of ~~[(a) .10%; or (b)]~~ .25%.

1914 ~~[(3) A sales and use tax imposed at a rate described in Subsection (2)(a) shall be
1915 expended as determined by the county, city, or town legislative body as follows:]~~

1916 ~~[(a) deposited as provided in Subsection (9)(b) into the County of the Second Class
1917 State Highway Projects Fund created by Section 72-2-121.2 and expended as provided in
1918 Section 72-2-121.2;]~~

1919 ~~[(b) expended for a project or service relating to an airport facility for the portion of the~~
1920 ~~project or service that is performed within the county, city, or town within which the tax is~~
1921 ~~imposed;]~~

1922 ~~[(i) for a county legislative body that imposes the sales and use tax, if that airport~~
1923 ~~facility is part of the regional transportation plan of the area metropolitan planning organization~~
1924 ~~if a metropolitan planning organization exists for the area; or]~~

1925 ~~[(ii) for a city or town legislative body that imposes the sales and use tax, if:]~~

1926 ~~[(A) that city or town owns or operates the airport facility; and]~~

1927 ~~[(B) an airline is headquartered in that city or town; or]~~

1928 ~~[(c) deposited or expended for a combination of Subsections (3)(a) and (b).]~~

1929 ~~[(4) Subject to Subsections (5) through (7), a sales and use tax imposed at a rate~~
1930 ~~described in Subsection (2)(b) shall be expended as determined by the county, city, or town~~
1931 ~~legislative body as follows:]~~

1932 ~~[(a) deposited as provided in Subsection (9)(b) into the County of the Second Class~~
1933 ~~State Highway Projects Fund created by Section [72-2-121.2](#) and expended as provided in~~
1934 ~~Section [72-2-121.2](#);~~

1935 ~~[(b) expended for:]~~

1936 ~~[(i) a state highway designated under Title 72, Chapter 4, Part 1, State Highways;]~~

1937 ~~[(ii) a local highway that is a principal arterial highway, minor arterial highway, major~~
1938 ~~collector highway, or minor collector road; or]~~

1939 ~~[(iii) a combination of Subsections (4)(b)(i) and (ii);]~~

1940 ~~[(c) expended for a project or service relating to a system for public transit for the~~
1941 ~~portion of the project or service that is performed within the county, city, or town within which~~
1942 ~~the sales and use tax is imposed;]~~

1943 ~~[(d) expended for a project or service relating to an airport facility for the portion of the~~
1944 ~~project or service that is performed within the county, city, or town within which the sales and~~
1945 ~~use tax is imposed;]~~

1946 ~~[(i) for a county legislative body that imposes the sales and use tax, if that airport~~
1947 ~~facility is part of the regional transportation plan of the area metropolitan planning organization~~
1948 ~~if a metropolitan planning organization exists for the area; or]~~

1949 ~~[(ii) for a city or town legislative body that imposes the sales and use tax, if:]~~

1950 ~~[(A) that city or town owns or operates the airport facility; and]~~
 1951 ~~[(B) an airline is headquartered in that city or town;]~~
 1952 ~~[(e) expended for:]~~
 1953 ~~[(i) a class B road, as defined in Section [72-3-103](#);~~
 1954 ~~[(ii) a class C road, as defined in Section [72-3-104](#); or]~~
 1955 ~~[(iii) a combination of Subsections (4)(e)(i) and (ii);]~~
 1956 ~~[(f) expended for traffic and pedestrian safety, including:]~~
 1957 ~~[(i) for a class B road, as defined in Section [72-3-103](#), or class C road, as defined in~~
 1958 ~~Section [72-3-104](#), for:]~~
 1959 ~~[(A) a sidewalk;]~~
 1960 ~~[(B) curb and gutter;]~~
 1961 ~~[(C) a safety feature;]~~
 1962 ~~[(D) a traffic sign;]~~
 1963 ~~[(E) a traffic signal;]~~
 1964 ~~[(F) street lighting; or]~~
 1965 ~~[(G) a combination of Subsections (4)(f)(i)(A) through (F);]~~
 1966 ~~[(ii) the construction of an active transportation facility that:]~~
 1967 ~~[(A) is for nonmotorized vehicles and multimodal transportation; and]~~
 1968 ~~[(B) connects an origin with a destination; or]~~
 1969 ~~[(iii) a combination of Subsections (4)(f)(i) and (ii); or]~~
 1970 ~~[(g) deposited or expended for a combination of Subsections (4)(a) through (f).]~~
 1971 (3) (a) Except as provided in Subsection (3)(b), a sales and use tax imposed under this
 1972 section shall be expended as determined by the county, city, or town legislative body for uses
 1973 described in Section [59-12-2212.2](#).
 1974 (b) Notwithstanding Subsection [59-12-2212.2](#)(1)(a), revenues collected from a sales
 1975 and use tax under this section may not be expended for maintenance purposes.
 1976 ~~[(5)]~~ (4) A county, city, or town legislative body may not expend revenue collected
 1977 within a county, city, or town from a tax under this section for a purpose described in
 1978 ~~[Subsections (4)(b) through (f)]~~ Section [59-12-2212.2](#) unless the purpose is recommended by:
 1979 (a) for a county that is part of a metropolitan planning organization, the metropolitan
 1980 planning organization of which the county is a part; or

1981 (b) for a county that is not part of a metropolitan planning organization, the council of
 1982 governments of which the county is a part.

1983 ~~[(6) (a) (i) Except as provided in Subsection (6)(b), a county, city, or town that imposes~~
 1984 ~~a tax described in Subsection (2)(b) shall deposit the revenue collected from a tax rate of .05%~~
 1985 ~~as provided in Subsection (9)(b)(i) into the Local Highway and Transportation Corridor~~
 1986 ~~Preservation Fund created by Section 72-2-117.5.]~~

1987 ~~[(ii) Revenue deposited in accordance with Subsection (6)(a)(i) shall be expended and~~
 1988 ~~distributed in accordance with Section 72-2-117.5.]~~

1989 ~~[(b) A county, city, or town is not required to make the deposit required by Subsection~~
 1990 ~~(6)(a)(i) if the county, city, or town:]~~

1991 ~~[(i) imposed a tax described in Subsection (2)(b) on July 1, 2010; or]~~

1992 ~~[(ii) has continuously imposed a tax described in Subsection (2)(b):]~~

1993 ~~[(A) beginning after July 1, 2010; and]~~

1994 ~~[(B) for a five-year period:]~~

1995 ~~[(7) (a) Subject to the other provisions of this Subsection (7), a city or town within~~
 1996 ~~which a sales and use tax is imposed at the tax rate described in Subsection (2)(b) may:]~~

1997 ~~[(i) expend the revenues in accordance with Subsection (4); or]~~

1998 ~~[(ii) expend the revenues in accordance with Subsections (7)(b) through (d) if:]~~

1999 ~~[(A) that city or town owns or operates an airport facility; and]~~

2000 ~~[(B) an airline is headquartered in that city or town:]~~

2001 ~~[(b) (i) A city or town legislative body of a city or town within which a sales and use~~
 2002 ~~tax is imposed at the tax rate described in Subsection (2)(b) may expend the revenues collected~~
 2003 ~~from a tax rate of greater than .10% but not to exceed the revenues collected from a tax rate of~~
 2004 ~~.25% for a purpose described in Subsection (7)(b)(ii) if:]~~

2005 ~~[(A) that city or town owns or operates an airport facility; and]~~

2006 ~~[(B) an airline is headquartered in that city or town:]~~

2007 ~~[(ii) A city or town described in Subsection (7)(b)(i) may expend the revenues~~
 2008 ~~collected from a tax rate of greater than .10% but not to exceed the revenues collected from a~~
 2009 ~~tax rate of .25% for:]~~

2010 ~~[(A) a project or service relating to the airport facility; and]~~

2011 ~~[(B) the portion of the project or service that is performed within the city or town~~

2012 imposing the sales and use tax.]

2013 ~~[(c) If a city or town legislative body described in Subsection (7)(b)(i) determines to~~
2014 ~~expend the revenues collected from a tax rate of greater than .10% but not to exceed the~~
2015 ~~revenues collected from a tax rate of .25% for a project or service relating to an airport facility~~
2016 ~~as allowed by Subsection (7)(b), any remaining revenue that is collected from the sales and use~~
2017 ~~tax imposed at the tax rate described in Subsection (2)(b) that is not expended for the project or~~
2018 ~~service relating to an airport facility as allowed by Subsection (7)(b) shall be expended as~~
2019 ~~follows:]~~

2020 ~~[(i) 75% of the remaining revenues shall be deposited as provided in Subsection (9)(c)~~
2021 ~~into the County of the Second Class State Highway Projects Fund created by Section~~
2022 ~~72-2-121.2 and expended as provided in Section 72-2-121.2; and]~~

2023 ~~[(ii) 25% of the remaining revenues shall be deposited as provided in Subsection (9)(c)~~
2024 ~~into the Local Highway and Transportation Corridor Preservation Fund created by Section~~
2025 ~~72-2-117.5 and expended and distributed in accordance with Section 72-2-117.5:]~~

2026 ~~[(d) A city or town legislative body that expends the revenues collected from a sales~~
2027 ~~and use tax imposed at the tax rate described in Subsection (2)(b) in accordance with~~
2028 ~~Subsections (7)(b) and (c):]~~

2029 ~~[(i) shall, on or before the date the city or town legislative body provides the notice~~
2030 ~~described in Section 59-12-2209 to the commission stating that the city or town will enact a~~
2031 ~~sales and use tax under this section:]~~

2032 ~~[(A) determine the tax rate, the percentage of which is greater than .10% but does not~~
2033 ~~exceed .25%, the collections from which the city or town legislative body will expend for a~~
2034 ~~project or service relating to an airport facility as allowed by Subsection (7)(b); and]~~

2035 ~~[(B) notify the commission in writing of the tax rate the city or town legislative body~~
2036 ~~determines in accordance with Subsection (7)(d)(i)(A);]~~

2037 ~~[(ii) shall, on or before the April 1 immediately following the date the city or town~~
2038 ~~legislative body provides the notice described in Subsection (7)(d)(i) to the commission:]~~

2039 ~~[(A) determine the tax rate, the percentage of which is greater than .10% but does not~~
2040 ~~exceed .25%, the collections from which the city or town legislative body will expend for a~~
2041 ~~project or service relating to an airport facility as allowed by Subsection (7)(b); and]~~

2042 ~~[(B) notify the commission in writing of the tax rate the city or town legislative body~~

2043 determines in accordance with Subsection (7)(d)(ii)(A);]

2044 [(iii) shall, on or before April 1 of each year after the April 1 described in Subsection
2045 (7)(d)(ii):]

2046 [(A) determine the tax rate, the percentage of which is greater than .10% but does not
2047 exceed .25%, the collections from which the city or town legislative body will expend for a
2048 project or service relating to an airport facility as allowed by Subsection (7)(b); and]

2049 [(B) notify the commission in writing of the tax rate the city or town legislative body
2050 determines in accordance with Subsection (7)(d)(iii)(A); and]

2051 [(iv) may not change the tax rate the city or town legislative body determines in
2052 accordance with Subsections (7)(d)(i) through (iii) more frequently than as prescribed by
2053 Subsections (7)(d)(i) through (iii).]

2054 [(8)] (5) Before a city or town legislative body may impose a sales and use tax under
2055 this section, the city or town legislative body shall provide a copy of the notice described in
2056 Section 59-12-2209 that the city or town legislative body provides to the commission:

2057 (a) to the county legislative body within which the city or town is located; and

2058 (b) at the same time as the city or town legislative body provides the notice to the
2059 commission.

2060 [(9)(a)] (6) Subject to [Subsections (9)(b) through (c) and] Section 59-12-2207, the
2061 commission shall transmit revenues collected within a county, city, or town from a tax under
2062 this part that will be expended for a purpose described in [Subsection (3)(b) or Subsections
2063 (4)(b) through (f)] Section 59-12-2212.2 to the county, city, or town legislative body in
2064 accordance with Section 59-12-2206.

2065 [(b) Except as provided in Subsection (9)(c) and subject to Section 59-12-2207, the
2066 commission shall deposit revenues collected within a county, city, or town from a sales and use
2067 tax under this section that:]

2068 [(i) are required to be expended for a purpose described in Subsection (6)(a) into the
2069 Local Transportation Corridor Preservation Fund created by Section 72-2-117.5; or]

2070 [(ii) a county, city, or town legislative body determines to expend for a purpose
2071 described in Subsection (3)(a) or (4)(a) into the County of the Second Class State Highway
2072 Projects Fund created by Section 72-2-121.2 if the county, city, or town legislative body
2073 provides written notice to the commission requesting the deposit.]

2074 ~~[(e) Subject to Subsection (9)(d) or (e), if a city or town legislative body provides~~
2075 ~~notice to the commission in accordance with Subsection (7)(d), the commission shall:]~~
2076 ~~[(i) transmit the revenues collected from the tax rate stated on the notice to the city or~~
2077 ~~town legislative body monthly by electronic funds transfer; and]~~
2078 ~~[(ii) deposit any remaining revenues described in Subsection (7)(c) in accordance with~~
2079 ~~Subsection (7)(c);]~~
2080 ~~[(d) (i) If a city or town legislative body provides the notice described in Subsection~~
2081 ~~(7)(d)(i) to the commission, the commission shall transmit or deposit the revenues collected~~
2082 ~~from the sales and use tax:]~~
2083 ~~[(A) in accordance with Subsection (9)(c);]~~
2084 ~~[(B) beginning on the date the city or town legislative body enacts the sales and use~~
2085 ~~tax; and]~~
2086 ~~[(C) ending on the earlier of the June 30 immediately following the date the city or~~
2087 ~~town legislative body provides the notice described in Subsection (7)(d)(ii) to the commission~~
2088 ~~or the date the city or town legislative body repeals the sales and use tax.]~~
2089 ~~[(ii) If a city or town legislative body provides the notice described in Subsection~~
2090 ~~(7)(d)(ii) or (iii) to the commission, the commission shall transmit or deposit the revenues~~
2091 ~~collected from the sales and use tax:]~~
2092 ~~[(A) in accordance with Subsection (9)(c);]~~
2093 ~~[(B) beginning on the July 1 immediately following the date the city or town legislative~~
2094 ~~body provides the notice described in Subsection (7)(d)(ii) or (iii) to the commission; and]~~
2095 ~~[(C) ending on the earlier of the June 30 of the year after the date the city or town~~
2096 ~~legislative body provides the notice described in Subsection (7)(d)(ii) or (iii) to the commission~~
2097 ~~or the date the city or town legislative body repeals the sales and use tax.]~~
2098 ~~[(e) (i) If a city or town legislative body that is required to provide the notice described~~
2099 ~~in Subsection (7)(d)(i) does not provide the notice described in Subsection (7)(d)(i) to the~~
2100 ~~commission on or before the date required by Subsection (7)(d) for providing the notice, the~~
2101 ~~commission shall transmit, transfer, or deposit the revenues collected from the sales and use~~
2102 ~~tax within the city or town in accordance with Subsections (9)(a) and (b).]~~
2103 ~~[(ii) If a city or town legislative body that is required to provide the notice described in~~
2104 ~~Subsection (7)(d)(ii) or (iii) does not provide the notice described in Subsection (7)(d)(ii) or~~

2105 ~~(iii) to the commission on or before the date required by Subsection (7)(d) for providing the~~
 2106 ~~notice, the commission shall transmit or deposit the revenues collected from the sales and use~~
 2107 ~~tax within the city or town in accordance with:]~~

2108 ~~[(A) Subsection (9)(c); and]~~

2109 ~~[(B) the most recent notice the commission received from the city or town legislative~~
 2110 ~~body under Subsection (7)(d).]~~

2111 ~~[(H)]~~ (7) Notwithstanding Section 59-12-2208, a county, city, or town legislative body
 2112 may, but is not required to, submit an opinion question to the county's, city's, or town's
 2113 registered voters in accordance with Section 59-12-2208 to impose a sales and use tax under
 2114 this section.

2115 ~~[(H)]~~ (8) (a) (i) Notwithstanding any other provision in this section, if the entire
 2116 boundary of a county, city, or town is annexed into a large public transit district, if the county,
 2117 city, or town legislative body wishes to impose a sales and use tax under this section, the
 2118 county, city, or town legislative body shall pass the ordinance to impose a sales and use tax
 2119 under this section on or before June 30, 2022.

2120 (ii) If the entire boundary of a county, city, or town is annexed into a large public
 2121 transit district, the county, city, or town legislative body may not pass the ordinance to impose
 2122 a sales and use tax under this section on or after July 1, 2022.

2123 (b) Notwithstanding the deadline described in Subsection ~~[(H)]~~ (8)(a), any sales and
 2124 use tax imposed under this section by passage of a county, city, or town ordinance on or before
 2125 June 30, 2022, may remain in effect.

2126 Section 23. Section 59-12-2219 is amended to read:

2127 **59-12-2219. County option sales and use tax for highways and public transit --**
 2128 **Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant**
 2129 **existing budgeted transportation revenue.**

2130 (1) As used in this section:

2131 ~~[(a) "Class B road" means the same as that term is defined in Section 72-3-103.]~~

2132 ~~[(b) "Class C road" means the same as that term is defined in Section 72-3-104.]~~

2133 ~~[(c)]~~ (a) "Eligible political subdivision" means a political subdivision that:

2134 (i) (A) on May 12, 2015, provides public transit services; or

2135 (B) after May 12, 2015, provides written notice to the commission in accordance with

2136 Subsection (10)(b) that it intends to provide public transit service within a county;

2137 (ii) is not a public transit district; and

2138 (iii) is not annexed into a public transit district.

2139 ~~[(d)]~~ (b) "Public transit district" means a public transit district organized under Title
2140 17B, Chapter 2a, Part 8, Public Transit District Act.

2141 (2) Subject to the other provisions of this part, and subject to Subsection ~~[(17)]~~ (16), a
2142 county legislative body may impose a sales and use tax of .25% on the transactions described in
2143 Subsection 59-12-103(1) within the county, including the cities and towns within the county.

2144 (3) Subject to ~~[Subsections (11) and (12)]~~ Subsection (10), the commission shall
2145 distribute sales and use tax revenue collected under this section as provided in Subsections (4)
2146 through ~~[(10)]~~ (9).

2147 (4) If the entire boundary of a county that imposes a sales and use tax under this section
2148 is annexed into a single public transit district, the commission shall distribute the sales and use
2149 tax revenue collected within the county as follows:

2150 (a) .10% shall be transferred to the public transit district in accordance with Section
2151 59-12-2206;

2152 (b) .10% shall be distributed as provided in Subsection ~~[(8)]~~ (7); and

2153 (c) .05% shall be distributed to the county legislative body.

2154 (5) If the entire boundary of a county that imposes a sales and use tax under this section
2155 is not annexed into a single public transit district, but a city or town within the county is
2156 annexed into a single large public transit district ~~[that also has a county of the first class~~
2157 ~~annexed into the same public transit district]~~, the commission shall distribute the sales and use
2158 tax revenue collected within the county as follows:

2159 (a) for a city or town within the county that is annexed into a single public transit
2160 district, the commission shall distribute the sales and use tax revenue collected within that city
2161 or town as follows:

2162 (i) .10% shall be transferred to the public transit district in accordance with Section
2163 59-12-2206;

2164 (ii) .10% shall be distributed as provided in Subsection ~~[(8)]~~ (7); and

2165 (iii) .05% shall be distributed to the county legislative body;

2166 (b) for an eligible political subdivision within the county, the commission shall

2167 distribute the sales and use tax revenue collected within that eligible political subdivision as
2168 follows:

2169 (i) .10% shall be transferred to the eligible political subdivision in accordance with
2170 Section 59-12-2206;

2171 (ii) .10% shall be distributed as provided in Subsection ~~[(8)]~~ (7); and

2172 (iii) .05% shall be distributed to the county legislative body; and

2173 (c) the commission shall distribute the sales and use tax revenue, except for the sales
2174 and use tax revenue described in Subsections (5)(a) and (b), as follows:

2175 (i) .10% shall be distributed as provided in Subsection ~~[(8)]~~ (7); and

2176 (ii) .15% shall be distributed to the county legislative body.

