

1 **AMENDMENTS RELATED TO INFRASTRUCTURE FUNDING**

2 2021 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Mike Schultz**

5 Senate Sponsor: Kirk A. Cullimore

7 **LONG TITLE**

8 **General Description:**

9 This bill enacts and modifies provisions relating to funding for infrastructure projects.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ authorizes the issuance of \$264,000,000 in bonds for specified transportation and
- 13 transit projects;
- 14 ▶ provides for uses of the bond proceeds;
- 15 ▶ limits the issuance of bonds;
- 16 ▶ enacts other provisions relating to the issuance of the bonds;
- 17 ▶ provides for certain sales tax revenue to be deposited into a specified transportation
- 18 investment fund; and
- 19 ▶ allocates and appropriates money for infrastructure projects.

20 **Money Appropriated in this Bill:**

21 This bill appropriates in fiscal year 2022:

- 22 ▶ to Transportation - Transportation Investment Fund of 2005, as a one-time
- 23 appropriation:
 - 24 • from the General Fund, \$733,000,000; and
- 25 ▶ to Transportation - Transit Transportation Investment Fund, as a one-time
- 26 appropriation:
 - 27 • from the General Fund, \$101,600,000.

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **59-12-103**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 20

33 **72-2-124**, as last amended by Laws of Utah 2020, Chapters 366 and 377

34 **72-2-131**, as enacted by Laws of Utah 2020, Fourth Special Session, Chapter 2

35 ENACTS:

36 **63B-31-101**, Utah Code Annotated 1953

37 **Uncodified Material Affected:**

38 ENACTS UNCODIFIED MATERIAL



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

41 Section 1. Section **59-12-103** is amended to read:

42 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
43 **tax revenues.**

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

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

47 (b) amounts paid for:

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

50 (ii) mobile telecommunications service that originates and terminates within the
51 boundaries of one state only to the extent permitted by the Mobile Telecommunications
52 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

53 (iii) an ancillary service associated with a:

54 (A) telecommunications service described in Subsection (1)(b)(i); or

55 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

56 (c) sales of the following for commercial use:

57 (i) gas;

- 58 (ii) electricity;
- 59 (iii) heat;
- 60 (iv) coal;
- 61 (v) fuel oil; or
- 62 (vi) other fuels;
- 63 (d) sales of the following for residential use:
 - 64 (i) gas;
 - 65 (ii) electricity;
 - 66 (iii) heat;
 - 67 (iv) coal;
 - 68 (v) fuel oil; or
 - 69 (vi) other fuels;
 - 70 (e) sales of prepared food;
 - 71 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
 - 72 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
 - 73 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
 - 74 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
 - 75 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
 - 76 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
 - 77 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
 - 78 horseback rides, sports activities, or any other amusement, entertainment, recreation,
 - 79 exhibition, cultural, or athletic activity;
 - 80 (g) amounts paid or charged for services for repairs or renovations of tangible personal
 - 81 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
 - 82 (i) the tangible personal property; and
 - 83 (ii) parts used in the repairs or renovations of the tangible personal property described
 - 84 in Subsection (1)(g)(i), regardless of whether:
 - 85 (A) any parts are actually used in the repairs or renovations of that tangible personal

86 property; or

87 (B) the particular parts used in the repairs or renovations of that tangible personal
88 property are exempt from a tax under this chapter;

89 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
90 assisted cleaning or washing of tangible personal property;

91 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
92 accommodations and services that are regularly rented for less than 30 consecutive days;

93 (j) amounts paid or charged for laundry or dry cleaning services;

94 (k) amounts paid or charged for leases or rentals of tangible personal property if within
95 this state the tangible personal property is:

96 (i) stored;

97 (ii) used; or

98 (iii) otherwise consumed;

99 (l) amounts paid or charged for tangible personal property if within this state the
100 tangible personal property is:

101 (i) stored;

102 (ii) used; or

103 (iii) consumed; and

104 (m) amounts paid or charged for a sale:

105 (i) (A) of a product transferred electronically; or

106 (B) of a repair or renovation of a product transferred electronically; and

107 (ii) regardless of whether the sale provides:

108 (A) a right of permanent use of the product; or

109 (B) a right to use the product that is less than a permanent use, including a right:

110 (I) for a definite or specified length of time; and

111 (II) that terminates upon the occurrence of a condition.

