

TRANSPORTATION AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions related to active transportation, local option sales taxes, the Department of Transportation, and other transportation items.

Highlighted Provisions:

This bill:

- ▶ creates the Active Transportation Investment Fund within the Transportation Investment Fund of 2005 to be used to develop active transportation infrastructure;
- ▶ extends the expiration of the ability for certain political subdivisions to impose a local option sales tax for certain transportation purposes;
- ▶ amends provisions related to the responsibilities of the executive director and deputy directors of the Department of Transportation;
- ▶ amends provisions related to the account for the road usage charge;
- ▶ requires a report from the Department of Transportation to the Transportation Commission regarding the status of certain transportation construction projects;
- ▶ makes various technical amendments to clarify duties of the Department of Transportation related to public transit capital development;
- ▶ requires the Department of Transportation to create an account within the State Infrastructure Bank for loans for certain types of development; and
- ▶ makes technical changes.

Money Appropriated in this Bill:



28 None

29 **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 AMENDS:

- 33 **17B-2a-806**, as last amended by Laws of Utah 2022, Chapter 69
- 34 **59-12-103**, as last amended by Laws of Utah 2022, Chapters 77, 106 and 433
- 35 **59-12-2220**, as last amended by Laws of Utah 2022, Chapter 259
- 36 **72-1-102**, as last amended by Laws of Utah 2022, Chapter 69
- 37 **72-1-202**, as last amended by Laws of Utah 2022, Chapter 69
- 38 **72-1-203**, as last amended by Laws of Utah 2019, Chapter 479
- 39 **72-1-213.2**, as last amended by Laws of Utah 2022, Chapter 259
- 40 **72-1-304**, as last amended by Laws of Utah 2022, Chapter 406
- 41 **72-1-305**, as last amended by Laws of Utah 2018, Chapter 424
- 42 **72-2-106**, as last amended by Laws of Utah 2017, Chapters 144, 234
- 43 **72-2-107**, as last amended by Laws of Utah 2020, Chapter 377
- 44 **72-2-123**, as last amended by Laws of Utah 2008, Chapter 382
- 45 **72-2-124**, as last amended by Laws of Utah 2022, Chapters 69, 259 and 406
- 46 **72-2-202**, as last amended by Laws of Utah 2022, Chapter 463
- 47 **72-5-102**, as last amended by Laws of Utah 2021, Chapter 222
- 48 **72-5-114**, as renumbered and amended by Laws of Utah 1998, Chapter 270
- 49 **72-6-112.5**, as last amended by Laws of Utah 2019, Chapter 43
- 50 **72-6-116**, as last amended by Laws of Utah 2020, Chapter 80

51

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

53 Section 1. Section **17B-2a-806** is amended to read:

54 **17B-2a-806. Authority of the state or an agency of the state with respect to a**
55 **public transit district -- Counties and municipalities authorized to provide funds to**
56 **public transit district -- Equitable allocation of resources within the public transit**
57 **district.**

58 (1) The state or an agency of the state may:

59 (a) make public contributions to a public transit district as in the judgment of the
60 Legislature or governing board of the agency are necessary or proper; [~~or~~]

61 (b) authorize a public transit district to perform, or aid and assist a public transit district
62 in performing, an activity that the state or agency is authorized by law to perform[-]; or

63 (c) perform any action that the state agency is authorized by law to perform for the
64 benefit of a public transit district.

65 (2) (a) A county or municipality involved in the establishment and operation of a
66 public transit district may provide funds necessary for the operation and maintenance of the
67 district.

68 (b) A county's use of property tax funds to establish and operate a public transit district
69 within any part of the county is a county purpose under Section 17-53-220.

70 (3) (a) To allocate resources and funds for development and operation of a public
71 transit district, whether received under this section or from other sources, and subject to
72 Section 72-1-202 pertaining to fixed guideway capital development within a large public transit
73 district, a public transit district may:

- 74 (i) give priority to public transit services that feed rail fixed guideway services; and
- 75 (ii) allocate funds according to population distribution within the public transit district.

76 (b) The comptroller of a public transit district shall report the criteria and data
77 supporting the allocation of resources and funds in the statement required in Section
78 17B-2a-812.

79 Section 2. Section 59-12-103 is amended to read:

80 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
81 **tax revenues.**

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

- 84 (a) retail sales of tangible personal property made within the state;
- 85 (b) amounts paid for:
 - 86 (i) telecommunications service, other than mobile telecommunications service, that
 - 87 originates and terminates within the boundaries of this state;
 - 88 (ii) mobile telecommunications service that originates and terminates within the
 - 89 boundaries of one state only to the extent permitted by the Mobile Telecommunications

90 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
91 (iii) an ancillary service associated with a:
92 (A) telecommunications service described in Subsection (1)(b)(i); or
93 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
94 (c) sales of the following for commercial use:
95 (i) gas;
96 (ii) electricity;
97 (iii) heat;
98 (iv) coal;
99 (v) fuel oil; or
100 (vi) other fuels;
101 (d) sales of the following for residential use:
102 (i) gas;
103 (ii) electricity;
104 (iii) heat;
105 (iv) coal;
106 (v) fuel oil; or
107 (vi) other fuels;
108 (e) sales of prepared food;
109 (f) except as provided in Section [59-12-104](#), amounts paid or charged as admission or
110 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
111 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
112 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
113 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
114 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
115 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
116 horseback rides, sports activities, or any other amusement, entertainment, recreation,
117 exhibition, cultural, or athletic activity;
118 (g) amounts paid or charged for services for repairs or renovations of tangible personal
119 property, unless Section [59-12-104](#) provides for an exemption from sales and use tax for:
120 (i) the tangible personal property; and

121 (ii) parts used in the repairs or renovations of the tangible personal property described
122 in Subsection (1)(g)(i), regardless of whether:

123 (A) any parts are actually used in the repairs or renovations of that tangible personal
124 property; or

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

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

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

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

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

134 (i) stored;

135 (ii) used; or

136 (iii) otherwise consumed;

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

139 (i) stored;

140 (ii) used; or

141 (iii) consumed; and

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

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

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

145 (ii) regardless of whether the sale provides:

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

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

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

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

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

- 152 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
153 (A) 4.70% plus the rate specified in Subsection (12)(a); and
154 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
155 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
156 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
157 State Sales and Use Tax Act; and
158 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
159 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
160 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
161 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
162 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
163 transaction under this chapter other than this part.
164 (b) Except as provided in Subsection (2)(e) or (f) and subject to Subsection (2)(k), a
165 state tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal to
166 the sum of:
167 (i) a state tax imposed on the transaction at a tax rate of 2%; and
168 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
169 transaction under this chapter other than this part.
170 (c) Except as provided in Subsection (2)(e) or (f), a state tax and a local tax are
171 imposed on amounts paid or charged for food and food ingredients equal to the sum of:
172 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
173 a tax rate of 1.75%; and
174 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
175 amounts paid or charged for food and food ingredients under this chapter other than this part.
176 (d) Except as provided in Subsection (2)(e) or (f), a state tax is imposed on amounts
177 paid or charged for fuel to a common carrier that is a railroad for use in a locomotive engine at
178 a rate of 4.85%.
179 (e) (i) For a bundled transaction that is attributable to food and food ingredients and
180 tangible personal property other than food and food ingredients, a state tax and a local tax is
181 imposed on the entire bundled transaction equal to the sum of:
182 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

183 (I) the tax rate described in Subsection (2)(a)(i)(A); and
184 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
185 Sales and Use Tax Act, if the location of the transaction as determined under Sections
186 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
187 Additional State Sales and Use Tax Act; and
188 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
189 Sales and Use Tax Act, if the location of the transaction as determined under Sections
190 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
191 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
192 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
193 described in Subsection (2)(a)(ii).
194 (ii) If an optional computer software maintenance contract is a bundled transaction that
195 consists of taxable and nontaxable products that are not separately itemized on an invoice or
196 similar billing document, the purchase of the optional computer software maintenance contract
197 is 40% taxable under this chapter and 60% nontaxable under this chapter.
198 (iii) Subject to Subsection (2)(e)(iv), for a bundled transaction other than a bundled
199 transaction described in Subsection (2)(e)(i) or (ii):
200 (A) if the sales price of the bundled transaction is attributable to tangible personal
201 property, a product, or a service that is subject to taxation under this chapter and tangible
202 personal property, a product, or service that is not subject to taxation under this chapter, the
203 entire bundled transaction is subject to taxation under this chapter unless:
204 (I) the seller is able to identify by reasonable and verifiable standards the tangible
205 personal property, product, or service that is not subject to taxation under this chapter from the
206 books and records the seller keeps in the seller's regular course of business; or
207 (II) state or federal law provides otherwise; or
208 (B) if the sales price of a bundled transaction is attributable to two or more items of
209 tangible personal property, products, or services that are subject to taxation under this chapter
210 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
211 higher tax rate unless:
212 (I) the seller is able to identify by reasonable and verifiable standards the tangible
213 personal property, product, or service that is subject to taxation under this chapter at the lower

214 tax rate from the books and records the seller keeps in the seller's regular course of business; or
215 (II) state or federal law provides otherwise.

216 (iv) For purposes of Subsection (2)(e)(iii), books and records that a seller keeps in the
217 seller's regular course of business includes books and records the seller keeps in the regular
218 course of business for nontax purposes.

219 (f) (i) Except as otherwise provided in this chapter and subject to Subsections (2)(f)(ii)
220 and (iii), if a transaction consists of the sale, lease, or rental of tangible personal property, a
221 product, or a service that is subject to taxation under this chapter, and the sale, lease, or rental
222 of tangible personal property, other property, a product, or a service that is not subject to
223 taxation under this chapter, the entire transaction is subject to taxation under this chapter unless
224 the seller, at the time of the transaction:

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

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

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

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

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

238 (iii) For purposes of Subsections (2)(f)(i) and (ii), books and records that a seller keeps
239 in the seller's regular course of business includes books and records the seller keeps in the
240 regular course of business for nontax purposes.