2177 ~~[(6) For a county not described in Subsection (4) or (5), if the entire boundary of a
2178 county of the first or second class that imposes a sales and use tax under this section is not
2179 annexed into a single public transit district, or if there is not a public transit district within the
2180 county, the commission shall distribute the sales and use tax revenue collected within the
2181 county as follows:]~~

2182 ~~[(a) for a city or town within the county that is annexed into a single public transit
2183 district, the commission shall distribute the sales and use tax revenue collected within that city
2184 or town as follows:]~~

2185 ~~[(i) .10% shall be transferred to the public transit district in accordance with Section
2186 59-12-2206;]~~

2187 ~~[(ii) .10% shall be distributed as provided in Subsection (8); and]~~

2188 ~~[(iii) .05% shall be distributed to the county legislative body;]~~

2189 ~~[(b) for an eligible political subdivision within the county, the commission shall
2190 distribute the sales and use tax revenue collected within that eligible political subdivision as
2191 follows:]~~

2192 ~~[(i) .10% shall be transferred to the eligible political subdivision in accordance with
2193 Section 59-12-2206;]~~

2194 ~~[(ii) .10% shall be distributed as provided in Subsection (8); and]~~

2195 ~~[(iii) .05% shall be distributed to the county legislative body; and]~~

2196 ~~[(c) the commission shall distribute the sales and use tax revenue, except for the sales
2197 and use tax revenue described in Subsections (6)(a) and (b), as follows:]~~

2198 ~~[(i) .10% shall be distributed as provided in Subsection (8); and]~~
 2199 ~~[(ii) .15% shall be distributed to the county legislative body.]~~
 2200 ~~[(7)]~~ (6) For a county not described in Subsection (4) or (5), if ~~[the entire boundary of]~~
 2201 a county of the second, third, fourth, fifth, or sixth class ~~[that]~~ imposes a sales and use tax
 2202 under this section ~~[is not annexed into a single public transit district, or if there is not a public~~
 2203 ~~transit district within the county]~~, the commission shall distribute the sales and use tax revenue
 2204 collected within the county as follows:

2205 (a) for a city or town within the county that is annexed into a single public transit
 2206 district, the commission shall distribute the sales and use tax revenue collected within that city
 2207 or town as follows:

2208 (i) .10% shall be distributed as provided in Subsection ~~[(8)]~~ (7);
 2209 (ii) .10% shall be distributed as provided in Subsection ~~[(9)]~~ (8); and
 2210 (iii) .05% shall be distributed to the county legislative body;

2211 (b) for an eligible political subdivision within the county, the commission shall
 2212 distribute the sales and use tax revenue collected within that eligible political subdivision as
 2213 follows:

2214 (i) .10% shall be distributed as provided in Subsection ~~[(8)]~~ (7);
 2215 (ii) .10% shall be distributed as provided in Subsection ~~[(9)]~~ (8); and
 2216 (iii) .05% shall be distributed to the county legislative body; and

2217 (c) the commission shall distribute the sales and use tax revenue, except for the sales
 2218 and use tax revenue described in Subsections ~~[(7)]~~ (6)(a) and (b), as follows:

2219 (i) .10% shall be distributed as provided in Subsection ~~[(8)]~~ (7); and
 2220 (ii) .15% shall be distributed to the county legislative body.

2221 ~~[(8)]~~ (7) (a) Subject to Subsection ~~[(8)]~~ (7)(b), the commission shall make the
 2222 distributions required by Subsections (4)(b), (5)(a)(ii), (5)(b)(ii), (5)(c)(i), ~~[(6)(a)(ii), (6)(b)(ii),~~
 2223 ~~(6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), (9)(d)(ii)(A), and (12)(c)(i)]~~ (6)(a)(i), (6)(b)(i), (6)(c)(i),
 2224 and (8)(d)(ii)(A) as follows:

2225 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii),
 2226 (5)(c)(i), ~~[(6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), (9)(d)(ii)(A), and (12)(c)(i)]~~
 2227 (6)(a)(i), (6)(b)(i), (6)(c)(i), and (8)(d)(ii)(A) within the counties and cities that impose a tax
 2228 under this section shall be distributed to the unincorporated areas, cities, and towns within

2229 those counties and cities on the basis of the percentage that the population of each
 2230 unincorporated area, city, or town bears to the total population of all of the counties and cities
 2231 that impose a tax under this section; and

2232 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(a)(ii), (5)(b)(ii),
 2233 (5)(c)(i), [~~(6)(a)(ii), (6)(b)(ii), (6)(c)(i), (7)(a)(i), (7)(b)(i), (7)(c)(i), (9)(d)(ii)(A), and (12)(c)(i)~~]
 2234 (6)(a)(i), (6)(b)(i), (6)(c)(i), and (8)(d)(ii)(A) within the counties and cities that impose a tax
 2235 under this section shall be distributed to the unincorporated areas, cities, and towns within
 2236 those counties and cities on the basis of the location of the transaction as determined under
 2237 Sections 59-12-211 through 59-12-215.

2238 (b) (i) Population for purposes of this Subsection [~~(7)~~] (7) shall be determined on the
 2239 basis of the most recent official census or census estimate of the United States Bureau of the
 2240 Census.

2241 (ii) If a needed population estimate is not available from the United States Bureau of
 2242 the Census, population figures shall be derived from an estimate from the Utah Population
 2243 Committee.

2244 [~~(9)~~] (8) (a) (i) Subject to the requirements in Subsections [~~(9)~~] (8)(b) and (c), a county
 2245 legislative body:

2246 (A) for a county that obtained approval from a majority of the county's registered
 2247 voters voting on the imposition of a sales and use tax under this section prior to May 10, 2016,
 2248 may, in consultation with any cities, towns, or eligible political subdivisions within the county,
 2249 and in compliance with the requirements for changing an allocation under Subsection [~~(9)~~]
 2250 (8)(e), allocate the revenue under Subsection [~~(7)~~] (6)(a)(ii) or [~~(7)~~] (6)(b)(ii) by adopting a
 2251 resolution specifying the percentage of revenue under Subsection [~~(7)~~] (6)(a)(ii) or [~~(7)~~]
 2252 (6)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision; or

2253 (B) for a county that [~~obtains approval from a majority of the county's registered voters~~
 2254 ~~voting on the imposition of~~] imposes a sales and use tax under this section on or after May 10,
 2255 2016, shall, in consultation with any cities, towns, or eligible political subdivisions within the
 2256 county, allocate the revenue under Subsection [~~(7)~~] (6)(a)(ii) or [~~(7)~~] (6)(b)(ii) by adopting a
 2257 resolution specifying the percentage of revenue under Subsection [~~(7)~~] (6)(a)(ii) or [~~(7)~~]
 2258 (6)(b)(ii) that will be allocated to a public transit district or an eligible political subdivision.

2259 (ii) If a county described in Subsection [~~(9)~~] (8)(a)(i)(A) does not allocate the revenue

2260 under Subsection [(7)] (6)(a)(ii) or [(7)] (6)(b)(ii) in accordance with Subsection [(9)]
2261 (8)(a)(i)(A), the commission shall distribute 100% of the revenue under Subsection [(7)]
2262 (6)(a)(ii) or [(7)] (6)(b)(ii) to:

2263 (A) a public transit district for a city or town within the county that is annexed into a
2264 single public transit district; or

2265 (B) an eligible political subdivision within the county.

2266 (b) If a county legislative body allocates the revenue as described in Subsection [(9)]
2267 (8)(a)(i), the county legislative body shall allocate not less than 25% of the revenue under
2268 Subsection [(7)] (6)(a)(ii) or [(7)] (6)(b)(ii) to:

2269 (i) a public transit district for a city or town within the county that is annexed into a
2270 single public transit district; or

2271 (ii) an eligible political subdivision within the county.

2272 (c) Notwithstanding Section 59-12-2208, the opinion question [~~required by~~] described
2273 in Section 59-12-2208 shall state the allocations the county legislative body makes in
2274 accordance with this Subsection [(9)] (8).

2275 (d) The commission shall make the distributions required by Subsection [(7)] (6)(a)(ii)
2276 or [(7)] (6)(b)(ii) as follows:

2277 (i) the percentage specified by a county legislative body shall be distributed in
2278 accordance with a resolution adopted by a county legislative body under Subsection [(9)] (8)(a)
2279 to an eligible political subdivision or a public transit district within the county; and

2280 (ii) except as provided in Subsection [(9)] (8)(a)(ii), if a county legislative body
2281 allocates less than 100% of the revenue under Subsection [(7)] (6)(a)(ii) or [(7)] (6)(b)(ii) to a
2282 public transit district or an eligible political subdivision, the remainder of the revenue under
2283 Subsection [(7)] (6)(a)(ii) or [(7)] (6)(b)(ii) not allocated by a county legislative body through a
2284 resolution under Subsection [(9)] (8)(a) shall be distributed as follows:

2285 (A) 50% of the revenue as provided in Subsection [(8)] (7); and

2286 (B) 50% of the revenue to the county legislative body.

2287 (e) If a county legislative body seeks to change an allocation specified in a resolution
2288 under Subsection [(9)] (8)(a), the county legislative body may change the allocation by:

2289 (i) adopting a resolution in accordance with Subsection [(9)] (8)(a) specifying the
2290 percentage of revenue under Subsection [(7)] (6)(a)(ii) or [(7)] (6)(b)(ii) that will be allocated

2291 to a public transit district or an eligible political subdivision;

2292 (ii) obtaining approval to change the allocation of the sales and use tax by a majority of

2293 all the members of the county legislative body; and

2294 (iii) subject to Subsection ~~[(9)]~~ (8)(f):

2295 (A) in accordance with Section 59-12-2208, submitting an opinion question to the

2296 county's registered voters voting on changing the allocation so that each registered voter has the

2297 opportunity to express the registered voter's opinion on whether the allocation should be

2298 changed; and

2299 (B) in accordance with Section 59-12-2208, obtaining approval to change the

2300 allocation from a majority of the county's registered voters voting on changing the allocation.

2301 (f) Notwithstanding Section 59-12-2208, the opinion question required by Subsection

2302 ~~[(9)]~~ (8)(e)(iii)(A) shall state the allocations specified in the resolution adopted in accordance

2303 with Subsection ~~[(9)]~~ (8)(e) and approved by the county legislative body in accordance with

2304 Subsection ~~[(9)]~~ (8)(e)(ii).

2305 (g) (i) If a county makes an allocation by adopting a resolution under Subsection ~~[(9)]~~

2306 (8)(a) or changes an allocation by adopting a resolution under Subsection ~~[(9)]~~ (8)(e), the

2307 allocation shall take effect on the first distribution the commission makes under this section

2308 after a 90-day period that begins on the date the commission receives written notice meeting

2309 the requirements of Subsection ~~[(9)]~~ (8)(g)(ii) from the county.

2310 (ii) The notice described in Subsection ~~[(9)]~~ (8)(g)(i) shall state:

2311 (A) that the county will make or change the percentage of an allocation under

2312 Subsection ~~[(9)]~~ (8)(a) or (e); and

2313 (B) the percentage of revenue under Subsection ~~[(7)]~~ (6)(a)(ii) or ~~[(7)]~~ (6)(b)(ii) that

2314 will be allocated to a public transit district or an eligible political subdivision.

2315 ~~[(10)]~~ (9) (a) If a public transit district is organized after the date a county legislative

2316 body first imposes a tax under this section, a change in a distribution required by this section

2317 may not take effect until the first distribution the commission makes under this section after a

2318 90-day period that begins on the date the commission receives written notice from the public

2319 transit district of the organization of the public transit district.

2320 (b) If an eligible political subdivision intends to provide public transit service within a

2321 county after the date a county legislative body first imposes a tax under this section, a change

2322 in a distribution required by this section may not take effect until the first distribution the
 2323 commission makes under this section after a 90-day period that begins on the date the
 2324 commission receives written notice from the eligible political subdivision stating that the
 2325 eligible political subdivision intends to provide public transit service within the county.

2326 ~~[(11)]~~ (10) (a) (i) Notwithstanding Subsections (4) through ~~[(10)]~~ (9), for a county that
 2327 has not imposed a sales and use tax under this section before May 8, 2018, and if the county
 2328 imposes a sales and use tax under this section before June 30, 2019, the commission shall
 2329 distribute all of the sales and use tax revenue collected by the county before June 30, 2019, to
 2330 the county for the purposes described in Subsection ~~[(11)]~~ (10)(a)(ii).

2331 (ii) For any revenue collected by a county pursuant to Subsection ~~[(11)]~~ (10)(a)(i)
 2332 before June 30, 2019, the county may expend that revenue for:

- 2333 (A) reducing transportation related debt;
- 2334 (B) a regionally significant transportation facility; or
- 2335 (C) a public transit project of regional significance.

2336 (b) For a county that has not imposed a sales and use tax under this section before May
 2337 8, 2018, and if the county imposes a sales and use tax under this section before June 30, 2019,
 2338 the commission shall distribute the sales and use tax revenue collected by the county on or after
 2339 July 1, 2019, as described in Subsections (4) through ~~[(10)]~~ (9).

2340 (c) ~~[Subject to Subsection (12), for]~~ For a county that has not imposed a sales and use
 2341 tax under this section before June 30, 2019, if the entire boundary of that county is annexed
 2342 into a large public transit district, and if the county imposes a sales and use tax under this
 2343 section on or after July 1, 2019, the commission shall distribute the sales and use tax revenue
 2344 collected by the county as described in Subsections (4) through ~~[(10)]~~ (9).

2345 ~~[(12) (a) Beginning on July 1, 2020, if a county has not imposed a sales and use tax~~
 2346 ~~under this section, subject to the provisions of this part, the legislative body of a city or town~~
 2347 ~~described in Subsection (12)(b) may impose a .25% sales and use tax on the transactions~~
 2348 ~~described in Subsection 59-12-103(1) within the city or town.]~~

2349 ~~[(b) The following cities or towns may impose the sales and use tax as described in~~
 2350 ~~Subsection (12)(a):]~~

2351 ~~[(i) in a county of the first, second, or third class, a city or town that:]~~

2352 ~~[(A) has been annexed into a public transit district; or]~~

2353 ~~[(B) is an eligible political subdivision; or]~~
2354 ~~[(ii) a city or town that:]~~
2355 ~~[(A) is in a county of the third or smaller class; and]~~
2356 ~~[(B) has been annexed into a large public transit district:]~~
2357 ~~[(c) If a city or town imposes a sales and use tax as provided in this section, the~~
2358 ~~commission shall distribute the sales and use tax revenue collected by the city or town as~~
2359 ~~follows:]~~
2360 ~~[(i) .125% to the city or town that imposed the sales and use tax, to be distributed as~~
2361 ~~provided in Subsection (8); and]~~
2362 ~~[(ii) .125%, as applicable, to:]~~
2363 ~~[(A) the large public transit district in which the city or town is annexed; or]~~
2364 ~~[(B) the eligible political subdivision for public transit services:]~~
2365 ~~[(d) If a city or town imposes a sales and use tax under this section and the county~~
2366 ~~subsequently imposes a sales and use tax under this section, the commission shall distribute the~~
2367 ~~sales and use tax revenue collected within the city or town as described in Subsection (12)(c).]~~
2368 ~~[(13) A county, city, or town may expend revenue collected from a tax under this~~
2369 ~~section, except for revenue the commission distributes in accordance with Subsection (4)(a),~~
2370 ~~(5)(a)(i), (5)(b)(i), or (9)(d)(i) for:]~~
2371 ~~[(a) a class B road;]~~
2372 ~~[(b) a class C road;]~~
2373 ~~[(c) traffic and pedestrian safety, including for a class B road or class C road, for:]~~
2374 ~~[(i) a sidewalk;]~~
2375 ~~[(ii) curb and gutter;]~~
2376 ~~[(iii) a safety feature;]~~
2377 ~~[(iv) a traffic sign;]~~
2378 ~~[(v) a traffic signal;]~~
2379 ~~[(vi) street lighting; or]~~
2380 ~~[(vii) a combination of Subsections (13)(c)(i) through (vi);]~~
2381 ~~[(d) the construction, maintenance, or operation of an active transportation facility that~~
2382 ~~is for nonmotorized vehicles and multimodal transportation and connects an origin with a~~
2383 ~~destination;]~~

2384 ~~[(e) public transit system services; or]~~

2385 ~~[(f) a combination of Subsections (13)(a) through (e).]~~

2386 (11) A county, city, or town may expend revenue collected from a tax under this
2387 section, except for revenue the commission distributes in accordance with Subsection (4)(a),
2388 (5)(a)(i), (5)(b)(i), or (8)(d)(i), for a purpose described in Section [59-12-2212.2](#).

2389 (12) (a) (i) Except as provided in Subsection (12)(a)(ii), for revenue allocated to a
2390 county as described in Subsections (4)(c), (5)(a)(iii), (5)(b)(iii), (5)(c)(ii), (6)(a)(iii), or
2391 (6)(b)(iii), each county is encouraged to create a county transportation advisory committee as
2392 described in this section to advise on the expenditure of that revenue.

2393 (ii) For revenue allocated to a county of the first class as described in Subsection (4)(c),
2394 the county of the first class shall create a county transportation advisory committee as
2395 described in Subsection [72-2-121\(9\)](#), and the expenditure of the sales and use tax revenue
2396 described in Subsection (4)(c) is subject to the review process described in Subsection
2397 [72-2-121\(9\)](#).

2398 (b) A transportation advisory committee created pursuant to Subsection (12)(a) shall
2399 review proposed transportation and, as applicable, public transit projects and rank projects for
2400 allocation of funds.

2401 (c) The county executive shall appoint members to the county transportation advisory
2402 committee described in Subsection (12)(a), including:

2403 (i) mayors or city managers from municipalities within the county;

2404 (ii) county officials;

2405 (iii) officials of an entity providing public transit within the county, if any; and

2406 (iv) other residents with expertise in transportation planning and funding.

2407 (d) (i) A majority of the members of the county transportation advisory committee
2408 constitutes a quorum.

2409 (ii) The action by a quorum of the county transportation advisory committee constitutes
2410 an action by the county transportation advisory committee.

2411 (e) The county legislative body shall determine:

2412 (i) the length of a term of a member of the county transportation advisory committee;

2413 (ii) procedures and requirements for removing a member of the county transportation
2414 advisory committee;

- 2415 (iii) voting requirements of the county transportation advisory committee;
- 2416 (iv) chairs or other officers of the county transportation advisory committee;
- 2417 (v) how meetings are to be called and the frequency of meetings, but not less than once
- 2418 annually; and
- 2419 (vi) the compensation, if any, of members of the county transportation advisory
- 2420 committee.
- 2421 (f) The county shall establish by ordinance criteria for prioritization and ranking of
- 2422 projects, which may include consideration of regional and countywide economic development
- 2423 impacts, including improved local access to:
- 2424 (i) employment;
- 2425 (ii) recreation;
- 2426 (iii) commerce; and
- 2427 (iv) residential areas.
- 2428 (g) The county transportation advisory committee shall evaluate and rank each
- 2429 proposed public transit project and regionally significant transportation facility according to
- 2430 criteria developed pursuant to Subsection (12)(f).
- 2431 (h) (i) After the review and ranking of each project as described in this section, the
- 2432 county transportation advisory committee shall provide a report and recommend the ranked list
- 2433 of projects to the county legislative body and county executive.
- 2434 (ii) After review of the recommended list of projects, as part of the county budgetary
- 2435 process, the county executive shall review the list of projects and may include in the proposed
- 2436 budget the proposed projects for allocation, as funds are available.
- 2437 (i) The county executive, with information provided by the county and relevant state
- 2438 entities, shall provide a report annually to the county transportation advisory committee, and to
- 2439 the mayor or manager of each city, town, or metro township in the county, including the
- 2440 following:
- 2441 (i) the amount of revenue received into the fund during the past year;
- 2442 (ii) any funds available for allocation;
- 2443 (iii) funds obligated for debt service; and
- 2444 (iv) the outstanding balance of transportation-related debt.
- 2445 ~~[(14)]~~ (13) A public transit district or an eligible political subdivision may expend

2446 revenue the commission distributes in accordance with Subsection (4)(a), (5)(a)(i), (5)(b)(i), or
2447 ~~[(9)]~~ (8)(d)(i) for capital expenses and service delivery expenses of the public transit district or
2448 eligible political subdivision.

2449 ~~[(15)]~~ (14) (a) Revenue collected from a sales and use tax under this section may not be
2450 used to supplant existing general fund appropriations that a county, city, or town has budgeted
2451 for transportation as of the date the tax becomes effective for a county, city, or town.

2452 (b) The limitation under Subsection ~~[(15)]~~ (14)(a) does not apply to a designated
2453 transportation capital or reserve account a county, city, or town may have established prior to
2454 the date the tax becomes effective.

2455 ~~[(16)]~~ (15) Notwithstanding Section 59-12-2208, a county, city, or town legislative
2456 body may, but is not required to, submit an opinion question to the county's, city's, or town's
2457 registered voters in accordance with Section 59-12-2208 to impose a sales and use tax under
2458 this section.

2459 ~~[(17) (a) (i) (A) Notwithstanding any other provision in this section, if the county, city,~~
2460 ~~or town legislative body wishes to impose a sales and use tax under this section, the city or~~
2461 ~~town legislative body shall pass the ordinance to impose a sales and use tax under this section~~
2462 ~~on or before June 30, 2022.]~~

2463 ~~[(B) A city legislative body may not pass an ordinance to impose a sales and use tax~~
2464 ~~under this section on or after July 1, 2022.]~~

2465 ~~[(ii) (A)]~~ (16) (a) (i) Notwithstanding any other provision in this section, if the entire
2466 boundary of a county is annexed into a large public transit district, if the county legislative
2467 body wishes to impose a sales and use tax under this section, the county legislative body shall
2468 pass the ordinance to impose a sales and use tax under this section on or before June 30, 2022.