112 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax
113 are imposed on a transaction described in Subsection (1) equal to the sum of:

114 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
115 (A) (I) through March 31, 2019, 4.70%; and
116 (II) beginning on April 1, 2019, 4.70% plus the rate specified in Subsection (13)(a);
117 and
118 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
119 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
120 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
121 State Sales and Use Tax Act; and
122 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
123 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
124 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
125 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
126 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
127 transaction under this chapter other than this part.
128 (b) Except as provided in Subsection (2)(d) or (e) and subject to Subsection (2)(j), a
129 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
130 the sum of:
131 (i) a state tax imposed on the transaction at a tax rate of 2%; and
132 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
133 transaction under this chapter other than this part.
134 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax are
135 imposed on amounts paid or charged for food and food ingredients equal to the sum of:
136 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
137 a tax rate of 1.75%; and
138 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
139 amounts paid or charged for food and food ingredients under this chapter other than this part.
140 (d) (i) For a bundled transaction that is attributable to food and food ingredients and
141 tangible personal property other than food and food ingredients, a state tax and a local tax is

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

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

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

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

146 Sales and Use Tax Act, if the location of the transaction as determined under Sections

147 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,

148 Additional State Sales and Use Tax Act; and

149 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State

150 Sales and Use Tax Act, if the location of the transaction as determined under Sections

151 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which

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

153 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates

154 described in Subsection (2)(a)(ii).

155 (ii) If an optional computer software maintenance contract is a bundled transaction that

156 consists of taxable and nontaxable products that are not separately itemized on an invoice or

157 similar billing document, the purchase of the optional computer software maintenance contract

158 is 40% taxable under this chapter and 60% nontaxable under this chapter.

159 (iii) Subject to Subsection (2)(d)(iv), for a bundled transaction other than a bundled

160 transaction described in Subsection (2)(d)(i) or (ii):

161 (A) if the sales price of the bundled transaction is attributable to tangible personal

162 property, a product, or a service that is subject to taxation under this chapter and tangible

163 personal property, a product, or service that is not subject to taxation under this chapter, the

164 entire bundled transaction is subject to taxation under this chapter unless:

165 (I) the seller is able to identify by reasonable and verifiable standards the tangible

166 personal property, product, or service that is not subject to taxation under this chapter from the

167 books and records the seller keeps in the seller's regular course of business; or

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

169 (B) if the sales price of a bundled transaction is attributable to two or more items of

170 tangible personal property, products, or services that are subject to taxation under this chapter
171 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
172 higher tax rate unless:

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

176 (II) state or federal law provides otherwise.

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

180 (e) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(e)(ii)
181 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
182 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
183 of tangible personal property, other property, a product, or a service that is not subject to
184 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
185 the seller, at the time of the transaction:

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

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

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

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

196 (B) the seller is able to identify by reasonable and verifiable standards, from the books
197 and records the seller keeps in the seller's regular course of business, the portion of the

198 transaction that is not subject to taxation under this chapter.

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

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

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

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

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

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

216 (i) Subsection (2)(a)(i)(A);

217 (ii) Subsection (2)(b)(i);

218 (iii) Subsection (2)(c)(i); or

219 (iv) Subsection (2)(d)(i)(A)(I).

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

223 (A) Subsection (2)(a)(i)(A);

224 (B) Subsection (2)(b)(i);

225 (C) Subsection (2)(c)(i); or

- 226 (D) Subsection (2)(d)(i)(A)(I).
- 227 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
- 228 statement for the billing period is rendered on or after the effective date of the repeal of the tax
- 229 or the tax rate decrease imposed under:
 - 230 (A) Subsection (2)(a)(i)(A);
 - 231 (B) Subsection (2)(b)(i);
 - 232 (C) Subsection (2)(c)(i); or
 - 233 (D) Subsection (2)(d)(i)(A)(I).
- 234 (i) (i) For a tax rate described in Subsection (2)(i)(ii), if a tax due on a catalogue sale is
- 235 computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal or
- 236 change in a tax rate takes effect:
 - 237 (A) on the first day of a calendar quarter; and
 - 238 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.
- 239 (ii) Subsection (2)(i)(i) applies to the tax rates described in the following:
 - 240 (A) Subsection (2)(a)(i)(A);
 - 241 (B) Subsection (2)(b)(i);
 - 242 (C) Subsection (2)(c)(i); or
 - 243 (D) Subsection (2)(d)(i)(A)(I).
- 244 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 245 the commission may by rule define the term "catalogue sale."
- 246 (j) (i) For a location described in Subsection (2)(j)(ii), the commission shall determine
- 247 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
- 248 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.
- 249 (ii) Subsection (2)(j)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
- 250 or other fuel is furnished through a single meter for two or more of the following uses:
 - 251 (A) a commercial use;
 - 252 (B) an industrial use; or
 - 253 (C) a residential use.

