

Senator Wayne A. Harper proposes the following substitute bill:

TRANSPORTATION GOVERNANCE AND FUNDING

AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Kay J. Christofferson

LONG TITLE

General Description:

This bill amends provisions related to transportation funding, motor vehicles, transportation network companies, and other transportation related items.

Highlighted Provisions:

This bill:

- ▶ requires counties and municipalities to provide certain notifications to a large public transit district related to development that could impact public transit corridors;
- ▶ amends provisions related to transportation reinvestment zones to facilitate state participation;
- ▶ amends provisions related to ~~insurance levels and~~ safety standards of transportation network company vehicles;
- ▶ amends provisions related to public transit districts, including:
 - removing a cap on the number of transit-oriented developments allowed;
 - defining terms related to public transit infrastructure and planning; and
 - provisions related to powers and responsibilities of the board of trustees and local advisory councils of a large public transit district;
- ▶ amends provisions related to odometer disclosures to comply with federal law;



26 ~~§~~ → [→ → ~~increases a tax on the rental of motor vehicles;~~
 27 → → ~~repeals increased~~] amends provisions related to ← ← ~~§~~ registration fees for hybrid electric
 27a motor vehicles;

- 28 ▶ amends provisions related to certain local option sales and use taxes regarding voter
- 29 approval of certain sales tax impositions and approved uses of certain revenues;
- 30 ▶ requires the Department of Transportation to provide reports to the Legislature
- 31 regarding the road usage charge program, implementation, and future inclusion of
- 32 all motor vehicles;
- 33 ▶ amends provisions related to the duties of and prioritization criteria considered by
- 34 the Transportation Commission;
- 35 ▶ amends provisions and defines terms related to the distribution of class B and class
- 36 C road funds;
- 37 ▶ allows certain funds related to class B and C roads to be used for administration of
- 38 the class B and C road fund;
- 39 ▶ amends provisions of the Transportation Investment Fund of 2005 related to
- 40 programming of funds;
- 41 ▶ creates the Transportation Reinvestment Zone fund to receive future contributions
- 42 from state sales tax revenues relevant to a transportation reinvestment zone to which
- 43 the state is a party;
- 44 ▶ amends provisions related to revenues generated by a tollway to allow revenues to
- 45 be used for any state transportation purpose;
- 46 ▶ amends provisions related to airport operators and the duties of peace officers and
- 47 other employees interacting with traffic and air passengers; and
- 48 ▶ makes technical changes.

49 **Money Appropriated in this Bill:**

50 None

51 **Other Special Clauses:**

52 This bill provides a special effective date.

53 **Utah Code Sections Affected:**

54 AMENDS:

55 **10-9a-206**, as last amended by Laws of Utah 2017, Chapter 428

56 **11-13-227**, as last amended by Laws of Utah 2019, Chapter 479

57 **13-51-107**, as last amended by Laws of Utah 2017, Chapter 406
58 ~~§→ [—**13-51-108**, as last amended by Laws of Utah 2016, Chapters 138 and 359] ←§~~
59 **17-27a-206**, as last amended by Laws of Utah 2017, Chapter 428
60 **17B-2a-802**, as last amended by Laws of Utah 2019, Chapter 479
61 **17B-2a-804**, as last amended by Laws of Utah 2018, Chapter 424
62 **17B-2a-808.1**, as last amended by Laws of Utah 2019, Chapter 479
63 **41-1a-902**, as last amended by Laws of Utah 1992, Chapter 234 and renumbered and
64 amended by Laws of Utah 1992, Chapter 1
65 **41-1a-1206**, as last amended by Laws of Utah 2019, Chapter 479
66 ~~§→ [—**59-12-1201**, as last amended by Laws of Utah 2016, Chapters 184 and 291] ←§~~
67 **59-12-2214**, as last amended by Laws of Utah 2019, Chapter 479
68 **59-12-2215**, as last amended by Laws of Utah 2019, Chapter 479
69 **59-12-2217**, as last amended by Laws of Utah 2019, Chapter 479
70 **72-1-102**, as last amended by Laws of Utah 2019, Chapters 431 and 479
71 **72-1-213.1**, as enacted by Laws of Utah 2019, Chapter 479
72 **72-1-303**, as last amended by Laws of Utah 2018, Chapter 424
73 **72-1-304**, as last amended by Laws of Utah 2019, Chapters 327 and 479
74 **72-2-107**, as last amended by Laws of Utah 2019, Chapter 479
75 **72-2-108**, as last amended by Laws of Utah 2018, Second Special Session, Chapter 8
76 **72-2-124**, as last amended by Laws of Utah 2019, Chapters 327 and 479
77 **72-3-104**, as last amended by Laws of Utah 2003, Chapters 131 and 292
78 **72-6-118**, as last amended by Laws of Utah 2018, Chapter 269
79 **72-10-207**, as last amended by Laws of Utah 1998, Chapters 282, 365 and renumbered
80 and amended by Laws of Utah 1998, Chapter 270

81 ENACTS:

82 **72-2-131**, Utah Code Annotated 1953



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

85 Section 1. Section **10-9a-206** is amended to read:

86 **10-9a-206. Third party notice -- High priority transportation corridor notice.**

87 (1) (a) If a municipality requires notice to adjacent property owners, the municipality

88 shall:

89 (i) mail notice to the record owner of each parcel within parameters specified by
90 municipal ordinance; or

91 (ii) post notice on the property with a sign of sufficient size, durability, print quality,
92 and location that is reasonably calculated to give notice to passers-by.

93 (b) If a municipality mails notice to third party property owners under Subsection
94 (1)(a), it shall mail equivalent notice to property owners within an adjacent jurisdiction.

95 (2) (a) As used in this Subsection (2), "high priority transportation corridor" means a
96 transportation corridor identified as a high priority transportation corridor under Section
97 [72-5-403](#).

98 (b) The Department of Transportation may request, in writing, that a municipality
99 provide the department with electronic notice of each land use application received by the
100 municipality that may adversely impact the development of a high priority transportation
101 corridor.

102 (c) If the municipality receives a written request as provided in Subsection (2)(b), the
103 municipality shall provide the Department of Transportation with timely electronic notice of
104 each land use application that the request specifies.

105 (3) (a) A large public transit district, as defined in Section [17B-2a-802](#), may request, in
106 writing, that a municipality provide the large public transit district with electronic notice of
107 each land use application received by the municipality that may impact the development of a
108 major transit investment corridor.

109 (b) If the municipality receives a written request as provided in Subsection (3)(a), the
110 municipality shall provide the large public transit district with timely electronic notice of each
111 land use application that the request specifies.

112 Section 2. Section **11-13-227** is amended to read:

113 **11-13-227. Transportation reinvestment zones.**

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

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

- 119 (a) define the transportation infrastructure need and proposed improvement;
- 120 (b) define the boundaries of the zone;
- 121 (c) establish terms for sharing sales tax revenue among the members of the agreement;
- 122 (d) establish a base year to calculate the increase of property tax revenue within the
- 123 zone;
- 124 (e) establish terms for sharing any increase in property tax revenue within the zone;
- 125 and
- 126 (f) before an agreement is approved as required in Section 11-13-202.5, hold a public
- 127 hearing regarding the details of the proposed transportation reinvestment zone.

128 (3) (a) Subject to Subsection (3)(b), the state may enter into an agreement and
 129 participate in a transportation reinvestment zone.

130 (b) If state funds will be expended and contributed to a transportation reinvestment
 131 zone as described in Section 72-2-131, the state may only enter into an agreement and
 132 participate in the transportation reinvestment zone if the proposed transportation infrastructure
 133 need and proposed improvement serve a statewide public purpose.

134 [~~3~~] (4) Any agreement to establish a transportation reinvestment zone is subject to the
 135 requirements of Sections 11-13-202, 11-13-202.5, 11-13-206, and 11-13-207.

136 [~~4~~] (5) (a) Each public agency that is party to an agreement under this section shall
 137 annually publish a report including a statement of the increased tax revenue and the
 138 expenditures made in accordance with the agreement.

139 (b) Each public agency that is party to an agreement under this section shall transmit a
 140 copy of the report described in Subsection [~~4~~] (5)(a) to the state auditor.

141 [~~5~~] (6) If any surplus revenue remains in a tax revenue account created as part of a
 142 transportation reinvestment zone agreement, the parties may use the surplus for other purposes
 143 as determined by agreement of the parties.

144 [~~6~~] (7) (a) An action taken under this section is not subject to:

- 145 (i) Section 10-8-2;
- 146 (ii) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act;
- 147 (iii) Title 17, Chapter 27a, County Land Use, Development, and Management Act; or
- 148 (iv) Section 17-50-312.

149 (b) An ordinance, resolution, or agreement adopted under this title is not a land use

150 regulation as defined in Sections 10-9a-103 and 17-27a-103.

151 Section 3. Section 13-51-107 is amended to read:

152 **13-51-107. Driver requirements.**

153 (1) Before a transportation network company allows an individual to use the
154 transportation network company's software application as a transportation network driver, the
155 transportation network company shall:

156 (a) require the individual to submit to the transportation network company:

157 (i) the individual's name, address, and age;

158 (ii) a copy of the individual's driver license, including the driver license number; and

159 (iii) proof that the vehicle that the individual will use to provide transportation network
160 services is registered with the Division of Motor Vehicles;

161 (b) require the individual to consent to a criminal background check of the individual
162 by the transportation network company or the transportation network company's designee; and

163 (c) obtain and review a report that lists the individual's driving history.

164 (2) A transportation company may not allow an individual to provide transportation
165 network services as a transportation network driver if the individual:

166 (a) has committed more than three moving violations in the three years before the day
167 on which the individual applies to become a transportation network driver;

168 (b) has been convicted, in the seven years before the day on which the individual
169 applies to become a transportation network driver, of:

170 (i) driving under the influence of alcohol or drugs;

171 (ii) fraud;

172 (iii) a sexual offense;

173 (iv) a felony involving a motor vehicle;

174 (v) a crime involving property damage;

175 (vi) a crime involving theft;

176 (vii) a crime of violence; or

177 (viii) an act of terror;

178 (c) is required to register as a sex offender in accordance with Title 77, Chapter 41, Sex
179 and Kidnap Offender Registry;

180 (d) does not have a valid Utah driver license; or

181 (e) is not at least 19 years of age.

182 (3) (a) A transportation network company shall prohibit a transportation network driver
183 from accepting a request for a prearranged ride if the motor vehicle that the transportation
184 network driver uses to provide transportation network services fails to comply with:

185 ~~[(a)]~~ (i) equipment standards described in Section 41-6a-1601; and

186 ~~[(b)]~~ (ii) emission requirements adopted by a county under Section 41-6a-1642.

187 (b) An airport operator may perform a random safety inspection of a transportation
188 network driver's vehicle operating within the airport to ensure compliance with equipment
189 standards described in Section 41-6a-1601.

190 (4) A transportation network driver, while providing transportation network services,
191 shall carry proof, in physical or electronic form, that the transportation network driver is
192 covered by insurance that satisfies the requirements of Section 13-51-108.