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

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

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

250 (ii) For purposes of Subsection (2)(g)(i), books and records that a seller keeps in the
251 seller's regular course of business includes books and records the seller keeps in the regular
252 course of business for nontax purposes.

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

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

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

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

258 (iv) Subsection (2)(e)(i)(A)(I).

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

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

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

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

265 (D) Subsection (2)(e)(i)(A)(I).

266 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
267 statement for the billing period is rendered on or after the effective date of the repeal of the tax
268 or the tax rate decrease imposed under:

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

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

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

272 (D) Subsection (2)(e)(i)(A)(I).

273 (j) (i) For a tax rate described in Subsection (2)(j)(ii), if a tax due on a catalogue sale is
274 computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal or
275 change in a tax rate takes effect:

- 276 (A) on the first day of a calendar quarter; and
- 277 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.
- 278 (ii) Subsection (2)(j)(i) applies to the tax rates described in the following:
- 279 (A) Subsection (2)(a)(i)(A);
- 280 (B) Subsection (2)(b)(i);
- 281 (C) Subsection (2)(c)(i); or
- 282 (D) Subsection (2)(e)(i)(A)(I).

283 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
284 the commission may by rule define the term "catalogue sale."

285 (k) (i) For a location described in Subsection (2)(k)(ii), the commission shall determine
286 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel based on the
287 predominant use of the gas, electricity, heat, coal, fuel oil, or other fuel at the location.

288 (ii) Subsection (2)(k)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
289 or other fuel is furnished through a single meter for two or more of the following uses:

- 290 (A) a commercial use;
- 291 (B) an industrial use; or
- 292 (C) a residential use.

293 (3) (a) The following state taxes shall be deposited into the General Fund:

- 294 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 295 (ii) the tax imposed by Subsection (2)(b)(i);
- 296 (iii) the tax imposed by Subsection (2)(c)(i); and
- 297 (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).

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

- 300 (i) the tax imposed by Subsection (2)(a)(ii);
- 301 (ii) the tax imposed by Subsection (2)(b)(ii);
- 302 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 303 (iv) the tax imposed by Subsection (2)(e)(i)(B).

304 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General
305 Fund.

306 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,

307 2003, the lesser of the following amounts shall be expended as provided in Subsections (4)(b)
308 through (g):

309 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

310 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and

311 (B) for the fiscal year; or

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

313 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
314 described in Subsection (4)(a) shall be transferred each year as designated sales and use tax
315 revenue to the Department of Natural Resources to:

316 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
317 protect sensitive plant and animal species; or

318 (B) award grants, up to the amount authorized by the Legislature in an appropriations
319 act, to political subdivisions of the state to implement the measures described in Subsections
320 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

321 (ii) Money transferred to the Department of Natural Resources under Subsection
322 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other
323 person to list or attempt to have listed a species as threatened or endangered under the
324 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

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

326 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
327 Water Resources Conservation and Development Fund created in Section 73-10-24;

328 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
329 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

330 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
331 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

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

335 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
336 in Subsection (4)(a) shall be transferred each year as designated sales and use tax revenue to
337 the Division of Water Rights to cover the costs incurred in hiring legal and technical staff for

338 the adjudication of water rights.

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

340 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to the
341 Water Resources Conservation and Development Fund created in Section 73-10-24;

342 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
343 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and

344 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
345 Drinking Water Loan Program Subaccount created in Section 73-10c-5.

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

349 (ii) In addition to the uses allowed of the Water Resources Conservation and
350 Development Fund under Section 73-10-24, the Water Resources Conservation and
351 Development Fund may also be used to:

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

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

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

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

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

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

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

369 (iii) develop surface water sources.

370 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
371 2006, the difference between the following amounts shall be expended as provided in this
372 Subsection (5), if that difference is greater than \$1:

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

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

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

377 (A) transferred each fiscal year to the Department of Natural Resources as designated
378 sales and use tax revenue; and

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

381 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
382 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation
383 and Development Fund created in Section 73-10-24.

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

386 (A) transferred each fiscal year to the Division of Water Resources as designated sales
387 and use tax revenue; and

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

390 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
391 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation
392 and Development Fund created in Section 73-10-24.

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

397 (i) preconstruction costs:

398 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
399 26, Bear River Development Act; and

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

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

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

406 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
407 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

408 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
409 remaining difference described in Subsection (5)(a) shall be deposited each year into the Water
410 Rights Restricted Account created by Section 73-2-1.6.

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

414 (a) for fiscal year 2020-21 only:

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

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

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

422 (7) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
423 Subsection (6), and subject to Subsection (7)(b), for a fiscal year beginning on or after July 1,
424 2012, the Division of Finance shall deposit into the Transportation Investment Fund of 2005
425 created by Section 72-2-124:

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

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

431 (B) the tax imposed by Subsection (2)(b)(i);
432 (C) the tax imposed by Subsection (2)(c)(i); and
433 (D) the tax imposed by Subsection (2)(e)(i)(A)(I); plus
434 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
435 current fiscal year from the sales and use taxes described in Subsections (7)(a)(i)(A) through
436 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
437 (7)(a)(i)(A) through (D) in the 2010-11 fiscal year.

438 (b) (i) Subject to Subsections (7)(b)(ii) and (iii), in any fiscal year that the portion of
439 the sales and use taxes deposited under Subsection (7)(a) represents an amount that is a total
440 lower percentage of the sales and use taxes described in Subsections (7)(a)(i)(A) through (D)
441 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
442 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection
443 (7)(a) equal to the product of:

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

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

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

453 (iii) Subject to Subsection (7)(b)(iv)(E), in all subsequent fiscal years after a year in
454 which 17% of the revenues collected from the sales and use taxes described in Subsections
455 (7)(a)(i)(A) through (D) was deposited under Subsection (7)(a), the Division of Finance shall
456 annually deposit 17% of the revenues collected from the sales and use taxes described in
457 Subsections (7)(a)(i)(A) through (D) in the current fiscal year under Subsection (7)(a).

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

461 (B) As used in this Subsection (7)(b)(iv), "combined amount" means the combined

462 total amount of money deposited into the Cottonwood Canyons fund under Subsections
463 (7)(b)(iv)(F) and (8)(d)(vi) in any single fiscal year.

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

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

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

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

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

481 (c) (i) For a fiscal year beginning on or after July 1, 2023, the commission shall
482 annually reduce the deposit into the Transportation Investment Fund of 2005 under Subsections
483 (7)(a) and (7)(b) by an amount that is equal to 5% of:

484 (A) the amount of revenue generated in the current fiscal year by the portion of taxes
485 listed under Subsection (3)(a) that equals 20.68% of the revenue collected from taxes described
486 in Subsections (7)(a)(i)(A) through (D);

487 (B) the amount of revenue generated in the current fiscal year by registration fees
488 designated under Section [41-1a-1201](#) to be deposited into the Transportation Investment Fund
489 of 2005; and

490 (C) revenues transferred by the Division of Finance to the Transportation Investment
491 Fund of 2005 in accordance with Section [72-2-106](#) in the current fiscal year.

492 (ii) The commission shall annually deposit the amount described in Subsection (7)(c)(i)

493 into the Active Transportation Investment Fund created in Subsection [72-2-124](#)(11).

494 (8) (a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
495 Subsections (6) and (7), and subject to Subsections (8)(b) and (d)(v), for a fiscal year beginning
496 on or after July 1, 2018, the commission shall annually deposit into the Transportation
497 Investment Fund of 2005 created by Section [72-2-124](#) a portion of the taxes listed under
498 Subsection (3)(a) in an amount equal to 3.68% of the revenues collected from the following
499 taxes:

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

501 (ii) the tax imposed by Subsection (2)(b)(i);

502 (iii) the tax imposed by Subsection (2)(c)(i); and

503 (iv) the tax imposed by Subsection (2)(e)(i)(A)(I).

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

509 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
510 into the Transit Transportation Investment Fund created in Section [72-2-124](#).

511 (d) (i) As used in this Subsection (8)(d), "additional growth revenue" means the
512 amount of relevant revenue collected in the current fiscal year that exceeds by more than 3%
513 the relevant revenue collected in the previous fiscal year.

514 (ii) As used in this Subsection (8)(d), "combined amount" means the combined total
515 amount of money deposited into the Cottonwood Canyons fund under Subsections (7)(b)(iv)(F)
516 and (8)(d)(vi) in any single fiscal year.

517 (iii) As used in this Subsection (8)(d), "Cottonwood Canyons fund" means the
518 Cottonwood Canyons Transportation Investment Fund created in Subsection [72-2-124](#)(10).

519 (iv) As used in this Subsection (8)(d), "relevant revenue" means the portion of taxes
520 listed under Subsection (3)(a) that equals 3.68% of the revenue collected from taxes described
521 in Subsections (8)(a)(i) through (iv).

522 (v) For a fiscal year beginning on or after July 1, 2020, the commission shall annually
523 reduce the deposit under Subsection (8)(a) into the Transportation Investment Fund of 2005 by

524 an amount equal to the amount of the deposit under this Subsection (8)(d) to the Cottonwood
525 Canyons fund in the previous fiscal year plus 25% of additional growth revenue, subject to the
526 limit in Subsection (8)(d)(vi).

527 (vi) The commission shall annually deposit the amount described in Subsection
528 (8)(d)(v) into the Cottonwood Canyons fund, subject to an annual maximum combined amount
529 for any single fiscal year of \$20,000,000.

530 (vii) If the amount of relevant revenue declines in a fiscal year compared to the
531 previous fiscal year, the commission shall decrease the amount of the contribution to the
532 Cottonwood Canyons fund under this Subsection (8)(d) in the same proportion as the decline in
533 relevant revenue.

534 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
535 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
536 created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.