254 (3) (a) The following state taxes shall be deposited into the General Fund:
255 (i) the tax imposed by Subsection (2)(a)(i)(A);
256 (ii) the tax imposed by Subsection (2)(b)(i);
257 (iii) the tax imposed by Subsection (2)(c)(i); or
258 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

259 (b) The following local taxes shall be distributed to a county, city, or town as provided
260 in this chapter:

261 (i) the tax imposed by Subsection (2)(a)(ii);
262 (ii) the tax imposed by Subsection (2)(b)(ii);
263 (iii) the tax imposed by Subsection (2)(c)(ii); and
264 (iv) the tax imposed by Subsection (2)(d)(i)(B).

265 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
266 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
267 through (g):

268 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
269 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
270 (B) for the fiscal year; or
271 (ii) \$17,500,000.

272 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
273 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the
274 Department of Natural Resources to:

275 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
276 protect sensitive plant and animal species; or
277 (B) award grants, up to the amount authorized by the Legislature in an appropriations
278 act, to political subdivisions of the state to implement the measures described in Subsections
279 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

280 (ii) Money transferred to the Department of Natural Resources under Subsection
281 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other

282 person to list or attempt to have listed a species as threatened or endangered under the
283 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

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

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

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

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

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

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

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

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

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

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

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

308 (ii) In addition to the uses allowed of the Water Resources Conservation and
309 Development Fund under Section 73-10-24, the Water Resources Conservation and

310 Development Fund may also be used to:

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

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

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

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

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

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

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

328 (iii) develop surface water sources.

329 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
330 2006, the difference between the following amounts shall be expended as provided in this
331 Subsection (5), if that difference is greater than \$1:

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

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

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

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

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

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

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

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

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

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

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

356 (i) preconstruction costs:

357 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
358 26, Bear River Development Act; and

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

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

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

365 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and

366 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

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

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

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

377 (a) for fiscal year 2016-17 only, 100% of the revenue described in this Subsection (6)
378 shall be deposited into the Transportation Investment Fund of 2005 created by Section
379 72-2-124;

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

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

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

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

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

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

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

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

393 (ii) 60% of the revenue described in this Subsection (6) shall be deposited into the

394 Water Infrastructure Restricted Account created by Section 73-10g-103;

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

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

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

400 (f) for a fiscal year beginning on or after July 1, 2021, 100% of the revenue described
401 in this Subsection (6) shall be deposited into the Water Infrastructure Restricted Account
402 created by Section 73-10g-103.

403 (7) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
404 Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1,
405 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005
406 created by Section 72-2-124:

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

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

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

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

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

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

419 (b) (i) Subject to Subsections (7)(b)(ii) and (iii), in any fiscal year that the portion of
420 the sales and use taxes deposited under Subsection (7)(a) represents an amount that is a total
421 lower percentage of the sales and use taxes described in Subsections (7)(a)(i)(A) through (D)

422 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
423 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection
424 (7)(a) equal to the product of:

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

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

429 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under
430 Subsection (7)(a) would exceed 17% of the revenues collected from the sales and use taxes
431 described in Subsections (7)(a)(i)(A) through (D) in the current fiscal year, the Division of
432 Finance shall deposit 17% of the revenues collected from the sales and use taxes described in
433 Subsections (7)(a)(i)(A) through (D) for the current fiscal year under Subsection (7)(a).

434 (iii) ~~[It]~~ Subject to Subsection (7)(b)(iv)(E), in all subsequent fiscal years after a year
435 in which 17% of the revenues collected from the sales and use taxes described in Subsections
436 (7)(a)(i)(A) through (D) was deposited under Subsection (7)(a), the Division of Finance shall
437 annually deposit 17% of the revenues collected from the sales and use taxes described in
438 Subsections (7)(a)(i)(A) through (D) in the current fiscal year under Subsection (7)(a).

439 (iv) (A) As used in this Subsection (7)(b)(iv), "additional growth revenue" means the
440 amount of relevant revenue collected in the current fiscal year that exceeds by more than 3%
441 the relevant revenue collected in the previous fiscal year.