193 ~~§ → [Section 4. Section 13-51-108 is amended to read:~~

194 ~~———— 13-51-108. Insurance:~~

195 ~~———— (1) A transportation network company or a transportation network driver shall maintain~~
196 ~~insurance that covers, on a primary basis, a transportation network driver's use of a vehicle~~
197 ~~during a prearranged ride and that includes:~~

198 ~~———— (a) an acknowledgment that the transportation network driver is using the vehicle in~~
199 ~~connection with a transportation network company during a prearranged ride or that the~~
200 ~~transportation network driver is otherwise using the vehicle for a commercial purpose;~~

201 ~~———— (b) liability coverage for a minimum amount of [\$1,000,000] \$1,500,000 per~~
202 ~~occurrence;~~

203 ~~———— (c) personal injury protection to the extent required under Sections 31A-22-306~~
204 ~~through 31A-22-309;~~

205 ~~———— (d) uninsured motorist coverage where required by Section 31A-22-305; and~~

206 ~~———— (e) underinsured motorist coverage where required by Section 31A-22-305.3.~~

207 ~~———— (2) A transportation network company or a transportation network driver shall maintain~~
208 ~~insurance that covers, on a primary basis, a transportation network driver's use of a vehicle~~
209 ~~during a waiting period and that includes:~~

210 ~~———— (a) an acknowledgment that the transportation network driver is using the vehicle in~~
211 ~~connection with a transportation network company during a waiting period or that the~~

212 ~~⊗~~transportation network driver is otherwise using the vehicle for a commercial purpose;
 213 ——— (b) liability coverage in a minimum amount, per occurrence, of:
 214 ——— (i) \$50,000 to any one individual;
 215 ——— (ii) \$100,000 to all individuals; and
 216 ——— (iii) \$30,000 for property damage;
 217 ——— (c) personal injury protection to the extent required under Sections ~~31A-22-306~~
 218 through ~~31A-22-309~~;
 219 ——— (d) uninsured motorist coverage where required by Section ~~31A-22-305~~; and
 220 ——— (e) underinsured motorist coverage where required by Section ~~31A-22-305.3~~.
 221 ——— (3) A transportation network company and a transportation network driver may satisfy
 222 the requirements of Subsections (1) and (2) by:
 223 ——— (a) the transportation network driver purchasing coverage that complies with
 224 Subsections (1) and (2);
 225 ——— (b) the transportation network company purchasing, on the transportation network
 226 driver's behalf, coverage that complies with Subsections (1) and (2); or
 227 ——— (c) a combination of Subsections (3)(a) and (b).
 228 ——— (4) An insurer may offer to a transportation network driver a personal automobile
 229 liability insurance policy, or an amendment or endorsement to a personal automobile liability
 230 policy, that:
 231 ——— (a) covers a private passenger motor vehicle while used to provide transportation
 232 network services; and
 233 ——— (b) satisfies the coverage requirements described in Subsection (1) or (2).
 234 ——— (5) Nothing in this section requires a personal automobile insurance policy to provide
 235 coverage while a driver is providing transportation network services.
 236 ——— (6) If a transportation network company does not purchase a policy that complies with
 237 Subsections (1) and (2) on behalf of a transportation network driver, the transportation network
 238 company shall verify that the driver has purchased a policy that complies with Subsections (1)
 239 and (2).
 240 ——— (7) An insurance policy that a transportation network company or a transportation
 241 network driver maintains under Subsection (1) or (2):
 242 ——— (a) satisfies the security requirements of Section ~~41-12a-301~~; and ~~⊗~~

243 ~~⊗~~ ~~(b) may be placed with:~~
 244 ~~—— (i) an insurer that is certified under Section 31A-4-103; or~~
 245 ~~—— (ii) a surplus lines insurer eligible under Section 31A-15-103.~~
 246 ~~—— (8) An insurer that provides coverage for a transportation network driver explicitly for~~
 247 ~~the transportation network driver's transportation network services under Subsection (1) or (2)~~
 248 ~~shall have the duty to defend a liability claim arising from an occurrence while the~~
 249 ~~transportation network driver is providing transportation network services.~~

250 ~~—— (9) If insurance a transportation network driver maintains under Subsection (1) or (2)~~
 251 ~~lapses or ceases to exist, a transportation network company shall provide coverage complying~~
 252 ~~with Subsection (1) or (2) beginning with the first dollar of a claim.~~

253 ~~—— (10) (a) An insurance policy that a transportation network company or transportation~~
 254 ~~network driver maintains under Subsection (1) or (2) may not provide that coverage is~~
 255 ~~dependent on a transportation network driver's personal automobile insurance policy first~~
 256 ~~denying a claim.~~

257 ~~—— (b) Subsection (10)(a) does not apply to coverage a transportation network company~~
 258 ~~provides under Subsection (9) in the event a transportation network driver's coverage under~~
 259 ~~Subsection (1) or (2) lapses or ceases to exist.~~

260 ~~—— (11) A personal automobile insurer:~~

261 ~~—— (a) notwithstanding Section 31A-22-302, may offer a personal automobile liability~~
 262 ~~policy that excludes coverage for a loss that arises from the use of the insured vehicle to~~
 263 ~~provide transportation network services; and~~

264 ~~—— (b) does not have the duty to defend or indemnify a loss if an exclusion described in~~
 265 ~~Subsection (11)(a) excludes coverage according to the policy's terms.] ←Ŝ~~

266 Section ~~Ŝ~~ → [5] 4 ←Ŝ . Section 17-27a-206 is amended to read:

267 **17-27a-206. Third party notice -- High priority transportation corridor notice.**

268 (1) (a) If a county requires notice to adjacent property owners, the county shall:

269 (i) mail notice to the record owner of each parcel within parameters specified by county
 270 ordinance; or

271 (ii) post notice on the property with a sign of sufficient size, durability, print quality,
 272 and location that is reasonably calculated to give notice to passers-by.

273 (b) If a county mails notice to third party property owners under Subsection (1), it shall

274 mail equivalent notice to property owners within an adjacent jurisdiction.

275 (2) (a) As used in this Subsection (2), "high priority transportation corridor" means a
276 transportation corridor identified as a high priority transportation corridor under Section
277 [72-5-403](#).

278 (b) The Department of Transportation may request, in writing, that a county provide
279 the department with electronic notice of each land use application received by the county that
280 may adversely impact the development of a high priority transportation corridor.

281 (c) If the county receives a written request as provided in Subsection (2)(b), the county
282 shall provide the Department of Transportation with timely electronic notice of each land use
283 application that the request specifies.

284 (3) (a) A large public transit district, as defined in Section [17B-2a-802](#), may request, in
285 writing, that a county provide the large public transit district with electronic notice of each land
286 use application received by the county that may impact the development of a major transit
287 investment corridor.

288 (b) If the county receives a written request as provided in Subsection (3)(a), the county
289 shall provide the large public transit district with timely electronic notice of each land use
290 application that the request specifies.

291 Section 6. Section **17B-2a-802** is amended to read:

292 **17B-2a-802. Definitions.**

293 As used in this part:

294 (1) "Affordable housing" means housing occupied or reserved for occupancy by
295 households that meet certain gross household income requirements based on the area median
296 income for households of the same size.

297 (a) "Affordable housing" may include housing occupied or reserved for occupancy by
298 households that meet specific area median income targets or ranges of area median income
299 targets.

300 (b) "Affordable housing" does not include housing occupied or reserved for occupancy
301 by households with gross household incomes that are more than 60% of the area median
302 income for households of the same size.

303 (2) "Appointing entity" means the person, county, unincorporated area of a county, or
304 municipality appointing a member to a public transit district board of trustees.

305 (3) (a) "Chief executive officer" means a person appointed by the board of trustees of a
306 small public transit district to serve as chief executive officer.

307 (b) "Chief executive officer" shall enjoy all the rights, duties, and responsibilities
308 defined in Sections 17B-2a-810 and 17B-2a-811 and includes all rights, duties, and
309 responsibilities assigned to the general manager but prescribed by the board of trustees to be
310 fulfilled by the chief executive officer.

311 (4) "Council of governments" means a decision-making body in each county composed
312 of membership including the county governing body and the mayors of each municipality in the
313 county.

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

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

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

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

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

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

326 (b) two or more counties.

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

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

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

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

335 (12) "Operator" means a public entity or other person engaged in the transportation of

336 passengers for hire.

337 (13) (a) "Public transit" means regular, continuing, shared-ride, surface transportation
338 services that are open to the general public or open to a segment of the general public defined
339 by age, disability, or low income.

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

341 (i) chartered bus;

342 (ii) sightseeing bus;

343 (iii) taxi;

344 (iv) school bus service;

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

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

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

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

350 (16) "Station area plan" means a plan adopted by the relevant municipality or county
351 that establishes and preserves a vision for areas within one-half mile of a fixed guideway
352 station of a large public transit district, the development of which includes:

353 (a) involvement of all relevant stakeholders who have an interest in the station area,
354 including relevant metropolitan planning organizations;

355 (b) identification of major infrastructural and policy constraints and a course of action
356 to address those constraints; and

357 (c) other criteria as determined by the board of trustees of the relevant public transit
358 district.

359 [~~16~~] (17) "Transit facility" means a transit vehicle, transit station, depot, passenger
360 loading or unloading zone, parking lot, or other facility:

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

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

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

364 (ii) railway line; and

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

367 [(17)] (18) "Transit vehicle" means a passenger bus, coach, railcar, van, or other
368 vehicle operated as public transportation by a public transit district.

369 [(18)] (19) "Transit-oriented development" means a mixed use residential or
370 commercial area that is designed to maximize access to public transit and includes the
371 development of land owned by a large public transit district [~~that serves a county of the first~~
372 ~~class~~].

373 [(19)] (20) "Transit-supportive development" means a mixed use residential or
374 commercial area that is designed to maximize access to public transit and does not include the
375 development of land owned by a large public transit district.

376 Section 7. Section **17B-2a-804** is amended to read:

377 **17B-2a-804. Additional public transit district powers.**

378 (1) In addition to the powers conferred on a public transit district under Section
379 **17B-1-103**, a public transit district may:

380 (a) provide a public transit system for the transportation of passengers and their
381 incidental baggage;

382 (b) notwithstanding Subsection **17B-1-103(2)(g)** and subject to Section **17B-2a-817**,
383 levy and collect property taxes only for the purpose of paying:

384 (i) principal and interest of bonded indebtedness of the public transit district; or

385 (ii) a final judgment against the public transit district if:

386 (A) the amount of the judgment exceeds the amount of any collectable insurance or
387 indemnity policy; and

388 (B) the district is required by a final court order to levy a tax to pay the judgment;

389 (c) insure against:

390 (i) loss of revenues from damage to or destruction of some or all of a public transit
391 system from any cause;

392 (ii) public liability;

393 (iii) property damage; or

394 (iv) any other type of event, act, or omission;

395 (d) acquire, contract for, lease, construct, own, operate, control, or use:

396 (i) a right-of-way, rail line, monorail, bus line, station, platform, switchyard, terminal,
397 parking lot, or any other facility necessary or convenient for public transit service; or

- 398 (ii) any structure necessary for access by persons and vehicles;
- 399 (e) (i) hire, lease, or contract for the supplying or management of a facility, operation,
400 equipment, service, employee, or management staff of an operator; and
- 401 (ii) provide for a sublease or subcontract by the operator upon terms that are in the
402 public interest;
- 403 (f) operate feeder bus lines and other feeder or ridesharing services as necessary;
- 404 (g) accept a grant, contribution, or loan, directly through the sale of securities or
405 equipment trust certificates or otherwise, from the United States, or from a department,
406 instrumentality, or agency of the United States;
- 407 (h) study and plan transit facilities in accordance with any legislation passed by
408 Congress;
- 409 (i) cooperate with and enter into an agreement with the state or an agency of the state
410 or otherwise contract to finance to establish transit facilities and equipment or to study or plan
411 transit facilities;
- 412 (j) subject to Subsection [17B-2a-808.1\(5\)](#), issue bonds as provided in and subject to
413 Chapter 1, Part 11, Local District Bonds, to carry out the purposes of the district;
- 414 (k) from bond proceeds or any other available funds, reimburse the state or an agency
415 of the state for an advance or contribution from the state or state agency;
- 416 (l) do anything necessary to avail itself of any aid, assistance, or cooperation available
417 under federal law, including complying with labor standards and making arrangements for
418 employees required by the United States or a department, instrumentality, or agency of the
419 United States;
- 420 (m) sell or lease property;
- 421 (n) except as provided in Subsection (2)(b), assist in or operate transit-oriented or
422 transit-supportive developments;
- 423 (o) establish, finance, participate as a limited partner or member in a development with
424 limited liabilities in accordance with Subsection (1)(p), construct, improve, maintain, or
425 operate transit facilities, equipment, and, in accordance with Subsection (3), transit-oriented
426 developments or transit-supportive developments; and
- 427 (p) subject to the restrictions and requirements in Subsections (2) and (3), assist in a
428 transit-oriented development or a transit-supportive development in connection with project

429 area development as defined in Section 17C-1-102 by:

430 (i) investing in a project as a limited partner or a member, with limited liabilities; or

431 (ii) subordinating an ownership interest in real property owned by the public transit
432 district.

433 (2) (a) A public transit district may only assist in the development of areas under
434 Subsection (1)(p)[:] that have been approved by the board of trustees, and in the manners
435 described in Subsection (1)(p).

436 [~~(i) in the manner described in Subsection (1)(p)(i) or (ii); and~~]

437 [~~(ii) on no more than eight transit-oriented developments or transit-supportive~~
438 ~~developments selected by the board of trustees.]~~

439 (b) A public transit district may not invest in a transit-oriented development or
440 transit-supportive development as a limited partner or other limited liability entity under the
441 provisions of Subsection (1)(p)(i), unless the partners, developer, or other investor in the entity,
442 makes an equity contribution equal to no less than 25% of the appraised value of the property
443 to be contributed by the public transit district.

444 (c) (i) For transit-oriented development projects, a public transit district shall adopt
445 transit-oriented development policies and guidelines that include provisions on affordable
446 housing.

447 (ii) For transit-supportive development projects, a public transit district shall work with
448 the metropolitan planning organization and city and county governments where the project is
449 located to collaboratively seek to create joint plans for the areas within one-half mile of transit
450 stations, including plans for affordable housing.

451 (d) A current board member of a public transit district to which the board member is
452 appointed may not have any interest in the transactions engaged in by the public transit district
453 pursuant to Subsection (1)(p)(i) or (ii), except as may be required by the board member's
454 fiduciary duty as a board member.