2469 ~~[(B)]~~ (ii) If the entire boundary of a county is annexed into a large public transit
2470 district, the county legislative body may not pass an ordinance to impose a sales and use tax
2471 under this section on or after July 1, 2022.

2472 (b) Notwithstanding the deadline described in Subsection ~~[(17)]~~ (16)(a), any sales and
2473 use tax imposed under this section by passage of a county ordinance on or before June 30,
2474 2022, may remain in effect.

2475 (17) (a) Beginning on July 1, 2020, if a county has not imposed a sales and use tax
2476 under this section, subject to the provisions of this part, the legislative body of a city or town

2477 described in Subsection (17)(b) may impose a .25% sales and use tax on the transactions
 2478 described in Subsection 59-12-103(1) within the city or town.

2479 (b) The following cities or towns may impose a sales and use tax described in
 2480 Subsection (17)(a):

2481 (i) a city or town that has been annexed into a public transit district; or

2482 (ii) an eligible political subdivision.

2483 (c) If a city or town imposes a sales and use tax as provided in this section, the
 2484 commission shall distribute the sales and use tax revenue collected by the city or town as
 2485 follows:

2486 (i) .125% to the city or town that imposed the sales and use tax, to be distributed as
 2487 provided in Subsection (7); and

2488 (ii) .125%, as applicable, to:

2489 (A) the public transit district in which the city or town is annexed; or

2490 (B) the eligible political subdivision for public transit services.

2491 (d) If a city or town imposes a sales and use tax under this section and the county
 2492 subsequently imposes a sales and use tax under this section, the commission shall distribute the
 2493 sales and use tax revenue collected within the city or town as described in Subsection (17)(c).

2494 Section 24. Section **59-12-2220** is amended to read:

2495 **59-12-2220. County option sales and use tax to fund a system for public transit --**
 2496 **Base -- Rate.**

2497 (1) Subject to the other provisions of this part and subject to the requirements of this
 2498 section, beginning on July 1, 2019, the following counties may impose a sales and use tax
 2499 under this section:

2500 (a) a county legislative body may impose the sales and use tax on the transactions
 2501 described in Subsection 59-12-103(1) located within the county, including the cities and towns
 2502 within the county if:

2503 (i) the entire boundary of a county is annexed into a large public transit district; and

2504 (ii) ~~[the county has imposed]~~ the maximum amount of sales and use tax authorizations
 2505 allowed pursuant to Section 59-12-2203 and authorized under the following sections has been
 2506 imposed:

2507 (A) Section 59-12-2213;

2508 (B) Section 59-12-2214;
2509 (C) Section 59-12-2215;
2510 (D) Section 59-12-2216;
2511 (E) Section 59-12-2217;
2512 (F) Section 59-12-2218; and
2513 (G) Section 59-12-2219;
2514 (b) if the county is not annexed into a large public transit district, the county legislative
2515 body may impose the sales and use tax on the transactions described in Subsection
2516 59-12-103(1) located within the county, including the cities and towns within the county if:
2517 (i) the county is an eligible political subdivision as defined in Section 59-12-2219; or
2518 (ii) a city or town within the boundary of the county is an eligible political subdivision
2519 as defined in Section 59-12-2219; or
2520 (c) a county legislative body of a county not described in Subsection (1)(a) may impose
2521 the sales and use tax on the transactions described in Subsection 59-12-103(1) located within
2522 the county, including the cities and towns within the county, if there is a ~~small~~ public transit
2523 district within the boundary of the county.
2524 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a
2525 county legislative body that imposes a sales and use tax under this section may impose the tax
2526 at a rate of ~~up to~~ .2%.
2527 (3) A county imposing a sales and use tax under this section shall expend the revenues
2528 collected from the sales and use tax for capital expenses and service delivery expenses of:
2529 (a) a public transit district;
2530 (b) an eligible political subdivision; or
2531 (c) another entity providing a service for public transit or a transit facility within the
2532 county as those terms are defined in Section 17B-2a-802.
2533 (4) Notwithstanding Section 59-12-2208, a county legislative body may, but is not
2534 required to, submit an opinion question to the county's registered voters in accordance with
2535 Section 59-12-2208 to impose a sales and use tax under this section.
2536 (5) (a) Notwithstanding any other provision in this section, if a county wishes to
2537 impose a sales and use tax under this section, the county legislative body shall pass the
2538 ordinance to impose a sales and use tax under this section on or before June 30, 2023.

2539 (b) The county legislative body may not pass an ordinance to impose a sales and use
2540 tax under this section on or after July 1, 2023.

2541 (c) Notwithstanding the deadline described in Subsection (5)(a), any sales and use tax
2542 imposed under this section on or before June 30, 2023, may remain in effect.

2543 (6) (a) Revenue collected from a sales and use tax under this section may not be used
2544 to supplant existing General Fund appropriations that a county has budgeted for transportation
2545 or public transit as of the date the tax becomes effective for a county.

2546 (b) The limitation under Subsection (6)(a) does not apply to a designated transportation
2547 or public transit capital or reserve account a county may have established prior to the date the
2548 tax becomes effective.

2549 Section 25. Section **59-13-301** is amended to read:

2550 **59-13-301. Tax basis -- Rate -- Exemptions -- Revenue deposited with treasurer**
2551 **and credited to Transportation Fund -- Reduction of tax in limited circumstances.**

2552 (1) (a) Except as provided in Subsections (2), (3), (11), and (12) and Section
2553 **59-13-304**, a tax is imposed at the same rate imposed under Subsection **59-13-201**(1)(a) on the:

- 2554 (i) removal of undyed diesel fuel from any refinery;
- 2555 (ii) removal of undyed diesel fuel from any terminal;
- 2556 (iii) entry into the state of any undyed diesel fuel for consumption, use, sale, or

2557 warehousing;

2558 (iv) sale of undyed diesel fuel to any person who is not registered as a supplier under
2559 this part unless the tax has been collected under this section;

2560 (v) any untaxed special fuel blended with undyed diesel fuel; or

2561 (vi) use of untaxed special fuel other than propane or electricity.

2562 (b) The tax imposed under this section shall only be imposed once upon any special
2563 fuel.

2564 (2) (a) No special fuel tax is imposed or collected upon dyed diesel fuel which:

- 2565 (i) is sold or used for any purpose other than to operate or propel a motor vehicle upon
2566 the public highways of the state, but this exemption applies only in those cases where the
2567 purchasers or the users of special fuel establish to the satisfaction of the commission that the
2568 special fuel was used for purposes other than to operate a motor vehicle upon the public
2569 highways of the state; or

- 2570 (ii) is sold to this state or any of its political subdivisions.
- 2571 (b) No special fuel tax is imposed on undyed diesel fuel or clean fuel that is:
- 2572 (i) sold to the United States government or any of its instrumentalities or to this state or
- 2573 any of its political subdivisions;
- 2574 (ii) exported from this state if proof of actual exportation on forms prescribed by the
- 2575 commission is made within 180 days after exportation;
- 2576 (iii) used in a vehicle off-highway;
- 2577 (iv) used to operate a power take-off unit of a vehicle;
- 2578 (v) used for off-highway agricultural uses;
- 2579 (vi) used in a separately fueled engine on a vehicle that does not propel the vehicle
- 2580 upon the highways of the state; or
- 2581 (vii) used in machinery and equipment not registered and not required to be registered
- 2582 for highway use.
- 2583 (3) No tax is imposed or collected on special fuel if it is:
- 2584 (a) (i) purchased for business use in machinery and equipment not registered and not
- 2585 required to be registered for highway use; and
- 2586 (ii) used pursuant to the conditions of a state implementation plan approved under Title
- 2587 19, Chapter 2, Air Conservation Act; or
- 2588 (b) propane or electricity.
- 2589 (4) Upon request of a buyer meeting the requirements under Subsection (3), the
- 2590 Division of Air Quality shall issue an exemption certificate that may be shown to a seller.
- 2591 (5) The special fuel tax shall be paid by the supplier.
- 2592 (6) (a) The special fuel tax shall be paid by every user who is required by Sections
- 2593 [59-13-303](#) and [59-13-305](#) to obtain a special fuel user permit and file special fuel tax reports.
- 2594 (b) The user shall receive a refundable credit for special fuel taxes paid on purchases
- 2595 which are delivered into vehicles and for which special fuel tax liability is reported.
- 2596 (7) (a) Except as provided under Subsections (7)(b) and (c), all revenue received by the
- 2597 commission from taxes and license fees under this part shall be deposited daily with the state
- 2598 treasurer and credited to the Transportation Fund.
- 2599 (b) An appropriation from the Transportation Fund shall be made to the commission to
- 2600 cover expenses incurred in the administration and enforcement of this part and the collection of

2601 the special fuel tax.

2602 (c) Five dollars of each special fuel user trip permit fee paid under Section 59-13-303
2603 may be used by the commission as a dedicated credit to cover the costs of electronic
2604 credentialing as provided in Section 41-1a-303.

2605 (8) The commission may either collect no tax on special fuel exported from the state
2606 or, upon application, refund the tax paid.

2607 (9) (a) The United States government or any of its instrumentalities, this state, or a
2608 political subdivision of this state that has purchased special fuel from a supplier or from a retail
2609 dealer of special fuel and has paid the tax on the special fuel as provided in this section is
2610 entitled to a refund of the tax and may file with the commission for a quarterly refund in a
2611 manner prescribed by the commission.

2612 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2613 commission shall make rules governing the application and refund provided for in Subsection
2614 (9)(a).

2615 (10) (a) The purchaser shall pay the tax on diesel fuel or clean fuel purchased for uses
2616 under Subsections (2)(b)(i), (iii), (iv), (v), (vi), and (vii) and apply for a refund for the tax paid
2617 as provided in Subsection (9) and this Subsection (10).

2618 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2619 commission shall make rules governing the application and refund for off-highway and
2620 nonhighway uses provided under Subsections (2)(b)(iii), (iv), (vi), and (vii).

2621 (c) A refund of tax paid under this part on diesel fuel used for nonhighway agricultural
2622 uses shall be made in accordance with the tax return procedures under Section 59-13-202.

2623 (11) (a) Beginning on April 1, 2001, a tax imposed under this section on special fuel is
2624 reduced to the extent provided in Subsection (11)(b) if:

2625 (i) the Navajo Nation imposes a tax on the special fuel;

2626 (ii) the tax described in Subsection (11)(a)(i) is imposed without regard to whether the
2627 person required to pay the tax is an enrolled member of the Navajo Nation; and

2628 (iii) the commission and the Navajo Nation execute and maintain an agreement as
2629 provided in this Subsection (11) for the administration of the reduction of tax.

2630 (b) (i) If but for Subsection (11)(a) the special fuel is subject to a tax imposed by this
2631 section:

2632 (A) the state shall be paid the difference described in Subsection (11)(b)(ii) if that
2633 difference is greater than \$0; and

2634 (B) a person may not require the state to provide a refund, a credit, or similar tax relief
2635 if the difference described in Subsection (11)(b)(ii) is less than or equal to \$0.

2636 (ii) The difference described in Subsection (11)(b)(i) is equal to the difference
2637 between:

2638 (A) the amount of tax imposed on the special fuel by this section; less

2639 (B) the tax imposed and collected by the Navajo Nation on the special fuel.

2640 (c) For purposes of Subsections (11)(a) and (b), the tax paid to the Navajo Nation on
2641 the special fuel does not include any interest or penalties a taxpayer may be required to pay to
2642 the Navajo Nation.

2643 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2644 commission shall make rules governing the procedures for administering the reduction of tax
2645 provided under this Subsection (11).

2646 (e) The agreement required under Subsection (11)(a):

2647 (i) may not:

2648 (A) authorize the state to impose a tax in addition to a tax imposed under this chapter;

2649 (B) provide a reduction of taxes greater than or different from the reduction described
2650 in this Subsection (11); or

2651 (C) affect the power of the state to establish rates of taxation;

2652 (ii) shall:

2653 (A) be in writing;

2654 (B) be signed by:

2655 (I) the chair of the commission or the chair's designee; and

2656 (II) a person designated by the Navajo Nation that may bind the Navajo Nation;

2657 (C) be conditioned on obtaining any approval required by federal law;

2658 (D) state the effective date of the agreement; and

2659 (E) state any accommodation the Navajo Nation makes related to the construction and
2660 maintenance of state highways and other infrastructure within the Utah portion of the Navajo
2661 Nation; and

2662 (iii) may:

2663 (A) notwithstanding Section 59-1-403, authorize the commission to disclose to the
2664 Navajo Nation information that is:

2665 (I) contained in a document filed with the commission; and

2666 (II) related to the tax imposed under this section;

2667 (B) provide for maintaining records by the commission or the Navajo Nation; or

2668 (C) provide for inspections or audits of suppliers, distributors, carriers, or retailers
2669 located or doing business within the Utah portion of the Navajo Nation.

2670 (f) (i) If, on or after April 1, 2001, the Navajo Nation changes the tax rate of a tax
2671 imposed on special fuel, any change in the amount of the reduction of taxes under this
2672 Subsection (11) as a result of the change in the tax rate is not effective until the first day of the
2673 calendar quarter after a 60-day period beginning on the date the commission receives notice:

2674 (A) from the Navajo Nation; and

2675 (B) meeting the requirements of Subsection (11)(f)(ii).

2676 (ii) The notice described in Subsection (11)(f)(i) shall state:

2677 (A) that the Navajo Nation has changed or will change the tax rate of a tax imposed on
2678 special fuel;

2679 (B) the effective date of the rate change of the tax described in Subsection
2680 (11)(f)(ii)(A); and

2681 (C) the new rate of the tax described in Subsection (11)(f)(ii)(A).

2682 (g) If the agreement required by Subsection (11)(a) terminates, a reduction of tax is not
2683 permitted under this Subsection (11) beginning on the first day of the calendar quarter after a
2684 30-day period beginning on the day the agreement terminates.

2685 (h) If there is a conflict between this Subsection (11) and the agreement required by
2686 Subsection (11)(a), this Subsection (11) governs.

2687 (12) (a) (i) ~~[A]~~ Subject to Subsections (12)(a)(ii) and (iii), a tax imposed under this
2688 section on compressed natural gas is imposed at a rate of:

2689 ~~[(i)]~~ (A) until June 30, 2016, 10-1/2 cents per gasoline gallon equivalent;

2690 ~~[(ii)]~~ (B) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per gasoline
2691 gallon equivalent;

2692 ~~[(iii)]~~ (C) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per gasoline
2693 gallon equivalent; and

2694 ~~[(iv)]~~ (D) beginning on or after July 1, 2018, 16-1/2 cents per gasoline gallon
2695 equivalent.

2696 (ii) Beginning on January 1, 2020, the commission shall, on January 1, annually adjust
2697 the rate of a tax imposed under this section on compressed natural gas by taking the rate for the
2698 previous calendar year and adding an amount equal to the greater of:

2699 (A) an amount calculated by multiplying the rate of a tax imposed under this section on
2700 compressed natural gas for the previous calendar year by the actual percent change during the
2701 previous fiscal year in the Consumer Price Index; and

2702 (B) 0.

2703 (iii) The rate of a tax imposed under this section on compressed natural gas determined
2704 by the commission under Subsection (12)(a)(ii) may not exceed 22-1/2 cents per gasoline
2705 gallon equivalent.

2706 (b) (i) ~~[A]~~ Subject to Subsections (12)(b)(ii) and (iii), a tax imposed under this section
2707 on liquified natural gas is imposed at a rate of:

2708 ~~[(i)]~~ (A) until June 30, 2016, 10-1/2 cents per diesel gallon equivalent;

2709 ~~[(ii)]~~ (B) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per diesel
2710 gallon equivalent;

2711 ~~[(iii)]~~ (C) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per diesel
2712 gallon equivalent; and

2713 ~~[(iv)]~~ (D) beginning on or after July 1, 2018, 16-1/2 cents per diesel gallon equivalent.

2714 (ii) Beginning on January 1, 2020, the commission shall, on January 1, annually adjust
2715 the rate of a tax imposed under this section on liquified natural gas by taking the rate for the
2716 previous calendar year and adding an amount equal to the greater of:

2717 (A) an amount calculated by multiplying the rate of a tax imposed under this section on
2718 liquified natural gas for the previous calendar year by the actual percent change during the
2719 previous fiscal year in the Consumer Price Index; and

2720 (B) 0.

2721 (iii) The rate of a tax imposed under this section on liquified natural gas determined by
2722 the commission under Subsection (12)(b)(ii) may not exceed 22-1/2 cents per diesel gallon
2723 equivalent.

2724 (c) (i) ~~[A]~~ Subject to Subsections (12)(c)(ii) and (iii), a tax imposed under this section

2725 on hydrogen used to operate or propel a motor vehicle upon the public highways of the state is
 2726 imposed at a rate of:

2727 ~~[(i)]~~ (A) until June 30, 2016, 10-1/2 cents per gasoline gallon equivalent;

2728 ~~[(ii)]~~ (B) beginning on July 1, 2016, and until June 30, 2017, 12-1/2 cents per gasoline
 2729 gallon equivalent;

2730 ~~[(iii)]~~ (C) beginning on July 1, 2017, and until June 30, 2018, 14-1/2 cents per gasoline
 2731 gallon equivalent; and

2732 ~~[(iv)]~~ (D) beginning on or after July 1, 2018, 16-1/2 cents per gasoline gallon
 2733 equivalent.

2734 (ii) Beginning on January 1, 2020, the commission shall, on January 1, annually adjust
 2735 the rate of a tax imposed under this section on hydrogen used to operate or propel a motor
 2736 vehicle upon the public highways of the state by taking the rate for the previous calendar year
 2737 and adding an amount equal to the greater of:

2738 (A) an amount calculated by multiplying the rate of a tax imposed under this section on
 2739 hydrogen used to operate or propel a motor vehicle upon the public highways of the state for
 2740 the previous calendar year by the actual percent change during the previous fiscal year in the
 2741 Consumer Price Index; and

2742 (B) 0.

2743 (iii) The rate of a tax imposed under this section on hydrogen used to operate or propel
 2744 a motor vehicle upon the public highways of the state determined by the commission under
 2745 Subsection (12)(c)(ii) may not exceed 22-1/2 cents per gasoline gallon equivalent.

2746 Section 26. Section **63B-1b-102** is amended to read:

2747 **63B-1b-102. Definitions.**

2748 As used in this chapter:

2749 (1) "Agency bonds" means any bond, note, contract, or other evidence of indebtedness
 2750 representing loans or grants made by an authorizing agency.

2751 (2) "Authorized official" means the state treasurer or other person authorized by a bond
 2752 document to perform the required action.

2753 (3) "Authorizing agency" means the board, person, or unit with legal responsibility for
 2754 administering and managing revolving loan funds.

2755 (4) "Bond document" means:

2756 (a) a resolution of the commission; or
 2757 (b) an indenture or other similar document authorized by the commission that
 2758 authorizes and secures outstanding revenue bonds from time to time.

2759 (5) "Commission" means the State Bonding Commission, created in Section
 2760 63B-1-201.

2761 (6) "Revenue bonds" means any special fund revenue bonds issued under this chapter.

2762 (7) "Revolving Loan Funds" means:

2763 (a) the Water Resources Conservation and Development Fund, created in Section
 2764 73-10-24;

2765 (b) the Water Resources Construction Fund, created in Section 73-10-8;

2766 (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;

2767 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
 2768 Fuels and Vehicle Technology Program Act;

2769 (e) the Water Development Security Fund and its subaccounts, created in Section
 2770 73-10c-5;

2771 (f) the Agriculture Resource Development Fund, created in Section 4-18-106;

2772 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;

2773 (h) the Permanent Community Impact Fund, created in Section 35A-8-303;

2774 (i) the Petroleum Storage Tank Trust Fund, created in Section 19-6-409; and

2775 (j) the [~~Transportation Infrastructure Loan~~] State Infrastructure Bank Fund, created in
 2776 Section 72-2-202.

2777 Section 27. Section 63B-18-401 is amended to read:

2778 **63B-18-401. Highway bonds -- Maximum amount -- Use of proceeds for highway**
 2779 **projects.**

2780 (1) (a) The total amount of bonds issued under this section may not exceed
 2781 \$2,077,000,000.

2782 (b) When the Department of Transportation certifies to the commission that the
 2783 requirements of Subsection 72-2-124(5) have been met and certifies the amount of bond
 2784 proceeds that it needs to provide funding for the projects described in Subsection (2) for the
 2785 next fiscal year, the commission may issue and sell general obligation bonds in an amount
 2786 equal to the certified amount plus costs of issuance.