442 (B) As used in this Subsection (7)(b)(iv), "combined amount" means the combined
443 total amount of money deposited into the Cottonwood Canyons fund under Subsections
444 (7)(b)(iv)(F) and (8)(c)(iv)(F) in any single fiscal year.

445 (C) As used in this Subsection (7)(b)(iv), "Cottonwood Canyons fund" means the
446 Cottonwood Canyons Transportation Investment Fund created in Subsection [72-2-124\(10\)](#).

447 (D) As used in this Subsection (7)(b)(iv), "relevant revenue" means the portion of taxes
448 listed under Subsection (3)(a) that equals 17% of the revenue collected from taxes described in
449 Subsections (7)(a)(i)(A) through (D).

450 (E) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
451 reduce the deposit under Subsection (7)(c)(iii) into the Transportation Investment Fund of 2005
452 by an amount equal to the amount of the deposit under this Subsection (7)(b)(iv) to the
453 Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue,
454 subject to the limit in Subsection (7)(b)(iv)(F).

455 (F) The commission shall annually deposit the amount described in Subsection
456 (7)(b)(iv)(E) into the Cottonwood Canyons fund, subject to an annual maximum combined
457 amount for any single fiscal year of \$20,000,000.

458 (G) If the amount of relevant revenue declines in a fiscal year compared to the previous
459 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
460 Canyons fund under this Subsection (7)(b)(iv) in the same proportion as the decline in relevant
461 revenue.

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

466 (b) Notwithstanding Subsection (3)(a), and in addition to the amounts deposited under
467 Subsections (6) and (7), for the 2017-18 fiscal year only, the Division of Finance shall deposit
468 \$63,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the
469 Transportation Investment Fund of 2005 created by Section 72-2-124.

470 (c) (i) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
471 Subsections (6) and (7), and subject to ~~[Subsection]~~ Subsections (8)(c)(ii) and (iv)(E), for a
472 fiscal year beginning on or after July 1, 2018, the commission shall annually deposit into the
473 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes
474 listed under Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the
475 following taxes:

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

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

478 (C) the tax imposed by Subsection (2)(c)(i); and
479 (D) the tax imposed by Subsection (2)(d)(i)(A)(I).

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

485 (iii) The commission shall annually deposit the amount described in Subsection
486 (8)(c)(ii) into the Transit and Transportation Investment Fund created in Section [72-2-124](#).

487 (iv) (A) As used in this Subsection (8)(c)(iv), "additional growth revenue" means the
488 amount of relevant revenue collected in the current fiscal year that exceeds by more than 3%
489 the relevant revenue collected in the previous fiscal year.

490 (B) As used in this Subsection (8)(c)(iv), "combined amount" means the combined
491 total amount of money deposited into the Cottonwood Canyons fund under Subsections
492 (7)(b)(iv)(F) and (8)(c)(iv)(F) in any single fiscal year.

493 (C) As used in this Subsection (8)(c)(iv), "Cottonwood Canyons fund" means the
494 Cottonwood Canyons Transportation Investment Fund created in Subsection [72-2-124](#)(10).

495 (D) As used in this Subsection (8)(c)(iv), "relevant revenue" means the portion of taxes
496 listed under Subsection (3)(a) that equals 3.68% of the revenue collected from taxes described
497 in Subsections (8)(c)(i)(A) through (D).

498 (E) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
499 reduce the deposit under Subsection (8)(c)(i) into the Transportation Investment Fund of 2005
500 by an amount equal to the amount of the deposit under this Subsection (8)(c)(iv) to the
501 Cottonwood Canyons fund in the previous fiscal year plus 25% of additional growth revenue,
502 subject to the limit in Subsection (8)(c)(iv)(F).

503 (F) The commission shall annually deposit the amount described in Subsection
504 (8)(c)(iv)(E) into the Cottonwood Canyons fund, subject to an annual maximum combined
505 amount for any single fiscal year of \$20,000,000.

506 (G) If the amount of relevant revenue declines in a fiscal year compared to the previous
507 fiscal year, the commission shall decrease the amount of the contribution to the Cottonwood
508 Canyons fund under this Subsection (8)(c)(iv) in the same proportion as the decline in relevant
509 revenue.

510 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
511 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
512 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

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

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

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

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

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

528 (iv) for fiscal year 2020-21 only, 33.33% of the amount of revenue generated by a
529 .05% tax rate on the transactions described in Subsection (1); and

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

532 (c) For purposes of Subsections (10)(a) and (b), the Division of Finance may not
533 deposit into the Transportation Investment Fund of 2005 any tax revenue generated by amounts

534 paid or charged for food and food ingredients, except for tax revenue generated by a bundled
535 transaction attributable to food and food ingredients and tangible personal property other than
536 food and food ingredients described in Subsection (2)(d).