455 (3) For any transit-oriented development or transit-supportive development authorized
456 in this section, the public transit district shall:

457 (a) perform a cost-benefit analysis of the monetary investment and expenditures of the
458 development, including effect on:

459 (i) service and ridership;

- 460 (ii) regional plans made by the metropolitan planning agency;
461 (iii) the local economy;
462 (iv) the environment and air quality;
463 (v) affordable housing; and
464 (vi) integration with other modes of transportation; ~~and~~
465 (b) provide evidence to the public of a quantifiable positive return on investment,
466 including improvements to public transit service.
- 467 (4) A public transit district may not participate in a transit-oriented development if:
468 (a) the relevant municipality or county has not developed and adopted a station area
469 plan; and
470 (b) (i) for a transit-oriented development involving a municipality, the municipality is
471 not in compliance with Sections 10-9a-403 and 10-9a-408 regarding the inclusion of moderate
472 income housing in the general plan and the required reporting requirements; or
473 (ii) for a transit-oriented development involving property in an unincorporated area of a
474 county, the county is not in compliance with Sections 17-27a-403 and 17-27a-408 regarding
475 inclusion of moderate income housing in the general plan and required reporting requirements.
- 476 ~~[(4)]~~ (5) A public transit district may be funded from any combination of federal, state,
477 local, or private funds.
- 478 ~~[(5)]~~ (6) A public transit district may not acquire property by eminent domain.
479 Section 8. Section **17B-2a-808.1** is amended to read:
- 480 **17B-2a-808.1. Large public transit district board of trustees powers and duties --**
481 **Adoption of ordinances, resolutions, or orders -- Effective date of ordinances.**
- 482 (1) The powers and duties of a board of trustees of a large public transit district stated
483 in this section are in addition to the powers and duties stated in Section **17B-1-301**.
- 484 (2) The board of trustees of each large public transit district shall:
485 (a) hold public meetings and receive public comment;
486 (b) ensure that the policies, procedures, and management practices established by the
487 public transit district meet state and federal regulatory requirements and federal grantee
488 eligibility;
489 (c) subject to Subsection (8), create and approve an annual budget, including the
490 issuance of bonds and other financial instruments, after consultation with the local advisory

- 491 council;
- 492 (d) approve any interlocal agreement with a local jurisdiction;
- 493 (e) in consultation with the local advisory council, approve contracts and overall
494 property acquisitions and dispositions for transit-oriented development;
- 495 (f) in consultation with constituent counties, municipalities, metropolitan planning
496 organizations, and the local advisory council:
- 497 (i) develop and approve a strategic plan for development and operations on at least a
498 four-year basis; and
- 499 (ii) create and pursue funding opportunities for transit capital and service initiatives to
500 meet anticipated growth within the public transit district;
- 501 (g) annually report the public transit district's long-term financial plan to the State
502 Bonding Commission;
- 503 (h) annually report the public transit district's progress and expenditures related to state
504 resources to the Executive Appropriations Committee and the Infrastructure and General
505 Government Appropriations Subcommittee;
- 506 (i) annually report to the Transportation Interim Committee the public transit district's
507 efforts to engage in public-private partnerships for public transit services;
- 508 (j) (i) in partnership with the Department of Transportation, study and evaluate the
509 feasibility of a strategic transition of a large public transit district into a state entity; and
510 (ii) in partnership with the Department of Transportation, before November 30, 2019,
511 report on the progress of the study to the Transportation Interim Committee and the
512 Infrastructure and General Government Appropriations Subcommittee;
- 513 (k) hire, set salaries, and develop performance targets and evaluations for:
- 514 (i) the executive director; and
- 515 (ii) all chief level officers;
- 516 (l) supervise and regulate each transit facility that the public transit district owns and
517 operates, including:
- 518 (i) fix rates, fares, rentals, charges and any classifications of rates, fares, rentals, and
519 charges; and
- 520 (ii) make and enforce rules, regulations, contracts, practices, and schedules for or in
521 connection with a transit facility that the district owns or controls;

522 (m) subject to Subsection (4), control the investment of all funds assigned to the
523 district for investment, including funds:

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

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

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

531 (o) if a custodian is appointed under Subsection (3)(d), and subject to Subsection (4),
532 pay the fees for the custodian's services from the interest earnings of the investment fund for
533 which the custodian is appointed;

534 (p) (i) cause an annual audit of all public transit district books and accounts to be made
535 by an independent certified public accountant;

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

538 (A) the result of district operations during the preceding fiscal year;

539 (B) an accounting of the expenditures of all local sales and use tax revenues generated
540 under Title 59, Chapter 12, Part 22, Local Option Sales and Use Taxes for Transportation Act;

541 (C) the district's financial status on the final day of the fiscal year; and

542 (D) the district's progress and efforts to improve efficiency relative to the previous
543 fiscal year; and

544 (iii) supply copies of the report under Subsection (2)(p)(ii) to the general public upon
545 request;

546 (q) report at least annually to the Transportation Commission created in Section
547 [72-1-301](#), which report shall include:

548 (i) the district's short-term and long-range public transit plans, including the portions of
549 applicable regional transportation plans adopted by a metropolitan planning organization
550 established under 23 U.S.C. Sec. 134; and

551 (ii) any transit capital development projects that the board of trustees would like the
552 Transportation Commission to consider;

553 (r) direct the internal auditor appointed under Section 17B-2a-810 to conduct audits
 554 that the board of trustees determines, in consultation with the local advisory council created in
 555 Section 17B-2a-808.2, to be the most critical to the success of the organization;

556 (s) together with the local advisory council created in Section 17B-2a-808.2, hear audit
 557 reports for audits conducted in accordance with Subsection (2)(p);

558 (t) review and approve all contracts pertaining to reduced fares, and evaluate existing
 559 contracts, including review of:

560 (i) how negotiations occurred;

561 (ii) the rationale for providing a reduced fare; and

562 (iii) identification and evaluation of cost shifts to offset operational costs incurred and
 563 impacted by each contract offering a reduced fare;

564 (u) in consultation with the local advisory council, develop and approve other board
 565 policies, ordinances, and bylaws; and

566 (v) review and approve any:

567 (i) contract or expense exceeding \$200,000; or

568 (ii) proposed change order to an existing contract if [~~the value of the change order~~
 569 ~~exceeds~~] the change order:

570 [~~(A) 15% of the total contract; or~~]

571 [~~(B) \$200,000.~~]

572 (A) increases the total contract value to \$200,000 or more;

573 (B) increases a contract of or expense of \$200,000 or more by 15% or more; or

574 (C) has a total change order value of \$200,000 or more.

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

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

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

580 (ii) necessary for:

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

582 (B) the execution of district powers; and

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

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

- 587 (i) for a purpose for which the expenditure has been previously approved by the board;
- 588 (ii) in an amount no greater than the amount authorized; and
- 589 (iii) approved by the executive director or other officer or deputy as the board

590 prescribes;

591 (c) in consultation with the local advisory council created in Section [17B-2a-808.2](#):

- 592 (i) hold public hearings and subpoena witnesses; and
- 593 (ii) appoint district officers to conduct a hearing and require the officers to make
594 findings and conclusions and report them to the board; and

595 (d) appoint a custodian for the funds and securities under its control, subject to
596 Subsection (2)(o).

597 (4) For a large public transit district in existence as of May 8, 2018, on or before
598 September 30, 2019, the board of trustees of a large public transit district shall present a report
599 to the Transportation Interim Committee regarding retirement benefits of the district, including:

600 (a) the feasibility of becoming a participating employer and having retirement benefits
601 of eligible employees and officials covered in applicable systems and plans administered under
602 Title 49, Utah State Retirement and Insurance Benefit Act;

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

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

608 (5) The board of trustees may not issue a bond unless the board of trustees has
609 consulted and received approval from the State Bonding Commission created in Section
610 [63B-1-201](#).

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

614 (7) (a) The vote of the board of trustees on each ordinance or resolution shall be by roll

615 call vote with each affirmative and negative vote recorded.

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

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

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

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

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

629 Section 9. Section **41-1a-902** is amended to read:

630 **41-1a-902. Odometer disclosure statement -- Contents -- Receipt -- Exceptions.**

631 (1) Each motor vehicle certificate of title, at the time it is issued to the transferee, shall
632 contain:

633 (a) the mileage disclosed by the transferor when ownership of the motor vehicle was
634 transferred; and

635 (b) a space for the information required to be disclosed under this section at the time of
636 future transfer of ownership.

637 (2) At the time of any sale or transfer of a motor vehicle, the transferor shall furnish to
638 the transferee a written odometer disclosure statement in a form prescribed by the division.

639 This statement shall be signed and certified as to its truthfulness by the transferor, stating:

640 (a) the date of transfer;

641 (b) the transferor's name and address;

642 (c) the transferee's name and address;

643 (d) the identity of the motor vehicle, including its make, model, year, body type, and
644 identification number;

645 (e) the odometer reading at the time of transfer, not including tenths of miles or tenths

646 of kilometers;

647 (f) (i) that to the best of the transferor's knowledge, the odometer reading reflects the
648 amount of miles or kilometers the motor vehicle has actually been driven;

649 (ii) that the odometer reading reflects the amount of miles or kilometers in excess of
650 the designed mechanical odometer limit; or

651 (iii) that the odometer reading is not the actual amount of miles or kilometers; and

652 (g) a warning to alert the transferee if a discrepancy exists between the odometer
653 reading and the actual mileage.

654 (3) (a) Each transferee of a motor vehicle shall acknowledge receipt of the odometer
655 disclosure statement required by Subsection (2) by signing it, and the transferor shall deliver to
656 the transferee the original odometer disclosure statement. Both the transferor and the transferee
657 shall retain a legible copy of the odometer disclosure statement for not less than four years.

658 (b) A dealer who is required under Section 41-3-301 to title and register a motor
659 vehicle sold to a customer shall surrender the original odometer disclosure statement to the
660 division and deliver a copy to the transferee.

661 (4) Notwithstanding the requirements of this section, the odometer mileage need not be
662 disclosed by a transferor of:

663 (a) a single motor vehicle having a manufacturer specified gross laden weight rating of
664 more than 16,000 pounds, or a motor vehicle registered in this state for a gross laden weight of
665 18,000 pounds or more;

666 (b) a motor vehicle that is [~~10~~] 20 years old or older;

667 (c) a motor vehicle sold directly by the manufacturer to any agency of the United States
668 in conformity with contractual specifications; or

669 (d) a new motor vehicle prior to its first transfer for purposes other than resale.

670 (5) If the motor vehicle has not been titled or if the certificate of title does not contain a
671 space for the information required, the written disclosure shall be executed as a separate
672 document.

673 (6) A person may not sign an odometer disclosure statement as both the transferor and
674 the transferee in the same transaction.

675 Section 10. Section 41-1a-1206 is amended to read:

676 **41-1a-1206. Registration fees -- Fees by gross laden weight.**

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

680 (a) \$46.00 for each motorcycle;

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

683 (c) unless the semitrailer or trailer is exempt from registration under Section [41-1a-202](#)
684 or is registered under Section [41-1a-301](#):

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

686 (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less
687 gross unladen weight;

688 (d) (i) \$53 for each farm truck over 12,000 pounds, but not exceeding 14,000 pounds
689 gross laden weight; plus

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

691 (e) (i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm
692 trucks, over 12,000 pounds, but not exceeding 14,000 pounds gross laden weight; plus

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

694 (f) (i) \$69.50 for each park model recreational vehicle over 12,000 pounds, but not
695 exceeding 14,000 pounds gross laden weight; plus

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

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

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

699 (i) for each electric motor vehicle:

700 [~~(A) \$60 during calendar year 2019;~~]

701 [~~(B)~~] (A) \$90 during calendar year 2020; and

702 [~~(C)~~] (B) \$120 beginning January 1, 2021, and thereafter;

703 [~~(ii) for each hybrid electric motor vehicle;~~]

704 [~~(A) \$10 during calendar year 2019;~~]

705 [~~(B) \$15 during calendar year 2020; and~~]

706 [~~(C) \$20 beginning January 1, 2021, and thereafter;~~]

707 (ii) \$15 for each hybrid electric motor vehicle;

708 (iii) for each plug-in hybrid electric motor vehicle:
709 [~~(A)~~ \$26 during calendar year 2019;]
710 [~~(B)~~] (A) \$39 during calendar year 2020; and
711 [~~(C)~~] (B) \$52 beginning January 1, 2021, and thereafter; and
712 (iv) for any motor vehicle not described in Subsections (1)(h)(i) through (iii) that is
713 fueled exclusively by a source other than motor fuel, diesel fuel, natural gas, or propane:

714 [~~(A)~~ \$60 during calendar year 2019;]
715 [~~(B)~~] (A) \$90 during calendar year 2020; and
716 [~~(C)~~] (B) \$120 beginning January 1, 2021, and thereafter.

