

RURAL TRANSPORTATION INFRASTRUCTURE FUND

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Derrin R. Owens

House Sponsor: Carl R. Albrecht

LONG TITLE

General Description:

This bill creates the Rural Transportation Infrastructure Fund for highway projects in certain cities, towns, and counties.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires certain revenue from vehicle registration fees to be transferred to the Rural Transportation Infrastructure Fund;
- ▶ creates an expendable special revenue fund called the Rural Transportation Infrastructure Fund;
- ▶ provides for administration for and distribution from the fund; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

This bill appropriates in fiscal year 2024:

- ▶ to Department of Transportation -- Rural Transportation Infrastructure Fund, as a one-time appropriation:
 - from the General Fund, One-time, \$40,000,000.

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

29 **41-1a-1201**, as last amended by Laws of Utah 2022, Chapter 259

30 ENACTS:

31 **72-2-133**, Utah Code Annotated 1953



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

34 Section 1. Section **41-1a-1201** is amended to read:

35 **41-1a-1201. Disposition of fees.**

36 (1) All fees received and collected under this part shall be transmitted daily to the state
37 treasurer.

38 (2) Except as provided in Subsections (3), (6), (7), (8), [~~and~~] (9), and (10) and Sections
39 **41-1a-422**, **41-1a-1220**, **41-1a-1221**, and **41-1a-1223**, all fees collected under this part shall be
40 deposited into the Transportation Fund.

41 (3) Funds generated under Subsections **41-1a-1211(1)(b)(ii)**, **(6)(b)(ii)**, and (7) and
42 Section **41-1a-1212** may be used by the commission to cover the costs incurred in issuing
43 license plates under Part 4, License Plates and Registration Indicia.

44 (4) In accordance with Section **63J-1-602.2**, all funds available to the commission for
45 the purchase and distribution of license plates and decals are nonlapsing.

46 (5) (a) Except as provided in Subsections (3) and (5)(b) and Section **41-1a-1205**, the
47 expenses of the commission in enforcing and administering this part shall be provided for by
48 legislative appropriation from the revenues of the Transportation Fund.

49 (b) Three dollars of the registration fees imposed under Subsections **41-1a-1206(2)(a)**
50 and (b) for each vehicle registered for a six-month registration period under Section
51 **41-1a-215.5** may be used by the commission to cover the costs incurred in enforcing and
52 administering this part.

53 (c) Fifty cents of the registration fee imposed under Subsection **41-1a-1206(1)(i)** for
54 each vintage vehicle that has a model year of 1981 or newer may be used by the commission to
55 cover the costs incurred in enforcing and administering this part.

56 (6) (a) The following portions of the registration fees imposed under Section
57 41-1a-1206 for each vehicle shall be deposited into the Transportation Investment Fund of
58 2005 created under Section 72-2-124:

59 (i) \$30 of the registration fees imposed under Subsections 41-1a-1206(1)(a), (1)(b),
60 (1)(f), (4), and (7);

61 (ii) \$21 of the registration fees imposed under Subsections 41-1a-1206(1)(c)(i) and
62 (1)(c)(ii);

63 (iii) \$2.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(ii);

64 (iv) \$23 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(i);

65 (v) \$24.50 of the registration fee imposed under Subsection 41-1a-1206(1)(e)(i); and

66 (vi) \$1 of the registration fee imposed under Subsection 41-1a-1206(1)(d)(ii).

67 (b) The following portions of the registration fees collected for each vehicle registered
68 for a six-month registration period under Section 41-1a-215.5 shall be deposited into the
69 Transportation Investment Fund of 2005 created by Section 72-2-124:

70 (i) \$23.25 of each registration fee collected under Subsection 41-1a-1206(2)(a)(i); and

71 (ii) \$23 of each registration fee collected under Subsection 41-1a-1206(2)(a)(ii).

72 (7) (a) Ninety-four cents of each registration fee imposed under Subsections
73 41-1a-1206(1)(a) and (b) for each vehicle shall be deposited into the Public Safety Restricted
74 Account created in Section 53-3-106.

75 (b) Seventy-one cents of each registration fee imposed under Subsections
76 41-1a-1206(2)(a) and (b) for each vehicle registered for a six-month registration period under
77 Section 41-1a-215.5 shall be deposited into the Public Safety Restricted Account created in
78 Section 53-3-106.

79 (8) (a) One dollar of each registration fee imposed under Subsections 41-1a-1206(1)(a)
80 and (b) for each vehicle shall be deposited into the Motor Vehicle Safety Impact Restricted
81 Account created in Section 53-8-214.