537 (11) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the
538 fiscal year during which the Division of Finance receives notice under Section 63N-2-510 that
539 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the Division of
540 Finance shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the revenue
541 generated by the taxes listed under Subsection (3)(a) into the Hotel Impact Mitigation Fund,
542 created in Section 63N-2-512.

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

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

549 (13) (a) The rate specified in this subsection is 0.15%.

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

551 (i) on or before September 30, 2019, transfer the amount of revenue collected from the
552 rate described in Subsection (13)(a) beginning on April 1, 2019, and ending on June 30, 2019,
553 on the transactions that are subject to the sales and use tax under Subsection (2)(a)(i)(A) into
554 the Medicaid Expansion Fund created in Section 26-36b-208; and

555 (ii) for a fiscal year beginning on or after July 1, 2019, annually transfer the amount of
556 revenue collected from the rate described in Subsection (13)(a) on the transactions that are
557 subject to the sales and use tax under Subsection (2)(a)(i)(A) into the Medicaid Expansion
558 Fund created in Section 26-36b-208.

559 (14) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
560 2020-21, the Division of Finance shall deposit \$200,000 into the General Fund as a dedicated
561 credit solely for use of the Search and Rescue Financial Assistance Program created in, and

562 expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

563 (15) (a) For each fiscal year beginning with fiscal year 2020-21, the Division of
564 Finance shall annually transfer \$1,813,400 of the revenue deposited into the Transportation
565 Investment Fund of 2005 under Subsections (6) through (8) to the General Fund.

566 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
567 under Subsections (6) through (8) is less than \$1,813,400 for a fiscal year, the Division of
568 Finance shall transfer the total revenue deposited into the Transportation Investment Fund of
569 2005 under Subsections (6) through (8) during the fiscal year to the General Fund.

570 Section 2. Section **63B-31-101** is enacted to read:

571 **CHAPTER 31. 2021 BONDING AND FINANCING AUTHORIZATIONS**

572 **Part 1. General Provisions**

573 **63B-31-101. General obligation bonds -- Maximum amount -- Use of proceeds for**
574 **projects.**

575 (1) (a) Subject to the restriction in Subsection (1)(c), the total amount of bonds issued
576 under this section may not exceed \$264,000,000 for acquisition and construction proceeds, plus
577 additional amounts as provided in Subsection (1)(b).

578 (b) When the Department of Transportation certifies to the commission the amount of
579 bond proceeds needed to provide funding for the projects described in this section, the
580 commission may issue and sell general obligation bonds in an amount equal to the certified
581 amount, plus additional amounts necessary to pay costs of issuance, to pay capitalized interest,
582 and to fund any existing debt service reserve requirements, not to exceed 1% of the certified
583 amount.

584 (c) The commission may not issue general obligation bonds authorized under this
585 section if the issuance of the general obligation bonds would result in the total current
586 outstanding general obligation debt of the state exceeding 50% of the limitation described in
587 the Utah Constitution, Article XIV, Section 1.

588 (2) Proceeds from the bonds issued under this section shall be provided to the
589 Department of Transportation to pay for, or to provide funds in accordance with this section to

590 pay for, the costs of right-of-way acquisition, construction, reconstruction, renovations, or
591 improvements with respect to projects described in this section.

592 (3) It is the intent of the Legislature that as transportation projects are prioritized under
593 Section 72-2-124, the Transportation Commission give consideration to projects beyond the
594 normal programming horizon.

595 (4) (a) Two hundred thirty-two million dollars of the proceeds of bonds issued under
596 this section shall be used to pay for the following transit projects, to be repaid from the Transit
597 Transportation Investment Fund under Subsection 72-2-124(9):

598 (i) subject to Subsection (4)(b), \$200,000,000 to double track strategic sections of the
599 FrontRunner commuter rail system;

600 (ii) \$12,000,000 to pay for construction and improvements to the S-line streetcar
601 facilities in Salt Lake City;

602 (iii) \$11,000,000 for bus rapid transit in the Salt Lake midvalley area;

603 (iv) \$5,000,000 for an environmental study at the point of the mountain area; and

604 (v) \$4,000,000 for a Utah Transit Authority and Sharp-Tintic railroad consolidation
605 project.