537 (10) (a) Notwithstanding Subsection (3)(a), except as provided in Subsection (10)(b),
538 and in addition to any amounts deposited under Subsections (6), (7), and (8), the Division of
539 Finance shall deposit into the Transportation Investment Fund of 2005 created by Section
540 72-2-124 the amount of revenue described as follows:

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

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

545 (b) For purposes of Subsection (10)(a), the Division of Finance may not deposit into
546 the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or
547 charged for food and food ingredients, except for tax revenue generated by a bundled
548 transaction attributable to food and food ingredients and tangible personal property other than
549 food and food ingredients described in Subsection (2)(e).

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

555 created in Section [63N-2-512](#).

556 (12) (a) The rate specified in this subsection is 0.15%.

557 (b) Notwithstanding Subsection (3)(a), the Division of Finance shall, for a fiscal year
558 beginning on or after July 1, 2019, annually transfer the amount of revenue collected from the
559 rate described in Subsection (12)(a) on the transactions that are subject to the sales and use tax
560 under Subsection (2)(a)(i)(A) into the Medicaid Expansion Fund created in Section
561 [26-36b-208](#).

562 (13) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
563 2020-21, the Division of Finance shall deposit \$200,000 into the General Fund as a dedicated
564 credit solely for use of the Search and Rescue Financial Assistance Program created in, and
565 expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

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

569 (b) If the total revenue deposited into the Transportation Investment Fund of 2005
570 under Subsections (6) through (8) is less than \$1,813,400 for a fiscal year, the Division of
571 Finance shall transfer the total revenue deposited into the Transportation Investment Fund of
572 2005 under Subsections (6) through (8) during the fiscal year to the General Fund.

573 (15) Notwithstanding Subsection (3)(a), and as described in Section [63N-3-610](#),
574 beginning the first day of the calendar quarter one year after the sales and use tax boundary for
575 a housing and transit reinvestment zone is established, the commission, at least annually, shall
576 transfer an amount equal to 15% of the sales and use tax increment within an established sales
577 and use tax boundary, as defined in Section [63N-3-602](#), into the Transit Transportation
578 Investment Fund created in Section [72-2-124](#).

579 (16) Notwithstanding Subsection (3)(a), the Division of Finance shall, for a fiscal year
580 beginning on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure
581 Restricted Account, created in Section [51-9-902](#), a portion of the taxes listed under Subsection
582 (3)(a) equal to 1% of the revenues collected from the following sales and use taxes:

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

584 (b) the tax imposed by Subsection (2)(b)(i);

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

586 (d) the tax imposed by Subsection (2)(e)(i)(A)(I).

587 Section 3. Section 59-12-2220 is amended to read:

588 **59-12-2220. County option sales and use tax to fund a system for public transit --**

589 **Base -- Rate.**

590 (1) Subject to the other provisions of this part and subject to the requirements of this
591 section, beginning on July 1, 2019, the following counties may impose a sales and use tax
592 under this section:

593 (a) a county legislative body may impose the sales and use tax on the transactions
594 described in Subsection 59-12-103(1) located within the county, including the cities and towns
595 within the county if:

596 (i) the entire boundary of a county is annexed into a large public transit district; and

597 (ii) the maximum amount of sales and use tax authorizations allowed pursuant to

598 Section 59-12-2203 and authorized under the following sections has been imposed:

599 (A) Section 59-12-2213;

600 (B) Section 59-12-2214;

601 (C) Section 59-12-2215;

602 (D) Section 59-12-2216;

603 (E) Section 59-12-2217;

604 (F) Section 59-12-2218; and

605 (G) Section 59-12-2219;

606 (b) if the county is not annexed into a large public transit district, the county legislative
607 body may impose the sales and use tax on the transactions described in Subsection

608 59-12-103(1) located within the county, including the cities and towns within the county if:

609 (i) the county is an eligible political subdivision as defined in Section 59-12-2219; or

610 (ii) a city or town within the boundary of the county is an eligible political subdivision
611 as defined in Section 59-12-2219; or

612 (c) a county legislative body of a county not described in Subsection (1)(a) may impose
613 the sales and use tax on the transactions described in Subsection 59-12-103(1) located within
614 the county, including the cities and towns within the county, if there is a public transit district
615 within the boundary of the county.

616 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a

617 county legislative body that imposes a sales and use tax under this section may impose the tax
618 at a rate of .2%.

619 (3) A county imposing a sales and use tax under this section shall expend the revenues
620 collected from the sales and use tax for capital expenses and service delivery expenses of:

621 (a) a public transit district;

622 (b) an eligible political subdivision, as that term is defined in Section [59-12-2219](#); or

623 (c) another entity providing a service for public transit or a transit facility within the
624 county as those terms are defined in Section [17B-2a-802](#).

625 (4) Notwithstanding Section [59-12-2208](#), a county legislative body may, but is not
626 required to, submit an opinion question to the county's registered voters in accordance with
627 Section [59-12-2208](#) to impose a sales and use tax under this section.

628 (5) (a) Notwithstanding any other provision in this section, if a county wishes to
629 impose a sales and use tax under this section, the county legislative body shall pass the
630 ordinance to impose a sales and use tax under this section on or before June 30, [~~2023~~] 2026.

631 (b) The county legislative body may not pass an ordinance to impose a sales and use
632 tax under this section on or after July 1, 2023.

633 (c) Notwithstanding the deadline described in Subsection (5)(a), any sales and use tax
634 imposed under this section on or before June 30, 2023, may remain in effect.

635 (6) (a) Revenue collected from a sales and use tax under this section may not be used
636 to supplant existing General Fund appropriations that a county has budgeted for transportation
637 or public transit as of the date the tax becomes effective for a county.

638 (b) The limitation under Subsection (6)(a) does not apply to a designated transportation
639 or public transit capital or reserve account a county may have established prior to the date the
640 tax becomes effective.

641 Section 4. Section **72-1-102** is amended to read:

642 **72-1-102. Definitions.**

643 As used in this title:

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

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

646 (b) located within a master planned community;

647 (c) established by the city having jurisdictional authority as part of the street network

648 for traffic circulation that may also be used for:

649 (i) garbage collection;

650 (ii) access to residential garages; or

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

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

653 (2) "Commission" means the Transportation Commission created under Section

654 [72-1-301](#).

655 (3) "Construction" means the construction, reconstruction, replacement, and
656 improvement of the highways, including the acquisition of rights-of-way and material sites.

657 (4) "Department" means the Department of Transportation created in Section [72-1-201](#).

658 (5) "Executive director" means the executive director of the department appointed
659 under Section [72-1-202](#).

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

661 (7) "Federal aid primary highway" means that portion of connected main highways
662 located within this state officially designated by the department and approved by the United
663 States Secretary of Transportation under Title 23, Highways, U.S.C.

664 (8) "Fixed guideway" means the same as that term is defined in Section [59-12-102](#).

665 (9) (a) "Fixed guideway capital development" means a project to construct or
666 reconstruct a public transit fixed guideway facility that will add capacity to a fixed guideway
667 public transit facility.

668 (b) "Fixed guideway capital development" includes:

669 (i) a project to strategically double track commuter rail lines; and

670 (ii) a project to develop and construct public transit facilities and related infrastructure
671 pertaining to the Point of the Mountain State Land Authority created in Section [11-59-201](#).

672 (10) "Greenfield" means the same as that term is defined in Section [17C-1-102](#).

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

677 ~~[(+)]~~ (12) "Highway authority" means the department or the legislative, executive, or
678 governing body of a county or municipality.

679 ~~[(12)]~~ (13) "Housing and transit reinvestment zone" means the same as that term is
680 defined in Section [63N-3-602](#).

681 ~~[(13)]~~ (14) "Implement of husbandry" has the meaning set forth in Section [41-1a-102](#).

682 ~~[(14)]~~ (15) "Interstate system" means any highway officially designated by the
683 department and included as part of the national interstate and defense highways, as provided in
684 the Federal Aid Highway Act of 1956 and any supplemental acts or amendments.

685 ~~[(15)]~~ (16) "Large public transit district" means the same as that term is defined in
686 Section [17B-2a-802](#).

687 ~~[(16)]~~ (17) "Limited-access facility" means a highway especially designated for
688 through traffic, and over, from, or to which neither owners nor occupants of abutting lands nor
689 other persons have any right or easement, or have only a limited right or easement of access,
690 light, air, or view.

691 ~~[(17)]~~ (18) "Master planned community" means a land use development:

692 (a) designated by the city as a master planned community; and

693 (b) comprised of a single development agreement for a development larger than 500
694 acres.

695 ~~[(18)]~~ (19) "Motor vehicle" has the same meaning set forth in Section [41-1a-102](#).

696 ~~[(19)]~~ (20) "Municipality" has the same meaning set forth in Section [10-1-104](#).

697 ~~[(20)]~~ (21) "National highway systems highways" means that portion of connected
698 main highways located within this state officially designated by the department and approved
699 by the United States Secretary of Transportation under Title 23, Highways, U.S.C.

700 ~~[(21)]~~ (22) (a) "Port-of-entry" means a fixed or temporary facility constructed,
701 operated, and maintained by the department where drivers, vehicles, and vehicle loads are
702 checked or inspected for compliance with state and federal laws as specified in Section
703 [72-9-501](#).

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

705 ~~[(22)]~~ (23) "Port-of-entry agent" means a person employed at a port-of-entry to perform
706 the duties specified in Section [72-9-501](#).

707 ~~[(23)]~~ (24) "Public transit" means the same as that term is defined in Section
708 [17B-2a-802](#).

709 ~~[(24)]~~ (25) "Public transit facility" means a fixed guideway, transit vehicle, transit

710 station, depot, passenger loading or unloading zone, parking lot, or other facility:

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

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

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

714 (ii) railway line; and

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

717 ~~[(25)]~~ (26) "Right-of-way" means real property or an interest in real property, usually
718 in a strip, acquired for or devoted to ~~[a highway]~~ state transportation purposes.

719 ~~[(26)]~~ (27) "Sealed" does not preclude acceptance of electronically sealed and
720 submitted bids or proposals in addition to bids or proposals manually sealed and submitted.

721 ~~[(27)]~~ (28) "Semitrailer" has the meaning set forth in Section [41-1a-102](#).

