

**Senator Daniel McCay** proposes the following substitute bill:

**FIRST CLASS COUNTY HIGHWAY ROAD FUNDS**

**AMENDMENTS**

2021 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: James A. Dunnigan**

Senate Sponsor: Wayne A. Harper

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**LONG TITLE**

**General Description:**

This bill allocates funds in the County of the First Class Highway Projects Fund.

**Highlighted Provisions:**

This bill:

▶ allocates funds in the County of the First Class Highway Projects Fund to cities as one-time distributions;

▶ allocates funds in the County of the First Class Highway Projects Fund for annual distributions to certain political subdivisions within Salt Lake County for the next

15 years, subject to availability of funds; and

▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**63I-1-272**, as last amended by Laws of Utah 2020, Chapter 154



26 [72-2-121](#), as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 20



27  
28 *Be it enacted by the Legislature of the state of Utah:*

29 Section 1. Section **63I-1-272** is amended to read:

30 **63I-1-272. Repeal dates, Title 72.**

31 (1) Subsection [72-2-121](#)~~[(9)]~~(10), which creates transportation advisory committees, is  
32 repealed July 1, 2022.

33 (2) Title 72, Chapter 4, Part 3, Utah State Scenic Byway Program, is repealed January  
34 2, 2025.

35 Section 2. Section **72-2-121** is amended to read:

36 **72-2-121. County of the First Class Highway Projects Fund.**

37 (1) There is created a special revenue fund within the Transportation Fund known as  
38 the "County of the First Class Highway Projects Fund."

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

40 (a) any voluntary contributions received for new construction, major renovations, and  
41 improvements to highways within a county of the first class;

42 (b) the portion of the sales and use tax described in Subsection [59-12-2214](#)(3)(b)  
43 deposited ~~[it]~~ into or transferred to the fund;

44 (c) the portion of the sales and use tax described in Section [59-12-2217](#) deposited ~~[it]~~  
45 into or transferred to the fund; and

46 (d) a portion of the local option highway construction and transportation corridor  
47 preservation fee imposed in a county of the first class under Section [41-1a-1222](#) deposited ~~[it]~~  
48 into or transferred to the fund.

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

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

51 (4) The executive director shall use the fund money only:

52 (a) to pay debt service and bond issuance costs for bonds issued under Sections  
53 [63B-16-102](#), [63B-18-402](#), and [63B-27-102](#);

54 (b) for right-of-way acquisition, new construction, major renovations, and  
55 improvements to highways within a county of the first class and to pay any debt service and  
56 bond issuance costs related to those projects, including improvements to a highway located

57 within a municipality in a county of the first class where the municipality is located within the  
58 boundaries of more than a single county;

59 (c) for the construction, acquisition, use, maintenance, or operation of:

60 (i) an active transportation facility for nonmotorized vehicles;

61 (ii) multimodal transportation that connects an origin with a destination; or

62 (iii) a facility that may include a:

63 (A) pedestrian or nonmotorized vehicle trail;

64 (B) nonmotorized vehicle storage facility;

65 (C) pedestrian or vehicle bridge; or

66 (D) vehicle parking lot or parking structure;

67 (d) to transfer to the 2010 Salt Lake County Revenue Bond Sinking Fund created by

68 Section 72-2-121.3 the amount required in Subsection 72-2-121.3(4)(c) minus the amounts

69 transferred in accordance with Subsection 72-2-124(4)(a)(iv);

70 (e) for a fiscal year beginning on or after July 1, 2013, to pay debt service and bond

71 issuance costs for \$30,000,000 of the bonds issued under Section 63B-18-401 for the projects

72 described in Subsection 63B-18-401(4)(a);

73 (f) for a fiscal year beginning on or after July 1, 2013, and after the department has

74 verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund, to

75 transfer an amount equal to 50% of the revenue generated by the local option highway

76 construction and transportation corridor preservation fee imposed under Section 41-1a-1222 in

77 a county of the first class:

78 (i) to the legislative body of a county of the first class; and

79 (ii) to be used by a county of the first class for:

80 (A) highway construction, reconstruction, or maintenance projects; or

81 (B) the enforcement of state motor vehicle and traffic laws;

82 (g) for fiscal year 2015-16 only, and after the department has verified that the amount

83 required under Subsection 72-2-121.3(4)(c) is available in the fund and the transfer under

84 Subsection (4)(e) has been made, to transfer an amount equal to \$25,000,000:

85 (i) to the legislative body of a county of the first class; and

86 (ii) to be used by the county for the purposes described in this section;

87 (h) for a fiscal year beginning on or after July 1, 2015, after the department has verified

88 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and the  
89 transfer under Subsection (4)(e) has been made, to annually transfer an amount equal to up to  
90 42.5% of the sales and use tax revenue imposed in a county of the first class and deposited into  
91 the fund in accordance with Subsection 59-12-2214(3)(b) to:

92 (i) the appropriate debt service or sinking fund for the repayment of bonds issued under  
93 Section 63B-27-102; and

94 (ii) the Transportation Fund created in Section 72-2-102 until \$28,079,000 has been  
95 deposited into the Transportation Fund;

96 (i) ~~[for a fiscal year beginning on or after July 1, 2018;]~~ after the department has  
97 verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund  
98 and after the transfer under Subsection (4)(d), the payment under Subsection (4)(e), and the  
99 transfers under Subsections (4)(h)(i) and (ii) have been made, for a fiscal year beginning on  
100 July 1, 2021, and for 15 years thereafter, to annually transfer ~~[20% of the amount deposited into~~  
101 ~~the fund under Subsection (2)(b)]~~ \$2,000,000 to a public transit district in a county of the first  
102 class to fund a system for public transit;

103 (j) for a fiscal year beginning on or after July 1, 2018, after the department has verified  
104 that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund and after  
105 the transfer under Subsection (4)(d), the payment under Subsection (4)(e), and the transfers  
106 under Subsections (4)(h)(i) and (ii) have been made, to annually transfer 20% of the amount  
107 deposited into the fund under Subsection (2)(b):

108 (i) to the legislative body of a county of the first class; and

109 (ii) to fund parking facilities in a county of the first class that facilitate significant  
110 economic development and recreation and tourism within the state;

111 (k) for the 2018-19 fiscal year only, after the department has verified that the amount  
112 required under Subsection 72-2-121.3(4)(c) is available in the fund and after the transfer under  
113 Subsection (4)(d), the payment under Subsection (4)(e), and the transfers under Subsections  
114 (4)(h), (i), and (j) have been made, to transfer \$12,000,000 to the department to distribute for  
115 the following projects:

116 (i) \$2,000,000 to West Valley City for highway improvement to 4100 South;

117 (ii) \$1,000,000 to Herriman for highway improvements to Herriman Boulevard from  
118 6800 West to 7300 West;

- 119 (iii) \$1,100,000 to South Jordan for highway improvements to Grandville Avenue;
- 120 (iv) \$1,800,000 to Riverton for highway improvements to Old Liberty Way from 13400
- 121 South to 13200 South;
- 122 (v) \$1,000,000 to Murray City for highway improvements to 5600 South from State
- 123 Street to Van Winkle;
- 124 (vi) \$1,000,000 to Draper for highway improvements to Lone Peak Parkway from
- 125 11400 South to 12300 South;
- 126 (vii) \$1,000,000 to Sandy City for right-of-way acquisition for Monroe Street;
- 127 (viii) \$900,000 to South Jordan City for right-of-way acquisition and improvements to
- 128 10200 South from 2700 West to 3200 West;
- 129 (ix) \$1,000,000 to West Jordan for highway improvements to 8600 South near
- 130 Mountain View Corridor;
- 131 (x) \$700,000 to South Jordan right-of-way improvements to 10550 South; and
- 132 (xi) \$500,000 to Salt Lake County for highway improvements to 2650 South from
- 133 7200 West to 8000 West; ~~[and]~~
- 134 ~~[(f) for a fiscal year beginning after the amount described in Subsection (4)(h) has been~~
- 135 ~~repaid to the Transportation Fund until fiscal year 2030, or sooner if the amount described in~~
- 136 ~~Subsection (4)(h)(ii) has been repaid, after the department has verified that the amount required~~
- 137 ~~under Subsection 72-2-121.3(4)(c) is available in the fund and the transfer under Subsection~~
- 138 ~~(4)(e) has been made, and after the bonds under Section 63B-27-102 have been repaid, to~~
- 139 ~~annually transfer an amount equal to up to 42.5% of the sales and use tax revenue imposed in a~~
- 140 ~~county of the first class and deposited into the fund in accordance with Subsection~~
- 141 ~~59-12-2214(3)(b):]~~
- 142 ~~[(i) to the legislative body of a county of the first class; and]~~
- 143 ~~[(ii) to be used by the county for the purposes described in this section.]~~
- 144 (l) subject to Subsection (5), for the 2020-2021 fiscal year only, after the department
- 145 has verified that the amount required under Subsection 72-2-121.3(4)(c) is available in the fund
- 146 and after the transfer under Subsection (4)(d), the payment under Subsection (4)(e), and the
- 147 transfers under Subsections (4)(h), (i), and (j) have been made, to transfer the following
- 148 amounts to the following cities:
- 149 (i) \$2,000,000 to Bluffdale;