717 (2) (a) At the time application is made for registration or renewal of registration of a
718 vehicle under this chapter for a six-month registration period under Section [41-1a-215.5](#), a
719 registration fee shall be paid to the division as follows:

720 (i) \$34.50 for each motorcycle; and
721 (ii) \$33.50 for each motor vehicle of 12,000 pounds or less gross laden weight,
722 excluding motorcycles.

723 (b) In addition to the fee described in Subsection (2)(a)(ii), for registration or renewal
724 of registration of a vehicle under this chapter for a six-month registration period under Section
725 [41-1a-215.5](#) a registration fee shall be paid to the division as follows:

726 (i) for each electric motor vehicle:
727 [~~(A)~~ \$46.50 during calendar year 2019;]
728 [~~(B)~~] (A) \$69.75 during calendar year 2020; and
729 [~~(C)~~] (B) \$93 beginning January 1, 2021, and thereafter;

730 [~~(ii) for each hybrid electric motor vehicle;~~]
731 [~~(A)~~ \$7.50 during calendar year 2019;]
732 [~~(B)~~ \$11.25 during calendar year 2020; and]
733 [~~(C)~~ \$15 beginning January 1, 2021, and thereafter;]

734 (ii) \$11.25 for each hybrid electric motor vehicle;
735 (iii) for each plug-in hybrid electric motor vehicle:
736 [~~(A)~~ \$20 during calendar year 2019;]
737 [~~(B)~~] (A) \$30 during calendar year 2020; and
738 [~~(C)~~] (B) \$40 beginning January 1, 2021, and thereafter; and

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

741 [~~(A)~~ \$46.50 during calendar year 2019;]

742 [~~(B)~~] (A) \$69.75 during calendar year 2020; and

743 [~~(C)~~] (B) \$93 beginning January 1, 2021, and thereafter.

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

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

750 (B) 0.

751 (ii) Beginning on January 1, 2022, the commission shall, on January 1, annually adjust
752 the registration fees described in Subsections (1)(h)(i)[~~(C)~~](B), (1)(h)(ii)[~~(C)~~],

753 (1)(h)(iii)[~~(C)~~](B), (1)(h)(iv)[~~(C)~~](B), (2)(b)(i)[~~(C)~~](B), (2)(b)(ii)[~~(C)~~], (2)(b)(iii)[~~(C)~~](B), and

754 (2)(b)(iv)[~~(C)~~](B) by taking the registration fee rate for the previous year and adding an amount
755 equal to the greater of:

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

758 (B) 0.

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

761 (4) (a) The initial registration fee for a vintage vehicle that is 40 years old or older is
762 \$40.

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

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

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

768 (5) If a motor vehicle is operated in combination with a semitrailer or trailer, each
769 motor vehicle shall register for the total gross laden weight of all units of the combination if the

770 total gross laden weight of the combination exceeds 12,000 pounds.

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

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

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

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

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

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

782 (ii) the truck has a gross vehicle weight rating of 12,000 pounds or less and the owner
783 submits to the division a certificate of emissions inspection or a waiver in compliance with
784 Section 41-6a-1642.

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

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

790 ~~§→ [Section 11. Section 59-12-1201 is amended to read:~~

791 ~~———— 59-12-1201. Motor vehicle rental tax -- Rate -- Exemptions -- Administration,~~
792 ~~collection, and enforcement of tax -- Administrative charge -- Deposits.~~

793 ~~———— (1) (a) Except as provided in Subsection (3), there is imposed a tax of [2.5%] 4% on all~~
794 ~~short-term leases and rentals of motor vehicles not exceeding 30 days.~~

795 ~~———— (b) The tax imposed in this section is in addition to all other state, county, or municipal~~
796 ~~fees and taxes imposed on rentals of motor vehicles.~~

797 ~~———— (2) (a) Subject to Subsection (2)(b), a tax rate repeal or tax rate change for the tax~~
798 ~~imposed under Subsection (1) shall take effect on the first day of a calendar quarter.~~

799 ~~———— (b) (i) For a transaction subject to a tax under Subsection (1), a tax rate increase shall~~
800 ~~take effect on the first day of the first billing period:☺~~

801 ~~☒~~ (A) that begins after the effective date of the tax rate increase; and

802 (B) if the billing period for the transaction begins before the effective date of a tax rate

803 increase imposed under Subsection (1):

804 (ii) For a transaction subject to a tax under Subsection (1), the repeal of a tax or a tax

805 rate decrease shall take effect on the first day of the last billing period:

806 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;

807 and

808 (B) if the billing period for the transaction begins before the effective date of the repeal

809 of the tax or the tax rate decrease imposed under Subsection (1):

810 (3) A motor vehicle is exempt from the tax imposed under Subsection (1) if:

811 (a) the motor vehicle is registered for a gross laden weight of 12,001 or more pounds;

812 (b) the motor vehicle is rented as a personal household goods moving van; or

813 (c) the lease or rental of the motor vehicle is made for the purpose of temporarily

814 replacing a person's motor vehicle that is being repaired pursuant to a repair agreement or an

815 insurance agreement.

816 (4) (a) (i) The tax authorized under this section shall be administered, collected, and

817 enforced in accordance with:

818 (A) the same procedures used to administer, collect, and enforce the tax under Part 1,

819 Tax Collection; and

820 (B) Chapter 1, General Taxation Policies.

821 (ii) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to

822 Subsections ~~59-12-103~~(4) through (10) or Section ~~59-12-107.1~~ or ~~59-12-123~~:

823 (b) The commission shall retain and deposit an administrative charge in accordance

824 with Section ~~59-1-306~~ from the [revenues] revenue the commission collects from a tax under

825 this part:

826 (c) (i) Except as provided under Subsection (4)(b), all revenue received by the

827 commission under this section shall be deposited daily with the state treasurer and credited

828 monthly [to the Marda Dillree Corridor Preservation Fund under Section ~~72-2-117~~.] as

829 described in Subsection (4)(c)(ii):

830 (ii) The state treasurer shall credit:

831 (A) an amount equivalent to a 2.5% tax rate described in Subsection (1) to the Marda ~~☒~~

832 ~~☉Dillree Corridor Preservation Fund created in Section 72-2-117; and~~
 833 ~~—— (B) an amount equivalent to a 1.5% tax rate described in Subsection (1) to the Transit~~
 834 ~~Transportation Investment Fund created in Section 72-2-124.] ←~~ ~~☉~~

835 Section ~~☉~~ → [12] 11 ← ~~☉~~ . Section 59-12-2214 is amended to read:

836 **59-12-2214. County, city, or town option sales and use tax to fund a system for**
 837 **public transit, an airport facility, a water conservation project, or to be deposited into the**
 838 **County of the First Class Highway Projects Fund -- Base -- Rate.**

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

842 (2) Notwithstanding Section 59-12-2212.2, and subject to [~~Subsection (3)~~] Subsections
 843 (3) and (4), a county, city, or town that imposes a sales and use tax under this section shall
 844 expend the revenues collected from the sales and use tax:

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

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

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

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

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

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

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

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

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

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

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

863 (4) (a) A county of the third class that has a portion of the county annexed into a large
864 public transit district and that has imposed a sales and use tax under this section as of January
865 1, 2020, may change the list of purposes for which the sales and use tax revenue may be
866 expended if:

867 (i) the proposed uses of the sales and use tax revenue are allowed uses described in this
868 section; and

869 (ii) in coordination with a relevant large public transit district, the county legislative
870 body passes an ordinance describing the allowed uses of the sales and use tax revenue.

871 (b) Notwithstanding Section 59-12-2208, and regardless of whether the imposition of
872 the sales and use tax imposed under this section was submitted to the voters as described in
873 Section 59-12-2208, the county legislative body is not required to submit an opinion question
874 to the county's registered voters to change the allowed uses as described in Subsection (4)(a).

875 Section 13. Section 59-12-2215 is amended to read:

876 **59-12-2215. City or town option sales and use tax for highways or to fund a**
877 **system for public transit -- Base -- Rate.**

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

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

883 (3) Notwithstanding Section 59-12-2208, a city, or town legislative body may, but is
884 not required to, submit an opinion question to the city's, or town's registered voters in
885 accordance with Section 59-12-2208 to impose a sales and use tax under this section.

886 Section 14. Section 59-12-2217 is amended to read:

887 **59-12-2217. County option sales and use tax for transportation -- Base -- Rate --**
888 **Written prioritization process -- Approval by county legislative body.**

889 (1) Subject to the other provisions of this part, and subject to Subsection (8), a county
890 legislative body may impose a sales and use tax of up to .25% on the transactions described in
891 Subsection 59-12-103(1) within the county, including the cities and towns within the county.

892 (2) (a) Except as provided in Subsection (2)(b), and subject to Subsections (3) through
893 (6) and Section 59-12-2207, the revenue collected from a sales and use tax under this section

894 may only be expended as described in Section 59-12-2212.2.

895 (b) Subject to Subsections (3) through (6), in a county of the first or second class, or if
896 a county is part of an area metropolitan planning organization, that portion of the county within
897 the metropolitan planning organization, the revenue collected from a sales and use tax under
898 this section may only be expended as described in Section 59-12-2212.2, and only if the
899 expenditure is for:

900 (i) a project or service:

901 (A) relating to a regionally significant transportation facility or collector road for the
902 portion of the project or service that is performed within the county;

903 (B) for new capacity or congestion mitigation, and not for operation or maintenance, if
904 the project or service is performed within the county; and

905 (C) on a priority list created by the county's council of governments in accordance with
906 Subsection (5) and approved by the county legislative body in accordance with Subsection (5);

907 (ii) corridor preservation for a project or service described in Subsection (2)(b)(i)(A) or
908 (B); or

909 (iii) debt service or bond issuance costs related to a project or service described in
910 Subsection (2)(b)(i)(A) or (B).

911 (c) The restriction in Subsection (2)(b)(i)(B) from using revenue for operation or
912 maintenance does not apply to any revenue subject to rights or obligations under a contract
913 entered into before January 1, 2019, between a county and a public transit district.

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

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

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

921 (4) (a) As provided in this Subsection (4), a council of governments shall:

922 (i) develop a written prioritization process for the prioritization of projects to be funded
923 by revenues collected from a sales and use tax under this section;

924 (ii) create a priority list of transportation projects or services described in Section

925 59-12-2212.2 in accordance with Subsection (5); and

926 (iii) present the priority list to the county legislative body for approval in accordance
927 with Subsection (5).

928 (b) The written prioritization process described in Subsection (4)(a)(i) shall include:

929 (i) a definition of the type of projects to which the written prioritization process
930 applies;

931 (ii) subject to Subsection (4)(c), the specification of a weighted criteria system that the
932 council of governments will use to rank proposed projects and how that weighted criteria
933 system will be used to determine which proposed projects will be prioritized;

934 (iii) the specification of data that is necessary to apply the weighted criteria system;

935 (iv) application procedures for a project to be considered for prioritization by the
936 council of governments; and

937 (v) any other provision the council of governments considers appropriate.

938 (c) The weighted criteria system described in Subsection (4)(b)(ii) shall include the
939 following:

940 (i) the cost effectiveness of a project;

941 (ii) the degree to which a project will mitigate regional congestion;

942 (iii) the compliance requirements of applicable federal laws or regulations;

943 (iv) the economic impact of a project;

944 (v) the degree to which a project will require tax revenues to fund maintenance and
945 operation expenses; and

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

947 (d) A council of governments of a county of the first or second class shall submit the
948 written prioritization process described in Subsection (4)(a)(i) to the Executive Appropriations
949 Committee for approval prior to taking final action on:

950 (i) the written prioritization process; or

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

952 (5) (a) A council of governments shall use the weighted criteria system adopted in the
953 written prioritization process developed in accordance with Subsection (4) to create a priority
954 list of transportation projects or services for which revenues collected from a sales and use tax
955 under this section may be expended.

956 (b) Before a council of governments may finalize a priority list or the funding level of a
957 project, the council of governments shall conduct a public meeting on:

958 (i) the written prioritization process; and

959 (ii) the merits of the projects that are prioritized as part of the written prioritization
960 process.

961 (c) A council of governments shall make the weighted criteria system ranking for each
962 project prioritized as part of the written prioritization process publicly available before the
963 public meeting required by Subsection (5)(b) is held.

964 (d) If a council of governments prioritizes a project over another project with a higher
965 rank under the weighted criteria system, the council of governments shall:

966 (i) identify the reasons for prioritizing the project over another project with a higher
967 rank under the weighted criteria system at the public meeting required by Subsection (5)(b);
968 and

969 (ii) make the reasons described in Subsection (5)(d)(i) publicly available.

970 (e) Subject to Subsections (5)(f) and (g), after a council of governments finalizes a
971 priority list in accordance with this Subsection (5), the council of governments shall:

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

973 (ii) obtain approval of the priority list from a majority of the members of the county
974 legislative body.