722 ~~[(28)]~~ (29) "SR" means state route and has the same meaning as state highway as
723 defined in this section.

724 ~~[(29)]~~ (30) "State highway" means those highways designated as state highways in
725 Title 72, Chapter 4, Designation of State Highways Act.

726 ~~[(30)]~~ (31) "State transportation purposes" has the meaning set forth in Section
727 [72-5-102](#).

728 ~~[(31)]~~ (32) "State transportation systems" means all streets, alleys, roads, highways,
729 pathways, and thoroughfares of any kind, including connected structures, airports, aerial
730 corridor infrastructure, spaceports, public transit facilities, and all other modes and forms of
731 conveyance used by the public.

732 ~~[(32)]~~ (33) "Trailer" has the meaning set forth in Section [41-1a-102](#).

733 ~~[(33)]~~ (34) "Transportation reinvestment zone" means a transportation reinvestment
734 zone created pursuant to Section [11-13-227](#).

735 ~~[(34)]~~ (35) "Truck tractor" has the meaning set forth in Section [41-1a-102](#).

736 ~~[(35)]~~ (36) "UDOT" means the Utah Department of Transportation.

737 ~~[(36)]~~ (37) "Vehicle" has the same meaning set forth in Section [41-1a-102](#).

738 Section 5. Section **72-1-202** is amended to read:

739 **72-1-202. Executive director of department -- Appointment -- Qualifications --**
740 **Term -- Responsibility -- Power to bring suits -- Salary.**

741 (1) (a) The governor, with the advice and consent of the Senate, shall appoint an
742 executive director to be the chief executive officer of the department.

743 (b) The executive director shall be a registered professional engineer and qualified
744 executive with technical and administrative experience and training appropriate for the
745 position.

746 (c) The executive director shall remain in office until a successor is appointed.

747 (d) The executive director may be removed by the governor.

748 (2) In addition to the other functions, powers, duties, rights, and responsibilities
749 prescribed in this chapter, the executive director shall:

750 (a) have responsibility for the administrative supervision of the state transportation
751 systems and the various operations of the department;

752 (b) have the responsibility for the implementation of rules, priorities, and policies
753 established by the department and the commission;

754 (c) have the responsibility for the oversight and supervision of~~[(i)]~~ any transportation
755 project for which state funds are expended; ~~[and]~~

756 ~~[(ii) any fixed guideway capital development project within the boundaries of a large
757 public transit district for which any state funds are expended;]~~

758 (d) have full power to bring suit in courts of competent jurisdiction in the name of the
759 department as the executive director considers reasonable and necessary for the proper
760 attainment of the goals of this chapter;

761 (e) receive a salary, to be established by the governor within the salary range fixed by
762 the Legislature in Title 67, Chapter 22, State Officer Compensation, together with actual
763 traveling expenses while away from the executive director's office on official business;

764 (f) purchase all equipment, services, and supplies necessary to achieve the department's
765 functions, powers, duties, rights, and responsibilities delegated under Section 72-1-201;

766 (g) have the responsibility to determine whether a purchase from, contribution to, or
767 other participation with a public entity or association of public entities in a pooled fund
768 program to acquire, develop, or share information, data, reports, or other services related to the
769 department's mission are procurement items under Title 63G, Chapter 6a, Utah Procurement
770 Code;

771 (h) have responsibility for administrative supervision of the Comptroller Division, the

772 Internal Audit Division, and the Communications Division; and

773 (i) appoint assistants, to serve at the discretion of the executive director, to administer
774 the divisions of the department.

775 (3) The executive director may employ other assistants and advisers as the executive
776 director finds necessary and fix salaries in accordance with the salary standards adopted by the
777 Division of Human Resource Management.

778 [~~(4) (a) For a fixed guideway capital development project within the boundaries of a
779 large public transit district for which state funds are expended, responsibilities of the executive
780 director include:]~~

781 [~~(i) project development for a fixed guideway capital development project in a large
782 public transit district;]~~

783 [~~(ii) oversight and coordination of planning, including:]~~

784 [~~(A) development of statewide strategic initiatives for planning across all modes of
785 transportation;]~~

786 [~~(B) coordination with metropolitan planning organizations;]~~

787 [~~(C) coordination with a large public transit district, including planning, project
788 development, outreach, programming, environmental studies and impact statements,
789 construction, and impacts on public transit operations; and]~~

790 [~~(D) corridor and area planning;]~~

791 [~~(iii) programming and prioritization of fixed guideway capital development projects;]~~

792 [~~(iv) fulfilling requirements for environmental studies and impact statements; and]~~

793 [~~(v) resource investment, including identification, development, and oversight of
794 public-private partnership opportunities.]~~

795 [~~(5) (a) Before October 31, 2022, the department shall submit to the Transportation
796 Interim Committee a written plan for the department to assume management of all fixed
797 guideway capital development projects within a large public transit district for which state
798 funds are expended.]~~

799 [~~(b) The department shall consult with a large public transit district and relevant
800 metropolitan planning organizations in developing the plan described in Subsection (5)(a).]~~

801 [~~(c) The Transportation Interim Committee shall consider the plan submitted by the
802 department as described in Subsection (5)(a) and make recommendations to the Legislature~~

803 ~~before December 1, 2022.]~~

804 Section 6. Section **72-1-203** is amended to read:

805 **72-1-203. Deputy director -- Appointment -- Qualifications -- Other assistants**
806 **and advisers -- Salaries.**

807 (1) The executive director shall appoint [~~two~~] the following deputy directors, who shall
808 serve at the discretion of the executive director[~~;~~]:

809 (a) the deputy director of engineering and operation, who shall be a registered
810 professional engineer in the state, and who shall be the chief engineer of the department; and

811 (b) the deputy director of planning and investment.

812 [~~(2) (a) The deputy director of engineering and operations shall be a registered~~
813 ~~professional engineer in the state and is the chief engineer of the department.]~~

814 [~~(b) The deputy director of engineering and operations shall assist the executive~~
815 ~~director with areas of responsibility that may include:]~~

816 [~~(i) project development, including statewide standards for project design and~~
817 ~~construction, right-of-way, materials, testing, structures, and construction;]~~

818 [~~(ii) oversight of the management of the region offices described in Section [72-1-205](#);~~]

819 [~~(iii) operations and traffic management;]~~

820 [~~(iv) oversight of operations of motor carriers and ports;]~~

821 [~~(v) transportation systems safety;]~~

822 [~~(vi) aeronautical operations; and]~~

823 [~~(vii) equipment for department engineering and maintenance functions.]~~

824 [~~(c) The deputy director of planning and investment shall assist the executive director~~
825 ~~with areas of responsibility that may include:]~~

826 [~~(i) oversight and coordination of planning, including:]~~

827 [~~(A) development of statewide strategic initiatives for planning across all modes of~~
828 ~~transportation;]~~

829 [~~(B) coordination with metropolitan planning organizations and local governments;~~
830 ~~and]~~

831 [~~(C) corridor and area planning;]~~

832 [~~(ii) asset management;]~~

833 [~~(iii) programming and prioritization of transportation projects;]~~

834 ~~[(iv) fulfilling requirements for environmental studies and impact statements;]~~
835 ~~[(v) resource investment, including identification, development, and oversight of~~
836 ~~public-private partnership opportunities;]~~
837 ~~[(vi) data analytics services to the department;]~~
838 ~~[(vii) corridor preservation;]~~
839 ~~[(viii) employee development;]~~
840 ~~[(ix) maintenance planning; and]~~
841 ~~[(x) oversight and facilitation of the negotiations and integration of public transit~~
842 ~~providers described in Section [17B-2a-827](#).]~~

843 (2) As assigned by the executive director, the deputy directors described in Subsection

844 (1) may assist the executive director with the following departmental responsibilities:

845 (a) project development, including statewide standards for project design and
846 construction, right-of-way, materials, testing, structures, and construction;

847 (b) oversight of the management of the region offices described in Section [72-1-205](#);

848 (c) operations and traffic management;

849 (d) oversight of operations of motor carriers and ports;

850 (e) transportation systems safety;

851 (f) aeronautical operations;

852 (g) equipment for department engineering and maintenance functions;

853 (h) oversight and coordination of planning, including:

854 (i) development of statewide strategic initiatives for planning across all modes of
855 transportation;

856 (ii) coordination with metropolitan planning organizations and local governments;

857 (iii) coordination with a large public transit district, including planning, project

858 development, outreach, programming, environmental studies and impact statements,

859 construction, and impacts on public transit operations; and

860 (iv) corridor and area planning;

861 (i) asset management;

862 (j) programming and prioritization of transportation projects;

863 (k) fulfilling requirements for environmental studies and impact statements;

864 (l) resource investment, including identification, development, and oversight of

865 public-private partnership opportunities;

866 (m) data analytics services to the department;

867 (n) corridor preservation;

868 (o) employee development;

869 (p) maintenance planning;

870 (q) oversight and facilitation of the negotiations and integration of public transit

871 providers described in Section [17B-2a-827](#);

872 (r) oversight and supervision of any fixed guideway capital development project within

873 the boundaries of a large public transit district for which any state funds are expended,

874 including those responsibilities described in Subsections (2)(a), (h), (j), (k), and (l); and

875 (s) other departmental responsibilities as determined by the executive director.

876 (3) The executive director shall ensure that the same deputy director does not oversee

877 or supervise both the fixed guideway capital development responsibilities described in

878 Subsection (2)(r) and the department's fixed guideway rail safety responsibilities, including the

879 responsibilities described in Section [72-1-214](#).

880 Section 7. Section **72-1-213.2** is amended to read:

881 **72-1-213.2. Road Usage Charge Program Special Revenue Fund -- Revenue.**

882 (1) There is created [a] an expendable special revenue fund within the Transportation

883 Fund known as the "Road Usage Charge Program Special Revenue Fund."

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

885 (i) revenue collected by the department under Section [72-1-213.1](#);

886 (ii) appropriations made to the fund by the Legislature;

887 (iii) contributions from other public and private sources for deposit into the fund;

888 (iv) interest earnings on cash balances; and

889 (v) money collected for repayments and interest on fund money.