2787 (2) Except as provided in Subsections (3) and (4), proceeds from the issuance of bonds
2788 shall be provided to the Department of Transportation to pay all or part of the costs of the
2789 following state highway construction or reconstruction projects:

2790 (a) Interstate 15 reconstruction in Utah County;

2791 (b) the Mountain View Corridor;

2792 (c) the Southern Parkway; and

2793 (d) state and federal highways prioritized by the Transportation Commission through:

2794 (i) the prioritization process for new transportation capacity projects adopted under

2795 Section [72-1-304](#); or

2796 (ii) the state highway construction program.

2797 (3) (a) Except as provided in Subsection (5), the bond proceeds issued under this

2798 section shall be provided to the Department of Transportation.

2799 (b) The Department of Transportation shall use bond proceeds and the funds provided

2800 to it under Section [72-2-124](#) to pay for the costs of right-of-way acquisition, construction,

2801 reconstruction, renovations, or improvements to the following highways:

2802 (i) \$35 million to add highway capacity on I-15 south of the Spanish Fork Main Street
2803 interchange to Payson;

2804 (ii) \$28 million for improvements to Riverdale Road in Ogden;

2805 (iii) \$1 million for intersection improvements on S.R. 36 at South Mountain Road;

2806 (iv) \$2 million for capacity enhancements on S.R. 248 between Sidewinder Drive and

2807 Richardson Flat Road;

2808 (v) \$12 million for Vineyard Connector from 800 North Geneva Road to Lake Shore

2809 Road;

2810 (vi) \$7 million for 2600 South interchange modifications in Woods Cross;

2811 (vii) \$9 million for reconfiguring the 1100 South interchange on I-15 in Box Elder

2812 County;

2813 (viii) \$18 million for the Provo west-side connector;

2814 (ix) \$8 million for interchange modifications on I-15 in the Layton area;

2815 (x) \$3,000,000 for an energy corridor study and environmental review for

2816 improvements in the Uintah Basin;

2817 (xi) \$2,000,000 for highway improvements to Harrison Boulevard in Ogden City;

- 2818 (xii) \$2,500,000 to be provided to Tooele City for roads around the Utah State
2819 University campus to create improved access to an institution of higher education;
- 2820 (xiii) \$3,000,000 to be provided to the Utah Office of Tourism within the Governor's
2821 Office of Economic Development for transportation infrastructure improvements associated
2822 with annual tourism events that have:
- 2823 (A) a significant economic development impact within the state; and
2824 (B) significant needs for congestion mitigation;
- 2825 (xiv) \$4,500,000 to be provided to the Governor's Office of Economic Development
2826 for transportation infrastructure acquisitions and improvements that have a significant
2827 economic development impact within the state;
- 2828 (xv) \$125,000,000 to pay all or part of the costs of state and federal highway
2829 construction or reconstruction projects prioritized by the Transportation Commission through
2830 the prioritization process for new transportation capacity projects adopted under Section
2831 [72-1-304](#); and
- 2832 (xvi) \$10,000,000 for the Transportation Fund to pay all or part of the costs of state
2833 and federal highway construction or reconstruction projects as prioritized by the Transportation
2834 Commission.
- 2835 (4) (a) The Department of Transportation shall use bond proceeds and the funds under
2836 Section [72-2-121](#) to pay for, or to provide funds to, a municipality, county, or political
2837 subdivision to pay for the costs of right-of-way acquisition, construction, reconstruction,
2838 renovations, or improvements to the following highway or transit projects in Salt Lake County:
- 2839 (i) \$4,000,000 to Taylorsville City for bus rapid transit planning on 4700 South;
2840 (ii) \$4,200,000 to Taylorsville City for highway improvements on or surrounding 6200
2841 South and pedestrian crossings and system connections;
- 2842 (iii) \$2,250,000 to Herriman City for highway improvements to the Salt Lake
2843 Community College Road;
- 2844 (iv) \$5,300,000 to West Jordan City for highway improvements on 5600 West from
2845 6200 South to 8600 South;
- 2846 (v) \$4,000,000 to West Jordan City for highway improvements to 7800 South from
2847 1300 West to S.R. 111;
- 2848 (vi) \$7,300,000 to Sandy City for highway improvements on Monroe Street;

- 2849 (vii) \$3,000,000 to Draper City for highway improvements to 13490 South from 200
- 2850 West to 700 West;
- 2851 (viii) \$5,000,000 to Draper City for highway improvements to Suncrest Road;
- 2852 (ix) \$1,200,000 to Murray City for highway improvements to 5900 South from State
- 2853 Street to 900 East;
- 2854 (x) \$1,800,000 to Murray City for highway improvements to 1300 East;
- 2855 (xi) \$3,000,000 to South Salt Lake City for intersection improvements on West
- 2856 Temple, Main Street, and State Street;
- 2857 (xii) \$2,000,000 to Salt Lake County for highway improvements to 5400 South from
- 2858 5600 West to Mountain View Corridor;
- 2859 (xiii) \$3,000,000 to West Valley City for highway improvements to 6400 West from
- 2860 Parkway Boulevard to SR-201 Frontage Road;
- 2861 (xiv) \$4,300,000 to West Valley City for highway improvements to 2400 South from
- 2862 4800 West to 7200 West and pedestrian crossings;
- 2863 (xv) \$4,000,000 to Salt Lake City for highway improvements to 700 South from 2800
- 2864 West to 5600 West;
- 2865 (xvi) \$2,750,000 to Riverton City for highway improvements to 4570 West from
- 2866 12600 South to Riverton Boulevard;
- 2867 (xvii) \$1,950,000 to Cottonwood Heights for improvements to Union Park Avenue
- 2868 from I-215 exit south to Creek Road and Wasatch Boulevard and Big Cottonwood Canyon;
- 2869 (xviii) \$1,300,000 to Cottonwood Heights for highway improvements to Bengal
- 2870 Boulevard;
- 2871 (xix) \$1,500,000 to Midvale City for highway improvements to 7200 South from I-15
- 2872 to 1000 West;
- 2873 (xx) \$1,000,000 to Bluffdale City for an environmental impact study on Porter
- 2874 Rockwell Boulevard;
- 2875 (xxi) \$2,900,000 to the Utah Transit Authority for the following public transit studies:
- 2876 (A) a circulator study; and
- 2877 (B) a mountain transport study; and
- 2878 (xxii) \$1,000,000 to South Jordan City for highway improvements to 2700 West.
- 2879 (b) (i) Before providing funds to a municipality or county under this Subsection (4), the

2880 Department of Transportation shall obtain from the municipality or county:

2881 (A) a written certification signed by the county or city mayor or the mayor's designee
2882 certifying that the municipality or county will use the funds provided under this Subsection (4)
2883 solely for the projects described in Subsection (4)(a); and

2884 (B) other documents necessary to protect the state and the bondholders and to ensure
2885 that all legal requirements are met.

2886 (ii) Except as provided in Subsection (4)(c), by January 1 of each year, the municipality
2887 or county receiving funds described in this Subsection (4) shall submit to the Department of
2888 Transportation a statement of cash flow for the next fiscal year detailing the funds necessary to
2889 pay project costs for the projects described in Subsection (4)(a).

2890 (iii) After receiving the statement required under Subsection (4)(b)(ii) and after July 1,
2891 the Department of Transportation shall provide funds to the municipality or county necessary to
2892 pay project costs for the next fiscal year based upon the statement of cash flow submitted by
2893 the municipality or county.

2894 (iv) Upon the financial close of each project described in Subsection (4)(a), the
2895 municipality or county receiving funds under this Subsection (4) shall submit a statement to the
2896 Department of Transportation detailing the expenditure of funds received for each project.

2897 (c) For calendar year 2012 only:

2898 (i) the municipality or county shall submit to the Department of Transportation a
2899 statement of cash flow as provided in Subsection (4)(b)(ii) as soon as possible; and

2900 (ii) the Department of Transportation shall provide funds to the municipality or county
2901 necessary to pay project costs based upon the statement of cash flow.

2902 (5) Twenty million dollars of the bond proceeds issued under this section and funds
2903 available under Section 72-2-124 shall be provided to the [~~Transportation Infrastructure Loan~~]
2904 State Infrastructure Bank Fund created by Section 72-2-202 to make funds available for
2905 transportation infrastructure loans and transportation infrastructure assistance under Title 72,
2906 Chapter 2, Part 2, [~~Transportation Infrastructure Loan~~] State Infrastructure Bank Fund.

2907 (6) The costs under Subsections (2), (3), and (4) may include the costs of studies
2908 necessary to make transportation infrastructure improvements, the cost of acquiring land,
2909 interests in land, easements and rights-of-way, improving sites, and making all improvements
2910 necessary, incidental, or convenient to the facilities, interest estimated to accrue on these bonds

2911 during the period to be covered by construction of the projects plus a period of six months after
2912 the end of the construction period, interest estimated to accrue on any bond anticipation notes
2913 issued under the authority of this title, and all related engineering, architectural, and legal fees.

2914 (7) The commission or the state treasurer may make any statement of intent relating to
2915 a reimbursement that is necessary or desirable to comply with federal tax law.

2916 (8) The Department of Transportation may enter into agreements related to the projects
2917 described in Subsections (2), (3), and (4) before the receipt of proceeds of bonds issued under
2918 this section.

2919 (9) The Department of Transportation may enter into a new or amend an existing
2920 interlocal agreement related to the projects described in Subsections (3) and (4) to establish any
2921 necessary covenants or requirements not otherwise provided for by law.

2922 Section 28. Section **63B-27-101** is amended to read:

2923 **63B-27-101. Highway bonds -- Maximum amount -- Use of proceeds for highway**
2924 **projects.**

2925 (1) (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued
2926 under this section may not exceed \$1,000,000,000 for acquisition and construction proceeds,
2927 plus additional amounts necessary to pay costs of issuance, to pay capitalized interest, and to
2928 fund any existing debt service reserve requirements, with the total amount of the bonds not to
2929 exceed \$1,010,000,000.

2930 (b) When the Department of Transportation certifies to the commission that the
2931 requirements of Subsection [72-2-124\(5\)](#) have been met and certifies the amount of bond
2932 proceeds that the commission needs to provide funding for the projects described in Subsection
2933 (2) for the current or next fiscal year, the commission may issue and sell general obligation
2934 bonds in an amount equal to the certified amount, plus additional amounts necessary to pay
2935 costs of issuance, to pay capitalized interest, and to fund any existing debt service reserve
2936 requirements, not to exceed one percent of the certified amount.

2937 (c) The commission may not issue general obligation bonds authorized under this
2938 section if the issuance of the general obligation bonds would result in the total current
2939 outstanding general obligation debt of the state exceeding 50% of the limitation described in
2940 the Utah Constitution, Article XIV, Section 1.

2941 (2) Except as provided in Subsections (3) and (4), proceeds from the issuance of bonds

2942 shall be provided to the Department of Transportation to pay all or part of the costs of the
2943 following state highway construction or reconstruction projects:

2944 (a) state and federal highways prioritized by the Transportation Commission through
2945 the prioritization process for new transportation capacity projects adopted under Section
2946 72-1-304, giving priority consideration for projects with a regional significance or that support
2947 economic development within the state, including:

2948 (i) projects that are prioritized but exceed available cash flow beyond the normal
2949 programming horizon; or

2950 (ii) projects prioritized in the state highway construction program; and

2951 (b) \$100,000,000 to be used by the Department of Transportation for transportation
2952 improvements as prioritized by the Transportation Commission for projects that:

2953 (i) have a significant economic development impact associated with recreation and
2954 tourism within the state; and

2955 (ii) address significant needs for congestion mitigation.

2956 (3) Thirty-nine million dollars of the bond proceeds issued under this section shall be
2957 provided to the [~~Transportation Infrastructure Loan~~] State Infrastructure Bank Fund created by
2958 Section 72-2-202 to make funds available for a transportation infrastructure loan or
2959 transportation infrastructure assistance under Title 72, Chapter 2, Part 2, [~~Transportation~~
2960 ~~Infrastructure Loan~~] State Infrastructure Bank Fund, including the amounts as follows:

2961 (a) \$14,000,000 to the military installation development authority created in Section
2962 63H-1-201; and

2963 (b) \$5,000,000 for right-of-way acquisition and highway construction in Salt Lake
2964 County for roads in the northwest quadrant of Salt Lake City.

2965 (4) (a) Four million dollars of the bond proceeds issued under this section shall be used
2966 for a public transit fixed guideway rail station associated with or adjacent to an institution of
2967 higher education.

2968 (b) Ten million dollars of the bond proceeds issued under this section shall be used by
2969 the Department of Transportation for the design, engineering, construction, or reconstruction of
2970 underpasses under a state highway connecting a state park and a project area created by a
2971 military installation development authority created in Section 63H-1-201.

2972 (5) The bond proceeds issued under this section shall be provided to the Department of

2973 Transportation.

2974 (6) The costs under Subsection (2) may include the costs of studies necessary to make
2975 transportation infrastructure improvements, the costs of acquiring land, interests in land, and
2976 easements and rights-of-way, the costs of improving sites, and making all improvements
2977 necessary, incidental, or convenient to the facilities, and the costs of interest estimated to
2978 accrue on these bonds during the period to be covered by construction of the projects plus a
2979 period of six months after the end of the construction period, interest estimated to accrue on
2980 any bond anticipation notes issued under the authority of this title, and all related engineering,
2981 architectural, and legal fees.

2982 (7) The commission or the state treasurer may make any statement of intent relating to
2983 a reimbursement that is necessary or desirable to comply with federal tax law.

2984 (8) The Department of Transportation may enter into agreements related to the projects
2985 described in Subsection (2) before the receipt of proceeds of bonds issued under this section.

2986 Section 29. Section **63I-1-259** is amended to read:

2987 **63I-1-259. Repeal dates, Title 59.**

2988 (1) Section [59-1-213.1](#) is repealed on May 9, 2019.

2989 (2) Section [59-1-213.2](#) is repealed on May 9, 2019.

2990 (3) Subsection [59-1-405\(1\)\(g\)](#) is repealed on May 9, 2019.

2991 (4) Subsection [59-1-405\(2\)\(b\)](#) is repealed on May 9, 2019.

2992 (5) Section [59-7-618](#) is repealed July 1, 2020.

2993 (6) Section [59-9-102.5](#) is repealed December 31, 2020.

2994 (7) Section [59-10-1033](#) is repealed July 1, 2020.

2995 (8) Subsection [59-12-2219](#)~~[(13)]~~(14), which addresses new revenue supplanting
2996 existing allocations, is repealed on June 30, 2020.

2997 (9) Title 59, Chapter 28, State Transient Room Tax Act, is repealed on January 1,
2998 2023.

2999 Section 30. Section **72-1-102** is amended to read:

3000 **72-1-102. Definitions.**

3001 As used in this title:

3002 (1) "Commission" means the Transportation Commission created under Section
3003 [72-1-301](#).

3004 (2) "Construction" means the construction, reconstruction, replacement, and
3005 improvement of the highways, including the acquisition of rights-of-way and material sites.

3006 (3) "Department" means the Department of Transportation created in Section [72-1-201](#).

3007 (4) "Executive director" means the executive director of the department appointed
3008 under Section [72-1-202](#).

3009 (5) "Farm tractor" has the meaning set forth in Section [41-1a-102](#).

3010 (6) "Federal aid primary highway" means that portion of connected main highways
3011 located within this state officially designated by the department and approved by the United
3012 States Secretary of Transportation under Title 23, Highways, U.S.C.

3013 (7) "Highway" means any public road, street, alley, lane, court, place, viaduct, tunnel,
3014 culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned to the
3015 public, or made public in an action for the partition of real property, including the entire area
3016 within the right-of-way.

3017 (8) "Highway authority" means the department or the legislative, executive, or
3018 governing body of a county or municipality.

3019 (9) "Implement of husbandry" has the meaning set forth in Section [41-1a-102](#).

3020 (10) "Interstate system" means any highway officially designated by the department
3021 and included as part of the national interstate and defense highways, as provided in the Federal
3022 Aid Highway Act of 1956 and any supplemental acts or amendments.

3023 (11) "Limited-access facility" means a highway especially designated for through
3024 traffic, and over, from, or to which neither owners nor occupants of abutting lands nor other
3025 persons have any right or easement, or have only a limited right or easement of access, light,
3026 air, or view.

3027 (12) "Motor vehicle" has the same meaning set forth in Section [41-1a-102](#).

3028 (13) "Municipality" has the same meaning set forth in Section [10-1-104](#).

3029 (14) "National highway systems highways" means that portion of connected main
3030 highways located within this state officially designated by the department and approved by the
3031 United States Secretary of Transportation under Title 23, Highways, U.S.C.

3032 (15) (a) "Port-of-entry" means a fixed or temporary facility constructed, operated, and
3033 maintained by the department where drivers, vehicles, and vehicle loads are checked or
3034 inspected for compliance with state and federal laws as specified in Section [72-9-501](#).

- 3035 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.
- 3036 (16) "Port-of-entry agent" means a person employed at a port-of-entry to perform the
- 3037 duties specified in Section [72-9-501](#).
- 3038 (17) "Public transit" means the same as that term is defined in Section [17B-2a-802](#).
- 3039 [~~17~~] (18) "Public transit facility" means a transit vehicle, transit station, depot,
- 3040 passenger loading or unloading zone, parking lot, or other facility:
- 3041 (a) leased by or operated by or on behalf of a public transit district; and
- 3042 (b) related to the public transit services provided by the district, including:
- 3043 (i) railway or other right-of-way;
- 3044 (ii) railway line; and
- 3045 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled by
- 3046 a transit vehicle.
- 3047 [~~18~~] (19) "Right-of-way" means real property or an interest in real property, usually
- 3048 in a strip, acquired for or devoted to a highway.
- 3049 [~~19~~] (20) "Sealed" does not preclude acceptance of electronically sealed and
- 3050 submitted bids or proposals in addition to bids or proposals manually sealed and submitted.
- 3051 [~~20~~] (21) "Semitrailer" has the meaning set forth in Section [41-1a-102](#).
- 3052 [~~21~~] (22) "SR" means state route and has the same meaning as state highway as
- 3053 defined in this section.
- 3054 [~~22~~] (23) "State highway" means those highways designated as state highways in
- 3055 Title 72, Chapter 4, Designation of State Highways Act.
- 3056 [~~23~~] (24) "State ~~highway~~ transportation purposes" has the meaning set forth in
- 3057 Section [72-5-102](#).
- 3058 [~~24~~] (25) "State transportation systems" means all streets, alleys, roads, highways,
- 3059 and thoroughfares of any kind, including connected structures, airports, spaceports, public
- 3060 transit facilities, and all other modes and forms of conveyance used by the public.
- 3061 [~~25~~] (26) "Trailer" has the meaning set forth in Section [41-1a-102](#).
- 3062 [~~26~~] (27) "Truck tractor" has the meaning set forth in Section [41-1a-102](#).
- 3063 [~~27~~] (28) "UDOT" means the Utah Department of Transportation.
- 3064 [~~28~~] (29) "Vehicle" has the same meaning set forth in Section [41-1a-102](#).
- 3065 Section 31. Section **72-1-202** is amended to read:

3066 **72-1-202. Executive director of department -- Appointment -- Qualifications --**
3067 **Term -- Responsibility -- Power to bring suits -- Salary.**

3068 (1) (a) The governor, [~~after consultation with the commission and~~] with the consent of
3069 the Senate, shall appoint an executive director to be the chief executive officer of the
3070 department.

3071 (b) The executive director shall be a registered professional engineer and qualified
3072 executive with technical and administrative experience and training appropriate for the
3073 position.

3074 (c) The executive director shall remain in office until a successor is appointed.

3075 (d) The executive director may be removed by the governor.

3076 (2) In addition to the other functions, powers, duties, rights, and responsibilities
3077 prescribed in this chapter, the executive director shall:

3078 (a) have responsibility for the administrative supervision of the state transportation
3079 systems and the various operations of the department;

3080 (b) have the responsibility for the implementation of rules, priorities, and policies
3081 established by the department and the commission;

3082 (c) have the responsibility for the oversight and supervision of any transportation
3083 project for which state funds are expended;

3084 (d) have full power to bring suit in courts of competent jurisdiction in the name of the
3085 department as the executive director considers reasonable and necessary for the proper
3086 attainment of the goals of this chapter;

3087 (e) receive a salary, to be established by the governor within the salary range fixed by
3088 the Legislature in Title 67, Chapter 22, State Officer Compensation, together with actual
3089 traveling expenses while away from the executive director's office on official business; [~~and~~]

3090 (f) purchase all necessary equipment and supplies for the department[~~:-~~];

3091 (g) have responsibility for administrative supervision of the Comptroller Division, the
3092 Internal Audit Division, and the Communications Division; and

3093 (h) appoint assistants, to serve at the discretion of the executive director, to administer
3094 the divisions of the department.