606 (b) The issuance of the \$200,000,000 of bonds for the purpose described in Subsection
607 (4)(a)(i) is contingent upon the establishment of an agreement between the Department of
608 Transportation and the Utah Transit Authority whereby the Utah Transit Authority agrees to
609 pay \$5,000,000 per year for 15 years toward repayment of the bonds.

610 (5) (a) Twenty-nine million dollars of the proceeds of bonds issued under this section
611 shall be provided to the Department of Transportation to pass through to Brigham City to be
612 used for a Forest Street rail bridge project in Brigham City.

613 (b) Payments shall be made from the Rail Transportation Restricted Account created in
614 Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(c), in the amount
615 per year of the principal and interest payments due under the bonds issued under Subsection
616 (5)(a) until those bonds have been repaid in full.

617 (6) (a) Three million dollars of the proceeds of bonds issued under this section shall be

618 provided to the Department of Transportation to pass through to the city of North Salt Lake for
619 an environmental study for a grade separation at 1100 North in North Salt Lake.

620 (b) Payments shall be made from the Rail Transportation Restricted Account created in
621 Section 72-2-131, from the amount designated under Subsection 72-2-131(4)(b), in the amount
622 per year of the principal and interest payments due under the bonds issued under Subsection
623 (6)(a) until those bonds have been repaid in full.

624 (7) The costs under Subsection (2) may include the costs of studies necessary to make
625 transportation infrastructure improvements, the costs of acquiring land, interests in land, and
626 easements and rights-of-way, the costs of improving sites and making all improvements
627 necessary, incidental, or convenient to the facilities, and the costs of interest estimated to
628 accrue on these bonds during the period to be covered by construction of the projects plus a
629 period of six months after the end of the construction period, interest estimated to accrue on
630 any bond anticipation notes issued under the authority of this title, and all related engineering,
631 architectural, and legal fees.

632 (8) The commission or the state treasurer may make any statement of intent relating to
633 a reimbursement that is necessary or desirable to comply with federal tax law.

634 (9) The Department of Transportation may enter into agreements related to the projects
635 described in Subsection (4) before the receipt of proceeds of bonds issued under this section.

636 Section 3. Section 72-2-124 is amended to read:

637 **72-2-124. Transportation Investment Fund of 2005.**

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

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

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

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

644 (c) registration fees designated under Section 41-1a-1201;

645 (d) the sales and use tax revenues deposited into the fund in accordance with Section

646 59-12-103; and

647 (e) revenues transferred to the fund in accordance with Section 72-2-106.

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

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

650 (4) (a) Except as provided in Subsection (4)(b), the executive director may only use
651 fund money to pay:

652 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
653 federal highways prioritized by the Transportation Commission through the prioritization
654 process for new transportation capacity projects adopted under Section 72-1-304;

655 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
656 projects described in Subsections 63B-18-401(2), (3), and (4);

657 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
658 minus the costs paid from the County of the First Class Highway Projects Fund in accordance
659 with Subsection 72-2-121(4)(e);

660 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
661 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified
662 by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the
663 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;

664 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
665 for projects prioritized in accordance with Section 72-2-125;

666 (vi) all highway general obligation bonds that are intended to be paid from revenues in
667 the Centennial Highway Fund created by Section 72-2-118;

668 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
669 Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described
670 in Section 72-2-121; [and]

671 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
672 the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved
673 nonmotorized transportation for projects that:

- 674 (A) mitigate traffic congestion on the state highway system;
- 675 (B) are part of an active transportation plan approved by the department; and
- 676 (C) are prioritized by the commission through the prioritization process for new
- 677 transportation capacity projects adopted under Section 72-1-304[-];
- 678 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
- 679 reconstruction, or renovation of or improvement to the following projects:
- 680 (A) the connector road between Main Street and 1600 North in the city of Vineyard;
- 681 (B) Geneva Road from University Parkway to 1800 South;
- 682 (C) the SR-97 interchange at 5600 South on I-15;
- 683 (D) two lanes on U-111 from Herriman Parkway to 11800 South;
- 684 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
- 685 (F) improvements to 1600 North in Orem from 1200 West to State Street;
- 686 (G) widening I-15 between mileposts 6 and 8;
- 687 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
- 688 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in
- 689 Spanish Fork Canyon;
- 690 (J) I-15 northbound between mileposts 43 and 56;
- 691 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43
- 692 and 45.1;
- 693 (L) east Zion SR-9 improvements;
- 694 (M) Toquerville Parkway;
- 695 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
- 696 (O) for construction of an interchange on Bangerter Highway at 13400 South; and
- 697 (P) an environmental impact study for Kimball Junction in Summit County; and
- 698 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
- 699 costs based upon a statement of cash flow that the local jurisdiction where the project is located
- 700 provides to the department demonstrating the need for money for the project, for the following
- 701 projects in the following amounts:

- 702 (A) \$5,000,000 for Payson Main Street repair and replacement;
- 703 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
- 704 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
- 705 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40
- 706 between mile markers 7 and 10.