890 (b) If the revenue derived from the sources described in Subsection (2)(a) is

891 insufficient to cover the costs of administering the road usage charge program, subject to

892 Subsection [72-2-107](#)(1), the department may transfer into the fund revenue deposited into the

893 Transportation Fund from the fee described in Subsections [41-1a-1206](#)(1)(h) and (2)(b) in an

894 amount sufficient to enable the department to administer the road usage charge program.

895 (3) (a) Revenue generated by the road usage charge program and relevant penalties

896 shall be deposited into the Road Usage Charge Program Special Revenue Fund.

897 (b) Revenue in the Road Usage Charge Program Special Revenue Fund is nonlapsing.

898 (4) ~~[Upon appropriation by the Legislature, the]~~ The department may use revenue
899 deposited into the Road Usage Charge Program Special Revenue Fund:

900 (a) to cover the costs of administering the program; and

901 (b) for ~~[state transportation purposes]~~ the purposes described in Subsection (5).

902 (5) If revenue collected by the department under Section 72-1-213.1 in a fiscal year is
903 sufficient to cover all costs related to administering the road usage charge program in that fiscal
904 year, the department shall deposit any excess revenue collected by the department under
905 Section 72-1-213.1 from the Road Usage Charge Program Special Revenue Fund into the
906 Transportation Fund for appropriation and apportionment in accordance with Section 72-2-107.

907 Section 8. Section **72-1-304** is amended to read:

908 **72-1-304. Written project prioritization process for new transportation capacity**
909 **projects -- Rulemaking.**

910 (1) (a) The Transportation Commission, in consultation with the department and the
911 metropolitan planning organizations as defined in Section 72-1-208.5, shall develop a written
912 prioritization process for the prioritization of:

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

915 (ii) paved pedestrian or paved nonmotorized transportation projects ~~[that:]~~ described in
916 Section 72-2-124;

917 ~~[(A) mitigate traffic congestion on the state highway system; and]~~

918 ~~[(B) are part of an active transportation plan approved by the department;]~~

919 (iii) public transit projects that directly add capacity to the public transit systems within
920 the state, not including facilities ancillary to the public transit system; and

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

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

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

927 (A) the project will advance the purposes and goals described in Section 72-1-211;

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

930 (C) the local government or district will provide 40% of the costs for the project as
931 required by Subsection 72-2-124(4)(a)(viii) or 72-2-124(9)(e).

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

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

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

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

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

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

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

945 (A) employment;

946 (B) educational facilities;

947 (C) recreation;

948 (D) commerce; and

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

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

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

955 (3) (a) When prioritizing a public transit project that increases capacity, the
956 commission:

957 (i) may give priority consideration to projects that are part of a transit-oriented

958 development or transit-supportive development as defined in Section 17B-2a-802; and
959 (ii) shall give priority consideration to projects that are within the boundaries of a
960 housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3, Part 6,
961 Housing and Transit Reinvestment Zone Act.

962 (b) When prioritizing a transportation project that increases capacity, the commission
963 may give priority consideration to projects that are:

964 (i) part of a transportation reinvestment zone created under Section 11-13-227 if:

965 (A) the state is a participant in the transportation reinvestment zone; or

966 (B) the commission finds that the transportation reinvestment zone provides a benefit
967 to the state transportation system; or

968 (ii) within the boundaries of a housing and transit reinvestment zone created pursuant
969 to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.

970 (c) If the department receives a notice of prioritization for a municipality as described
971 in Subsection 10-9a-408(5), or a notice of prioritization for a county as described in Subsection
972 17-27a-408(5), the commission may, during the fiscal year specified in the notice, give priority
973 consideration to transportation projects that are within the boundaries of the municipality or the
974 unincorporated areas of the county.

975 (4) In developing the written prioritization process, the commission:

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

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

981 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
982 Transportation Commission, in consultation with the department, shall make rules establishing
983 the written prioritization process under Subsection (1).

984 (6) The commission shall submit the proposed rules under this section to a committee
985 or task force designated by the Legislative Management Committee for review prior to taking
986 final action on the proposed rules or any proposed amendment to the rules described in
987 Subsection (5).

988 Section 9. Section 72-1-305 is amended to read:

989 **72-1-305. Project selection using the written prioritization process -- Public**
990 **comment -- Report.**

991 (1) Except as provided in Subsection (4), in determining priorities and funding levels
992 of projects in the state transportation system under Subsection 72-1-303(1)(a) that are new
993 transportation capacity projects, the commission shall use the weighted criteria system adopted
994 in the written prioritization process under Section 72-1-304.

995 (2) Prior to finalizing priorities and funding levels of projects in the state transportation
996 system, the commission shall conduct public hearings at locations around the state and accept
997 public comments on:

998 (a) the written prioritization process;

999 (b) the merits of new transportation capacity projects that will be prioritized under this
1000 section; and

1001 (c) the merits of new transportation capacity projects as recommended by a consensus
1002 of local elected officials participating in a metropolitan planning organization as defined in
1003 Section 72-1-208.5.

1004 (3) The commission shall make the weighted criteria system ranking for each project
1005 publicly available prior to the public hearings held under Subsection (2).

1006 (4) (a) If the commission prioritizes a project over another project with a higher rank
1007 under the weighted criteria system, the commission shall identify the change and accept public
1008 comment at a hearing held under this section on the merits of prioritizing the project above
1009 higher ranked projects.

1010 (b) The commission shall make the reasons for the prioritization under Subsection
1011 (4)(a) publicly available.

1012 (5) (a) The executive director or the executive director's designee shall report annually
1013 to the governor and a committee designated by the Legislative Management Committee no later
1014 than the last day of October:

1015 (i) the projects prioritized under this section during the year prior to the report; and

1016 (ii) the status and progress of all projects prioritized under this section.

1017 (b) Annually, before any funds are programmed and allocated from the Transit
1018 Transportation Investment Fund created in Section 72-2-124 for each fiscal year, the executive
1019 director or the executive director's designee, along with the executive director of a large public

1020 transit district as described in Section [17B-2a-802](#), shall report to the governor and a committee
1021 designated by the Legislative Management Committee no later than the last day of October:

1022 (i) the public transit projects prioritized under this section during the year prior to the
1023 report; and

1024 (ii) the status and progress of all public transit projects prioritized under this section.

1025 (6) The department shall annually report to the Transportation Commission on the
1026 status of new capacity transportation projects, including projects that were funded by the
1027 Legislature in an appropriations act.

1028 ~~[(6)(a) The department may not delay a new transportation capacity project that was~~
1029 ~~funded by the Legislature in an appropriations act to a different fiscal year than programmed by~~
1030 ~~the commission due to an unavoidable shortfall in revenues unless the project delays are~~
1031 ~~prioritized and approved by the Transportation Commission.]~~

1032 ~~[(b) The Transportation Commission shall prioritize and approve any new~~
1033 ~~transportation capacity project delays for projects that were funded by the Legislature in an~~
1034 ~~appropriations act due to an unavoidable shortfall in revenues.]~~

1035 Section 10. Section **72-2-106** is amended to read:

1036 **72-2-106. Appropriation and transfers from Transportation Fund.**

1037 (1) On and after July 1, 1981, there is appropriated from the Transportation Fund to the
1038 use of the department an amount equal to two-elevenths of the taxes collected from the motor
1039 fuel tax and the special fuel tax, exclusive of the formula amount appropriated for class B and
1040 class C roads, to be used for highway rehabilitation.

1041 (2) For a fiscal year beginning on or after July 1, 2016, the Division of Finance shall
1042 annually transfer an amount equal to the amount of revenue generated by a tax imposed on
1043 motor and special fuel that is sold, used, or received for sale or used in this state at a rate of 1.8
1044 cents per gallon to the Transportation Investment Fund of 2005 created by Section [72-2-124](#).

1045 (3) For a fiscal year beginning on or after July 1, 2019, the Division of Finance shall
1046 annually transfer to the Transportation Investment Fund of 2005 created by Section [72-2-124](#)
1047 an amount that is equal to 35% of the amount of revenue generated in the current fiscal year by
1048 the portion of the tax imposed on motor and special fuel that is sold, used, or received for sale
1049 or use in this state that exceeds 29.4 cents per gallon.

1050 (4) For purposes of the calculation described in Subsection [59-12-103\(7\)\(c\)](#), the

1051 Division of Finance shall notify the State Tax Commission of the amount of any transfer made
1052 under Subsections (2) and (3).

1053 Section 11. Section **72-2-107** is amended to read:

1054 **72-2-107. Appropriation from Transportation Fund -- Apportionment for class B**
1055 **and class C roads.**

1056 (1) There is appropriated to the department from the Transportation Fund annually an
1057 amount equal to 30% of an amount which the director of finance shall compute in the
1058 following manner: The total revenue deposited into the Transportation Fund during the fiscal
1059 year from state highway-user taxes and fees, minus those amounts appropriated or transferred
1060 from the Transportation Fund during the same fiscal year to:

1061 (a) the Department of Public Safety;

1062 (b) the State Tax Commission;

1063 (c) the Division of Finance;

1064 (d) the Utah Travel Council;

1065 (e) except as provided in Section 72-1-213.2, the road usage charge program created in
1066 Section 72-1-213.1; and

1067 (f) any other amounts appropriated or transferred for any other state agencies not a part
1068 of the department.

1069 (2) (a) Except as provided in Subsections (2)(b) and (c), all of the money appropriated
1070 in Subsection (1) shall be apportioned among counties and municipalities for class B and class
1071 C roads as provided in this title.

1072 (b) The department shall annually transfer \$500,000 of the amount calculated under
1073 Subsection (1) to the State Park Access Highways Improvement Program created in Section
1074 72-3-207.

1075 (c) Administrative costs of the department to administer class B and class C roads shall
1076 be paid from funds calculated under Subsection (1).

