

HB3008S01 compared with HB3008

~~{deleted text}~~ shows text that was in HB3008 but was deleted in HB3008S01.

inserted text shows text that was not in HB3008 but was inserted into HB3008S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Joel Ferry proposes the following substitute bill:

RAIL FUEL SALES TAX AMENDMENTS

2020 THIRD SPECIAL SESSION

STATE OF UTAH

Chief Sponsor: Joel Ferry

Senate Sponsor: Scott D. Sandall

LONG TITLE

General Description:

This bill modifies provisions related to railroads.

Highlighted Provisions:

This bill:

- ▶ repeals the state sales and use tax exemption for sales of fuel to a rail carrier for use in a locomotive engine and deposits the resulting revenue into the General Fund;
- ▶ creates the Rail Transportation Restricted Account; and
- ▶ provides the purposes for which the Department of Transportation may use money in the account ~~{, and}~~.

~~{ → addresses the permissible uses of funds in the account.~~

~~{~~Money Appropriated in this Bill:

This bill appropriates in fiscal year 2021:

HB3008S01 compared with HB3008

- ▶ to the Transit Transportation Investment Fund -- Rail Transportation Restricted Account, as an ongoing appropriation:
 - from the General Fund, \$3,660,000;
- ▶ to the Transit Transportation Investment Fund -- Rail Transportation Restricted Account, as a one-time appropriation:
 - from the General Fund, (\$2,135,000);
- ▶ to Transportation -- Railroad Crossing Safety Grants, as an ongoing appropriation:
 - from Rail Transportation Restricted Account, \$366,000; and
- ▶ to Transportation -- Railroad Crossing Safety Grants, as a one-time appropriation:
 - from Rail Transportation Restricted Account, (\$213,500).

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

ENACTS:

59-12-103.3, Utah Code Annotated 1953

72-2-131, Utah Code Annotated 1953

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

Section 1. Section **59-12-103.3** is enacted to read:

59-12-103.3. Sales and use tax base -- Rate for locomotive fuel.

(1) (a) Notwithstanding Section 59-12-104 and except as provided in Subsection 59-12-103(2)(d) or (e), a state tax at a rate of 4.85% is imposed on amounts paid or charged for **sales of** fuel to a common carrier that is a railroad for use in a locomotive engine.

(b) The state tax imposed by Subsection (1)(a) shall be deposited into the General Fund.

(2) Except for the tax imposed by Subsection (1), in accordance with Section 59-12-104, sales of fuel to a common carrier that is a railroad for use in a locomotive engine are exempt from the taxes imposed by this chapter.

(3) For purposes of Subsection 11-41-102(5), "sales and use tax" does not include a tax imposed under Subsection (1).

(4) For purposes of Subsection 59-12-102(7), "agreement sales and use tax" includes a

HB3008S01 compared with HB3008

tax imposed under Subsection (1).

Section 2. Section **72-2-131** is enacted to read:

72-2-131. Rail Transportation Restricted Account -- ~~{Railroad Crossing Safety Grant Program}~~Grants for railroad crossing safety.

(1) There is created in the Transit Transportation Investment Fund, created in Section 72-2-124, the Rail Transportation Restricted Account.

(2) The account shall be funded by:

(a) appropriations to the account by the Legislature;

(b) private contributions;

(c) donations or grants from public or private entities; and

(d) interest earned on money in the account.

(3) Upon appropriation, the department shall:

(a) use an amount equal to 10% of the money deposited into the account to provide grants in accordance with Subsection (4);

(b) use an amount equal to 10% of the money deposited into the account to pay the costs of performing environmental impact studies in connection with construction, reconstruction, or renovation projects related to railroad crossings on class B or class C roads; ~~for~~and

(c) use the remaining money deposited into the account to pay:

(i) the costs of construction, reconstruction, or renovation projects related to railroad crossings on class B or class C roads; or

(ii) debt service related to a project described in Subsection (3)(b).

(4) (a) The department may award grants to ~~{persons}~~one or more public entities to be used for the purpose of improving safety at railroad crossings on class B or class C roads.

(b) A person may use grant money for any expense related to improving safety at railroad crossings on class B or class C roads, including:

(i) signage; ~~and~~

(ii) safety enhancements to a railroad crossing~~;~~ ~~and~~;

~~{~~(iii) promotional material.

~~}~~(c) The department shall prioritize, in the following order, grants to applicants that propose projects impacting railroad crossings that:

HB3008S01 compared with HB3008

- (i) have demonstrated safety concerns, including emergency services access; and
- (ii) have high levels of vehicular and pedestrian traffic.

Section 3. **Appropriation.**

The following sums of money are appropriated for the fiscal year beginning July 1, 2020, and ending June 30, 2021. These are additions to amounts previously appropriated for fiscal year 2021. The Legislature authorizes the State Division of Finance to transfer the following amounts between the following funds or accounts as indicated. Expenditures and outlays from the funds or accounts to which the money is transferred must be authorized by an appropriation.

ITEM 1

To Transit Transportation Investment Fund - Rail Transportation Restricted Account

<u>From General Fund</u>	<u>\$3,660,000</u>
<u>From General Fund, One-time</u>	<u>(\$2,135,000)</u>
<u>Schedule of Programs:</u>	
<u>Rail Transportation Restricted Account</u>	<u>\$1,525,000</u>

ITEM 2

To Transportation -- Railroad Crossing Safety Grants

<u>From Rail Transportation Restricted Account</u>	<u>\$366,000</u>
<u>From Rail Transportation Restricted Account, One-Time</u>	<u>(\$213,500)</u>
<u>Schedule of Programs:</u>	
<u>Railroad Crossing Safety Grants</u>	<u>\$152,500</u>

The Legislature intends that appropriations under this item be used to award grants under Subsection 72-2-131(4).

Section 4. **Effective date.**

This bill takes effect on January 1, 2021.