975 (f) A council of governments may only submit one priority list per calendar year to the
976 county legislative body.

977 (g) A county legislative body may only consider and approve one priority list submitted
978 under Subsection (5)(e) per calendar year.

979 (6) In a county of the first class, revenues collected from a sales and use tax under this
980 section that a county allocates for a purpose described in Subsection 59-12-2212.2 shall be:

981 (a) deposited in or transferred to the County of the First Class Highway Projects Fund
982 created by Section 72-2-121; and

983 (b) expended as provided in Section 72-2-121.

984 (7) Notwithstanding Section 59-12-2208, a county legislative body may, but is not
985 required to, submit an opinion question to the county's registered voters in accordance with
986 Section 59-12-2208 to impose a sales and use tax under this section.

987 (8) (a) (i) Notwithstanding any other provision in this section, if the entire boundary of
988 a county is annexed into a large public transit district, if the county legislative body wishes to
989 impose a sales and use tax under this section, the county legislative body shall pass the
990 ordinance to impose a sales and use tax under this section on or before June 30, 2022.

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

994 (b) Notwithstanding the deadline described in Subsection (8)(a), any sales and use tax
995 imposed under this section on or before June 30, 2022, may remain in effect.

996 Section 15. Section **72-1-102** is amended to read:

997 **72-1-102. Definitions.**

998 As used in this title:

999 (1) "Circulator alley" means a publicly owned passageway:

1000 (a) with a right-of-way width of 20 feet or greater;

1001 (b) located within a master planned community;

1002 (c) established by the municipality having jurisdictional authority as part of the street
1003 network for traffic circulation that may also be used for:

1004 (i) garbage collection;

1005 (ii) access to residential garages; or

1006 (iii) access rear entrances to a commercial establishment; and

1007 (d) constructed with a bituminous or concrete pavement surface.

1008 [~~1~~] (2) "Commission" means the Transportation Commission created under Section
1009 72-1-301.

1010 [~~2~~] (3) "Construction" means the construction, reconstruction, replacement, and
1011 improvement of the highways, including the acquisition of rights-of-way and material sites.

1012 [~~3~~] (4) "Department" means the Department of Transportation created in Section
1013 72-1-201.

1014 [~~4~~] (5) "Executive director" means the executive director of the department appointed
1015 under Section 72-1-202.

1016 [~~5~~] (6) "Farm tractor" has the meaning set forth in Section 41-1a-102.

1017 [~~6~~] (7) "Federal aid primary highway" means that portion of connected main

1018 highways located within this state officially designated by the department and approved by the
1019 United States Secretary of Transportation under Title 23, Highways, U.S.C.

1020 ~~[(7)]~~ (8) "Highway" means any public road, street, alley, lane, court, place, viaduct,
1021 tunnel, culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned
1022 to the public, or made public in an action for the partition of real property, including the entire
1023 area within the right-of-way.

1024 ~~[(8)]~~ (9) "Highway authority" means the department or the legislative, executive, or
1025 governing body of a county or municipality.

1026 ~~[(9)]~~ (10) "Implement of husbandry" has the meaning set forth in Section 41-1a-102.

1027 ~~[(10)]~~ (11) "Interstate system" means any highway officially designated by the
1028 department and included as part of the national interstate and defense highways, as provided in
1029 the Federal Aid Highway Act of 1956 and any supplemental acts or amendments.

1030 ~~[(11)]~~ (12) "Limited-access facility" means a highway especially designated for
1031 through traffic, and over, from, or to which neither owners nor occupants of abutting lands nor
1032 other persons have any right or easement, or have only a limited right or easement of access,
1033 light, air, or view.

1034 (13) "Master planned community" means a land use development:

1035 (a) designated by the political subdivision as a master planned community; and

1036 (b) comprised of a single development agreement for a development larger than 3,500
1037 acres.

1038 ~~[(12)]~~ (14) "Motor vehicle" has the same meaning set forth in Section 41-1a-102.

1039 ~~[(13)]~~ (15) "Municipality" has the same meaning set forth in Section 10-1-104.

1040 ~~[(14)]~~ (16) "National highway systems highways" means that portion of connected
1041 main highways located within this state officially designated by the department and approved
1042 by the United States Secretary of Transportation under Title 23, Highways, U.S.C.

1043 ~~[(15)]~~ (17) (a) "Port-of-entry" means a fixed or temporary facility constructed,
1044 operated, and maintained by the department where drivers, vehicles, and vehicle loads are
1045 checked or inspected for compliance with state and federal laws as specified in Section
1046 72-9-501.

1047 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.

1048 ~~[(16)]~~ (18) "Port-of-entry agent" means a person employed at a port-of-entry to perform

1049 the duties specified in Section 72-9-501.

1050 ~~[(17)]~~ (19) "Public transit" means the same as that term is defined in Section
1051 17B-2a-802.

1052 ~~[(18)]~~ (20) "Public transit facility" means a transit vehicle, transit station, depot,
1053 passenger loading or unloading zone, parking lot, or other facility:

1054 (a) leased by or operated by or on behalf of a public transit district; and

1055 (b) related to the public transit services provided by the district, including:

1056 (i) railway or other right-of-way;

1057 (ii) railway line; and

1058 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled by
1059 a transit vehicle.

1060 ~~[(19)]~~ (21) "Right-of-way" means real property or an interest in real property, usually
1061 in a strip, acquired for or devoted to a highway.

1062 ~~[(20)]~~ (22) "Sealed" does not preclude acceptance of electronically sealed and
1063 submitted bids or proposals in addition to bids or proposals manually sealed and submitted.

1064 ~~[(21)]~~ (23) "Semitrailer" has the meaning set forth in Section 41-1a-102.

1065 ~~[(22)]~~ (24) "SR" means state route and has the same meaning as state highway as
1066 defined in this section.

1067 ~~[(23)]~~ (25) "State highway" means those highways designated as state highways in
1068 Title 72, Chapter 4, Designation of State Highways Act.

1069 ~~[(24)]~~ (26) "State transportation purposes" has the meaning set forth in Section
1070 72-5-102.

1071 ~~[(25)]~~ (27) "State transportation systems" means all streets, alleys, roads, highways,
1072 pathways, and thoroughfares of any kind, including connected structures, airports, spaceports,
1073 public transit facilities, and all other modes and forms of conveyance used by the public.

1074 ~~[(26)]~~ (28) "Trailer" has the meaning set forth in Section 41-1a-102.

1075 ~~[(27)]~~ (29) "Truck tractor" has the meaning set forth in Section 41-1a-102.

1076 ~~[(28)]~~ (30) "UDOT" means the Utah Department of Transportation.

1077 ~~[(29)]~~ (31) "Vehicle" has the same meaning set forth in Section 41-1a-102.

1078 Section 16. Section 72-1-213.1 is amended to read:

1079 **72-1-213.1. Road usage charge program.**

1080 (1) As used in this section:

1081 (a) "Account manager" means an entity under contract with the department to
1082 administer and manage the road usage charge program.

1083 (b) "Alternative fuel vehicle" means the same as that term is defined in Section
1084 41-1a-102.

1085 (c) "Payment period" means the interval during which an owner is required to report
1086 mileage and pay the appropriate road usage charge according to the terms of the program.

1087 (d) "Program" means the road usage charge program established and described in this
1088 section.

1089 (2) There is established a road usage charge program as described in this section.

1090 (3) (a) The department shall implement and oversee the administration of the program,
1091 which shall begin on January 1, 2020.

1092 (b) To implement and administer the program, the department may contract with an
1093 account manager.

1094 (4) (a) The owner or lessee of an alternative fuel vehicle may apply for enrollment of
1095 the alternative fuel vehicle in the program.

1096 (b) If an application for enrollment into the program is approved by the department, the
1097 owner or lessee of an alternative fuel vehicle may participate in the program in lieu of paying
1098 the fee described in Subsection 41-1a-1206(1)(h) or (2)(b).

1099 (5) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1100 and consistent with this section, the department:

1101 (i) shall make rules to establish:

1102 (A) processes and terms for enrollment into and withdrawal or removal from the
1103 program;

1104 (B) payment periods and other payment methods and procedures for the program;

1105 (C) standards for mileage reporting mechanisms for an owner or lessee of an
1106 alternative fuel vehicle to report mileage as part of participation in the program;

1107 (D) standards for program functions for mileage recording, payment processing,
1108 account management, and other similar aspects of the program;

1109 (E) contractual terms between an owner or lessee of an alternative fuel vehicle owner
1110 and an account manager for participation in the program;

- 1111 (F) contractual terms between the department and an account manager, including
1112 authority for an account manager to enforce the terms of the program;
- 1113 (G) procedures to provide security and protection of personal information and data
1114 connected to the program, and penalties for account managers for violating privacy protection
1115 rules;
- 1116 (H) penalty procedures for a program participant's failure to pay a road usage charge or
1117 tampering with a device necessary for the program; and
- 1118 (I) department oversight of an account manager, including privacy protection of
1119 personal information and access and auditing capability of financial and other records related to
1120 administration of the program; and
- 1121 (ii) may make rules to establish:
- 1122 (A) an enrollment cap for certain alternative fuel vehicle types to participate in the
1123 program;
- 1124 (B) a process for collection of an unpaid road usage charge or penalty; or
- 1125 (C) integration of the program with other similar programs, such as tolling.
- 1126 (b) The department shall make recommendations to and consult with the commission
1127 regarding road usage mileage rates for each type of alternative fuel vehicle.
- 1128 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and
1129 consistent with this section, the commission shall, after consultation with the department, make
1130 rules to establish the road usage charge mileage rate for each type of alternative fuel vehicle.
- 1131 (7) (a) Revenue generated by the road usage charge program and relevant penalties
1132 shall be deposited into the Transportation Fund.
- 1133 (b) The department may use revenue generated by the program to cover the costs of
1134 administering the program.
- 1135 (8) (a) The department may:
- 1136 (i) (A) impose a penalty for failure to timely pay a road usage charge according to the
1137 terms of the program or tampering with a device necessary for the program; and
- 1138 (B) request that the Division of Motor Vehicles place a hold on the registration of the
1139 owner's or lessee's alternative fuel vehicle for failure to pay a road usage charge according to
1140 the terms of the program;
- 1141 (ii) send correspondence to the owner of an alternative fuel vehicle to inform the owner

1142 or lessee of:

1143 (A) the road usage charge program, implementation, and procedures;

1144 (B) an unpaid road usage charge and the amount of the road usage charge to be paid to
1145 the department;

1146 (C) the penalty for failure to pay a road usage charge within the time period described
1147 in Subsection (8)(a)(iii); and

1148 (D) a hold being placed on the owner's or lessee's registration for the alternative fuel
1149 vehicle, if the road usage charge and penalty are not paid within the time period described in
1150 Subsection (8)(a)(iii), which would prevent the renewal of the alternative fuel vehicle's
1151 registration; and

1152 (iii) require that the owner or lessee of the alternative fuel vehicle pay the road usage
1153 charge to the department within 30 days of the date when the department sends written notice
1154 of the road usage charge to the owner or lessee.

1155 (b) The department shall send the correspondence and notice described in Subsection
1156 (8)(a) to the owner of the alternative fuel vehicle according to the terms of the program.

1157 (9) (a) The Division of Motor Vehicles and the department shall share and provide
1158 access to information pertaining to an alternative fuel vehicle and participation in the program
1159 including:

1160 (i) registration and ownership information pertaining to an alternative fuel vehicle;

1161 (ii) information regarding the failure of an alternative fuel vehicle owner or lessee to
1162 pay a road usage charge or penalty imposed under this section within the time period described
1163 in Subsection (8)(a)(iii); and

1164 (iii) the status of a request for a hold on the registration of an alternative fuel vehicle.

1165 (b) If the department requests a hold on the registration in accordance with this section,
1166 the Division of Motor Vehicles may not renew the registration of a motor vehicle under Title
1167 41, Chapter 1a, Part 2, Registration, until the department withdraws the hold request.

1168 (10) The owner of an alternative fuel vehicle may apply for enrollment in the program
1169 or withdraw from the program according to the terms established by the department pursuant to
1170 rules made under Subsection (5).

1171 (11) If enrolled in the program, the owner or lessee of an alternative fuel vehicle shall:

1172 (a) report mileage driven as required by the department pursuant to Subsection (5);

1173 (b) pay the road usage fee for each payment period as set by the department and the
1174 commission pursuant to Subsections (5) and (6); and

1175 (c) comply with all other provisions of this section and other requirements of the
1176 program.

1177 (12) (a) On or before June 1, 2021, and except for the vehicles excluded in Subsection
1178 (12)(b), the department shall submit to a legislative committee designated by the Legislative
1179 Management Committee a written plan to enroll all vehicles registered in the state in the
1180 program by December 31, 2031.