1077 (3) Each quarter of every year the department shall make the necessary accounting
1078 entries to transfer the money appropriated under this section for class B and class C roads.

1079 (4) The funds appropriated for class B and class C roads shall be expended under the
1080 direction of the department as the Legislature shall provide.

1081 Section 12. Section **72-2-123** is amended to read:

1082 **72-2-123. Rules adopting guidelines -- Partnering to finance state highway**
1083 **capacity improvements -- Partnering proposals.**

1084 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1085 commission, in consultation with representatives of local government, shall make rules
1086 adopting guidelines for partnering with counties and municipalities for their help to finance
1087 state highway improvement projects through:

1088 (a) local matching dollars; ~~[or]~~

1089 (b) agreements regarding new revenue a county or municipality expects will be
1090 generated as a result of the construction of a state highway improvement project; or
1091 ~~[(b)]~~ (c) other local participation methods.

1092 (2) The guidelines described in Subsection (1) shall encourage partnering to help
1093 finance state highway improvement projects and provide for:

1094 (a) the consideration of factors relevant to a decision to make a program adjustment
1095 including the potential to:

1096 (i) extend department resources to other needed projects;

1097 (ii) alleviate significant existing or future congestion or hazards to the traveling public;

1098 and

1099 (iii) address a need that is widely recognized by the public, elected officials, and
1100 transportation planners;

1101 (b) a process for submitting, evaluating, and hearing partnering proposals; and

1102 (c) ~~[keeping]~~ the creation of a public record of each proposal from initial submission
1103 to final disposition.

1104 (3) The commission shall submit the proposed rules under this section to a committee
1105 or task force designated by the Legislative Management Committee for review prior to taking
1106 final action on the proposed rules or any proposed amendment to the rules.

1107 Section 13. Section **72-2-124** is amended to read:

1108 **72-2-124. Transportation Investment Fund of 2005.**

1109 (1) There is created a capital projects fund entitled the Transportation Investment Fund
1110 of 2005.

1111 (2) The fund consists of money generated from the following sources:

1112 (a) any voluntary contributions received for the maintenance, construction,

- 1113 reconstruction, or renovation of state and federal highways;
- 1114 (b) appropriations made to the fund by the Legislature;
- 1115 (c) registration fees designated under Section 41-1a-1201;
- 1116 (d) the sales and use tax revenues deposited into the fund in accordance with Section
- 1117 59-12-103; and
- 1118 (e) revenues transferred to the fund in accordance with Section 72-2-106.
- 1119 (3) (a) The fund shall earn interest.
- 1120 (b) All interest earned on fund money shall be deposited into the fund.
- 1121 (4) (a) Except as provided in Subsection (4)(b), the executive director may only use
- 1122 fund money to pay:
- 1123 (i) the costs of maintenance, construction, reconstruction, or renovation to state and
- 1124 federal highways prioritized by the Transportation Commission through the prioritization
- 1125 process for new transportation capacity projects adopted under Section 72-1-304;
- 1126 (ii) the costs of maintenance, construction, reconstruction, or renovation to the highway
- 1127 projects described in Subsections 63B-18-401(2), (3), and (4);
- 1128 (iii) principal, interest, and issuance costs of bonds authorized by Section 63B-18-401
- 1129 minus the costs paid from the County of the First Class Highway Projects Fund in accordance
- 1130 with Subsection 72-2-121(4)(e);
- 1131 (iv) for a fiscal year beginning on or after July 1, 2013, to transfer to the 2010 Salt
- 1132 Lake County Revenue Bond Sinking Fund created by Section 72-2-121.3 the amount certified
- 1133 by Salt Lake County in accordance with Subsection 72-2-121.3(4)(c) as necessary to pay the
- 1134 debt service on \$30,000,000 of the revenue bonds issued by Salt Lake County;
- 1135 (v) principal, interest, and issuance costs of bonds authorized by Section 63B-16-101
- 1136 for projects prioritized in accordance with Section 72-2-125;
- 1137 (vi) all highway general obligation bonds that are intended to be paid from revenues in
- 1138 the Centennial Highway Fund created by Section 72-2-118;
- 1139 (vii) for fiscal year 2015-16 only, to transfer \$25,000,000 to the County of the First
- 1140 Class Highway Projects Fund created in Section 72-2-121 to be used for the purposes described
- 1141 in Section 72-2-121;
- 1142 (viii) if a political subdivision provides a contribution equal to or greater than 40% of
- 1143 the costs needed for construction, reconstruction, or renovation of paved pedestrian or paved

- 1144 nonmotorized transportation for projects that:
- 1145 (A) mitigate traffic congestion on the state highway system;
 - 1146 (B) are part of an active transportation plan approved by the department; and
 - 1147 (C) are prioritized by the commission through the prioritization process for new
 - 1148 transportation capacity projects adopted under Section [72-1-304](#);
 - 1149 (ix) \$705,000,000 for the costs of right-of-way acquisition, construction,
 - 1150 reconstruction, or renovation of or improvement to the following projects:
 - 1151 (A) the connector road between Main Street and 1600 North in the city of Vineyard;
 - 1152 (B) Geneva Road from University Parkway to 1800 South;
 - 1153 (C) the SR-97 interchange at 5600 South on I-15;
 - 1154 (D) two lanes on U-111 from Herriman Parkway to 11800 South;
 - 1155 (E) widening I-15 between mileposts 10 and 13 and the interchange at milepost 11;
 - 1156 (F) improvements to 1600 North in Orem from 1200 West to State Street;
 - 1157 (G) widening I-15 between mileposts 6 and 8;
 - 1158 (H) widening 1600 South from Main Street in the city of Spanish Fork to SR-51;
 - 1159 (I) widening US 6 from Sheep Creek to Mill Fork between mileposts 195 and 197 in
 - 1160 Spanish Fork Canyon;
 - 1161 (J) I-15 northbound between mileposts 43 and 56;
 - 1162 (K) a passing lane on SR-132 between mileposts 41.1 and 43.7 between mileposts 43
 - 1163 and 45.1;
 - 1164 (L) east Zion SR-9 improvements;
 - 1165 (M) Toquerville Parkway;
 - 1166 (N) an environmental study on Foothill Boulevard in the city of Saratoga Springs;
 - 1167 (O) using funds allocated in this Subsection (4)(a)(ix), and other sources of funds, for
 - 1168 construction of an interchange on Bangerter Highway at 13400 South; and
 - 1169 (P) an environmental impact study for Kimball Junction in Summit County; and
 - 1170 (x) \$28,000,000 as pass-through funds, to be distributed as necessary to pay project
 - 1171 costs based upon a statement of cash flow that the local jurisdiction where the project is located
 - 1172 provides to the department demonstrating the need for money for the project, for the following
 - 1173 projects in the following amounts:
 - 1174 (A) \$5,000,000 for Payson Main Street repair and replacement;

- 1175 (B) \$8,000,000 for a Bluffdale 14600 South railroad bypass;
1176 (C) \$5,000,000 for improvements to 4700 South in Taylorsville; and
1177 (D) \$10,000,000 for improvements to the west side frontage roads adjacent to U.S. 40
1178 between mile markers 7 and 10.
- 1179 (b) The executive director may use fund money to exchange for an equal or greater
1180 amount of federal transportation funds to be used as provided in Subsection (4)(a).
- 1181 (5) (a) Except as provided in Subsection (5)(b), if the department receives a notice of
1182 ineligibility for a municipality as described in Subsection 10-9a-408(7), the executive director
1183 may not program fund money to a project prioritized by the commission under Section
1184 72-1-304, including fund money from the Transit Transportation Investment Fund, within the
1185 boundaries of the municipality during the fiscal year specified in the notice.
- 1186 (b) Within the boundaries of a municipality described in Subsection (5)(a), the
1187 executive director:
- 1188 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
1189 facility or interchange connecting limited-access facilities;
- 1190 (ii) may not program fund money for the construction, reconstruction, or renovation of
1191 an interchange on a limited-access facility;
- 1192 (iii) may program Transit Transportation Investment Fund money for a
1193 multi-community fixed guideway public transportation project; and
- 1194 (iv) may not program Transit Transportation Investment Fund money for the
1195 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1196 transportation project.
- 1197 (c) Subsections (5)(a) and (b) do not apply to a project programmed by the executive
1198 director before July 1, 2022, for projects prioritized by the commission under Section
1199 72-1-304.
- 1200 (6) (a) Except as provided in Subsection (6)(b), if the department receives a notice of
1201 ineligibility for a county as described in Subsection 17-27a-408(7), the executive director may
1202 not program fund money to a project prioritized by the commission under Section 72-1-304,
1203 including fund money from the Transit Transportation Investment Fund, within the boundaries
1204 of the unincorporated area of the county during the fiscal year specified in the notice.
- 1205 (b) Within the boundaries of the unincorporated area of a county described in

1206 Subsection (6)(a), the executive director:

1207 (i) may program fund money in accordance with Subsection (4)(a) for a limited-access
1208 facility to a project prioritized by the commission under Section 72-1-304;

1209 (ii) may not program fund money for the construction, reconstruction, or renovation of
1210 an interchange on a limited-access facility;

1211 (iii) may program Transit Transportation Investment Fund money for a
1212 multi-community fixed guideway public transportation project; and

1213 (iv) may not program Transit Transportation Investment Fund money for the
1214 construction, reconstruction, or renovation of a station that is part of a fixed guideway public
1215 transportation project.

1216 (c) Subsections (6)(a) and (b) do not apply to a project programmed by the executive
1217 director before July 1, 2022, for projects prioritized by the commission under Section
1218 72-1-304.

1219 (7) (a) Before bonds authorized by Section 63B-18-401 or 63B-27-101 may be issued
1220 in any fiscal year, the department and the commission shall appear before the Executive
1221 Appropriations Committee of the Legislature and present the amount of bond proceeds that the
1222 department needs to provide funding for the projects identified in Subsections 63B-18-401(2),
1223 (3), and (4) or Subsection 63B-27-101(2) for the current or next fiscal year.