707 (b) The executive director may use fund money to exchange for an equal or greater
708 amount of federal transportation funds to be used as provided in Subsection (4)(a).

709 (5) (a) Except as provided in Subsection (5)(b), the executive director may not program
710 fund money to a project prioritized by the commission under Section 72-1-304, including fund
711 money from the Transit Transportation Investment Fund, within the boundaries of a
712 municipality that is required to adopt a moderate income housing plan element as part of the
713 municipality's general plan as described in Subsection 10-9a-401(3), if the municipality has
714 failed to adopt a moderate income housing plan element as part of the municipality's general
715 plan or has failed to implement the requirements of the moderate income housing plan as
716 determined by the results of the Department of Workforce Service's review of the annual
717 moderate income housing report described in Subsection 35A-8-803(1)(a)(vii).

718 (b) Within the boundaries of a municipality that is required under Subsection
719 10-9a-401(3) to plan for moderate income housing growth but has failed to adopt a moderate
720 income housing plan element as part of the municipality's general plan or has failed to
721 implement the requirements of the moderate income housing plan as determined by the results
722 of the Department of Workforce Service's review of the annual moderate income housing
723 report described in Subsection 35A-8-803(1)(a)(vii), the executive director:

724 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
725 facility or interchange connecting limited-access facilities;

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

728 (iii) may program Transit Transportation Investment Fund money for a
729 multi-community fixed guideway public transportation project; and

730 (iv) may not program Transit Transportation Investment Fund money for the
731 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
732 transportation project.

733 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
734 director before May 1, 2020, for projects prioritized by the commission under Section
735 72-1-304.

736 (6) (a) Except as provided in Subsection (6)(b), the executive director may not program
737 fund money to a project prioritized by the commission under Section 72-1-304, including fund
738 money from the Transit Transportation Investment Fund, within the boundaries of the
739 unincorporated area of a county, if the county is required to adopt a moderate income housing
740 plan element as part of the county's general plan as described in Subsection 17-27a-401(3) and
741 if the county has failed to adopt a moderate income housing plan element as part of the county's
742 general plan or has failed to implement the requirements of the moderate income housing plan
743 as determined by the results of the Department of Workforce Service's review of the annual
744 moderate income housing report described in Subsection 35A-8-803(1)(a)(vii).

745 (b) Within the boundaries of the unincorporated area of a county where the county is
746 required under Subsection 17-27a-401(3) to plan for moderate income housing growth but has
747 failed to adopt a moderate income housing plan element as part of the county's general plan or
748 has failed to implement the requirements of the moderate income housing plan as determined
749 by the results of the Department of Workforce Service's review of the annual moderate income
750 housing report described in Subsection 35A-8-803(1)(a)(vii), the executive director:

751 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
752 facility to a project prioritized by the commission under Section 72-1-304;

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

755 (iii) may program Transit Transportation Investment Fund money for a
756 multi-community fixed guideway public transportation project; and

757 (iv) may not program Transit Transportation Investment Fund money for the

758 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
759 transportation project.

760 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
761 director before July 1, 2020, for projects prioritized by the commission under Section
762 [72-1-304](#).

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

768 (b) The Executive Appropriations Committee of the Legislature shall review and
769 comment on the amount of bond proceeds needed to fund the projects.

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

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

776 (b) The fund shall be funded by:

777 (i) contributions deposited into the fund in accordance with Section [59-12-103](#);

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

779 (iii) private contributions; and

780 (iv) donations or grants from public or private entities.

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

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

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

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

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

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

795 (B) the proposed capital project has been prioritized by the commission pursuant to
796 Section [72-1-303](#).

797 (10) (a) There is created in the Transportation Investment Fund of 2005 the
798 Cottonwood Canyons Transportation Investment Fund.