3095 (3) The executive director may employ other assistants and advisers as the executive
3096 director finds necessary and fix salaries in accordance with the salary standards adopted by the

3097 Department of Human Resource Management.

3098 Section 32. Section **72-1-203** is amended to read:

3099 **72-1-203. Deputy director -- Appointment -- Qualifications -- Other assistants**
 3100 **and advisers -- Salaries.**

3101 (1) The executive director shall appoint two deputy directors, who shall serve at the
 3102 discretion of the executive director.

3103 (2) (a) The deputy director of engineering and operations shall be a registered
 3104 professional engineer in the state and is the chief engineer of the department.

3105 (b) The deputy director of engineering and operations shall assist the executive director
 3106 with areas of responsibility [including] that may include:

3107 (i) project development, including statewide standards for project design and
 3108 construction, right-of-way, materials, testing, structures, and construction;

3109 (ii) oversight of the management of the region offices described in Section [72-1-205](#);

3110 (iii) ~~[management of operations; and]~~ operations and traffic management;

3111 (iv) oversight of operations of motor carriers and ports[-];

3112 (v) transportation systems safety;

3113 (vi) aeronautical operations; and

3114 (vii) equipment for department engineering and maintenance functions.

3115 ~~[(b)]~~ (c) The deputy director of planning and investment shall assist the executive
 3116 director with areas of responsibility [including] that may include:

3117 (i) oversight and coordination of planning, including:

3118 (A) development of statewide strategic initiatives for planning across all modes of
 3119 transportation;

3120 (B) coordination with metropolitan planning organizations and local governments; and

3121 (C) corridor and area planning;

3122 (ii) asset management;

3123 (iii) programming and prioritization of transportation projects;

3124 (iv) fulfilling requirements for environmental studies and impact statements; ~~[and]~~

3125 (v) resource investment, including identification ~~[and development]~~, development, and
 3126 oversight of public-private partnership opportunities[-];

3127 (vi) creating and managing an intermodal terminal facility to promote economic

3128 development and investment, including promotion of strategies to synergize development of an
 3129 intermodal port;

3130 (vii) data analytics services to the department;

3131 (viii) corridor preservation;

3132 (ix) employee development;

3133 (x) maintenance planning; and

3134 (xi) oversight and facilitation of the negotiations and integration of public transit
 3135 providers described in Section [17B-2a-827](#).

3136 ~~[(3) The executive director may also appoint assistants to administer the divisions of~~
 3137 ~~the department. These assistants shall serve at the discretion of the executive director.]~~

3138 ~~[(4) In addition, the executive director may employ other assistants and advisers as the~~
 3139 ~~executive director finds necessary and fix salaries in accordance with the salary standards~~
 3140 ~~adopted by the Department of Human Resource Management.]~~

3141 Section 33. Section **72-1-204** is amended to read:

3142 **72-1-204. Divisions enumerated -- Duties.**

3143 ~~[The]~~ In addition to divisions created by the department necessary to administer the
 3144 areas of responsibility of the deputy directors as described in Section [72-1-203](#), the divisions of
 3145 the department are:

3146 (1) the Comptroller Division responsible for:

3147 (a) all financial aspects of the department, including budgeting, accounting, and
 3148 contracting;

3149 (b) providing all material data and documentation necessary for effective fiscal
 3150 planning and programming; and

3151 (c) procuring administrative supplies;

3152 (2) the Internal Audit Division responsible for:

3153 (a) conducting and verifying all internal audits and reviews within the department;

3154 (b) performing financial and compliance audits to determine the allowability and
 3155 reasonableness of proposals, accounting records, and final costs of consultants, contractors,
 3156 utility companies, and other entities used by the department; and

3157 (c) implementing audit procedures that meet or exceed generally accepted auditing
 3158 standards relating to revenues, expenditures, and funding; and

3159 (3) the Communications Division responsible for:
3160 (a) developing, managing, and implementing the department's public hearing processes
3161 and programs;
3162 (b) responding to public complaints, requests, and input;
3163 (c) assisting the divisions and regions in the department's public involvement
3164 programs;
3165 (d) developing and managing internal department communications; and
3166 (e) managing and overseeing department media relations[;].
3167 [~~(4) the Program Development Division responsible for:~~]
3168 [~~(a) developing transportation plans for state transportation systems;~~]
3169 [~~(b) collecting, processing, and storing transportation data to support department's~~
3170 ~~engineering functions;~~]
3171 [~~(c) maintaining and operating the asset management systems;~~]
3172 [~~(d) designating state transportation systems qualifications;~~]
3173 [~~(e) developing a statewide transportation improvement program for approval by the~~
3174 ~~commission;~~]
3175 [~~(f) providing cartographic services to the department;~~]
3176 [~~(g) assisting local governments in participating in federal-aid transportation programs;~~
3177 and]
3178 [~~(h) providing research services associated with transportation programs;~~]
3179 [~~(5) the Project Development Division responsible for:~~]
3180 [~~(a) developing statewide standards for project design and construction;~~]
3181 [~~(b) providing support for project development in the areas of design environment,~~
3182 ~~right-of-way, materials testing, structures, value engineering, and construction; and]~~
3183 [~~(c) designing specialty projects;~~]
3184 [~~(6) the Operations Division responsible for:~~]
3185 [~~(a) maintaining the state transportation systems;~~]
3186 [~~(b) state transportation systems safety;~~]
3187 [~~(c) operating state ports-of-entry;~~]
3188 [~~(d) operating state motor carrier safety programs in accordance with this title and~~
3189 ~~federal law;~~]

- 3190 ~~[(e) aeronautical operations;]~~
 3191 ~~[(f) providing equipment for department engineering and maintenance functions; and]~~
 3192 ~~[(g) risk management; and]~~
 3193 ~~[(7) the Planning and Investment Division responsible for:]~~
 3194 ~~[(a) creating and managing an intermodal terminal facility to promote economic~~
 3195 ~~development and investment;]~~
 3196 ~~[(b) promoting strategies to synergize development of an intermodal inland port; and]~~
 3197 ~~[(c) overseeing and coordinating public-private partnerships.]~~

3198 Section 34. Section **72-1-205** is amended to read:

3199 **72-1-205. Region offices -- Region directors -- Qualifications -- Responsibilities.**

3200 (1) The department shall maintain region offices throughout the state as the executive
 3201 director finds reasonable and necessary for the efficient carrying out of the duties of the
 3202 department.

3203 (2) (a) The executive director shall appoint a region director for each region.

3204 (b) Each region director shall be a qualified executive with technical and
 3205 administrative experience and training.

3206 ~~[(3) The region director is responsible for:]~~

3207 ~~[(a) executing department policy within the region;]~~

3208 ~~[(b) supervising project development and operations of the state transportation systems~~
 3209 ~~within the region; and]~~

3210 ~~[(c) promoting the department's public involvement and information programs.]~~

3211 (3) The executive director shall establish the responsibilities of each region director.

3212 (4) The executive director may also establish district offices within a region to
 3213 implement maintenance, encroachment, safety, community involvement, and loss management
 3214 functions of the region.

3215 Section 35. Section **72-1-213** is amended to read:

3216 **72-1-213. Road usage charge study -- Recommendations.**

3217 (1) (a) The department shall study a road usage charge mileage-based revenue system,
 3218 including a demonstration program, as an alternative to the motor and special tax.

3219 (b) The demonstration program may consider:

3220 (i) the necessity of protecting all personally identifiable information used in reporting

- 3221 highway use;
- 3222 (ii) alternatives to recording and reporting highway use;
- 3223 (iii) alternatives to administration of a road usage charge program; and
- 3224 (iv) other factors as determined by the department.
- 3225 (2) (a) The department shall create a Road Usage Charge Advisory Committee to assist
- 3226 the department to conduct a road usage charge demonstration program.
- 3227 (b) The executive director shall appoint members of the committee, considering
- 3228 individuals with experience and expertise in the following areas:
- 3229 (i) telecommunications;
- 3230 (ii) data security and privacy;
- 3231 (iii) privacy rights advocacy organizations;
- 3232 (iv) transportation agencies with technical expertise;
- 3233 (v) national research;
- 3234 (vi) members of the Legislature;
- 3235 (vii) representatives from the State Tax Commission; and
- 3236 (viii) other relevant stakeholders as determined by the executive director.
- 3237 (c) The executive director or the executive director's designee shall serve as chair of the
- 3238 committee.
- 3239 (d) A member of the committee may not receive compensation or benefits for the
- 3240 member's service, but may receive per diem and travel expenses in accordance with:
- 3241 (i) Section [63A-3-106](#);
- 3242 (ii) Section [63A-3-107](#); and
- 3243 (iii) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
- 3244 [63A-3-107](#).
- 3245 (e) The department shall provide staff support to the committee.
- 3246 (3) (a) Beginning in 2019, and no later than September 30 of each year, the department
- 3247 shall prepare and submit a report of its findings based on the results of the road usage charge
- 3248 demonstration program to the:
- 3249 (i) Road Usage Charge Advisory Committee created under Subsection (2);
- 3250 (ii) Transportation Commission;
- 3251 (iii) Transportation Interim Committee of the Legislature; and

- 3252 (iv) Revenue and Taxation Interim Committee of the Legislature.
- 3253 (b) The report shall review the following issues:
- 3254 (i) cost;
- 3255 (ii) privacy, including recommendations regarding public and private access, including
- 3256 by law enforcement, to data collected and stored for purposes of the road usage charge to
- 3257 ensure individual privacy rights are protected;
- 3258 (iii) jurisdictional issues;
- 3259 (iv) feasibility;
- 3260 (v) complexity;
- 3261 (vi) acceptance;
- 3262 (vii) use of revenues;
- 3263 (viii) security and compliance, including a discussion of processes and security
- 3264 measures necessary to minimize fraud and tax evasion rates;
- 3265 (ix) data collection technology, including a discussion of the advantages and
- 3266 disadvantages of various types of data collection equipment and the privacy implications and
- 3267 considerations of the equipment;
- 3268 (x) potential for additional driver services; and
- 3269 (xi) implementation issues.
- 3270 (c) The report may make recommendations to the Legislature and other policymaking
- 3271 bodies on the potential use and future implementation of a road usage charge within the state.
- 3272 (4) Upon full implementation of a road user charge program for alternative fuel
- 3273 vehicles, which shall occur no later than January 1, 2020, as set forth in Section [72-1-213.1](#), the
- 3274 department, in coordination with the Motor Vehicle Division, shall offer the option to an owner
- 3275 of an alternative fuel vehicle as defined in Section [41-1a-102](#) to:
- 3276 (a) pay an increased motor vehicle registration fee required in Subsection
- 3277 [41-1a-1206\(1\)\(h\)](#) or (2)(b); or
- 3278 (b) participate in a road user charge program.
- 3279 Section 36. Section [72-1-213.1](#) is enacted to read:
- 3280 **72-1-213.1. Road usage charge program.**
- 3281 **(1) As used in this section:**
- 3282 **(a) "Account manager" means an entity under contract with the department to**

3283 administer and manage the road usage charge program.

3284 (b) "Alternative fuel vehicle" means the same as that term is defined in Section
3285 41-1a-102.

3286 (c) "Payment period" means the interval during which an owner is required to report
3287 mileage and pay the appropriate road usage charge according to the terms of the program.

3288 (d) "Program" means the road usage charge program established and described in this
3289 section.

3290 (2) There is established a road usage charge program as described in this section.

3291 (3) (a) The department shall implement and oversee the administration of the program,
3292 which shall begin on January 1, 2020.

3293 (b) To implement and administer the program, the department may contract with an
3294 account manager.

3295 (4) (a) The owner or lessee of an alternative fuel vehicle may apply for enrollment of
3296 the alternative fuel vehicle in the program.

3297 (b) If an application for enrollment into the program is approved by the department, the
3298 owner or lessee of an alternative fuel vehicle may participate in the program in lieu of paying
3299 the fee described in Subsection 41-1a-1206(1)(h) or (2)(b).

3300 (5) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
3301 and consistent with this section, the department:

3302 (i) shall make rules to establish:

3303 (A) processes and terms for enrollment into and withdrawal or removal from the
3304 program;

3305 (B) payment periods and other payment methods and procedures for the program;

3306 (C) standards for mileage reporting mechanisms for an owner or lessee of an
3307 alternative fuel vehicle to report mileage as part of participation in the program;

3308 (D) standards for program functions for mileage recording, payment processing,
3309 account management, and other similar aspects of the program;

3310 (E) contractual terms between an owner or lessee of an alternative fuel vehicle owner
3311 and an account manager for participation in the program;

3312 (F) contractual terms between the department and an account manager, including
3313 authority for an account manager to enforce the terms of the program;

3314 (G) procedures to provide security and protection of personal information and data
3315 connected to the program, and penalties for account managers for violating privacy protection
3316 rules;

3317 (H) penalty procedures for a program participant's failure to pay a road usage charge or
3318 tampering with a device necessary for the program; and

3319 (I) department oversight of an account manager, including privacy protection of
3320 personal information and access and auditing capability of financial and other records related to
3321 administration of the program; and

3322 (ii) may make rules to establish:

3323 (A) an enrollment cap for certain alternative fuel vehicle types to participate in the
3324 program;

3325 (B) a process for collection of an unpaid road usage charge or penalty; or

3326 (C) integration of the program with other similar programs, such as tolling.

3327 (b) The department shall make recommendations to and consult with the commission
3328 regarding road usage mileage rates for each type of alternative fuel vehicle.

3329 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and
3330 consistent with this section, the commission shall, after consultation with the department, make
3331 rules to establish the road usage charge mileage rate for each type of alternative fuel vehicle.

3332 (7) (a) Revenue generated by the road usage charge program and relevant penalties
3333 shall be deposited into the Transportation Fund.

3334 (b) The department may use revenue generated by the program to cover the costs of
3335 administering the program.

3336 (8) (a) The department may:

3337 (i) (A) impose a penalty for failure to timely pay a road usage charge according to the
3338 terms of the program or tampering with a device necessary for the program; and

3339 (B) request that the Division of Motor Vehicles place a hold on the registration of the
3340 owner's or lessee's alternative fuel vehicle for failure to pay a road usage charge according to
3341 the terms of the program;

3342 (ii) send correspondence to the owner of an alternative fuel vehicle to inform the owner
3343 or lessee of:

3344 (A) the road usage charge program, implementation, and procedures;

3345 (B) an unpaid road usage charge and the amount of the road usage charge to be paid to
3346 the department;

3347 (C) the penalty for failure to pay a road usage charge within the time period described
3348 in Subsection (8)(a)(iii); and

3349 (D) a hold being placed on the owner's or lessee's registration for the alternative fuel
3350 vehicle, if the road usage charge and penalty are not paid within the time period described in
3351 Subsection (8)(a)(iii), which would prevent the renewal of the alternative fuel vehicle's
3352 registration; and

3353 (iii) require that the owner or lessee of the alternative fuel vehicle pay the road usage
3354 charge to the department within 30 days of the date when the department sends written notice
3355 of the road usage charge to the owner or lessee.

3356 (b) The department shall send the correspondence and notice described in Subsection
3357 (8)(a) to the owner of the alternative fuel vehicle according to the terms of the program.

3358 (9) (a) The Division of Motor Vehicles and the department shall share and provide
3359 access to information pertaining to an alternative fuel vehicle and participation in the program
3360 including:

3361 (i) registration and ownership information pertaining to an alternative fuel vehicle;

3362 (ii) information regarding the failure of an alternative fuel vehicle owner or lessee to
3363 pay a road usage charge or penalty imposed under this section within the time period described
3364 in Subsection (8)(a)(iii); and

3365 (iii) the status of a request for a hold on the registration of an alternative fuel vehicle.

3366 (b) If the department requests a hold on the registration in accordance with this section,
3367 the Division of Motor Vehicles may not renew the registration of a motor vehicle under Title
3368 41, Chapter 1a, Part 2, Registration, until the department withdraws the hold request.

3369 (10) The owner of an alternative fuel vehicle may apply for enrollment in the program
3370 or withdraw from the program according to the terms established by the department pursuant to
3371 rules made under Subsection (5).

3372 (11) If enrolled in the program, the owner or lessee of an alternative fuel vehicle shall:

3373 (a) report mileage driven as required by the department pursuant to Subsection (5);

3374 (b) pay the road usage fee for each payment period as set by the department and the
3375 commission pursuant to Subsections (5) and (6); and

3376 (c) comply with all other provisions of this section and other requirements of the
3377 program.

3378 Section 37. Section **72-1-301** is amended to read:

3379 **72-1-301. Transportation Commission created -- Members, appointment, terms --**
3380 **Qualifications -- Pay and expenses -- Chair -- Quorum.**

3381 (1) (a) There is created the Transportation Commission which shall consist of seven
3382 members.

3383 (b) The members of the commission shall be residents of Utah.

3384 (c) The members of the commission shall be selected on a nonpartisan basis.

3385 (d) (i) The commissioners shall be appointed by the governor, with the consent of the
3386 Senate, for a term of six years, beginning on April 1 of odd-numbered years, except as provided
3387 under Subsection (1)(d)(ii).

3388 (ii) The first two additional commissioners serving on the seven member commission
3389 shall be appointed for terms of two years nine months and four years nine months, respectively,
3390 initially commencing on July 1, 1996, and subsequently commencing as specified under
3391 Subsection (1)(d)(i).

3392 (e) The commissioners serve on a part-time basis.

3393 (f) Each commissioner shall remain in office until a successor is appointed and
3394 qualified.

3395 (2) (a) Except as provided in Subsection (2)(b), the selection of the commissioners
3396 shall be as follows:

3397 (i) one commissioner from Box Elder, Cache, or Rich county;

3398 (ii) one commissioner from Salt Lake or Tooele county;

3399 (iii) one commissioner from Carbon, Emery, Grand, or San Juan county;

3400 (iv) one commissioner from Beaver, Garfield, Iron, Kane, Millard, Piute, Sanpete,
3401 Sevier, Washington, or Wayne county;

3402 (v) one commissioner from Weber, Davis, or Morgan county;

3403 (vi) one commissioner from Juab, Utah, Wasatch, Duchesne, Summit, Uintah, or
3404 Daggett county; and

3405 (vii) one commissioner selected from the state at large.

3406 (b) Beginning with the appointment of commissioners on or after July 1, 2009 and

3407 subject to the restriction in Subsection (2)(d), the selection of commissioners shall be as
3408 follows:

3409 (i) four commissioners with one commissioner selected from each of the four regions
3410 established by the department; and

3411 (ii) subject to the restriction in Subsection (2)(c), three commissioners selected from
3412 the state at large.

3413 (c) (i) At least one of the three commissioners appointed under Subsection (2)(b)(ii)
3414 shall be selected from a rural county.

3415 (ii) For purposes of this Subsection (2)(c), a rural county includes a county of the third,
3416 fourth, fifth, or sixth class.

3417 (d) No more than two commissioners appointed under Subsection (2)(b) may be
3418 selected from any one of the four regions established by the department.

3419 (3) A member may not receive compensation or benefits for the member's service, but
3420 may receive per diem and travel expenses in accordance with:

3421 (a) Section [63A-3-106](#);

3422 (b) Section [63A-3-107](#); and

3423 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
3424 [63A-3-107](#).

3425 (4) (a) One member of the commission shall be designated by the governor as chair.

3426 (b) The commission shall select one member as vice chair to act in the chair's absence.

3427 (5) Any four commissioners constitute a quorum.

3428 (6) Each member of the commission shall qualify by taking the constitutional oath of
3429 office.

3430 (7) For the purposes of Section [63J-1-504](#), the commission is not considered an
3431 agency.

3432 Section 38. Section **72-1-304** is amended to read:

3433 **72-1-304. Written project prioritization process for new transportation capacity**
3434 **projects -- Rulemaking.**

3435 (1) (a) The Transportation Commission, in consultation with the department and the
3436 metropolitan planning organizations as defined in Section [72-1-208.5](#), shall develop a written
3437 prioritization process for the prioritization of:

3438 (i) new transportation capacity projects that are or will be part of the state highway
3439 system under Chapter 4, Part 1, State Highways~~[-or]~~;

3440 (ii) paved pedestrian or paved nonmotorized transportation projects that:

3441 (A) mitigate traffic congestion on the state highway system; and

3442 (B) are part of an active transportation plan approved by the department;

3443 (iii) public transit projects that add capacity to the public transit systems within the
3444 state~~[-]~~; and

3445 (iv) pedestrian or nonmotorized transportation projects that provide connection to a
3446 public transit system.

3447 (b) (i) A local government or district may nominate a project for prioritization in
3448 accordance with the process established by the commission in rule.