1181 (b) The plan described in Subsection (12)(a) may exclude authorized carriers described
1182 in Subsection 59-12-102(17)(a).

1183 (c) Beginning in 2021, on or before October 1 of each year, the department shall
1184 submit annually an electronic report recommending strategies to expand enrollment in the
1185 program to meet the deadline provided in Subsection (12)(a).

1186 (13) Beginning in 2021, the department shall submit annually, on or before October 1,
1187 to the legislative committee that receives the report described in Subsection (12), an electronic
1188 report that:

1189 (a) states for the preceding fiscal year:

1190 (i) the amount of revenue collected from the program;

1191 (ii) the participation rate in the program; and

1192 (iii) the department's costs to administer the program; and

1193 (b) provides for the current fiscal year, an estimate of:

1194 (i) the revenue that will be collected from the program;

1195 (ii) the participation rate in the program; and

1196 (iii) the department's costs to administer the program.

1197 Section 17. Section **72-1-303** is amended to read:

1198 **72-1-303. Duties of commission.**

1199 (1) The commission has the following duties:

1200 (a) determining priorities and funding levels of projects in the state transportation
1201 systems and capital development of new public transit facilities for each fiscal year based on
1202 project lists compiled by the department and taking into consideration the strategic initiatives
1203 described in Section [72-1-211](#);

1204 (b) determining additions and deletions to state highways under Chapter 4, Designation
1205 of State Highways Act;

1206 (c) holding public hearings and otherwise providing for public input in transportation
1207 matters;

1208 (d) making policies and rules in accordance with Title 63G, Chapter 3, Utah
1209 Administrative Rulemaking Act, necessary to perform the commission's duties described under
1210 this section;

1211 (e) in accordance with Section 63G-4-301, reviewing orders issued by the executive
1212 director in adjudicative proceedings held in accordance with Title 63G, Chapter 4,
1213 Administrative Procedures Act;

1214 (f) advising the department in state transportation systems policy;

1215 (g) approving settlement agreements of condemnation cases subject to Section
1216 63G-10-401;

1217 (h) in accordance with Section 17B-2a-807, appointing a commissioner to serve as a
1218 nonvoting, ex officio member or a voting member on the board of trustees of a public transit
1219 district;

1220 (i) in accordance with Section 17B-2a-808, reviewing, at least annually, the short-term
1221 and long-range public transit plans; and

1222 (j) reviewing administrative rules made, substantively amended, or repealed by the
1223 department.

1224 (2) (a) For projects prioritized with funding provided under Sections 72-2-124 and
1225 72-2-125, the commission shall annually report to a committee designated by the Legislative
1226 Management Committee:

1227 (i) a prioritized list of the new transportation capacity projects in the state
1228 transportation system and the funding levels available for those projects; and

1229 (ii) the unfunded highway construction and maintenance needs within the state.

1230 (b) The committee designated by the Legislative Management Committee under
1231 Subsection (2)(a) shall:

1232 (i) review the list reported by the Transportation Commission; and

1233 (ii) make a recommendation to the Legislature on:

1234 (A) the amount of additional funding to allocate to transportation; and

1235 (B) the source of revenue for the additional funding allocation under Subsection
1236 (2)(b)(ii)(A).

1237 (3) The commission shall review and may approve plans for the construction of a
1238 highway facility over sovereign lakebed lands in accordance with Chapter 6, Part 3, Approval
1239 of Highway Facilities on Sovereign Lands Act.

1240 Section 18. Section **72-1-304** is amended to read:

1241 **72-1-304. Written project prioritization process for new transportation capacity**
1242 **projects -- Rulemaking.**

1243 (1) (a) The Transportation Commission, in consultation with the department and the
1244 metropolitan planning organizations as defined in Section [72-1-208.5](#), shall develop a written
1245 prioritization process for the prioritization of:

1246 (i) new transportation capacity projects that are or will be part of the state highway
1247 system under Chapter 4, Part 1, State Highways;

1248 (ii) paved pedestrian or paved nonmotorized transportation projects that:

1249 (A) mitigate traffic congestion on the state highway system; and

1250 (B) are part of an active transportation plan approved by the department;

1251 (iii) public transit projects that add capacity to the public transit systems within the
1252 state; and

1253 (iv) pedestrian or nonmotorized transportation projects that provide connection to a
1254 public transit system.

1255 (b) (i) A local government or district may nominate a project for prioritization in
1256 accordance with the process established by the commission in rule.

1257 (ii) If a local government or district nominates a project for prioritization by the
1258 commission, the local government or district shall provide data and evidence to show that:

1259 (A) the project will advance the purposes and goals described in Section [72-1-211](#);

1260 (B) for a public transit project, the local government or district has an ongoing funding
1261 source for operations and maintenance of the proposed development; and

1262 (C) the local government or district will provide 40% of the costs for the project as
1263 required by Subsection [72-2-124\(4\)\(a\)\(viii\)](#) or [72-2-124\(9\)\(e\)](#).

1264 (2) The following shall be included in the written prioritization process under
1265 Subsection (1):

1266 (a) a description of how the strategic initiatives of the department adopted under
1267 Section 72-1-211 are advanced by the written prioritization process;

1268 (b) a definition of the type of projects to which the written prioritization process
1269 applies;

1270 (c) specification of a weighted criteria system that is used to rank proposed projects
1271 and how it will be used to determine which projects will be prioritized;

1272 (d) specification of the data that is necessary to apply the weighted ranking criteria; and

1273 (e) any other provisions the commission considers appropriate, which may include
1274 consideration of:

1275 (i) regional and statewide economic development impacts, including improved local
1276 access to:

1277 (A) employment;

1278 (B) educational facilities;

1279 (C) recreation;

1280 (D) commerce; and

1281 (E) residential areas, including moderate income housing as demonstrated in the local
1282 government's or district's general plan pursuant to Section 10-9a-403 or 17-27a-403;

1283 (ii) the extent to which local land use plans relevant to a project support and
1284 accomplish the strategic initiatives adopted under Section 72-1-211; and

1285 (iii) any matching funds provided by a political subdivision or public transit district in
1286 addition to the 40% required by Subsections 72-2-124(4)(a)(viii) and 72-2-124(9)(e).

1287 (3) When prioritizing a public transit project that increases capacity, the commission
1288 may give priority consideration to projects that are part of a transit-oriented development or
1289 transit-supportive development as defined in Section 17B-2a-802.

1290 [~~3~~] (4) In developing the written prioritization process, the commission:

1291 (a) shall seek and consider public comment by holding public meetings at locations
1292 throughout the state; and

1293 (b) may not consider local matching dollars as provided under Section 72-2-123 unless
1294 the state provides an equal opportunity to raise local matching dollars for state highway
1295 improvements within each county.

1296 [~~4~~] (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking

1297 Act, the Transportation Commission, in consultation with the department, shall make rules
1298 establishing the written prioritization process under Subsection (1).

1299 ~~[(5)]~~ (6) The commission shall submit the proposed rules under this section to a
1300 committee or task force designated by the Legislative Management Committee for review prior
1301 to taking final action on the proposed rules or any proposed amendment to the rules described
1302 in Subsection ~~[(4)]~~ (5).

1303 Section 19. Section **72-2-107** is amended to read:

1304 **72-2-107. Appropriation from Transportation Fund -- Apportionment for class B**
1305 **and class C roads.**

1306 (1) There is appropriated to the department from the Transportation Fund annually an
1307 amount equal to 30% of an amount which the director of finance shall compute in the
1308 following manner: The total revenue deposited into the Transportation Fund during the fiscal
1309 year from state highway-user taxes and fees, minus those amounts appropriated or transferred
1310 from the Transportation Fund during the same fiscal year to:

1311 (a) the Department of Public Safety;

1312 (b) the State Tax Commission;

1313 (c) the Division of Finance;

1314 (d) the Utah Travel Council;

1315 (e) the road usage charge program created in Section [72-1-213.1](#); and

1316 (f) any other amounts appropriated or transferred for any other state agencies not a part
1317 of the department.

1318 (2) (a) Except as provided in ~~[Subsection]~~ Subsections (2)(b) and (c), all of the money
1319 appropriated in Subsection (1) shall be apportioned among counties and municipalities for class
1320 B and class C roads as provided in this title.

1321 (b) The department shall annually transfer \$500,000 of the amount calculated under
1322 Subsection (1) to the State Park Access Highways Improvement Program created in Section
1323 [72-3-207](#).

1324 (c) Administrative costs of the department to administer class B and class C roads shall
1325 be paid from funds calculated under Subsection (1).

1326 (3) Each quarter of every year the department shall make the necessary accounting
1327 entries to transfer the money appropriated under this section for class B and class C roads.

1328 (4) The funds appropriated for class B and class C roads shall be expended under the
1329 direction of the department as the Legislature shall provide.

1330 Section 20. Section **72-2-108** is amended to read:

1331 **72-2-108. Apportionment of funds available for use on class B and class C roads**

1332 -- **Bonds.**

1333 (1) For purposes of this section:

1334 (a) "Eligible county" means a county of the fifth class, as described in Section
1335 [17-50-501](#), that received a distribution for fiscal year 2015 that was reapportioned to include
1336 money in addition to the amount calculated under Subsection (2), and the portion of the
1337 distribution derived from the calculation under Subsection (2) was less than 60% of the total
1338 distribution.

1339 (b) "Graveled road" means a road:

1340 (i) that is:

1341 (A) graded; and

1342 (B) drained by transverse drainage systems to prevent serious impairment of the road
1343 by surface water;

1344 (ii) that has an improved surface; and

1345 (iii) that has a wearing surface made of:

1346 (A) gravel;

1347 (B) broken stone;

1348 (C) slag;

1349 (D) iron ore;

1350 (E) shale; or

1351 (F) other material that is:

1352 (I) similar to a material described in Subsection (1)(b)(iii)(A) through (E); and

1353 (II) coarser than sand.

1354 (c) "Paved road" includes:

1355 (i) a graveled road with a chip seal surface[-]; and

1356 (ii) a circulator alley.

1357 (d) "Road mile" means a one-mile length of road, regardless of:

1358 (i) the width of the road; or

1359 (ii) the number of lanes into which the road is divided.

1360 (e) "Weighted mileage" means the sum of the following:

1361 (i) paved road miles multiplied by five; and

1362 (ii) all other road type road miles multiplied by two.

1363 (2) Subject to the provisions of Subsections (3) through (7), funds appropriated for
1364 class B and class C roads shall be apportioned among counties and municipalities in the
1365 following manner:

1366 (a) 50% in the ratio that the class B roads weighted mileage within each county and
1367 class C roads weighted mileage within each municipality bear to the total class B and class C
1368 roads weighted mileage within the state; and

1369 (b) 50% in the ratio that the population of a county or municipality bears to the total
1370 population of the state as of the last official federal census or the United States Bureau of
1371 Census estimate, whichever is most recent, except that if population estimates are not available
1372 from the United States Bureau of Census, population figures shall be derived from the estimate
1373 from the Utah Population Committee.

1374 (3) For purposes of Subsection (2)(b), "the population of a county" means:

1375 (a) for a county of the first class with a metro township, as defined in Section
1376 10-2a-403, within the boundaries of the county as of January 1, 2020:

1377 (i) the population of a county outside the corporate limits of municipalities in that
1378 county, if the population of the county outside the corporate limits of municipalities in that
1379 county is not less than 7% of the total population of that county, including municipalities; and

1380 (ii) if the population of a county outside the corporate limits of municipalities in the
1381 county is less than 7% of the total population:

1382 (A) the aggregate percentage of the population apportioned to municipalities in that
1383 county shall be reduced by an amount equal to the difference between:

1384 (I) 7%; and

1385 (II) the actual percentage of population outside the corporate limits of municipalities in
1386 that county; and

1387 (B) the population apportioned to the county shall be 7% of the total population of that
1388 county, including incorporated municipalities; or

1389 (b) for any county not described in Subsection (3)(a):

1390 ~~[(a)]~~ (i) the population of a county outside the corporate limits of municipalities in that
1391 county, if the population of the county outside the corporate limits of municipalities in that
1392 county is not less than 14% of the total population of that county, including municipalities; and

1393 ~~[(b)]~~ (ii) if the population of a county outside the corporate limits of municipalities in
1394 the county is less than 14% of the total population:

1395 ~~[(i)]~~ (A) the aggregate percentage of the population apportioned to municipalities in
1396 that county shall be reduced by an amount equal to the difference between:

1397 ~~[(A)]~~ (I) 14%; and

1398 ~~[(B)]~~ (II) the actual percentage of population outside the corporate limits of
1399 municipalities in that county; and

1400 ~~[(ii)]~~ (B) the population apportioned to the county shall be 14% of the total population
1401 of that county, including incorporated municipalities.