82 (b) One dollar of each registration fee imposed under Subsections 41-1a-1206(2)(a)

83 and (b) for each vehicle registered for a six-month registration period under Section
84 [41-1a-215.5](#) shall be deposited into the Motor Vehicle Safety Impact Restricted Account
85 created in Section [53-8-214](#).

86 (9) Fifty cents of each registration fee imposed under Subsection [41-1a-1206\(1\)\(a\)](#) for
87 each motorcycle shall be deposited into the Spinal Cord and Brain Injury Rehabilitation Fund
88 created in Section [26-54-102](#).

89 (10) (a) Beginning on January 1, 2024, subject to Subsection (10)(b), \$2 of each
90 registration fee imposed under Section [41-1a-1206](#) shall be deposited into the Rural
91 Transportation Infrastructure Fund created in Section [72-2-133](#).

92 (b) Beginning on January 1, 2025, and each January 1 thereafter, the amount described
93 in Subsection (10)(a) shall be annually adjusted by taking the amount deposited the previous
94 year and adding an amount equal to the greater of:

95 (i) an amount calculated by multiplying the amount deposited the previous year by the
96 actual percentage change during the previous fiscal year in the Consumer Price Index; and

97 (ii) 0.

98 (c) The amounts calculated as described in Subsection (10)(b) shall be rounded up to
99 the nearest 1 cent.

100 Section 2. Section [72-2-133](#) is enacted to read:

101 **[72-2-133. Rural Transportation Infrastructure Fund -- Creation -- Uses.](#)**

102 (1) As used in this section:

103 (a) "Graveled road" means the same as that term is defined in Section [72-2-108](#).

104 (b) "Paved road" means the same as that term is defined in Section [72-2-108](#).

105 (c) "Qualifying county" means a county that:

106 (i) is a county of the third through sixth class;

107 (ii) has imposed a local option sales and use tax pursuant to:

108 (A) Section [59-12-2217](#);

109 (B) Section [59-12-2218](#); or

110 (C) Section 59-12-2219; and
111 (iii) has not imposed a local option sales and use tax pursuant to Section 59-12-2220
112 on or before January 1, 2023.

113 (d) "Qualifying municipality" means a municipality located within a qualifying county.

114 (e) "Qualifying recipient" means qualifying county or a qualifying municipality.

115 (f) "Road mile" means the same as that term is defined in Section 72-2-108.

116 (g) "Weighted mileage" means the same as that term is defined in Section 72-2-108.

117 (2) There is created in the Transportation Fund an expendable special revenue fund
118 called the Rural Transportation Infrastructure Fund.

119 (3) The Rural Transportation Infrastructure Fund shall be funded by:

120 (a) deposits into the fund as described in Subsection 41-1a-1201(10);

121 (b) appropriations by the Legislature; and

122 (c) other deposits into the fund.

123 (4) The department shall administer the fund.

124 (5) Beginning on January 1, 2024, the department shall annually distribute revenue in
125 the fund among qualifying recipients in the following manner:

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

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

134 (6) A qualifying recipient may only use funds distributed as described in this section in
135 the same manner as class B and class C road funds distributed in accordance with Section
136 72-2-108.

137 (7) (a) Before November 1 of each year, the State Tax Commission shall notify the
138 department and indicate which counties are qualifying counties.

139 (b) After receiving the notification described in Subsection (7)(a), the department shall
140 distribute funds for the following year to the municipalities and counties that were identified as
141 qualifying recipients in the notification described in Subsection (7)(a).

142 Section 3. **Appropriation.**

143 The following sums of money are appropriated for the fiscal year beginning July 1,
144 2023, and ending June 30, 2024. These are additions to amounts previously appropriated for
145 fiscal year 2024. The Legislature authorizes the State Division of Finance to transfer the
146 following amounts between the following funds or accounts as indicated. Expenditures and
147 outlays from the funds to which the money is transferred must be authorized by an
148 appropriation.

149 ITEM 1

150 To Department of Transportation -- Rural Transportation Infrastructure Fund

151 From General Fund, One-time 40,000,000

152 Schedule of Programs:

153 Rural Transportation Infrastructure Fund 40,000,000

154 Section 4. **Effective date.**

155 (1) Except as provided in Subsection (2), this bill takes effect on July 1, 2023.

156 (2) The amendments to Section 41-1a-1201 in this bill take effect on January 1, 2024.