3449 (ii) If a local government or district nominates a project for prioritization by the
3450 commission, the local government or district shall provide data and evidence to show that:

3451 (A) the project will advance the purposes and goals described in Section 72-1-211;

3452 (B) for a public transit project, the local government or district has an ongoing funding
3453 source for operations and maintenance of the proposed development; and

3454 (C) the local government or district will provide 40% of the ~~[funds]~~ costs for the
3455 project as required by Subsection 72-2-124(4)(a)(viii) or 72-2-124(7)(e).

3456 (2) The following shall be included in the written prioritization process under
3457 Subsection (1):

3458 (a) a description of how the strategic initiatives of the department adopted under
3459 Section 72-1-211 are advanced by the written prioritization process;

3460 (b) a definition of the type of projects to which the written prioritization process
3461 applies;

3462 (c) specification of a weighted criteria system that is used to rank proposed projects
3463 and how it will be used to determine which projects will be prioritized;

3464 (d) specification of the data that is necessary to apply the weighted ranking criteria; and

3465 (e) any other provisions the commission considers appropriate, which may include
3466 consideration of:

3467 (i) regional and statewide economic development impacts, including improved local
3468 access to:

- 3469 (A) employment;
- 3470 (B) recreation;
- 3471 (C) commerce; and
- 3472 (D) residential areas;
- 3473 (ii) the extent to which local land use plans relevant to a project support and
- 3474 accomplish the strategic initiatives adopted under Section [72-1-211](#); and
- 3475 (iii) any matching funds provided by a political subdivision or public transit district in
- 3476 addition to the 40% required by [~~Subsection [72-2-124\(7\)\(c\)](#);~~ Subsections [72-2-124\(4\)\(a\)\(viii\)](#)
- 3477 and [72-2-124\(7\)\(e\)](#).
- 3478 (3) In developing the written prioritization process, the commission:
- 3479 (a) shall seek and consider public comment by holding public meetings at locations
- 3480 throughout the state; and
- 3481 (b) may not consider local matching dollars as provided under Section [72-2-123](#) unless
- 3482 the state provides an equal opportunity to raise local matching dollars for state highway
- 3483 improvements within each county.
- 3484 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 3485 Transportation Commission, in consultation with the department, shall make rules establishing
- 3486 the written prioritization process under Subsection (1).
- 3487 (5) The commission shall submit the proposed rules under this section to a committee
- 3488 or task force designated by the Legislative Management Committee for review prior to taking
- 3489 final action on the proposed rules or any proposed amendment to the rules described in
- 3490 Subsection (4).
- 3491 Section 39. Section **72-2-107** is amended to read:
- 3492 **72-2-107. Appropriation from Transportation Fund -- Apportionment for class B**
- 3493 **and class C roads.**
- 3494 (1) There is appropriated to the department from the Transportation Fund annually an
- 3495 amount equal to 30% of an amount which the director of finance shall compute in the
- 3496 following manner: The total revenue deposited into the Transportation Fund during the fiscal
- 3497 year from state highway-user taxes and fees, minus those amounts appropriated or transferred
- 3498 from the Transportation Fund during the same fiscal year to:
- 3499 (a) the Department of Public Safety;

3500 (b) the State Tax Commission;
 3501 (c) the Division of Finance;
 3502 (d) the Utah Travel Council; ~~and~~
 3503 (e) the road usage charge program created in Section 72-1-213.1; and
 3504 ~~(e)~~ (f) any other amounts appropriated or transferred for any other state agencies not a
 3505 part of the department.

3506 (2) (a) Except as provided in Subsection (2)(b), all of the money appropriated in
 3507 Subsection (1) shall be apportioned among counties and municipalities for class B and class C
 3508 roads as provided in this title.

3509 (b) The department shall annually transfer \$500,000 of the amount calculated under
 3510 Subsection (1) to the State Park Access Highways Improvement Program created in Section
 3511 72-3-207.

3512 (3) Each quarter of every year the department shall make the necessary accounting
 3513 entries to transfer the money appropriated under this section for class B and class C roads.

3514 (4) The funds appropriated for class B and class C roads shall be expended under the
 3515 direction of the department as the Legislature shall provide.

3516 Section 40. Section 72-2-117.5 is amended to read:

3517 **72-2-117.5. Definitions -- Local Highway and Transportation Corridor**

3518 **Preservation Fund -- Disposition of fund money.**

3519 (1) As used in this section:

3520 (a) "Council of governments" means a decision-making body in each county composed
 3521 of membership including the county governing body and the mayors of each municipality in the
 3522 county.

3523 (b) "Metropolitan planning organization" has the same meaning as defined in Section
 3524 72-1-208.5.

3525 (2) There is created the Local Highway and Transportation Corridor Preservation Fund
 3526 within the Transportation Fund.

3527 (3) The fund shall be funded from the following sources:

3528 (a) a local option highway construction and transportation corridor preservation fee
 3529 imposed under Section 41-1a-1222;

3530 (b) appropriations made to the fund by the Legislature;

- 3531 (c) contributions from other public and private sources for deposit into the fund;
- 3532 (d) all money collected from rents and sales of real property acquired with fund money;
- 3533 (e) proceeds from general obligation bonds, revenue bonds, or other obligations issued
- 3534 as authorized by Title 63B, Bonds; and
- 3535 ~~[(f) the portion of the sales and use tax described in Section 59-12-2217 deposited into~~
- 3536 ~~the fund; and]~~
- 3537 ~~[(g)]~~ (f) sales and use tax revenues deposited into the fund in accordance with ~~[Section~~
- 3538 ~~59-12-2218]~~ Title 59, Chapter 12, Part 22, Local Option Sales and Use Taxes for
- 3539 Transportation Act.
- 3540 (4) (a) The fund shall earn interest.
- 3541 (b) All interest earned on fund money shall be deposited into the fund.
- 3542 (c) The State Tax Commission shall allocate the revenues:
- 3543 (i) provided under Subsection (3)(a) to each county imposing a local option highway
- 3544 construction and transportation corridor preservation fee under Section 41-1a-1222;
- 3545 (ii) provided under Subsection 59-12-2217(2)~~(b)~~ to each county imposing a county
- 3546 option sales and use tax for transportation; and
- 3547 (iii) provided under Subsection (3)(g) to each county of the second class or city or town
- 3548 within a county of the second class that imposes the sales and use tax authorized by Section
- 3549 59-12-2218.
- 3550 (d) The department shall distribute the funds allocated to each county, city, or town
- 3551 under Subsection (4)(c) to each county, city, or town.
- 3552 (e) The money allocated and distributed under this Subsection (4):
- 3553 (i) shall be used for the purposes provided in this section for each county, city, or town;
- 3554 (ii) is allocated to each county, city, or town as provided in this section with the
- 3555 condition that the state will not be charged for any asset purchased with the money allocated
- 3556 and distributed under this Subsection (4), unless there is a written agreement in place with the
- 3557 department prior to the purchase of the asset stipulating a reimbursement by the state to the
- 3558 county, city, or town of no more than the original purchase price paid by the county, city, or
- 3559 town; and
- 3560 (iii) is considered a local matching contribution for the purposes described under
- 3561 Section 72-2-123 if used on a state highway.

3562 (f) Administrative costs of the department to implement this section shall be paid from
3563 the fund.

3564 (5) (a) A highway authority may acquire real property or any interests in real property
3565 for state, county, and municipal highway or public transit corridors subject to:

3566 (i) money available in the fund to each county under Subsection (4); and

3567 (ii) the provisions of this section.

3568 (b) Fund money may be used to pay interest on debts incurred in accordance with this
3569 section.

3570 (c) (i) (A) Fund money may be used to pay maintenance costs of properties acquired
3571 under this section but limited to a total of 5% of the purchase price of the property.

3572 (B) Any additional maintenance cost shall be paid from funds other than under this
3573 section.

3574 (C) Revenue generated by any property acquired under this section is excluded from
3575 the limitations under this Subsection (5)(c)(i).

3576 (ii) Fund money may be used to pay direct costs of acquisition of properties acquired
3577 under this section.

3578 (d) Fund money allocated and distributed under Subsection (4) may be used by a
3579 county highway authority for countywide transportation or public transit planning if:

3580 (i) the county's planning focus area is outside the boundaries of a metropolitan
3581 planning organization;

3582 (ii) the transportation planning is part of the county's continuing, cooperative, and
3583 comprehensive process for transportation or public transit planning, corridor preservation,
3584 right-of-way acquisition, and project programming;

3585 (iii) no more than four years allocation every 20 years to each county is used for
3586 transportation planning under this Subsection (5)(d); and

3587 (iv) the county otherwise qualifies to use the fund money as provided under this
3588 section.

3589 (e) (i) Subject to Subsection (11), fund money allocated and distributed under
3590 Subsection (4) may be used by a county highway authority for transportation or public transit
3591 corridor planning that is part of the corridor elements of an ongoing work program of
3592 transportation or public transit projects.

3593 (ii) The transportation corridor planning under Subsection (5)(e)(i) shall be under the
3594 direction of:

3595 (A) the metropolitan planning organization if the county is within the boundaries of a
3596 metropolitan planning organization; or

3597 (B) the department if the county is not within the boundaries of a metropolitan
3598 planning organization.

3599 (f) (i) A county, city, or town that imposes a local option highway construction and
3600 transportation corridor preservation fee under Section 41-1a-1222 may elect to administer the
3601 funds allocated and distributed to that county, city, or town under Subsection (4) as a revolving
3602 loan fund.

3603 (ii) If a county, city, or town elects to administer the funds allocated and distributed to
3604 that county, city, or town under Subsection (4) as a revolving loan fund, a local highway
3605 authority shall repay the fund money authorized for the project to the fund.

3606 (iii) A county, city, or town that elects to administer the funds allocated and distributed
3607 to that county, city, or town under Subsection (4) as a revolving loan fund shall establish
3608 repayment conditions of the money to the fund from the specified project funds.

3609 (g) (i) Subject to the restrictions in Subsections (5)(g)(ii) and (iii), fund money may be
3610 used by a county of the third, fourth, fifth, or sixth class or by a city or town within a county of
3611 the third, fourth, fifth, or sixth class for:

3612 (A) the construction, operation, or maintenance of a class B road or class C road; or

3613 (B) the restoration or repair of survey monuments associated with transportation
3614 infrastructure.

3615 (ii) A county, city, or town may not use more than 50% of the current balance of fund
3616 money allocated to the county, city, or town for the purposes described in Subsection (5)(g)(i).

3617 (iii) A county, city, or town may not use more than 50% of the fund revenue collections
3618 allocated to a county, city, or town in the current fiscal year for the purposes described in
3619 Subsection (5)(g)(i).

3620 (6) (a) (i) The Local Highway and Transportation Corridor Preservation Fund shall be
3621 used to preserve highway and public transit corridors, promote long-term statewide
3622 transportation planning, save on acquisition costs, and promote the best interests of the state in
3623 a manner which minimizes impact on prime agricultural land.

3624 (ii) The Local Highway and Transportation Corridor Preservation Fund shall only be
3625 used to preserve a highway or public transit corridor that is right-of-way:

3626 (A) in a county of the first or second class for:

3627 (I) a state highway;

3628 (II) a principal arterial highway as defined in Section 72-4-102.5;

3629 (III) a minor arterial highway as defined in Section 72-4-102.5;

3630 (IV) a collector highway in an urban area as defined in Section 72-4-102.5; or

3631 (V) a transit facility as defined in Section 17B-2a-802; or

3632 (B) in a county of the third, fourth, fifth, or sixth class for:

3633 (I) a state highway;

3634 (II) a principal arterial highway as defined in Section 72-4-102.5;

3635 (III) a minor arterial highway as defined in Section 72-4-102.5;

3636 (IV) a major collector highway as defined in Section 72-4-102.5;

3637 (V) a minor collector road as defined in Section 72-4-102.5; or

3638 (VI) a transit facility as defined in Section 17B-2a-802.

3639 (iii) The Local Highway and Transportation Corridor Preservation Fund may not be
3640 used for a highway corridor that is primarily a recreational trail as defined under Section
3641 79-5-102.

3642 (b) A highway authority shall authorize the expenditure of fund money after
3643 determining that the expenditure is being made in accordance with this section from
3644 applications that are:

3645 (i) endorsed by the council of governments; and

3646 (ii) for a right-of-way purchase for a highway or public transit corridor authorized
3647 under Subsection (6)(a)(ii).

3648 (7) (a) (i) A council of governments shall establish a council of governments
3649 endorsement process which includes prioritization and application procedures for use of the
3650 money allocated to each county under this section.

3651 (ii) The endorsement process under Subsection (7)(a)(i) may include review or
3652 endorsement of the preservation project by:

3653 (A) the metropolitan planning organization if the county is within the boundaries of a
3654 metropolitan planning organization; or

- 3655 (B) the department if the county is not within the boundaries of a metropolitan
3656 planning organization.
- 3657 (b) All fund money shall be prioritized by each highway authority and council of
3658 governments based on considerations, including:
- 3659 (i) areas with rapidly expanding population;
- 3660 (ii) the willingness of local governments to complete studies and impact statements
3661 that meet department standards;
- 3662 (iii) the preservation of corridors by the use of local planning and zoning processes;
- 3663 (iv) the availability of other public and private matching funds for a project;
- 3664 (v) the cost-effectiveness of the preservation projects;
- 3665 (vi) long and short-term maintenance costs for property acquired; and
- 3666 (vii) whether the transportation or public transit corridor is included as part of:
- 3667 (A) the county and municipal master plan; and
- 3668 (B) (I) the statewide long range plan; or
- 3669 (II) the regional transportation plan of the area metropolitan planning organization if
3670 one exists for the area.
- 3671 (c) The council of governments shall:
- 3672 (i) establish a priority list of highway and public transit corridor preservation projects
3673 within the county;
- 3674 (ii) submit the list described in Subsection (7)(c)(i) to the county's legislative body for
3675 approval; and
- 3676 (iii) obtain approval of the list described in Subsection (7)(c)(i) from a majority of the
3677 members of the county legislative body.
- 3678 (d) A county's council of governments may only submit one priority list described in
3679 Subsection (7)(c)(i) per calendar year.
- 3680 (e) A county legislative body may only consider and approve one priority list described
3681 in Subsection (7)(c)(i) per calendar year.
- 3682 (8) (a) Unless otherwise provided by written agreement with another highway authority
3683 or public transit district, the highway authority that holds the deed to the property is responsible
3684 for maintenance of the property.
- 3685 (b) The transfer of ownership for property acquired under this section from one

3686 highway authority to another shall include a recorded deed for the property and a written
3687 agreement between the highway authorities or public transit district.

3688 (9) (a) The proceeds from any bonds or other obligations secured by revenues of the
3689 Local Highway and Transportation Corridor Preservation Fund shall be used for the purposes
3690 authorized for funds under this section.

3691 (b) The highway authority shall pledge the necessary part of the revenues of the Local
3692 Highway and Transportation Corridor Preservation Fund to the payment of principal and
3693 interest on the bonds or other obligations.

3694 (10) (a) A highway authority may not expend money under this section to purchase a
3695 right-of-way for a state highway unless the highway authority has:

3696 (i) a transportation corridor property acquisition policy or ordinance in effect that
3697 meets department requirements for the acquisition of real property or any interests in real
3698 property under this section; and

3699 (ii) an access management policy or ordinance in effect that meets the requirements
3700 under Subsection [72-2-117\(8\)](#).

3701 (b) The provisions of Subsection (10)(a)(i) do not apply if the highway authority has a
3702 written agreement with the department for the department to acquire real property or any
3703 interests in real property on behalf of the local highway authority under this section.

3704 (11) The county shall ensure, to the extent possible, that the fund money allocated and
3705 distributed to a city or town in accordance with Subsection (4) is expended:

3706 (a) to fund a project or service as allowed by this section within the city or town to
3707 which the fund money is allocated;

3708 (b) to pay debt service, principal, or interest on a bond or other obligation as allowed
3709 by this section if that bond or other obligation is:

3710 (i) secured by money allocated to the city or town; and

3711 (ii) issued to finance a project or service as allowed by this section within the city or
3712 town to which the fund money is allocated;

3713 (c) to fund transportation planning as allowed by this section within the city or town to
3714 which the fund money is allocated; or

3715 (d) for another purpose allowed by this section within the city or town to which the
3716 fund money is allocated.

3717 (12) Notwithstanding any other provision in this section, any amounts within the fund
3718 allocated to a public transit district or for a public transit corridor may only be derived from the
3719 portion of the fund that does not include constitutionally restricted sources related to the
3720 operation of a motor vehicle on a public highway or proceeds from an excise tax on liquid
3721 motor fuel to propel a motor vehicle.

3722 Section 41. Section **72-2-121** is amended to read:

3723 **72-2-121. County of the First Class Highway Projects Fund.**

3724 (1) There is created a special revenue fund within the Transportation Fund known as
3725 the "County of the First Class Highway Projects Fund."

3726 (2) The fund consists of money generated from the following revenue sources:

3727 (a) any voluntary contributions received for new construction, major renovations, and
3728 improvements to highways within a county of the first class;

3729 (b) the portion of the sales and use tax described in Subsection [59-12-2214\(3\)\(b\)](#)
3730 deposited in or transferred to the fund;

3731 (c) the portion of the sales and use tax described in Section [59-12-2217](#) deposited in or
3732 transferred to the fund; and

3733 (d) a portion of the local option highway construction and transportation corridor
3734 preservation fee imposed in a county of the first class under Section [41-1a-1222](#) deposited in or
3735 transferred to the fund.

3736 (3) (a) The fund shall earn interest.

3737 (b) All interest earned on fund money shall be deposited into the fund.

3738 (4) The executive director shall use the fund money only:

3739 (a) to pay debt service and bond issuance costs for bonds issued under Sections
3740 [63B-16-102](#), [63B-18-402](#), and [63B-27-102](#);

3741 (b) for right-of-way acquisition, new construction, major renovations, and
3742 improvements to highways within a county of the first class and to pay any debt service and
3743 bond issuance costs related to those projects, including improvements to a highway located
3744 within a municipality in a county of the first class where the municipality is located within the
3745 boundaries of more than a single county;

3746 (c) for the construction, acquisition, use, maintenance, or operation of:

3747 (i) an active transportation facility for nonmotorized vehicles;

- 3748 (ii) multimodal transportation that connects an origin with a destination; or
- 3749 (iii) a facility that may include a:
 - 3750 (A) pedestrian or nonmotorized vehicle trail;
 - 3751 (B) nonmotorized vehicle storage facility;
 - 3752 (C) pedestrian or vehicle bridge; or
 - 3753 (D) vehicle parking lot or parking structure;
- 3754 (d) for fiscal year 2012-13 only, to pay for or to provide funds to a municipality or
- 3755 county to pay for a portion of right-of-way acquisition, construction, reconstruction,
- 3756 renovations, and improvements to highways described in Subsections [72-2-121.4\(7\)](#), (8), and
- 3757 (9);
- 3758 (e) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by
- 3759 Section [72-2-121.3](#) the amount required in Subsection [72-2-121.3\(4\)\(c\)](#) minus the amounts
- 3760 transferred in accordance with Subsection [72-2-124\(4\)\(a\)\(iv\)](#);
- 3761 (f) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond
- 3762 issuance costs for \$30,000,000 of the bonds issued under Section [63B-18-401](#) for the projects
- 3763 described in Subsection [63B-18-401\(4\)\(a\)](#);
- 3764 (g) for a fiscal year beginning on or after July 1, 2013, and after the department has
- 3765 verified that the amount required under Subsection [72-2-121.3\(4\)\(c\)](#) is available in the fund, to
- 3766 transfer an amount equal to 50% of the revenue generated by the local option highway
- 3767 construction and transportation corridor preservation fee imposed under Section [41-1a-1222](#) in
- 3768 a county of the first class:
 - 3769 (i) to the legislative body of a county of the first class; and
 - 3770 (ii) to be used by a county of the first class for:
 - 3771 (A) highway construction, reconstruction, or maintenance projects; or
 - 3772 (B) the enforcement of state motor vehicle and traffic laws;
- 3773 (h) for fiscal year 2015 only, and after the department has verified that the amount
- 3774 required under Subsection [72-2-121.3\(4\)\(c\)](#) is available in the fund and the transfer under
- 3775 Subsection (4)(f) has been made, to transfer an amount equal to the remainder of the revenue
- 3776 available in the fund for the 2015 fiscal year:
 - 3777 (i) to the legislative body of a county of the first class; and
 - 3778 (ii) to be used by a county of the first class for:

- 3779 (A) highway construction, reconstruction, or maintenance projects; or
3780 (B) the enforcement of state motor vehicle and traffic laws;
- 3781 (i) for fiscal year 2015-16 only, and after the department has verified that the amount
3782 required under Subsection 72-2-121.3(4)(c) is available in the fund and the transfer under
3783 Subsection (4)(f) has been made, to transfer an amount equal to \$25,000,000:
- 3784 (i) to the legislative body of a county of the first class; and
3785 (ii) to be used by the county for the purposes described in this section;
- 3786 (j) for a fiscal year beginning on or after July 1, 2015, after the department has verified
3787 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and the
3788 transfer under Subsection (4)(f) has been made, to annually transfer an amount equal to up to
3789 42.5% of the sales and use tax revenue imposed in a county of the first class and deposited into
3790 the fund in accordance with Subsection 59-12-2214(3)(b) to:
- 3791 (i) the appropriate debt service or sinking fund for the repayment of bonds issued under
3792 Section 63B-27-102; and
- 3793 (ii) the Transportation Fund created in Section 72-2-102 until \$28,079,000 has been
3794 deposited into the Transportation Fund;
- 3795 (k) for a fiscal year beginning on or after July 1, 2018, after the department has verified
3796 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and after
3797 the transfer under Subsection (4)(e), the payment under Subsection (4)(f), and the transfers
3798 under Subsections (4)(j)(i) and (ii) have been made, to annually transfer 20% of the amount
3799 deposited into the fund under Subsection (2)(b) to a public transit district in a county of the
3800 first class to fund a system for public transit;
- 3801 (l) for a fiscal year beginning on or after July 1, 2018, after the department has verified
3802 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and after
3803 the transfer under Subsection (4)(e), the payment under Subsection (4)(f), and the transfers
3804 under Subsections (4)(j)(i) and (ii) have been made, to annually transfer 20% of the amount
3805 deposited into the fund under Subsection (2)(b):
- 3806 (i) to the legislative body of a county of the first class; and
3807 (ii) to fund parking facilities in a county of the first class that facilitate significant
3808 economic development and recreation and tourism within the state; and
- 3809 (m) for a fiscal year beginning after the amount described in Subsection (4)(j) has been

3810 repaid to the Transportation Fund until fiscal year 2030, or sooner if the amount described in
3811 Subsection (4)(j)(ii) has been repaid, after the department has verified that the amount required
3812 under Subsection 72-2-121.3(4)(c) is available in the fund and the transfer under Subsection
3813 (4)(f) has been made, and after the bonds under Section 63B-27-102 have been repaid, to
3814 annually transfer an amount equal to up to 42.5% of the sales and use tax revenue imposed in a
3815 county of the first class and deposited into the fund in accordance with Subsection
3816 59-12-2214(3)(b):

3817 (i) to the legislative body of a county of the first class; and

3818 (ii) to be used by the county for the purposes described in this section.