- 150            (ii) \$2,000,000 to Holladay;
- 151            (iii) \$2,000,000 to South Salt Lake;
- 152            (iv) \$1,000,000 to Millcreek;
- 153            (v) \$1,000,000 to Salt Lake City;
- 154            (vi) \$1,000,000 to West Valley City;
- 155            (vii) \$500,000 to Murray;
- 156            (viii) \$500,000 to South Jordan;
- 157            (ix) \$500,000 to Taylorsville; and
- 158            (x) \$300,000 to Sandy; and
- 159            (m) subject to Subsection (5), for a fiscal year beginning on or after July 1, 2021, and
- 160 for 15 years thereafter, to annually transfer the following amounts to the following cities, metro
- 161 townships, and the county of the first class for priority projects to mitigate congestion and
- 162 improve transportation safety:
- 163            (i) \$1,000,000 to Salt Lake City;
- 164            (ii) \$1,000,000 to Sandy;
- 165            (iii) \$1,000,000 to West Jordan;
- 166            (iv) \$1,000,000 to West Valley City;
- 167            (v) \$960,000 to Taylorsville;
- 168            (vi) \$700,000 to Herriman;
- 169            (vii) \$600,000 to Draper;
- 170            (viii) \$600,000 to Riverton;
- 171            (ix) \$600,000 to South Jordan;
- 172            (x) \$400,000 to Midvale;
- 173            (xi) \$400,000 to Millcreek;
- 174            (xii) \$400,000 to Murray;
- 175            (xiii) \$350,000 to Cottonwood Heights;
- 176            (xiv) \$350,000 to the county of the first class for use in the unincorporated areas of the
- 177 county;
- 178            (xv) \$300,000 to Kearns; and
- 179            (xvi) \$225,000 to Magna.
- 180            (5) (a) If revenue into the fund is insufficient to satisfy all of the transfers described in

181 Subsection (4)(m), the executive director shall proportionately reduce the amounts transferred  
182 as described in Subsection (4)(m).

183 (b) A local government entity, as that term is defined in Section 63J-1-220, is exempt  
184 from entering into an agreement as described in Section 63J-1-220 pertaining to the receipt or  
185 expenditure of any funding described in Subsection (4)(l) or (m).

186 (c) A local government may not use revenue described in Subsections (4)(l) and (m) to  
187 supplant existing class B or class C road funds that a local government has budgeted for  
188 transportation projects.

189 ~~[(5)]~~ (6) The revenues described in Subsections (2)(b), (c), and (d) that are deposited  
190 ~~[in]~~ into the fund and bond proceeds from bonds issued under Sections 63B-16-102,  
191 63B-18-402, and 63B-27-102 are considered a local matching contribution for the purposes  
192 described under Section 72-2-123.

193 ~~[(6)]~~ (7) The additional administrative costs of the department to administer this fund  
194 shall be paid from money in the fund.