1224 (b) The Executive Appropriations Committee of the Legislature shall review and
1225 comment on the amount of bond proceeds needed to fund the projects.

1226 (8) The Division of Finance shall, from money deposited into the fund, transfer the
1227 amount of funds necessary to pay principal, interest, and issuance costs of bonds authorized by
1228 Section 63B-18-401 or 63B-27-101 in the current fiscal year to the appropriate debt service or
1229 sinking fund.

1230 (9) (a) There is created in the Transportation Investment Fund of 2005 the Transit
1231 Transportation Investment Fund.

1232 (b) The fund shall be funded by:

1233 (i) contributions deposited into the fund in accordance with Section 59-12-103;

1234 (ii) appropriations into the account by the Legislature;

1235 (iii) deposits of sales and use tax increment related to a housing and transit
1236 reinvestment zone as described in Section 63N-3-610;

- 1237 (iv) private contributions; and
- 1238 (v) donations or grants from public or private entities.
- 1239 (c) (i) The fund shall earn interest.
- 1240 (ii) All interest earned on fund money shall be deposited into the fund.
- 1241 (d) Subject to Subsection (9)(e), the ~~[Legislature may appropriate]~~ commission may
- 1242 prioritize money from the fund:
- 1243 (i) for public transit capital development of new capacity projects and fixed guideway
- 1244 capital development projects to be used as prioritized by the commission through the
- 1245 prioritization process adopted under Section 72-1-304; or
- 1246 ~~[(ii) for development of the oversight plan described in Section 72-1-202(5); or]~~
- 1247 ~~[(iii)]~~ (ii) to the department for oversight of a fixed guideway capital development
- 1248 project for which the department has responsibility.
- 1249 (e) (i) The ~~[Legislature]~~ commission may only ~~[appropriate]~~ prioritize money from the
- 1250 fund for a public transit capital development project or pedestrian or nonmotorized
- 1251 transportation project that provides connection to the public transit system if the public transit
- 1252 district or political subdivision provides funds of equal to or greater than 40% of the costs
- 1253 needed for the project.
- 1254 (ii) A public transit district or political subdivision may use money derived from a loan
- 1255 granted pursuant to Title 72, Chapter 2, Part 2, State Infrastructure Bank Fund, to provide all or
- 1256 part of the 40% requirement described in Subsection (9)(e)(i) if:
- 1257 (A) the loan is approved by the commission as required in Title 72, Chapter 2, Part 2,
- 1258 State Infrastructure Bank Fund; and
- 1259 (B) the proposed capital project has been prioritized by the commission pursuant to
- 1260 Section 72-1-303.
- 1261 (f) Before July 1, 2022, the department and a large public transit district shall enter into
- 1262 an agreement for a large public transit district to pay the department \$5,000,000 per year for 15
- 1263 years to be used to facilitate the purchase of zero emissions or low emissions rail engines and
- 1264 trainsets for regional public transit rail systems.
- 1265 (10) (a) There is created in the Transportation Investment Fund of 2005 the
- 1266 Cottonwood Canyons Transportation Investment Fund.
- 1267 (b) The fund shall be funded by:

- 1268 (i) money deposited into the fund in accordance with Section [59-12-103](#);
- 1269 (ii) appropriations into the account by the Legislature;
- 1270 (iii) private contributions; and
- 1271 (iv) donations or grants from public or private entities.
- 1272 (c) (i) The fund shall earn interest.
- 1273 (ii) All interest earned on fund money shall be deposited into the fund.
- 1274 (d) The Legislature may appropriate money from the fund for public transit or
- 1275 transportation projects in the Cottonwood Canyons of Salt Lake County.
- 1276 (11) (a) There is created in the Transportation Investment Fund of 2005 the Active
- 1277 Transportation Investment Fund.
- 1278 (b) The fund shall be funded by:
- 1279 (i) money deposited into the fund in accordance with Section [59-12-103](#);
- 1280 (ii) appropriations into the account by the Legislature; and
- 1281 (iii) donations or grants from public or private entities.
- 1282 (c) (i) The fund shall earn interest.
- 1283 (ii) All interest earned on fund money shall be deposited into the fund.
- 1284 (d) The executive director may only use fund money to pay the costs needed for:
- 1285 (i) the planning, design, construction, maintenance, reconstruction, or renovation of
- 1286 paved pedestrian or paved nonmotorized trail projects that:
- 1287 (A) are prioritized by the commission through the prioritization process for new
- 1288 transportation capacity projects adopted under Section [72-1-304](#);
- 1289 (B) serve a regional purpose; and
- 1290 (C) are part of an active transportation plan approved by the department or the plan
- 1291 described in Subsection (11)(d)(ii);
- 1292 (ii) the development of a plan for a statewide network of paved pedestrian or paved
- 1293 nonmotorized trails that serve a regional purpose; and
- 1294 (iii) the administration of the fund, including staff and overhead costs.
- 1295 Section 14. Section **72-2-202** is amended to read:
- 1296 **72-2-202. State Infrastructure Bank Fund -- Creation -- Use of money.**
- 1297 (1) There is created a revolving loan fund entitled the State Infrastructure Bank Fund.
- 1298 (2) (a) The fund consists of money generated from the following revenue sources:

- 1299 (i) appropriations made to the fund by the Legislature;
- 1300 (ii) federal money and grants that are deposited ~~[in]~~ into the fund;
- 1301 (iii) money transferred to the fund by the commission from other money available to
- 1302 the department;
- 1303 (iv) state grants that are deposited ~~[in]~~ into the fund;
- 1304 (v) contributions or grants from any other private or public sources for deposit into the
- 1305 fund; and
- 1306 (vi) subject to Subsection (2)(b), all money collected from repayments of fund money
- 1307 used for infrastructure loans or infrastructure assistance.
- 1308 (b) When a loan from the fund is repaid, the department may request and the
- 1309 Legislature may transfer from the fund to the source from which the money originated an
- 1310 amount equal to the repaid loan.
- 1311 (3) (a) The fund shall earn interest.
- 1312 (b) All interest earned on fund money shall be deposited into the fund.
- 1313 (4) Money in the fund shall be used by the department, as prioritized by the
- 1314 commission, only to:
- 1315 (a) provide infrastructure loans or infrastructure assistance; and
- 1316 (b) pay the department for the costs of administering the fund, providing infrastructure
- 1317 loans or infrastructure assistance, monitoring transportation projects and publicly owned
- 1318 infrastructure projects, and obtaining repayments of infrastructure loans or infrastructure
- 1319 assistance.
- 1320 (5) (a) The department may establish separate accounts in the fund for infrastructure
- 1321 loans, infrastructure assistance, administrative and operating expenses, or any other purpose to
- 1322 implement this part.
- 1323 (b) The department shall establish a separate account in the fund for projects that
- 1324 support infrastructure development in greenfield or other previously undeveloped or
- 1325 underdeveloped areas.
- 1326 ~~[(b)]~~ (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
- 1327 Act, the department may make rules governing:
- 1328 (i) how the fund and its accounts may be held by an escrow agent[-]; and
- 1329 (ii) pertaining to Subsection (5)(b), criteria for ranking projects for eligibility for a

1330 loan, including:

1331 (A) the ability to develop the land absent a loan from the fund;

1332 (B) projects that provide the greatest impact; and

1333 (C) return on investment.

1334 (6) Fund money shall be invested by the state treasurer as provided in Title 51, Chapter
1335 7, State Money Management Act, and the earnings from the investments shall be credited to the
1336 fund.

1337 (7) Before July 1, 2022, the department shall transfer the loan described in Subsection
1338 [63B-27-101\(3\)\(a\)\(i\)](#) from the State Infrastructure Bank Fund to the military development
1339 infrastructure revolving loan fund created in Section [63A-3-402](#).

1340 Section 15. Section **72-5-102** is amended to read:

1341 **72-5-102. Definitions.**

1342 As used in this part, "state transportation purposes" includes:

1343 (1) highway, public transit facility, and transportation rights-of-way, including those
1344 necessary within cities and towns;

1345 (2) the construction, reconstruction, relocation, improvement, maintenance, and
1346 mitigation from the effects of these activities on state highways and other transportation
1347 facilities, including parking facilities, under the control of the department;

1348 (3) limited access facilities, including rights of access, air, light, and view and frontage
1349 and service roads to highways;

1350 (4) adequate drainage in connection with any highway, cut, fill, or channel change and
1351 the maintenance of any highway, cut, fill, or channel change;

1352 (5) weighing stations, shops, offices, storage buildings and yards, and road
1353 maintenance or construction sites;

1354 (6) road material sites, sites for the manufacture of road materials, and access roads to
1355 the sites;

1356 (7) the maintenance of an unobstructed view of any portion of a highway to promote
1357 the safety of the traveling public;

1358 (8) the placement of traffic signals, directional signs, and other signs, fences, curbs,
1359 barriers, and obstructions for the convenience of the traveling public;

1360 (9) the construction and maintenance of storm sewers, sidewalks, and highway

1361 illumination;

1362 (10) the construction and maintenance of livestock highways;

1363 (11) the construction and maintenance of roadside rest areas adjacent to or near any
1364 highway; and

1365 (12) the mitigation of impacts from transportation projects.

1366 Section 16. Section **72-5-114** is amended to read:

1367 **72-5-114. Property acquired in advance of construction -- Lease or rental.**

1368 (1) (a) The department may acquire real property or interests or improvements in real
1369 property in advance of the actual construction, reconstruction, or improvement of highways or
1370 public transit facilities in order to save on acquisition costs or avoid the payment of excessive
1371 damages.

1372 (b) The real property or interests or improvements in real property may be leased or
1373 rented by the department in a manner, for a period of time, and for a sum determined by the
1374 department to be in the best interest of the state.

1375 (2) (a) The department may employ private agencies to manage rental properties when
1376 it is more economical and in the best interests of the state.

1377 (b) All money received for leases and rentals, after deducting any portion to which the
1378 federal government may be entitled, shall be deposited with the state treasurer and credited to
1379 the Transportation Fund.