3819 (5) The revenues described in Subsections (2)(b), (c), and (d) that are deposited in the
3820 fund and bond proceeds from bonds issued under Sections 63B-16-102, 63B-18-402, and
3821 63B-27-102 are considered a local matching contribution for the purposes described under
3822 Section 72-2-123.

3823 (6) The additional administrative costs of the department to administer this fund shall
3824 be paid from money in the fund.

3825 (7) Notwithstanding any statutory or other restrictions on the use or expenditure of the
3826 revenue sources deposited into this fund, the Department of Transportation may use the money
3827 in this fund for any of the purposes detailed in Subsection (4).

3828 (8) (a) For a fiscal year beginning on or after July 1, 2018, at the end of each fiscal
3829 year, after all programmed payments and transfers authorized or required under this section
3830 have been made, on July 30 the department shall transfer the remainder of the money in the
3831 fund to the Transportation Fund to reduce the amount owed to the Transportation Fund under
3832 Subsection (4)(j)(ii).

3833 (b) The department shall provide notice to a county of the first class of the amount
3834 transferred in accordance with this Subsection (8).

3835 (9) (a) Any revenue in the fund that is not specifically allocated and obligated under this
3836 section, as well as revenue described in Subsection 59-12-2219(4)(c) for a county of the first
3837 class, is subject to the review process described in this Subsection (9).

3838 (b) A county of the first class shall create a county transportation advisory committee
3839 as described in Subsection (9)(c) to review proposed transportation and, as applicable, public
3840 transit projects and rank projects for allocation of funds.

3841 (c) The county transportation advisory committee described in Subsection (9)(b) shall
3842 be composed of the following 13 members:

3843 (i) six members who are residents of the county, nominated by the county executive
3844 and confirmed by the county legislative body who are:

3845 (A) members of a local advisory [~~board~~] council of a large public transit district as
3846 defined in Section 17B-2a-802;

3847 (B) county council members; or

3848 (C) other residents with expertise in transportation planning and funding; and

3849 (ii) seven members nominated by the county executive, and confirmed by the county
3850 legislative body, chosen from mayors or managers of cities or towns within the county.

3851 (d) (i) A majority of the members of the county transportation advisory committee
3852 constitutes a quorum.

3853 (ii) The action by a quorum of the county transportation advisory committee constitutes
3854 an action by the county transportation advisory committee.

3855 (e) The county body shall determine:

3856 (i) the length of a term of a member of the county transportation advisory committee;

3857 (ii) procedures and requirements for removing a member of the county transportation
3858 advisory committee;

3859 (iii) voting requirements of the county transportation advisory committee;

3860 (iv) chairs or other officers of the county transportation advisory committee;

3861 (v) how meetings are to be called and the frequency of meetings, but not less than once
3862 annually; and

3863 (vi) the compensation, if any, of members of the county transportation advisory
3864 committee.

3865 (f) The county shall establish by ordinance criteria for prioritization and ranking of
3866 projects, which may include consideration of regional and countywide economic development
3867 impacts, including improved local access to:

3868 (i) employment;

3869 (ii) recreation;

3870 (iii) commerce; and

3871 (iv) residential areas.

3872 (g) The county transportation advisory committee shall evaluate and rank each
3873 proposed public transit project and regionally significant transportation facility according to
3874 criteria developed pursuant to Subsection (9)(f).

3875 (h) (i) After the review and ranking of each project as described in this section, the
3876 county transportation advisory committee shall provide a report and recommend the ranked list
3877 of projects to the county legislative body and county executive.

3878 (ii) After review of the recommended list of projects, as part of the county budgetary
3879 process, the county executive shall review the list of projects and may include in the proposed
3880 budget the proposed projects for allocation, as funds are available.

3881 (i) The county executive of the county of the first class, with information provided by
3882 the county and relevant state entities, shall provide a report annually to the county
3883 transportation advisory committee, and to the mayor or manager of each city, town, or metro
3884 township in the county, including the following:

3885 (i) the amount of revenue received into the fund during the past year;

3886 (ii) any funds available for allocation;

3887 (iii) funds obligated for debt service; and

3888 (iv) the outstanding balance of transportation-related debt.

3889 Section 42. Section 72-2-121.1 is amended to read:

3890 **72-2-121.1. Highway Projects Within Counties Fund -- Accounting for revenues**
3891 **-- Interest -- Expenditure of revenues.**

3892 (1) There is created a special revenue fund within the Transportation Fund known as
3893 the "Highway Projects Within Counties Fund."

3894 (2) The Highway Projects Within Counties Fund shall be funded by revenues generated
3895 by a tax imposed by a county under Section 59-12-2216, if those revenues are allocated:

3896 (a) for a [~~purpose described in Subsection 59-12-2216(2)(c)~~] state highway within the
3897 county; and

3898 (b) in accordance with Section 59-12-2216.

3899 (3) The department shall make a separate accounting for:

3900 (a) the revenues described in Subsection (2); and

3901 (b) each county for which revenues are deposited into the Highway Projects Within
3902 Counties Fund.

3903 (4) (a) The Highway Projects Within Counties Fund shall earn interest.

3904 (b) The department shall allocate the interest earned on the Highway Projects Within
3905 Counties Fund:

3906 (i) proportionately;

3907 (ii) to each county's balance in the Highway Projects Within Counties Fund; and

3908 (iii) on the basis of each county's balance in the Highway Projects Within Counties
3909 Fund.

3910 (5) The department shall expend the revenues and interest deposited into the Highway
3911 Projects Within Counties Fund to pay:

3912 (a) for a state highway project within the county[: ~~(i) described in Subsection~~
3913 ~~59-12-2216(2)(c)(i); and (ii)]~~ for which the requirements of Subsection 59-12-2216(6) are met;

3914 (b) debt service on a project described in Subsection (5)(a); or

3915 (c) bond issuance costs related to a project described in Subsection (5)(a).

3916 Section 43. Section 72-2-121.2 is amended to read:

3917 **72-2-121.2. Definition -- County of the Second Class State Highway Projects**
3918 **Fund -- Use of fund money.**

3919 (1) As used in this section, "fund" means the County of the Second Class State
3920 Highway Projects Fund created by this section.

3921 (2) There is created within the Transportation Fund a special revenue fund known as
3922 the County of the Second Class State Highway Projects Fund.

3923 (3) The fund shall be funded by money collected from:

3924 (a) any voluntary contributions the department receives for new construction, major
3925 renovations, and improvements to state highways within a county of the second class; and

3926 (b) sales and use taxes deposited into the fund in accordance with [~~Section~~
3927 ~~59-12-2218~~] Title 59, Chapter 12, Part 22, Local Option Sales and Use Taxes for
3928 Transportation Act.

3929 (4) The department shall make a separate accounting for:

3930 (a) the revenues described in Subsection (3); and

3931 (b) each county of the second class or city or town within a county of the second class
3932 for which revenues are deposited into the fund.

3933 (5) (a) The fund shall earn interest.

3934 (b) Interest earned on fund money shall be deposited into the fund.
3935 (6) Subject to Subsection (9), the executive director may use fund money only:
3936 (a) for right-of-way acquisition, new construction, major renovations, and
3937 improvements to state highways within a county of the second class or a city or town within a
3938 county of the second class in an amount that does not exceed the amounts deposited for or
3939 allocated to that county of the second class or city or town within a county of the second class
3940 in accordance with this section;
3941 (b) to pay any debt service and bond issuance costs related to a purpose described in
3942 Subsection (6)(a) in an amount that does not exceed the amounts deposited for or allocated to
3943 that county of the second class or city or town within a county of the second class described in
3944 Subsection (6)(a) in accordance with this section; and
3945 (c) to pay the costs of the department to administer the fund in an amount not to exceed
3946 interest earned by the fund money.
3947 (7) If interest remains in the fund after the executive director pays the costs of the
3948 department to administer the fund, the interest shall be:
3949 (a) allocated to each county of the second class or city or town within a county of the
3950 second class for which revenues are deposited into the fund in proportion to the deposits made
3951 into the fund for that county of the second class or city or town within a county of the second
3952 class; and
3953 (b) expended for the purposes described in Subsection (6).
3954 (8) Revenues described in Subsection (3)(b) that are deposited into the fund are
3955 considered to be a local matching contribution for the purposes described in Section [72-2-123](#).
3956 (9) (a) The executive director shall, in using fund money, ensure to the extent possible
3957 that the fund money deposited for or allocated to a city or town is used:
3958 (i) for a purpose described in Subsection (6)(a) within the city or town to which the
3959 fund money is allocated;
3960 (ii) to pay debt service and bond issuance costs described in Subsection (6)(b) if the
3961 debt service and bond issuance costs are:
3962 (A) secured by money deposited for or allocated to the city or town; and
3963 (B) related to a project described in Subsection (6)(a) within the city or town to which
3964 the fund money is allocated; or

3965 (iii) for a purpose described in Subsection (6)(c).

3966 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3967 department may make rules to implement the requirements of Subsection (9)(a).

3968 Section 44. Section **72-2-124** is amended to read:

3969 **72-2-124. Transportation Investment Fund of 2005.**

3970 (1) There is created a capital projects fund entitled the Transportation Investment Fund
3971 of 2005.

3972 (2) The fund consists of money generated from the following sources:

3973 (a) any voluntary contributions received for the maintenance, construction,
3974 reconstruction, or renovation of state and federal highways;

3975 (b) appropriations made to the fund by the Legislature;

3976 (c) registration fees designated under Section [41-1a-1201](#);

3977 (d) the sales and use tax revenues deposited into the fund in accordance with Section
3978 [59-12-103](#); and

3979 (e) revenues transferred to the fund in accordance with Section [72-2-106](#).

3980 (3) (a) The fund shall earn interest.

3981 (b) All interest earned on fund money shall be deposited into the fund.

3982 (4) (a) Except as provided in Subsection (4)(b), the executive director may use fund
3983 money only to pay:

3984 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
3985 federal highways prioritized by the Transportation Commission through the prioritization
3986 process for new transportation capacity projects adopted under Section [72-1-304](#);

3987 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
3988 projects described in Subsections [63B-18-401](#)(2), (3), and (4);

3989 (iii) principal, interest, and issuance costs of bonds authorized by Section [63B-18-401](#)
3990 minus the costs paid from the County of the First Class Highway Projects Fund in accordance
3991 with Subsection [72-2-121](#)(4)(f);

3992 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
3993 Lake County Revenue Bond Sinking Fund created by Section [72-2-121.3](#) the amount certified
3994 by Salt Lake County in accordance with Subsection [72-2-121.3](#)(4)(c) as necessary to pay the
3995 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;

- 3996 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
3997 for projects prioritized in accordance with Section 72-2-125;
- 3998 (vi) all highway general obligation bonds that are intended to be paid from revenues in
3999 the Centennial Highway Fund created by Section 72-2-118; ~~and~~
- 4000 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
4001 Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described
4002 in Section 72-2-121[-]; and
- 4003 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
4004 the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved
4005 nonmotorized transportation for projects that:
- 4006 (A) mitigate traffic congestion on the state highway system;
4007 (B) are part of an active transportation plan approved by the department; and
4008 (C) are prioritized by the commission through the prioritization process for new
4009 transportation capacity projects adopted under Section 72-1-304.
- 4010 (b) The executive director may use fund money to exchange for an equal or greater
4011 amount of federal transportation funds to be used as provided in Subsection (4)(a).
- 4012 (5) (a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued
4013 in any fiscal year, the department and the commission shall appear before the Executive
4014 Appropriations Committee of the Legislature and present the amount of bond proceeds that the
4015 department needs to provide funding for the projects identified in Subsections 63B-18-401(2),
4016 (3), and (4) or Subsection 63B-27-101(2) for the current or next fiscal year.
- 4017 (b) The Executive Appropriations Committee of the Legislature shall review and
4018 comment on the amount of bond proceeds needed to fund the projects.
- 4019 (6) The Division of Finance shall, from money deposited into the fund, transfer the
4020 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
4021 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or
4022 sinking fund.
- 4023 (7) (a) There is created in the Transportation Investment Fund of 2005 the Transit
4024 Transportation Investment Fund.
- 4025 (b) The fund shall be funded by:
- 4026 (i) contributions deposited into the fund in accordance with Section 59-12-103;

4027 (ii) appropriations into the account by the Legislature;

4028 (iii) private contributions; and

4029 (iv) donations or grants from public or private entities.

4030 (c) (i) The fund shall earn interest.

4031 (ii) All interest earned on fund money shall be deposited into the fund.

4032 (d) Subject to Subsection (7)(e), the Legislature may appropriate money from the fund
4033 for public transit capital development of new capacity projects to be used as prioritized by the
4034 commission.

4035 (e) (i) The Legislature may only appropriate money from the fund for a public transit
4036 capital development project or pedestrian or nonmotorized transportation project that provides
4037 connection to the public transit system if the public transit district or political subdivision
4038 provides funds of equal to or greater than 40% of the [funds] costs needed for the project.

4039 (ii) A public transit district or political subdivision may use money derived from a loan
4040 granted pursuant to Title 72, Chapter 2, Part 2, [~~Transportation Infrastructure Loan~~] State
4041 Infrastructure Bank Fund, to provide all or part of the 40% requirement described in Subsection
4042 (7)(e)(i) if:

4043 (A) the loan is approved by the commission as required in Title 72, Chapter 2, Part 2,
4044 [~~Transportation Infrastructure Loan~~] State Infrastructure Bank Fund; and

4045 (B) the proposed capital project has been prioritized by the commission pursuant to
4046 Section [72-1-303](#).

4047 Section 45. Section **72-2-201** is amended to read:

4048 **72-2-201. Definitions.**

4049 As used in this part:

4050 (1) "Fund" means the [~~Transportation Infrastructure Loan~~] State Infrastructure Bank
4051 Fund created under Section [72-2-202](#).

4052 (2) "Infrastructure assistance" means any use of fund money, except an infrastructure
4053 loan, to provide financial assistance for transportation projects, including:

4054 (a) capital reserves and other security for bond or debt instrument financing; or

4055 (b) any letters of credit, lines of credit, bond insurance, or loan guarantees obtained by
4056 a public entity to finance transportation projects.

4057 (3) "Infrastructure loan" means a loan of fund money to finance a transportation

4058 project.

4059 (4) "Public entity" means a state agency, county, municipality, local district, special
4060 service district, an intergovernmental entity organized under state law, or the military
4061 installation development authority created in Section [63H-1-201](#).

4062 (5) "Transportation project":

4063 (a) means a project:

4064 (i) to improve a state or local highway; [and]

4065 (ii) to improve a public transportation facility or nonmotorized transportation facility;

4066 or

4067 (iii) that is subject to a transportation reinvestment zone agreement pursuant to Section
4068 [11-13-227](#) if the state is party to the agreement;

4069 (b) includes the costs of acquisition, construction, reconstruction, rehabilitation,
4070 equipping, and fixturing[.]; and

4071 (c) may only include a project if the project is part of:

4072 (i) the statewide long range plan;

4073 (ii) a regional transportation plan of the area metropolitan planning organization if a
4074 metropolitan planning organization exists for the area; or

4075 (iii) a local government general plan.

4076 Section 46. Section **72-2-202** is amended to read:

4077 **72-2-202. State Infrastructure Bank Fund -- Creation -- Use of money.**

4078 (1) There is created a revolving loan fund entitled the [~~Transportation Infrastructure~~
4079 ~~Loan~~] State Infrastructure Bank Fund.

4080 (2) (a) The fund consists of money generated from the following revenue sources:

4081 [~~(a)~~] (i) appropriations made to the fund by the Legislature;

4082 [~~(b)~~] (ii) federal money and grants that are deposited in the fund;

4083 [~~(c)~~] (iii) money transferred to the fund by the commission from other money available
4084 to the department;

4085 [~~(d)~~] (iv) state grants that are deposited in the fund;

4086 [~~(e)~~] (v) contributions or grants from any other private or public sources for deposit
4087 into the fund; and

4088 [~~(f)~~] (vi) subject to Subsection (2)(b), all money collected from repayments of fund

4089 money used for infrastructure loans or infrastructure assistance.

4090 (b) When a loan from the fund is repaid, the department may request and the
4091 Legislature may transfer from the fund to the source from which the money originated an
4092 amount equal to the repaid loan.

4093 (3) (a) The fund shall earn interest.

4094 (b) All interest earned on fund money shall be deposited into the fund.

4095 (4) Money in the fund shall be used by the department, as prioritized by the
4096 commission, only to:

4097 (a) provide infrastructure loans or infrastructure assistance; and

4098 (b) pay the department for the costs of administering the fund, providing infrastructure
4099 loans or infrastructure assistance, monitoring transportation projects, and obtaining repayments
4100 of infrastructure loans or infrastructure assistance.

4101 (5) (a) The department may establish separate accounts in the fund for infrastructure
4102 loans, infrastructure assistance, administrative and operating expenses, or any other purpose to
4103 implement this part.

4104 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4105 department may make rules governing how the fund and its accounts may be held by an escrow
4106 agent.

4107 (6) Fund money shall be invested by the state treasurer as provided in Title 51, Chapter
4108 7, State Money Management Act, and the earnings from the investments shall be credited to the
4109 fund.

4110 Section 47. Section **72-2-203** is amended to read:

4111 **72-2-203. Loans and assistance -- Authority -- Rulemaking.**

4112 (1) Money in the fund may be used by the department, as prioritized by the commission
4113 or as directed by the Legislature, to make infrastructure loans or to provide infrastructure
4114 assistance to any public entity for any purpose consistent with any applicable constitutional
4115 limitation.

4116 (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4117 commission shall make rules providing procedures and standards for making infrastructure
4118 loans and providing infrastructure assistance[-] and a process for prioritization of requests for
4119 loans and assistance.