1402 (4) For an eligible county, the department shall reapportion the funds under Subsection
1403 (2) to ensure that the county or municipality receives, for a fiscal year beginning on or after
1404 July 1, 2018, an amount equal to the greater of:

1405 (a) the amount apportioned to the county or municipality for class B and class C roads
1406 in the current fiscal year under Subsection (2); or

1407 (b) (i) the amount apportioned to the county or municipality for class B and class C
1408 roads through the apportionment formula under Subsection (2) or this Subsection (4) in the
1409 prior fiscal year; plus

1410 (ii) the amount calculated as described in Subsection (6).

1411 (5) (a) The department shall decrease proportionately as provided in Subsection (5)(b)
1412 the apportionments to counties and municipalities for which the reapportionment under
1413 Subsection (4) does not apply.

1414 (b) The aggregate amount of the funds that the department shall decrease
1415 proportionately from the apportionments under Subsection (5)(a) is an amount equal to the
1416 aggregate amount reapportioned to counties and municipalities under Subsection (4).

1417 (6) (a) In addition to the apportionment adjustments made under Subsection (4), a
1418 county or municipality that qualifies for reapportioned money under Subsection (4) shall
1419 receive an amount equal to the amount apportioned to the eligible county or municipality under
1420 Subsection (4) for class B and class C roads in the prior fiscal year multiplied by the percentage

1421 increase or decrease in the total funds available for class B and class C roads between the prior
1422 fiscal year and the fiscal year that immediately preceded the prior fiscal year.

1423 (b) The adjustment under Subsection (6)(a) shall be made in the same way as provided
1424 in Subsections (5)(a) and (b).

1425 (7) (a) If a county or municipality does not qualify for a reapportionment under
1426 Subsection (4) in the current fiscal year but previously qualified for a reapportionment under
1427 Subsection (4) on or after July 1, 2017, the county or municipality shall receive an amount
1428 equal to the greater of:

1429 (i) the amount apportioned to the county or municipality for class B and class C roads
1430 in the current fiscal year under Subsection (2); or

1431 (ii) the amount apportioned to the county or municipality for class B and class C roads
1432 in the prior fiscal year.

1433 (b) The adjustment under Subsection (7)(a) shall be made in the same way as provided
1434 in Subsections (5)(a) and (b).

1435 (8) The governing body of any municipality or county may issue bonds redeemable up
1436 to a period of 10 years under Title 11, Chapter 14, Local Government Bonding Act, to pay the
1437 costs of constructing, repairing, and maintaining class B or class C roads and may pledge class
1438 B or class C road funds received pursuant to this section to pay principal, interest, premiums,
1439 and reserves for the bonds.

1440 Section 21. Section **72-2-124** is amended to read:

1441 **72-2-124. Transportation Investment Fund of 2005.**

1442 (1) There is created a capital projects fund entitled the Transportation Investment Fund
1443 of 2005.

1444 (2) The fund consists of money generated from the following sources:

1445 (a) any voluntary contributions received for the maintenance, construction,
1446 reconstruction, or renovation of state and federal highways;

1447 (b) appropriations made to the fund by the Legislature;

1448 (c) registration fees designated under Section [41-1a-1201](#);

1449 (d) the sales and use tax revenues deposited into the fund in accordance with Section
1450 [59-12-103](#); and

1451 (e) revenues transferred to the fund in accordance with Section [72-2-106](#).

- 1452 (3) (a) The fund shall earn interest.
- 1453 (b) All interest earned on fund money shall be deposited into the fund.
- 1454 (4) (a) Except as provided in Subsection (4)(b), the executive director may only use
- 1455 fund money to pay:
- 1456 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
- 1457 federal highways prioritized by the Transportation Commission through the prioritization
- 1458 process for new transportation capacity projects adopted under Section 72-1-304;
- 1459 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
- 1460 projects described in Subsections 63B-18-401(2), (3), and (4);
- 1461 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
- 1462 minus the costs paid from the County of the First Class Highway Projects Fund in accordance
- 1463 with Subsection 72-2-121(4)(f);
- 1464 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
- 1465 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified
- 1466 by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the
- 1467 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;
- 1468 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
- 1469 for projects prioritized in accordance with Section 72-2-125;
- 1470 (vi) all highway general obligation bonds that are intended to be paid from revenues in
- 1471 the Centennial Highway Fund created by Section 72-2-118;
- 1472 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
- 1473 Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described
- 1474 in Section 72-2-121; and
- 1475 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
- 1476 the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved
- 1477 nonmotorized transportation for projects that:
- 1478 (A) mitigate traffic congestion on the state highway system;
- 1479 (B) are part of an active transportation plan approved by the department; and
- 1480 (C) are prioritized by the commission through the prioritization process for new
- 1481 transportation capacity projects adopted under Section 72-1-304.
- 1482 (b) The executive director may use fund money to exchange for an equal or greater

1483 amount of federal transportation funds to be used as provided in Subsection (4)(a).

1484 (5) (a) Except as provided in Subsection (5)(b), the executive director may not [~~use~~
1485 program fund money to a project prioritized by the commission under Section 72-1-304,
1486 including fund money from the Transit Transportation Investment Fund, within the boundaries
1487 of a municipality that is required to adopt a moderate income housing plan element as part of
1488 the municipality's general plan as described in Subsection 10-9a-401(3), if the municipality has
1489 failed to adopt a moderate income housing plan element as part of the municipality's general
1490 plan or has failed to implement the requirements of the moderate income housing plan as
1491 determined by the results of the Department of Workforce Service's review of the annual
1492 moderate income housing report described in Subsection 35A-8-803(1)(a)(vii).

1493 (b) Within the boundaries of a municipality that is required under Subsection
1494 10-9a-401(3) to plan for moderate income housing growth but has failed to adopt a moderate
1495 income housing plan element as part of the municipality's general plan or has failed to
1496 implement the requirements of the moderate income housing plan as determined by the results
1497 of the Department of Workforce Service's review of the annual moderate income housing
1498 report described in Subsection 35A-8-803(1)(a)(vii), the executive director:

1499 (i) may [~~use~~] program fund money in accordance with Subsection (4)(a) for a
1500 limited-access facility or interchange connecting limited-access facilities;

1501 (ii) may not [~~use~~] program fund money for the construction, reconstruction, or
1502 renovation of an interchange on a limited-access facility;

1503 (iii) may [~~use~~] program Transit Transportation Investment Fund money for a
1504 multi-community fixed guideway public transportation project; and

1505 (iv) may not [~~use~~] program Transit Transportation Investment Fund money for the
1506 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1507 transportation project.

1508 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
1509 director before May 1, 2020, for projects prioritized by the commission under Section
1510 72-1-304.

1511 (6) (a) Except as provided in Subsection (6)(b), the executive director may not [~~use~~]
1512 program fund money to a project prioritized by the commission under Section 72-1-304,
1513 including fund money from the Transit Transportation Investment Fund, within the boundaries

1514 of the unincorporated area of a county, if the county is required to adopt a moderate income
1515 housing plan element as part of the county's general plan as described in Subsection
1516 [17-27a-401\(3\)](#) and if the county has failed to adopt a moderate income housing plan element as
1517 part of the county's general plan or has failed to implement the requirements of the moderate
1518 income housing plan as determined by the results of the Department of Workforce Service's
1519 review of the annual moderate income housing report described in Subsection
1520 [35A-8-803\(1\)\(a\)\(vii\)](#).

1521 (b) Within the boundaries of the unincorporated area of a county where the county is
1522 required under Subsection [17-27a-401\(3\)](#) to plan for moderate income housing growth but has
1523 failed to adopt a moderate income housing plan element as part of the county's general plan or
1524 has failed to implement the requirements of the moderate income housing plan as determined
1525 by the results of the Department of Workforce Service's review of the annual moderate income
1526 housing report described in Subsection [35A-8-803\(1\)\(a\)\(vii\)](#), the executive director:

1527 (i) may ~~use~~ program fund money in accordance with Subsection (4)(a) for a
1528 limited-access facility to a project prioritized by the commission under Section [72-1-304](#);

1529 (ii) may not ~~use~~ program fund money for the construction, reconstruction, or
1530 renovation of an interchange on a limited-access facility;

1531 (iii) may ~~use~~ program Transit Transportation Investment Fund money for a
1532 multi-community fixed guideway public transportation project; and

1533 (iv) may not ~~use~~ program Transit Transportation Investment Fund money for the
1534 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1535 transportation project.

1536 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
1537 director before July 1, 2020, for projects prioritized by the commission under Section
1538 [72-1-304](#).

1539 (7) (a) Before bonds authorized by Section [63B-18-401](#) or [63B-27-101](#) may be issued
1540 in any fiscal year, the department and the commission shall appear before the Executive
1541 Appropriations Committee of the Legislature and present the amount of bond proceeds that the
1542 department needs to provide funding for the projects identified in Subsections [63B-18-401\(2\)](#),
1543 (3), and (4) or Subsection [63B-27-101\(2\)](#) for the current or next fiscal year.

1544 (b) The Executive Appropriations Committee of the Legislature shall review and

1545 comment on the amount of bond proceeds needed to fund the projects.

1546 (8) The Division of Finance shall, from money deposited into the fund, transfer the
1547 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
1548 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or
1549 sinking fund.

1550 (9) (a) There is created in the Transportation Investment Fund of 2005 the Transit
1551 Transportation Investment Fund.

1552 (b) The fund shall be funded by:

1553 (i) contributions deposited into the fund in accordance with Section 59-12-103;

1554 (ii) appropriations into the account by the Legislature;

1555 (iii) private contributions; ~~§~~ → [H] ← ~~§~~ and ~~§~~ → [H] ← ~~§~~

1556 ~~§~~ → ~~[(iv) contributions deposited into the fund in accordance with Section 59-12-1201; and~~

1557 ~~— [H] ← ~~§~~ (iv) ~~§~~ → [H] ← ~~§~~ donations or grants from public or private entities.~~

1558 (c) (i) The fund shall earn interest.

1559 (ii) All interest earned on fund money shall be deposited into the fund.

1560 (d) Subject to Subsection (9)(e), the Legislature may appropriate money from the fund
1561 for public transit capital development of new capacity projects to be used as prioritized by the
1562 commission.

1563 (e) (i) The Legislature may only appropriate money from the fund for a public transit
1564 capital development project or pedestrian or nonmotorized transportation project that provides
1565 connection to the public transit system if the public transit district or political subdivision
1566 provides funds of equal to or greater than 40% of the costs needed for the project.

1567 (ii) A public transit district or political subdivision may use money derived from a loan
1568 granted pursuant to Title 72, Chapter 2, Part 2, State Infrastructure Bank Fund, to provide all or
1569 part of the 40% requirement described in Subsection (9)(e)(i) if:

1570 (A) the loan is approved by the commission as required in Title 72, Chapter 2, Part 2,
1571 State Infrastructure Bank Fund; and

1572 (B) the proposed capital project has been prioritized by the commission pursuant to
1573 Section 72-1-303.

1574 Section 22. Section 72-2-131 is enacted to read:

1575 **72-2-131. Transportation Reinvestment Zone Fund.**

1576 (1) There is created in the Transportation Investment Fund of 2005, created in Section
1577 72-2-124, the Transportation Reinvestment Zone Fund.

1578 (2) The fund shall be funded from the following sources:

1579 (a) appropriations made to the fund by the Legislature; and

1580 (b) revenue generated by a portion of state sales and use tax within a transportation
1581 reinvestment zone created under Section 11-13-227 to which the state is a party and pursuant to
1582 the terms of the transportation reinvestment zone agreement.

1583 (3) (a) The fund shall earn interest.

1584 (b) All interest earned on fund money shall be deposited into the fund.

1585 (4) (a) Subject to appropriation, the department may expend money from the fund for
1586 transportation infrastructure or public transit capacity infrastructure that is the subject of a
1587 transportation reinvestment zone agreement to which the state is a party.

1588 (b) The terms of each transportation reinvestment zone to which the state is proposed
1589 as a party and pursuant to which funds will be expended from the fund is subject to approval by
1590 the Legislature, including legislation dedicating a portion of state sales tax revenue committed
1591 to the transportation reinvestment zone.

1592 Section 23. Section **72-3-104** is amended to read:

1593 **72-3-104. City streets -- Class C roads -- Construction and maintenance.**

1594 (1) City streets comprise:

1595 (a) highways, roads, circulator alleys, and streets within the corporate limits of the
1596 municipalities that are not designated as class A state roads or as class B roads; and

1597 (b) those highways, roads, and streets located within a national forest and constructed
1598 or maintained by the municipality under agreement with the appropriate federal agency.

1599 (2) City streets are class C roads.

1600 (3) Except for city streets within counties of the first and second class as defined in
1601 Section 17-50-501, the state and city have joint undivided interest in the title to all
1602 rights-of-way for all city streets.