799 (b) The fund shall be funded by:

800 (i) money deposited into the fund in accordance with Section [59-12-103](#);

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

802 (iii) private contributions; and

803 (iv) donations or grants from public or private entities.

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

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

806 (d) The Legislature may appropriate money from the fund for public transit or
807 transportation projects in the Cottonwood Canyons of Salt Lake County.

808 Section 4. Section **72-2-131** is amended to read:

809 **72-2-131. Rail Transportation Restricted Account -- Grants for railroad crossing**
810 **safety.**

811 (1) As used in this section, "eligible entity" means:

812 (a) a public entity; or

813 (b) a private entity that is exempt from federal income taxation under Section

814 501(c)(3), Internal Revenue Code.

815 (2) There is created in the Transit Transportation Investment Fund, created in Section
816 72-2-124, the Rail Transportation Restricted Account.

817 (3) The account shall be funded by:

818 (a) appropriations to the account by the Legislature;

819 (b) private contributions;

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

821 (d) interest earned on money in the account.

822 (4) Upon appropriation, the department shall:

823 (a) use an amount equal to 10% of the money deposited into the account to provide
824 grants in accordance with Subsection (5);

825 (b) use an amount equal to 10% of the money deposited into the account to pay:

826 (i) the costs of performing environmental impact studies in connection with

827 construction, reconstruction, or renovation projects related to railroad crossings on class A,
828 class B, or class C roads; or

829 (ii) the appropriate debt service or sinking fund for the repayment of bonds issued
830 under Subsection 63B-31-101(6); and

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

832 (i) the costs of construction, reconstruction, or renovation projects related to railroad
833 crossings on class A, class B, or class C roads; [~~or~~]

834 (ii) debt service related to a project described in Subsection (4)(b)[~~;~~]; or

835 (iii) the appropriate debt service or sinking fund for the repayment of bonds issued
836 under Subsection 63B-31-101(5).

837 (5) (a) The department may award grants to one or more eligible entities to be used for
838 the purpose of improving safety at railroad crossings on class A, class B, or class C roads.

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

841 (i) signage; and

842 (ii) safety enhancements to a railroad crossing.

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

845 (i) have demonstrated safety concerns, including emergency services access; and

846 (ii) have high levels of vehicular and pedestrian traffic.

847 Section 5. **Intent language.**

848 The Legislature recognizes the tremendous employment opportunities that this bill will
849 bring to Utah's skilled work force and to Utah's business community. The Legislature
850 encourages the employment of Utah workers and the proliferation of Utah business in carrying
851 out the projects made possible by the funding provided in this bill.

852 Section 6. **Appropriation.**

853 The following sums of money are appropriated for the fiscal year beginning July 1,
854 2021 and ending June 30, 2022. These are additions to amounts otherwise appropriated for
855 fiscal year 2022.

856 Subsection 6(a). **Operating and Capital Budgets.**

857 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
858 Legislature appropriates the following sums of money from the funds or accounts indicated for
859 the use and support of the government of the state of Utah.

860 ITEM 1

861 To Transportation - Transportation Investment Fund Capacity Program

862 From Transportation Investment Fund of 2005, One-time \$733,000,000

863 Schedule of Programs:

864 Transportation Investment Fund Capacity Program \$733,000,000

865 The Legislature intends that the department use money from this appropriation for the
866 projects listed in Subsections [72-2-124\(4\)\(a\)\(ix\)](#) and (x).

867 ITEM 2

868 To Transportation - Transit Transportation Investment

869 From Transit Transportation Investment Fund, One-time \$101,600,000

870 Schedule of Programs:
871 Transit Transportation Investment \$101,600,000
872 The Legislature intends that the department use money from this appropriation as
873 follows: \$100,000,000 to pay to double track strategic sections of the FrontRunner commuter
874 rail system; and \$1,600,000 to pay for a rail station in the city of Vineyard.

875 Subsection 6(b). **Capital Project Funds.**

876 The Legislature has reviewed the following capital project funds. The Legislature
877 authorizes the Division of Finance to transfer amounts between funds and accounts as
878 indicated.

879 ITEM 3

880 To Transportation - Transportation Investment Fund of 2005
881 From General Fund, One-time \$733,000,000

882 Schedule of Programs:

883 Transportation Investment Fund \$733,000,000

884 ITEM 4

885 To Transportation - Transit Transportation Investment Fund
886 From General Fund, One-time \$101,600,000

887 Schedule of Programs:

888 Transit Transportation Investment Fund \$101,600,000