- 4120 (3) The prioritization process, procedures, and standards for making an infrastructure
4121 loan or providing infrastructure assistance may include consideration of the following:
- 4122 (a) availability of money in the fund;
4123 (b) credit worthiness of the project;
4124 (c) demonstration that the project will encourage, enhance, or create economic benefits
4125 to the state;
- 4126 (d) likelihood that assistance would enable the project to proceed at an earlier date than
4127 would otherwise be possible;
- 4128 (e) the extent to which assistance would foster innovative public-private partnerships
4129 and attract private debt or equity investment;
- 4130 (f) demonstration that the project provides a benefit to the state highway system,
4131 including safety or mobility improvements;
- 4132 (g) the amount of proposed assistance as a percentage of the overall project costs with
4133 emphasis on local and private participation;
- 4134 (h) demonstration that the project provides intermodal connectivity with public
4135 transportation, pedestrian, or nonmotorized transportation facilities; and
- 4136 (i) other provisions the commission considers appropriate.
- 4137 Section 48. Section **72-2-204** is amended to read:
- 4138 **72-2-204. Loan program procedures -- Repayment.**
- 4139 (1) A public entity may obtain an infrastructure loan from the department, upon
4140 approval by the commission, by entering into a loan contract with the department secured by
4141 legally issued bonds, notes, or other evidence of indebtedness validly issued under state law,
4142 including pledging all or any portion of a revenue source controlled by the public entity to the
4143 repayment of the loan.
- 4144 (2) A loan or assistance from the fund may bear interest at or above market interest
4145 rates available to the state.
- 4146 (3) A loan shall be repaid no later than 10 years from the date the department issues the
4147 loan to the borrower, with repayment commencing no later than:
- 4148 (a) when the project is completed; or
4149 (b) in the case of a highway project, when the facility has opened to traffic.
- 4150 [~~(2)~~] (4) The public entity shall repay the infrastructure loan in accordance with the

4151 loan contract from any of the following sources:

4152 (a) transportation project revenues, including special assessment revenues;

4153 (b) general funds of the public entity;

4154 (c) money withheld under Subsection [~~(5)~~] (7); or

4155 (d) any other legally available revenues.

4156 [~~(3)~~] (5) An infrastructure loan contract with a public entity may provide that a portion
4157 of the proceeds of the loan may be applied to fund a reserve fund to secure the repayment of the
4158 loan.

4159 [~~(4)~~] (6) Before obtaining an infrastructure loan, a county or municipality shall:

4160 (a) publish its intention to obtain an infrastructure loan at least once in accordance with
4161 the publication of notice requirements under Section 11-14-316; and

4162 (b) adopt an ordinance or resolution authorizing the infrastructure loan.

4163 [~~(5)~~] (7) (a) If a public entity fails to comply with the terms of its infrastructure loan
4164 contract, the department may seek any legal or equitable remedy to obtain compliance or
4165 payment of damages.

4166 (b) If a public entity fails to make infrastructure loan payments when due, the state
4167 shall, at the request of the department, withhold an amount of money due to the public entity
4168 and deposit the withheld money in the fund to pay the amounts due under the contract.

4169 (c) The department may elect when to request the withholding of money under this
4170 Subsection [~~(5)~~] (7).

4171 [~~(6)~~] (8) All loan contracts, bonds, notes, or other evidence of indebtedness securing
4172 the loan contracts shall be held, collected, and accounted for in accordance with Section
4173 63B-1b-202.

4174 Section 49. Section 72-5-111 is amended to read:

4175 **72-5-111. Disposal of real property.**

4176 (1) (a) If the department determines that any real property or interest in real property,
4177 acquired for a highway purpose, is no longer necessary for the purpose, the department may
4178 lease, sell, exchange, or otherwise dispose of the real property or interest in the real property.

4179 (b) (i) Real property may be sold at private or public sale.

4180 (ii) Except as provided in Subsection (1)(c) related to exchanges and Subsection (1)(d)
4181 related to the proceeds of any sale of real property from a maintenance facility, proceeds of any

4182 sale shall be deposited with the state treasurer and credited to the Transportation Fund.

4183 (c) (i) [Hf] Except as provided in Subsection (1)(c)(ii), if approved by the commission,
4184 real property or an interest in real property may be exchanged by the department for other real
4185 property or interest in real property, including improvements, for highway purposes.

4186 (ii) The department may exchange an interest in real property for another interest in
4187 real property for a project that is part of a statewide transportation improvement program
4188 approved by the commission.

4189 (d) Proceeds from the sale of real property or an interest in real property from a
4190 maintenance facility may be used by the department for the purchase or improvement of
4191 another maintenance facility, including real property.

4192 (2) (a) In the disposition of real property at any private sale, first consideration shall be
4193 given to the original grantor.

4194 (b) Notwithstanding the provisions of Section 78B-6-521, if no portion of a parcel of
4195 real property acquired by the department is used for transportation purposes, then the original
4196 grantor shall be given the opportunity to repurchase the parcel of real property at the
4197 department's original purchase price from the grantor.

4198 (c) In accordance with Section 72-5-404, this Subsection (2) does not apply to property
4199 rights acquired in proposed transportation corridors using funds from the Marda Dillree
4200 Corridor Preservation Fund created in Section 72-2-117.

4201 (d) (i) The right of first consideration described in Subsection (2)(a) is subject to the
4202 same terms and may be assigned by the original grantor in the manner described in Subsection
4203 78B-6-521(2).

4204 (ii) The original grantor or the assignee shall notify the department of an assignment by
4205 certified mail to the current office address of the executive director of the department.

4206 (iii) An exchange of real property as provided in Subsection (1)(c) or Section 72-5-113
4207 does not entitle the original grantor to exercise the right of first consideration described in
4208 Subsection (2)(a).

4209 (iv) The right of first consideration described in Subsection (2)(a) terminates upon an
4210 exchange of the acquired real property as provided in Subsection (1)(c) or Section 72-5-113.

4211 (3) (a) Any sale, exchange, or disposal of real property or interest in real property made
4212 by the department under this section, is exempt from the mineral reservation provisions of Title

4213 65A, Chapter 6, Mineral Leases.

4214 (b) Any deed made and delivered by the department under this section without specific
4215 reservations in the deed is a conveyance of all the state's right, title, and interest in the real
4216 property or interest in the real property.

4217 Section 50. Section **72-6-403** is amended to read:

4218 **72-6-403. Highway sponsorship program -- Sponsorship advertisement**
4219 **restrictions -- Rulemaking.**

4220 (1) The department may establish a sponsorship program to allow for private
4221 sponsorship of the following department operational activities or other highway-related
4222 services or programs:

4223 (a) traveler information; [~~and~~]

4224 (b) rest areas[-]; and

4225 (c) courtesy patrol services.

4226 (2) All revenue generated from a sponsorship authorized by this section shall be
4227 deposited into the Transportation Fund created by Section **72-2-102** to be used to:

4228 (a) offset costs associated with providing the service being sponsored; and

4229 (b) support costs associated with operation and maintenance of the state highway
4230 system.

4231 (3) (a) The department shall adopt a policy on sponsorship agreements that is
4232 applicable to all department operational activities or other highway-related services within the
4233 state described in Subsection (1).

4234 (b) The policy described in Subsection (3)(a) shall:

4235 (i) include language requiring the department to terminate a sponsorship agreement if it
4236 determines the sponsorship agreement or acknowledgment sign:

4237 (A) presents a safety concern;

4238 (B) interferes with the free and safe flow of traffic; or

4239 (C) is not in the public interest; and

4240 (ii) describe the sponsors and sponsorship agreements that are acceptable and
4241 consistent with applicable state and federal laws.

4242 (4) A sponsorship authorized by this section:

4243 (a) may not contain:

4244 (i) promotion of any substance or activity that is illegal for minors, such as alcohol,
4245 tobacco, drugs, or gambling;

4246 (ii) promotion of any political party, candidate, or issue; or

4247 (iii) sexual material;

4248 (b) may not resemble a traffic-control device as defined in Section 41-6a-102; and

4249 (c) shall comply with federal outdoor advertising regulations in accordance with 23
4250 U.S.C. Sec. 131.

4251 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4252 department shall make and enforce rules governing:

4253 (a) the placement and size restrictions for acknowledgment signs at rest areas; and

4254 (b) other size, placement, and content restrictions that the department determines are
4255 necessary.

4256 (6) A commercial advertiser that enters a sponsorship agreement with the department
4257 for the use of space for a sponsorship shall pay:

4258 (a) the cost of placing the sponsorship advertisement on a sign; and

4259 (b) for the removal of the sponsorship advertisement after the term of the sponsorship
4260 agreement has expired.

4261 Section 51. Section 72-10-102 is amended to read:

4262 **72-10-102. Definitions.**

4263 As used in this chapter:

4264 (1) "Acrobatics" means the intentional maneuvers of an aircraft not necessary to air
4265 navigation.

4266 (2) "Aeronautics" means transportation by aircraft, air instruction, the operation, repair,
4267 or maintenance of aircraft, and the design, operation, repair, or maintenance of airports, or
4268 other air navigation facilities.

4269 (3) "Aeronautics instructor" means any individual engaged in giving or offering to give
4270 instruction in aeronautics, flying, or ground subjects, either with or without:

4271 (a) compensation or other reward;

4272 (b) advertising the occupation;

4273 (c) calling his facilities an air school, or any equivalent term; or

4274 (d) employing or using other instructors.

- 4275 (4) "Aircraft" means any contrivance now known or in the future invented, used, or
4276 designed for navigation of or flight in the air.
- 4277 (5) "Air instruction" means the imparting of aeronautical information by any aviation
4278 instructor or in any air school or flying club.
- 4279 (6) "Airport" means any area of land, water, or both, that:
4280 (a) is used or is made available for landing and takeoff;
4281 (b) provides facilities for the shelter, supply, and repair of aircraft, and handling of
4282 passengers and cargo;
4283 (c) meets the minimum requirements established by the division as to size and design,
4284 surface, marking, equipment, and operation; and
4285 (d) includes all areas shown as part of the airport in the current airport layout plan as
4286 approved by the Federal Aviation Administration.
- 4287 (7) "Airport authority" means a political subdivision of the state, other than a county or
4288 municipality, that is authorized by statute to operate an airport.
- 4289 (8) "Airport operator" means a municipality, county, or airport authority that owns or
4290 operates a commercial airport.
- 4291 (9) (a) "Airport revenue" means:
4292 (i) all fees, charges, rents, or other payments received by or accruing to an airport
4293 operator for any of the following reasons:
4294 (A) revenue from air carriers, tenants, lessees, purchasers of airport properties, airport
4295 permittees making use of airport property and services, and other parties;
4296 (B) revenue received from the activities of others or the transfer of rights to others
4297 relating to the airport, including revenue received:
4298 (I) for the right to conduct an activity on the airport or to use or occupy airport
4299 property;
4300 (II) for the sale, transfer, or disposition of airport real or personal property, or any
4301 interest in that property, including transfer through a condemnation proceeding;
4302 (III) for the sale of, or the sale or lease of rights in, mineral, natural, or agricultural
4303 products or water owned by the airport operator to be taken from the airport; and
4304 (IV) for the right to conduct an activity on, or for the use or disposition of, real or
4305 personal property or any interest in real or personal property owned or controlled by the airport

4306 operator and used for an airport-related purpose but not located on the airport; or

4307 (C) revenue received from activities conducted by the airport operator whether on or
4308 off the airport, which is directly connected to the airport operator's ownership or operation of
4309 the airport; and

4310 (ii) state and local taxes on aviation fuel.

4311 (b) "Airport revenue" does not include amounts received by an airport operator as
4312 passenger facility fees pursuant to 49 U.S.C. Sec. 40117.

4313 (10) "Air school" means any person engaged in giving, offering to give, or advertising,
4314 representing, or holding himself out as giving, with or without compensation or other reward,
4315 instruction in aeronautics, flying, or ground subjects, or in more than one of these subjects.

4316 (11) "Airworthiness" means conformity with requirements prescribed by the Federal
4317 Aviation Administration regarding the structure or functioning of aircraft, engine, parts, or
4318 accessories.

4319 (12) "Civil aircraft" means any aircraft other than a public aircraft.

4320 (13) "Commercial aircraft" means aircraft used for commercial purposes.

4321 (14) "Commercial airport" means a landing area, landing strip, or airport that may be
4322 used for commercial operations.

4323 (15) "Commercial flight operator" means a person who conducts commercial
4324 operations.

4325 (16) "Commercial operations" means:

4326 (a) any operations of an aircraft for compensation or hire or any services performed
4327 incidental to the operation of any aircraft for which a fee is charged or compensation is
4328 received, including the servicing, maintaining, and repairing of aircraft, the rental or charter of
4329 aircraft, the operation of flight or ground schools, the operation of aircraft for the application or
4330 distribution of chemicals or other substances, and the operation of aircraft for hunting and
4331 fishing; or

4332 (b) the brokering or selling of any of these services; but

4333 (c) does not include any operations of aircraft as common carriers certificated by the
4334 federal government or the services incidental to those operations.

4335 (17) "Dealer" means any person who is actively engaged in the business of flying for
4336 demonstration purposes, or selling or exchanging aircraft, and who has an established place of

4337 business.

4338 ~~[(18) "Division" means the Operations Division in the Department of Transportation,~~
4339 ~~created in Section 72-1-204.]~~

4340 ~~[(19)]~~ (18) "Experimental aircraft" means:

4341 (a) any aircraft designated by the Federal Aviation Administration or the military as
4342 experimental and used solely for the purpose of experiments, or tests regarding the structure or
4343 functioning of aircraft, engines, or their accessories; and

4344 (b) any aircraft designated by the Federal Aviation Administration as:

4345 (i) being custom or amateur built; and

4346 (ii) used for recreational, educational, or display purposes.

4347 ~~[(20)]~~ (19) "Flight" means any kind of locomotion by aircraft while in the air.

4348 ~~[(21)]~~ (20) "Flying club" means five or more persons who for neither profit nor reward
4349 own, lease, or use one or more aircraft for the purpose of instruction, pleasure, or both.

4350 ~~[(22)]~~ (21) "Glider" means an aircraft heavier than air, similar to an airplane, but
4351 without a power plant.

4352 ~~[(23)]~~ (22) "Mechanic" means a person who constructs, repairs, adjusts, inspects, or
4353 overhauls aircraft, engines, or accessories.

4354 ~~[(24)]~~ (23) "Parachute jumper" means any person who has passed the required test for
4355 jumping with a parachute from an aircraft, and has passed an examination showing that he
4356 possesses the required physical and mental qualifications for the jumping.

4357 ~~[(25)]~~ (24) "Parachute rigger" means any person who has passed the required test for
4358 packing, repairing, and maintaining parachutes.

4359 ~~[(26)]~~ (25) "Passenger aircraft" means aircraft used for transporting persons, in
4360 addition to the pilot or crew, with or without their necessary personal belongings.

4361 ~~[(27)]~~ (26) "Person" means any individual, corporation, limited liability company, or
4362 association of individuals.

4363 ~~[(28)]~~ (27) "Pilot" means any person who operates the controls of an aircraft while
4364 in-flight.

4365 ~~[(29)]~~ (28) "Primary glider" means any glider that has a gliding angle of less than 10 to
4366 one.

4367 ~~[(30)]~~ (29) "Public aircraft" means an aircraft used exclusively in the service of any

4368 government or of any political subdivision, including the government of the United States, of
4369 the District of Columbia, and of any state, territory, or insular possession of the United States,
4370 but not including any government-owned aircraft engaged in carrying persons or goods for
4371 commercial purposes.

4372 ~~[(31)]~~ (30) "Reckless flying" means the operation or piloting of any aircraft recklessly,
4373 or in a manner as to endanger the property, life, or body of any person, due regard being given
4374 to the prevailing weather conditions, field conditions, and to the territory being flown over.

4375 ~~[(32)]~~ (31) "Registration number" means the number assigned by the Federal Aviation
4376 Administration to any aircraft, whether or not the number includes a letter or letters.

4377 ~~[(33)]~~ (32) "Secondary glider" means any glider that has a gliding angle between 10 to
4378 one and 16 to one, inclusive.

4379 ~~[(34)]~~ (33) "Soaring glider" means any glider that has a gliding angle of more than 16
4380 to one.

4381 Section 52. Section 77-23c-101 is amended to read:

4382 **77-23c-101. Definitions.**

4383 As used in this chapter:

4384 (1) "Connected vehicle" means a vehicle that is equipped with a wireless
4385 communication device which can, for the purpose of improving vehicle safety or traffic
4386 mobility:

4387 (a) broadcast, according to industry-defined standards and without operator
4388 intervention, specific information about the vehicle movement and activity; and

4389 (b) receive related information from other vehicles, roadside transportation
4390 infrastructure, and others.

4391 ~~[(1)]~~ (2) "Electronic communication service" means a service that provides to users of
4392 the service the ability to send or receive wire or electronic communications.

4393 ~~[(2)]~~ (3) "Electronic device" means a device that enables access to or use of an
4394 electronic communication service, remote computing service, or location information service.

4395 ~~[(3)]~~ (4) "Government entity" means the state, a county, a municipality, a higher
4396 education institution, a local district, a special service district, or any other political subdivision
4397 of the state or an administrative subunit of any political subdivision, including a law
4398 enforcement entity or any other investigative entity, agency, department, division, bureau,

4399 board, or commission, or an individual acting or purporting to act for or on behalf of a state or
4400 local agency.

4401 ~~[(4)]~~ (5) "Location information" means information concerning the location of an
4402 electronic device that, in whole or in part, is generated or derived from or obtained by the
4403 operation of an electronic device.

4404 ~~[(5)]~~ (6) "Location information service" means the provision of a global positioning
4405 service or other mapping, location, or directional information service.

4406 ~~[(6)]~~ (7) "Remote computing service" means the provision of computer storage or
4407 processing services by means of an electronic communications system.

4408 Section 53. Section 77-23c-102 is amended to read:

4409 **77-23c-102. Location information privacy -- Warrant required for disclosure.**

4410 (1) (a) Except as provided in Subsection (2), a government entity may not obtain the
4411 location information, stored data, or transmitted data of an electronic device without a search
4412 warrant issued by a court upon probable cause.

4413 (b) Except as provided in Subsection (1)(c), a government entity may not use, copy, or
4414 disclose, for any purpose, the location information, stored data, or transmitted data of an
4415 electronic device that is not the subject of the warrant that is collected as part of an effort to
4416 obtain the location information, stored data, or transmitted data of the electronic device that is
4417 the subject of the warrant in Subsection (1)(a).

4418 (c) A government entity may use, copy, or disclose the transmitted data of an electronic
4419 device used to communicate with the electronic device that is the subject of the warrant if the
4420 government entity reasonably believes that the transmitted data is necessary to achieve the
4421 objective of the warrant.

4422 (d) The data described in Subsection (1)(b) shall be destroyed in an unrecoverable
4423 manner by the government entity as soon as reasonably possible after the data is collected.

4424 (2) (a) A government entity may obtain location information without a warrant for an
4425 electronic device:

4426 (i) in accordance with Section 53-10-104.5;

4427 (ii) if the device is reported stolen by the owner;

4428 (iii) with the informed, affirmative consent of the owner or user of the electronic
4429 device;

4430 (iv) in accordance with judicially recognized exceptions to warrant requirements; or
4431 (v) if the owner has voluntarily and publicly disclosed the location information.

4432 (b) A prosecutor may obtain a judicial order as defined in Section [77-22-2.5](#) for the
4433 purposes enumerated in Section [77-22-2.5](#).

4434 (3) An electronic communication service provider, its officers, employees, agents, or
4435 other specified persons may not be held liable for providing information, facilities, or
4436 assistance in accordance with the terms of the warrant issued under this section or without a
4437 warrant pursuant to Subsection (2).

4438 (4) (a) (i) Notwithstanding Subsections (1) through (3), a government entity may
4439 receive and utilize electronic data containing the location information of an electronic device
4440 from a non-government entity as long as the electronic data contains no information that
4441 includes, or may reveal, the identity of an individual.

4442 (ii) Notwithstanding Subsections (1) through (3), for roadway operation purposes, the
4443 Department of Transportation may obtain, collect, and utilize electronic data containing the
4444 location information of an electronic device that is placed in a motor vehicle by the vehicle
4445 manufacturer or the vehicle owner to make the vehicle a connected vehicle as long as the
4446 electronic data contains no information that includes or may reveal the:

4447 (A) identity of an individual; or

4448 (B) vehicle make, model, registration information, or manufacturer-issued vehicle
4449 identification number.

4450 (b) Electronic data collected in accordance with this subsection may not be used for
4451 investigative purposes by a law enforcement agency.

4452 Section 54. **Repealer.**

4453 This bill repeals:

4454 Section [17B-2a-803.1](#), **Authority to name a large public transit district.**

4455 Section 55. **Effective date.**

4456 (1) Except as provided in Subsection (2), this bill takes effect on May 14, 2019.

4457 (2) The amendments to the following sections in this bill take effect on July 1, 2019:

4458 (a) Section [59-12-2202](#);

4459 (b) Section [59-12-2203](#);

4460 (c) Section [59-12-2212.2](#);

- 4461 (d) Section 59-12-2214;
- 4462 (e) Section 59-12-2215;
- 4463 (f) Section 59-12-2216;
- 4464 (g) Section 59-12-2217;
- 4465 (h) Section 59-12-2218;
- 4466 (i) Section 59-12-2219;
- 4467 (j) Section 59-12-2220; and
- 4468 (k) Section 59-13-301.