1603 (4) The municipal governing body exercises sole jurisdiction and control of the city
1604 streets within the municipality.

1605 (5) The department shall cooperate with the municipal legislative body in the
1606 construction and maintenance of the class C roads within each municipality.

1607 (6) The municipal legislative body shall expend or cause to be expended upon the class
1608 C roads the funds allocated to each municipality from the Transportation Fund under rules
1609 made by the department.

1610 (7) Any town or city in the third, fourth, or fifth class may:

1611 (a) contract with the county or the department for the construction and maintenance of
1612 class C roads within its corporate limits; or

1613 (b) transfer, with the consent of the county, its:

1614 (i) class C roads to the class B road system; and

1615 (ii) funds allocated from the Transportation Fund to the municipality to the county
1616 legislative body for use upon the transferred class C roads.

1617 (8) A municipal legislative body of any city of the third, fourth, or fifth class may use
1618 any portion of the class C road funds allocated to the municipality for the construction of
1619 sidewalks, curbs, and gutters on class A state roads within the municipal limits by cooperative
1620 agreement with the department.

1621 Section 24. Section **72-6-118** is amended to read:

1622 **72-6-118. Definitions -- Establishment and operation of tollways -- Imposition**
1623 **and collection of tolls -- Amount of tolls -- Rulemaking.**

1624 (1) As used in this section:

1625 (a) "High occupancy toll lane" means a high occupancy vehicle lane designated under
1626 Section [41-6a-702](#) that may be used by an operator of a vehicle carrying less than the number
1627 of persons specified for the high occupancy vehicle lane if the operator of the vehicle pays a
1628 toll or fee.

1629 (b) "Toll" means any tax, fee, or charge assessed for the specific use of a tollway.

1630 (c) "Toll lane" means a designated new highway or additional lane capacity that is
1631 constructed, operated, or maintained for which a toll is charged for its use.

1632 (d) (i) "Tollway" means a highway, highway lane, bridge, path, tunnel, or right-of-way
1633 designed and used as a transportation route that is constructed, operated, or maintained through
1634 the use of toll revenues.

1635 (ii) "Tollway" includes a high occupancy toll lane and a toll lane.

1636 (e) "Tollway development agreement" has the same meaning as defined in Section
1637 [72-6-202](#).

- 1638 (2) Subject to the provisions of Subsection (3), the department may:
- 1639 (a) establish, expand, and operate tollways and related facilities for the purpose of
- 1640 funding in whole or in part the acquisition of right-of-way and the design, construction,
- 1641 reconstruction, operation, enforcement, and maintenance of or impacts from a transportation
- 1642 route for use by the public;
- 1643 (b) enter into contracts, agreements, licenses, franchises, tollway development
- 1644 agreements, or other arrangements to implement this section;
- 1645 (c) impose and collect tolls on any tollway established under this section, including
- 1646 collection of past due payment of a toll or penalty;
- 1647 (d) grant exclusive or nonexclusive rights to a private entity to impose and collect tolls
- 1648 pursuant to the terms and conditions of a tollway development agreement;
- 1649 (e) use technology to automatically monitor a tollway and collect payment of a toll,
- 1650 including:
- 1651 (i) license plate reading technology; and
- 1652 (ii) photographic or video recording technology; and
- 1653 (f) in accordance with Subsection (5), request that the Division of Motor Vehicles deny
- 1654 a request for registration of a motor vehicle if the motor vehicle owner has failed to pay a toll
- 1655 or penalty imposed for usage of a tollway involving the motor vehicle for which registration
- 1656 renewal has been requested.
- 1657 (3) (a) The department may establish or operate a tollway on an existing highway if
- 1658 approved by the commission in accordance with the terms of this section.
- 1659 (b) To establish a tollway on an existing highway, the department shall submit a
- 1660 proposal to the commission including:
- 1661 (i) a description of the tollway project;
- 1662 (ii) projected traffic on the tollway;
- 1663 (iii) the anticipated amount of the toll to be charged; and
- 1664 (iv) projected toll revenue.
- 1665 (4) (a) For a tollway established under this section, the department may:
- 1666 (i) according to the terms of each tollway, impose the toll upon the owner of a motor
- 1667 vehicle using the tollway according to the terms of the tollway;
- 1668 (ii) send correspondence to the owner of the motor vehicle to inform the owner of:

- 1669 (A) an unpaid toll and the amount of the toll to be paid to the department;
- 1670 (B) the penalty for failure to pay the toll timely; and
- 1671 (C) a hold being placed on the owner's registration for the motor vehicle if the toll and
- 1672 penalty are not paid timely, which would prevent the renewal of the motor vehicle's
- 1673 registration;
- 1674 (iii) require that the owner of the motor vehicle pay the toll to the department within 30
- 1675 days of the date when the department sends written notice of the toll to the owner; and
- 1676 (iv) impose a penalty for failure to pay a toll timely.
- 1677 (b) The department shall mail the correspondence and notice described in Subsection
- 1678 (4)(a) to the owner of the motor vehicle according to the terms of a tollway.
- 1679 (5) (a) The Division of Motor Vehicles and the department shall share and provide
- 1680 access to information pertaining to a motor vehicle and tollway enforcement including:
- 1681 (i) registration and ownership information pertaining to a motor vehicle;
- 1682 (ii) information regarding the failure of a motor vehicle owner to timely pay a toll or
- 1683 penalty imposed under this section; and
- 1684 (iii) the status of a request for a hold on the registration of a motor vehicle.
- 1685 (b) If the department requests a hold on the registration in accordance with this section,
- 1686 the Division of Motor Vehicles may not renew the registration of a motor vehicle under Title
- 1687 41, Chapter 1a, Part 2, Registration, if the owner of the motor vehicle has failed to pay a toll or
- 1688 penalty imposed under this section for usage of a tollway involving the motor vehicle for which
- 1689 registration renewal has been requested until the department withdraws the hold request.
- 1690 (6) (a) Except as provided in Subsection (6)(b), in accordance with Title 63G, Chapter
- 1691 3, Utah Administrative Rulemaking Act, the commission shall:
- 1692 (i) set the amount of any toll imposed or collected on a tollway on a state highway; and
- 1693 (ii) for tolls established under Subsection (6)(b), set:
- 1694 (A) an increase in a toll rate or user fee above an increase specified in a tollway
- 1695 development agreement; or
- 1696 (B) an increase in a toll rate or user fee above a maximum toll rate specified in a
- 1697 tollway development agreement.
- 1698 (b) A toll or user fee and an increase to a toll or user fee imposed or collected on a
- 1699 tollway on a state highway that is the subject of a tollway development agreement shall be set

1700 in the tollway development agreement.

1701 (7) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1702 the department shall make rules:

1703 (i) necessary to establish and operate tollways on state highways;

1704 (ii) that establish standards and specifications for automatic tolling systems and
1705 automatic tollway monitoring technology; and

1706 (iii) to set the amount of a penalty for failure to pay a toll under this section.

1707 (b) The rules shall:

1708 (i) include minimum criteria for having a tollway; and

1709 (ii) conform to regional and national standards for automatic tolling.

1710 (8) (a) The commission may provide funds for public or private tollway pilot projects
1711 or high occupancy toll lanes from General Fund money appropriated by the Legislature to the
1712 commission for that purpose.

1713 (b) The commission may determine priorities and funding levels for tollways
1714 designated under this section.

1715 (9) (a) Except as provided in Subsection (9)(b), all revenue generated from a tollway
1716 on a state highway shall be deposited into the Tollway Special Revenue Fund created in
1717 Section 72-2-120 and used for ~~[acquisition of right-of-way and the design, construction,
1718 reconstruction, operation, maintenance, enforcement of state transportation systems and
1719 facilities, including operating improvements to the tollway, and other facilities used exclusively
1720 for the operation of a tollway facility within the corridor served by the tollway]~~ any state
1721 transportation purpose.

1722 (b) Revenue generated from a tollway that is the subject of a tollway development
1723 agreement shall be deposited into the Tollway Special Revenue Fund and used in accordance
1724 with Subsection (9)(a) unless:

1725 (i) the revenue is to a private entity through the tollway development agreement; or

1726 (ii) the revenue is identified for a different purpose under the tollway development
1727 agreement.

1728 (10) Data described in Subsection (2)(e) obtained for the purposes of this section:

1729 (a) in accordance with Section 63G-2-305, is a protected record under Title 63G,
1730 Chapter 2, Government Records Access and Management Act, if the photographic or video

1731 data is maintained by a governmental entity;

1732 (b) may not be used or shared for any purpose other than the purposes described in this
1733 section;

1734 (c) may only be preserved:

1735 (i) so long as necessary to collect the payment of a toll or penalty imposed in
1736 accordance with this section; or

1737 (ii) pursuant to a warrant issued under the Utah Rules of Criminal Procedure or an
1738 equivalent federal warrant; and

1739 (d) may only be disclosed:

1740 (i) in accordance with the disclosure requirements for a protected record under Section
1741 [63G-2-202](#); or

1742 (ii) pursuant to a warrant issued under the Utah Rules of Criminal Procedure or an
1743 equivalent federal warrant.

1744 (11) (a) The department may not sell for any purpose photographic or video data
1745 captured under Subsection (2)(e)(ii).

1746 (b) The department may not share captured photographic or video data for a purpose
1747 not authorized under this section.

1748 (12) Before November 1, 2018, the Driver License Division, the Division of Motor
1749 Vehicles, and the department shall jointly study and report findings and recommendations to
1750 the Transportation Interim Committee regarding the use of Title 53, Chapter 3, Part 6, Drivers'
1751 License Compact, and other methods to collect a toll or penalty under this section from:

1752 (a) an owner of a motor vehicle registered outside this state; or

1753 (b) a driver or lessee of a motor vehicle leased or rented for 30 days or less.

1754 Section 25. Section **72-10-207** is amended to read:

1755 **72-10-207. Powers of department and political subdivisions over airports --**
1756 **Security unit.**

1757 (1) The department, and counties, municipalities, or other political subdivisions of this
1758 state that have established or may establish airports or that acquire, lease, or set apart real
1759 property for those purposes, may:

1760 (a) construct, equip, improve, maintain, and operate the airports or may vest the
1761 authority for their construction, equipment, improvement, maintenance, and operation in an

1762 officer of the department or in an officer, board, or body of the political subdivision;

1763 (b) adopt rules, establish charges, fees, and tolls for the use of airports and landing
1764 fields, fix penalties for the violation of the rules, and establish liens to enforce payment of the
1765 charges, fees, and tolls, subject to approval by the commission;

1766 (c) lease the airports to private parties for operation for a term not exceeding 50 years,
1767 as long as the public is not deprived of its rightful, equal, and uniform use of the facility;

1768 (d) lease or assign space, area, improvements, equipment, buildings, and facilities on
1769 the airports to private parties for operation for a term not exceeding 50 years;

1770 (e) lease or assign real property comprising all or any part of the airports to private
1771 parties for the construction and operation of hangars, shop buildings, or office buildings for a
1772 term not exceeding 50 years, if the projected construction cost of the hangar, shop building, or
1773 office building is \$100,000 or more; and

1774 (f) establish, maintain, operate, and staff a security unit for the purpose of enforcing
1775 state and local laws at any airport that is subject to federal airport security regulations.

1776 (2) The department or political subdivision shall pay the construction, equipment,
1777 improvement, maintenance, and operations expenses of any airport established by them under
1778 Subsection (1).

1779 (3) (a) If the department or political subdivision establishes a security unit under
1780 Subsection (1)(f), the department head or the governing body of the political subdivision shall
1781 appoint persons qualified as peace officers under Title 53, Chapter 13, Peace Officer
1782 Classifications to staff the security unit.

1783 (b) A security unit appointed by the department or political subdivision is exempt from
1784 civil service regulations.

1785 (c) If the department or political subdivision establishes a security unit under
1786 Subsection (1)(f), the department head or the governing body of the political subdivision:

1787 (i) may allow peace officers or other workers to assist with airport operations and
1788 vehicle and traffic flow; and

1789 (ii) may not allow peace officers or other workers to:

1790 (A) unreasonably impede or obstruct traffic;

1791 (B) create unsafe traffic situations; or

1792 (C) intimidate vehicle drivers or airport passengers.

1793 Section 26. **Effective date.**

1794 This bill takes effect on May 12, 2020, with the exceptions of:

1795 ~~Ŝ→ [(1) Section 59-12-1201, which takes effect on July 1, 2020;~~

1796 ~~——— (2)] (1) ←Ŝ Section 41-1a-902, which takes effect on October 1, 2020.~~

1797 ~~Ŝ→ [(3) (2) ←Ŝ Section 41-1a-1206, which takes effect on January 1, 2021; and~~

1798 ~~Ŝ→ [(4) (3) ←Ŝ Section 72-2-108, which takes effect on July 1, 2021.~~