1380 Section 17. Section **72-6-112.5** is amended to read:

1381 **72-6-112.5. Definitions -- Nighttime highway construction noise -- Exemptions --**
1382 **Permits.**

1383 (1) As used in this section:

1384 (a) "Commuter rail" means the same as that term is defined in Section [63N-3-602](#).

1385 ~~[(a)]~~ (b) (i) "Front row receptor" means a noise-sensitive residential receptor that is:

1386 (A) immediately adjacent to a transportation facility; or

1387 (B) within 800 feet of a transportation facility that is within a commercial or
1388 industrialized area.

1389 (ii) "Front row receptor" includes a residence that is contiguous to a property
1390 immediately adjacent to a transportation facility in a residential area.

1391 ~~[(b)]~~ (c) "Nighttime ~~[highway]~~ construction" means highway or public transit facility

1392 construction occurring between the hours of 10:00 p.m. and 7:00 a.m.

1393 ~~[(e)]~~ (d) "Nuisance" means the same as that term is defined in Section 78B-6-1101.

1394 ~~[(d)]~~ (e) (i) "Permitted activities" means activities occurring between the hours of 7:00
1395 p.m. and 7:00 a.m. that are related to and necessary for nighttime [highway] construction,
1396 whether occurring at the construction site or at a gravel pit or other site for production of raw
1397 materials, and includes:

1398 (A) loading and unloading of trucks;

1399 (B) asphalt mixing and hauling; and

1400 (C) concrete mixing and hauling.

1401 (ii) "Permitted activities" does not include:

1402 (A) blasting; or

1403 (B) crushing.

1404 ~~[(2) A state highway construction project conducted on a road where the normal posted
1405 speed limit is 55 miles per hour or greater is exempt from any noise ordinance, regulation, or
1406 standard of a local jurisdictional authority.]~~

1407 (2) The following projects are exempt from any noise ordinance, regulation, or
1408 standard of a local jurisdictional authority:

1409 (a) a state highway construction project conducted on a road where the normal posted
1410 speed limit is 55 miles per hour or greater; or

1411 (b) a commuter rail construction project.

1412 ~~(3) [A state highway construction project conducted on a road where the normal posted
1413 speed limit is less than 55 miles per hour is]~~ Except for a project described in Subsection (2), a
1414 state highway or a public transit facility construction project is exempt from any noise
1415 ordinance, regulation, or standard of a local jurisdictional authority if the department:

1416 (a) provides reasonable written notice at least 48 hours in advance of any required
1417 nighttime [highway] construction to each residential dwelling located within front row
1418 receptors of the activity;

1419 (b) determines a net community, including traveler community, benefit exists to
1420 conduct nighttime highway construction after considering the following:

1421 (i) public health;

1422 (ii) project completion time;

- 1423 (iii) air quality;
- 1424 (iv) traffic;
- 1425 (v) economics;
- 1426 (vi) safety; and
- 1427 (vii) local jurisdiction concerns; and
- 1428 (c) institutes best management noise reduction practices, as determined by the
- 1429 department, for front row receptors, in consultation with local government or the local
- 1430 jurisdictional authority for all nighttime [highway] construction, which may include:
- 1431 (i) equipment maintenance;
- 1432 (ii) noise shielding;
- 1433 (iii) scheduling the most noise intrusive activities during the day; and
- 1434 (iv) other noise mitigation methods.
- 1435 (4) (a) Subject to Subsection (2) or (3), a state highway project or public transit facility
- 1436 construction shall secure required noise permits from the local jurisdictional authority to
- 1437 conduct nighttime [highway] construction.
- 1438 (b) To the extent practical, the department shall coordinate with the local jurisdictional
- 1439 authority during the pre-construction phase of a project to address noise exemption conditions.
- 1440 (5) A local jurisdictional authority shall issue a nighttime [highway] construction
- 1441 permit limited to permitted activities if:
- 1442 (a) the applicant provides evidence that the permitted activities are directly related to
- 1443 and necessary for a nighttime [highway] construction project for which the department has
- 1444 obtained a noise permit from a local jurisdictional authority pursuant to Subsection (4); and
- 1445 (b) the local jurisdictional authority determines that any nuisance that may be caused
- 1446 by the nighttime [highway] construction may be reasonably mitigated.
- 1447 (6) A local jurisdictional authority shall issue a nighttime [highway] construction noise
- 1448 permit without additional requirements to the department at the request of the department or
- 1449 the department's designated project agent if the requirements of [~~Subsections (2) and~~]
- 1450 Subsection (2) or (3) are met.
- 1451 (7) (a) A local jurisdictional authority may request adjustments to a nighttime [highway
- 1452]construction permit to mitigate unreasonable noise disturbances caused by nighttime [highway
- 1453]construction or permitted activities.

1454 (b) If adjustments are requested as described in Subsection (7)(a), the nighttime
1455 [highway] construction permit holder shall use best management noise reduction practices to
1456 mitigate unreasonable noise disturbances.

1457 (8) (a) For the exemption provided in Subsection (3) and in accordance with Title 63G,
1458 Chapter 3, Utah Administrative Rulemaking Act, the department shall make rules establishing
1459 procedures:

1460 (i) for a local jurisdictional authority or local government to appeal the decision of the
1461 department to conduct nighttime [highway] construction [~~on roads where the normal posted~~
1462 ~~speed limit is less than 55 miles per hour~~]; and

1463 (ii) for the local jurisdictional authority to request that the department enforce the terms
1464 of a noise permit.

1465 (b) After review and upon receiving a written notice from a local jurisdictional
1466 authority that the conditions for the noise exemption permit are not met, the department shall
1467 take corrective action to ensure nighttime [highway] construction activities meet requirements
1468 of the local permit.

1469 Section 18. Section **72-6-116** is amended to read:

1470 **72-6-116. Regulation of utilities -- Relocation of utilities.**

1471 (1) As used in this section:

1472 (a) "Cost of relocation" includes the entire amount paid by the utility company properly
1473 attributable to the relocation of the utility after deducting any increase in the value of the new
1474 utility and any salvage value derived from the old utility.

1475 (b) "Exempt water supplier" means an entity that directly or indirectly supplies at least
1476 a portion of the entity's water for culinary purposes to the public for municipal, domestic, or
1477 industrial use, and is:

1478 (i) a water corporation, as defined in Section [54-2-1](#), that is regulated by the Public
1479 Service Commission; or

1480 (ii) a community water system:

1481 (A) that either supplies water to at least 100 service connections used by year-round
1482 residents, or regularly serves at least 200 year-round residents; and

1483 (B) whose voting members own a share in the community water system, receive water
1484 from the community water system in proportion to the member's share in the community water

1485 system, and pay the rate set by the community water system based on the water the member
1486 receives.

1487 (c) "Utility" includes telecommunication, crude oil, petroleum products, gas,
1488 electricity, cable television, water, sewer, data, and video transmission lines, drainage and
1489 irrigation facilities, and other similar utilities whether public, private, or cooperatively owned.

1490 (d) "Utility company" means a privately, cooperatively, or publicly owned utility,
1491 including utilities owned by political subdivisions.

1492 (2) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
1493 the department may make rules for the installation, construction, maintenance, repair, renewal,
1494 system upgrade, and relocation of all utilities.

1495 (b) If the department determines under the rules established in this section that it is
1496 necessary that any utilities should be relocated, the utility company owning or operating the
1497 utilities shall relocate the utilities in accordance with this section and the order of the
1498 department.

1499 (3) (a) The department shall pay 100% of the cost of relocation of a utility to
1500 accommodate construction of a state highway or public transit facility project, including the
1501 construction of a proposed state highway or public transit facility and the improvement,
1502 widening, or modification of an existing state highway or public transit facility if the:

1503 (i) utility is owned or operated by:

1504 (A) a political subdivision of the state; or

1505 (B) an exempt water supplier;

1506 (ii) utility company owns the easement or fee title to the right-of-way in which the
1507 utility is located; or

1508 (iii) utility is located in a public utility easement as defined in Section [54-3-27](#).

1509 (b) Except as provided in Subsection (3)(a), (c), or (d) or Section [54-21-603](#), the
1510 department shall pay 50% of the cost of relocation of a utility to accommodate construction of
1511 a state highway or public transit facility project, including the construction of a proposed state
1512 highway or public transit facility and the improvement, widening, or modification of an
1513 existing state highway or public transit facility, and the utility company shall pay the remainder
1514 of the cost of relocation.

1515 (c) If the utility described in Subsection (3)(b) is a crude oil or petroleum products

1516 pipeline, unless the utility meets the conditions described in Subsection (3)(a):

1517 (i) the utility company shall pay the lesser of:

1518 (A) 50% of the cost of relocation of the pipeline to accommodate construction of a
1519 proposed state highway or public transit facility and the improvement, widening, and
1520 modification of an existing highway or public transit facility; or

1521 (B) 50% of the cost of any structure or facility necessary to avoid impinging on the
1522 pipeline, and the department shall pay the remainder of the cost of the structure or facility; and

1523 (ii) the department shall pay the remainder of the cost.

1524 (d) This Subsection (3) does not affect the provisions of Subsection 72-7-108(5).

1525 (4) If a utility is relocated, the utility company owning or operating the utility, its
1526 successors or assigns, may maintain and operate the utility, with the necessary appurtenances,
1527 in the new location.

1528 (5) In accordance with this section, the cost of relocating a utility in connection with
1529 any project on a highway or public transit facility is a cost of highway or public transit facility
1530 construction.

1531 (6) (a) The department shall notify affected utility companies, in accordance with
1532 Section 54-3-29, whenever the relocation of utilities is likely to be necessary because of a
1533 reconstruction project.

1534 (b) The notification shall be made during the preliminary design of the project or as
1535 soon as practical in order to minimize the number, costs, and delays of utility relocations.

1536 (c) A utility company notified under this Subsection (6) shall coordinate and cooperate
1537 with the department and the department's contractor on the utility relocations, including the
1538 scheduling of the utility relocations.