195 ~~[(7)]~~ (8) Notwithstanding any statutory or other restrictions on the use or expenditure  
196 of the revenue sources deposited into this fund, the Department of Transportation may use the  
197 money in this fund for any of the purposes detailed in Subsection (4).

198 ~~[(8)]~~ (9) (a) For a fiscal year beginning on or after July 1, 2018, at the end of each  
199 fiscal year, after all programmed payments and transfers authorized or required under this  
200 section have been made, on November 30 the department shall transfer the remainder of the  
201 money in the fund to the Transportation Fund to reduce the amount owed to the Transportation  
202 Fund under Subsection ~~[(4)(j)(ii)]~~ (4)(h)(ii).

203 (b) The department shall provide notice to a county of the first class of the amount  
204 transferred in accordance with this Subsection ~~[(8)]~~ (9).

205 ~~[(9)]~~ (10) (a) Any revenue in the fund that is not specifically allocated and obligated  
206 under Subsections (4) through (8) is subject to the review process described in this Subsection  
207 ~~[(9)]~~ (10).

208 (b) A county of the first class shall create a county transportation advisory committee  
209 as described in Subsection ~~[(9)]~~ (10)(c) to review proposed transportation and, as applicable,  
210 public transit projects and rank projects for allocation of funds.

211 (c) The county transportation advisory committee described in Subsection ~~[(9)]~~ (10)(b)

212 shall be composed of the following 13 members:

213 (i) six members who are residents of the county, nominated by the county executive  
214 and confirmed by the county legislative body who are:

215 (A) members of a local advisory council of a large public transit district as defined in  
216 Section 17B-2a-802;

217 (B) county council members; or

218 (C) other residents with expertise in transportation planning and funding; and

219 (ii) seven members nominated by the county executive, and confirmed by the county  
220 legislative body, chosen from mayors or managers of cities or towns within the county.

221 (d) (i) A majority of the members of the county transportation advisory committee  
222 constitutes a quorum.

223 (ii) The action by a quorum of the county transportation advisory committee constitutes  
224 an action by the county transportation advisory committee.

225 (e) The county body shall determine:

226 (i) the length of a term of a member of the county transportation advisory committee;

227 (ii) procedures and requirements for removing a member of the county transportation  
228 advisory committee;

229 (iii) voting requirements of the county transportation advisory committee;

230 (iv) chairs or other officers of the county transportation advisory committee;

231 (v) how meetings are to be called and the frequency of meetings, but not less than once  
232 annually; and

233 (vi) the compensation, if any, of members of the county transportation advisory  
234 committee.

235 (f) The county shall establish by ordinance criteria for prioritization and ranking of  
236 projects, which may include consideration of regional and countywide economic development  
237 impacts, including improved local access to:

238 (i) employment;

239 (ii) recreation;

240 (iii) commerce; and

241 (iv) residential areas.

242 (g) The county transportation advisory committee shall evaluate and rank each



243 proposed public transit project and regionally significant transportation facility according to  
244 criteria developed pursuant to Subsection [~~9~~] (10)(f).

245 (h) (i) After the review and ranking of each project as described in this section, the  
246 county transportation advisory committee shall provide a report and recommend the ranked list  
247 of projects to the county legislative body and county executive.

248 (ii) After review of the recommended list of projects, as part of the county budgetary  
249 process, the county executive shall review the list of projects and may include in the proposed  
250 budget the proposed projects for allocation, as funds are available.

251 (i) The county executive of the county of the first class, with information provided by  
252 the county and relevant state entities, shall provide a report annually to the county  
253 transportation advisory committee, and to the mayor or manager of each city, town, or metro  
254 township in the county, including the following:

255 (i) the amount of revenue received into the fund during the past year;

256 (ii) any funds available for allocation;

257 (iii) funds obligated for debt service; and

258 (iv) the outstanding balance of transportation-related debt.

259 [~~10~~] (11) As resources allow, the department shall study in 2020 transportation  
260 connectivity in the southwest valley of Salt Lake County, including the feasibility of  
261 connecting major east-west corridors to U-111.